

CORPORATION

**APPROVED DRAFT Minutes of the Meeting held on Tuesday 19 March 2019 at
5.30pm**

in The Source, All Saints' Building, Worcester

Present

Governors:

Neill Bucktin
David Ash
Tony Ciriello
Sara Finch
Kevin Gaffney
Peter Heath
Fiona Hellowell
Stuart Laverick
Paul McCunn
Denis Miles
Debbie Morris
Sue Nicholls
Robert Pearce
Gary Woodman

Chair

Principal

Vice Chair

In Attendance:

Julia Breakwell
Claire Barton
Cherie Clements
Tony Green
Sue Frost

Vice Principal Information Systems and Student Experience

Director of Quality, HE and Professional

Director of Finance

Director, Funding, Data and External Contracts

Clerk to the Corporation

Action

34.1 Apologies

- i) Apologies were received from Steve Bolton, Lucy Hodgson, Tony King and Nicki Pearsall. Nicki Williams, the Vice Principal and Deputy Chief Executive Officer also sent apologies.

34.2 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.

34.3 Minutes of the Last Meeting

- i) The Corporation **APPROVED** the Minutes of the meeting held on 12 February 2019 as a true record for signature by the Chair.

34.4 Matters Arising

- i) The Corporation reviewed the Action Points report and noted progress, acknowledging the additional information provided in the notes. Five actions had been completed or would be completed during the meeting and two carried forward. Members were reminded to review the Department for Education Governance Guide and send questions or confirmation of the review to the Clerk to the Corporation.
- ii) 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.

34.5 Determination of Any Other Urgent Business

- i) There was no other urgent business.

34.6 PRINCIPAL'S REPORT

i) Principal's Update for Governors

The Principal's Report included commentary and the College response on:

- **Devolution of the adult education budget**
- **Office for Students/Post-18 funding review**

The College received initial confirmation of registration in January 2019 but had yet to be put on the Register. The Office for Students has raised quality and standards concerns about the heavily blended distance learning Chartered Institute of Payroll and Pensions (CIPP) course. The College believed the Office for Students was comparing the outcomes with full time students which the College felt was not appropriate. Dialogue was ongoing. A Governor asked what the impact of proposed reduced tuition fee and loan levels would be and the Principal said the impact would be minimal if fees were reduced to £7k, more relevant if they fell to £6k. A Governor asked about the government consultation released suggesting A levels and T levels would replace other qualifications and the Principal said that owners of other qualifications were likely to take action to ensure this was not the case.

- **Institute of Technology launch**
A list was provided which included Dudley College and Weston College. Heart of Worcestershire College had good relations with both and had offered to assist in developing on line content.
- **New Ofsted Education Inspection Framework (EIF) and the Association of School and College Leaders response to it**
The new framework would be discussed at the Governor Workshop on 7 May 2019.

ii) Curriculum and Quality Key Performance Indicators (KPIs)

The papers included RAGG (red/ amber/ green/ gold) rated Key Performance Indicators. Few changes had been changes made to the data table, so certain key statistics remained as reported on 12 February 2019:

- Main qualification attendance was amber at 88.7% (target 91%) and English and maths attendance was red, being below both target (86%) and prior year out turn figures.
- Retention was green at 94.3% overall (target 92% overall).
- Feedback on the key questions in the Learner arrivals survey was green and the Higher Education survey results would be added to the next report.

Action

The Director of Quality, HE and Professional reported on progress made in two areas:

- The percentage of learners with SMART targets set was red at 91.6% (91.2% in February) against a target of 100%. Some courses were still using other methods to measure progress, such as workbooks.
- Academic progress of learners was now green as measured by ProMonitor, with the score having moved from 15.1% to 96.8% since the 12 February 2019 report. Governors challenged the Director of Quality, HE and Professional asking how such a large change to the measure was possible. The Director of Quality, HE and Professional reminded members that the ProMonitor score for progress based on completion of units was misleading because units were often not marked as completed until the summative stage towards the end of a course. The basis of the calculation had therefore changed and the figure now represented the proportion of learners who were not considered to be “at risk” of not completing, assessed by staff. 16 – 18 year olds appeared to be less at risk than adults. The information was being triangulated and the Curriculum Directors auditing the information.

