

CORPORATION

**Minutes of the Meeting held on Tuesday 15 December 2020 at 17:30
A Microsoft Teams Meeting**

Present

Governors:

Neill Bucktin (NB)	Chair
Denis Miles (DMi)	Vice Chair
Stuart Laverick (SL)	Principal
David Ash (DA)	
Nick Baldwin (NBa)	
Steve Bolton (SB)	
Helen Butler (HB)	
Angela Edwards (AE)	
Leon Evans-Lochlin (LEL)	
Kevin Gaffney (KG)	
Fiona Hellowell (FH)	
Owen Jones (OJ)	
Tony King (TK)	
Debbie Morris (DMo)	
Sue Nicholls (SN)	
Robert Pearce (RP)	
Gary Woodman (GW)	

In Attendance:

Nicki Williams (NW)	Vice Principal and Deputy Chief Executive Officer
Cherie Clements (CC)	Assistant Principal Finance & Corporate Operations
Charlotte Swain (CS)	Vice Principal Vocational & Technical Education
Julia Breakwell (JB)	Vice Principal Information Systems and Student Experience
Claire Heywood	Vice Principal Inclusive, Commercial & Employer Learning
Peter Robinson (PR)	Assistant Principal HE, Standards & Development
Tony Green	Director Funding Data & External Contracts
Kay Kavanagh (KK)	Clerk to the Corporation
Donna Gibson (DG)	Deputy Clerk

Action

45.1 Apologies

The Chair welcomed governors to the meeting. Apologies were received and accepted from Lucy Hodgson and Peter Heath.

The Chair welcomed the new Student Governors, Leon Evans-Lochlin and Owen Jones. Corporation members **approved** their nominations.

45.2 Declarations of Interest

Governors were asked to declare any Interests, financial or otherwise, which they may have in any agenda Item. No declarations were made.

45.3 Minutes of the Last Meeting

Governors **approved** the minutes of the meeting held on 13 October 2020 as a true record for signature by the Chair.

45.4 Matters Arising

Governors reviewed the Matters Arising report and **noted** progress. 4 actions have been closed and 2 carried forward.

CC provided an updated copy of the Treasury Management Policy, highlighting the expanded definition for 'Upper Medium Grade', as requested at the last meeting. Governors **approved** the policy.

45.5 Determination of any other urgent business

CC confirmed that a Tender Committee would be held on Thursday, attended by Denis Miles.

Governors **determined** that there was no other urgent business.

45.6 Principal's Report

a. Principal's Update for Governors

The Principal's Report included commentary and updates on:

College of the Future - England:

The English College of the Future report was released on the 18th November 2020. There are 6 recommendations within the report:

1. Introduce a legal duty on colleges to establish networks across appropriate economic geographies
2. Forming a cross-departmental ministerial taskforce/body to oversee a new government 10-year strategy for education and skills
3. Funding colleges to deliver specialised and targeted business support, creating employer hubs
4. Creating a statutory right to lifelong learning
5. Investing in colleges through 3-year grant settlements
6. Streamlining regulation, accountability and the funding system

Governors await the White Paper but expressed concern for:

- The 'legal duty' for colleges to establish networks
- The ability of the government to create cross-departmental bodies in a timely way

The College would be interested to explore the creation of employer hubs and welcome items 5 and 6 as these have been discussed frequently in the past.

Lifetime Skills Guarantee:

Further details are awaited from the government, to advise of the Level 3 courses that will be offered, fully funded, to adult learners. A CPD session around this area is planned for governors in January 2021.

Adult Funding:

A recently published report from the Association of Colleges (AoC) on adult funding shows the consequences of not increasing funding rates from the 2013 level.

SL explained that the Adult teams at the College do make a useful contribution to overhead, due to an effective, efficient and economical offer.

16-19 vocational and technical qualifications review:

The government has published its response to the first phase of its review into post-16 qualifications at Level 3 and below.

