



**Grimsby Institute of Further & Higher Education**

**Members' Report and Financial statements**

For the year ended 31 July 2016

## Key Management Personnel, Board of Governors and Professional Advisors

### Key Management Personnel

Key management personnel are defined as members of the Institute Executive Management Team and were represented by the following in 2015/16:

Gill Alton	CEO; Accounting Officer
Sue Middlehurst	Principal and CEO; Accounting Officer
Debra Gray	Principal and Deputy CEO
Clare Wareing	Principal Yorkshire Coast College (to 31 May 16)
Ann Hardy	Principal Interim Yorkshire Coast College (From 1 June 16 to date)
Keith Pearson	Group Director of Finance
Adrian Clarke	Group Director of Corporate Services
Sam Whitaker	Group Director of Strategic Projects
Stephen Butler	Group Director of Human Resources and Payroll
Tony Bell	Group Commercial Director
Hugh Callaway	Group Director of Marketing

### Board of Governors

A full list of Governors is given on page 16 of these financial statements.

Susan Bailey acted as Clerk to the Corporation throughout the period.

### Professional Advisers

#### Financial Statement and Regularity auditors:

Grant Thornton UK LLP, No. 1 Whitehall Riverside, Leeds, LS1 4BN

#### Internal auditors:

RSM Tenon, Springfield House, 76 Wellington Street, Leeds

#### Bankers:

Lloyds Bank, P O Box 72, Bailey Drive, Gillingham Business Park, Kent

Bank of Scotland, 600, Gorgie Road, Edinburgh

Bank of China, 67-69, Mosley Street, Manchester

Banco Santander S.A., 44 Merrion Street, Leeds

#### Solicitors:

Eversheds, Bridgewater Place, Water Lane, Leeds, LS11 5DR

Bates & Mountain, The Old Courthouse, 42, Brighowgate, Grimsby

#### Tax advisers:

Forrester Boyd, 26 South Saint Mary's Gate, Grimsby

UNW LLP, Citygate, Saint James Boulevard, Newcastle upon Tyne

## **Members' Report and Financial Statements**

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## Members' Report

### Operating and Financial Review

#### Nature, Objectives and Strategies

The members present their report and the audited consolidated financial statements for the year ended 31 July 2016.

#### Legal Status

The Corporation was established under the Further and Higher Education Act 1992 for the purpose of conducting Grimsby Institute of Further & Higher Education (GIFHE). GIFHE is an exempt charity for the purposes of Part 3 of the Charities Act 2011.

#### Mission

Governors reviewed the mission during 2015/16 and retained the existing mission statement as follows:

“Our mission is to enrich the lives of all by providing high-quality, responsive education and training”

GIFHE's vision for the next 3 years is to be 'Inspiring, Innovative and Outstanding'.

#### Public Benefit

GIFHE is an exempt charity under the Part 3 of the Charities Act 2011 is regulated by the Secretary of State for Business, Innovation and Skills (BIS) as Principal Regulator for all Further Education (FE) Corporations in England. The members of the Corporation, who are trustees of the charity, are disclosed on page 16.

In setting and reviewing GIFHE's strategic objectives, the Corporation has had due regard for the Charity Commission's guidance on public benefit and particularly upon its supplementary guidance on advancement of education. The guidance sets out the requirement that all organisations wishing to be recognised as charities must demonstrate, explicitly, that their aims are for public benefit.

In delivering its mission, GIFHE provides the following identifiable public benefits through the advancement of education:

- High-quality teaching.
- Widening participation and tackling social exclusion.
- Excellent employment record for students.
- Strong student support systems.
- Links with employers, industry and commerce.

#### Implementation of Strategic Plan

In Spring 2014, GIFHE adopted a strategic plan for the years 2013/14 to 2016/17. The Corporation monitors the performance of GIFHE against this plan which is reviewed and updated each year. GIFHE's continuing strategic objectives during 2015/16 were:

- To focus on learners by providing them with an excellent learning experience.
- To grow our business through an innovative curriculum and market development which meets the needs of employers and the communities in which we work.
- To work in partnership with employers to continuously improve the quality and efficiency of our curriculum and services to become outstanding.
- To retain, reward and recruit a high-quality workforce.

