



CORPORATION

FINAL SIGNED Minutes of the Meeting held on Tuesday 18 July 2017

at 5.30pm in The Source, All Saints' Building, Worcester

Present

Governors:	Neill Bucktin	Chair
	Steve Bolton	
	Amber Carrington	
	Sue Fowler	Vice Chair
	Kevin Gaffney	
	Peter Heath	
	Fiona Hellowell	
	Lucy Hodgson	
	Stuart Laverick	Principal
	Paul McCunn	
	Denis Miles	
	Robert Pearce	
	David Rowe	

In Attendance:	Kelvin Nash	Vice Principal Curriculum & Quality
	Nicki Williams	Vice Principal Corporate & Resources
	Cherie Clements	Director of Finance
	Angela Snow	Observer - Student Governor 2017/18
	Sue Frost	Clerk to the Corporation

Action

The meeting was preceded by presentations to Governors reaching the end of their Terms of Office. The Chair thanked:

- Amber Carrington – Student Governor
 - Sue Fowler – Vice Chair
 - David Rowe – Student Governor
- for their service and contribution to the College.

23.1 Apologies

i) Apologies were received from Vikki Greenfield, Louise Gresty, Karen Lowe, Debbie Morris and Gary Woodman. The Chair welcomed Angela Snow as an observer and all present introduced themselves.

23.2 Declarations of Interest

i) Members were asked to declare any Interests, financial or otherwise, which they may have in any Agenda Item and Paul McCunn declared that his wife is a College employee. Other Members confirmed that they had no interests to declare.

23.3 Minutes of the Last Meeting

i) A minor typographical correction was highlighted at 22.6 i) and a section

Action

added at 22.6 v), Strategic Plan 2016/17: To note that progress was monitored against the Strategic Plan 2016/17 at the Corporation Workshop on 25 April 2017. The Corporation **APPROVED** the revised Minutes of the meeting held on 23 May 2017 as a true record for signature by the Chair.

- ii) The Corporation **APPROVED** the Notes of the workshop held on 20 June 2017 as a true record for signature by the Chair.

23.4 Matters Arising

- i) The Corporation reviewed the Action Points report and noted progress. Sixteen actions had been completed or would be completed during the meeting, one had been superseded and ten carried forward. Members acknowledged the additional information provided in notes, which would form part of later Agenda items.

The Corporation **MONITORED** action taken and remaining to be taken in respect of Matters Arising from the Minutes of previous meetings and Notes of workshops.

- ii) The Corporation **DELEGATED** tasks to the Governance and Search Committee: **CC**
- To follow up matters raised at the Corporation Workshop held on 20 June 2017
 - To review governance at Heart of Worcestershire College
 - To make recommendations to the Corporation as necessary

23.5 Determination of Any Other Urgent Business

- i) There was no other urgent business.

23.6 PRINCIPAL'S REPORT

i) Principal's Update for Governors

The Principal's Report provided updates with regard to the following, several of which were later Agenda Items:

- **Higher Education, external validation.** Kelly Higgott had been chosen as the Pearson BTEC Higher National student of the year. The draft Quality Review Visit Report was positive and the College had received a Teaching Excellence Framework Silver Award from the Higher Education Funding Council for England.
- **NEC Facilities.** A venue had been leased. Governors would be invited to the launch of this centre in the autumn. **P/CC**
- **Stratford upon Avon College.** Solihull College had been chosen by Stratford upon Avon College as their preferred merger partner and had thanked Heart of Worcestershire College for their support during a challenging period.
- **Education & Skills Funding Agency (ESFA).** The College had received an Early Intervention letter in late May 2017 in line with Agency Policy as the College financial health grade had declined to "Satisfactory" in the December Finance Record submission. A meeting had been held with Michele Dunn the ESFA Intervention Manager on 20 June 2017 where it was made clear that the College and Corporation understood the financial position and were taking steps to remedy the causes of the decline in the financial health classification. The Director of Finance added that a further meeting had been held on 17 July 2017 and the ESFA had agreed to consider the College's year end and December submissions before making further comment.

- **T Levels.** Changes to the education system for 16 to 19 year-old technical students still had Government support with a planned introduction in 2019, an additional £500 million a year investment and the introduction of maintenance loans for higher level qualifications. The transition year and three-month work placements would be crucial to their success.