HoW College will continue to work with the Association of School and College Leaders (ASCL) and the AoC to ensure there are courses available that cater for all students.

Nick Baldwin joined the meeting at this point.

Governors posed the following questions in relation to the Principal's report:

- **Does the report imply the demise of the 'market-led' approach?** SL explained that the competitive model has proven to be less successful than anticipated within the sector. This has been highlighted further by the pandemic. A more collaborative approach is now required, which the College is already operating.
- **What is the timeframe for implementation?** The College awaits the White Paper. SL explained that following the White Paper, any implementation is likely to take 1-2 years at a minimum.

Governors thanked SL for the comprehensive report and **agreed** to formally **receive** the Principal's Report.

b. Curriculum and Quality Key Performance Indicators

Governors **noted** that, post March 2020, measures on attendance ceased, and achievement targets were now against Centre Assessed Grades. Comparing performance against previous years and against national benchmarking will not provide an accurate analysis of College performance in 2019/20 as benchmark data is from prior to Covid-19.

Governors **noted**:

- Attendance remains an area of attention for 20/21. Attendance to both onsite and remote sessions is being monitored. Attendance is currently 90% for 16-18 and adults combined. This is made up of attendance of 90.8% for sessions taking place in College and 86.9% for sessions delivered remotely and online. It was added that, where deemed necessary learning has been offered in the College as opposed to Online.
- Retention is in line with expectations, at 98.8% for 16-18 years olds and slightly lower at 98% for adults.
- 98% of Apprentices have a SMART target recorded on Smart Assessor.
- The Arrivals survey for 20/21 has been completed with responses from 1206 learners. The 3 areas that form part of the KPIs are ahead of the target set

with 97.6% of learners feeling safe at College, 97.6% of learners believing they are treated with respect and 96.5% of learners would recommend the College to others.

- Staff absence is at 1.99 days per member of staff between 1 August and 25 November, which is lower than at the same point in the previous academic year.

The target of 66.6% for 'I feel that I contribute to the mission and values of the organisation' was **questioned** as being too low. NW clarified that the target is low as this will be the first time the question will be asked, and staff may not understand that they contribute to the mission and values.

Governors thanked CS for the comprehensive report and **agreed** to formally **receive** the 2019/20 performance against targets data, and the update on the curriculum and quality key performance indicators for 20/21.

c. Financial Key Performance Indicators and Management Accounts Summary

As at 31st October 2020 we are projecting a full year operating deficit of £1,082,000 compared to a budgeted deficit of £1,532,000. This position is before any restructuring and pension adjustments. The budgeted deficit position of £1,532,000 included reductions in income streams and some expenditure lines that were higher risk and a degree of uncertainty due to Covid-19.

The total budget for adults is £2.3m. The initial ILR value of learners for 2020/21 is 97.8% of 2019/20 ILR at the same point. Adult numbers are currently below target. The projection has been reduced on this funding stream by £170k. This considers the uncertainty over future learners who are not yet on the ILR and potential withdrawals through local lockdowns.

The budget target for Apprenticeships has been reduced and agreed at £1.9m.

The College cashflow is anticipated to reduce to £4.0m at July 2021. This is an improved position over the original forecast in July 2020 which projected a closing balance at July 2021 of £2.6m.

Based on current projections Financial Health is "Requires Improvement", further reduction in the deficit position may result in an improvement during the year to "Good".

The remaining two Santander bank covenant measurements are met as at October 2020.

Remaining spend on FE Capital Fund and the GBSLEP Funding is due to be spent by 31st March 2021.

The following questions were asked:

- **Is there any resulting profit from the College Collaboration Fund?** There is likely to be circa £200,000 profit.
- **Are any changes likely to the Financial Statements ahead of signing in January?** CC confirmed that no changes were anticipated.

d. Learner Number Update & Funding Update

Learner numbers:

Current 16-18 full time learner numbers are above the budgeted target of 2463. However, the number of funded students submitted on the ILR, who have attended the first 6 weeks is 2543. This is higher than the funding allocation, as such this will result in an increase in the funding allocation for 2021/22.

