

Confirmed

LEEDS COLLEGE OF ART

BOARD OF GOVERNORS OF THE HE CORPORATION

Minutes of a meeting of the Board of Governors held on 17th October 2012.

Present: Mr S Blaney, Ms J Eugene, Ms J Jones, Ms I Kemp, Mr M Lever, Ms S Wonnacott (Principal), Mr P Yendell (Chair of Governors), Mrs J Williams (Deputy Chair of Governors), Mrs C Wright

In attendance: Mrs F Bagchi (Clerk to the Corporation), Ms S Bailey (Director of Finance), Mr D Russell (Director of Academic Studies, Quality & Standards), Mr S Thorpe (Director of Academic Studies & Student Engagement)

1. **Apologies for absence.** Apologies were received from the following Corporation members: Mr S Aal, Mr C Clements, Dr S Cottrell, Mr J M Flathers, Mr I Wood.
2. **Declarations of interest.** There were no declarations of interest made at the start of the meeting.

PART I – items for decision

3. **Minutes of previous meetings.** The Board approved the minutes of the meeting of the Board of Governors held on 11th July 2012: proposed Mrs Wright, seconded Ms Kemp.
4. **Action plan update & matters arising from the minutes, not elsewhere on the agenda.** It was noted that all actions in the table attached to the above minutes had been completed, were on the agenda or had a future completion date.

In response to Governors' questions, Ms Bailey, the Director of Finance reported that the College had received 6.3 applications per place for 2012, which was the second highest rate for specialist colleges (excluding Glasgow School of Art and Regent's College). The University of the Arts had 7.5 applications per place. It was noted that the College normally averaged 6 to 7 applications per place, which meant that the introduction of higher fees for home students in 2012/13 did not appear to have significantly affected HE applications. The College had about 1,156 HE students overall.

It was noted, in response to Governors' questions, the year-end review of the Carver/minimal committee model of governance was scheduled for the June 2012 meeting of the Board.

There were no other matters arising.

PART II – items for consideration and monitoring

5. **Chief Executive's report.** The Principal presented the Chief Executive's report, including the non-financial key performance indicators (KPIs), noting that areas for particular consideration at the October 2012 meeting included: HE & FE application to places ratio for 2012/13; 2011/12 FE success rates for long courses; HE National Student Survey (NSS) results. Governors congratulated the

College on the new format for reporting against the College's KPIs, which reported against the College's strategic aims, was Red-Amber-Green (RAG) rated, included prior-year College data and appropriate national benchmarks. The Board received the report, discussing the areas noted below in detail.

Further Education (FE): success rates

The report on long-course retention, achievement and success (i.e. retention x achievement) rates for FE long courses in 2011/12 was considered, together with the comparative College information for 2009/10 and 2010/11 and the FE Specialist Colleges' national average. With reference to the national average, it was noted that, while the College as an HEI was no longer included in this data, it remained the best comparator for size and type of FE provision. As Ofsted had decided not to include the rates for Functional Skills in their main tables for 2011/12, this had also been excluded from the data presented to Governors.

With reference to Governors' questions it was noted that the success rate for Level 1 was shown as 0% for 2011/12 as the College was no longer recruiting to this course.

It was noted that overall success rates for both 16-18 and 19+ showed a 3-year rising trend at all levels and were above specialist college averages in all cases. In the main, this related to increases in retention, in part due to an increase in the number of qualifications being studied over 1 year. While congratulating the College on the outcome against the FE specialist college average benchmark and noting that the specialist College benchmark was itself higher than the benchmark for all colleges and was the only available national convention for reporting against length and level of FE course, Governors also noted the importance of setting targets in FE and more generally above the national average, where appropriate.

Higher Education (HE): National Student Survey (NSS) 2011/12

Governors noted and congratulated the College on the overall NSS student satisfaction score, which placed the College among the top performing specialist art institutions. The College's overall satisfaction score was 87%, with overall results showing a 3-year rising trend. It was noted that the tables included in the CEO's report benchmarked overall satisfaction amongst both local HEIs as well as other specialist institutions. Tables produced by the HE Funding Council for England (HEFCE) showed that the College was well above the average for similar programmes. Governors noted that the University of Leeds and the Open University had achieved overall satisfaction rates of 87% and 93% respectively, noting that the latter was one of a group of under a dozen HEIs achieving similar of better scores.

Governors noted that most College programmes had improved or maintained their previous NSS scores but that Fine Art and Creative Advertising had shown a fall against a previously rising trend. It was noted, in response to Governors' questions that actions were being considered by both programmes as part of Programme Evaluations. The College was aware of some issues which might have affected results in some cases (e.g. sickness absence) and were confident that action could be taken to improve results for 2012/13.

Governors discussed actions that it was understood had been taken by some HEIs in advance of students completing the NSS e.g. reminding students of what they had experienced during their course. It was noted that the College did not

favour such an approach but did ensure that students understood the terminology used in the NSS e.g. that they understood what was meant by feedback. In response to Governors' questions on what action the College would take should the College's overall NSS satisfaction score fall below that of comparable institutions, it was noted that the College took NSS results seriously and would always ensure that any issues raised were addressed in a timely manner in order to avoid such an outcome.

HE enrolment

In response to Governors' questions, it was noted that data on HE enrolment would be included in the CEO's November 2012 report, noting also that the final total was currently expected to be only slightly below target, in contrast to a number of other HEIs which had taken up HEFCE's AAB core-&-margin option and were understood to have under-recruited, in some cases, by a significant margin.

The applications to places ratio in HE and FE remained strong and were both above target.

HESA returns and Agresso student records project

Governors congratulated the College on the first stages of the successful implementation of the Agresso student records system, which had been used for all enrolments, to produce the initial student return and the College's first staff record returns for the Higher Education Statistics Agency (HESA).

HE: Key Information Sets (KIS)

It was noted that KIS information was already available on the new Unistats website and would be on HEIs' own websites from 31st October 2012. Its stated aim was to provide information which would help students to make choices about which course to study. Information in the KIS included: NSS measures of student satisfaction; information from the Destination of Leavers from Higher Education (DLHE) survey undertaken 6 months after students graduated; information from HEIs e.g. on student accommodation costs.

Governors noted that KIS information was inaccurate in some places due to the way in which it was compiled from external statistics and aggregated e.g. the College's accommodation costs looked higher due to the fact that the KIS arranged results in quartiles. The only remedy open to HEIs was to ensure that correct information was provided on their own websites and at Open Days

In response to Governors' questions, it was noted that the DHLE student employability results included in the College's KPI report had fallen to 87.3% in 2010/11 from 93% in 2009/10. This appeared to reflect the adverse economic environment generally and might also reflect the fact that the survey was undertaken 6 months after graduation and graduates could take up to 2 years to find graduate employment in the creative industries. The survey had also been undertaken for the College by a polling organisation which might have affected the response rate, as it was known that some graduates had refused to speak to them. In common with other HEIs, the College would undertake the survey in-house from January 2013 and it was hoped that this would improve the response rate.

Governors discussed the importance of employability in future applicants' choice of course and the importance of benchmarking against peer institutions. Actions being taken by the College to improve graduate employability e.g. the provision of

specialist modules on professional practice in years 1-3 at levels 4-6, the use of live briefs provided by professional companies, working in partnership with local companies, information on how industry works, key speakers to help with networking. In 2012/13, in addition to provision in core modules, the College was also planning to bring in external speakers, as part of enrichment, to talk about career trajectories. As many graduates would have freelance careers, the College also provided short courses for new graduates which dealt with practical business matters e.g. preparing business plans, dealing with tax and VAT registration. In addition, the College had established an incubation unit with space for 4 graduates. Two graduates had occupied the unit in 2011/12 and had now left it, having established a thriving graphic design business. The possibility of expanding the incubation unit scheme, if appropriate, would be kept under review. East Street Arts in Leeds was also able to help engage with Fine Art students.

In response to Governors' questions, it was noted that the College engaged with alumni in a number of ways at course level (e.g. through enrichment, as visiting tutors, in relation to placements and mentoring) but had not done so in relation to sponsorship of projects such as incubation units, for example. It was noted that the College would be advertising for an Alumni Officer shortly. Showcasing of alumni on the College website could also be improved.

The availability of employment locally for graduates was discussed, noting that research undertaken by the University of Sheffield suggested that this was lower in the North of England than in London. It was noted in discussion that graduate retention in Leeds was not high generally and that in Printed Textiles, for example, graduates would be more likely to find work in London. The College did, however, work with local firms, where possible, with a relevant collaboration currently at the planning stage for 2013.

Staff matters

In response to Governors' questions concerning the 2012 pay award, it was noted that the Joint Negotiating Committee for HE Staff had concluded with a final offer of 1% on all pay points. Trade unions had balloted their members, with a mixed response. The University & College Union (UCU) and Unison members had not voted for strike action. The Principal would be attending a UCEA meeting in December 2013.

Governors noted actions being taken by the College to ensure continuing effective leadership of the Foundation Diploma, following unforeseen staff absence in this area. Following the retirement of joint Programme Leaders of BA Printed Textiles, Paul Sunter and Julie Bland, Duncan Harrison had been appointed as the new Programme Leader, having previously worked as Year Tutor.

In response to members' questions concerning the results in the KPI report which showed that 35% of staff appraisals had been completed in 2010/11 following the introduction of a new appraisal system. It was noted that the target for 2011/12 was 100% and a report on completion of appraisals would be presented to the March 2013 meeting of the Board of Governors.

ACTION: HR Manager

It was noted that the voluntary staff turnover figure for 2011/12 was 8% but that the overall staff turnover figure for 2011/12 was 20%, including non-voluntary severance as a result of restructuring. In response to Governors' questions

concerning the impact on staff-student ratio and the student experience, it was noted that there would be no effect where courses had been removed from the curriculum e.g. community courses. There had, in fact, been an increase in HE staff but there were fewer staff in FE, as a result of funding changes which had necessitated restructuring. Benchmarking showed that the College's contact hours, nevertheless, remained higher than those of peer organisations. The fact that HEIs with lower contact hours still received high overall NSS satisfaction scores and the need to keep contact hours under review, given possible future funding constraints, were noted.

6. Financial matters: management accounts. The Director of Finance presented the management accounts and financial KPIs for the 12 months to 31st July 2012.

Governors considered the accounts, noting that the unaudited operating surplus for 2011/12 was £1.2million including Financial Reporting Standard (FRS) 17 adjustments, which was favourable to budget by £1.1million and favourable to forecast by £262,000. The result was, however, adverse to prior year by £342,000 due to reduced income of £284,000, resulting from a fall in publicly funded FE and HE grant income of £464,000, which had been offset by increased HE fees (£177,000). It was noted in response to Governors' questions that management accounts to 30th September 2012 were currently being finalised.

7. Documents from HEFCE: annual assessment of risk. Governors received HEFCE's letter of 20th September 2012 recording its annual assessment of institutional risk for Leeds College of Art based on the College's accountability returns for 2010/12, noting that its status was "not at higher risk", which was a positive assessment. In response to Governors' questions, it was noted that HEFCE's risk assessments were confidential but it was understood that few HEIs would be classified as being in the alternative category of "at higher risk".

Governors also noted the table of KPIs attached to HEFCE's assessment, which benchmarked the College against other HEIs with reference to the following areas: historical cost surplus/deficit as a percentage of total income; net liquidity (total expenditure – depreciation)(days); external borrowing (on balance sheet) as percentage of total income; discretionary reserves (excluding pension asset/liability) as percentage of total income; net cashflow as percentage of total income; staff costs as percentage of total income ; estates - percentage of estate classified as category C & D in 2009/10 and 2010/11. It was noted that whether it was more or less favourable to be in a lower or higher quartile in the table varied according to the area considered. Governors noted that, while the College's staff costs as a percentage of total income had been below the sector mean in 2009/10 and 2010/11 and were forecast to be just above the sector mean in 2011/12 (i.e. 53.4% against a sector mean of 53.2%), they were forecast to increase to 53.9% in 2014/15 against a forecast sector mean of 53.0%.

8. Compliance report for 2011/12 against the Code of Governance & Statement of Primary Responsibilities. Governors considered a report for 2011/12 from the Clerk against the Code and Statement applicable to HEIs, agreeing the following amendments:

- the red (non-compliant) symbols at B1 and B3 should be Amber (partly compliant) to reflect the fact that 2011/12 had been the College's first years as an HEI and that the relevant actions were therefore ongoing
- the Amber symbol at C1 should be Green (compliant), taking into account relevant welfare policies, including the College's single equality scheme and safeguarding policy, and the fact that the Board had a designated

Governor with responsibility for safeguarding.

ACTION: Clerk

It was noted that refresher training was required for the Governor with responsibility for safeguarding.

ACTION: HR Manager

It was noted with reference to the Academic Board's 5-yearly review of its own effectiveness and that of its committees (considered at B1 in the table) that as the College's degrees were currently awarded by the Open University (OU), Academic Board processes were reviewed by the OU. This would no longer be the case if the College were to successfully apply for Taught Degree Awarding Powers (TDAP) and Academic Board processes would therefore be considered as part of the College's TDAP application. It was agreed that a report on how the Academic Board would conduct such a review should be made to the January 2013 meeting of the Board of Governors.

ACTION: DR/Clerk

It was noted that the Clerk was intending to discuss with other relevant HEIs practice in relation to relationship with and reporting to the Board of Governors by the Academic Board.

ACTION: Clerk

The Board of Governors approved the table produced by the Clerk amended as noted above: proposed Ms Kemp, seconded Mrs Williams.

Governors noted that the Code required the results of effectiveness reviews, as well as of the institution's annual performance against key performance indicators (KPIs), to be published widely, including on the internet and in its annual report. It was agreed, in the interests of transparency, that the amended table should be published on the College's website.

ACTION: Clerk

Actions for 2012/13 arising from review of the Code and Statement would be regularly reviewed.

ACTION: Clerk

PART III – items for decision

9. **Recommendations from the Search & Nominations Committee (SNC) on: the composition of the Board of Governors; electoral procedure for Staff Governor; SNC terms of reference.** The Chair of the Search & Nominations Committee (SNC) Mr Blaney presented recommendations from the SNC on procedural and membership matters.

Governors approved updating amendments to the SNC's terms of reference, including delegation to the Committee of the power to approve changes to Governor search and nomination policies and procedures. The following additional amendment was also approved: removal of the duplicate reference to "each time": proposed Mr Yendell, seconded Mrs Wright.

ACTION: Clerk

It was noted that, under section 6 of the Articles of Government, the quorum for meetings of the Board of Governors was a third of the total number of members,

with Independent Governors forming the majority. It was therefore advisable that the majority of members should be Independent Governors. It was also noted that the vacancy for a Co-opted Governor with experience in the provision of education had been filled with the appointment of Dr Cottrell at the Board's June 2012 meeting.

Governors approved a recommendation to amend the approved composition of the Board of Governors to increase the number of Independent Governors from 10 to 11, and, to re-appoint Mr Wood, who was currently a Co-opted Governor, in the Independent Governor category, subject to his being willing to resign from the Co-opted category and accept appointment in the Independent Governor category: proposed Ms Eugene, seconded Mrs Williams

ACTION: Clerk/IW

Mr Blaney reported that the SNC meeting held earlier on 17th October, 2012 had considered procedural requirements for the forthcoming Staff Governor election and were recommending that the Board's Standing Orders should be amended to state that 2 rather than 6 proposers were required for a nomination for Staff Governor, in line with general college practice and the Board's own practice in relation to the election of the Chair and Deputy Chair of the Board.

Governors agreed that the Board's Standing Orders should be amended to state that 2 rather than 6 proposers were required for a nomination for Staff Governor: proposed Mrs Wright, seconded Ms Kemp.

ACTION: Clerk

10. **Freedom of Information (FOI) policy/guidance notes.** Governors considered a report from the Clerk on the handling of Freedom of Information (FOI) requests, noting FOI fell within the Board of Governors' area of responsibility. Information on FOI matters was included on the Governance section of the College website and the Clerk to the Corporation dealt with FOI requests. There was therefore a risk that requests might not be dealt with within the required timescale of 20 working days should the Clerk be unavailable for an extended period. Draft guidance notes had been produced and were intended primarily as a brief guide for staff members who might have to take on this role should the Clerk be unavailable. It also provided links to relevant legislation and more detailed guidance available on the websites of the Information Commissioner's Office (ICO) and the Ministry of Justice.

Governors approved the FOI guidance notes with the following amendment: the Director of Finance should be shown as designated staff member with responsibility for FOI requests in the absence of the Clerk to the Corporation: proposed Mr Yendell, seconded Mrs Williams

ACTION: Clerk

It was agreed that the approved FOI guidance noted should be made available on the FOI section of the College website in the interests of transparency i.e. to provide those making requests with information on how their request would be handled.

ACTION: Clerk

PART IV – items for information

- 11 **Strategic Plan 2012-17.** Governors received, for information, the final formatted version of the Strategic Plan approved at the July 2012 Board of Governors'

meeting. Governors commended the appearance of the Plan and noted that the KPIs underpinning it were appropriately SMART (Specific, Measurable, Attainable, Relevant and Timely). Outcomes against objectives would be closely monitored by the Board of Governors over the life of the Plan.

12. Committee minutes & reports. The minutes and reports noted below were received.

12.1 Audit Committee. In the absence of the Audit Committee Chair, Mr Clements, Mr Blaney, an Audit Committee member, presented the unconfirmed Audit Committee minutes of 11th July 2012.

It was noted that the Committee had:

- received a progress report on the Agresso student records system project and noted that it was on track;
- considered reports arising from the 2011/12 internal audit;
- agreed to recommend to the Board of Governors' July 2012 meeting the approval of the external audit strategy and planning memorandum for the audit for the year ending 31st July 2012, noting that Governors had subsequently approved the plan.

12.2 Search & Nominations Committee. Mr Blaney, the Chair of the Search & Nominations Committee, gave a verbal report on the meeting held earlier on 17th October 2012.

It was noted that the Committee had:

- considered Governor attendance in 2011/12, agreeing that Mr Blaney would speak individually to a small number of Governors whose attendance had been below the approved target of 80%;
- considered the Audit of Skills table, noting that the Board currently had a good balance of skills, and agreed the inclusion of experience of government at local/national level as a category in the Board's skills audit form;
- noted the ending of 4 Governor terms of office during 2013 and that the Board's policy was that Governors normally served 2 terms of 4 years;
- agreed, with reference to Governor training, a target for 2012/13 of attendance by 3 Governors on external courses, with a view to best practice being shared with the Board

It was noted that details of the leadership Foundation for HE (LFHE) Governor Development programme 2012/13 had been placed on the Corporation section of e-Studio.

13. College minutes. The College minutes noted below were received.

13.1 Academic Board. The Board of Governors received the minutes of the Academic Board meeting held on 4th July 2012.

It was noted, in response to Governors' questions, that:

- an innovative post-graduation fellowship scheme had been successfully piloted by BA (Hons) Printed Textiles & Surface Pattern Design and had given a small number of recent graduates the opportunity to continue to use the College's facilities in return for mentoring activities with current students;

- the scheme had been approved by the July 2012 meeting of the Academic Board for use by all HE programmes;
- A number of fellowships were currently in place i.e. 3 in Visual Communications, 1 in Art & Design, 1 in Printed Textiles, 1 in Furniture;
- the Academic Board minutes noted the development of terms and conditions for the fellowship scheme e.g. to make it clear that it was not an internship.

13.2 HE Committee. The Board of Governors received the minutes of the HE Committee meetings held on 27th June 2012 and 11th September 2012.

It was noted in response to Governors' questions that:

- a simplified system of paired peer review was being implemented in HE, in which HE courses were paired together;
- peer reviewers would make recommendations on training and the sharing of good practice;
- the system was different from the FE system of graded observations and was considered to be better suited to HE.

14. 14.3 Equality & Diversity Committee. The minutes of the meeting held on 16.5.12 were received.

15. Governors' self-assessment questionnaire. The Clerk reported that 14 Governors had completed the questionnaire and that an analysis of the results would be presented to the November 2012 meeting of the Board.

16. Any Other Business. The items noted below were considered.

15.1 Overseas student fees. In response to Governors' questions it was noted that fees for overseas students were £9,250, were reviewed annually and that fees for 2013/14 would be presented to the January 2013 meeting of the Board for approval.

ACTION: Director of Finance/Clerk

15.2 Governor training. The Chair of Governors, Mr Yendell, reported that the training session organised by the Clerk in September 2012 had been well received and had given Governors the opportunity to discuss governance issues generally. It was therefore proposed that an additional training session, with an external speaker, should be organised for 19th December 2012 at 5.30pm, followed by a social event. Governors were asked to contact the Principal's PA to let her know whether they would be available on that date.

Mr Yendell reported that it was proposed that an external speaker should also undertake the training session scheduled for 27th February at 6.00pm.

17. Risk Management. It was noted that no new items of risk had been identified at the meeting.

18. Date of next meeting. It was noted that the Board of Governors was next scheduled to meet on: Wednesday 28th November 2012 at 6.00pm.

Confirmed

LEEDS COLLEGE OF ART

BOARD OF GOVERNORS OF THE HIGHER EDUCATION (HE) CORPORATION

Minutes of a meeting of the Board of Governors held on 28th November 2012.

Present: Mr S Aal, Mr S Blaney, Mr C Clements, Dr S Cottrell, Mr J M Flathers, Mr T Hoare, Ms J Jones, Ms I Kemp, Mr M Lever, Ms S Wonnacott (Principal), Mr P Yendell (Chair of Governors), Mrs J Williams (Deputy Chair of Governors), Mr I Wood, Mrs C Wright

In attendance: Mrs F Bagchi (Clerk to the Corporation), Ms S Bailey (Director of Finance)

In the absence of the Clerk, Mrs Bagchi, from the first part of the meeting, minutes were taken by the Director of Finance, Ms Bailey

1. **Apologies for absence.** Apologies were received from Ms J Eugene, a Board member.
2. **Declarations of interest.** There were no declarations of interest made at the start of the meeting.

PART I – items for decision

3. **Membership matters.** The Board considered the following appointments/re-appointments to the Board of Governors:
 - Tom Hoare, Student Union President: appointment as a Student Governor with the appointment to terminate on the expiry of his current term of office as Students' Union President or on his leaving the College, whichever was the sooner.
 - Ian Wood, Co-opted Governor: resignation as a Co-opted Governor and re-appointment as an Independent Governor with the appointment to terminate on 6th February 2016 i.e. on the same date that Mr Wood's current appointment as a Co-opted Governor would terminate.

The above appointments were approved: proposed Mr Lever, seconded Mrs Williams.

The Chair of Governors, Mr Yendell, welcomed Mr Hoare to his first Board of Governors' meeting.

It was noted in discussion that under section 6 of the Articles of Government the quorum for meetings of the Board of Governors was a third of the total number of members, with Independent Governors forming the majority. In response to a question concerning how a quorum was determined where there were an odd number of Governors present, it was agreed that the advice of the Clerk should be sought.

ACTION: Clerk

4. **Minutes of previous meeting.** The Board approved the minutes of the meeting of the Board of Governors held on 17th October 2012: proposed Ms Kemp, seconded Mrs Wright.
5. **Action plan update & matters arising from the minutes, not elsewhere on**

the agenda. It was noted that all actions in the table attached to the above minutes had been completed, were on the agenda or had a future completion date.

It was noted that the Status column was left blank in the action table where the Action column showed a future completion date and agreed that this information should also be shown in the Status column in future. It was agreed that where an action had been carried forward, this should also be indicated in the action table.

ACTION: Clerk

There were no other matters arising.

PART II – items for consideration and monitoring

6. **Chief Executive's report.** The Principal presented the Chief Executive's report, including reports on enrolment for HE and further education (FE), which noted that the former was 1 short of target and the latter had exceeded its target for 2012/13.

Governors received the CEO's report, discussing the following non-financial key performance indicators (KPIs) in detail.

Aim 1, Measure 1: HE Student Satisfaction - Achieve at least a score of 4 for National Student Survey (NSS) Question 22 (overall satisfaction). The 2011/12 metric was 4.3 against a benchmark of 4, which had resulted in a Red-Amber-Green (RAG) rating of Green. The commentary to the KPI table noted that student satisfaction overall was very good compared to other specialist institutions but that there were a small number of courses that were not achieving the target of 4 i.e. Fashion, Fine Art, Art and Design and Creative Advertising. In response to Governors' questions about how often this metric was reviewed where the outcome was less than 4, it was noted that the NSS survey was undertaken annually and meetings were held with programme teams annually to discuss actions arising from the results.

Aim 4, Measure 12: Have a total cohort of 50 international students by 2017. The Director of Finance reported that the 2011/12 outcome was 8 compared to 9 in the previous year, resulting in a RAG rating of Red.

Aim 5, Measure 14: Staff turnover - To ensure staff turnover was lower than benchmark of 13.1%. It was noted that the voluntary staff turnover figure for 2011/12 was 8% against 16% in 2010/11. Including non-voluntary severance the figure was 20.5%.

Aim 5, Measure 15: Absenteeism. It was noted that the outcome for 2011/12 was 2.57% (including long-term sickness absence) compared to 2.13% in 2010/11 and a benchmark of 3.9%. Both Aims 14 and 15 were RAG-rated Green. It was noted in response to Governors' questions that both metrics were reviewed on a regular basis by the College's Human Resources (HR) department and the senior management team (SMT).

Aim 6, Measure 17: Widening Participation – Measuring the percentage of entrants to HE from widening participation (WP) postcodes. The outcome for 2010/11 was 19% against 21.0% in 2009/10 and a benchmark of 25%. Governors' noted that this had been RAG rated Amber, agreeing that the gap between the actual outcome for 2010/11 and the benchmark indicated a Red risk

and that Director of Finance should therefore update the table accordingly.
ACTION: Ms Bailey

7. Financial matters: management accounts. The Clerk to the Corporation, Mrs Bagchi, joined the meeting during this item.

The Director of Finance presented the management accounts and financial KPIs for the period ending 31st October 2012, including a review of financial KPIs. The commentary to the accounts noted that they had been reformatted to present information in the categories used by the Higher Education Funding Council for England HEFCE for collating information via the Financial Statistics Return.

Governors considered the accounts, noting that they recorded an operating surplus for the first three months of the financial year of £654,420 which was £118,460 ahead of budget. This was mainly due to the timing of expenditure and a small favourable variance on income. In response to Governors' questions concerning the adverse variance in relation to HE exam fees, it was noted that HE exam costs were higher than budgeted due to changes in the Open University (OU) invoicing structure. Historically the College had been charged for OU validation events and institutional reviews at the time the work had been undertaken but the OU had recently changed their invoicing structure and now spread the costs of such events over 5 years, which had given rise to a full year adverse variance. They have also raised the invoice earlier in the year (i.e. October rather than February). The actual variance was £8,000.

Governors noted, with reference to the balance sheet report that the net bank balance of £8.1 million was £1.1million higher than budget, mainly as a result of the purchase of the greater part of new IT and photography equipment being undertaken in June 2013, and to lower creditor payments. It was noted that the high cash balance was relevant to the proposal that the 2012/13 capital budget should be increased to permit building work to be undertaken in 2012/13.

Capital budget. The Director of Finance reported that the College had leased 1 Blenheim Court since 1993 but that the current lease would come to an end in June 2013. The building housed the BA (Hons) Interior Design programme which would end in June 2014. Negotiations have been ongoing with the landlords to extend the current lease to ensure that the students could be accommodated in the building until the end of the course. Space also needed to be found for the new Illustration course, a new Animation course and an increased cohort on Fine Art, which would be diagnostic in the first semester and then divided into 4 strands. The ending of the Furniture course would also allow for some reconfiguration of workshop space. The College had therefore been working with an architect to assess the feasibility of expanding the existing Blenheim Walk building e.g. by building over a third of the courtyard and building a minimum 3 storey building, considering the possibility of building on the single storey Interdisciplinary programme building, and linking new buildings to other buildings using walkways. The proposed building work would enable the College's HE courses to be accommodated in one building.

Although architectural plans and quantity surveyors estimates were at a preliminary stage, provisional estimates indicated the overall cost to be in the region of £750,000 (including VAT). The current capital budget for 2012/13 did not include provision for these costs given the status of development of the new programmes at the time the budget was approved. Any increase in the capital budget required approval from the Board of Governors under the College's

Financial Regulations.

In response to Governors' questions concerning whether the proposal would be sufficient for the College's long-term needs, it was noted that the proposal took account of the College's needs in the short and medium term, allowing space for new courses and the proposed increase in the number of international students. It was unlikely that controls on home student numbers would be relaxed during this period and the College's accommodation needs could be re-visited should government policy in this area change in the longer term.

It was proposed that building work should commence in 2012/13 and anticipated that costs would fall into the 2012/13 and 2013/14 financial years. As plans were, however, at an early stage, expenditure could not be profiled. The College was therefore seeking approval from the Board of Governors to increase the 2012/13 capital budget by £750,000 (i.e. the full estimated cost of the project) in order to ensure a suitable budget was available at the start of the process. As noted above the College had sufficient cash balances to fund the development and from September 2014 would save the rent on 1 Blenheim Court of around £81,000 p.a. A full tender process for procurement of the building works would be undertaken in line with the College's Financial Regulations

Governors noted that the proposed increase in capital budget had not been included in the revised financial forecasts to be considered later on the agenda for approval and submission to HEFCE. The Director of Finance reported that this was because the increased capital budget had not been considered for approval when the revised financial forecasts had been produced. It was noted, with reference to the revised financial forecast, that HEFCE was principally concerned with changes in the budget income line relating to student recruitment and that the proposed increase in capital budget, if approved, would have no impact on income for 2012/13 although it would have an impact on the balance sheet. HEFCE had been informed of capital expenditure and building works in June 2012 and the College had regular meetings with HEFCE staff at which they would keep them updated.

In response to Governors' questions concerning plans to enhance the student experience, it was noted that the College management met with programme leaders to discuss student expectations and that there would be workshop refurbishments within the next 2 years.

The Board of Governors approved an increase in the capital budget for 2012/13 of £750,000: proposed Mr Flathers, seconded Mr Lever

8. **Annual Monitoring Statement (AMS).** The Board considered a copy of the College's completed Annual Monitoring Statement (AMS) which monitored the use of HEFCE special initiative funding outside HEFCE's main teaching and research funding allocation. HEFCE's Interim Assurance Report (June 2012) had noted that the completed AMS should be reviewed by the Board of Governors before submission to HEFCE. It was noted that this was the first year that the College had been required to complete an AMS and that the question on the impact of fees and funding changes on recruitment was new for all HE institutions (HEIs) in 2012.

Governors noted in discussion that a lack of discernible pattern in relation to HE recruitment arising from funding reform was common across the HE sector although insurance offers (i.e. HE applicants' final HEI of choice) now appeared

less significant. It was noted that any relevant issues arising would be reviewed by Mr Thorpe, Director of Academic Studies & Student Engagement, when reviewing HE target numbers for 2013.

The Board of Governors reviewed the College's completed AMS for 2011/12 and noted that it would be submitted to HEFCE.

PART V – items for information

- 18. Committee minutes & reports – Part I.** It was agreed that the Chair of Audit Committee, Mr Clements, should present the Audit Committee minutes of 21st November 2012 (item 18.2) at this point on the agenda i.e. before the Audit Committee annual report and the Audit Committee's recommendation on approval of the College's members' Report and Annual Financial Statements for the y.e. 31.7.12.

18.2 Audit Committee. The Chair of the Audit Committee, Mr Clements, presented the unconfirmed minutes of the meeting held on 21st November 2012, which were received.

Mr Clements reported that the Committee had received a verbal update from the Agresso student records system Project Manager, who had confirmed that the project was seven-tenths complete and that implementation had gone well to date. The FE Individualised Student Record (ILR) and Higher Education Statistics Agency (HESA) statistical returns had been submitted on schedule and the HESSES return was on track to be submitted by 11th December 2012, which was important evidence for the Committee's opinion on the College's management and quality assurance of data submitted to funding bodies. On the financial side, the College had made the decision to continue using its current systems (e.g. Corero) but to adopt the Agresso sales ledger module. There had been some problems with functionality which was currently being addressed by a manual work-around, with a fix expected to be in place by January 2013.

The Committee had considered the external auditors' management letter, noting the positive audit opinion, a stable and consistent financial performance year-on-year, and discussed with the external auditors the College's surplus and pension deficit. The internal audit report for 2011/12 was considered, noting the internal auditors' positive opinion on the adequacy and effectiveness of the College's arrangements for governance, risk management, control, economy, efficiency and effectiveness. The Committee had discussed the appropriate timing of internal audit reviews in the proposed internal audit strategy. The College's risk register had been discussed, with changes in government funding policy remaining a key risk.

The Committee's recommendations on the Annual Assurance Return to HEFCE, Members' Report and Financial Statements for the y.e. 31.7.12, the letter of representation to the external auditors and the internal audit plan were on the agenda.

The Board returned to item 9 on the agenda.

PART III – items for acceptance & approval

- 9. Annual assurance return to HEFCE.** Governors noted that HEIs were required to submit an Annual Assurance Return (Annex E to HEFCE's Financial

Memorandum) to HEFCE to confirm that the College had met its obligations under the Financial Memorandum. The return also confirmed that the College was complying with its duties as a charity and thus enabled HEFCE to fulfil its responsibility as the College's principal regulator.

It was noted that the draft Annual Assurance Return for 2011/12 recorded full compliance and no material adverse changes requiring notification to HEFCE i.e. confirmation that the data and annual accountability returns already submitted or to be submitted to HEFCE by 3.12.12 conformed to the requirements of the Financial Memorandum and published guidance; data had been subject to effective oversight and management review; quality assurance had been provided to the Audit Committee, allowing it in turn to provide assurance to the Board of Governors and the Principal as Accountable Officer; in all material respects, the College has conducted its affairs during 2011/12 in accordance with its status as a charity.

The Board of Governors approved the Annual Assurance Return to HEFCE, on the recommendation of the Audit Committee, for signing by the Principal and submission to HEFCE: proposed Mrs Williams seconded Mrs Wright.

- 10. Audit Committee annual report including internal audit report, external audit management letter and College risk register.** Mr Clements, as Chair of the Audit Committee, presented the Audit Committee's annual report for 2011/12 including the following appendices: the internal audit report, the external audit management letter and the College's risk register. It was noted that Mr Clements had commented on the external audit management letter for the y.e. 31.7.12, the internal audit report 2011/12 and the management and assurance of data quality at item 18.2 above.

The Audit Committee's opinion as reported in its annual report for 2011/12 was that "On the basis of the information presented to it, the Audit Committee is satisfied that reliance can be placed upon the adequacy and effectiveness of the College's systems of internal control and its arrangements for:

- risk management, control and governance,
- promoting economy, efficiency and effectiveness (value for money)'
- the management and quality assurance of data submitted to the Higher Education Statistics Agency, HEFCE and other funding bodies.

The Committee considers that the Corporation's responsibilities, included in the annual financial statements, have been satisfactorily, discharged".

Governors discussed in detail, with reference to the external management letter, the increase in the College's share of the West Yorkshire Pension Fund (WYPF) pension liability, which was the pension scheme applying to support staff. It was noted that the net Financial Reporting Standard (FRS) 17 pension liability had increased by £1.2 million in 2011/12 compared to 2010/11, largely as a result of actuarial losses on the liabilities due to the discount rate. The external auditors had reviewed the actuarial assumptions, consulting with their pension team, and concluded that overall the assumptions adopted fell largely within an acceptable range. As the WYPF was part of the local government pension scheme (LGPS), the College had limited options for reducing the deficit other than increasing payments e.g. it did not have the option of restricting or ending membership

entitlement, which was an option open to institutions which owned their own pension schemes. The FRS 17 reporting requirement did not currently apply to the Teachers' Pension Scheme (TPS), which was an unfunded defined benefit contribution scheme.

Governors discussed the College's risk register in detail, discussing in particular the appropriateness of the Amber rating before controls of Risk 7, which included Health and Safety, and whether Risk 22 (Reputation and Strategic) should include a reference to standards. It was noted that scores shown in the register related to gross risks i.e. before the application of mitigating controls. It was agreed that the Director of Finance should review the possibility of also showing net risk (i.e. risk after mitigating controls) taking into account examples of how this was shown in the risk registers of other institutions. The revised register should be presented to the Audit Committee for review.

ACTION: Director of Finance

The Board of Governors considered the Audit Committee's Annual Report 2011/12, including the appendices, for acceptance and submission to HEFCE: proposed Ms Jones, seconded Mr Lever.

- 11. External audit letter of representation.** Mr Clements reported that the Audit Committee was recommending approval and signing of the letter of representation to the external auditors, giving confirmation that appropriate disclosures had been made.

The Board of Governors approved the signing of the letter of representation to the external auditors: proposed Mr Flathers, seconded Ms Jones

- 12. Members' report & annual financial statements for y.e. 31.7.12.** Governors noted that the Members' Report and Financial Statements for the y.e. 31.7.12 had been reviewed by the Audit Committee, which had noted that they showed that the College had generated an operating surplus in the year of £1.2 million. The Committee was recommending them to the Board of Governors for approval.

The Board of Governors approved the Members' Report and Financial Statements for the y.e. 31.7.12: proposed Mr Lever, seconded Mrs Wright.

It was noted that the signed accounts would be submitted to HEFCE and placed on the College's website, as required by HEFCE as the College's principal regulator.

- 13. Financial forecasts.** The Director of Finance reported that, under HEFCE's accountability returns schedule, HE institutions were required to submit to HEFCE, by Monday 3rd December 2012, financial tables showing the actual performance and position for 2011/12 and an updated forecast for 2012/13, along with a commentary that explained any material changes from the data submitted in the June 2012 forecasts. The main purpose was to provide HEFCE with early warning of any significant changes e.g. due to lower than expected student recruitment. The commentary to be submitted with the revised forecast noted that the audited operating surplus for 2011/12 was £1.162 million including FRS 17 adjustments, which was favourable to that submitted in June 2012 by £459,000 mainly due to better than expected FRS17 charges (£165,000), unrealised contingency in the forecast in respect of an expected reduction in grant funding towards the end of the academic year (£200,000). The forecast for 2012/2013 was in line with the budget submitted in June 2012. With reference to

Table 7, it was noted that Undergraduate (including Foundation Degree) numbers under the new regime would be revised to 387 by the date of submission.

The Board of Governors approved the updated financial forecasts and budget plan for submission to HEFCE: proposed Dr Cottrell, seconded Mrs Williams.

- 14. Students' Union report & accounts.** Ms Bailey, the Director of Finance, presented the Students' Union accounts for y.e. 31.7.12. It was noted that the College had given the Students' Union additional grant in 2011/12 (from £8,000 to £12,000) to provide additional activities and events for FE and HE students. The opening and closing balances were on a cash basis but a balance sheet had been included as there were accruals. The Union currently had £9,225 on the balance sheet, after accruals. Following the recent by-elections, there was now a full Student Executive who was in the early stages of drawing up plans for 2012/13. It was noted, for future reference, that the reference to "LCAD grant" should be "LCA grant" on the Income and Expenditure account. In response to Governors' questions, it was noted that the accounts were prepared by the Students' Union Liaison Officer but that the Finance Department carried out monthly checks and all payments were signed off by the Principal and Director of Finance. It was noted that Executive Committee costs had risen in 2011/12, which it was understood related to additional attendance at meetings, but it was agreed that the Director of Finance would seek additional detail to confirm this.
ACTION: Director of Finance

The Students' Union accounts for y.e. 31.7.12 were approved: proposed Mr Wood, seconded Ms Jones.

- 15. Internal audit strategy 2012-15 & plan 2012/13.** Mr Clements presented the internal audit strategy 2012-15 and the plan for 2012/13. It was noted that the plan was reviewed annually by the Audit Committee and agreed, following discussion, that the Audit Committee should consider the inclusion of a review of the capital project when the plan for 2013/14 was reviewed in October 2013.
ACTION: Clerk/Chair of the Audit Committee

The internal audit strategy and 2012/13 plan were approved on the recommendation of the Audit Committee: proposed Mrs Wright, seconded Mr Yendell.

- 16. Use of the College seal: 1 Blenheim Court.** As noted earlier on the agenda, the lease on 1 Blenheim Court accommodated the BA (Hons) Interior Design programme, which would cease in June 2014. The current lease was due to expire on 24th June 2013 and, in order to ensure adequate accommodation for the programme, the College proposed the agreement of an extension to the current lease until 28th September 2014.

Governors approved the use of the College seal, authenticated by the signature of the Chair of Governors and the Principal, in relation to an extension to the lease on 1 Blenheim Court: proposed Mr Flathers, seconded Mrs Williams.

PART IV – items for review

- 17. Governor self-assessment questionnaire analysis 2012.** Governors noted that Governor annual self-assessment formed one part of the effectiveness review of governance. At its July 2012 meeting the Board of Governors had agreed to use a Governor self-assessment questionnaire based on a model produced by the

Leadership Foundation for HE and designed to obtain views from Governors on how the Board undertook its role and the value it provided. The Clerk had produced a report providing an analysis of the outcome of the survey, which had been undertaken on-line. Overall responses had been positive. The Chair had also produced a paper, with input from the Principal and Clerk, which listed actions in relation to those areas where Governors' answers indicated that further development was required.

The Board of Governors approved the report from the Chair on actions arising from Governors' 2012 self-assessment and agreed to take it forward as an action plan.

ACTION: Clerk

PART V – items for information

- 18. Committee minutes & reports – Part II.** The minutes noted below were received.

18.1 Audit Committee. The Chair of the Audit Committee, Mr Clements presented the unconfirmed minutes of the special meeting held on 14th November 2012, which were received. It was noted that they recorded the Committee's annual review of its own performance and that of the external and internal auditors. During the review, the Committee had noted that HEFCE's Audit Code of Practice recommended that institutions should consider market testing the provision of external and internal audit services at least every five years.

18.2 Audit Committee. It was noted that the unconfirmed minutes of the meeting held on 21st November 2012 had been received earlier on the agenda.

18.3 Search & Nominations Committee. The Chair of the Search & Nominations Committee, Mr Blaney, presented the unconfirmed minutes of the meeting held on 17th October 2012, which were received. It was noted that reports and recommendations arising from the meeting had been presented to the Board of Governors' meeting held immediately following the Committee meeting on 17th October 2012. With reference to actions arising from the Committee meeting, Mr Blaney reported that he had discussed future attendance with Governors who had not met the attendance target of 80% in 2011/12. The appointment of Mr Hoare as Student Governor, following his election as Student Union President, and the re-appointment of Mr Wood as an Independent Governor had been approved earlier on the agenda.

It was agreed that the need to include an action table with Committee minutes presented to the Board of Governors should be considered.

ACTION: Clerk

- 19. College minutes.** The College minutes noted below were received.

19.1 HE Committee. The Board received the minutes of the meetings held on 10.10.12 and 7.11.12.

19.2 FE Committee. The Board received the minutes of the meeting held on 3.10.12.

- 20. Any Other Business.** There was no other business.

21. **Risk Management.** It was noted that no new items of risk had been identified at the meeting but that the development of the format of the risk register had been discussed earlier on the agenda.
22. **Date of next Board meetings:**
- Wednesday 19th December 2012 at 5.30pm (*training session*) – the earlier than usual start time was noted
 - Wednesday 30th January 2013 at 6.00pm (*formal meeting*)

PART VI – Reserved Matters

23. **Exclusions.** The Board agreed that the following staff and student members should be excluded prior to consideration of the Reserved Matters agenda: Mr Aal, Mrs Bagchi, Ms Bailey, Mr Hoare.

It was agreed that the Chair of Governors, Mr Yendell, would take minutes during the absence of the Clerk to the Corporation, Mrs Bagchi.

(Note to the minutes: Minutes 21 & 23 below were released from confidentiality by the Board of Governors at its meeting on 25th March 2014).

Confirmed

LEEDS COLLEGE OF ART

BOARD OF GOVERNORS OF THE HIGHER EDUCATION (HE) CORPORATION

Minutes of a meeting of the Board of Governors held on 30th January 2013.

