

CARDINAL NEWMAN COLLEGE

BOARD OF GOVERNORS

A meeting of the Governing Body was held at **4.00 p.m.** on **Wednesday 7 December 2016** in the **Conference Room** at the **College**.

Members present:

Richard Ainscough, Chair
Len Hampson
Charu Ainscough
Nick Burnham, Principal
John Calvert
Emily Diffin
Peter Halpin
Adrian Metcalf
Bill Noblet
Peter Towers
Andrew Wygladala

Officers in attendance:

Bob Deed, Clerk
Justine Barlow, Vice Principal
Katie O'Reilly, Director of Corporate Resources
Paul Vaughan, Deputy Principal

MINUTES

1 Opening prayer

The meeting commenced with a prayer.

2 Welcome, introductions and apologies

Apologies were received from Matthew Ainge, Penny Dineen, Bob Eastwood, James Keen, Sue Richmond and Helen Seechurn.

The Clerk updated the Governing Body on the appointment of Father Philip Smith. The papers of appointment had not yet been received from the Diocese.

The Chair welcomed Emily Diffin from the Student Union to the meeting.

3 Declarations of interest

There were no declarations of interest.

4 Minutes of the last meeting

The minutes of the meeting held on Wednesday 21 September 2016 were accepted as a correct record.

5 Matters arising from the minutes

The Principal informed the Governing Body that feedback had not yet been received back from the College's "critical friend", Rhys Evans.

6 RE and Chaplaincy Report

The Principal introduced the RE and Chaplaincy Report which detailed recent activities including Newman Day.

The Senior Clerical Representative noted that the College's chaplain was leaving Preston. The Principal noted that Father John Miller would be joining the College in the new year.

The Governing Body recorded its thanks to Father Darren Carden.

The Governing Body noted that the College's Carol concert was on Sunday 18 December with Lady's High School.

7 Governance

The Clerk explained the rationale for the introduction of the Other Information pack alongside the pack of Board Papers. These supplementary papers included items which might have previously been included in the main pack as appendices or which would have already been considered in detail and recommended for approval by committees.

The Clerk outlined the documents which had been prepared following the governance review and considered by the Governance & Search Committee at its recent meeting. He also noted the Student Union's nomination of Emily Diffin following the resignation of Connor Dwyer.

A Governor raised a query whether quoracy was made more difficult by the relatively small membership of the Audit Committee. The Chair observed that it was intended that Father Philip Smith would be joining the Committee once his appointment had been confirmed.

The Chair noted that there are other committees not listed. The Clerk confirmed that this will be dealt with at the next meeting of the Governance and Search Committee.

The Governing Body resolved to:

- **Confirm the appointment of Emily Diffin to the Governing Body as student governor to June 2017.**
- **Approve the following documents:**
 - **Committee memberships – December 2016**
 - **Revised Committee Terms of Reference**
 - **Standing Orders**
 - **Role description – Chair of the Governing Body**
 - **Role description – Vice Chair of the Governing Body**

8 Principal's report including update on Area Based Review

The Principal outlined changes emerging in the Lancashire college sector. He noted that in the Area Review process the College's position is the least contentious as it is a growing and financially strong college. The option of academisation has been discussed with the Deputy FE Commissioner in general terms.

The Principal explained the demographic developments which were likely to generate growth for the College. He explained that the Director of Corporate Resources had been looking into funding sources including the possible applicability of Basic Need funding which was allocated by local authorities to accommodate demographic growth.

The Principal noted that the Deputy FE Commissioner had warned St Mary's Blackburn of the financial pressures borne by smaller sixth form colleges.

The Principal outlined the highlights set out in the Destinations Report which would be considered at the next meeting of the Quality, Curriculum and Staffing Committee. He noted the year-on-year rise in university destinations, including specifically Russell Group and Oxbridge destinations. He noted that there was a longer term trend with fewer young people going to university and more progressing into employment and apprenticeships. He saw a good model of where students studied at the College or Runshaw College until 18 and then went onto good quality apprenticeship or technical education.

The self-assessment outcomes were outlined by the Principal who thanked Governors for participating in the self-assessment panel. He noted the three areas with grade 3. In two of these areas the issues appeared to be related to choice of exam board and/or syllabus.

A Governor asked the Principal about the College evacuation and closure on Friday 2 December when there were concerns that there was a gas leak. The National Grid, police and fire service responded. Later in the day National Grid confirmed that it was not a gas leak. However, the source and nature of the odour could not be identified. There will be a meeting of College managers to consider how the College should best respond in the future.

9 Risk management: update report

The Clerk as Director of Corporate Resources noted that the risk register had been updated since the cycle of autumn term committees with the inclusion of the risk to High Needs Student funding.

A Governor queried that the succession risk on senior postholders and key governors listed as a single top risk when the impact of a senior manager leaving may be more significant. The Clerk as Director of Corporate Resources noted that this risk had now been divided into two risks with different scores.

10 Board assurance framework

The Chair of the Audit Committee introduced the board assurance plan which is the successor to a traditional internal audit plan. He indicated that the assurance plan was based on the risk register and reflected the view of both senior management and Audit Committee.

The Audit Committee Chair outlined the Committee's proposals. Firstly, a review of governance later in the year once the current changes had settled in. Secondly, a review of Cedar arrangements as the system grew in both organisational and commercial significance. The Principal noted that senior management had discussed the possibility of an assurance review around space utilisation although at the moment the College was accommodating numbers as a result of the accommodation and other changes.. The Student Governor did note that access to IT space and study space was at times restricted. The Principal said that closer to examinations, more classrooms would be earmarked as study space.

The Governing Body resolved to ratify the Audit Committee proposal that:

- **College governance and Cedar arrangements should be subject to assurance review in 2016/17.**
- **Further options for inclusion in the Assurance Plan would be considered following feedback from SMT review of risks associated with strategic objectives.**

11 Audit Committee Annual Report

The Chair of the Audit Committee introduced the Audit Committee Annual Report including the positive opinion on assurance, governance, risk management and control.

12 Financial statements

The Director of Corporate Resources introduced the suite of documents. The Chair asked about the College's financial health. The Director of Corporate Resources highlighted that the College's financial health was good moving to outstanding in the near future.

The Chair drew attention to the external auditor's management letter the Audit Findings Report which summarised the main issues around the draft accounts and the external audit.

The Governing Body resolved to:

- **Approve the College accounts.**
- **Note the external audit management letter.**
- **Approve the letter of management representations.**
- **Note the draft financial statements of Newman Business Limited.**

13 College finance update

The Director of Corporate Resources presented the October 2016 College Finance Report which had already been considered in detail by the Finance and Premises Committee.

[Charu Ainscough left the meeting.]

A Governor asked about the significance or otherwise of the pension provision relating to support staff given the high profile cases in the commercial world of pension liabilities impacting the viability of businesses. The Clerk as Director of Corporate Resources noted that the low bond yields seen in the aftermath of the Brexit referendum had inflated the present value of the pension liabilities in the actuaries' accounting valuation used in the year-end College accounts. This had resulted in an unexpected and unfavourable impact on both the balance sheet and the income and expenditure account. He noted that the actuaries' funding valuation had been received by the College which showed a more positive picture as low bond yields inflated only part of the College's liabilities in this valuation. Consequently, the College's cash contributions to the Local Government Pension Scheme were likely to remain relatively constant over the next three years.

The Chair highlighted the positive cash generation shown in the rolling 12 month cashflow forecast.

14 Property strategy update

The Director of Corporate Resources introduced the paper. She updated Governors on discussions with the Diocese after the paper was written. She noted that the Presbytery could not currently be used as disturbed asbestos had been found. However, this was being removed.

[Charu Ainscough returned to the meeting.]

The Principal noted that the Diocese recognised the difficulties posed by the Presbytery for the College with the limited availability of capital funding and constraints associated with public funding. A Governor asked about the practical implications for the College if the Presbytery was bought by a third party and its use changed. The Principal noted that the possible use of the Presbytery by others was restricted but did not pose serious issues for the College.

The Director of Corporate Resources outlined the Public Realm proposals which were being progressed with the local authority. These were dependent on the availability of public funds.

The Director of Corporate Resources updated governors on the potential scheme in the College grounds. She also noted how various funding streams were being explored.

15 Equality & Diversity – Action Plan 2016/17

The Principal introduced the draft Action Plan for Equality and Diversity which built on the progress in 2015/16 as reported to the last meeting of the Quality, Curriculum and Staffing Committee.

The Governing Body approved the Equality & Diversity Plan for 2016/17.

There was a discussion about the wording quoted from the Mission Statement: “We celebrate diversity amongst all our students and staff and seek to nurture the gifts of each individual through high quality teaching and learning and dedicated pastoral care”. It was suggested that “God-given gifts” would be better wording.

The Governing Body resolved to review the Mission and Values Statement at the next Governing Body and SMT Conference.

16 Staff pay awards

The Principal introduced the paper. He noted that the 1% pay rise for teaching staff from January 2016 - rather than September 2016 – was in the context of the new pay scales which had a significant transitional cost.

The Principal noted that the negotiations for nonteaching staff were on-going.

The Governing Body resolved to approve nationally agreed 1% pay rise for teaching staff from January 2016 and the nationally announced increase in the Living Wage.

[Emily Diffin left the meeting.]

17 Audit Committee minutes

The Audit Committee Chair noted that the Governing Body had earlier on the agenda dealt with key recommendations from the Committee. He also noted a typo in the draft minutes.

The Governing Body resolved to accept the Audit Committee minutes (subject to the correction noted) and agree the recommendations contained where not already adopted.

18 Finance and Premises Committee minutes

The Chair introduced the minutes.

The Governing Body resolved to accept the Finance and Premises Committee minutes and agree the recommendations contained where not already adopted.

19 Governance & Search Committee minutes

The Chair noted that the meeting was largely concerned with governance documents dealt with earlier on the Governing Body agenda. The erroneous omission of Adrian Metcalf from the list of members present was noted.

The Governing Body resolved to accept the Governance & Search Committee minutes (subject to the correction noted) and agree the recommendations contained where not already adopted.

20 Quality, Curriculum and Staffing Committee minutes

The Chair of the Quality, Curriculum and Staffing Committee stressed the value of Governors participating in the self-assessment process.

The Governing Body resolved to accept the Quality, Curriculum and Staffing Committee minutes and agree the recommendations contained where not already adopted.

21 Remuneration Committee minutes

The Chair introduced the non-confidential Remuneration Committee minutes.

The Governing Body resolved to accept the non-confidential Remuneration Committee minutes and agree the recommendations contained.

22 Determination of any items to be treated as Confidential

The Governing Body agreed on the discussion of the non-teaching staff pay rise resolution should be treated as confidential until the completion of national negotiations.

23 Date and time of the next meeting

The next ordinary meeting of the Board of Governors is scheduled to be held at 4.00 p.m. on Wednesday 22 March 2017.