## Operating and Financial Review (continued) Implementation of Strategic Plan (continued)

Our core values are built on the vision and mission statements.

Our overall aim is to “put the students first” which means:

- Our learners and customers are paramount.
- Strive to provide excellence in all we do.
- Working together, with mutual respect and support.
- Acting with integrity at all times.

Governors agreed, in July 2016, to a new strategic plan for the two years 2016/17 and 2017/18 that will focus on four key themes of Learner Success, Culture, Financial Stability, Brand and Reputation. For each theme a set of strategic measures has been developed in order for progress to be reported to Governors for monitoring their achievement.

### Financial Objectives

GIFHE's financial objectives are:

- Maintain the long-term financial viability of GIFHE.
- To pursue alternative sources of funding, on a selective basis, consistent with GIFHE's core competencies, and the need for a financial contribution to GIFHE's overall finances.
- The actual income for full cost activity was £820k against a target of £1,651k.
- The actual income from overseas was £93k against a target of £199k.
- To fund continued capital investment.
- The actual income for 16-18 Learner Responsive was £14,881k of activity against a target of £17,497k although as the funding is based on prior year performance the full target of £17,497K is included within the Statement of Comprehensive Income.
- GIFHE financial health was maintained as Outstanding.

	Target	Actual
Cash days in hand	>50	117
Staff costs as % of income	<62.4%	63.6%
Operating surplus as % of income	-0.4%	-3.04%
Current ratio	>1.60	2.36

### Performance Indicators

The College is committed to observing the importance of sector measures and indicators and uses the FE Choices data available on the GOV.UK website. FE Choices has 4 key performance indicators:

- Success Rates
- Learner Destination
- Satisfaction Survey (Learner Views)
- Satisfaction Survey (Employer Views)

GIFHE is required to complete the annual Finance Record for the Skills Funding Agency (SFA). GIFHE is assessed by the Skills Funding as having an “Outstanding” financial health grading. The current rating of outstanding financial health is considered a more than acceptable outcome.

## Operating and Financial Review (continued)

### FINANCIAL POSITION

#### Financial Results

The group incurred a deficit before other gains and losses in the year of £1,121k (2014/15 – surplus of £1,527k) with total comprehensive income of £2,579k (2014/15 – deficit of £596k). The result for 2015/16 was impacted by a decline in Funding body grants relating to the SFA and the lack of opportunity for European funding which generated £1.6m turnover in the prior year.

The group has consolidated accumulated reserves of £27,744k and cash and short term investment balances of £13,805k. The group wishes to continue to accumulate reserves and cash balances in order to create a contingency fund.

Tangible fixed asset additions for the group during the year amounted to £4,702k, this was split between land and buildings acquired of £1,116k, equipment purchased of £1,574k and assets under construction of £2,589k. Assets under construction project spends which are recorded were the site purchase and re-development of a logistics training facility based in Immingham for the Group's Modal Training Ltd subsidiary and the continued phased expansion of The Academy Grimsby (TAG). Key project spend included a number of infrastructure modernisations across the whole Group with an emphasis on Information Technology.

GIFHE has significant reliance on the education sector funding bodies as its principal funding source. In 2015/16, the education sector funding bodies provided 64.9% of GIFHE's income, down from 66.1% in 2014/15.

GIFHE has seven subsidiary companies of which four are actively trading, with the remainder dormant and/or retained for name protection purposes. Two subsidiary companies were dissolved during 2015/16.

#### GIFHE Companies

GIFHE has the following subsidiary companies. Any surpluses generated by these companies are transferred to GIFHE under Gift Aid.