Governors requested the addition of the date of data extraction to the KPI report. **DQHEP**

iii) **Financial Key Performance Indicators**

The Director of Finance presented data for the period to 31 January 2019, including RAG rated indicators for financial outturn (red), financial health (2 green, 1 amber, outstanding) and bank covenants (1 green, 1 red), an actual against budget operating surplus analysis and cash forecast for 2018/19 and cashflow forecasts for 2018/19 and 2019/20. The current projection for the year end was a £604k operating deficit (£640k operating deficit reported previous month) against a budgeted £177k operating deficit with good financial health.

In the main the deficit reduction had been achieved through increased apprenticeship income and staff cost reductions effected by holding recruitment to vacancies which did not affect direct delivery to learners. Any restructuring costs would not worsen the operating deficit but would have an adverse impact on the bottom line in year with the hope of achieving reduced costs and a stronger operating figure in the next year.

The cash flow had been updated for the Engineering Development income and the timing of phase two had been altered in the 24 month cashflow. Governors noted that year end actual and projected cash balances were reducing from £10m to £5m then £3m, largely due to planned capital expenditure and challenged management, asking how future projects could then be funded as matched funding was likely to be required. The Principal agreed and said that many Colleges were in a worse position and that the Education and Skills Funding Agency would need to provide money for capital expenditure in future, particularly for T Levels. Governors noted that a commitment had now been made to two capital projects which impacted significantly upon the cashflow moving forward, understanding that this meant that the College lacked manoeuvrability with future capital spending.

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

EXTERNAL PARTNERSHIPS

34.7 Subcontracting Performance Report

- i) The Subcontracting Performance Report showed the financial performance of each subcontracted partner against their Maximum Contract Value (MCV) and the performance of each subcontracted partner measured by overall achievement rate and timely achievement rates, based on internal in-year PICS data. Projected year end performance was 98% although some Education and Skills Funding Agency contract amounts (for example, non-levy apprenticeships) were not stable, which limited the accuracy of projections.
- ii) In terms of achievement, timely rates were six percentage points higher, and overall rates four percentage points lower than in the equivalent period in 2017/18. The underlying rates with 'active' partners for overall and timely achievements were both higher than the previous year at 73.8% and 61.3% respectively. Year end performance was expected to be stronger than the prior year.
- iii) The Director, Funding, Data and External Contracts reiterated that subcontracting was high risk. The College carried out annual Due Diligence reviews and twice yearly credit checks on partners. Some providers such as AAA and West Nottinghamshire College had run into difficulties. The Principal stated that he was very impressed with the work of the subcontracting team in a difficult area.
- iv) The Corporation **MONITORED** partner performance/ quality outcomes to date in 2018/19.

34.8 West Midlands Combined Authority

- i) The Director, Funding, Data and External Contracts explained that with the 2019/20 devolution of the Adult Education Budget in place the College expected to receive £1.1m funding from the West Midlands Combined Authority (WMCA) and £153k from the Greater London Authority. The WMCA had a small staff and had not "top sliced" income to support 50 – 60 staff as in other Combined Authorities. The College had been working closely with Dudley College to develop options to work collaboratively with the WMCA in the management and monitoring of their subcontracted provision. An outline proposal had been submitted to the WMCA and a further meeting was expected on 1 April 2019 following the conclusion of the WMCA's current procurement exercise.
- ii) The Chair questioned whether such a secondary management relationship would also be subject to procurement by the WMCA under government regulations and the Director, Funding, Data and External Contracts agreed to report back. **DFDEC**
- iii) The College had been proactive in working with WMCA on a careers hub and had a separate contract for £100k to provide site security training for the Commonwealth Games.
- iv) The Corporation **NOTED** the current situation with regard to work within the West Midlands Combined Authority (WMCA) devolved Adult Education Budget (AEB).

The Chair thanked the Director, Funding, Data and External Contracts who left the meeting at this point.

STRATEGIC FOCUS

34.9 College Improvement Plan

i) The papers included a summary and the full report was available in the Supporting Papers Folder. The Director of Quality, HE and Professional reported on progress against the January milestones. Of the 20 RAG rated targets set 14 were green and six amber. A summary was provided of progress under the College mission statement heading “Inspire, Innovate, Advance” under the following headings:

- Leadership and Management
Further peer observations had taken place since report writing and 96% of staff had now been peer reviewed. There was a focus on staff wellbeing which was important under the new Inspection Framework
- Teaching, Learning and Assessment
Quality of feedback to learners was improving. English and Maths steps were positive. The college is now a Microsoft Showcase College. Use of contextualised Scheduled On Line Assessment (SOLA) materials had improved. The use of audio feedback would be trialled for HE business next term.
- Personal Development, Behaviour and Welfare
The new work experience / job coach role was working well. The careers team had been rebranded and the College was on track to meet the Gatsby benchmarks. Target setting training had been delivered to all academic staff and targets were being audited by Curriculum Resource and Quality Directors
- Outcomes for Learners
New progression programmes had been developed for students at risk of not completing. English and Maths remained a key target and GCSE learners had been given an aspirational target grade.

