



CORPORATION

**FINAL SIGNED Minutes of the Meeting held on Tuesday 6 February 2018
at 5.30pm**

in The Source, All Saints Building, Worcester

Present

Governors:	Neill Bucktin	Chair
	David Ash	
	Steve Bolton	
	Kevin Gaffney	
	Vikki Greenfield	
	Peter Heath	
	Fiona Hellowell	
	Stuart Laverick	Principal
	Paul McCunn	
	Laura Marsh	
	Denis Miles	Vice Chair
	Robert Pearce	
	Susannah Twigg	

In Attendance:	Kelvin Nash	Vice Principal, Curriculum and Quality
	Nicki Williams	Vice Principal, Corporate and Resources
	Cherie Clements	Director of Finance
	Sue Frost	Clerk to the Corporation

Action

27.1 Apologies and Introductions

- i) Apologies were received from Lucy Hodgson, Debbie Morris and Gary Woodman.
- ii) The Corporation **APPOINTED** Laura Marsh as the nominated and elected Student Governor for Worcester and Malvern for the year to 31 July 2018 **SUBJECT TO** completion of a satisfactory DBS check and welcomed her to the meeting. **CC**

27.2 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.

27.3 OFSTED DEBRIEFING

This matter is recorded as Confidential Minute 1 of 3.

27.4 Minutes of the Last Meeting

- i) Several changes to the Minutes were highlighted in the papers. The Corporation **APPROVED** the revised Minutes of the meeting held on 5 December 2017 as a true record for signature by the Chair.

27.5 Matters Arising

- i) The Corporation reviewed the Action Points report and noted progress. Two Matters Arising were progressed as follows:

26.6 ii) 5 December 2017: Letter from Peter Lauener, Education and Skills Funding Agency - Report on gross margin by course to be produced for monitoring by the Audit Committee. The Vice Principal, Corporate and Resources had clarified that the gross margin information was already made available to Governors in the detailed Finance Reports on the Portal. The Director of Finance would draw attention to this information when reporting on the Management Accounts summary in the meeting.

- ii) **2 ii) 25 November 2017: NEC.** The proposed Governor visit to the NEC facility had proved difficult to organise due to access permission difficulties and the time/benefit considerations in transporting Governors to what was in effect a classroom environment. The Principal had suggested that the Marketing Department could produce a virtual tour for Governors instead of a site visit. **P/Exec**

- iii) The Clerk to the Corporation summarised that in addition to those notes, 21 matters were concluded (including 26.16 i) HR Report now updated and 2 vii) "How Facts " now circulated), one was a later Agenda Item, four had been superseded and four carried forwards. At Minute 26.4 i), the responses to the issues raised in the Student Focus Groups had been emailed to the Corporation and discussed in Student Senior Leadership Team meetings.

- iv) The Corporation **MONITORED** action taken and remaining to be taken in respect of Matters Arising from the Minutes of meetings and the Notes of the Corporation Away Event.

27.6 Determination of Any Other Urgent Business

- i) There was no other urgent business.

27.7 PRINCIPAL'S REPORT

i) Principal's Update for Governors

The Principal's Update included

- **Stem Skills.** Plans to develop more TEC (Technology, Engineering, and Computing) skills capacity for the Worcestershire economy through a partnership between education and industry had the working name "WISE" (Worcestershire Institute for Science and Technology). 2018 – 19 would be a pilot year. It was intended that ten HOW College TEC students would have the opportunity to experience augmented applied project based learning supported by the local TEC business community. The Memorandum of Understanding and Project Initiation Document were on the Governor Portal.
- **Institute of Technology (IoT).** Bids were understood to be heavily oversubscribed and Worcestershire Local education Partnership was likely to focus on a joint bid with Gloucestershire partners focussed around cyber security and advanced manufacturing priorities. The College was positioning itself to lead on the virtual FE/HE course content element of the joint bid.
- **T levels.** An update provided to the LEP Network was included in the

papers which summarised the current position. The College was part of a pilot to build capacity and had £300k for this.

- **Work placements:** The College hoped soon to have a business partner from the WISE project on the national work stream developing the manufacturing T Level. Issues remained with the proposed work placement length but employers would support 'real applied work based projects' such as those proposed under the WISE initiative. Some members of the Blended Learning Consortium had committed to pool part of their allocation to develop on-line product to support T level work placement activity.

ii) **FE Commissioners' Report**

A Governor quoted an extract from Section 7: "The college is aware that available space is generous, but argues that all of the current space will be required to facilitate future growth. To test this assumption, the college should consider undertaking a comprehensive review of its estates strategy, and to ensure that its buildings and facilities are appropriate to deliver its overall strategic plan". Estates Strategy was part of the College Improvement Plan and a draft was expected to go to the Estates Task and Finish Group/Estates Group later in the term. It was important to consider duplication, geography and growth.