NAME	SURPLUS / (DEFICIT) GENERATED	ACTIVITY
Grimsby College Trading Limited	£111,797*	Provision of Transport facilities.
Humber Construction Limited	Dormant	Dormant
Workforce Skills Ltd	(£121,292)	Provision of apprenticeship training.
Manufacturing Improvement International Ltd	Dormant	Dormant
Estuary TV CIC Limited	£164,645*	Broadcasting local television to the general public and business community.
Modal Training Ltd	(£318,651)	Provision of Logistics training.
Humber Seafood Limited	Dormant	

\*£182,577 has been transferred by way of Gift Aid to the Grimsby Institute of Further & Higher Education from Grimsby College Trading Limited (£150,146) and Estuary TV CIC (£32,793).

*All companies owned 100% unless otherwise stated*

## Operating and Financial Review (continued)

### Treasury Policies and Objectives

Treasury Management is the management of GIFHE's cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.

GIFHE has a separate treasury management policy in place.

Short term borrowing for temporary revenue purposes is authorised by the Accounting Officer. All other borrowing requires the authorisation of the Corporation and shall comply with the requirements of the Financial Memorandum of the SFA.

### Cash Flows

Net cash inflow from operating activities was £4,586k compared to £5,552k in 2014/15. Loan repayments in year totalled £344k and total cash in bank at 31 July 2016 decreased from £14,690k to £13,805k with all of this being on an interest-earning, instant access account.

### Liquidity

During 2009/10 GIFHE agreed a 25 year loan of £7,500k to fund the University Centre and transfer the Yorkshire Coast College (YCC) loan and existing GIFHE loan at improved rates. The £7,500k Santander loan was taken up in 2011/12. Written agreement was received from Santander to use the £7,500k loan on other capital projects. Total loans at 31 July 2016 were £6,376k with £451k of this amount due within one year.

### Reserves Policy

The College has no formal Reserves Policy, but recognises the importance of reserves in the financial stability of an organisation, whilst ensuring that adequate resources are provided for the College's core business. The College currently holds no restricted reserves. As at the balance sheet date, the total unrestricted reserves account stands at £32,644k (2015: £30,065k). It is the Corporation's intention to increase reserves over the life of the revised Strategic Plan and beyond, by the generation of annual operating surpluses.

## CURRENT AND FUTURE DEVELOPMENT AND PERFORMANCE

### Learner Numbers

In 2015/16 GIFHE delivered activity that produced £5,687k in SFA funding body main allocation. GIFHE had approximately 7,804 SFA funded learners, 3085 EFA 16-18 funded learners, 143 EFA 14-16 funded learners, and 573 Community Learning funded learners. The number of non-funded learners was 6103.

### Learner achievements

The 2015/16 success rate for GIFHE is 87.4% which places us in the top decile nationally and continues the improving trend seen in last three years.

### Curriculum Developments

The portfolio provision and the methods of teaching and learning are under continuous review and development to ensure that the curriculum meets the needs of its learners. An annual review is also conducted using sector leading labour market information to ensure that the curriculum meets the needs of local employers, LEP priorities and future skills trends.

The Academy Grimsby, the groups own 14-16 provider, continues to go from strength to strength and the launch of our own next generation career based sixth form 'Career Six' looks to emulate this success. It has been an excellent year for GIFHE.

## **Operating and Financial Review (continued)**

### **Curriculum Developments (continued)**

An updated Quality Improvement Strategy is in place to improve the quality of teaching and learning which is to be implemented in 2016/17. The Further Education (FE) curriculum is reviewed annually in response to the Local Enterprise Partnership (LEP) and local Labour Market.

Intelligence (LMI). A new curriculum planning process was launched bringing further accountability to front line staff and increased involvement from local industry. This will continue to develop as we plan for the 2017/18 academic year with a full day of training for all teams on effective planning and target setting.

GIFHE completed the scrutiny by the Quality Assurance Agency (QAA) for Foundation Degree Awarding Powers (FDAP) and in 2012/13 GIFHE was successful in achieving FDAP, one of only five FE colleges in England to do so. We have now our first graduating cohort of Foundation degree students and have robust plans in place to secure Taught Degree Awarding Powers (TDAP). In February 2014, the QAA conducted a HE Review at GIFHE, the purpose of which was to investigate HE provision. GIFHE was commended by the review team on its enhancement of learning opportunities and the quality of information provided. QAA also identified several areas of good practice.

In November 2013, GIFHE had a full inspection from the Office for Standards in Education, Children's Services and Skills (OFSTED) at its Grimsby, Scarborough and Skegness campuses. The Group received an overall grade of 'Good' with 'Outstanding' elements. It currently awaits a new inspection.

In 2016 GIFHE was shortlisted for a Beacon Award in Widening Participation by the Association of Colleges.

### **Payment performance**

The Late Payment of Commercial Debts (Interest) Act 1998, which came into force on 1 November 1998, requires Colleges, in the absence of agreement to the contrary, to make payments to suppliers within 30 days of either the provision of goods or services or the date on which the invoice was received. The target set by the Treasury for payment to suppliers within 30 days is 95 per cent. GIFHE incurred no interest charges in respect of late payment for this period.

### **Responsiveness and Professional Development**

GIFHE has many highly successful employer engagement strategies which include the development of Centres of Vocational excellence, Food and Drink Skills, Cultural and Creative Arts Skills Academy as well as a significant contribution to employer responsive and Work-Based Learning provision across a range of sectors.

GIFHE continues to recognise the importance of the professional development of staff in delivering high quality provision to learners and has again invested significantly in development activities and Continuing Professional Development (CPD). GIFHE have created a full suite of CPD spaces called 'Innovate' which develops professional practice, technology enhanced learning and has leading edge technology including one of only six Microsoft Hubs in the country.

### **Future Prospects**

GIFHE continues to consider future delivery options on its main campuses in order to improve future financial performance during the continuing period of government funding reductions. Key financial targets within the Strategic plan focus on the generation of EBITDA (education sector specific) of greater than 10% while retaining cash reserves of above 50 days of operating expenditure. The two year forecast, as submitted to the SFA, demonstrates the capability for GIFHE to achieve these targets while continuing to invest in initiatives that will grow and diversify income to mitigate reliance on future government funding. GIFHE is therefore well placed to meet its obligations as a going concern taking into account both the current financial position and principal future risks.



## Operating and Financial Review (continued)

### RESOURCES:

GIFHE has various resources that it can deploy in pursuit of its strategic objectives. Tangible resources for the group include fixed assets with a net book value of £60,521k, including land and buildings with a net book value of £53,053k.

### Financial

GIFHE has £32,644k of net assets (including £12,791k pension liability) and long term debt of £5,925k.

### People

GIFHE employs 862 people (expressed as full time equivalents), of whom 534 are teaching department staff.

### Reputation

GIFHE has a good reputation locally and nationally. Maintaining a quality brand is essential for the GIFHE's success at attracting students and external relationships.

## PRINCIPAL RISKS AND UNCERTAINTIES

GIFHE has continued work during the year to monitor and embed the systems of internal control, including financial, operational and risk management which is designed to protect GIFHE's assets and reputation.

Based on the strategic plan the Risk Management Committee (RMC), which comprises membership of the EMT, undertakes a comprehensive review of the risks to which GIFHE is exposed. They identify systems and procedures, including specific preventable actions which should mitigate any potential impact on GIFHE. The internal controls are then implemented and the subsequent year's appraisal will review their effectiveness and progress against risk mitigation actions. In addition to the termly review, the RMC will also consider any risks which may arise as a result of a new area of work being undertaken by GIFHE in a separate monthly review and update.

A risk register is maintained at GIFHE level which is reviewed at least annually by the Audit Committee and more frequently where necessary. The risk register identifies the key risks, the likelihood of those risks occurring, their potential impact on GIFHE and the actions being taken to reduce and mitigate the risks. Risks are prioritised using a consistent scoring system. The minutes of the RMC are reviewed by Audit Committee and then form part of the Corporation agenda.

This is supported by a risk management network across all curriculum and business support areas to identify, monitor and mitigate operational risks throughout the group.

Outlined below is a description of the principal risk factors that may affect GIFHE. Not all factors are within the GIFHE's control. Other factors besides those listed below may also adversely affect GIFHE.

### 1 Government Funding

GIFHE has a considerable reliance on continued government funding through the SFA, EFA and Higher Education Funding Council for England (HEFCE); in 2015/16, this amounted to 64.9% of GIFHE's revenue, and while this level of requirement is expected to diminish it will remain a significant contributor. There are no assurances that government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms. Following the Government announcements in 2015 it seems likely that public sector funding cuts, including that affecting the FE sector, will continue for the foreseeable future in order to cut the national debt. GIFHE continues to review all of its activities and making appropriate changes to the way it operates. It is also essential that the YCC sites continue to be operated in an efficient manner and improve their financial performance.

**Operating and Financial Review (continued)  
Government Funding (continued)**

GIFHE is aware of some significant issues which may impact on future funding;

- From April 2017, the government has announced that a new employer apprenticeship levy will be introduced to finance growth in apprenticeships. Draft framework values have been issued for consultation which highlight a reduction in capped rates for most 16-18 year old frameworks in particular. Together with the emphasis on employers negotiating with providers for apprenticeship provision this represents a significant uncertainty for the future direction of apprenticeship income flows into GIFHE.
- Falling demographics within Lincolnshire and North Yorkshire leading to a reduction in available 16 year old learners for the next 2-4 years. Additionally, the government announced in the Comprehensive Spending Review November 2015, its intention to fix the core funding rate for 16-18 years olds for the lifetime of the current parliament (2020). Effectively this represents a funding reduction against the risk of inflation during the remaining period.
- In June 2016, the UK voted in a referendum to leave the EU, while this may not practically occur until 2019 it does create uncertainty directly in the longer term for this current funding source and the wider impact on the UK economy and UK government spending plans.
- The government announced in July 2015 its intention to move towards fewer, often larger, more resilient and efficient providers in the further education sector. All sixth form colleges and further education institutions will be included in this process on an area by area basis. GIFHE has been included in wave 4 of the Area Based Reviews for both the Greater Lincolnshire and North Yorkshire areas which commenced in October 2016.
- In seeking to diversify income away from public funding sources, GIFHE has invested into the creation and launch of a Logistics Training centre (MODAL Training Ltd) due to commence trading by the end of 2016. This is a new entity utilising state of the art simulators to train employees from commercial enterprises. While market research shows demand for such services within the region, uncertainty as to income growth exists at the pre-launch stage.
- GIFHE took over responsibility for operating Yorkshire Coast College in Scarborough from 2010 onwards. This was a failing college that required stabilising financially while improvements were made to the quality of educational provision given to learners. Academic and financial performance has not achieved the aims set by GIFHE in 2015/16 and plans are in development to re-launch the college under a new brand and at a new location within the Scarborough area. The latter change is subject to further legal and financial due diligence with a target of completing an agreement in Q1 2017. If proceeding the transactions involved will ultimately include the sale of the two existing campuses in Scarborough and as such represent significant financial transactions to GIFHE as a whole.

The risks are mitigated in a number of ways:

- Continuing rationalisation of the GIFHE estate as credible opportunities are developed following completion of the 8,000 square metre University Centre.
- Funding is derived through a number of direct and indirect contractual arrangements.

By ensuring GIFHE is rigorous in delivering high quality education and training.

## **Operating and Financial Review (continued)**

### **Government Funding (continued)**

- GIFHE will continue to diversify its income streams so that it is less reliant on SFA and EFA derived public funding. Further development of TAG including the recently launched sixth form provision, establishment of Modal Logistics and a more employer focused relationship to optimise the opportunities from the proposed apprenticeship levy through Workforce Skills Ltd, will aid the achievement of this aspiration.
- The Governors and Executive Management Team (EMT) continue to evaluate and progress strategic options both as part of the Area Reviews and directly with other providers where it sees strategic benefits. By shaping proposals with other learning providers in the region it operates within, the GIFHE believes it will be in a better position overall in influencing the area review towards outcomes that build a stronger and robust future for GIFHE.
- Considerable focus and investment is placed on maintaining and managing key relationships with the SFA/EFA/HEFCE to ensure alignment with funding guidance and optimisation of relevant income streams.
- Thorough evaluation of income growth and investment opportunities to ensure that the risks presented by the proposals are fully accounted for and mitigated to an acceptable extent. This includes maintaining an open and regular dialogue with the college's banks to ensure they remain supportive of the college going forward.

### **2 Tuition Fee Policy**

Fee assumptions for adult learner are currently stable at 50% of full funding value in 2015/16. In line with the majority of other colleges, GIFHE will increase tuition fees in accordance with the rising fee assumptions. The risk for GIFHE is that demand falls off as fees increase. This may impact on the growth strategy of GIFHE.

This risk is mitigated in a number of ways:

- By ensuring that GIFHE is rigorous in delivering high quality education and training, thus ensuring value for money for students.
- Close monitoring for the demand for courses as prices change.

### **3 Maintain adequate funding of pension liabilities**

The Hutton report on public sector pensions recommends increased contributions from both employers and particularly employees in order to reduce the growing deficit in public sector pension schemes. GIFHE must ensure that its future finances and profitability will be adequate to meet such requirements.

The financial statements report the share of the pension scheme deficit on the GIFHE's balance sheet in line with the requirements of FRS 102.

## **STAKEHOLDER RELATIONSHIPS**

In line with other colleges and with universities, GIFHE has many stakeholders. These include:

- Students;
- Education Sector Funding Bodies;
- Staff;
- Local employers (with specific links);
- Local Authorities;
- Government Offices/Local Enterprise Partnerships;
- The local community;

**Operating and Financial Review (continued)  
Stakeholder Relationships (continued)**

- Other FE institutions;
- Trade unions; and
- Professional bodies.

GIFHE recognises the importance of these relationships and engages in regular communication with them through the group internet site and by meetings.

**Equal Opportunities**

GIFHE is committed to ensuring equality of opportunity for all who learn and work here. We respect and value positively differences in race, gender, sexual orientation, disability, religion or belief and age. We strive vigorously to remove conditions which place people at a disadvantage and we will actively combat bigotry. This policy is resourced, implemented and monitored on a planned basis. The College's Equal Opportunities Policy is published on the intranet site.

GIFHE considers all applications from disabled persons, bearing in mind the aptitudes of the individuals concerned. Where an existing employee becomes disabled, every effort is made to ensure that employment with GIFHE continues. GIFHE's policy is to provide training, career development and opportunities for promotion which are, as far as possible, identical to those for other employees. An equalities plan is published each year and monitored by managers and governors.

**Disability Statement**

GIFHE seeks to achieve the objectives set down in the Equality Act 2010:

- GIFHE has Learner Services staff, who provide information, advice and arrange support where necessary for students with disabilities.
- There are significant resources such as the Study Skills Centre which supplies individual help for numeracy/literacy and computer skills. Additional support for course work and exams can also be arranged. The Dyslexia Unit, the Visually Impaired Unit, help for the hearing and physically impaired, zoom text, hearing induction loop systems, wheelchair accessible desks, large screens for PCs, information in alternative formats (as requested), and counselling services are amongst of the different types of support available
- GIFHE has an admissions policy and Learner Charter. Appeals against a decision not to offer a place are dealt with under the complaints policy.
- GIFHE has made significant investment in the appointment of specialist lecturers and support staff to support students with learning difficulties and/or disabilities. There are a number of Learner Mentors and Learning Support Practitioners who can provide a variety of support for learning. There is a continuing programme of staff development to ensure the provision of a high level of appropriate support for students who have learning difficulties and/or disabilities.
- Specialist programmes are described in GIFHE prospectuses, and achievements and destinations are recorded and published in the standard GIFHE format.
- Counselling and welfare services are described in the GIFHE Learner Charter, which is issued to students together with the Complaints/Praise and Disciplinary Procedure information at induction.