In answer to Governor challenge the Principal stated:

- An additional £1.3bn had been promised to schools, but this was reported as coming from the Free Schools budget and should not threaten funding.
- The College could not validate its own degrees and some Universities wanted Colleges to provide a two year foundation proceeding to a two year top up to a full degree rather than a one year foundation. This increased costs for students but was not in the College's control. Some potential partners, such as Newman College, supported the one year foundation.
- T-levels were expected to be introduced in 2019 or 2020. A Governor briefing would be provided nearer the time. There was an issue with businesses being able to accommodate the work experience and work placement requirements. A Governor stated that the Government was working with professional bodies hoping to draw their qualifications into the framework.

ii) **Curriculum and Quality Key Performance Indicators**

The Vice Principal Curriculum & Quality presented the KPI report which included RAG rated indicators for retention at the year end which were green and above overall targets, with 16 – 18 year olds continuing below the prior year percentage but adults now above it. Overall retention was at 92.6% for 16 – 18 year olds (target 92%, prior year equivalent 93.2%, previous month 93.3%) and at 94.3% for adults (target 93%, prior year equivalent 93.8%, previous month 94.2%).

Governors questioned the retention breakdown for adults with two directorates being well below target yet with the overall target met. The Vice Principal Curriculum & Quality confirmed that adult numbers in those directorates were low, largely being infill on some courses and Access Students.

The data included RAG rated indicators for attendance at the year end (3 amber, 1 red) and Maths and English attendance (corrected to 2 amber, 2 red). Attendance figures continued below the targets, which were appropriately aspirational, with English and maths continuing to show improvement compared with the prior year. Attendance on main qualification was at 88.51%, (target 91%, prior year equivalent 88.78%, previous month 88.78%) Functional skills 83.52% (target 86%, prior year equivalent 80.47%, previous month 84.5%) and GCSE at 79.09% (target 86%, prior year equivalent 75.53%, previous month 79.92%).

Lesson observation data was unchanged from the previous report: 231 lesson observations had been carried out (excluding re-observations) with 83% graded Good or better. The papers included a breakdown by vocational area. Lesson Observations and Learning Walks had now ended.

iii) **Financial Key Performance Indicators**

The Director of Finance presented the RAG rated data as at May 2016/17

including student numbers and funding (1 green, 3 amber), financial outturn (2 red), financial health (1 green, 1 amber, 1 red) and bank covenants (2 red) and an actual against budgeted cash forecast for 2016/17. The current projection for the year end was a £1,146k operating deficit against a budgeted £163k surplus (May Corporation meeting year end forecast £917k deficit). Financial health was satisfactory but would return to good with the changes to year end covenants. The cash balance at the year end was predicted as £9.7m.

There had been some increase in Apprenticeship starts in advance of the Levy changes which would provide some carry forward benefits. The predicted deficit had increased due to restructuring costs, additional provision for Eresponse and payment of the Barclays loan break fee.

The Corporation **RECEIVED** the Principal's Report and **MONITORED** progress against targets.

The Chair proposed changes in the Agenda Order at this point, which Members agreed to, in order to provide additional time for the Strategic Plan and Budget discussions. The original Agenda numbering has been retained throughout the following Minutes.

TEACHING LEARNING AND ASSESSMENT

23.8 Quality Group

- i) Fiona Hellowell reported that the Deep Dive at the last meeting had been a very informative presentation on SOLA with the Director of ILT, Peter Kilcoyne. Members had agreed that the next Deep Dive should be about Learning Walks and the use management made of the information gathered from them. Members were asked to participate in an accompanied learning walk in the run up to the next meeting so that all present understood the process and could share their experience

The Corporation **RECEIVED** the Notes of the Quality Group meeting held on 26 June 2017

ii) Governor Insight Scheme

The Clerk to the Corporation reported that the Governor Insight Scheme would now be administered by Donna Gibson, with feedback forms being placed on a portal accessible by the Vice Principal Curriculum & Quality, Assistant Principal Higher Education & Standards, Clerk to the Corporation and Governor Champion for reporting. The feedback forms had been simplified back down to one and these were now requested to be returned within two weeks of any visit.

The Corporation **APPROVED** the revised Governor Insight Scheme and **CC** Feedback Form for issue on the Governor Portal.

23.9 Teaching Learning and Assessment College Improvement Plan

- i) The Vice Principal Curriculum & Quality reported that of the 44 RAG rated actions, 22 were green, 16 amber pending year end results and 6 were red. A Governor asked where estate development was reported and the Vice Principal Corporate & Resources said that this had been done on a project basis during the year and that the estates strategy would be looked at in the light of the Strategic Plan.