Adult Classroom Learning is at 88% of target, based on current learners only. College Apprenticeships are at 81% of target. Higher Education students are currently at 97% of target. This excludes any CIPP enrols. Most full-time courses are at or over target, with part time courses being at under target.

45.7 Subcontracting

The financial performance of each subcontracted partner against their Maximum Contract Value (MCV) was provided within the report, along with the performance of each subcontracted partner regarding apprenticeship achievement rates and Adult Education achievement rates (previously called success rates). This is measured in 2 ways:

- overall achievement rate shows the % of learners achieving, measured against those due to achieve in that year;
- timely achievement rate indicates the % of learners achieving before or within 90 days of their planned achievement date.

Apprenticeship overall rates for all partners at 63.7% are higher than the previous year rates of 58.3%. The timely rate has shown a slight decrease compared to the previous year (57.4% v 58.9%). Aggregate performance for the active partners is strong, and justifies the decisions made in relation to who we contract with.

Adult Education rates continue to be high in partner delivery, contributing to a positive picture for the College overall.

A governor **challenged** the 'Eventcover' partner, querying if it was hospitality and therefore impacted by Covid-19. TG explained that although based at the NEC, the partnership was still strong, and there were no concerns.

Governors agreed to formally **receive** the partner performance/quality outcomes for 2019/20 and the partner performance/quality outcomes to date in 2020/21.

45.8 Employer Satisfaction Survey

The Employer Satisfaction rates for the College for 2018/19 (and thus for 2019/20) as collated by the ESFA were provided in the report.

Overall, the results show 7.58 (out of 10) compared to 7.63 for the previous year. The % of those employers likely to recommend the College rose from 67% (Extremely likely and Likely) in 2017/18 to 72% in 2018/19.

'Understanding your organisation's training needs' is a College KPI (currently set at 7.50-8.00). As indicated, our score currently stands at 7.74 and increased from the 7.56 recorded in 2017/18.

A Governor **questioned** if there were any trends that could be shown relating to the 'Strengths' and 'Things to improve' feedback, provided by the employers. TG explained that the data wasn't available. TG added that all feedback is responded to.

Governors agreed to formally **receive** the Employer Satisfaction Survey.

45.9 Audit Committee Minutes

Governors **received** the Minutes of the Audit Committee meeting on 1 December 2020 and **noted** the Audit Committee's advice.

45.10 Audit Committee Annual Report

Governors **received** the Audit Committee's Report to the Corporation for the year ended 31 July 2020.

45.11 Audit Committee recommendations

a) Governors **received** the following items, on the recommendation of the Audit Committee:

- The Internal Audit Annual Report 2019/20 from RSM
- The revised External Audit Report from KPMG
- The Teachers' Pension Statement from KPMG
- The Regularity Self-Assessment Questionnaire

It was **noted** that:

- Documentation will be signed in January 2021.
- Both Internal and External Auditors were very complimentary of the processes put in place to enable the Audit to be completed remotely. This demonstrates excellent use of technology by all parties.

b) Governors **approved** the following items, on the recommendation of the Audit Committee:

- The Audit Representation Letter
- The Engagement Letter with KPMG
- The revised Audit Committee Terms of Reference
- The Risk Management Annual Report 2019/20
- The Risk Management Plan 2020/21
- The Strategic Risk Register – Autumn Term 2020
- College Financial Statements for the year ended 31 July 2020

The following questions were raised:

Why are the majority of risks 'red'? NW explained that only the red risks were included in the report. The full Risk Register can be found on the Governor Portal.

Do we still work with the Greater London Authority (GLA)? Yes, due to an historic partner, the College are required to liaise with the GLA.

c) Governors **monitored and received** the Procurement Report as recommended by the Audit Committee.

d) The College currently has outstanding loan facilities of £2.4m with Santander. The agreement with Santander currently has three covenant tests in place.