Exec/
CC

The Corporation **RECEIVED** the final FE Commissioner Diagnostic Assessment Report which confirmed the highest of the three possible outcomes: "1. Full endorsement of our approach (meaning that the College has robust plans in place and SLT and Governors have the capacity to deliver)".

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

The Vice Principal, Curriculum and Quality presented KPIs as at January 2018. The data included RAG rated indicators for Retention (2 green), Attendance (2 amber, 2 green), Maths and English attendance (1 amber, 3 green), and Lesson Observations (green, 83% good or better with 92 observations). The Ofsted Joint Lesson Observations were all agreed and the process was therefore robust. Inspectors did not see a high proportion of Outstanding lessons. There was some anxiety amongst staff and students and the College needed to find ways to alleviate this.

iv) **Financial Key Performance Indicators**

The Director of Finance presented data for the period to 31 December 2017. The report included RAG rated indicators for financial outturn (1 amber), financial health (1 green, 2 amber) and bank covenants (1 green, 1 amber), charts displaying operating surplus analysis, pay analysis and cash forecast for 2017/18 with the Summary Financial Position, Balance Sheet, Capital Expenditure and Cashflow Forecast. The current projection for the year end was a £165k deficit against a budgeted £36k surplus with "Outstanding" financial health. The bank covenant had now been discussed with NatWest, the outcome was positive and a revised covenant was expected to be met going forwards.

The KPIs had been expanded to include additional data from the Management Accounts, which had been requested by the Corporation twice yearly, in February and May. The report included was the one that went to SLT each month. The Director of Finance explained that Gross margin by cost centre could be seen, albeit at a department level, in the full management accounts which were included in the Supporting Papers for the meeting and were placed on the Governor Portal each month.

The reduction in training contract income was due to some issues related to Engineering.

v) Health and Safety Update – Term 1 2017/18

The Vice Principal, Corporate and Resources stated that there had been 113 reported accidents and incidents. There were 46 accidents and near misses which was comparable with 39 in the prior year Term 1 statistics. Definitions of incident types and accident statistics were available in the full report on the Governor Portal. Details were provided of one RIDDOR reportable accident to a student but apart from this no significant concerns had been identified with most accidents being of a minor nature. The Vice Principal, Corporate and Resources confirmed that a full internal investigation had been carried out into the RIDDOR accident and the need to follow appropriate safe practices had been reinforced. The Health and Safety Executive was not taking any action in regard to the accident. The student had returned to College and a claim was with insurers.

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

STRATEGIC FOCUS

27.8 Strategic Plans

i) Statement of Strategic Intent 2017 - 2020

The Corporation **RECEIVED** the final version of the Statement.

ii) College Strategic Plan 2017 – 2018

The Vice Principal, Curriculum and Quality explained that the milestones attributed to the academic year 2017-18 as part of the three year strategic plan had been separated out. A number of the targets were based on year end outcomes so had not yet been reported against (22 of 38 actions, RAG rated blue). The remaining actions were rated either amber (14) or green (2) and there were none classified as red at this time.

Governors challenged the Vice Principal, Curriculum and Quality asking whether appropriate progress was being made to achieve the year end outcomes in the blue targets. The Vice Principal, Curriculum and Quality said that progress was being made and this would be reported in the summer term. The Post Inspection Action Plan would include the need to improve in year progress monitoring for students and the intention was to develop different reports for this.

VPCQ

The Corporation **MONITORED** progress against the detailed strategic objectives for 2017/18.

FINANCE

27.9 Learner Numbers

i) The Director of Finance reported against current student numbers as at 12 January 2018 and the full year funding projection of current learners. Key points were

- 16-18 full time and high needs learner numbers were at 103% of target. Lagged funding calculated from the ESFA "allocation toolkit" indicated an increase of around £470k for 2018/19. This was the first year since merger that Heart of Worcestershire College expected an increase in this funding stream.
- Adult Classroom Learning was projected at 64% of target, but Prince's Trust

and inclusive learning adult students enrolled throughout the year and the full year projection was around 95%. The ESFA allocation had been unchanged for the last few years and was expected to continue.

- Apprenticeships had a budget of £2,042k for all ages and funding streams. Current student numbers were at 96% of target (£1,964k). Potential new enrolments in 2017/18 would increase the projection but was not expected to change it significantly.
- Consortium partner delivery was at around 69% of target. This was adversely affected by the Apprenticeship funding changes as partners could now receive direct ESFA contracts for non-levy delivery or direct agreements with apprenticeship levy paying employers. This was expected to reduce further in 2018/19.

ii) Governors challenged management, asking:

- What was the impact of the additional student numbers? Were there implications for curriculum change? There were more motor vehicle students in Worcester but there had been no need to re-engineer staff profiles. The Principal stated that there were some issues with Engineering which needed to be resolved.
- Governors said the lagged funding was positive and good to see after some years of poor forecasting but the additional costs had created an in year deficit – was there an accounting remedy? The Vice Principal, Corporate and Resources stated that the College was not permitted to accrue this income.
- Transparency would be needed in planning with the impact of demographic increase and new requirements for wide Careers Guidance in schools.
- What was the Consortium income and the impact of change on that? The management fee budget had been £700k and it was expected to reduce by £200k. This would be modelled anticipation of the budget setting process. The Director, Funding, Data and External Contracts was developing plans to provide different support to Consortium partners.

iii) The Corporation **CONSIDERED** learner numbers for 2017/18 and funding implications for 2018/19.