The Corporation **MONITORED** progress against the June Milestones in the College Improvement Plan.

ii) Ofsted Letter

The Corporation **RECEIVED** the final Support and Challenge letter from Russell Jordan, HMI which had also been circulated by email and discussed at the Workshop on 21 June 2017. Members noted that this showed pleasing progress and was supportive and appreciated the underlying work being put in by staff members.

iii) Higher Education: Academic Board

The Corporation **RECEIVED** the Minutes of the Academic Board meeting held on 22 May 2017 verbally reported to the Corporation on 23 May 2017.

iv) Higher Education: Quality Assurance Agency (QAA) Review – Confidential Draft

This Item is recorded in Confidential Minutes 1 of 2.

v) Teaching Excellence Framework (TEF): Year Two

The Vice Principal Curriculum & Quality reported the achievement of the TEF Silver award for Higher Education provision which lasted for three years. The Principal reported that lots of Universities had not reached the silver level. It would be hard for the College to gain gold as one of the metrics was the capacity to earn higher salaries which was difficult at College level. Worcester University also had the silver award.

The Corporation **CONGRATULATED** the College on achieving the TEF Silver award.

LEARNER EXPERIENCE

23.10 Learner Voice

i) The Vice Principal Corporate & Resources reminded Members that the systems for Student Feedback had been restructured at the start of the year and were working well. Governors questioned the low score for enrichment which was confirmed as a comment across the board, not related to specific areas. Cost constraints and the lack of ability of many parents to contribute meant that the College could not offer expensive services such as the Duke of Edinburgh's Awards. Sports opportunities were offered widely.

ii) The Corporation **RECEIVED** the Learner Voice Report for 2016/17, including the Student Satisfaction Survey overview.

23.11 Subcontracting Performance Report

i) The Vice Principal Curriculum & Quality reported on partner outcomes against Maximum Contract Values (MCV) at the end of May. 75% of the £6.3m MCV had been delivered to date but it was hoped that this would reach 80 – 85% at the year end. The year-to-date overall achievement rate was 69.2%, and the timely rate was 54.1%. There were no specific issues with particular partners, and it was expected that rates, particularly timely, would increase by the year-end in line with previous experience.

Governors asked the Vice Principal Curriculum & Quality :

- Was there a reputational risk in under delivery? The Education and Skills Funding Agency could question this. Tighter profiling had now been put in place and year end performance would be reviewed and rewarded in 2017/18.

Action

- Were there difficulties caused by the Apprenticeship Levy? The 2016/17 allocations had been made late and it was expected that there would be a slowdown in take up with the advent of the Levy.

The Corporation **MONITORED** partner performance/ quality outcomes to date in 2016/17.

ii) &
iii)

The Supporting Papers Folder included a breakdown of partners and MCVs across different market areas for 2017/18. The value proposed was £4.016M but these were provisional sums which would require further approval in the Autumn. There was little change in the Fee Policy from the previous year.

VPCQ/
CC

The Corporation **APPROVED**:

- Draft subcontracting contracts for 2017/18
- The revised Partner Management Fees Policy/ Subcontracting Supply-chain Fees and Charges Policy

GOVERNANCE

Denis Miles left the meeting

23.12 Vice Chair Appointment

- i) The Corporation **NOTED** that a single nomination was received for the role of Vice Chair, **APPOINTED** Denis Miles as the Corporation Vice Chair for 2017/18 – 2018/19

Denis Miles returned to the meeting and the Corporation thanked him for being willing to be appointed.

23.13 Governance and Search Committee

- i) The Corporation **RECEIVED** the Minutes of the meeting held on 6 June 2017 and **NOTED** the Committee's advice.

ii) Governor Appointments

The Corporation formally **APPOINTED** Angela Snow as the nominated and elected Student Governor for Worcester and Malvern campuses from 1 August 2017 to 31 July 2018, **SUBJECT TO** receipt of satisfactory DBS clearance.

AS/ CC

Lucy Hodgson and Robert Pearce left the meeting

iii) Governor Reappointments

The Corporation **APPOINTED**:

- Lucy Hodgson to a second and final Term of Office from 1 August 2017 to 31 July 2021 as a Corporation Member and Member of the Audit Committee and Governance and Search Committee
- Robert Pearce to a second and final Term of Office from 1 August 2017 to 31 July 2021 as a Corporation Member, Member of the Remuneration Committee and Chair of the Estates Task and Finish Group

Lucy Hodgson and Robert Pearce returned to the meeting and the Corporation thanked them for being willing to be reappointed.

iv) Governance Improvement Plan

The Clerk to the Corporation reported that the Governance Improvement Plan had been included in the main pack following a request at the Away

Action

Day. It was generally on track against the Spring milestones. Governors discussed the approach taken by Solihull College in attaching Governors to areas of the College which had been positive in promoting quality, particularly when Ofsted visited. It was noted however, that Solihull had more Governors with FE knowledge which had helped with this and that it was normal for Ofsted to have one meeting with a group of Governors. The Safeguarding Champion identified a particular focus on this in schools following the County Council's poor inspection result. It was possible that the Safeguarding Champion could be involved in a specific meeting with Inspectors but management felt that this was a strength of the College.