The College saw a significant increase in the Defined Pension Obligation in relation to the LGPS pension scheme at the valuation dated 31st July 2020. This has resulted in a breach of the following covenant: -

- “Net Assets (including pension liabilities) shall not be less than Financial indebtedness at any time”

The revised agreement deletes this test in its entirety.

Governors **approved** the “Facility Amendment Letter” and **agree** for it to be formally signed by the principal following the meeting.

45.12 Remuneration Committee

- a) Governors **approved the** Remuneration Committee Terms of Reference on the recommendation of the Remuneration Committee.
- b) DMi provided an overview of the Remuneration Committee’s Annual Report.

It was **questioned** if there was a target for the ratio for the Principal and Chief Executive’s basic salary against the median pay for all staff. SL stated that he was not aware of a target. NW added that between 6 and 10 would be acceptable but the benchmarking data is not yet available.

Governors **received** the Remuneration Committee’s Report to the Corporation for the year ended 31 July 2020.

45.13 Governance and Search Committee

Governors received the Minutes of the meeting held on 3 November 2020 and approved:

- The revised Governance and Search Committee Terms of Reference
- The Committee Cycle of Business
- Governance Improvement Plan 20/21

Governors **noted** that wording previously minuted concerning the ‘Code of Good Governance’ was misleading. Governors **agree** that whilst the code isn’t formally adopted, it is recognised and followed where appropriate by the Corporation.

45.14 Task and Finish groups

Governors **approved** the Terms of Reference for the 3 Task & Finish groups, noting that:

- Membership of T&F groups is open to all interested governors
 - English and Maths will be scheduled for the Spring term
 - A staff and student governor should be included in the Sustainability T&F group
- Action:** KK to invite a staff and student governor to the Sustainability T&F group.

KK

The need for the Estates Committee was discussed. It is felt that some of the remit of the committee will be covered by the newly formed Sustainability T&F group, and other

elements of the committee will be covered by the Governor Insight Scheme. Governors **agreed** to reconvene the Estates Committee should it be deemed necessary.

45.15 Subsidiary Company Financial Statements

Governors **note** that Molinna Limited and NEWCEL have not traded during the year, and that the Annual General Meetings for these companies will be held on 16 December 2020 and the Financial Statements for the year ended 31 July 2020 were noted by the Audit Committee.

45.16 Students' Union Annual Report

- a) The annual report details activities of the Students' Union for 2019/20. Due to the pandemic and resulting lockdown, there was a reduction in SU activity.

For 2020/2021:

- The Student Union will run remotely
- Online events will be used to enhance and develop the digital skills of SU members
- Innovative ways will be sought to engage learners in enrichment opportunities.

Governors **approved** the Students' Union Annual Report for the year ended 31 July 2020.

- b) The financial accounts for 2019/20 show a surplus of £15.00.

Governors noted:

- The pool tables are currently closed due to social distancing measures. There is no projected income for the pool tables for 2020/21. This will be reviewed in accordance with social distancing should guidance on the measures change.
- The sales of Totum cards will be reviewed and analysed at the end of 2020/21 to ensure financial viability and that expenditure of NUS membership does not exceed income received from Totum card sales.

Governors **approved** the Students' Union Financial Statements for year ended 31 July 2020.

45.17 College Self-Assessment Report

The only grading change following the validation event is that Apprenticeship provision has been adjusted from Good to Requires Improvement. This is due to the overall and timely achievement rates having declined and the impact of improvement measures not yet being evident.

- The quality of education - good
- Behaviour and attitudes - good
- Personal development - good
- Leadership and management - good
- Education programmes for young people - good

- Adult learning programmes - good
- Apprenticeships - requires improvement
- Provision for students with high needs - outstanding

Governors **approved** the final Self-Assessment Report for 2019/20.

45.18 College Strategic Plan

16 – 18:

The college has seen positive growth in enrolled student numbers for 20/21. 11 of 16 actions are GREEN in this area. 3 have moved from AMBER to GREEN, since the Summer review.