27.10 Education and Skills Funding Agency

i) The Corporation **RECEIVED** Feedback dated 13 December 2017 on the Heart of Worcestershire College Financial Plan 2017 to 2019 **NOTING** that the matters which had triggered early intervention were expected to be addressed by the Financial Statements (which had been submitted in December 2017).

TEACHING LEARNING AND ASSESSMENT

27.11 Quality Group

i) The Quality Group Chair reported that the Deep Dive had been on Apprenticeships. Members had been pleased to see robust evidence of the management of partner underperformance.

ii) The Corporation **RECEIVED** the Notes of the Quality Group meeting held on 18 January 2018.

27.12 Governor Insight Scheme – Autumn Term 2017

i) The Governor Insight Scheme Champion reported that 11 different Governors were involved in activities in the Autumn Term including six Governors doing accompanied Learning Walks and five at the Self Assessment Report validation day. The Governor Champion encouraged all Governors to participate in this where they were able to do so. 27 detailed feedback forms were received

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which had been passed on to management for information and for action where appropriate. Where responses were provided the reports had been returned to the Governor to complete reporting loop. Detailed feedback would be considered by the Quality Group.

- ii) The Corporation **RECEIVED** a summary of Governor Insight Scheme activity from the Governor Champion.

Higher Education

27.13 Academic Board

- i) The Minutes of the Academic Board meeting held on 12 December 2017 had not been issued and would be carried forward to the next meeting. **CC**

GOVERNANCE

27.14 OFSTED

- i) The Corporation **NOTED** the letter from Paul Joyce HMI and welcomed the changes proposed to school practice in respect of Careers Guidance after the Gatsby review.
- ii) The Corporation **NOTED** the Annual Report of Her Majesty's Chief Inspector of Education, Children's Services and Skills 2016/17.

27.15 Department for Education Intervention Policy

- i) The Corporation **NOTED** the publication of the November 2017 "Intervention policy in colleges and expansion of the Further Education Commissioner role".

27.16 Policy Updates

i) Document Retention Policy

The Vice Principal, Corporate and Resources had now removed duplicate section 8 numbering and said that this would need changing along with the Data Protection Policy for the General Data Protection Regulations (GDPR) in force from 25 May 2018.

The Corporation **APPROVED** changes to the Document Retention Policy.

ii) General Data Protection Regulations Policy

Governors were aware that GDPR posed huge challenges, particularly the "right to be forgotten" and asked that this risk be heightened in the Risk Register along with the need to consider future proofing digital accessibility. The ICO website was useful. The Vice Principal, Corporate and Resources said that GDPR was a minefield given the need to retain records for long periods for purposes including tax and pension which in many cases would override the right to be forgotten. The Document Retention Policy did include appropriate authority for destruction, deletion and retention.

VPCR

The Clerk to the Corporation said that despite several requests for assistance under the Governance Plus Subscription Service, Eversheds Sutherland had not yet provided any governance specific guidance for Clerks. The Clerk to the Corporation intended to meet with the Vice Principal, Corporate and Resources and Data Controller to progress matters internally. RSM (Internal Auditors) had agreed to provide GDPR training for the Corporation which had been cancelled from this meeting because of the Ofsted Inspection but would be rescheduled.

**CC/
VPCR
CC/ RSM**

The Vice Principal, Corporate and Resources noted the need for the Policy to refer to subcontractors stating that the Director, Funding, Data and External Contracts was working with them in this regard and confirmed that the College

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was taking appropriate steps in respect of the Information Register and with regard to eradicating unnecessary record keeping through "Stop the Clock" days.

The Corporation **NOTED** progress towards a GDPR Policy, required from 25 May 2018.

27.17 Any Other Urgent Business

There was no other urgent business.

27.18 Meeting Reflection

- i) Governors were asked to record comments on the meeting reflection forms. The new Student Governor commented that a lot of acronyms had been used and the Clerk to the Corporation agreed to provide a glossary.

CC

27.19 Date and Time of Next Meeting

- i) Tuesday 27 March 2018, 5pm for 5.30pm, Room 02.03 Osprey House, Redditch
ii) Tuesday 24 April 2018, Corporation Workshop, 5pm for 5.30pm, The Source, Worcester

27.20 CONFIDENTIAL ITEMS

- 22 See separate Agenda and papers

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

27.23 RESTRICTED CONFIDENTIAL ITEMS

- 25 See separate Agenda and papers

The meeting closed at 7.30pm

Signed:

Date:

Sue Frost
Clerk to the Corporation
10 February 2018