The Corporation **NOTED** progress against the Governance Improvement Plan Spring milestones.

v) Corporation Self Assessment

The Clerk to the Corporation reminded Members that it was important to have wide engagement with the survey for its results to add value. Members who had not yet received the survey were asked to email the Clerk to the Corporation. The outgoing Vice Chair also asked for all remaining Chair and Audit Committee Chair 360 degree appraisal forms to be returned by the end of the week.

Members

The Corporation **NOTED** progress in completing the West Midlands Regional Clerks Network Governance Self Assessment Questionnaire which was issued to Governors on 11 July 2017 for completion by 25 July 2017

vi) Governor One to One Reviews

The Chair thanked Members for their time and input in the reviews. All reviews had been carried out or were scheduled. The feedback would be used to inform Principal and Clerk Appraisals, Governor Training and the Governance Improvement Plan. Members were reminded to send copies of their new Skills Audit forms to the Clerk to the Corporation.

Corporation **NOTED** progress in completing the one to one reviews with the Chair.

vii) Students' Union Officers

The Corporation **NOTED** the results of the Students' Union Elections

23.14 AUDIT COMMITTEE

i) Audit Committee Minutes

The Audit Committee Chair commented that there had been some strong Internal Audit reports and the Strategic Risk Register would be fully updated in the autumn. The Audit Committee advised that the Risk Management and Assurance report provided Substantial Assurance (green) to the College with three low priority recommendations; The Learner Voice Report provided Substantial Assurance (green) to the College with no recommendations; The Apprenticeships - Key Controls Report provided Substantial Assurance (green) to the College with one low priority recommendation and the Quality Assurance Systems and Curriculum Implementation Framework Report provided Substantial Assurance (green) to the College with two medium priority recommendations and that the 2016/17 Financial Statements Audit plan identified three "Reasonably Possible Risks".

The Corporation **RECEIVED** the Minutes of the Audit Committee meeting on 12 June 2017 and **NOTED** the Audit Committee's advice

Audit Committee Recommendations

The Corporation **APPROVED** the following items, on the recommendation of the Audit Committee:

- ii) • Strategic Risk Register – Summer Term Update
- iii) • The Internal Audit Strategy for 2017 - 20 and the Internal Audit Plan for 2017/18
- iv) • The Financial Statements Audit Plan for 2016/17

23.7 KEY STRATEGIC ITEM – STRATEGIC PLAN**i) Mission, Vision and Values**

Members discussed several possible Mission Statements and the possibility of causing confusion with additional straplines. Some Governors expressed concern about the use of several different three or four word phrases in various contexts such as the Mission Statement, Values and strapline. The Vice Principal Curriculum & Quality proved perfectly able to justify the use of the three words “Inspire, Innovate, Advance” in relation to the Student experience and Members became convinced that there was an advantage in the fact the words could be used to promote different College strengths to different audiences. The Vice Principal Curriculum & Quality confirmed that the Marketing Department had been party to the discussion of the different options. Members supported the Values, which were consistent with the previous year with “Collaboration” being renamed “Partnership”.

There was considerable discussion of the draft Vision Statement and the Chair circulated an alternative version which was then further amended to include the three Mission words. It was unclear how to convey the wide reach of the College across Worcestershire and into Birmingham and Governors were asked to send any further thoughts to the Vice Principal Curriculum & Quality.

The Corporation **CONSIDERED** the revised Vision, Mission and Values and:

- **APPROVED** The Mission statement: ‘Inspire, Innovate, Advance’
- **APPROVED** The values: Integrity, Trust, Inclusivity and Partnership
- **DELEGATED** authority to approve the final version of the Vision based on the Chair’s draft to the Chair, Vice Chair and Robert Pearce.

VPCQ/ Ch/
VCh/ RP

Lucy Hodgson left the meeting at this point.

ii) Draft Strategic Plan

The Vice Principal Curriculum & Quality reminded Governors that the Strategic Plan had been discussed and developed over the year, including at the Workshops in September 2016, November 2016 and April 2017. The plan had also been circulated to Governors on 30 June and some changes had been made in response to feedback. The Strategic Plan was presented through a tripartite framework with each strategic market (“Our Markets”) supported through the development of four “Cross Cutting Strategic Themes” all underpinned by the college enablers (“Our Enablers”). The Supporting Papers Folder held Strategic Plan Assumptions including seven high risks reflected in the Risk Register; the detailed framework; A three year monitoring plan with targets and annual milestones and an analysis of the probability of the ten big strategic items coming to fruition.