Adult and HE:

11 of 14 Actions are GREEN in this area. 2 areas have improved around partnerships and 2 declined around curriculum and demand.

Business and Commercial (including apprenticeships):

The economic impact on demand and the impact on placements will likely affect performance for 20/21 as it did in 19/20. The college has successfully bid for and won additional contracts particularly, around digital developments. Only 3 of the ten targets are GREEN in this area. Targets relating to Apprenticeships expansion and demand have declined.

Governors **monitored** progress and **received** the detailed Strategic Plan Objectives for Autumn 2020.

45.19 Higher Education

a) Academic Board

Governors **received** the Minutes of the Academic Board meeting on 16 November 2020.

b) Higher Education Self-Evaluation Document & Action Plan

The HE SED reviews the quality assurance framework and student performance annually. The SED shows student performance, NSS results and feedback from Curriculum Leads, validating bodies and external examiners. The reports evidences that even with the impact of COVID, students had a successful year of study in 2019/20, with achievement, continuation and evidence of graduate outcomes, remaining strong.

There are high NSS Scores for teaching and assessment practice showing that students enjoy lessons and find feedback valuable.

The Plan will be monitored through the Academic Board, which Governors have attendance at (FH).

Governors **approved** the Higher Education Self-Evaluation Document 2020/21 (includes the HE Annual Provider Review). Governors **approved** the 2020/21 Higher Education Action Plan.

FINANCE AND MANAGEMENT INFORMATION

45.20 Education and Skills Funding Agency (ESFA) Financial Health Review

CC confirmed that the ESFA Financial Health Review and College Dashboard has not yet been received. **Action** – KK to carry agenda item forward to the following Corporation meeting after the review becomes available.

KK

PEOPLE

45.21 Human Resource Report 2019/20

The HR Annual Report 2019/20 shows the College's staff profile in terms of gender, disability, age and ethnic origin. Consistent with previous years and in line with the national picture within the education sector, there are more employees who identify as female employed at How College (65.20%) compared to those who identify as male (34.80%).

There has been a decrease in the numbers of staff disclosing they have a disability; 28 staff (3.16% of the workforce) in 2019/20 compared to 32 staff (3.56% of the workforce) in 2018/19.

The College's ethnic diversity has reduced slightly, with the most common ethnicity category of White increasing from 84.30% of the workforce in 2018/19 to 85.65% in 2019/20.

HoW College continues to have a broad spread of ages and retains some staff past normal state retirement age. In line with 18/19 data, the age profile of the HoW workforce is at its peak between 50–59 for both those identifying as male and those identifying as female. In total 41.7% (39.6% 18/19) of the HoW College workforce are aged 50 and over. The College employees 42 (37 18/19) members of staff aged 66+.

In respect of sickness absence rates, the average number of lost working days per HoW College employee for 2019/20 was 3.87 days (2018/19 4.79 days), which is lower than the 5.4 days average sector rate reported in the AoC Workforce Survey 2018/19. For 2019/20 the average number of sick days lost per FTE employee due to short term sickness was 1.17 days. (2.51 days 2018/19). The average number of sick days lost during 2019/20 per FTE employee due to long term sickness was 2.70 days. This is an increase compared to 2017/18 when the figure was 2.28 days.

A governor **challenged** the comment "A crucial step in addressing the Gender pay gap at the College will be to produce an action plan. The action plan will need to consider the appropriate actions to take in order to address the gap", questioning why this didn't feature in the 'next steps' section of the report. NW explained that the review of the gender pay gap was ongoing. It is heavily impacted by nursery and catering staff who are predominantly female and average a lower pay.

Staff Survey

A Staff survey was undertaken during June and July 2020, achieving 136 responses.

Some highlights include:

- Over 50% of staff strongly agreed that they felt valued at HoW College
- The most common theme revolved around our new work environment and for staff to be given the opportunity to continue working from home in some capacity.
- Staff would like to see less use of paper and printing
- 97% of staff said they enjoyed working at the College

A governor **questioned** how staff were selected for the survey. NW confirmed that the survey was open to all staff.

