

CORPORATION BOARD MEETING

CONFIRMED MINUTES OF THE MEETING HELD ON TUESDAY 17 DECEMBER 2019 AT 5.30 PM IN THETFORD BUILDING BOARDROOM, CCN, IPSWICH ROAD, NORWICH NR2 2LJ

Present:

Andrew Barnes (Chairman), Corrienne Peasgood (Principal), Jill Lanning, Noel Bartram, Andrea Blanchflower, Bree Sherwood (left the meeting at 7.00 pm), Emily Staley, Sophie Gray, Jonathan Barnard, Denise Troughton, Nikki Gray

Attendees:

Jerry White (Deputy Principal), Julia Buckland (Vice Principal, FE Curriculum and Quality), Martin Colbourne (NES Managing Director), Helen Richardson-Hulme (Assistant Principal, Director of Student Services), Clare Johnson (Clerk to the Corporation), Sue Millions (Administrator)

1. Apologies for Absence

Apologies were received from Aiden Little for the meeting.

2. Declaration of Interest

Governors are requested to make known any relevant pecuniary interests relating to any items on the agenda and it was noted that all declarations will be recorded.

Jonathan Barnard informed the Board that he has links to Easton Gymnastics Club.

There were no further declarations of interest given at the meeting.

3. Unconfirmed Minutes of the Meetings held on 15 October and 26 November 2019

(Papers 02-03)

The unconfirmed minutes of the meetings held on 15 October and 26 November 2019 were agreed as a true record of the meeting and will be signed by the Chairman at the next meeting.

4. Unconfirmed Confidential Minutes of the Meeting held on 15 October 2019 (Paper 04)

The unconfirmed confidential minutes of the meeting held on 15 October 2019 were agreed as a true record of the meeting and will be signed by the Chairman at the next meeting.

5. Matters Arising from the Previous Minutes

(Paper 05)

Action 5 (Board 3): *The Principal to ascertain as to whether there are any plans to refurbish the local underpass. The Principal informed the Board that she has not had an opportunity to discuss the local underpass with Laura McGillivray, CEO of Norwich City Council. Jill Lanning informed the Board that an article appeared recently in the EDP highlighting a large number of possible changes around Norwich. The article included and stated that: "Councillors are set to submit for a share of millions of pounds of government cash for projects on a wish list to transform transport in and around Norwich, which could see pavements widened or changes to the St Stephens underpass, possibly by opening it up, so the current roundabout becomes more of an open air plaza and a new public transport route*

could be created to connect Norwich Airport to the airport industrial estate, providing a key link to the International Aviation Academy". It was agreed that Jerry White would follow this up. The article was appended to the matters arising document for information. Action completed.

Action 1 (Board 1): *New Framework and Standards to be reviewed and a background written to understand further the anticipated length of standards and an update provided at the next C&S Committee Meeting taking place on 3 December 2019.* The State of Nation Apprenticeship paper has been uploaded to the resources tab on OnBoard. Action completed.

Action 2 (Board 1): *Corrienne Peasgood to liaise with Paul Goddard to discuss and finalise the 2019/20 Audit Schedule.* Finalised and presented to the Audit Committee on 29 November 2019. Action completed.

Action 3 (Board 1): *Data Futures to be included on the 2020/2021 CCN Audit Plan.* Please see agenda item 7.1.1. Action completed.

Action 4 (Board 1): *The Principal to review the risk impact statements and scores and bring to the December 2019 Board for approval.* Discussions will take place at the Strategy Day event taking place on 17 January 2020. **Action on-going.**

Action 5 (Board 1): *The Principal to review the Finance and Funding and Compliance, Health and Safety and Statutory Compliance risks which are above the new risk appetite and report back to the December Board.* Discussions will take place at the Strategy Day event taking place on 17 January 2020. **Action on-going.**

Action 6 (Board 1): *Annual and Health and Safety Report to be analysed at the next CCN Business Committee Meeting taking place on 10 December 2019.* Action completed.

Action 7 (Board 1): *Annual Health and Safety Report to be brought to the December Board for approval.* Action completed.