Present: Mr S Aal, Mr S Blaney, Mr C Clements, Dr S Cottrell, Ms J Eugene, Mr J Flathers, Mr T Hoare, Ms J Jones, Ms I Kemp, Mr R Miles, Ms S Wonnacott (Principal), Mr P Yendell (Chair of Governors), Mrs J Williams (Deputy Chair of Governors), Mr I Wood, Mrs C Wright

In attendance: Mrs F Bagchi (Clerk to the Corporation), Ms S Bailey (Director of Finance), Mrs G Spencer (Principal's PA, minute-taker), Mr D Russell (Director of Academic Studies, Quality & Standards), Mr S Thorpe (Director of Academic Studies & Student Engagement)

1. **Apologies for absence.** Apologies were received from Mr M Lever, a member of the Board of Governors.
2. **Declarations of interest.** There were no declarations of interest made at the start of the meeting.

PART I – items for decision

3. **Membership matters.** The Board approved the appointment of Mr R Miles, as the elected Staff Governor in the Co-opted Governor category for a period of 4 years on the recommendation of its Search & Nominations Committee proposed Ms Kemp, seconded Mrs Williams.

ACTION: Clerk

4. **Minutes of previous meeting.** The Board approved the minutes of the meeting of the Board of Governors held on 28th November 2012.

The Clerk to the Corporation, Mrs Bagchi, joined the meeting.

5. **Action plan update & matters arising from the minutes, not elsewhere on the agenda.** It was noted that all actions in the table attached to the above minutes had been completed, were on the agenda or had a future completion date.

The Chair noted that the November 2012 meeting had considered whether items shown as Red in the KPIs accompanying the CEO's report should be shown as Amber/Green where non-completion was a matter of the timing of the report.

ACTION: Director of Finance

There were no other matters arising.

PART II – items for consideration and monitoring

6. **Chief Executive's report.** The Principal presented the Chief Executive's report, including non-financial key performance indicators (KPIs) and the HE Annual Institutional Overview.

The College's strategic KPIs were reviewed, with those where benchmarks had not been achieved considered in detail, noting in particular that:

- 84% of the current staff Annual Performance Reviews had been completed to date with the target of 100% aimed for by the end of the year:
- The widening participation (WP) benchmark of 19% for the percentage of HE entrants from WP postcodes had not been achieved (2011/12: 15%). Figures in the table had been updated to reflect the most recent OFFA monitoring return made in January 2013, with the benchmark reflecting the OFFA targets as shown in the 2012-2013 OFFA agreement

Widening participation was discussed in detail, noting that:

- The widening participation (WP) figure shown in the strategic KPI table was populated from the College's FE ILR database. In future, the target would move to a POLAR2 measure.
- The College outcome on a POLAR2 measure would be 9% against a sector average of 10%.
- The College was working to establish a more targeted outreach programme to schools.

It was noted in response to Governors' questions that:

- The metrics for widening participation for 2011/12 included the period when the College was running a Saturday Art School supported by the Sorrell Foundation.
- The College was still offering taster sessions for children after school and at the weekend.
- More targeted use of student mentors in partner schools was being adopted.
- The College had met with a team at the University of Leeds, facilitated by Dr Stella Cottrell, and they had offered guidance on practice.

- There would be an ongoing review by the Equality & Diversity (E&D) Committee of the impact of actions taken to improve WP.
- While the benchmarks for percentage of new entrants from WP postcodes and low income households had not been achieved in 2011/12, the benchmark for percentage of new entrants who were first in family to HE had been exceeded

Governors noted that:

- The College's Office for Fairer Access (OFFA) Access Agreement would be considered for approval at the Board of Governors' March 2012, meeting as the OFFA submission date had been brought forward to 8 April 2013.
- There was some concern in the sector that there had been insufficient time to review the outcomes of actions taken to improve access in previous years.

It was agreed that:

- A further report on the KPIs relating to carbon emission should be presented to a subsequent Board meeting, noting that review of the College's carbon management plan had been included in the College's internal audit plan for 2012/13.
- More detailed commentary should be provided on areas where KPI targets had not been achieved, including details of actions being taken.

ACTION: Director of Finance

Governors noted that:

- Successful external validation events were held in November 2012 for the following new HE programmes: BA (Hons) Illustration and BA (Hons) Animation.
- The HE Annual Institutional Overview (AIO), had been approved following detailed scrutiny at the 7th November 2012 meeting of the Academic Board, subject to minor revisions, and had been submitted to the Open University (OU), the College's validating body. Details of the discussions were included in the Academic Board minutes to be considered later on the agenda.

Mr Russell (Director of Academic Studies, Quality & Standards) presented the AIO which was considered in detail by Governors. The following points were noted in discussion:

- The AIO took the form of a response to the previous year's action plan and formulated an action plan for the following year, developed from the APEs, with the College considering areas of strength and for improvement and feedback from external examiners.
- The QAA Quality codes included a list of indicators of sound practice in the HE sector against which the College could check its own performance.
- The AIO included details of how the decision to close BA (Hons) Furniture Making and BA (Hons) Interior Design from September 2012 would be managed.
- Student employability was enhanced through the use of external professionals and the College's graduate fellowship scheme. With reference to the latter, 6 graduates were holding fellowships in 2012/13, which allowed them to use college resources to develop their practice and to help them improve employability in return for mentoring

- undergraduates.
- With reference to HE complaints, 2 appeals against the classification of degree were lodged which were judged to be non prima facie and which were not subsequently challenged.
- The academic year had been restructured to allow more time for staff research and engagement externally.
- The use of the College's virtual learning environment (VLE), eStudio, for all HE programmes was featured in the enhancement section of the report. All programmes now provided a consistent set of information for students through eStudio, including information relevant to each module and level.

In response to Governors' questions, it was noted that;

- the student voice concept in the HE sector was developing to include staff and students working in partnership alongside each other. There are student representative meetings which take place on a termly basis and at which any issues are discussed and students also attend Programme Boards. Attendance at committees is being reviewed and this is expected to increase.
- With reference to the delay in submitting a full response to the OU by the Creative Advertising programme team to comments made in the 2009/10 Annual Monitoring (AM) proforma, the College had appropriate monitoring arrangements in place and accepted that, while there were particular reasons for the delay in this case, the matter could have been followed up by the College earlier and this has been remedied in the 2010/11 report.
- With reference to the development of a technologically enhanced learning strategy, it was noted that the VLE Project, undertaken during 2011/12 to provide information for students through eStudio, had developed from the work of the eLearning Working Group which produced a set of guidelines on the purpose of eLearning within the College. The next step is to extend e-studio to include resource areas and consider the possibilities of submitting visual work online.
- While overall results in the NSS for 2011/12 placed the College in the upper deciles at 87%, with overall satisfaction continuing to rise as part of a 3-year trend, Fine Art and Creative Advertising had seen a decline in satisfaction against a previously rising trend. This was being reviewed by programme teams and actions were being considered as part of Programme Evaluations. In Fine Art, at the time of the survey a significant heating problem, which was eventually solved by external consultants but had affected students' work, could possibly have affected NSS scores.
- The OU would provide feedback on the AIO in March, which would be reported to Governors through the Academic Board minutes

7. Financial matters: management accounts. The Director of Finance presented the management accounts and financial KPIs for the period ending 31st December 2012, which were discussed.

Governors considered the accounts, noting that the operating surplus for the first five months of the year was £1,222,745, which was £506,694 ahead of budget. This was mainly due to increased income as a result of the budget assumptions and the timing of non payroll costs.

In response to Governors' questions concerning HE fees being favourable to budget, mainly due to the contingencies in the budget, it was noted that this related to contingencies relating to the effect on income of HE student withdrawal rates. It was noted that, where a student withdrew by 6th January 2013, the College would only receive 25% of the fee for the year from the Student Loans Company and 50% of the fee if they withdrew before the 14th April 2013. With reference to questions concerning the effect of higher HE fees on student withdrawals, it was noted that these were 20 to date compared to 13 in the previous year. It was possible, however, that the difference was due to the earlier recording of withdrawals in 2012/13. The College kept the situation under review, with the Director of Finance reviewing the position daily and reporting to the SMT monthly.

It was noted that the College's total forecast net cash position was £7.9 million at the end of July 2013, which was in line with the budget. In response to Governors' questions on the use of reserves to improve the student experience, it was noted that the College was undertaking a capital project to expand the Blenheim Walk building, as discussed at the Board's November 2012 meeting. The College's reserves, while considered high when the College had been in the Further Education (FE) sector, were in line with those of similar sized higher education institutions (HEIs), such as Norwich University of the Arts. It was noted that the Higher Education Funding Council for England expected HEIs to maintain a high level of reserves.

PART III – items for approval

- 8 Fees for 2013/14.** The Director of Finance presented recommendations on fees for 2013/14, which were considered.

FE fees for students aged 19 and over. The following changes to fees and funding introduced by the Skills Funding Agency (SFA) for 2013/14 were noted:

- The method of funding qualifications was changing from a demand led system based on standard learner numbers to a more simplified system that used a standard rates matrix, which would affect the funding for courses significantly. From 1 August 2013, anyone aged 24 or over who started a level 3 or level 4 course would be responsible for the full cost of study and would be able to access a loan to fund the course.

It was noted in response to Governors' questions that:

- Unlike HE, there was no set date for the approval of FE fees but applicants were already asking for details of fees for 2013/14.
- The SFA allowed colleges to set fees at any level provided they were not above the SFA listed funded grant level. The SFA's funding matrix had been expected in January 2013 but was not yet available.
- The proposed increase in fees for the Level 2 Diploma in Visual Arts was as a result of the change from BTEC to UAL as validating body and the fact that the new qualification included more modules.
- With reference to widening participation issues, most of the College's adult learners to whom the new FE loans scheme would apply were on the College's Access to HE programme and the loan would be written off if the student progressed to HE and completed their degree
- With reference to the effect of FE loans on application rates for students aged 24, this was currently uncertain. From 2013, young people would, however, be required to remain in education or training until the age of 17

and, from 2015, until the age of 18. It was therefore possible that there could be increased applications from this age group, whose education was directly funded by the Education Funding Agency.

As the SFA funding matrix was not yet available, Governors agreed to approve the basis on which FE fees for 2013/14 for students aged 19+ would be calculated, ensuring that the same fees were received for each FE course regardless of student age. It was agreed that should any changes from the draft funding matrix be made, this would be advised to Governors: proposed Mr Clements; seconded Mrs Williams.

ACTION: Director of Finance

Overseas tuition fees. Governors considered proposals on overseas tuition fee rates for 2013/14 for HE, including postgraduate, and FE provision, noting that the former would also apply to home students with an equivalent or lower qualification for whom HEFCE funding was no longer available. It was noted that the College had reviewed the overseas fees rates of other HEIs for 2012/13 and, where available, 2013/14, when setting the proposed rates for 2013/14 and considered the proposed fees competitive. With reference to legislation prohibiting price-fixing, it was emphasised that the information reviewed was publicly available and that direct comparison between institutions was not always possible, as HEI's advertised fee rates were often before applicable discounts and scholarships and/or did not indicate whether they included charges for additional services.

It was noted in response to Governors' questions that:

- While the College was proposing a 2% discount for overseas students on full payment of HE fees in advance before 1st August the option to pay in instalments would remain.
- This would also have the benefit of confirming a student's commitment to study and could help them obtain a visa.

Governors approved the overseas tuition fees and charges rates for 2013/14, agreeing that the Director of Finance would discuss with the Clerk wording extending the discount noted above to home students who were responsible for paying their own fees and were not eligible to claim publicly-funded grants or loans: proposed Mr Clements; seconded Mrs Wright.

ACTION: Director of Finance

Postgraduate tuition fees for home students. Governors considered postgraduate tuition full-time and part-time tuition fees for home students for 2013/14, noting, in response to members' questions, that the proposed alumni discount was not time-limited.

Governors approved postgraduate tuition fees for home students for 2013/14: proposed Ms Kemp; seconded Mrs Williams.

9. **Procedure for co-opting Student Governors.** The Clerk reported that, as part of the Board of Governors' review of the outcome of its 2012 Governor Self-Assessment at its November 2012 meeting, it had been proposed that, if student elections resulted in fewer than 2 students being elected for Board membership, the Principal should work with course leaders to identify and approach students for co-option to the Board. The Board's Standing Orders and its Recruitment and Appointment Procedure had been amended accordingly and were presented for consideration.

Governors noted the importance of ensuring appropriate student representation on the Board and that the proposed amendments formalised the procedure which the Board had agreed when co-opting Mr Aal as a Student Governor.

The Board of Governors approved revisions to the Board's Standing Orders and its Recruitment and Appointment Procedure which updated sections relating to the appointment of Student Governors and set out procedures for the co-option of Student Governors: proposed Mr Clements, seconded Mrs Wright.

ACTION: Clerk

Mr Aal reported that he had found serving as a Co-opted Student Governor over two academic years valuable, as it had allowed for greater familiarity with the working of the Board and the opportunity to provide support to the elected Student Governor.

10. **Governors' interests: revised statement & form.** The Clerk reported that the need to update Governors' register of interest form, and the statement on declaration of personal interests in the Standing Orders of the Board of Governors, to include further detail of types of interest to be declared and the interests of "close relatives", had been identified at the Board's December 2012 training session. The Clerk had accordingly revised the Board's Standing Orders and the register of interests form used by Governors and senior managers.

The Board of Governors approved the revised register of interest form and the statement on declaration of personal interests in the Standing Orders of the Board of Governors as revised by the Clerk, with the following amendments to the former: "partner and/or close relatives" should replace "partner" throughout and sections 2 (partner's name) and 12 (a separate section on close relatives' interests) should be removed. The recommendation was proposed by Ms Eugene and seconded by Ms Cottrell.

ACTION: Clerk

11. **Combined governance documents.** The Clerk reported that it had been agreed at Governors' September 2012 training session that she should combine, into one document, the various current documents embodying the Board of Governors' approved governing policies and instructions. In doing this, the aim was:

- To put in one place, for ease of reference, details of the policies and instructions by which the Board of Governors had agreed to govern;
- To allow Governors to more easily review (annually or as required) aims, delegations and prohibitions in the context of all the Board's instructions;
- To allow Governors to review how they monitored approved policies and instructions to ensure that monitoring was appropriate and effective.

Discussion at the Board's September 2012 meeting, with reference to the final point noted above, had included the use of KPIs for monitoring purposes (as recommended by the Committee of University Chairs) and the value of regarding the Principal/CEO as a single point of accountability for College performance and strategy, with the intention of ensuring clear delegation/instructions to the Principal/CEO and a clear reporting line to the Board of Governors.

The Clerk had accordingly combined relevant Board policies and instructions into the single document being presented to the Board, with the exception of the Board's Standing Orders (which had been considered for revision at item 10

above) and the Board's annual meeting schedule.

Governors approved the combined document, with the minor updating amendments proposed by the Clerk: proposed Ms Eugene, seconded Mr Flathers.

ACTION: Clerk

Governors considered that the combined document was useful for reference purposes, could be further refined by the Clerk as proposed in the briefing note accompanying it and should be reviewed by the Board at least annually.

ACTION: Clerk

PART IV – items for review

12. **Governor self-assessment questionnaire action plan report.** The Clerk presented a progress report against the action plan arising from the 2012 Governor self-assessment questionnaire analysis considered at the Board's November 2012 meeting. Governors received the report, noting the status of actions and areas requiring further discussion.

With reference to the opportunity to meet with internal and external stakeholders, Governor invitations to Creative Network events were noted.

In response to Governors' questions concerning College collaborations with other institutions the following areas were noted, reports on a number of which were included in the CEO's report considered earlier on the agenda: the work of Steven Ellis, a student on the BA (Hons) Fine Art course and graduate of the College's Access course, with offenders and ex-offenders; a meeting between the College's Principal and the Principal of the Northern School of Contemporary Dance to discuss potential student collaborations; good links with Leeds College of Music; collaborative bids with specialist Art HEIs; the College's membership of GuildHE (an association of small and specialist HEIs) and Ukadia (UK Art & Design Institutions Association); membership of HEART (HE Access Rewarding Transforming - a partnership of 12 HE providers in West Yorkshire). The following were discussed: the further inclusion of examples of collaborative work in reports, use of Governor skills and links to promote the College and its projects, where appropriate.

It was agreed that the 2013 Governor self-assessment questionnaire should be amended to include: a statement to allow Governors to assess whether they were using their links to promote the College; division of the statement on stakeholders into separate sections on internal and external stakeholders.

ACTION: Clerk

It was agreed, with reference to the section in the questionnaire on governance in other sectors, that relevant governance reports from other sectors should be presented to the Audit Committee and Search & Nominations Committee in 2012/13, as proposed by the Clerk, for review and report to the Board of Governors.

ACTION: Clerk

13. **Consideration of items considered by the Academic Standards & Quality Assurance (ASQA) Committee in 2010/11 & presented to the Board of Governors in 2011/12 & 2012/13.** The Clerk presented a table comparing reports presented to the ASQA Committee of the FE Corporation in 2010/11 and

reports made to the Board of Governors in 2011/12 and 2012/13, following adoption of a Carver-style model of governance and the development of monitoring by KPIs. The Red-Amber-Green (RAG) rated table had been designed to allow Governors to review whether academic matters were currently being considered in sufficient detail and to consider any changes required to the Board's planned reporting schedule

Governors considered in particular a briefing from Mr Russell on 2 reports, rated Red in the table, which had previously been received by the ASQA Committee when the College was in the FE sector but were not scheduled for direct report to the Board in 2012/13: the student involvement strategy and the complaints report.

It was noted that the student involvement strategy had been a requirement for FE institutions and was reviewed by the Academic Board annually, which since 2011/12 had reported to the Board of Governors through its minutes. Recent developments in the general area of student involvement were noted e.g. the appointment of student members to the College's HE and FE Committees and Academic Board and the College's planned revision of the College's Student Charter, as reported in the Academic Board minutes. A report on student involvement in quality processes was included in the HE Institutional Overview 2011/12 considered earlier on the agenda.

Mr Russell reported with reference to the College's complaints report that, as an HEI the College was now required to report to the Office of the Independent Adjudication (OIA) on the treatment of complaints, including appeals. The cycle for this meant that reporting would occur according to the calendar rather than the academic year and the Academic Board was therefore due to receive its first full report on complaints communicated to the OIA at its March 2013 meeting. It would report to the Board of Governors through its minutes. In future, the Academic Board would also receive a summary of complaints which would be included in the annual OIA report.

Governors thanked the Clerk for producing the comparative table and agreed that the Clerk should discuss reporting, as shown in the table and updated for 2012/13, with the Chair, Deputy Chair and Principal, when drawing up the academic matters reporting schedule for 2013/14.

ACTION: Clerk

PART V – items for information

- 14. The Relationship between Governance and Academic Committees.** The Board received a report from the Director of Academic Studies, Quality & Standards, as agreed in the 2012 Board of Governors' self-assessment questionnaire action plan.

Governors noted that:

- Within the responsibilities of the Board of Governors for strategic direction and oversight and the Principal's responsibility as CEO for operational management, the Academic Board was responsible for academic quality and the stewardship of academic standards.
- The Board of Governors received, for information and discussion, the minutes of the Academic Board and of its sub-committees, the Higher

Education and Further Education Committees, to satisfy themselves that the Academic Board and its committees were discharging their duties appropriately.

- Communication between the Academic Board and the Board of Governors was often mediated, in practice, through the Principal, as Chair both of the Academic Board and a member of the Board of Governors.

It was noted that the Academic Board's responsibilities included;

- Approving of arrangements for the quality assurance of all college courses;
- Considering reports from external reviewers including QAA and Ofsted and to approve any responses to such reports;
- The consideration and approval of the HE Institutional Overview Report on the quality and standards of the HE courses offered by the College and the FE Self-Assessment Report, together with action plans for their improvement.
- Responding to national, regional and local priorities and initiatives such as those introduced by government and quality assurance agencies;
- The approval of new courses or learning programmes leading to a recognised award;
- The internal approval of all significant amendments to courses including course titles, content and delivery;
- Confirming student rights and responsibilities including the Student Charter and student complaints procedures;
- Confirming and monitoring the College research strategy;
- Considering the proposals, recommendations, reports and resolutions from the HE and FE Committees and sub-committees.

Academic Board membership was discussed and it was noted that this included the Academic Directors, selected HE and FE Programme and Course Leaders and heads of relevant support departments, such as the Registrar, Head of Quality and Standards, and the Librarian and the Student Union President. The percentage of senior academic staff on the Academic Board was considered, as was the role of the Student Union President in relation to ensuring that the student voice was heard at an appropriate level in the College. It was noted that there were also student representatives on the FE and HE Committees.

It was noted that the OU was currently responsible for the academic standards of all the College HE awards granted in its name by;

- Recommending the approval of new programmes (validation) through the formation of panels made up of peers from other institutions
- Repeating, on a 5 yearly basis, this process for each programme to ensure standards were maintained (re-validation).
- Scrutinising and monitoring the APEs produced by each programme team and the HE Annual Institutional Overview.
- Carrying out, on a five yearly basis, an administration audit of the College.

Governors considered how a successful application for Taught Degree Awarding Powers (TDAP) would change the above process. It was noted that, following a TDAP application, QAA assessors would review the extent to which the Academic Board, overseen by the Board of Governors, would be able to assure the quality of the College's HE provision by acting as a validating body, noting also that:

- The College considered that manageable changes to its processes would

be implemented as necessary, as it already carried out internal processes which largely mirrored those currently undertaken by the OU.

- The College would, however, need to replace the externality currently provided by the OU e.g. by providing appropriate membership of scrutiny panels.
- Ensuring appropriate externality was considered a key area by the College and the SMT was therefore exploring approaches taken by similar institutions, noting that inter-faculty scrutiny which was available to larger HEIs was not an option in a small HEI.

15. Committee minutes & reports. It was noted that there were no items to review under this item, a report from the Search & Nominations Committee on the meeting held earlier on 30th January 2013 having been received at item 3 earlier on the agenda.

16. College minutes. The Board received the following minutes:

16.1 Academic Board: minutes of the meeting held on 22.11.12

16.2 FE Committee: minutes of the meeting held on 21.11.12.

16.3 Equality & Diversity Committee minutes of the meeting held on 14.11.12

Governors noted the importance of receiving the minutes of the Academic Board to reassure themselves that the quality of learning and academic standards were being appropriately reviewed.

It was noted that the Principal was currently looking at College committee structures and would present details of any changes to a future Board of Governors meeting for information.

ACTION: Principal

The Chair noted that attendance at the College meetings being considered ranged from 59-69% and that he would expect higher attendance levels

17. Any other business. There was no other business.

18. Risk Management. No new items of risk were identified at the meeting.

19. Date of next Board meetings:

- Wednesday 27th February 2013 at 6.00pm (*training session*)
- Wednesday 20th March 2013 at 6.00pm (*formal meeting*)

PART VI – Reserved Matters

20. Exclusions. The Board agreed that the following staff and student members should be excluded prior to consideration of the Reserved Matters agenda: Mr Aal (Co-opted Student Governor), Mrs Bailey (Director of Finance), Mr D Russell (Director of Academic Studies, Quality & Standards), Mr S Thorpe (Director of Academic Studies & Student Engagement), Mr R Miles (Co-opted Staff Governor), Mr Hoare (Student Governor).

21 Reserved matters minutes of 28 November 2012. The minutes were agreed and signed by the Chair.

It was agreed that item 23 should be considered at this point on the agenda.

- 23 **Senior staff changes.** The Principal pointed out that the report, which related to senior staff who were not designated senior post-holders, was self explanatory and tabled for information.

For clarity, the Principal explained that as part of the strategic planning process and the subsequent strategic plan, the breadth of existing roles had been examined and the following non-senior post-holder staff changes would be made:

- The recruitment of a new member of the senior management team (SMT), which had reduced from 6 to 4 members in recent years; Mr Russell (Director of Academic Studies, Quality & Standards) would take responsibility for FE and cross college support areas together with widening participation, Mr Thorpe (Director of Academic Studies & Student Engagement) would have responsibility for external relations, employability and full cost courses in addition to some HE programmes, the new Director would also manage some HE programmes and would take the lead on HE development and research
- The Registrar's role would encompass the quality area.
- A Head of Marketing and Communication would be recruited to manage the expanded department which now included alumni.

In response to Governors' questions, it was noted that the new Director post would be advertised internally and externally and that it was intended that the new senior staffing structure should be in place for autumn 2013.

- 22 *(This item has been kept in a confidential minute).*

- 23 **Senior staff changes.** This item had been considered earlier on the agenda.

(Note to the minutes: Minutes 23-27 below were released from confidentiality by the Board of Governors at its meeting on 25th March 2014. Sections not released are shown as follows: ". . .").

Confirmed

LEEDS COLLEGE OF ART

BOARD OF GOVERNORS OF THE HIGHER EDUCATION (HE) CORPORATION

Minutes of a meeting of the Board of Governors held on 20th March 2013.

Present: Mr S Aal, Mr S Blaney, Mr C Clements, Dr S Cottrell, Mr J Flathers, Ms J Jones, Ms I Kemp, Mr R Miles, Ms S Wonnacott (Principal), Mr P Yendell (Chair of Governors), Mrs J Williams (Deputy Chair of Governors), Mr I Wood, Mrs C Wright

In attendance: Mrs F Bagchi (Clerk to the Corporation), Ms S Bailey (Director of Finance), Mr D Russell (Director of Academic Studies, Quality & Standards), Mr S Thorpe (Director of Academic Studies & Student Engagement)

1. **Apologies for absence.** Apologies were received from Ms J Eugene, Mr T Hoare, Mr M Lever, members of the Board of Governors.

2. **Declarations of interest.** There were no declarations of interest made at the start of the meeting. Carolyn Wright declared an interest during item 3 (Membership matters) and left the meeting during the relevant discussion.

PART I – items for decision

3. **Membership matters.** Mr Blaney, as Chair of the Search & Nominations Committee (SNC), presented the Committee's report and recommendations on forthcoming vacancies and Board composition, which had been considered at its meeting on 13.3.13.

Members noted:

- The ending of Mrs Williams' second and final term of office on 27.4.13 and that Mr Clements would not seek re-appointment when his first term of office expired on 31.7.13.
- The first terms of office of Mr Lever and Mrs Wright were also due to end on 31.7.13.

Taking into account the above forthcoming vacancies, the College's proposed application for Taught Degree Awarding Powers (TDAP) and guidance from the College's TDAP consultant, the SNC had reviewed, at its March 2013 meeting, the composition of the Board of Governors and its skills mix, to ensure that it was fit for purpose now that the College was in the higher education (HE) sector and in view of changed responsibilities should the College achieve TDAP. The SNC had accordingly agreed to make the following recommendations on appointments to the Board of Governors:

- A Staff Governor nominated by the Academic Board, noting that staff membership of the Board was currently low for an HE institution (HEI);
- A Governor with HE experience at a senior level, to further increase expertise on the Board;
- A Governor with experience of the creative industries at a senior level, to reflect the importance of the connection between the College and the industries employing its graduates.

Mrs Wright declared an interest and left the meeting before the Board's consideration of Governor re-appointments.

The Chair of the SNC confirmed Mrs Wright's willingness to serve for a further term of office and her commitment to meet the Board's attendance requirements.

The Board of Governors approved, on the recommendation of the SNC,:

- The re-appointment of Mrs Wright as an Independent Governor for a second term of office of 4 years from 1.8.13 following the expiry of her first term on 31.7.13: proposed Ms Kemp, seconded Mr Clements.

ACTION: Clerk

As the Chair of the SNC had been unable to contact Mr Lever before the current meeting to confirm his willingness to serve for a further term and his commitment to the Board's attendance requirements, it was agreed to defer consideration of Mr Lever's re-appointment until the Board's May 2013 meeting.

ACTION: Clerk

Mrs Wright returned to the meeting.

The Board of Governors approved the temporary increase in membership of the Board of Governors to 17 members to permit the following new appointments, which had been recommended by the SNC: a Staff Governor nominated by the Academic Board; a Governor with HE experience at a senior level; a Governor with experience of the creative industries at a senior level: proposed Mr Flathers, seconded Dr Cottrell.

ACTION: Clerk

It was noted that the SNC had considered the names of potential candidates for the HE and creative industries vacancies at its March 2013 meeting and would report to the Board further in due course. Mr Blaney invited nominations for candidates with senior, board-level experience of the creative industries from those present.

The Board approved the following, on the recommendation of the SNC:

- Revisions to the Board's appointment procedure and standing orders, expanding the criteria for re-appointment of Governors for a second term of office and clarifying the exceptional nature of a third term: proposed Mrs Wright, seconded Ms Kemp.

ACTION: Clerk

It was noted that the SNC's written briefing to the Board recorded that:

- The SNC had also considered future vacancies arising from the ending of Mrs Williams and Mr Clements' terms of office e.g. a vacancy for a Deputy Chair of Governors, a vacancy for a Chair of the Audit Committee, a vacancy for a member of the SNC, and a vacancy for a Governor with responsibility for safeguarding with reference to allegations made against senior post-holders. The SNC would consider these vacancies further and make recommendations to the Board in due course.
- With reference to the vacancy for a Deputy Chair of Governors, the March 2013 SNC meeting had discussed: the production of job descriptions for Chair & Deputy Chair of Governors which would include the desirability of the holders having complementary skills (i.e. in finance and academic matters) to meet the requirements of external inspection and assessment.

4. **Minutes of previous meeting.** The Board approved the minutes of the meeting of the Board of Governors held on 30th January 2013: proposed Mr Flathers, seconded Mrs Wright.
5. **Action plan update & matters arising from the minutes, not elsewhere on the agenda.** It was noted that all actions in the table attached to the above minutes had been completed, were on the agenda or had a future completion date. There were no other matters arising.

Mrs Williams joined the meeting.

PART III – items for approval/ratification (moved from later on the agenda)

8. **OFFA Access Agreement.** It was agreed that the College's 2014/15 Access Agreement should be considered for approval at this point on the agenda. Mr Thorpe (Director of Academic Studies & Student Engagement) presented the

draft Agreement, which was considered.

It was noted that the report accompanying the draft Agreement recorded that:

- The College proposed charging fees of £9,000 per year for full time Home and EU students for 2014, the maximum fee allowed under the Governments Student Fee Regulations.
- All institutions charging fees above £6,000 were required to file an access agreement with the Office for Fair Access (OFFA) setting out what support would be available to new students enrolling in September 2014 and explaining how institutions would sustain or improve access for under-represented students.

Governors noted that the earlier issuing of guidance by OFFA had meant that the College had been able to undertake more extensive consultation with HE and FE students in 2013, before formulating the draft Agreement, which was welcomed.

It was noted that, in preparing the draft Agreement:

- The College had followed guidance issued by OFFA, which included an increased emphasis on the need for evidence and evaluation, which the College had reflected by establishing a twice yearly cycle of evaluations.
- Progress against the targets would be the responsibility of the Equality and Diversity Committee and the key metrics were already included in the non-financial KPI's presented to the Board at each meeting with the CEO's report.
- OFFA's guidance also included a greater emphasis on outreach and the College was therefore proposing to rebalance its expenditure between outreach, student success and financial support.
- The proposed financial package to be offered to new entrants was similar to the previous year, with a balance of fee waivers and cash bursary as the outcome of consultations with both FE and HE students had indicated that it was important to retain both elements of the package, with the greater emphasis on cash bursaries.
- It was proposed that the internal progression award should also be increased for students progressing from the College's FE provision, as it had been recognised in the consultation with students that this had the potential to address some of the barriers to HE entry faced by Widening Participation (WP) students.

Governors also noted in discussion that:

- It was proposed that investment by the College in outreach would also be increased, with the outreach team extending their work to include a larger percentage of students aged under 16 in order to raise the aspirations of younger pupils.
- The College also proposed to target an additional 10 schools with a higher than average intake of students who had English as a second language, and a high proportion of Black & Minority Ethnic (BME) pupils, in order to widen the scope of its outreach work. The College hoped that this would lead to a more sustainable partnership with the schools concerned and would lead to better, shared data on how the College's outreach work affected the aspirations of their pupils.
- It was proposed that the College's undergraduates would act as role models in its outreach work with schools, working alongside staff.

- The College was intending to continue to work collaboratively with the regional Higher Education Access Rewarding Transforming (HEART) partnership and other groups.
- In order to address one of the barriers to entry that students from WP postcodes might face, the College was also proposing to make a small contribution to the costs of attending interviews.
- The College was also proposing to look at new ways of identifying "at risk" students, using the Agresso student records system, to ensure that such students received appropriate support, particularly in the first year of their courses.

Governors noted that that:

- Under the draft Agreement, the College was committed to spending nearly £1.2million, including the National Scholarship Programme (NSP) funds, in 2014/15.
- The above commitment would represent 23% of additional fee income by 2017/2018, which was above the proportion recommended by OFFA of 22.5%.

In response to Governors' questions on how progress against targets would be evaluated and what would be the consequences of targets not being met and/or students not taking up the proposed financial packages, it was noted that:

- A monitoring return would be made to OFFA in January and they could seek clarification, if necessary.
- Failure to achieve targets would be a matter of particular concern to OFFA.

Governors commended the proposed outreach work with schools, noting the importance of sustaining the measurement of the effect of such work over an appropriate period of time to ensure that the College received meaningful data, regardless of the continuing interest of outside bodies in such targets.

In response to Governors' questions on fee waivers and cash bursaries, it was noted that:

- Following consultations with students, it was evident that most students did not recognise the value of the fee waiver and the College was therefore proposing that the fee waiver for 2014/15 be reduced from 2013/14 levels in order to provide a cash bursary to assist students with the increasing costs of art and design materials.
- It was proposed that a fee waiver of £500 would, however, still be offered each year to all full-time undergraduate entrants who were in receipt of the full non-repayable maintenance grant, in recognition of the fact that some students were still debt adverse. The actual fee in 2014/15 for these students would therefore be £8,500.
- 2014/2015 entrants who had been awarded a fee waiver of £3,000 for their first year under the NSP scheme (including the College's matched Scholarship) would not be eligible for additional fee waivers in their first year under the above criteria but would be eligible for the fee waiver of £500 in their second and third years respectively.

In response to Governors' questions concerning the measurable targets at sections 5.3 of the Agreement, it was noted that:

- Following the College's transfer to the HE sector, targets for new entrants

to HE programmes defined by WP postcode were based on the POLAR2 system of measurement.

It was noted in discussion that some HEIs were considering using POLAR3 or Acorn and that the College would follow such developments through its membership of HEART and Ukadia.

It was agreed that targets in Aim 6 of the College's non-financial KPIs, which related to WP measures, should be updated to reflect the College's adoption of POLAR2 measures.

ACTION: Director of Finance

The Board of Governors approved the College's Access Agreement for 2014/15 for submission to the Office for Fair Access (OFFA): proposed Dr Cottrell, seconded Mrs Wright.

ACTION: Director of Finance/ Director of Academic Studies & Student Engagement

PART II – items for consideration and monitoring

6. **Chief Executive's report.** The Principal presented the Chief Executive's report, including non-financial key performance indicators (KPIs), which was discussed.

Key topics included in the report included:

- Details of 2014/15 student fees and financial support , with tuition fee caps and fee loans being maintained without any uplift for inflation
- Notification that HE application rates were significantly higher than in 2012, although comparisons with other specialist institutions could not be provided as UCAS no longer allowed institutions to view comparable application data for other HEIs.
- Actions being taken to ensure that the College was ready to apply for Taught Degree Awarding Powers (TDAP), which included meetings with the College's TDAP consultant, noting that it was currently anticipated that a submission would be made in 2013/14.
- Meetings of members of the senior management team with sector groups (e.g. UCEA, GuildHE, Leeds Principals Group, the North branch of the British Finance Directors' Group) were included in the report and it was noted that the College hoped to join Yorkshire Universities.

Mr Thorpe (Director of Academic Studies & Student Engagement) reported in detail on improvements in communication and on recent constructive meetings with UCAS on future developments and their implications for the College. In particular, it was noted that UCAS appeared to be listening to the sector on improvements which might be made to the application process for art and design courses. They had also demonstrated how institutions could use the UCAS database more effectively.

Governors noted that the CEO of Leeds City Council had recently toured the College, commenting favourably on students' work.

Governors noted, in particular, the comprehensive report on student success and achievements outlined in the CEO's report.

The Chair of Governors emphasised the importance of Governors' ensuring that their knowledge of HE developments continued to remain current, noting that this had also been discussed at the February 2013 Governors' training and development session. It was noted that the CEO's reports always included key issues and details of the most useful websites had, in addition, been included in the March 2013 report.

Governors considered the report on KPIs, noting in particular an instance where there appeared to be a discrepancy between the HR KPIs and the corresponding statistics in the HR report for 2011/12. It was agreed that this would be considered further later on the agenda when the HR report was considered.

7. **Financial matters: management accounts.** Ms Bailey, the Director of Finance, presented the management accounts for the period ending 28th February 2013, including a review of financial KPIs.

Governors noted a reported operating surplus for the first seven months of the current year of £1,558,065 which was £921,742 ahead of budget, mainly due to increased income as a result of the budget assumptions and the timing of non payroll costs. A full reforecast had been completed and it was expected that the full year outturn would be in excess of budget by £436,983.

With reference to international students taking HE courses, it was noted that the College had recruited 8 overseas students against a budget of 12. In response to members' questions concerning progress against the College's strategic objective of achieving a total cohort of 50 international students by 2017, it was noted that the College had recently held a briefing session for staff concerning international students and the support they required. The College was developing links in Hong Kong, Taiwan and Beijing but the fact that the College did not have TDAP could be barrier in China. The College was also working on the internationalisation of the curriculum. Mr Blaney reported that he had attended a recent Leadership Foundation for HE (LFHE) seminar in Leeds at which it had been noted that most HEIs had targets for increasing overseas student numbers, leading to a risk of possible over-saturation of the market.

PART III – items for approval/ratification (continued)

8. **OFFA Access Agreement.** It was noted that the OFFA Access Agreement had been considered earlier on the agenda.
9. **FE Self-Assessment Report.** Governors considered, for ratification, the FE Self-Assessment Report (SAR) for 2011/12 which, it was noted had been considered by the College's Further Education (FE) Committee before being approved by the Academic Board.

Governors noted that, while about 60% of the College's students were studying at HE level, the College enrolled over 700 students on FE programmes each year, with over 75% of FE learners being 16-18 year old students studying full-time Level 3 qualifications on Extended Diplomas or the Foundation Diploma course, a small number of learners studying at Level 2, and adult learners studying on full and part-time Access to Art and Design courses.

Governors noted that for 2011/12, a more streamlined Self-Assessment process for the College has been undertaken based on Ofsted's 2012 Common

Inspection Framework (CIF), with each course being asked to make judgments on course strengths and weaknesses and produce a Quality Improvement Action Plan. It was noted that these had been included in the development of the College SAR, with Governors commending the College on the new reporting format. It was noted that the Quality Improvement Plan 2011/12 was attached as Appendix 1 to the SAR and showed actions being taken by the College in areas which required improvement.

It was noted that, under Ofsted's new more risk-based inspection regime, the College would be inspected with a shorter notice period of 2 working days. The SAR is a key form of evidence that will be considered during an inspection.

With reference to performance management, which was a key theme under the new CIF, it was noted that the SAR recorded how the College had further developed its procedures to ensure annual observations for all members of teaching staff, involving the use of an external Ofsted trained observer and trained College staff. The results of observations had been fed into the appraisal process and self-assessment.

Governors noted that the College had self-assessed the overall effectiveness of its provision as Grade 2 (Good). One area under the Quality of teaching, learning and assessment heading (Learners benefit from high expectations, engagement, care, support and motivation from staff) had been graded as 1 (Outstanding), with one area (Teaching and learning develops English, Mathematics and functional skills, and supports the achievement of learning goals and career aims) graded as 3 (Satisfactory). It was noted that government policy meant that, in future, students who did not have a grade C in GCSE Maths and English when they entered the College would have to study to attempt to achieve this.

The Board noted and commended the overall College success rates (where success = retention x achievement) for all courses, which rose from 81.5% to 86%. The Board also noted that for this year the comparison with the outcomes for 'specialist institutions' as opposed to HEI's was still relevant as the College's previous years' data contributed to the average for specialist institutions. It was therefore appropriate to note the rate was 5.5% above the average for specialist colleges.

Governors noted in particular that:

- Success rates for long qualifications had continued to show improvement in 2011/2012 from 81.5% (2010/2011) to 86%.
- Overall achievement rates for long qualifications had remained stable at 96%.
- Retention rates overall for long qualifications had also improved on 2011/12 by 5%.
- Retention at adult learner level has improved significantly by 11% on 2011/12 but remained, however, below the national average for specialist colleges.

In response to Governors' questions on strategies the College was employing to bring unsatisfactory retention and success rates on the Extended Diploma Fashion into line with the other Extended Diploma courses, it was noted that low 2011/12 success rates related to low retention in Year 1 of the 2 year course in 2010/11 and that actions taken by the College in response to this appeared to have led to a significant improvement, with 'in-year' retention for Year 1 in

2011/12 being 92%.

In response to Governors' questions on success rates for the College's Access to HE (part-time) course, it had been noted that this was an area for improvement, with success rates below target. It was noted that the course was undertaken on an extended basis on 2 evenings a week over 2 years and students often left the course for personal, including financial, reasons during the programme.

The Board of Governors ratified, the FE Self-Assessment Report (SAR) for 2011/12, which had been approved by the Academic Board: proposed Mrs Wright, seconded Dr Cottrell.

- 10. Governors' Role Description & Code of Conduct.** Governors noted that the Clerk was presenting for approval the Governors' role description and updated code of conduct which was used at the Governor training session in February 2013. The document had been developed by the Clerk with reference to Governors' existing Code of Conduct, the Articles of Government, the Board's Standing Orders, the Committee of University Chairs (CUC) Governance Code and Statement of Primary Responsibilities and a governor role description provided by Leeds Trinity University.

The Board of Governors approved the Governors' Role Description and updated Code of Conduct: proposed Mrs Williams; seconded Ms Kemp.

It was noted that the Clerk was recommending that the new Code should be formally signed by Governors.

ACTION: Clerk

- 11. Combined governance document amendment.** The Board considered proposed amendments to the combined governance document approved at the Board of Governors' January 2013 meeting, which incorporated into one document the Board's key governance documents.

Governors noted that the amendments recommended by the Clerk included: a contents page; a new section C6-10 noting that the Board of Governors had reserved to itself, in October 2011, approval of certain key policies (i.e. health & safety, equality & diversity, safeguarding children & vulnerable adults, risk management, financial regulations); the addition at section D3 of the Governors' Role Description & Code of Conduct approved at item 10 above; the inclusion of a new section E4 giving details of Academic Board membership (approval of which was the Board of Governors' responsibility under the Articles of Government). It was noted that Academic Board membership was currently being reviewed and a further report would be made to the Board of Governors during summer term 2013.

The Board of Governors approved amendments to its combined governance document and agreed that the amended document should be placed on the Corporation section of eStudio for information: proposed Ms Jones, seconded Mrs Wright.

ACTION: Clerk

PART IV – items for information

Annual reports

The Chair, on behalf of the Board, thanked staff who had produced the annual reports to be considered at this point on the agenda, noting that they were comprehensive and well-written.

- 12. Health & Safety report.** The Board of Governors received, for information, the College's 2011/12 Health & Safety Report.

It was noted that areas covered by the report included; the work of the College's Health and Safety Committee; risk assessments; a significant reduction in the number of unplanned fire evacuations in 2011/12; a fire safety audit carried out by the Fire Brigade; the production of Driving for Work Guidance; first aid cover across the College; H&S inductions for staff and students; PAT testing of electrical equipment; the updating of COSHH documentation; changes to RIDDOR legislation on the reporting of accidents; an increase in recorded accidents in 2011/12 compared to 2010/11, which was thought to be due to the accident book being more accessible online, although the incident rate of 15.73 remained below the Health & Safety Executive (HSE) average for 2011/12 of 16.8.

- 13. Human Resources (HR) report.** The Board of Governors received, for information, the College's 2011/12 HR report. It was noted that the report included: policy and procedure changes; recruitment activity; staff absence levels; staff training and development; the monitoring of staff statistics; information on employee relation issues e.g. performance, discipline, grievances, capability, redundancies; an Employment Tribunal case, which had been dismissed; the use of recommendations arising from the 2011 Investors in People (IiP) accreditation review when developing the College's strategy and values; a progress report on job evaluation (JE); a report on legal developments which would have an impact on the College in the future.

In response to Governors' questions, it was noted that: the references to non-voluntary redundancies in the report included both teaching and support posts; any potential impact on the student experience would be monitored through the normal channels of communication with students at programme and course level, through the student representatives' system; students also had access to suggestion boxes; issues raised by students were followed up by the senior management team (SMT) but no issues relevant to the impact of redundancies on the student experience had been raised to date.

Governors noted in discussion that 2011/12 HR report stated that a Chartered Institute of Personnel and Development (CIPD) report had stated that, within the education sector, the average working time lost per year was 3.3%, which was 0.74% higher than the College figure of 2.5%. It was, however, noted that the benchmark for staff absenteeism shown in the College's KPI report considered earlier on the agenda was 3.9% against a College metric of 2.57% for 2011/12. The Director of Finance confirmed that she would check which figures were correct.

- 14. Equality & Diversity report.** Governors received, for information, the College's Equality & Diversity report for 2011/12, noting that it included details of: policy and procedure changes; the work of the College's Equality & Diversity Committee; employee relations; Investors in Diversity (IiD); Job evaluation (JE); widening participation; student risk assessments; staff adjustments; future

developments; statistical analyses.

In response to members' questions on staff recruitment in 2011/12, it was noted that the staffing profile showed that the College remained under-represented, compared to the national 2011 Census, both in terms of employees from non-white backgrounds and staff who have declared a disability. The report noted actions planned by the Head of HR to address this e.g. reviewing relevant HESA data, actions taken by similar HEIs and the effectiveness of current advertising.

15. **Safeguarding report.** Governors received, for information, the College's Safeguarding Children and Vulnerable Adults Report 2011/12 on activities undertaken by the College to comply with its responsibilities in this area.

Governors noted that the report summarised actions taken by the College in relation to child protection and safeguarding for 2011/12, including staff training, policy development and safeguarding instances. The report also noted that there had been a significant change in relevant legislation during the period under review, with the introduction of the Protection of Freedoms Act 2012, and that the Head of HR would review the College's policy on employment and safeguarding in relation to the College's right, under the Act, to undertake Disclosure & Barring (formerly Criminal Records Bureau) checks on staff.

Governors considered, in particular, actions noted in the report which had been taken by the College to prevent abuse and to help staff deal with disclosure by students.

16. **Freedom of Information report.** The Clerk presented the annual report on the processing of Freedom of Information (FOI) requests received, noting that 17 FOI requests and 3 Publication Scheme requests were received by the Clerk during the 2012 calendar year (2011: 5 FOI requests. 2010: 7 FOI requests and 1 Publication Scheme request). It was noted that "Publication Scheme" requests in this context were requests for information which was routinely published by the College but which had been submitted to the Clerk as FOI requests. The report also noted that the Information Commissioner's Office had issued a revised Publication Scheme Definition Document for Universities and other HEIs in January 2013.

The Board of Governors agreed to adopt, on the recommendation of the Clerk, the Information Commissioner's Office's revised Publication Scheme Definition Document for Universities and other HEIs issued in January 2013, the updating of the College's Publication Scheme in line with the new definition document and the placing of these documents on the FOI section of the College's website: proposed Mrs Wright, seconded Dr Cottrell.

ACTION: Clerk

PART V – minutes for receipt

17. **Committee minutes & reports.** The Board of Governors received the following minutes and reports.

17.1 Search & Governance Committee. The Board received the confirmed minutes of the special meeting held on 30th January 2013, which had met to make a formal recommendation to the Board of Governors on the appointment of the elected Staff Governor, Mr Miles.

It was noted that in addition to the report and recommendations arising from the meeting held on 13th March 2013, which had been given earlier on the agenda, the Committee had considered possible revisions to the Board's remuneration procedure for senior post-holders and the merits of beginning Board of Governors and Committee meetings earlier in the day.

The Committee had noted in discussion that: some HEIs held Board meetings during the working day; an earlier start time for meetings could help members who currently relied on public transport, which was less frequent after 8.00pm, and could also enable members to attend other commitments after Board meetings; an earlier start time for Board meetings could, however, have implications for Governors with work obligations and for the start times for committee meetings which currently took place immediately before Board meetings.

The Board agreed that the Clerk should consult with members on starting Board of Governors' meetings at 4.30pm in 2013/14.

ACTION: Clerk

17.2 Audit Committee meeting. The Chair of the Audit Committee, Mr Clements, gave a report on the meeting held earlier on 20th March 2013, noting in particular that the College had added an additional column to the College's risk register, in response to previous discussions at the Audit Committee, which had further improved the usefulness of the register. The Committee had also considered how the risk register demonstrated what mitigation was available to the College in relation to the policy decisions of funding bodies, which was a key area of risk.

Mr Clements reported on the positive opinion of the College's internal auditors on the College's key financial controls, which had been audited as part of the 2012/13 internal audit plan, receiving a grade of substantial assurance.

18. College minutes. The Board of Governors received the following minutes and reports:

18.1 Academic Board: report on the meeting held on 13th March 2013

18.3 FE Committee: minutes of the meeting held on 16th January 2013 & 13th February 2013.

18.4 Equality & Diversity Committee: minutes of the meeting held on 6th March 2013.

The Board of Governors noted that the minutes of the Academic Board meeting held on 13th March 2013 would be presented to the Board of Governors' May 2013 meeting.

ACTION: Clerk

The minutes of the FE Committee meetings held on 16th January 2013 and 13th February 2013 and the minutes of the Equality & Diversity Committee held on 6th March 2013 were received. The new format of the minutes was noted, together with improved attendance at the College's Equality & Diversity Committee.

Members noted that a review of the effectiveness of the Academic Board and its committee structure was being undertaken, which should help to further improve debate on HE and FE matters. Proposals included the adoption of a formal schedule of business for the Academic Board. It was noted that a proposal on

changes to the membership of the Academic Board would be brought to the Board of Governors for approval, as required under the Articles of Government, during summer term 2013. Details of the Academic Board's terms of reference would also be brought to the Board of Governors, for information.

ACTION: Principal/Clerk

It was noted in answer to Governors' questions that the College was setting up a committee of the Academic Board which would deal with research, which should encourage more debate on matters of research and scholarship.

The Board agreed that it would in future receive the College's annual report on equality & diversity but would not receive the minutes of the College's Equality and Diversity Committee, which were operational in nature: proposed Mr Blaney, seconded Mrs Wright

ACTION: Clerk

It was noted that the above decision was in line with precedent and the Board's current practice e.g. it received an annual health and safety report but did not receive the minutes of the College's Health & Safety Committee.

The Board of Governors considered whether it should continue to receive the minutes of the HE and FE Committees, noting that they reported to the Academic Board, the minutes of which the Board of Governors also received. It was agreed that this should be considered further at the Board of Governors' May 2013 meeting.

ACTION: Clerk

The Board agreed that in future, the minutes of the Academic Board should be considered immediately after the CEO's report, so that relevant academic issues could be considered in that context.

ACTION: Clerk

19. **Any other business.** There was no other business.
20. **Risk Management.** No new items of risk were identified at the meeting.
21. **Date of next Board meetings:**
 - Wednesday 24th April 2013 at 4.00pm (*training session followed by dinner*)
 - Wednesday 22nd May 2013 at 6.00pm (*formal meeting*)

PART VI – Reserved Matters

22. **Exclusions.** The Board agreed that the following staff and student members should be excluded prior to consideration of the Reserved Matters agenda: Mr Aal (Co-opted Student Governor), Mr S Thorpe (Director of Academic Studies & Student Engagement), Mr R Miles (Co-opted Staff Governor). The Board agreed that Ms Bailey (Director of Finance) and Mr D Russell (Director of Academic Studies, Quality & Standards) should remain in attendance.
23. **Reserved matters minutes of 30th January 2013.** The Board of Governors approved the confidential Reserved Matters minutes of the Board of Governors' meeting held on 30th January 2013.

24. **Action plan update & matters arising.** Governors considered the action plan attached to the above minutes.

It was noted that the Board meeting held on 30th January 2013 had not considered the title of the Clerk to the Corporation, agreeing that it should be changed to "Clerk to the Board of Governors" to reflect the Board's current usage.

Action: Clerk/Head of HR

...

25. **Part-time Evening Access to Higher Education.** It was noted that this item had been considered earlier on the agenda.

26. **Annual review of confidential minutes.** The Clerk reported that:

- The Board of Governors reviewed confidential minutes approved by the Board of Governors and its committees annually during the spring term.

Having reviewed the confidential minutes for the relevant period and the Clerk's recommendations, the Board of Governors agreed that:

- The following should be released from confidentiality: Part II of the Reserved Matters minutes of the meeting of the Board of Governors held on 21st March 2012 and the section marked in green in the confidential Audit Committee minutes of the meeting held on 21st March 2012, as the original reasons for confidentiality no longer applied.
- The following should not be released from confidentiality: the Reserved Matters Board minutes of 14th December 2011, 21st March 2012, 13th June 2012 and 28th November 2012 (discussion of senior post-holders pay and conditions), which related to named or identifiable members of staff, and the section marked in red by the Clerk in the confidential Audit Committee minutes of 21st March 2012 . . . which remained a matter of commercial confidentiality.
- The Board also agreed that the following should not be released from confidentiality: the minutes of an extraordinary meeting of the Board of Governors held on 1st February 2012 . . . should continue to be treated as confidential as it related to a third party.

ACTION: Clerk

27. **Any other business.** The Chair of Governors, Mr Yendell, noted that this would be the final formal Board of Governors' meeting to be attended by Mrs Williams, the Vice-Chair of Governors, before her second term of office ended in April 2013. Mr Yendell thanked Mrs Williams for her support and for her work for the Board of Governors and the College.

Mrs Williams thanked Mr Yendell, stating that she had enjoyed being a member of the Board of Governors, had seen many good changes made at the College during her time as a Governor and expressed a wish that the College should go from strength to strength in the future.

(Note to the minutes: Minutes 17-19 below were released from confidentiality by the Board of Governors at its meeting on 25th March 2014).

Confirmed

LEEDS COLLEGE OF ART

BOARD OF GOVERNORS OF THE HIGHER EDUCATION (HE) CORPORATION

Minutes of a meeting of the Board of Governors held on 22nd May 2013

Present: Mr S Aal, Mr S Blaney, Mr C Clements, Ms J Eugene, Dr S Cottrell (Deputy Chair of Governors), Ms I Kemp, Mr M Lever, Ms S Wonnacott (Principal), Mr P Yendell (Chair of Governors), Mr I Wood, Mrs C Wright

In attendance: Mrs F Bagchi (Clerk to the Corporation), Ms S Bailey (Director of Finance)

1. **Apologies for absence.** Apologies were received from the following members of the Board of Governors: Mr J Flathers, Ms J Jones, Mr T Hoare, Mr R Miles.
2. **Declarations of interest.** There were no declarations of interest made at the start of the meeting. Dr Cottrell declared an interest during item 11.2 (Search & Nominations Committee minutes - discussion of election of Deputy Chair of the Board of Governors for the remainder of the 2012/13 academic year) and left the meeting during the relevant discussion.

PART I – items for decision

3. **Minutes of previous meeting.** The Board approved the minutes of the meeting of the Board of Governors held on 20th March 2013: proposed Mrs Wright, seconded Dr Cottrell.
4. **Action plan update & matters arising from the minutes, not elsewhere on the agenda.** It was noted that all actions in the table attached to the above minutes had been completed, were on the agenda or had a future completion date.

Under matters arising from the minutes, it was noted with reference to item 6 (CEO's report, including key performance indicator report) and item 13 (Human Resources Report) that the correct figure for staff absenteeism was shown in the latter i.e. that the College figure was 2.5% against a Chartered Institute of Personnel and Development (CIPD) figure of 3.3% for the education sector.

PART II – items for consideration and monitoring

5. **Chief Executive's report.** The Principal presented the Chief Executive Officer's report, including non-financial key performance indicators (KPIs), which was discussed.

Key topics included in the report included the following:

- The College had received the Higher Education Funding Council for England's (HEFCE's) annual assessment of institutional risk, which would

- be considered as a separate item later on the agenda;
- The College had met HEFCE's requirements for Capital Investment Framework 2 (CIF2) funding, following its CIF2 submission which, as required, had included details of carbon efficiency and estate maintenance;
- The College had received notification from HEFCE that its appeal against the decision not to award the College institution specific funding had been unsuccessful;
- The College had established a Taught Degree Awarding Powers (TDAP) transition working group, which would work with the College's senior management team (SMT) and would report to the College's Academic Board and Senior Management Team;
- An Open University (OU) external validation event had taken place in March 2013 and the Panel had confirmed that the College's MA in Creative Practice had met the quality and standards required for validated awards of the Open University;
- The above validation of the College's first taught postgraduate degree programme was a significant achievement for the College and had been celebrated with staff at the Principal's briefing in April 2013;
- The Board of Yorkshire Universities had approved the College's membership;
- The Higher Education Statistics Agency (HESA) Destination of Leavers from Higher Education (DHLE), which captured what students were doing 6 months after graduation, had been managed in-house by the College's Marketing and Registry departments for the first time and had achieved the required response rate for the statistics to be published by HESA;
- The College's DHLE survey results KPI (Aim 1, measure 9 - Objective: *Achieve above HESA benchmark in employability*) had risen to 93.7% in 2011/12 (2010/11: 87.3%), based on the provisional DHLE data submitted to HESA in March 2013.

Governors noted that the above positive student employability statistics confirmed the direction of the College's strategy in this area e.g. including work with creative professionals, equipping students through their course work with basic business skills and knowledge of the creative industry in which they wished to work, short courses during the Easter/summer vacations on business skills for prospective/recent graduates giving students more confidence to consider starting their own business or work freelance.

The following staff appointments were noted: Head of Information Technology (IT), following the restructure and combination of the IT infrastructure and Systems Development departments; the new Course Leader for the Extended Diploma Art & Design; the new Head of Marketing and Communications, who would report to the Principal.

The development of the tier of management immediately below the senior management team was noted. It was also noted that the College's committee structure was being re-organised and that it had already been agreed that details would be presented to the Board of Governors' July 2013 meeting.

Governors noted the report on student and staff success and achievements outlined in the CEO's report.

Governors considered the KPI report and discussed in detail performance against the College's Widening Participation (WP) measures (Strategic Plan Aim 6) in the context of the College's Access Agreement, noting that:

- WP measures were integral to the College's Access Agreement;
- The Office for Fair Access (OFFA) would confirm in July 2013 the approval of HEIs' Access Agreements, at which point the College's 2014/15 Access Agreement, which had been approved by the Board of Governors at its March 2013 meeting, would become a live document;
- The College monitored WP measures and milestones through its HE Committee or its Equality & Diversity Committee, as appropriate;
- The College's KPI report recorded an outcome of 15% for 2011/12 for the *Percentage of entrants to HE from WP postcodes*, based on the IMD measure historically used within FE institutions. The benchmark figure has been updated to an outcome based on the POLAR 2 measure of 9.1% for 2011/12, as agreed at the Board of Governors March 2013 meeting reflecting a more appropriate measure for a HE institution;
- The Red-Amber-Green (RAG) rating of the above KPI as Red was discussed, noting that it reflected performance against the previous benchmark of 19% which had been taken from the College's 2011/12 OFFA Access Agreement;
- The KPI report noted an outcome of 35.1% in 2011/12 (2010/11: 42%) against a benchmark of 40% for the *Percentage of new entrants from low income households*;
- The above benchmark had been set by the College from historical data i.e. it was not benchmarked against other specialist HEIs, noting that differences between specialist HEIs would make it difficult to set a common benchmark for this area;
- The KPI report noted that the College had exceeded the benchmark for the *Percentage of new entrants who are first in family into HE* i.e. the 2011/12 outcome was 54% (2010/11: 53%) against a benchmark of 45%;
- The above benchmark was derived from a combination of HESA data and the College's own data;
- With reference to the setting of benchmarks, OFFA agreed HE institutions' (HEIs') WP measures and milestones when agreeing Access Agreements and would reject any that it considered were not reasonable, which provided some measure of external scrutiny;
- HEIs would also have to provide OFFA with an explanation if they failed to meet their WP measures;

In response to Governors' questions on WP, it was noted that:

- Although only £22,000 of the College's WP budget of £32,000 had been spent to date, the Director of Finance confirmed that the WP budget-holder would spend the full sum by the end of the financial year;
- With reference to the KPI for *Percentage of new entrants from low income households*, the College defined "Low income household" as a household with income of under £25,000 p.a., which was the point at which students qualified for a maintenance grant, but HEIs were free to decide their own definition of low income, with some HEIs defining households with under £45,000 p.a. as low income and others operating a sliding scale between £25-45,000.

Governors discussed measure 14 (Staff turnover) of Aim 5 in the KPI report,

noting that:

- The relevant Objective was *To ensure staff turnover is lower than benchmark comparisons*;
- It was understood that staff turnover of 4-5% p.a. would be considered normal in the private sector and that the College figure of 8.9% for voluntary staff turnover in 2011/12 (2010/11: 16%) against a benchmark of 13.1% appeared high in comparison;
- The report recorded a total staff turnover rate for 2011/12 of 20%, including non-voluntary severance;
- A more detailed analysis of staff turnover had been provided in the Human Resources (HR) annual report for 2011/12, which had been considered at the Board of Governors' March 2013 meeting, and which had reported on turnover in relation to fixed term contracts;
- Fixed term contracts were still often used in the education sector to enable institutions to be responsive to changing curriculum needs and accounted in part for the higher overall staff turnover figure noted above;
- Some HEIs recorded data for permanent and fixed term staff separately, including data from staff satisfaction surveys, as turnover and morale for the 2 groups could differ.

With reference to Aim 5, Governors discussed measure 16 (Objective: *Performance of annual performance reviews completed*), noting that:

- 99.5% of annual performance reviews (APRs) had been completed in 2011/12 against a target of 100% and against an outcome of 35% in 2010/11, the first year of the new appraisal system;
- The Principal reported that, in general, staff appeared to be positive about the new APR system.

The Board of Governors received the CEO's report, including the KPI report.

6 Academic Board. The Principal, as Chair of the Academic Board, presented the minutes of the Academic Board meeting held on 13th March 2013, which were discussed.

It was noted that it had been agreed at the Board of Governors' March 2013 meeting that the Academic Board minutes should be considered immediately after the CEO's report, so that relevant academic issues could be considered in that context, and to emphasis the work of the Academic Board as an important area of focus for the Board of Governors, particularly as the College prepared to submit its TDAP application.

It was noted in response to Governors' questions on the minutes that:

- The College's research strategy was almost complete and the Research Committee would report to the Academic Board;
- With reference to the implementation of "Mahara", that this was an electronic portfolio system which was compatible with Moodle, the virtual learning environment (VLE) used by the College.
- It was noted that some HEIs used such systems to provide alumni with access to portfolio material after graduation and that the College would also review this option.
- With reference to the 2012/13 validation report for the BA (Hons) Illustration, that the programme had been given a deadline of 31st May 2013 by the College's validating body, the Open University (OU), to meet

conditions relating to staffing, resources and space and that these had been satisfactorily addressed.

It was noted with reference to the Board of Governors' decision concerning the appointment of a Governor nominated by the Academic Board, that this would be included in the Academic Board's revised terms of reference which would be presented to the July 2013 meeting of the Board of Governors for information, together with the Academic Board's revised membership for approval by the Board of Governors.

ACTION: Principal

The Board of Governors received the Academic Board minutes of 13th March 2013.

7. **Financial matters: management accounts.** Ms Bailey, the Director of Finance, presented the management accounts for the period ending 30th April 2013, including a review of financial KPIs.

Governors noted that the commentary to the account recorded that:

- The reported operating surplus for the first nine months of the financial year was £1,876,925, which was £1,151,608 ahead of budget, mainly due to increased income as a result of the budget assumptions and the timing of non payroll costs;
- A full re-forecast had been completed and it was expected that the full year outturn would be in excess of budget by £1,060,781;
- The main savings against the budget related to expenditure which was now expected to be incurred in 2013/14 i.e. the website development costs, HR system costs and the fee payable to the Quality Assurance Agency (QAA) for the TDAP submission.

It was noted in response to Governors' questions that:

- A new Head of Marketing had been appointed but the College had not yet gone out to tender for the contract for the redevelopment of the College website, resulting in the underspend in this area noted above;
- The job description for the Head of Internationalisation included international student recruitment and he had been working with agents and with other HEIs that recruited internationally;
- Areas being researched in relation to the international student market included China, including Hong Kong, and the USA;
- Not having TDAP appeared to be a disadvantage when recruiting overseas;
- Existing international students could often be the College's best ambassadors and currently included students from Ethiopia and eastern Europe;
- HE students from the Channel Islands and the Isle of Man were subject to a separate funding regime and did not therefore come under HEFCE student number controls.

Governors noted that considering the use of gilts for College deposits remained an action for the Director of Finance during 2013, noting in discussion that:

- While it was understood that some trusts were placing funds in gilts, as a result of continuing concerns about the security of investments placed with banks and the possibility of investors being required to contribute to

future bank bailouts, the issue was complicated by the fact that gilts could result in a lower return on investment;

- Actions could be taken to minimise the risk to funds placed with banks;
- The College had a major building project planned and was not therefore currently planning to build up deposits.

The Board of Governors received the College's management accounts for April 2013, noting that the College's finances remained robust and well-managed.

8. **HEFCE: annual letter of institutional risk (April 2013).** The Board of Governors noted that HEFCE assessed the level of HEIs institutional risk annually, informing individual institutions of their assessed grade in a confidential letter, which also included benchmarking data of key financial metrics for the HE sector. The grades used by HEFCE were: "not at higher risk" or "at higher risk". Governors noted that HEFCE's letter of 3rd April 2013 recorded that it had assessed the College as "not at higher risk".

The Board of Governors received HEFCE's annual letter of institutional risk.

9. **Financial Sustainability Strategy Group (FSSG): Newsletter on institutional sustainability assessment (April 2013).** The Director of Finance presented the FSSG newsletter on HE institutional sustainability. It was noted that the FSSG was a high-level forum established to consider the strategic, policy, cultural and technical issues around the sustainability agenda in the HE sector. Its stated aim was to contribute to improving the HE sector's understanding, management and communication of its academic and financial sustainability and to support and enhance the understanding and development of management, governance and risk processes in a changing regulatory and funding environment for HEIs e.g. as HEFCE moved from being mainly a funding to a regulatory body. The FSSG sustainability report, which had previously been considered by the Board of Governors, built upon the Committee of University Chairs' (CUC's) guidance on the use of institutional KPIs in HE.

It was noted that the FSSG had asked all UK HEIs to make an assessment of their institutional sustainability during 2013 and to share the outcomes in a short report (called ASSUR) from their Board of Governors to be sent to HEFCE in December 2013. The model report built on the experience of HEIs which had taken part in the ASSUR pilot project.

Governors noted that the FSSG newsletter noted that HE funders and regulators (including HEFCE) were represented on the FSSG and had been involved in the development of its recommendations. HEFCE considered an assessment of sustainability by governing bodies to be an important element of good governance that demonstrated that institutions were managing risks effectively. A review of its Financial Memorandum with HEIs was being undertaken by HEFCE during 2013 and it was anticipated that the new version could require HEIs to submit an ASSUR report as part of their Annual Accountability Returns to HEFCE.

As the Board of Governors had already approved a wide range of financial and non-financial KPIs, the College's senior management team (SMT) were recommending that the ASSUR model template provided with the FSSG newsletter should be adapted and returned to the Board of Governors' July 2013 meeting for consideration on adoption.

It was noted that the model ASSUR report included the following performance areas:

- Teaching and learning and the student experience;
- Research outputs and sustainability;
- Financial performance for sustainability;
- Financial health;
- Other leading area (to be chosen by the HEI);
- Other supplementary information i.e. Net TRAC RFI (Transparent Approach to Costing Return for Financing & Investment) for 2011/12 as percentage of income, and MSI (Margin for Sustainability & Investment) - target EBITDA (Earnings Before Interest, Taxes, Depreciation & Amortisation) as percentage of income.

Governors discussed the value of producing an ASSUR report, noting that:

- The College already had a good range of KPIs which demonstrated positive sustainability and that there would be a value in demonstrating this to HEFCE;
- Use of the report would enable the College to develop further current reporting through KPIs;
- EBITDA as a percentage of income, which was already included as one of the College's financial KPIs, was starting to be used as a metric across the HE sector.

It was noted, in response to members' questions, that:

- As the College transferred to the HE sector on 1st August 2011, it had been given 3 years in which to complete its first TRAC return, noting that TRAC was a costing tool used to calculate the full economic costs of teaching and research in HEIs.

Governors discussed which KPIs might be used for the ASSUR report *Teaching and learning and the student experience* performance area, noting that:

- The KPIs already used by the College included use, for example, of the HE National Student Survey (NSS) overall satisfaction score;
- HEIs often used NSS scores as measures of student satisfaction and good student-staff ratios could also be important in this context.

It was noted in response to members' questions that it was not currently anticipated that HEIs would be required to publish the ASSUR report.

The Board of Governors received the Financial Sustainability Strategy Group (FSSG) April 2013 newsletter on institutional sustainability assessment and agreed that the Director of Finance should produce a draft KPI template based on the FSSG's ASSUR model for presentation to the Board of Governors' July 2013 meeting, for consideration on adoption.

ACTION: Director of Finance

PART III – items for approval/ratification

10. **CUC model policy on using external auditors for non-audit services.** Mr Clements, as Chair of the Audit Committee, reported that the March 2013 meeting of the Audit Committee had considered auditor independence and in particular what level of non-audit fees were likely to have an impact on audit

objectivity. Extracts from the Committee of University Chairs' (CUC) *Handbook for members of Audit Committees in HEIs (Handbook)*, which considered the question of auditor independence and non-audit work, included a model policy on using external auditors for non-audit services. The CUC's *Handbook* did not recommend a specific financial limit for such work. The Committee had, however, noted that fees for non-audit work amounting to around 30% of total audit fees were generally considered acceptable.

The Audit Committee had agreed to recommend to the Board of Governor the adoption of the model policy on auditor independence contained in the CUC *Handbook*, with a financial limit of £5,000 inserted where [£x] was otherwise shown in the document. It was proposed that fees for non-audit work in excess of this sum could only be entered into following the procedure for permission specified in the model policy. The policy was designed to ensure auditor objectivity, value for money and that the College had an approved procedure to follow.

The Board of Governors approved, on the recommendation of its Audit Committee, the CUC model policy on using external auditors for non-audit services, including a financial limit of £5,000 as noted above: proposed Ms Kemp, seconded Mrs Wright.

PART IV – minutes for receipt & item for decision

- 11. Committee minutes & reports.** The Board of Governors considered the following minutes and reports.

11.1 Audit Committee. Mr Clements, as Chair of the Audit Committee, presented the unconfirmed minutes of the Audit Committee meeting held on 20th March 2013, noting that a verbal report on the meeting had been given to the Board of Governors on 20th March 2013.

Mr Clements drew attention to the opinion of the College's internal auditors, RSM Tenon, that the Board of Governors could take substantial assurance that the controls upon which the organisation relied to manage the College's key financial controls and data quality (integrity of HESA data) were suitably designed, consistently applied and effective. It was noted, with reference to the review of key financial controls that the College used two financial systems, with the Agresso system being predominantly concerned with the sales ledger, whilst the Corero system focused on the general and purchase ledger. It was noted in response to Governors' questions that Agresso was also used as the College's student records system and that its role in ensuring data quality outweighed the fact that it was not integrated with Corero.

Mr Clements reported that the Audit Committee had also reviewed the College's revised risk register and a benchmarking report from the College's external auditors, KPMG, on risk management in 30 HEIs which it audited. It was noted that the College's risk register contained 23 risks, which the KPMG's report showed to be average for the sector. The College's risk register considered risks at a strategic level and the Committee considered that the number of risks in the register and the level of coverage to be appropriate for the size of the College. Risks relating to the external environment and funding were noted as key risks in both the College's risk register and in KPMG's benchmarking report. It was noted that, because of the external nature of these risks, the range of mitigating

controls which could be applied by HEIs was necessarily limited. The Audit Committee would continue to monitor the College's risk register at each meeting.

The Board of Governors received the unconfirmed minutes of the Audit Committee meeting held on 20th March 2013.

11.2 Search & Nominations Committee. Mr Blaney, as Chair of the Search & Nominations Committee, presented the unconfirmed minutes of the Search & Nominations Committee meeting held on 13th March 2013 and reported that a verbal report and recommendations had previously been given to the Board of Governors' meeting held on 20th March 2013.

Mr Blaney reported that the March 2013 meeting of the Committee had noted that the retirement of the former Deputy Chair of the Board of Governors, Mrs Williams, as an Independent Governor in April 2013 meant that a Deputy Chair would need to be elected for the remainder of the academic year. In the context of discussing draft role descriptions for the Chair and Deputy Chair of the Board of Governors, the Committee had noted the desirability of the holders having complementary skills (i.e. in finance and academic matters) to meet the requirements of external inspection and assessment. As the Chair, Mr Yendell, had a business background, Dr Cottrell had been approached concerning her willingness to be considered for the post of Deputy Chair and had indicated that she would be willing to be considered for appointment.

Dr Cottrell left the meeting.

Governors considered the appointment of Dr Cottrell as Deputy Chair of the Board of Governors, noting that her academic background and ability to lead discussion on HE matters would be especially valuable as the College prepared to apply for TDAP.

The Board of Governors approved the appointment of Dr Cottrell as Deputy Chair of the Board of Governors for the remainder of the 2012/13 academic year: proposed Mr Blaney, seconded Mr Yendell.

Dr Cottrell returned to the meeting.

It was noted that the Chair and Deputy Chair of the Board of Governors were elected annually and that an election for the 2013/14 academic year would be held at the July 2013 meeting of the Board of Governors, with nominations forms being distributed to Governors at the Board's June 2013 meeting.

ACTION: Clerk

The Board of Governors received the unconfirmed minutes of the Search & Nominations Committee meeting held on 13th March 2013

12. College minutes. The Board of Governors considered the following minutes and reports.

12.1 HE Committee. Governors received the minutes of the HE Committee meeting held on 27th February 2013, noting, in response to Governors' questions, that the College's Ethics Committee would be fully operational from 2013/14.

12.2 FE Committee. It was noted that there were no FE Committee minutes to be received.

12.3 Future receipt of the minutes of the HE & FE Committees. Governors considered whether they wished to receive the minutes of the HE and FE Committees in future, noting that these committees reported to the College's Academic Board, the minutes of which were already received by the Board of Governors. It was noted that some Governors found the HE and FE Committees minutes useful, as they flagged up items before their later consideration by the Academic Board and their minutes sometimes provided more detail and/or useful background information, which some Governors considered provided additional assurance that they were fully informed about academic and quality matters as preparations were made for the College's TDAP application.

It was agreed that the Board of Governors should continue to receive the minutes of the HE and FE Committees for another year, reviewing the decision during summer term 2014.

ACTION: Clerk

- 13. Any other business: participation of mature students in FE and HE.** In response to members' questions, it was noted that the decision to close the FE Part-time Evening Access to Higher Education course to new students from September 2013, which had been considered under the Reserved Matters agenda at the Board's March 2013 meeting, was now in the public domain. The decision had been made as a result of reductions in FE funding for 19+ students, which had resulted in the College deciding that the course was no longer viable.

It was noted, in a general discussion of part-time provision for mature students, that statistics released recently by HEFCE showed that since 2010 part-time undergraduate numbers in England had fallen by 40%, attributed in part to increased HE tuition fees. As part-time HE courses were not subject to HEFCE student numbers controls, however, some HEIs were now considering how they could increase participation from this group. Mr Aal, as Co-opted Student Governor, drew attention to the importance of part-time provision for mature students and for the economy generally (e.g. through addressing skills shortages and facilitating career change), noting that, while younger students tended to be recruited nationally, mature students were more likely to want to study regionally.

In response to members' questions, it was noted that the closure of the FE Part-time Evening Access to Higher Education would result in a reduction in the College's provision for mature students, although the course had only recruited a small number of students i.e. about 12 students completed the course annually. The College also ran full cost short courses and these were increasing with a mainly mature student profile.

The Board of Governors noted that the College was aware of the key issues surrounding the participation of mature students in FE and HE and took them into account when formulating widening participation policies and in strategic planning.

- 14. Risk Management.** No new items of risk were identified at the meeting. It was noted that existing risks were already covered by the College's risk register, which was considered by the Audit Committee at each meeting and by the Board of Governors annually.

15. **Date of next Board meetings:**
- Wednesday 12th June 2013 at 6.00pm
 - Wednesday 10th July 2013 at 6.00pm

PART VI – Reserved Matters

16. **Exclusions.** The Board agreed that the following staff and student members should be excluded prior to consideration of the Reserved Matters agenda: Mr Aal (Co-opted Student Governor) and Ms Bailey (Director of Finance).
17. **Exclusions.** The Co-opted Student Governor, Mr Aal, and the Director of Finance, Ms Bailey, left the meeting.
18. **Minutes of the previous meeting.** The confidential Reserved Matters minutes of the meeting of the Board of Governors held on 20th March 2013 were approved.
19. **Action plan update & matters arising.** The action plan attached to the above minutes was considered and it was noted that all actions had been completed or, in the case of the production of a draft revised senior post-holder remuneration procedure, was due to be considered at the June 2013 meeting of the Search & Nominations Committee before presentation to the Board of Governors in July 2013.
- ACTION: Chair of Governors/Clerk**

Confirmed

LEEDS COLLEGE OF ART

BOARD OF GOVERNORS OF THE HIGHER EDUCATION (HE) CORPORATION

Minutes of a meeting of the Board of Governors held on 12th June 2013

- Present:** Mr S Aal, Mr S Blaney, Mr C Clements, Dr S Cottrell (Deputy Chair of Governors), Ms J Eugene, Mr J Flathers, Mr T Hoare, Ms I Kemp, Mr M Lever, Mr R Miles, Ms S Wonnacott (Principal), Mr P Yendell (Chair of Governors), Mr I Wood, Mrs C Wright
- In attendance:** Mrs F Bagchi (Clerk to the Board of Governors), Ms S Bailey (Director of Finance)

1. **Apologies for absence.** There were no apologies.
2. **Declarations of interest.** There were no declarations of interest.

PART II – items for consideration and monitoring

Mr Flathers joined the meeting during the following item.

3. **Chief Executive's report.** The Principal presented the Chief Executive Officer's report, including non-financial key performance indicators (KPIs), which was discussed.

Governors noted key topics included in the report, including the following:

- 2013 was the first year the College had been included in HE league tables. The College was the highest ranked independent art college in the UK in the Guardian league tables and eighth in the specialist institutions table overall, and in the subject tables which looked at the College's subject area across all HE institutions (HEIs).
- The three mosaics created by Eric Taylor, a former Principal, which were on the Merrion Centre have been secured for display on the College buildings for a minimum 25 year loan.
- Student success and achievements.

Governors considered the report on non-financial KPIs, noting in response to members' questions that:

- With reference to KPI 10 (Aim 4. Overall applications to places ratio - HE. Objective: - Maintain a ratio of at least 6 applications to each HE place) that the metric for 2013/14 recruitment was 6.6, which exceeded the benchmark. Applications were of good quality, with applicants asked to complete pre-interview tasks before invitation to interview on some programmes.
- With reference to KPI 1 (Aim 1. Student Satisfaction – Higher Education. Objective: Achieve at least a score of 4 for Q22 (overall satisfaction) in the HE National Student Satisfaction (NSS) survey) that the College's 2011/12 score of 4.3 exceeded the target. A small number of courses were working to achieving the benchmark of 4 for their areas. While the College had performed well overall in the NSS, it was not complacent and worked with departments where there were issues to be addressed. It was noted that NSS satisfaction scores nationally could vary between subjects so that a comparison within disciplines was useful. It was noted that the College performed well and reviewed its performance annually against NSS subject scores, as well as scores for specialist HEIs, and that this was discussed with the Board of Governors.
- It was noted that the Guardian League table, considered above, included NSS scores.
- With reference to KPI 14 (Aim 5. Staff Turnover. Objective: To ensure staff turnover is lower than benchmark comparisons), the voluntary staff turnover figure was 8.9% for 2011/12 against a benchmark of 13.1% but was 20% including non-voluntary severance. Figures were for both teaching and support staff. With reference to queries as to whether a separate KPI would in future be included for non-voluntary severance, it was noted that the College's HR Annual Report already provided a more detailed breakdown of statistics for staff turnover. The 2011/12 HR Report had been presented to the March 2013 meeting of the Board of Governors and was available on the Corporation section of eStudio.
- Data for permanent and fixed term staff contracts would be included in the 2012/13 HR Annual Report.
ACTION: Head of HR
- With reference to KPI 17 (Aim 6. Widening Participation Measures. Objective: percentage of new entrants from low income households), the 2011/12 metric was 35.1% against a benchmark of 40%. New outreach measures in primary schools in areas of high deprivation had been included in the Office for Fair Access (OFFA) Access Agreement for 2014/15 approved by the Board of Governors at its March 2013 meeting.

- To date, the College had only received requests for clarification from OFFA in relation to the College's Access Agreement for 2014/15 and would inform the Board of Governors when it had been approved by OFFA.

ACTION: Principal

- With reference to KPI 17 (Aim 6. Widening Participation Measures. Objective: Percentage of entrants to HE from WP postcodes), in HE, the 2011/12 metric was 9.1% using the POLAR2 postcodes measure against a benchmark of 10%. Previously, as a FE College using the IMD measure, the metric was 15%. With reference to a question concerning actions being taken by the College to encourage widening participation that they supported ways to encourage progression from further education (FE) to higher education (HE).
- With reference to progression from the College's FE provision to its HE provision generally, it was noted that FE students were encouraged to apply but the College's application to acceptance ratio for HE places was so high that places could not be guaranteed for FE applicants.

With reference to discussion of the KPI report generally, the Chair drew members' attention to changes to the KPI report since the last review, which were highlighted in blue in the KPI table i.e.

- KPI 5 (Aim 1. Percentage of First and 2:1 degrees awarded. Objective: Annually evaluate degree classifications with reference to HESA data for Creative Arts subject area.), the benchmark had now been updated with reference to HESA data and was 66.1%, with the College's metric for 2011/12 being 74.1%.
- KPI 6 (Aim 1. Number of students per academic FTE. Objective: To maintain a staff to student ratio in line with the average for specialist colleges), the benchmark had been updated with reference to HESA data and was now 19.6, with the College's metric for 2011/12 being 16.5.
- KPI 11 (Aim 4. Overall applications to places ratio - FE. Objective: Maintain a ratio of at least 1.5 applications to each FE place.), information for early June 2013 was that a ratio of 1.5 applications to each FE place for 2013/14 had been achieved.

The Board of Governors received the CEO's report, including the non-financial KPI report.

4. **Academic Board.** The Principal, as Chair of the Academic Board, reported that the Academic Board was next due to meet on 3rd July 2013.
5. **Budget 2013-14 - introduction & overview.** Ms Bailey, the Director of Finance, gave a presentation on the draft College budget for 2013-14. The presentation had been prepared in order to provide an outline of the main factors influencing the budget, the assumptions used in the preparation, and the main variances between the forecasted 2012/13 outturn and the 2013/14 budget.

Governors considered the development of the 2013/14 budget and its relationship to the College's new Strategic Plan, noting the particular relevance of the following areas:

- The portfolio review undertaken by the College, which had resulted in the introduction of new programmes (e.g. BA Illustration, BA Animation, the Masters programme) and the final year of some programmes which were

closing (e.g. Furniture, Interior Design and Art and Design Interdisciplinary);

- A focus on the student experience, included investment in resources, employability initiatives, improvements in studio space, and support for alumni;
- The College's application for Taught Degree Awarding Powers (TDAP), which would be made in 2013/14 rather than in 2012/13;
- The College's aim of diversifying its income streams to reduce its reliance on public funding e.g. through growth in international student numbers and the development of full cost short and professional programmes;
- With reference to staffing, key areas were supporting staff in research, development and training and implementing the outcome of the job evaluation (JE) process.

The Board considered issues in the external environment which were of relevance to the development of the budget, noting:

- Significant changes in FE funding, including the introduction of student loans for students aged 24 and over;
- Greater competition for students was expected;
- In HE, Student Number Control changes offered the College the potential for some limited growth;
- The College's current lack of TDAP was considered a barrier to international recruitment
- While the College appeared to be well placed to take advantage of the opportunities available to it, the marginalisation of the creative arts in the school curriculum continued to be a potential threat

It was noted in response to Governors' questions on FE funding changes, that annual income from adult provision was about £300,000.

Governors also noted the following areas of relevance to the work of the College and the development of the 2013/14 budget:

- Protecting the core work of the College by ensuring that the College's portfolio remained relevant and attractive, developing new courses and supporting students e.g. through hardship funds, course budgets, new equipment, good infrastructure and studio space;
- Investing in marketing and branding, including the appointment of a new Head of Marketing and Communications and the development of a new College website;
- Achieving Value for Money (VfM) e.g. through effective spending through use of the Crescent Purchasing Consortium, identify new ways of working
- Building mutually beneficial long term relationships with students, focussing on alumni, and developing Saturday art classes for children, in addition to the College's primary school outreach programme, to ensure that student relationships with the College started early.

In response to members' questions, it was noted that:

- The College website had last been updated in 2006 and did not have the functionality the College currently required;
- Professional fees to be incurred in relation to the building project included architects' fees and quantity surveyor fees, with the agreement with the architects being signed under seal as a deed by the Chair of the Board of

- Governors and the Principal at the current meeting;
- Fees appeared high as they included VAT, which the College could not reclaim

The Board noted that key assumptions and contingencies included in the 2013/14 budget included:

- In HE, opting out of HEFCE's core and margin in 2013/14, 2014/15 and 2015/16.
- HEFCE would allow tolerance of +3% in student number controls, with the 2013/14 budget assuming that the College would recruit to the upper end of HEFCE's student number control tolerance. This would result in an additional 12 students in 2013/14, with additional numbers continuing in 2014/15 and 2015/16;
- Student retention in the budget was prudently assumed to be 95%;
- While the budget assumed growth in numbers of students aged 16-18, reductions expected in adult provision as adult learners on Access to HE courses aged 24 and over were expected to apply for loans;
- There would be significant expenditure on re-modelling the College to accommodate new courses and the new building;
- HEFCE funding would be significantly reduced as there was only one remaining year of full grant funding, with a £25,000 contingency allowed to take account of the final grant in all three years of the financial plan;
- Growth in international student numbers to 32 by 2015/16 was planned;
- With reference to the period covered by the 3 year plan, it was noted that there would be an election during 2015 and that the Government had announced its intention to sell off the Student Loans book

Governors noted that staff costs in the draft 2013/14 budget included:

- A new SMT member, staffing for new and enlarged courses (e.g. Fine Art), the full year costs of staff members appointed during 2013/14 (i.e. the Head of Marketing, the staff member responsible for Alumni, the Head of IT), teachers in English and Maths to teach entrants to the College's Level 3 courses who had not achieved Grade C in Maths and/or English GCSE;
- Teaching and redundancy costs relating to the final years of courses that were closing;
- Pay increases and increments were also planned (i.e. 2.5% in 2014/15 and 2015/16 following the completion of JE and the mapping of staff to the new salary scale) and, as a result, the College's ratio of staff costs to income would be higher than sector norms in 2013/14 (i.e. 58% and 59%) and then reduce back to sector norms in 2015/16 (i.e. 57%).
- The total pay costs in the budget did not reflect any vacancy rate and were therefore at the prudent end of expectations.

The Board noted the Director of Finance's conclusions on the 3 year perspective, including:

- More volatility in the budget and the actual results e.g. as a result of uncertainties over student numbers, fees, retention rates;
- Significant risks and unknowns i.e. the College was still awaiting approval from OFFA of the College's 2014/15 Access Agreement, the outcome of student recruitment for 2013/14 was not yet known, there were pressures on Student Opportunity monies, and the retention of student number controls in HE;

Governors noted that the Director of Finance had:

Taken a prudent view and made prudent assumptions around reductions in grant funding, withdrawal rates, growth in non-public funded income when drawing up the draft 2013/14 budget;

- If recruitment was lower and student opportunity and FE grant funding reduced, then the College would take additional steps e.g. reviewing the type and breadth of courses, restructuring, increasing income from new initiatives;
- The College had a culture of prudent budgeting and over-delivering against budget, careful management of costs and tight control on cash and was in a good position because of its cash reserves but it was recognised that the College needed to continue to invest in the student experience and in staff.

Governors considered the draft budget 2013/14, the Revenue Bridge and the Cost Bridge in detail.

In response to Governors' questions, it was noted that:

- Depreciation showed a favourable variance as a result of when new equipment was purchased e.g. camera equipment;
- A number of items shown in the Cost Bridge were one-off items, noting that more detail on one-off and recurrent costs would be provided in the budget and 3-year financial plan to be presented to the July 2013 meeting of the Board;
- The operating surplus (before FRS 17 costs) as percentage of income for 2013/14 was below the sector average in 2013-14. It was noted that operating surplus was, however, being replaced as a measure by EBITDA (Earnings Before Interest, Taxes, Depreciation & Amortisation) as a percentage of income and that a further report on this would be given with the ASSUR report to be presented to the July 2013 meeting of the Board of Governors;
- Costs were associated with the College's TDAP submission;
- Contingencies included in the budget included over £100,000 in HE tuition fees and £25,000 in FE funding, with further detail to be made available at the Board's July 2013 meeting;
- With reference to VfM and tenders, the College undertook a pre-qualification stage to reduce numbers of those tendering to 3 but did not undertake re-tendering;
- The 3-year plan had to be submitted to HEFCE in standard format which did not sub-divide teaching and support staff costs but this information was available in the management accounts;
- With reference to support, development and training for staff, the College did not award teaching staff sabbaticals for research purposes but some support had been allocated to the College's research clusters and the College wanted to support more staff to undertake doctorates, with the College's strategy being to concentrate on the next Research Excellence Framework (REF) rather than the current one;

With reference to Governors' questions in relation to JE, it was noted that:

- The JE process was almost complete, with only 5 posts still remaining to be settled.
- Staff would be transferred to the UCEA 51 point pay scale.

- Under JE, where staff was to be red-circled, pay would be reduced gradually over a 2 year period.
- Further reports on JE would be included in the CEO's report.

Mr Miles, as Staff Governor, confirmed that the JE process had been transparent, had involved the trade unions, had not been a top down process and had gone well, despite it being an anxious time for staff;

Governors completed their review of the Director of Finance's presentation on the draft College budget for 2013-14, noting that the final version of the budget and the 3-year financial plans would be presented to the July 2013 meeting of the Board of Governors for consideration on approval and for submission to HEFCE by 31st July 2013.

ACTION: Director of Finance

PART III – items for approval

6. **Governor role description.** The Board of Governors considered a recommendation from the Search & Nominations Committee on the approval of role descriptions for the Chair and Deputy Chair of the Board of Governors and on minor amendments to the Board's approved Governor role description.

Governors considered the draft role descriptions, noting that they had been based on models for the Chair and for Governors generally which had been produced by the Committee of University Chairs (CUC). These had been adapted to reflect additional requirements under the CUC's *Governance Code of Practice* (i.e. relating to Board effectiveness reviews) and the Board of Governors' current practice or agreed policy (e.g. in relation to expected time commitment and the desirability of the Chair and Deputy Chair having complementary skills). The role description for the Deputy Chair has been developed from the CUC model for the Chair.

The Board discussed the following areas in detail:

- The mutual appraisal of the Chair and Deputy Chair, noting that this had been discussed at the Search & Nominations Committee meeting held earlier on 12th June 2013 and the Committee were recommending that a degree of externality could be incorporated into the process by the Chair and Deputy Chair each seeking views on the other's performance from Governors generally;
- The process for appointing and removing the Chair and Deputy Chair, noting that the annual election of the Chair and Deputy Chair provided Governors with an opportunity to take action if performance was unsatisfactory and it would be a normal expectation that an office-holder would stand down should there be a vote of no confidence from the Board of Governors.

The Board of Governors approved role descriptions for the Chair and Deputy Chair of the Board of Governors and the revised Governor role description, with the following amendments:

- The first sentence of section 5.6 of the Chair's role description should read: "The likely overall time commitment required of the Chair for the effective conduct of the duties of the post is as shown at 5.7 below" ;
- The first sentence of section 2.6 of the Deputy Chair's role description

should read: " The likely overall time commitment required of the Deputy Chair for the effective conduct of the duties of the post is as shown at section 2.7 below";

- Paragraphs 2.1 and 2.8 of the Deputy Chair's role description should read "Deputy Chair" rather than "Chair";
- References to 7 Board meetings annually in the role descriptions should be amended to 6 meetings, in line with the proposed meeting schedule for 2013/14.
- Paragraph 5.5. Of the Chair's role description should be amended to read: "The Chair will have an appraisal/review annually by the Deputy Chair of the Board and will appraise/review the Deputy Chair. The Chair will seek the views of other Governors as part of the appraisal/review of the Deputy Chair";
- Paragraph 2.5 of the Deputy Chair's role description should be amended to read: "The Deputy Chair will have an appraisal/review annually by the Chair and will appraise/review the Chair. The Deputy Chair will seek the views of other Governors as part of the appraisal/review of the Chair".
- proposed Mr Lever, seconded Ms Eugene.

ACTION: Clerk

7. **Governor eligibility criteria.** The Board of Governors considered a recommendation from the Search & Nominations Committee that the section on Governor eligibility in the Board of Governors' Standing Orders, which had originally been derived from the Instrument of Government of the FE Corporation, should be updated to bring it in to line with changes in the law.

The Board of Governors agreed that the Board of Governors' Standing Orders should be amended as follows:

- The section on Governor eligibility in the Board's Standing Orders should be replaced by the following: "A person shall be disqualified from holding, or from continuing to hold, office as a member, if that person is disqualified from acting as a trustee under sections 178 - 180 of the Charities Act 2011. Upon a member of the Board of Governors becoming disqualified from continuing to hold office by virtue of the above paragraph, he shall give notice of the fact to the Clerk to the Board of Governors".
- References in the Standing Orders to the "Corporation" and "Corporation member" should be amended throughout to read "Board of Governors" and "Governor", to reflect the Board's current usage.

ACTION: Clerk

PART III – items for decision

8. **Evaluation of the Carver-style governance model trial.** The Chair introduced a discussion on the Carver-style governance model trial undertaken by the Board of Governors in 2011/12 & 2012/13.

A report from the Clerk on the Carver-style governance model at was received, noting that it included reasons for the adoption of a Carver-style model of governance from 1st August 2011, which was also the date of the College's transfer to the HE sector; main features of the model; main changes to governance following adoption of the model; key issues for consideration, including tests for the success of the model.

The report noted that the FE Corporation had first discussed the possible use of a Carver style of model of governance within the context of reducing the number of Governor committees to reduce duplication of discussion at Board and committee level. Other key features of the model were retention of key decision making at full Board level; governing through clear written governance policies and instructions; ensuring clear delegation; governing through the setting and monitoring of clear performance criteria; holding the CEO accountable for carrying out the Board's instructions and achieving its approved KPIs. With reference to the latter, it had been noted that the model was particularly compatible with the requirement of the Committee of University Chairs' (CUC) *Governance Code of Practice* that HEIs monitor institutional performance through the use of benchmarked KPIs. Financial KPIs were already in existence and following the College's transfer to the HE sector, non-financial KPI had been developed as part of the College's new Strategic Plan, with reporting against KPIs a feature of the CEO's report which was presented to each Board meeting.

The report noted that, while John Carver's Policy Governance™ model did not support a particular Board structure, it cautioned against establishing committees which duplicated or encroached on delegated management functions.

The adoption of a Carver-style governance model from 1st August 2011 had resulted in the Board of Governors establishing only 2 committees: an Audit Committee (a mandatory requirement under HEFCE's *Financial Memorandum/Audit Code of Practice*) and a Search & Nominations Committee, which makes recommendation to the Board on Governor appointments. Both committees were advisory in nature and therefore retained relevant approvals at full Board level.

The Clerk's report noted that:

- When discussing the possible advantages of the model in July 2011, the Board had noted that these were expected to include: less duplication of discussion, fewer meetings and travel time overall, allowing full participation of all Governors in key matters, key decisions taken in the context of a full understanding of the wider College environment, greater clarity concerning roles and responsibilities, removal of committee quoracy issues, a greater feeling of teamwork and involvement.
- The possible disadvantages reviewed included length of long Board meetings, the degree of specialist knowledge required to cover all key areas of the Board's work, noting that addressing this would require some effort from members, particularly during the initial period, but would address the issue raised by Ofsted at inspection that academic matters should be discussed in detail at Board of Governors level.

In leading the evaluation of the Carver-style governance model, the Chair noted that returning to the governance model used by the FE Corporation did not appear to be an option for the reasons noted below:

- As the Board of Governors could not, under the Articles of Government, delegate the solvency of the institution, the safeguarding of its assets or the approval of the annual estimates of income and expenditure to a committee, there would again be significant duplication of work in this area should the F&GP Committee be re-instated;
- Governors' academic standards committees, although common in the FE sector, were unusual in the HE sector and could be considered a

potential rival in relation to the Academic Board's responsibility for academic quality and stewardship of academic standards in HE;

- Monitoring through financial and non-financial KPIs drawn from the College's Strategic Plan had been successfully established in conjunction with a Carver-style governance model but would have been adopted by the Board in line with CUC guidance on the College's transfer to the HE sector even without a change of governance model.;
- If there were considered to be any weaknesses in the system, it could be more effective to address them with reference to the existing model than return to the previous system.

Governors noted in discussion that:

- Governors considered that they were more aware of key issues as a result of adopting the model;
- Keeping monitoring and decisions at Board level fostered team working and a sense of involvement;
- Operational matters, including the review of policies and procedures had been delegated to management;
- Board meetings were considered to be more efficient;
- As a result of governing through 2 committees and more frequent Board meetings, Governors now attended fewer meetings overall;
- The Board would review the need for a Remuneration Committee at its July 2013 meeting but such a committee would not be incompatible with the Carver-style model governance adopted, which considered that the need for committees or time-limited working groups should be kept under review by the Board;
- Those Governors who had joined the Board since the Carver-style model had been adopted considered it effective and in line with governance systems that they were familiar with in other sectors.

The Board of Governors agreed to continue to operate using a Carver-style governance model, which had proved to be effective and had resulted in a greater sense of involvement in the key work of the Board by all Governors. It was noted that the above decision would give the Board stability as the College approached the submission of its TDAP application.

Areas for improvement of the Board's current governance model included:

- Providing information in the KPI table to make it clearer at what point during the year review by Governors of individual KPIs was appropriate and
- in addition to quantitative KPIs on academic matters, including qualitative academic summaries through the Principal referencing the Academic Board minutes in her CEO's report.

ACTION: Director of Finance/Principal

PART IV – minutes for receipt

- 9. College minutes.** The Board of Governors considered the following minutes and reports.

9.1 HE Committee. The minutes of the HE Committee meeting held on 15th May 2013 were considered. It was noted in response to members' questions concerning the report on the discussion of Academic Regulations 2013/14 in the

minutes that:

- The discussion of deadlines for the submission of student work was an operational matter which had been fully discussed at the HE Committee meeting;
- The TDAP Transition Working Group would consider changes required following receipt of TDAP.

Governors received the minutes of the HE Committee meeting held on 15th May 2013.

9.2 FE Committee. Governors received the minutes of the FE Committee meeting held on 1st May 2013.

PART V – items for decision

- 10. Minutes of previous meeting.** The Board approved the minutes of the meeting of the Board of Governors held on 22nd May 2013 with the following amendments:
- 6.** At item 2 (Apologies), corrections should be made to the lists of members sending apologies;
 - 7.** At item 6 (Academic Board), in the third bullet point of paragraph 3, the specific reference to "Mahara" should be removed
- proposed Mr Yendell, seconded Ms Wonnacott.

ACTION: Clerk

- 11. Action plan update & matters arising from the minutes, not elsewhere on the agenda.** It was noted that all actions in the table attached to the above minutes had been completed, were on the agenda or had a future completion date.

It was noted, with reference to action 7 in the action table, that a further report against the Governors' 2012 self-assessment questionnaire action plan would be considered at the October 2013 Board of Governors' meeting.

ACTION: Clerk

There were no other matters arising from the minutes.

- 12. Survey of Board & committee meeting times in 2013/14.** The Clerk reported on the outcome of the consultation on Board of Governors and committee meeting times in 2013/14, noting that:
- The survey had been sent to all 15 current Governors, although 4 Governors who would not be continuing in 2013/14 did not complete the survey.
 - All 11 Governors who would be members of the Board in 2013/14 had responded. 10 Governors said that they could start Board meetings at 4.30pm, although 2 responding "Yes" also expressed reservations about the earlier start time
 - Just over half of Governors responding (6 of 11) had said that they could attend committee meetings starting at 3.30pm i.e. immediately before Board meetings at 4.30pm, although 1 Governor responding "Yes" also expressed reservations.
 - Only 2 Governors had wanted committee meetings to be separate from Board meetings.

It was agreed that Board of Governors' meetings would start at 4.30pm and 3.30pm for meetings prior to Board meetings in 2013/14 and that the Clerk would present committee meeting dates for 213/14, with start times, to committee members.

ACTION: Clerk

13. **Any other business.** It was noted, in response to members' questions, that Governors were invited to the Staff end of term lunch on Friday 5 July 2013, noting that dates of College events were sent out to Governors at the beginning of the academic year.
14. **Risk Management.** No new items of risk were identified at the meeting. It was noted that existing risks were already covered by the College's risk register.
15. **Date of next Board meeting.** It was noted that the Board of Governors would next meet on Wednesday 10th July 2013 at 6.00pm

PART VI – Reserved Matters

16. **Exclusions.** The Board agreed that the following staff and student members should be excluded prior to consideration of the Reserved Matters agenda: Mr Aal (Co-opted Student Governor), Mr Hoare, Mr Miles and Ms Bailey (Director of Finance).
17. **Minutes of the previous meeting.** The Board of Governors approved the confidential Reserved Matters minutes of the meeting of the Board of Governors held on 22nd May 2013: proposed Mr Yendell, seconded Mr Lever.
18. **Action plan update & matters arising.** Members considered the action plan update attached to the above minutes and noted that all actions had been completed.

(Note to the minutes: Minutes 22-24 below were released from confidentiality by the Board of Governors at its meeting on 25th March 2014. Sections not released are shown as follows: ". . .").

Confirmed

LEEDS COLLEGE OF ART

BOARD OF GOVERNORS OF THE HIGHER EDUCATION (HE) CORPORATION

Minutes of a meeting of the Board of Governors held on 10th July 2013

- Present:** Mr S Aal, Mr S Blaney, Dr S Cottrell (Deputy Chair of the Board of Governors), Ms J Eugene, Mr T Hoare, Ms I Kemp, Mr M Lever, Mr R Miles, Ms S Wonnacott (Principal), Mr P Yendell (Chair of the Board of Governors), Mr I Wood, Mrs C Wright
- In attendance:** Mrs F Bagchi (Clerk to the Board of Governors), Ms S Bailey (Director of Finance)

1. **Apologies for absence.** Apologies were received from the following members of the Board of Governors: Mr C Clements, Mr J Flathers, and Ms J Jones.
2. **Declarations of interest.** There were no declarations of interest at the start of the meeting. Mr Yendell declared an interest in item 15 and Dr Cottrell declared an interest in items 15 and 17 later on the agenda.

PART I – procedural matters: items for approval

3. **Minutes of the previous meeting.** The Board of Governors approved the minutes of the meeting of the Board of Governors held on 12th June 2013 with the following amendment: the final sentence of bullet-point 11 of item 3 should read "With reference to a question concerning actions being taken by the College to encourage widening participation that they supported ways to encourage progression from further education (FE) to higher education (HE)": proposed Mr Yendell, seconded Dr Cottrell.
4. **Action plan update & matters arising.** Governors considered the action plan attached to the above minutes, noting that all actions had been completed, were on the agenda or had a future completion date. It was agreed, with reference to Action 1 in the table, that the Action column should be updated to show the revised date for the action as October 2013.

ACTION: Clerk

The Board of Governors noted that there were no other matters arising from the minutes.

5. **Chief Executive's report.** The Principal, Ms Wonnacott, presented the Chief Executive's report, including an update confirming the appointment of Dr R Whittaker as Director of Studies (HE Enhancement & Research), whose professional background was in the Creative Arts, specifically music. It was noted that Mr Russell, who held the post of Director of Studies (Progression & Student Support) and Mr Thorpe, who held the post of Director of Studies (External & Professional Development), both had backgrounds in art and design. Dr Whittaker's appointment would return SMT membership to 5 members, including the Principal and the Director of Finance.
Governors also received an update on the College's netball team, which had recently won their league to be promoted to the next British Universities and Colleges Sport (BUCS) division for 2013/ 14, noting that 2012/13 had been the first time that the College had entered a netball team into BUCS and congratulating them on their success.

The Board of Governors considered the CEO's report, noting in particular that:

- The third and final negotiating meeting of the 2013/14 Universities and Colleges' Employers' Association (UCEA) round had taken place, with UCEA making a final offer of a 1.0% uplift on all points of the single pay spine. As the trade unions had rejected this offer and two dispute resolution meetings had failed to reach an agreement, the unions would now consult their members on whether they wished to take action.
- The College's formal committee structure had been revised and would be considered in further detail later on the agenda, together with proposed changes to the membership of the Academic Board. Changes to the deliberative committee structure were part of the

College's preparations for Taught Degree Awarding Powers (TDAP).

- The College had received official notification that it had achieved Investors in Diversity (IiD) status, which was one of the College's strategic aims. Much work had been undertaken, led by the College's Head of Human Resources (HR), to ensure the achievement of the award.
- Job evaluation (JE) and pay modeling had been completed, noting that the process followed was considered to have been transparent. The Principal had briefed all staff and individual letters had been sent out notifying staff members of their grade.

Governors congratulated the College on the successful completion of the JE process.

It was noted in response to Governors questions that:

- In addition to reporting against the strategic key performance indicators (KPIs) which accompanied the CEO's report, progress made during the first year of the College's Strategic Plan 2012-2017 would be considered at the Board of Governors' September 2013 training/development session. A general review of progress against the Plan would also be a standing agenda item for the Board's October meeting annually.
- The College's TDAP submission was currently being drafted. The aim was to complete it by December 2013 to allow it to be presented to the Board of Governors for consideration on approval at its January 2014 meeting. It was intended that the College's TDAP consultant would attend a Board of Governors' meeting during 2013/14 and the Board's April 2014 meeting.
ACTION: Principal
- The College had an 80% completion rate for the National Student Survey (NSS). The College relied on the benchmarked NSS in relation to HE student satisfaction and did not use an additional in-house survey although feedback was received in a variety of other ways
- The College had recruited well for 2013/14 and would not therefore be entering clearing.

Governors noted the following areas of the strategic KPIs table had been updated since the review undertaken at their June 2013 meeting:

- KPI 11 (Aim 4. Overall applications to places ratio - FE. Objective: Maintain a ratio of at least 1.5 applications to each FE place.), information for 1 July 2013 was that a ratio of 1.6 applications to each FE place for 2013/14 had been achieved.
- With reference to KPI 17 (Aim 6. Widening Participation Measures. Objective: Percentage of entrants to HE from WP postcodes), in HE, the 2011/12 metric was 9.1% using the POLAR2 postcodes measure against a benchmark of 10%. Previously, as a FE College using the IMD measure, the metric was 15% for 2011/12 and 19% for 2010/11.

With reference to the strategic KPIs table, Governors commended the inclusion of the "Further Information" column, which provided useful information on when during the year reports could be expected on individual KPIs.

The Board of Governors received the CEO's report, including the strategic KPIs

report.

6. **Academic Board report.** The Principal reported on the following items approved at the Academic Board meeting held on 3rd July 2013:

- The College's new deliberative structure, committee terms of reference and meeting schedule;
- The draft updated Academic Board membership, for recommendation to the Board of Governors;
- The HE Improvement Plan and the FE Enhancement Plan;
- The Student Charter;
- Updated academic policies;
- The appointment of a Chief External Examiner who is the external examiner for the new MA in Creative Practice;
- The College's Learning, Teaching & Enhancement Strategy;
- The College's research strategy.

Governors received a verbal report on the meeting of the Academic Board held on 3rd July 2013, noting that the minutes of the meeting would be presented to the October 2013 meeting of the Board of Governors.

PART III – Academic Board: items for approval

7. **Academic Board membership & committee structure.** Governors noted that:

- The Articles of Government of the HE Corporation stated that: "There shall be an Academic Board of the College, whose membership shall be set out in rules or bye-laws approved by the Board of Governors" (Article 3.3);
- The Committee of University Chair's Governance Code of Practice, which was adopted by the Board of Governors on 1st August 2011, stated that: "The governing body shall keep its effectiveness under regular review. Not less than every five years it shall undertake a formal and rigorous evaluation of its own effectiveness, and that of its committees, and ensure that a parallel review is undertaken of the senate/academic board and its committees";
- A review of the Academic Board undertaken in 2012/13 had resulted in changes to its terms of reference and committee structure and proposed changes to its membership which reflected both the College's transfer to the HE sector and preparations relating to the College's application for Taught Degree Awarding Powers (TDAP);
- The membership proposed in the Academic Board's revised terms of reference included a majority of senior staff members in line with good practice as stated in the Committee of University Chairs (CUC) *Guide for members of higher education governing bodies in the UK* (2009).

Governors received the College's revised committee structure for information. It was noted in response to Governors' questions that:

- The Final Examination & Progression Board, to which the Postgraduate Examination Board and the Undergraduate Examination and Progression Board reported, was an addition and enhancement to the College's previous committee structure. While the change was considered an example of good practice by the Open University (OU), it was also considered to be appropriate in the longer term, given the relatively small

size of the College.

- Regulations relating to quality matters would be considered by the HE and FE Committees for individual programme areas and by the Learning, Teaching & Enhancement Committee for cross-College areas before consideration by the Academic Board.
- The e-Learning Sub-committee reported to the Learning, Teaching & Enhancement Committee. Expertise in this area would be available to the Academic Board through its membership.

The Board of Governors discussed the proposed revised membership for the Academic Board, noting that:

- The proposed membership included the Principal, the Director of Studies (Progression & Student Support), the Director of Studies (Professional and External Development), the Director of Studies (Higher Education Enhancement and Research), the Head of Fine Art, the Head of Graphic Design, Illustration & Animation, the Director of Finance, the Academic Registrar, the College Librarian, the Head of Student Support, the Head of Research, the Student Union President, 2 HE Academic Staff, the Head of FE, and 1 external member.
- While the membership of the Director of Finance could be considered unusual, she was the line manager of the Academic Registrar and her membership was therefore considered appropriate given that the College was a relatively small institution.
- Responsibility for academic and quality matters was represented in the above membership list through the Directors of Studies and the Academic Registrar, to whom the Deputy Registrar (Quality & Standards) reported.
- Staff who were not members of the Academic Board *ex officio* were shown in the draft membership list and terms of reference as nominated by the Chair bi-annually. This was in line with the nomination system adopted for the College's committees generally. It was noted that while it was more usual for HE Institutions (HEIs) to include some members nominated/ elected by staff on their Academic Board/Senate, the more managerial style proposed in the draft was not unique amongst HEIs and was considered appropriate for the College..
- The membership structure for the Academic Board would be reviewed annually.
- The heading of the named list of Academic Board members would be amended to read "members" rather than "attendees".

ACTION: Principal's PA

The Board of Governors approved the membership of the Academic Board: proposed Dr Cottrell, seconded Mrs Wright.

PART IV – finance: items for consideration and monitoring

8. **Financial matters: management accounts.** The Director of Finance, Ms Bailey, presented the management accounts for the period ending 31st May 2013, including a review of financial KPIs.

Governors noted that:

- The reported operating surplus for the first 10 months of the 2012/13 financial year was £2,297,856 which was £1,263,364 ahead of budget, mainly due to increased income as a result of the budget assumptions

and the timing of non payroll costs.

- Total income for the period to 31st May 2013 was £11 million, which was favourable to budget by £350,000 and favourable to prior year by £176,000.
- Payroll costs for the ten months were £5.16million which was £149,000 favourable to budget and £148,000 favourable to prior year. The favourable variance against budget was mainly due to savings from vacancies.
- Non-pay expenditure was £763,000 favourable to budget mainly due to timing differences.

Governors noted that:

- A full re-forecast had been completed, with the full year outturn expected to be in excess of budget by £1,263,804.

With reference to the main variances against budget, it was noted that:

- Income for the year was expected to exceed budget due to additional income (from interest, dyslexia support and FE fees) and unutilized contingency i.e. relating to HE fees, Higher Education Funding Council for England (HEFCE) grant.
- The salary forecast was favorable to budget following a re-forecast of the timing of new positions, vacancies and the costs of the IT restructuring.
- The main savings against the budget were related to expenditure which was now expected to be incurred in 2013/14 i.e. website development costs, HR system costs and the fee payable to the Quality Assurance Agency (QAA) for the TDAP submission. These costs would be factored into the 2013/14 budget and beyond.

It was noted in response to Governors' questions that:

- Recruitment costs were expected to be higher as a result of recruitment to cover leavers and to fill new positions i.e. the Head of Marketing, Creative Advertising, and the new Director of Studies posts.
- As the above included one-off costs, the budget for recruitment costs would be reduced for 2013/14.

The Board of Governors received the management accounts for the 10 months to 31st May 2013.

PART V – finance: items for approval

9. **Budget 2013-14 & 3-year financial plan 2013-16.** The Director of Finance, Ms Bailey, presented the College budget for 2013/14 and the College's 3-year financial plan 2013-16.

Governors noted that the budget and financial plan were consistent with the College's Strategic Plan 2012-17 and focused on the student experience, quality of teaching and resources and the development of a research culture.

The following issues affecting the budget for 2013/14 were noted:

- The adoption of the new UCEA salary scale following the completion of JE;
- The College's portfolio review, which had resulted in the closure of some courses and the establishment of new HE courses;

- The planned new College building extension at Blenheim Walk and the reconfiguration of studio space and workshops.

Governors noted the following assumptions affecting the College's 3-year financial plan:

- The increase in the recruitment of international students over the period to a total cohort of 32;
- With reference to recruitment of home HE students, the maintenance of the College's opt out from HEFCE's core and margin, AAB grades or equivalents but with the College recruiting to the top of the flexible margin;
- Reduction of leased accommodation;
- Achievement of TDAP and university status.

Governors noted, with reference to the Director of Finance's commentary accompanying the financial plan, that:

- Overall income was due to increase by 5%, mainly due to an increase in tuition fees and income from short courses;
- Costs would increase by 17%;
- Budgeted non-pay expenditure at £4.4 million for 2013/14 included a number of one-off non-recurring expenses, with costs increasing by 2.1% excluding one-off items;
- Payroll costs as a percentage of income would be around 57% of income in 2013/2014 and 2014/15, as a result of final teaching costs for courses which were closing and additional resources for new courses, but would return to 55% in 2015/16 in line with the metric for similar institutions;
- Cash generated from operating activities in 2013/2014 would be £1.3 million and total cash balances would increase to £12 million by July 2016;
- The overall financial health and position depicted in the financial plan confirmed that the College's financial objectives were being achieved, the College was sustainable and there were no issues with going concern.

Governors noted in discussion with references to changes made since the Board of Governors review of the draft budget at its June 2013 meeting that:

- The operating surplus shown in the budget had increased, following a more detailed review of some cost areas.

It was noted in response to Governors' questions that:

- The assumption of 90% HE student retention was considered prudent as the 2012/13 retention rate (with reference to student fees rather than HESA completion rates) was 94-97%. Details of overall contingencies had been included with the budget and 3-year plan information.
- With reference to concerns raised relating to the future security of bank deposits, it was noted that the College's treasury policy was considered as part of the annual review of the Financial Regulations which took place in the autumn. The options available to the College, including gilts, could therefore be considered at the Board of Governors October 2013 meeting.
ACTION: Director of Finance
- Recent discussion amongst the HE Finance Directors' Group had been more concerned with how HEIs would be able to fund capital projects following the ending of HEFCE capital grant funding, rather than treasury management issues.

- Operating surpluses in the HE sector had averaged 3-5%, and some HEIs were understood to be considering 8-9%, but operating surpluses were now being replaced as a financial sustainability measure by EBITDA (Earnings Before Interest, Taxes, Depreciation & Amortisation) as a percentage of income, as noted in the discussion of the proposed annual sustainability assurance (ASSUR) report at the Board's June 2013 meeting.

The Board of Governors approved the College budget for 2013/14 and the 3-year financial plan 2013-16 and it was agreed that they should be submitted to HEFCE as part of the College's accountability returns: proposed Mr Lever, seconded Dr Cottrell.

ACTION: Director of Finance

- 10. Draft Annual Sustainability Assurance Report (ASSUR), including KPIs.** Governors had noted at the May 2013 Board of Governors meeting that the Financial Sustainability Strategy Group (FSSG) had asked all UK HEIs to make an assessment of their institutional sustainability during 2013 and to share the outcomes in a short report (called ASSUR) to be sent to HEFCE in December 2013. The model report built on the experience of HEIs which had taken part in the FSSG's ASSUR pilot project. The Board had noted that submission of a report was not currently a HEFCE requirement, but might become one in the future, and had agreed that a draft report including KPIs should be presented to its July 2013 meeting.

A range of draft KPIs to support the College's ASSUR report were discussed. It was noted the Director of Finance had developed KPIs relevant to the College in the following 4 areas: teaching, learning and the student experience; financial performance for sustainability; financial health; another leading area (physical estate). A KPI for research outputs and sustainability had not been included, as this was an area which was currently under development. It was noted that the table included a column showing the target and actual outcome for each KPI, together with a Red-Amber-Green (RAG) rated column showing the sustainability assessment.

The Board of Governors agreed the basket of KPIs to be included in the College's ASSUR report which had been presented by the Director of Finance, with the following amendment: the first sentence of the accompanying report should refer to KPIs in 4 rather than 5 areas of institutional performance. It was noted that the report for 2012/13 would be presented to the Board's November 2013 meeting.

ACTION: Director of Finance

- 11. External audit strategy & plan.** In the absence of the Chair of the Audit Committee, Mr Clements, Mr Blaney, an Audit Committee member, presented the Audit Committee's recommendation on KPMG's external audit strategy and plan for the year ended 31.7.13, noting in particular: the scope of the audit; risk and other areas of audit focus; changes in accounting standards; updates from KPMG on HE sector developments; the inclusion of additional audit work to provide assurance on the College's new student records system, which would be a one-off review at a cost of £2,000. It was noted that the audit of the student records system by the external auditors was in addition to the work previously undertaken by the internal auditors in relation to the student records system and the validation of Higher Education Statistics Agency (HESA) data. It was noted that the Audit Committee's 2012 performance review of KPMG had been positive and

that the fee for the external audit, plus the additional work on the student records system, was considered to offer value for money.

The Board of Governors approved the external audit strategy and plan for the year ending 31.7.13, including fees, on the recommendation of its Audit Committee: proposed Mr Blaney, seconded Ms Kemp.

- 12. Student Union budget 2013/14.** Governors noted that, under the Education Act 1994, the Board of Governors was responsible for approving the Student Union's (SU) budget. The SU budget for 2013/14 was presented by the SU President/ Student Governor.

Ms Bailey, the Director of Finance, reported that the College was keen to support the continued development of the Student Union and, following discussions with the SU President and the SU Liaison Officer on the SU's budget for 2013/14, was proposing an increase in the grant allocated from the College from £16,000 to £20,000. Mr Hoare, SU President/Student Governor, reported that the proposed grant increase would help the SU to provide additional funding for sports events and activities, including SU executive training, e.g. encouraging individuals to compete in BUCS League events. Governors discussed the proposed development of a Sabbatical President role from 2013/14 to replace the current voluntary role.

The Board of Governors approved the SU budget for 2013/14: proposed Ms Kemp, seconded Ms Wright.

PART VI – committee reports & minutes: for receipt

- 13. Board of Governors: committee minutes & reports.**
13.1 Audit Committee. In the absence of the Chair of the Audit Committee, Mr Clements, Mr Blaney, an Audit Committee member, gave a verbal report on the meeting of the Audit Committee held earlier on 10th July 2013.

Governors noted that:

- The Committee had considered the internal and external audit strategy and plans for 2013/14, agreeing to present the latter to the current Board of Governors' meeting and the former to the Board's October 2013 meeting;
- The Committee had considered the College's risk register, noting also the Board's review at its June 2013 meeting of HEFCE's annual assessment of institutional risk;
- The Committee had received a useful report from KPMG on HE financial benchmarking relating to the 2011/12 financial year.

In response to Governors' questions, it was noted that KPMG's benchmarking reports on finance and on risk management had been included on the governance section of the College's virtual learning environment (VLE), e-Studio, as part of the Audit Committee papers for March and July 2013 but would also be added as individual reports, for ease of reference.

ACTION: Clerk

The Board of Governors received a verbal report on key items considered at the meeting of the Audit Committee held earlier on 10th July 2013, noting that minutes

of the meeting would be presented to the October 2013 meeting of the Board of Governors.

ACTION: Clerk

13.2 Search & Nominations Committee. Mr Blaney, as Chair of the Search & Nominations Committee, presented the unconfirmed minutes of the Committee meeting held on 12th June 2013, including the Part I confidential minutes. It was noted that the meeting had considered the Governor skills audit and current and forthcoming vacancies. Reports and recommendations arising from the meeting had been presented to the June 2013 meeting of the Board of Governors or were on the agenda of the current meeting.

Governors noted that, Ms Eugene, an Independent Governor, had requested a year's sabbatical during 2013/14 to enable her to undertake the full-time Bar Professional Training Course, which had been considered by the June 2013 meeting of the Search & Nominations Committee. Ms Eugene reported that she would, in addition, be acting as an advocate at Social Security Tribunals during this period but now expected to be able to continue to attend Board meetings and to be able to meet at least the Board's 80% attendance target.

It was noted that recommendations arising from the Search & Nominations Committee meeting held earlier on 10th July 2013 would be considered later on the agenda.

The Board of Governors received the unconfirmed minutes of the Search & Nominations Committee meeting held on 12th June 2013, including the Part I confidential minutes, and a verbal report on the meeting held earlier on 11th July 2013. It was noted that minutes of the latter meeting would be presented to the October 2013 meeting of the Board of Governors.

ACTION: Clerk

14. Academic Board: committee minutes.

14.1 HE Committee. The Board of Governors received the minutes of the HE Committee meeting held on 12th June 2013, noting in particular and taking assurance from the reference to the College's "inspirational" research strategy, which the Committee had recommended to the Academic Board for approval.

14.2 FE Committee. The Board of Governors received the minutes of the FE Committee meeting held on 5th June 2013.

PART VII – membership/procedural matters: items for approval

15. Election of Chair & Deputy Chair for 2013/14. The Board approved a clarifying amendment to the Board of Governors' Standing Orders concerning eligibility for appointment as Chair and Deputy Chair of the Board of Governors.

ACTION: Clerk

The Clerk reported that, under its Standing Orders, the Board of Governors elected a Chair of the Board of Governors and a Deputy Chair of the Board of Governors for the following year at the final meeting of the academic year. Nominations had been received for Mr Yendell as Chair of the Board of Governors and for Dr Cottrell as Deputy Chair of the Board of Governors.

The Clerk reported that, while the Board's agreed procedure was to elect the

Chair of the Board of Governors annually, it also followed the guidance in the (CUC) *Guide for members of higher education governing bodies in the UK* (2009) that a Governor should be considered to take up a new 4-year term of office on appointment as Chair i.e. by permitting a new Chair to be re-elected on 3 consecutive occasions. Mr Yendell had first been appointed as Chair of the Board of Governors of the HE Corporation on 1st August 2011.

Mr Yendell left the meeting.

The Board of Governors resolved to elect Mr Yendell as Chair of the Board of Governors for the 2013/14 academic year: proposed Ms Wonnacott, seconded Ms Eugene.

Mr Yendell re-joined the meeting. Dr Cottrell left the meeting.

The Board of Governors resolved to elect Dr Cottrell as Deputy Chair of the Board of Governors for the 2013/14 academic year: proposed Mrs Wright, seconded Ms Wonnacott.

Dr Cottrell re-joined the meeting.

- 16. Membership matters I.** The Board considered recommendations on membership of the Board of Governors and its committees arising from the Search & Nominations Committee meeting held on 12th June 2013.

Governors noted that:

- Mr Lever and Mr Clements' term of office as Independent Governors would end on 31st July 2013.
- Mr Aal's term of office as a Co-opted Student Governor would end on 31st August 2013, as he had completed his College course.
- Mr Hoare had been re-elected as Student Union President and *ex officio* Student Governor for 2013/14.
- No directly elected Student Governor for 2013/14 had emerged from the summer term Student Union elections. Bye-elections would be held by the Student Union in autumn term 2013 and a Student Governor could be co-opted to the Board if they did not result in a candidate being elected.
- Mr Blaney had announced his intention to resign as a member of the Audit Committee at the end of the 2012/13 academic year.
- As noted earlier on the agenda, the Academic Board membership and terms of reference had been revised to allow it to nominate a representative to the Board of Governors from the 2013/14 academic year

The Board approved the following, on the recommendation of its Search and Nominations Committee:

- The appointment of Ms Jones to the Audit Committee noting her financial and accountancy expertise;
- The appointment of Mr Clements as an external co-opted member of the Audit Committee from the start of the 2013/14 academic year, noting his experience as an auditor and that his appointment would increase Audit Committee membership to 6 members, including 2 external co-opted members;
- The appointment of Mrs Wright to the vacant office of Governor with responsibility for safeguarding in relation to allegations relating to senior

post-holders, noting her experience of Further Education (FE) at a senior level;

- The retention of Board of Governors' membership at its current level (i.e. 16 members), noting that Mr Lever's decision not to seek re-appointment when his first term of office as an Independent Governor ended on 31st July 2013 meant that the Board would be able to accommodate the changes in membership agreed at the Board's March 2013 meeting without temporarily increasing Board membership to 17 Governors: proposed Ms Kemp, seconded Mr Yendell.

ACTION: Clerk

17. **Membership matters II.** The Board received recommendations arising from the Search & Nominations Committee meeting held on 10th July 2013 and a recommendation from the Clerk on a clarificatory revision to the Board of Governors' Standing Orders.

The Chair presented the Search & Nominations Committee's recommendation on the appointment of Professor S Congdon, Pro Vice-Chancellor (Learning & Teaching) at the University of Bradford to the vacancy for an additional Governor with expertise in HE. It was noted that Professor Congdon's CV had been considered by the Committee and had been included with the papers for the current Board of Governors' meeting, noting that it met the required profile. Members noted that Professor Congdon had met the Principal and the Clerk and that the Chair had had an extended telephone conversation with her prior to the Committee's consideration of a formal recommendation.

The Board of Governors approved, on the recommendation of its Search & Nominations Committee, the appointment of Professor S Congdon, Pro Vice-Chancellor (Learning & Teaching) at the University of Bradford, as a member of the Board of Governors in the "Co-opted member with experience in the provision of education" category for a period of 4 years from 11th July 2013: proposed Dr Cottrell, seconded Mrs Wright.

ACTION: Clerk

The Chair reported that he and the Deputy Chair had agreed to try to arrange a meeting with Professor Congdon to welcome her as a Governor before her first Board meeting.

ACTION: Clerk

The Clerk reported that, under the College's Instrument of Government, where a vacancy for an Independent member of the Board of Governors arose on the expiry of an Independent Governor's term of office, the full Board of Governors was the appointing authority where a successor was appointed not less than 3 months before the date of the vacancy. If an appointment was, however, made after that date, the appointing authority was the current Independent members of the Board of Governors e.g. this would be the case for any appointment to the vacancy arising from the retirement from the Board of Governors of Mrs Williams, an Independent member, on 27th April 2013.

The Board of Governors approved, on the recommendation of its Search & Nominations Committee, minor updating amendments to the Board of Governors' Standing Orders, including clarification that the phrase "practice of any profession" in relation to the appointment of Independent members included the educational profession: proposed Mr Yendell, seconded Ms Kemp.

ACTION: Clerk

The Board of Governors accepted the resignation of Dr Stella Cottrell as a Co-opted member. The Independent members of the Board present approved, on the recommendation of the Board's Search & Nominations Committee, Dr Cottrell's re-appointment as an Independent member of the Board of Governors, with the appointment to end on 12.6.16 i.e. the date on which her previous appointment would have been due to end: proposed Mr Lever, seconded Ms Kemp.

ACTION: Clerk

The Chair noted that Mr Lever's term of office as an Independent member of the Board of Governors would end on 31st July 2013 and that the current meeting would therefore be his final meeting. The Chair thanked Mr Lever for his contribution to the work of the Board of Governors. Mr Lever responded that he had enjoyed being a member of the Board of Governors and offered the Board and the College his best wishes for the future.

Mr Lever left the meeting.

- 18. Schedule of business & meeting dates for 2013/14.** The Board of Governors approved a schedule of business and the following meeting dates for 2013/14 for the Board of Governors:

- Wed. 18th Sept. 2013 at 4.30pm - training session
- Wed. 16th Oct. 2013 at 4.30pm - Board meeting
- Wed. 27th Nov. 2013 at 4.30pm - Board meeting
- Wed. 22nd Jan. 2014 at 4.30pm - Board meeting
- Wed. 26th Feb. 2014 at 4.30pm - training session
- Wed. 26th Mar. 2014 at 4.30pm - Board meeting
- Wed. 30th Apr. 2014 at 4.00pm - informal/strategic meeting
- Wed. 11th June 2014 at 4.30pm - Board meeting
- Wed. 16th July 2014 at 4.30pm - Board meeting

The Board of Governors approved the following meeting dates for 2013/14 for its Search & Nominations Committee:

- Wed. 16th Oct. 2013 at 3.30pm
- Wed. 22nd Jan. 2014 at 3.30pm
- Wed. 11th June 2014 at 3.30pm

The Board noted that the Audit Committee had agreed at its meeting held earlier on 10th July 2013 that the Clerk should undertake an e-mail consultation with Audit Committee members and auditors on proposed meeting dates/times for 2013/14. It was agreed that, once the consultation had been completed, the Clerk would e-mail a complete set of Board of Governors and committee dates/times for 2013/14 to all Governors.

ACTION: Clerk

PART VIII – final matters

- 19. Any other business.** There was no other business.
- 20. Risk Management.** No new items of risk were identified at the meeting. It was noted that existing risks were already covered by the College's risk register.

PART IX – Reserved Matters

21. **Exclusions.** The Chair noted that the Mr Aal's term of office as Co-opted Student Governor would end on 31st August 2013 and that the current meeting would therefore be his final meeting. The Chair thanked Mr Aal for his contribution to the work of the Board of Governors. Mr Aal responded that he had found the experience interesting and his involvement had increased his commitment to the College.

The Board agreed that the following staff and student members should be excluded prior to consideration of the Reserved Matters agenda: Mr Aal (Co-opted Student Governor), Mr Hoare (Student Union President/Student Governor), Mr Miles (Co-opted Staff Governor) and Ms Bailey (Director of Finance).

22. **Minutes of the previous meeting.** It was noted that that Reserved Matters minutes of the meeting of the Board of Governors held on 12th June 2013 were not confidential and had therefore been included in the public minutes considered and approved earlier on the agenda at item 3.

23. **Confidential minutes of the Search & Nominations Committee meetings held on 13th March & 12th June 2013 (Part II).** Governors received the confidential minutes of the Search & Nominations Committee meetings held on 13th March & 12th June 2013 (Part II) for background information in relation to item 24 below.

24. **Senior post-holder remuneration procedure.** . . The Board of Governors agreed that a Remuneration Committee with delegated power to determine senior post-holder remuneration should be established with 5 members, including the Chair and Deputy Chair of the Board of Governors, and that a recommendation on draft terms of reference for and membership of the Remuneration Committee should be made by the Search & Nominations Committee to the October 2013 meeting of the Board of Governors: proposed Ms Kemp, seconded Mr Wood.

ACTION: Clerk

. . .

Mr Blaney announced that he would not be continuing as an Independent member of the Board of Governors in 2013/14 as the Board's approved meeting times did not fit in with his work commitments. The Chair thanked Mr Blaney for his contribution to the work of the Board of Governors.

It was noted that the first term of office of Mr Clements, an Independent member of the Board of Governors who had sent apologies for the current Board meeting, would end on 31st July 2013 and that he would not be seeking re-appointment due to changed work commitments. The Chair thanked Mr Clements, in his absence, for his contribution to the work of the Board of Governors.