ii) Governors challenged the Director of Quality, HE and Professional, asking:

- What was the difference between a target and an aspirational target? A target was generated by the system, and aspirational target was intended to stretch learners.
- English and maths remained a perennial problem with 76% attendance against an 86% target. What was being tried that was new? “Sandwiching” in timetables between other lessons and more vocational staff were teaching on Functional Skills. The College continued to challenge poor attendance. There was no noticeable difference between Functional Skills and GCSE attendance. The Student Governor commented that learners preferred group tasks and relevant vocational teaching. The Principal stated that GCESs were unfortunately not contextualised.
- The Student Governor stated that some students had timekeeping issues and prioritised course work over maths and English at times of pressure. Some tutoring on timekeeping might be helpful.

iii) The Corporation **MONITORED** progress against the January Milestones in the College Improvement Plan.

TEACHING LEARNING AND ASSESSMENT

34.10 Quality Group

i) The Director of Quality, HE and Professional reported on the three meetings in the first half of the year. The first had been introductory and considered Terms of Reference. In November the focus had been on Learner Voice and careers strategy. The March meeting had looked at Student Progress and monitoring what was good and what needed to improve.

- ii) The Corporation **RECEIVED** the mid year report from the Quality Group.

34.11 Qualification Achievement Report (QAR) 2017/18

- i) The papers included a summary and the full report was available in the Supporting Papers Folder. Qualification Achievement Rates (QARs) are used by the Education and Skills Funding Agency (ESFA) in the National Achievement Rate Tables to show learners and employers the relative quality of provision, and by the Office for Standards in Education, Children's Services and Skills (Ofsted) in Inspections. The Director of Quality, HE and Professional reported that the figures presented were indicative QARs for 2017/18 arising from the Self Assessment Report validation process and the most recent National Achievement Rates as Benchmarks. The Education and Skills Funding Agency had yet to publish national benchmarks and the Qualification Achievement Rates report would be updated at that point with validated data.

DQHEP/
CC

- ii) The Director of Quality, HE and Professional reported key points with regard to Education and Training, Apprenticeships and Minimum Standards which were as reflected in the colleges Self Assessment Report and College Improvement Plan. Members asked:

- Could a breakdown be provided to support the statement that students with learning difficulties and disabilities were 3.4% less likely to achieve? Yes, this would be provided.
- What did the minimum standards information mean? The calculation was complex but indicated that the college had improved but remained below the national benchmarks.

DQHEP

- iii) The Corporation **MONITORED** College Qualification Achievement Rates against sector national average data

34.12 Learner Destinations and Progression Report

- i) The papers included a summary and the full report was available in the Supporting Papers Folder. The Director of Quality, HE and Professional reported on "Progression" being the range of positive outcomes that College students progressed onto and "Destinations" which were confirmed placements of learners 6-12 months after the completion of their studies. The report was in two sections:

- **Progression** of 2017-18 students from internal college data collection of known destinations as reported on the college Individual Learner Record (ILR) for further education (16-18 year old learners and Adult learners) and higher education learners (16-18 year old learners and Adult learners).
- **Destination** published data relating to 16-18 year old learners completing level 3 study in 2016/17.

- ii) The Director of Quality, HE and Professional pointed out that 60% of college learners in 2017-18 came from the most deprived areas. In terms of overall internal progression the number of 16-18 year old learners returning to the college had declined by 3.2 percentage points. There were increases in the number of 16-18 year olds studying entry level qualifications who returned (at 87.5%) , and in adult entry level and Level 1 learners. However 7.8% fewer 16-18 year old Level 3 learners progressed to higher level study there was a significant decline in progression to College Higher Education programmes with only 7.8% progressing, a 4.2% decline compared to the prior year. The overall progression rate of level 3 learners to Higher Education study at 37.2%

was 10.8% below the national average for similar providers.

- iii) In terms of the published government data, of the known destinations, the number of learners staying in education or employment for at least two terms after 16 to 18 study was 89% in line with the all England average. Positive destinations were in line with national trends with fewer learners progressing to Higher Education rather than employment. Disadvantaged learners were 5% less likely to have a positive destination than the all England average. M

Most learners did make go on to a positive progress but too few progressed in education beyond level 3 and the College needed to ensure that future learners were confident, and able to achieve at higher levels. The College intended to record and monitor actual against intended destinations in future.