Action 1 (Board 2): *CJ to update the 'Annual cycle of monitoring and review of OfS Conditions of Registration' to include Data Sheets.* This has been uploaded on OnBoard. Action completed.

6. Chairman's Remarks

The Chair asked for his sincere thanks to be passed to all individuals from the Executive Team and Governors who have worked excellently together for their achievements in the last few months and he looks forward to the exciting and productive times ahead.

7. Section A – papers in Section A are for discussion and action

7.1 Annual Reports and Financial Statements

7.1.1 Annual Reports and Financial Statements 2018/19

(Paper 06)

The Board were informed that the Annual Reports and Financial Statements 2018/19 were prepared by NES and CCN and thoroughly discussed at the Audit and Risk Committee Meeting which took place on 29 November 2019. The annual accounts are subject to approval at today's Board meeting and signed by the Chair for submission to the ESFA by the deadline of 31 December 2019.

Martin Colbourne advised that KPMG have been on site and undertaken the audit over the last 3-4 weeks. It was noted that the Annual Report is in a good state and NES has had the benefit of Karen McIntosh this year to coordinate. Martin Colbourne ran through each page of the Annual Report for the Committee.

Bree Sherwood informed the Board that it was agreed that for each reference to Easton, it would say "proposed impending merger" as it was reading as though it was a done deal.

Whilst no issues were anticipated, and the merger should proceed as planned, it was agreed that it would be better to say proposed as it will not have been formally concluded by the time the Report is signed off.

Discussions followed, and the question was asked why the UEA is in deficit for 2019 and Martin Colbourne agreed to check the figures published.

A few additional minor tweaks were made to the document during the Audit Committee meeting.

The full content of the annual report was discussed and noted, and the Chair of the Audit Committee outlined the process and changes made, informing the Chair and Principal that the annual accounts must be signed before the merger documentation.

The Board formally approved the annual accounts and all Governors agreed they were all in favour.

Action 1: Martin Colbourne to check the deficit figures within the accounts with regard to the UEA (MC).

Action 2: Annual Accounts to be signed prior to the signing of the Easton and CCN merger documentation (CP / AB).

7.1.2 Audit Committee Annual Report 2018/19

(Paper 07)

Martin Colbourne went through the document previously circulated and advised the Committee that this report provides a summary of what has been done throughout the year.

Bree Sherwood raised the issue of the composition of the Committee at the meeting as she is currently the only permanent member of the Committee and wanted to ensure that the Auditors were comfortable that this complied with the Code of Good Governance. It was noted that CCN have a plan to address this. Reflection to be given to this in the New Year at the January Strategy Day. The way in which governors self-assess will also be further considered. The Principal advised that this was considered by the internal auditors, who looked at the minutes of meetings, so while it may not have been specific it was considered. In the New Year, the composition of the Committee will be considered. If no Governors from Easton come across to CCN, either there will be recruitment or a member of the C&S Committee will be approached to see if anyone is happy to also sit on Audit. It was noted a Governor cannot be on both Business and Audit Committees.

Bree Sherwood confirmed that following minor amendments being made, she signed the Report.

The Board agreed that the report was a fair summary and approval was given.

7.1.3 KPMG Letter of Representation

(Paper 08)

It was noted that the letter is confirmation that CCN have given all information and disclosures to the auditors for the purpose of finalising the Report and Bree Sherwood added that it holds the governors to account. The letter will be signed at the same time as the accounts. Bree Sherwood added that the letter is standard, and she is happy with the content.

7.1.4 KPMG Audit Memo

(Paper 09)

The KPMG Audit Memo, previously distributed, was discussed at the meeting and the following was discussed and noted:

KPMG took the Audit Committee through the document and confirmed that there is no deviation from the Audit Plan, setting out the outstanding issues, these being new pay disclosure, GMP equalisation. In respect of the pension liabilities, Bree Sherwood informed the Board that they need to be happy and that they should be reassured by the report on cash flow as well as the business plan.

All Audit Recommendations were noted as low priority. Bree Sherwood informed the Board that the Audit and Risk Committee are at a loss as to what others to do and asked KPMG to consider and let the Committee know.

The full content of the KPMG Audit Memo was noted and agreed up by all Governors present.