**Operating and Financial Review (continued)**

**Disclosure of Information to Auditors**

The members who held office at the date of approval of this report confirm that, so far as they are each aware, there is no relevant audit information of which GIFHE's auditors are unaware; and each member has taken all the steps that he or she ought to have taken to be aware of any relevant audit information and to establish that the GIFHE's auditors are aware of that information.

Approved by order of the members of the Corporation on 15 December 2016 and signed on its behalf by:



.....  
**Mr. J. Lovelle**  
**Chair of the Corporation**

## **Statement of Corporate Governance and Internal Control**

The following statement is provided to enable readers of the annual report and financial statements of GIFHE to obtain a better understanding of its governance and legal structure.

GIFHE endeavours to conduct its business:

- i. in accordance with the seven principles identified by the Committee on Standards in Public Life (selflessness, integrity, objectivity, accountability, openness, honesty and leadership);
- ii. in full accordance with the guidance to the colleges from the Association of Colleges in The English Colleges' Foundation Code of Governance ("the Foundation Code"); and
- iii. having due regard to the UK Corporate Governance Code ("the Code") insofar as it is applicable to the further education sector.

GIFHE is committed to exhibiting best practice in all aspects of corporate governance. This summary describes the manner in which GIFHE has applied the principles set out in The English Colleges' Foundation Code of Governance issued by the Association of Colleges. Its purpose is to help the reader of the financial statements understand how the principles have been applied.

In the opinion of the Corporation, GIFHE complies with/exceeds all the provisions of the Code in so far as they apply to the FE Sector, and it has complied throughout the year ended 31 July 2016 and up to the date of signature of this report.

GIFHE is an exempt charity within the meaning of Part 3 of the Charities Act 2011. The Governors, who are also the Trustees for the purposes of the Charities Act 2011, confirm that they have had due regard for the Charity's Commission guidance on public benefit and that the required statements appear elsewhere in these financial statements.

**Statement of Corporate Governance and Internal Control (continued)**

**The Corporation**

The members who served the Corporation during the year and up to the date of signature of this report were as follows:

Name	Date of appointment	Term of office	Date of resignation	Status of Appointment	Committees served	Meeting Attendance %
Mrs S Middlehurst	04.01.11	N/A	31.8.16	Principal	RES, S&P, G&R	N/A
Mrs T Thomas	06.09.13	4 yrs	31.8.16	Business	RES	64
Mrs J Knudsen	30.09.12	4 yrs	29.09.16	Staff	S&P, Audit	79
Mrs L Charlesworth-Browne	17.10.15	4 yrs	16.10.19	Staff	S&P	75
Ms L Ottewell	17.10.15	4 yrs	16.10.19	Staff	Audit	86
Mr P. Jackson	13.07.06	N/A	31.12.17	Co-opted	Audit	100
Mr R. Cannon	22.05.12	4 yrs	25.05.20	Business	S&P	91
Mr D. Hilditch	23.10.12	2 yrs	31.12.17	Business	S&P	100
Mr I. Lindley	20.12.11	4 yrs	19.12.19	Business	RES, G&R	85
Mr T. Bramley	09.07.13	4 yrs	08.07.17	Business	RES	100
Mr J. Lovelle	01.01.14	4 yrs	31.12.17	Business	RES, G&R	89
Mr R. Edwards	01.01.14	4 yrs	31.12.17	Business	Audit, G&R	64
Mrs J. Bowman	01.01.14	4 yrs	31.12.17	Business	S&P, Audit	86
Mr R. Walsh	30.09.14	4 yrs	29.09.18	Business	RES	45
Mrs E. Stoddart	01.01.15	4 yrs	31.12.18	Business	Audit, G&R	91
Mrs L. Parry	30.09.14	4 yrs	29.09.18	Business	RES	77
Mr K. Adegbembo	30.09.14	4 yrs	29.09.18	Business	S&P	91
Mr S. Blades	08.07.15	N/A	31.07.17	Student	S&P	82
Ms G. Alton	21.03.16	N/A	N/A	Chief Executive Officer	RES, S&P, G&R	100
Mr R. Parker	31.8.15	N/A	19.3.16	Interim CEO	RES, S & P, G&R	100
Mrs D. Gray	01.09.15	N/A	20.3.16	Principal/Acting Principal	RES, S & P, G&R	75

Ms S. Bailey acts as Clerk to the Corporation.

The following persons also acted as directors of GIFHE's wholly owned subsidiaries during this year: Mrs S. Middlehurst, Ms G Alton, Mr T. Bell, Mr S Whitaker, and Mr A.J. Goudie.  
Resources Committee (RES), Standards and Performance Committee (S&P), Governance & Remuneration Committee (G&R).

It is the Corporation's responsibility to bring independent judgement to bear on issues of strategy, performance, resources and standards of conduct.

The meeting attendance is based upon Corporation and Committee meetings and does not include other formal meetings such as Task and Finish Groups, Chair / Vice Chair Meetings, attendance at events and awards ceremonies. The total average attendance at Corporation / Committee meetings during 2015-16 was 84%.

### **Statement of Corporate Governance and Internal Control (continued)**

The Corporation is provided with regular and timely information on the overall financial performance of GIFHE together with other information such as performance against funding targets, proposed capital expenditure, quality matters and personnel related matters such as health and safety and environmental issues. The Corporation meets on five occasions during the year.

The Corporation conducts its business through a number of committees. Each committee has terms of reference, which have been approved by the Corporation. These committees are Resources Committee, Remuneration Committee, Governance Committee, Audit Committee, and Standards and Performance Committee. Full minutes of all meetings, except those deemed to be confidential by the Corporation, are available on the Institute's website at [www.grimsby.ac.uk](http://www.grimsby.ac.uk) or from the Clerk to the Corporation at:

The Grimsby Institute of Further & Higher Education  
Nuns Corner  
Grimsby  
DN34 5BQ

The Clerk to the Corporation maintains a register of financial and personal interests of the governors. The register is available for inspection at the above address.

All Governors are able to take independent professional advice in furtherance of their duties at GIFHE's expense and have access to the Clerk to the Corporation, who is responsible to the Board for ensuring that all applicable procedures and regulations are complied with. The appointment and removal of the Clerk are matters for the Corporation as a whole.

Formal agendas, papers and reports are supplied to governors in a timely manner, prior to Board meetings. Briefings are also provided on an ad-hoc basis.

The Corporation has a strong and independent non-executive element and no individual or group dominates its decision making process. The Corporation considers that each of its non-executive members are independent of management and free from any business or other relationship, which could materially interfere with the exercise of their independent judgement.

There is a clear division of responsibility in that the roles of the Chair of the Corporation and the Accounting Officer are separate.

#### **Appointments to the Corporation**

The Corporation has a Governance Committee which is comprised of five members and which is responsible for the selection and appointment of any new member of the Corporation. The Governance Committee is responsible for ensuring that appropriate training is provided as required. Members of the Corporation are appointed for a term of office not exceeding 4 years.

#### **Corporation Performance**

The Corporation undertakes an assessment of its' own performance annually, the results of which are included within the Groups' Annual Self-Assessment Report. For 2015 the Corporation self-assessed its' performance as 'Good' which reflects the Ofsted Inspection Grade awarded for the Groups' effectiveness of Leadership and Management in November 2013.