- iv) Governors challenged management:
- The Student Governor commented that six people had left a course to work in a care setting to gain experience who would probably then apply for higher qualifications. A Governor on a Learning Walk found that each Health and Social Care student had employment to go on to.
 - A Governor commented that the setting of the learner context came across as defensive but a staff Governor felt that this was important to understand the learner journey.
 - A Governor stated that confident learners grew from effective target setting and careers advice with aspiration an important part of that. Higher achievers needed to be self critical to grow. The Student Governor felt that students were not always aware of available support such as travel costs and bursaries which helped and the Staff Governor added that sometimes it is the lack of aspiration of parents of learners which restricted growth.
- v) The Corporation **MONITORED** learner destinations and progression.

PEOPLE

34.13 Equality and Diversity Action Plans

- i) The papers included a summary and the full report was available in the Supporting Papers Folder. The Director of Quality, HE and Professional summarised the Equality and Diversity Action Plan with nine actions reported under Inspire, Innovate and Advance. Key points were:

The Learning Centres had supported the Dyslexia Awareness campaign and promoting the Read and Write software. The November Disability Campaign promoted positivity around disability through a range of activities. The number of applicants declaring a disability contacted prior to starting has increased and classroom support had been promoted and was more timely.

- The College website had been updated with support, advice and guidance information, the Accessibility Statement was published, and an Accessibility Working Group was being formed.
- Better embedding of Equality and Diversity in delivery and events. There had been positive coverage of the Investors in Diversity reaccreditation:
- The College continued to respond to, and implement as appropriate, Government requirements and recommendations around the Gender Pay Gap Reporting process.
- A range of activities and community marketing events had taken place, supported by the Higher Education Engagement Officer
- Staff training for Equality and Diversity had been revised and remains a

Action

- mandatory requirement for all new staff.
- Mental Health training was being confirmed for April/May roll out for staff. New staff induction included Equality and Diversity and the Moodle site had been enhanced. Peer observation feedback had been positive around Equality and Diversity.
- All Managers had been contacted for success stories across the college for promotion. The Special Educational Needs (SEN) department had teamed up with the Primrose Hospice to open an onsite shop. A new campaign showcases the diverse range of students that attend the College and September 2019 will hopefully see the launch of a female Football Academy.

ii) Governors requested that the cover paper include a summary of the RAG ratings for future meetings and the Director of Quality, HE and Professional confirmed that none of the actions were currently red rated. **DQHEP**

iii) The Corporation **MONITORED** progress against the Equality and Diversity Action Plan for 2018/19

The Director of Quality, HE and Professional left the meeting at this point

34.14 Freedom of Information Policy

i) The Vice Principal Information Systems and Student Experience explained changes made to the Freedom of Information Policy. The full policy was available in the Supporting Papers pack on the Governor Portal. A Governor suggested that reference to providing CCTV camera footage was normally exempted due to the high cost of providing it. The more information made available through the Publication Scheme, the fewer data requests should be made. It was important that the Policy and Scheme were visible on the College website which currently did not appear to be the case. The Vice Principal Information Systems and Student Experience agreed to ensure the new documents were easily visible. **VPISSE**

ii) The Corporation **APPROVED** changes to the access to information policy and publication scheme.

LEARNER EXPERIENCE

34.15 Students' Union Constitution

i) The Vice Principal Information Systems and Student Experience explained changes made to the Students' Union Constitution. The full policy was available in the Supporting Papers pack on the Governor Portal. The changes reflected a move to a single Students' Union rather than two separate entities. It was hoped that this would improve engagement, add to the learner experience and eliminate mixed messages.

ii) Governors asked what was offered in terms of sports and societies. This depended on the post holder but was generally activity based rather than team sports. For example there were LGBT meetings, an ESports group and pool tournaments. A new Governor asked how the work of the Students Union was showcased. Activities were publicised on Student web pages and by posters, work was based in the Student Hubs. Records of engagement were kept which contributed to the annual report in the summer term

ii) The Corporation **APPROVED** changes to the Students' Union Constitution.

The Chair thanked the Director of Quality, HE and Professional and the Vice

Principal Information Systems and Student Experience and they left the meeting at this point.

34.16 CONFIDENTIAL ITEMS

– These items are recorded as Confidential Minutes 1 of 2

34.18

AUDIT

34.18 Audit Committee

i) The Corporation Vice Chair, Denis Miles, reported that the meeting had included a useful summary of the underlying cash position of the College, and a presentation on quality risks. The Risk Register had been reviewed and a new risk added in respect of Capital Projects.

The Corporation **RECEIVED** the Minutes of the Audit Committee meeting on 5 March 2019, **NOTING** the Audit Committee's advice that The Estates Management Framework provided Substantial Assurance (green) with one medium and two low priority recommendations and the Human Resources Controls: Training and Development; Appraisals and Performance Management review provided Substantial Assurance (green) with one medium and two low priority recommendations.

Audit Committee Recommendations

ii) The Corporation **APPROVED** the revised Whistleblowing Procedure, **SUBJECT TO** comments from the Staff Forum.

iii) The Corporation **APPOINTED** ICCA to carry out the Subcontracting Control Audit 2018/19, if required.

CC/
VPDCEO

34.19 The Insolvency Regulations

i) The Clerk to the Corporation reported that the new college insolvency regime was now in force. Normal commercial insolvency law now applied to colleges with implications for Governors ultimately including director disqualification. Governors have a duty to protect creditors but in the case of a creditor triggering an insolvency an education administrator could be appointed by the Education and Skills Funding Agency (ESFA) with the duty to protect students as well as creditors. ESFA "Exceptional Financial Support" would not be available after 31 March 2019. New policies and procedures were expected from the Department for Education (DfE) and ESFA clarifying the intervention regime after 1 April 2019. The DfE regarded statutory insolvency as a backstop and would seek to work alongside the Further Education Commissioner Intervention process and use non-statutory routes in the first instance.

ii) The Clerk to the Corporation advised that whilst the new regime was a serious step for all colleges, particularly in the face of the current uncertainty, instability and low funding, it should not cause panic. (Charity Trustees were always subject to the insolvency legislation.) Governors should continue to act reasonably and to the best of their ability. Governors were aware that the College sought to report openly, to identify and mitigate risks, to provide a well controlled financial environment and to obtain professional support where appropriate including from internal and external auditors.

iii) The papers included a summary of the process, as outlined by Eversheds Sutherland at the Midlands Governors' Conference on 5 February 2019 which covered:

- Monitoring and early implementation

- Application of existing insolvency procedures
- Special Education Regime
- Transfer Schemes
- Governor Liabilities and Disqualification

- iv) The supplementary papers included
- The Department for Education's "Further education bodies: insolvency guidance"
 - The Department for Education's "Regulation of further education colleges"
 - The Association of Colleges' "The College insolvency regime – Q&As"
 - And these had been part of the Audit Committee main pack.
- v) The Corporation **CONSIDERED** the implications of the new insolvency regime.

34.21 Corporation Calendar

- i) The Clerk to the Corporation reported that no changes had been requested to the calendar but that the September Workshop had been reinstated in order to look at Corporation Self Assessment in a different way. Large colour copies of the calendar were provided.
- ii) The Corporation **NOTED** changes and **APPROVED** the Corporation meeting schedules for 2019/20.

34.22 Any Other Urgent Business

There was no other urgent business.

34.23 Meeting Reflection

- i) Members were invited to review the meeting and consider Governor "impact". A Governor reflected that the lack of government care for the sector, already reflected in funding cuts was further reinforced by several of the items discussed. Was there scope to work with other Colleges to increase government funding? Work was already underway with the Principal working with the Association of Schools and College Leaders as the government was more likely to respond to the schools initiatives and talking to MPs. The AoC Love our Colleges campaign was continuing. There was unlikely to be any change before November 2019.

34.24 Date and Time of Next Meeting

- i) Thursday 4 April 2019, Skype Link with Weston College, 3.15pm, M316, Worcester. Members were asked to confirm with the Clerk to the Corporation if they were able to attend for the Weston College link up.
- ii) Tuesday 7 May 2019, Corporation Workshop, 5pm for 5.30pm, Room O2.03, Osprey House, Redditch

Members

In accordance with the Corporation resolution under Instrument 13 of the Instrument and Articles of Government, the Staff and Student Governors and attendees left the meeting at this point

34.25 RESTRICTED CONFIDENTIAL ITEM

These items are recorded as **Restricted** Confidential Minutes 4 2 of 2

The meeting closed at 8.35pm.

Action

Signed:

Date:

Sue Frost
Clerk to the Corporation
20 March 2019

DRAFT