Members discussed the Strategic Plan and the monitoring targets proposed in some detail with the Vice Principal Curriculum & Quality, noting that some of these would need refining in the light of final results. Governors

challenged management in particular about 16 – 18 year old targets asking:

- Was the predicted 16 – 18 growth overoptimistic as the demographic decline continued until 2019/20? No, because work was being done to secure more internal progression and the Government’s “Progress 8” and “Attainment 8” measurements were making schools more likely to release less academically able pupils to Colleges.
- Had the College correctly assessed the tough environment and the impact of competition for example from Universities making unconditional offers and from other training providers and Colleges? The Principal stated that the College had predicted declining numbers previously, but had misjudged the extent of the fall. The target numbers were now conservative. Feeder routes begun in 2016/17 such as ninety students starting in Inclusive Learning would positively impact 2017/18. The College had also been prudent with regard to its Apprenticeships because of the Levy. Predicting student numbers was difficult but there were strong factors offsetting the flattening demographics and the targets were reasonable. The Vice Principal Corporate & Resources added that the College now had a three year recruitment history covering applications, acceptances and arrivals and could make better predictions of take up.
- Who watched the competition and how did the College compete? The College used labour market information and looked at other offers. There were more job opportunities. Sixth Form Colleges and Schools locally were much improved (particularly in Redditch) since merger but could not compete with the facilities offered in Colleges for courses such as Engineering, Hair and Beauty, Construction and Motor Vehicle. Competition in the “softer” areas was now factored in. Employers who could provide training could struggle with compliance requirements.
- Should the College seek to change delivery model and develop routes with schools? There was some collaborative provision in areas with 11 - 16 school systems but the three tier system in Redditch made this very difficult.
- Should the Assumptions document start with the Risks? Governors felt that these were a part of the Strategic Plan and justified it so it was important to tell the story of progress rather than start with a list of difficulties. It should include some context and environmental factors.
- Should the College seek to work with 14 – 16 year olds outside the Virtual Pupil Referral unit proposal? The Principal stated that where this had been tried it had been unsuccessful – for example with Studio Schools

Governors accepted that, as the Strategic Plan was a three year plan, it would be impossible to pin down every figure. The targets had to be prudent and realistic but also needed to be aspirational. The Vice Principal Curriculum & Quality said that progress against the targets would be monitored on a termly basis.

The Corporation:

- **CONSIDERED** and **APPROVED** the Draft Strategic Plan 2017 - 2020
- **DELEGATED** authority to approve the final version of the Strategic Plan 2017 - 2020 to the Chair, Vice Chair and Robert Pearce

VPCQ/ Ch/
VCh/ RP

Action

23.23 Any Other Urgent Business
There was no other urgent business.

23.24 Meeting Reflection

i) The Corporation **REVIEWED** the meeting and considered what impact the Governors had had. Members felt there had been robust discussion and challenge around the Strategic Plan, particularly in connection with the need to improve the accuracy of Student Number forecasting and in connection with the Revenue Budget. Governors were satisfied that the student enrolment process was more robust in terms of use of historical data and follow up of applications. Members felt that the meeting had been well Chaired.

ii) The Clerk to the Corporation asked Members to consider whether the balance of the Executive Summary Pack and Supporting Papers Folder had been appropriate and to feed back any comments on the Meeting Effectiveness Forms. Members thought it might be useful to number the combined supporting papers pack. **Members**

iii) A Governor asked whether there was likely to be another opportunity such as Stratford upon Avon College. The Principal was not aware of anything of that sort but was aware that if student numbers dropped further the College would have to consider another strategic direction. **CC**

23.25 Date and Time of Next Meeting

- i) Tuesday 10 October 2017, 5pm for 5.30pm, 02.03 Osprey House, Redditch
- ii) Tuesday 7 November 2017, 5pm for 5.30pm, The Source, All Saints Building, Worcester

The Staff and Student Governors left the meeting at this point.

23.26 RESTRICTED CONFIDENTIAL ITEMS

- These Matters are recorded as Confidential Minutes 2 of 2.

23.28

The meeting closed at 8.30pm.

Signed:

Date:

Sue Frost
Clerk to the Corporation
19 July 2017