7.1.5 Regularity Questionnaire

(Paper 10)

The Board were informed that the completed Regularity Questionnaire, previously circulated, showed the requirements, responses and evidence and the documents content was noted, and it was agreed that it captures the control environment, as requested.

7.2 College Self-Assessment Report

(Paper 11)

It was noted that the College has chosen to self-assess the 2018/19 academic year against the new Education Inspection Framework which applied from September 2019.

The proposed self-assessments agreed were highlighted and it was noted that the Curriculum and Standards Committee will complete a thorough review of all grades.

7.2.1 SIEAP Summary 2018/19

(Paper 12)

The self-assessment summary and plan reflects on the prior academic year and shows CCN as a good college for overall effectiveness and puts in place areas for scrutiny and target plans for the coming year. The main areas in red have been flagged through the year and reviewed by the C&S Committee.

The full content of the summary was noted, and it was also noted that full discussions have taken place at recent C&S Committee Meetings.

7.3 Resolution to Merge with Easton College

(Papers 13-14)

Corrienne Peasgood and Martin Colbourne gave an in-depth presentation to the full Board on the process followed and how the final position had been met.

Today's meeting is to finalise and agree the merger between Norwich City College and Easton College.

The full PowerPoint presentation will be uploaded onto OnBoard.

The following resolutions need to be formally agreed by all Governors present:

Resolution 1

The Corporation of Norwich City College of Further and Higher Education (“**CCN**”) **RESOLVES**, subject to the condition set out below and finalisation of all appropriate consents and documentation relating to the transfer and banking arrangements:

- A. to approve the transfer of the property, rights, assets and liabilities of the Easton and Otley College Further Education Corporation (“**EOC**”) to CCN with effect from 0.01 on 1 January 2020 (“**Transfer Date**”) in accordance with section 27B of the Further and Higher Education Act 1992 (as amended) (“**FHEA**”) on the basis that *inter alia*:
1. EOC transfers the EOC Business (as defined in the Transfer Agreement, see (B) below) that relates solely to EOC’s Easton Campus to CCN;
 2. EOC transfers the EOC Business that relates solely to EOC’s Otley Campus to Suffolk New College (“**SNC**”);
 3. EOC transfers the Other Interests (as defined in the Transfer Agreement) to CCN to be apportioned between CCN and SNC on a 2:1 basis, with CCN receiving two thirds and SNC receiving one third of the relevant Other Interests (unless the parties agree otherwise);
 4. EOC transfers or procures the transfer of other specific assets to CCN (including the EOC Bank Account and all the shares in the Subsidiaries) as set out in the Transfer Agreement;
 5. the Liabilities (as defined in the Transfer Agreement) are assumed by CCN and SNC in the proportions as set out in the Transfer Agreement,
- (the “**Transfer**”).
- B. to approve, execute and deliver the final agreed transfer agreement (and related letter) between EOC, CCN and SNC (the “**Transfer Agreement**”) which records the basis of the Transfer (as set out above) on the Transfer Date, an advanced version of which was produced to the meeting;
- C. to approve, execute and deliver to EOC as a deed the Form TR1 (Diss), TR1 (part of Easton) and Form TR5 (remainder of Easton) (referred to in the Transfer Agreement as the “**Easton Transfers**”), final agreed versions of which were produced to the meeting;
- D. to accept the transfer of the property, rights and liabilities from EOC as specified in the Transfer Agreement with effect from the Transfer Date;
- E. to approve, execute and deliver the following documents in connection with the Easton Campus (“**Property Documents**”):-
- a. Deed of Variation relating to the JV Land Consortium Agreement;
 - b. Deed of Covenant relating to the JV Land Arrangement Option Agreement;
 - c. Deed of Covenant relating to Grant Agreement with Suffolk County Council;
 - d. Deed of Covenant relating to Overage Agreement with William Youngs (Dereham) Limited;
 - e. Deed of Covenant with Norwich Diocesan Board of Finance regarding Overage Agreement;
 - f. Deed of Variation of contract relating to Gravel Pits;
 - g. Deed of Covenant relating to the SEN School Site;
 - h. Deed of Covenant relating to Diss High School Site;
 - i. TR4 relating to the transfer of the benefit of charges on title numbers NK255560 and NK252492;
 - j. Deed of Covenant regarding Orsted Option;

- k. a deed of covenant in respect of the JV Agreement with RNAA;
- l. a deed of covenant in respect of the Easement for the Roadway on the RNAA land,

provided that, if the documents referred to at E(j) – E(l) above are not in agreed form at the date of this resolution, the Chair and the Principal be and are hereby authorised to negotiate, agree and execute such documents subsequently on behalf of CCN as part of the delegated authority provided in Resolution 2 below.

- F. to approve, execute and deliver the Strategic Collaboration Agreement (as defined in the Transfer Agreement) to govern the post-merger arrangements in respect of EOC and in particular the arrangements in respect of the Other Interests and Other Liabilities, the final agreed version of which was produced to the meeting;
- G. to approve, execute and deliver each of the Pension Documents (as defined in the Transfer Agreement), being:
 - a. a funding agreement to be entered into by EOC, CCN, SNC, Norfolk Educational Services Limited (“**NES**”), Suffolk County Council and Norfolk County Council in respect of the funding of EOC’s liabilities in the Local Government Pension Scheme; and
 - b. a pensions agreement to be entered into by EOC, CCN and SNC relating to EOC’s liabilities within the Local Government Pension Scheme, final agreed versions of which were produced to the meeting; and
- H. to accept the transfer of all of the shares of the Subsidiaries (as defined in the Transfer Agreement) from EOC with effect from the Transfer Date;
- I. to approve, execute and deliver all documentation (the “**Banking Documentation**”) necessary or desirable to:
 - a. transfer EOC’s existing term loan facility with Lloyds Bank plc (“**Lloyds**”) to CCN such documentation to include, but not be limited to:
 - i. an Amendment and Re-documentation Agreement between CCN and Lloyds pursuant to which the existing term loan facilities of both CCN and EOC are amended and re-documented;
 - ii. a Legal Charge in favour of Lloyds over part of the freehold land and buildings at Easton NR9 5DX being part of title number NK407746;
 - b. transfer EOC’s existing grant arrangements with the Lawn Tennis Association (acting by LTA Operations Limited) (“**LTA**”) to CCN, such documentation to include, but not be limited to a Deed of Adherence to the Club Loan and Grant Terms and Conditions issued by the LTA to EOC on 13 June 2008.
- J. to authorise CCN’s solicitors, Mills and Reeve LLP, to give a completion undertaking to Stone King LLP, Pinsent Masons LLP and Leathes Prior LLP in the form presented to the meeting, and to authorise Mills and Reeve LLP to date the documents executed by CCN on either Thursday 19 December 2019 or Friday 20 December 2019, subject to the conditions set out below being satisfied;
- K. to authorise CCN’s solicitors, Mills and Reeve LLP, to:
 - a. transfer the sum of £104,000 to the client account of Bates Wells Braithwaite in order to:
 - i. redeem the outstanding loan between EOC and the LTA; and

- ii. release the Legal Charge between EOC and LTA dated 31 July 2018 over the tennis centre which is part of the freehold land and buildings at Easton NR9 5DX over part of title number NK407746 (together, the “**LTA Redemption**”); and
 - b. give or receive such solicitors undertakings as Mills & Reeve LLP deem necessary or desirable (at their sole discretion) to allow the LTA Redemption to take place; and
- L. to approve Martin Colbourne, Corrienne Peasgood and Karen McIntosh as Panel A signatories and Debbie Brown as a Panel B signatory for the EOC Bank Account and authorise such individuals to sign a bank mandate in respect of the EOC Bank Account and any other documents required for this purpose;

The above resolutions (A-L) are subject to the condition that prior to the Transfer Date:

- i. EOC passes resolutions to approve the transfer of its property, rights and liabilities to CCN and SNC (as applicable) as specified and in the proportions set out in the Transfer Agreement in accordance with the terms of the Transfer Agreement and section 27B of the FHEA with effect from the Transfer Date;
- ii. EOC passes a resolution, immediately after the transfer of its property, rights, assets and liabilities, on the Transfer Date to dissolve itself in accordance with section 27A of the FHEA; and
- iii. SNC passes resolutions to approve the Transfer Agreement and to accept the transfer property, rights and liabilities from EOC as specified in the Transfer Agreement in accordance with the terms of the Transfer Agreement and section 27B of the FHEA with effect from the Transfer Date.

IT WAS NOTED that the Otley Employees and the Easton Employees (as defined and listed in the Transfer Agreement) employed by EOC will transfer to SNC and CCN (respectively) by operation of law under the Transfer of Undertakings (Protection of Employment) Regulations 2006 (as amended) (“**TUPE**”) on the Transfer Date and that, immediately following the transfer of the Easton Employees to CCN on the Transfer Date the Business Support Employees (as defined in the Transfer Agreement) shall transfer from CCN to NES pursuant to TUPE.

Resolution 2

The Chair (Andrew Barnes) and the Principal (Corrienne Peasgood) (the “**Authorised Officers**”) be and are hereby authorised:

- a. to progress the Transfer (as defined in Resolution 1A above) from EOC to CCN on CCN’s behalf;
- b. to negotiate, agree and execute on behalf of CCN, the Transfer Agreement, the Strategic Collaboration Agreement, the Pension Documents, the Easton Transfers, the Property Documents, the Banking Documentation and all other documentation relating to or ancillary to the transfer (including any documentation in relation to transaction and ongoing funding arrangements with the Education and Skills Funding Agency, pensions and banking arrangements) (the “**Transfer Documents**”) as they see fit in keeping with CCN’s principles regarding the transfer (the approval of the Authorised Officers in any such case to be conclusively determined by their signing of such documents);
- c. to affix the common seal of the Corporation to all Transfer Documents and any other documentation relating to or ancillary to the Transfer Agreement to be executed by deed and the Authorised Officers be authorised to witness the affixing of the Corporation’s seal to any such documents; and

- d. to represent CCN and to execute and do all such acts and things in respect of the merger including making decisions on behalf of CCN, the execution of documents, certificates and notices in such form, and including such amendments, as they (acting jointly and severally), see fit. Such actions and decisions being reported to Corporation members at the next scheduled meeting of CCN.

Following discussion, the content of Resolution 1 was agreed and proposed by Jill Lanning, seconded by Nikki Gray, with all Governors present in favour.

Following discussion, the content of Resolution 2 was agreed and proposed by Noel Bartram, seconded by Denise Troughton and Andrea Blanchflower, with all Governors present in favour.

Noel Bartram thanked the Principal for an outstanding piece of work and presentation. Jill Lanning thanked everyone for the huge amount of work undertaken and it was noted she was reassured by the numbers on the ground. Andrea Blanchflower reiterated her thanks to everyone around the table and beyond.

What Next?

- All documentation to be signed and sealed on 18 December 2019.
- Communications with lawyers and solicitors on 19 December 2019.
- Formal merger begins on 1 January 2010.
- 6-10 January – week of activities and students back on 13 January.
- 7 – 31.01.2020 – restructuring takes place.
- Setting up of FE Improvement Board, Transition Board and Easton Apprenticeship Boards.

Action 3: Merger PowerPoint presentation to be uploaded onto OnBoard (CJ).

7.4 Approval of Modern Slavery Statement (Papers 15-16)

The Modern Slavery Statement was discussed at length by the Business Committee and formally approved by those present and signed by the Chair for publication on the College's website. Please see the Business Committee Meeting minutes from the meeting held on 10 December 2019.

Action 4: Approved Modern Slavery Statement to be uploaded onto the CCN website (CJ).

7.5 External Audit Contract Extension (Paper 17)

The external audit contract extension papers were previously circulated for approval and Martin Colbourne informed the Committee that:

- The current external audit contract commenced on 3 May 2017 and the initial contract length was for three years, thereby expiring on 2 May 2020. The contract allows for an extension for a further period of one year plus one year should the Group consider that the Contractor has achieved all service and performance standards during the duration of the contract.
- The Contract is managed by the NES MD and the Principal of CCN and on an operational basis by the NES Finance Manager.

- It has been suggested that the anticipated extension will commence on 3 May 2020 and run for 1 year, expiring on 2 May 2021, with possibility of extending for a further 1 year.

Following discussion, it was noted that the Business Committee are recommending to the full Board, the extension of the contract with KPMG for an additional 12 months for approval.

Following discussion, the Board approved the extension to the External Audit Contract and the papers were signed by the Chair.

7.6 Chairs' Summary of Committee Meetings

7.6.1 Chair's Summary of Curriculum and Standards Committee (Paper 18)

The content of the Curriculum and Standards Committee Report highlights the issues featured in their recent discussions and the full content of the report was noted.

7.6.2 Chair's Summary of Business Committee (Papers 19-25)

The content of the Business Committee Report highlights the issues featured in their recent discussions and the full content of the report was noted.

7.6.3 Chair's Summary of Audit and Risk Committee

The Audit and Risk Committee Update was discussed under agenda item 7.1.2.

7.7 Governance Matters for Discussion and Action

7.7.1 Appointment of New Governors

Governors were asked to approve the appointment of Aiden Little, FE Governor, to the Board and Curriculum and Standards Committee as of today's date.

The appointment was formally agreed by those Governors present.

8. Section B – papers in Section B contain routine recommendations

8.1 Well-Being and inclusion Report (Paper 26)

The Report informs Governors of safeguarding, wellbeing and equality, diversity and inclusion matters relating to staff and students throughout the year and the full report was received and noted. The report provides Governors with an update of the work undertaken recently.

The comprehensive updates on the Annual Safeguarding Report, Prevent Risk Assessment and Action Plan and the Prevent Strategy were discussed and the full content of all attachments noted.

8.2 Student Voice Report (Papers 27-28)

The Student Voice Report, along with feedback from Student Union and FE Forums, produced by Emily Staley, were previously circulated to all Governors to provide them with an update of the Student Union and the full content of the reports was noted.

8.3 TEN Group Update

There was no TEN Group Update provided at today's meeting.

8.4 DfE Letter for Chair and Board

(Paper 29)

The letter received from Lord Agnew, Parliamentary Under-Secretary of State for the Schools System and Richard Atkins, Further Education Commissioner, was previously circulated for information and the full content noted.

8.5 Equality and Diversity Policy Update

(Papers 30-31)

It was noted that the Information Compliance Team are reviewing the TEN Group Equality and Diversity Policy which has been approved by the Principals within the TEN Group and Unions.

After reviewing current legislation, it has been noted that the TEN Group has a statutory requirement to set equality objectives in addition to having an E&D Policy.

The TEN Group Chair has asked for a mechanism to be introduced that will help ensure compliance across the Group. This will involve each Board seeking evidence that demonstrates that their organisation is adhering to their statutory requirements. Steps are now being taken to develop PSED objectives, if not already in place.

The current Equality and Diversity Policy was previously distributed for information.

9. Section C – Papers in Section C are for information only

9.1 Minutes from Previous Committee Minutes

(Papers 32-34)

The unconfirmed minutes from the Curriculum and Standards Committee Meeting which took place on 3 December 2019, the Business Committee Meeting from 8 October 2019 and the Audit and Risk Committee Meeting held on 29 November 2019 were previously circulated and the full content noted.

10. Other Urgent Business

There was no other urgent business tabled at the meeting.

11. Summary of the Meeting

11.1 Principal's Meeting Summary Against Strategic Aims

It was noted that the Strategic Aims and Success criteria was covered and thoroughly discussed throughout the meeting.

11.2 Items to be Shared with TEN Board

It was noted that there were no additional items to be shared with the TEN Board following today's meeting.

11.3 Any Changes or New Items to be Considered for the Risk Register

Following discussion, it was agreed that no risks need to be changed or added to the Risk Register following today's meeting.

12. Confidentiality

There were no items deemed confidential at today's meeting.

13. Date of Next Meeting

The next CCN Board Meeting is scheduled for Tuesday 11 February 2020 at 5.30 pm.

All business having been concluded, the meeting was closed at 7.50 pm.

Signed Date
(Chairman)

CONFIRMED