Governors **monitored** staff turnover, sick absence data, gender pay gap reporting and performance management. Governors **noted** the Staff Survey Evaluation.

45.22 Safeguarding Report 2019/20

An Annual Safeguarding Report is presented to Governors in the autumn term of each year.

From 19 March 2020, in response to the lockdown, the Safeguarding and Welfare support for students moved to remote working until the end of the term. Despite this, it was a seamless change and the team continued to deliver a high level of support to learners.

The team worked hard to develop innovative ways to keep in touch with learners and keep our most vulnerable learners safe. This involved developing some very strong working with partners and other agencies. There was also a focus across the college on the promotion of internet safety for students and their parents, as well as the promotion of positive mental health and resilience.

There has been a decline in the numbers of learners identifying as being a young carer. This cohort has been identified as an EDIM for 2019/20. In 20/21 the College will endeavour to achieve the Quality Standard for Carers Support and identify learners who have not previously disclosed their caring responsibilities.

1206 students took the recent Remote Learning survey, with 99.1% of learners stating they were confident at knowing how to keep themselves safe online.

A governor **challenged** why suicidal thoughts are not classed as a safeguarding concern. JB explained that suicidal thoughts would be a safeguarding concern if the person was in immediate danger, however, there are cases where some students have regular suicidal thoughts, which are managed on an ongoing basis, and that this scenario would not be classed as a safeguarding concern.

Governors **received** the Safeguarding Annual Report for 2019/20.

45.23 Prevent Strategy, Risk Assessment and Action Plan

The action plan is monitored throughout the year with two milestones points at the end of term one and two.

The current threat level from international terrorism in the UK is critical, which means that an attack is highly likely in the near future. The local threat situation in Worcestershire remains low.

The following additions have been included in the strategy

- Change to national context
- Increased focus for online safety awareness
- Responsibility for monitor Prevent strategy moved to Safeguarding Board.
- Changes in terminology for the four types of terrorism faced in UK.

The following additional items have been identified from the Prevent risk assessment for action in 2020/21:

- Develop further parent communication around dangers of radicalisation and promoting internet safety
- Ransomware and major cyber events policy and procedures are to be created
- Recently the Action Counters Terrorism (ACT) app has been launched. Explore the benefits and usage for HoW college staff and students.

A governor **asked** where the current pressures for Prevent are for the College. JB confirmed that the main area would be around single-issue ideology and extreme right-wing views being expressed.

A student governor gave assurance that Prevent is integrated well into the curriculum, with the use of Thrive, E-safe and training.

Governors **monitored** progress against the Prevent Action Plan for 2019/20 and **approved** the Prevent Strategy, Risk Assessment and Action Plan for 2020/21.

45.24 Equality and Diversity

The objectives and EDIMs have been combined into one action plan for efficient monitoring.

Governors **received** the Equality and Diversity Annual Report for 2019/20 and **approved** the Equality and Diversity Objectives and the Equality and Diversity Impact Measures (EDIMs) and Action Plan for 2020/21.

45.25 Quality Improvement Strategy

It was confirmed that the Self-Assessment process has remained the same.

Governors **approved** the updates to the Quality Improvement Strategy 2020-23.

45.26 Any Other Urgent Business

It was determined that there was no other urgent business.

The Chair thanked SLT for their timely submission of papers, noting the high level of reports.

45.27 Date and Time of Next Meeting

The next meeting will be held on Tuesday 26 January 2021, at 17:30 via Microsoft Teams.

45.28- CONFIDENTIAL ITEMS

45.29 These matters are recorded as Confidential Minutes

Staff and Student Governors left the meeting at this point

45.30- RESTRICTED CONFIDENTIAL ITEMS

45.31 These matters are recorded as Restricted Confidential Minutes.

The meeting closed at 20:10

Signed:

Date: