

# HARLOW COLLEGE FURTHER EDUCATION CORPORATION

## CORPORATION MEETING

### Minutes of the virtual meeting held on Zoom – Thursday 25 March 2021 - 9.30am

Membership:	* Liz Laycock (Chair)	* Rod Bristow	* Eva Scott
	* Sotirios Adamopoulos	* Eddie Johnson	* Brian Spencer
	* Paul Bartlett	* Brian Keane	* Karen Spencer
	Julian Bedford	* Ray Levy	* Paul Taylor
	* Jon Bouffler	Lily Lin	* Michael Travers
	Jo Breen	* Peace Oduware	Gail Wootton

\* denotes present

In attendance: Will Allanson, Deputy Principal  
Paul Whitehead, Vice-Principal  
Becky Jones, Vice-Principal  
Deanne Morgan, Executive Director – Finance and Facilities  
Ruth Lucas, Head of Governance

### Annual Governor Safeguarding Update Training

Before the Corporation meeting commenced, Marian Hollingsworth, Harlow College's Safeguarding Manager, delivered safeguarding update training to the following Governors: Jon Bouffler, Rod Bristow, Eddie Johnson, Liz Laycock, Ray Levy, Brian Spencer and Paul Taylor.

Governors thanked Marian for her informative session.

The session will be repeated at the start of the May Corporation meeting for Governors who were unable to attend this session.

### 1 Apologies for absence

Apologies for absence were received and accepted from Julien Bedford, Jo Breen, Lily Lin and Gail Wootton, all for work / professional reasons.

Liz Laycock informed Governors that Jo Breen's term of office expires on 30 April 2021 and she has decided not to be considered for re-appointment. The Corporation thanked Jo Breen for her eight years' service as a Governor and agreed to send a thank-you card to her.

Liz Laycock welcomed Michael Travers to the meeting who has been elected as Support Staff Governor for a period of four years from 21 March 2021. Michael introduced himself to the Corporation.

### 2 Declaration of Interests

Jon Bouffler declared that he is employed by Anglia Ruskin University and Eddie Johnson declared that he is an Essex County Councillor.

### **3 Search Committee Update**

#### **3.1 Minutes of the Search Committee Meeting – 12 March 2021**

The Corporation received and noted the minutes of the Search Committee meeting held on 12 March 2021.

#### **3.2 Membership of Harlow College Further Education Corporation**

The Search Committee recommended the reappointment of Paul Taylor as a Governor of Harlow College Further Education for a period of four years, commencing on 5 April 2021.

The Search Committee recommended the appointment of Brian Keane, Chief Executive at Harlow Council, as a Governor of Harlow College Further Education for a period of four years, commencing on 25 March 2021.

The Corporation unanimously approved the Search Committee's recommendations as detailed above and Brian Keane joined the meeting.

Brian Keane introduced himself to the Corporation and highlighted his wish to strengthen the relationship between the College and the Council.

### **4 Minutes of the Previous Meeting**

The minutes and the confidential minutes of the meeting held on 17 December 2020 were approved by the Corporation as a true and accurate record of the meeting and were signed remotely by the Chair.

### **5 Matters Arising from the Minutes**

#### **5.1 Governor Safeguarding and Prevent Training (minute 4.2 – Matters Arising refers)**

Safeguarding update training for Governors took place at the beginning of this meeting and will be held again at the start of the Corporation meeting taking place on 20 May 2021 for those unable to attend this morning's session.

#### **5.2 E-Learning (minute 6.1 - Self-Assessment 2019/20 refers)**

Liz Laycock requested that e-learning is discussed in more detail at the Standards and Curriculum Committee meeting. Karen Spencer reported that the position has changed since the December Corporation meeting and this is reflected in the current Key Performance Indicators.

#### **5.3 Letter to RSM UK (minute 7.4 and 7.5 – To receive and approve the Operating and Financial Review 2019/20 and to receive and approve the Financial Statements 2019/20 refers)**

Liz Laycock reported that a letter was sent to RSM UK on behalf of the Corporation. A response has been received from RSM UK to which Liz Laycock responded. The matter is now closed.

## **6 Feedback from the Coronavirus Governance and Leadership Group**

Liz Laycock provided the Corporation with a verbal update and feedback from the Coronavirus Governance and Leadership Group.

Liz Laycock reminded the Corporation that this group consists of the Chair of the Corporation, the previous Chair of the Corporation, the Vice-Chairs of the Corporation, the Principal and the Head of Governance and meets once a fortnight.

Topics discussed have included preparation for testing, testing, return to onsite delivery, assessment arrangements, student engagement, financial repercussions and implications, staffing matters and communication with students and staff, the feedback from which has been positive.

Governors were informed that students returned to onsite delivery from the 8 March 2021, with testing in place. As of the close of play on 24 March 2021, 2,718 student rapid lateral flow tests have been completed, none of which were positive. All staff have been issued with home testing kits for twice weekly testing and student home test kits are now being distributed, with 1,500 kits having already been issued to students. Liz Laycock asked whether after Easter it would just be home testing for students rather than onsite testing and Paul Whitehead confirmed that students would be asked to test at home.

The Corporation formally thanked Michael Travers, Health and Safety Manager, for his hard work in setting up and running the testing centre onsite.

The Corporation noted the feedback from the Coronavirus Governance and Leadership Group.

## **7 Principal's Report**

The Corporation received and considered the Principal's Report, presented by Karen Spencer, Principal.

Karen Spencer informed Governors that the FE white paper has been published since the last Corporation meeting and it focuses more on the post-18 education environment, At present, it is unclear how the Government will fully implement the white paper.

The following areas were discussed:

### **1: Create 'Local Skills Improvement Plans' and college business centres**

A pilot is expected for college business centres and a tender is due to be released imminently. Work is being undertaken with the Association of Colleges which is looking to address other areas highlighted, such as strengthened powers. It is difficult to define what is "local" for Harlow.

Liz Laycock asked about the role of Essex Chamber of Commerce in the Local Skills Improvement Plans. Will Allanson reported that there might be a commercial opportunity to market FE to Chamber members and that the Chamber could do some

piloting or testing of models. Karen Spencer reported that there is some confusion over the Chamber system in England and how it is very different to those in countries such as Denmark and Germany where there is a strong Chamber system which is like a sector skills council which a national role. The Government needs to look at these systems and what sits around this.

## **2: New intervention ‘powers’**

There are to be new powers for the Secretary of State in terms of intervention.

## **3: Strengthened governance**

There is an on-going discussion on governance and investment in governor training.

## **4: Potential switch to outcomes-based funding**

This was raised by the Association of Colleges a number of years ago. There is a danger that unless government accountability measures are reviewed that there could be an additional level of local bureaucracy.

## **5: Multi-year funding to be considered**

This has already happened in the school sector with three-year funding agreements in place. The FE sector was hopeful pre-pandemic to move to multi-year funding however currently this is unlikely and yearly funding cycles are still expected.

## **6: Implement the flexible lifelong loan entitlement from 2025**

This is a new entitlement and the FE funding entitlement will be the same as the HE entitlement.

## **7: Central role for employers to design technical courses**

This is looking to mirror what has already happened with apprenticeships however establishing an engagement model for employers which are SMEs (small and medium sized enterprises) could prove a challenge.

## **8: New national teacher recruitment campaign**

There is a wish to put in place an FE recruitment campaign and bring industry-level skills into the sector.

Karen Spencer reported that the sector is expecting the Government to announce further information, working groups and pilots within the next six to eight weeks.

Karen Spencer proposed to have part of the May or July Corporation meeting to look at themes contained in the white paper in small groups.

The Corporation noted the Principal’s Report and agreed for part of the May or July Corporation meeting to be dedicated to the white paper.

## **8 Quality and Curriculum Reports**

## **8.1 Minutes of the Standards and Curriculum Committee Meeting – 16 March 2021**

The Corporation received and noted the minutes of the Standards and Curriculum Committee meeting held on 16 March 2021.

## **8.2 Key Performance Indicators 2020/2021**

The Corporation received and considered the Key Performance Indicators (KPIs) 2020/2021, presented by Becky Jones, Vice-Principal.

Governors were informed that the KPIs is a large document, detailing actions and operational objectives and it was agreed at the Standards and Curriculum Committee meeting that a simplified version should be produced. The simplified version provides an overview of each of KPI, the target and a review of current College performance. Paul Whitehead reported that the Standards and Curriculum Committee had requested further information on the outcome and the impact of action being taken for apprenticeships and a further dashboard report is being written by Karen Spencer and Paul Whitehead.

The Corporation received both versions of the KPIs. Governors were informed that KPIs for the first strategic objective – Career-Led Curriculum – are being reviewed as they largely focus on work placements that have proved difficult to deliver during Covid-19.

The Corporation was informed that English and maths attendance and apprenticeship achievement were discussed in detail at the Standards and Curriculum Committee meeting. These are both challenges faced by Harlow College, as well as colleges nationally. There is currently no nationally published benchmarking data. There are both internal and external factors which are affecting apprenticeship achievement, some of which are out of the College's control, e.g. furlough, redundancy and then some quality related which are a key focus. Governors noted the e-learning position shows actual achievement to date and shows a significantly improved position.

The Corporation noted the Key Performance Indicators for 2020/2021 and requested to keep both formats of the KPIs.

## **8.3 Return to Onsite Delivery and Assessment Arrangements 2020/2021**

The Corporation received and considered the update on return to onsite delivery and assessment arrangements for 2020/2021, presented by Becky Jones, Vice-Principal.

Governors were informed that onsite delivery resumed the week commencing 8 March 2021 on a 50:50 onsite / online model as in the Autumn Term. The College will look to move to a 70% - 75% onsite model after Easter however a measured approach will be taken. Some areas might have a great or lower percentage of onsite delivery. It is envisaged by May that the average onsite delivery across the College will be approximately 85%. All of this will be linked to the Government's roadmap for the easing of lockdown restrictions. Practical

areas have been looked at and careful consideration has been given to recombining students onsite again. Good progress has been made to date and no issues have been raised by the Student Ambassadors.

Paul Taylor asked at Step 4 why English and maths will continue to be delivered online. Becky Jones reported that 100% online delivery has been trialled and the staff and students have reported that this approach is working better than a face-to-face or blended approach. Students have booked sessions that suit them best and attendance increased from 61% to 75%, however attendance has decreased following the Government's announcement that GCSE exams will not take place this academic year and November examination sittings/results. Booster sessions are also being offered online. Karen Spencer reported that by 17 May, English and maths delivery will have finished due to the time needed to complete centre-assessed grades. Internal deadlines have been set to ensure that there is sufficient time for the College's internal quality assurance processes to take place in advance of the Government's set deadline for submission of centre-assessed grades.

Liz Laycock asked if the College was concerned around timescales for practical assessments. Karen Spencer reported that the College is waiting for further information from the awarding organisations and the issue is that the College does not currently know what it needs to do as the detail has not yet been published. Staff are being allowed to use their professional judgement and it is likely there will be students working during the summer to complete the assessments. Becky Jones reported that teams are planning for no adaptations to be made to assessment and most teams can be finished by the end of June. Teams believe this is realistic and any adaptations that get announced will facilitate this further.

The Corporation endorsed the College's roadmap for the return to onsite delivery and noted the assessment arrangements for 2020/2021.

#### **8.4 Student Voice**

The Corporation received and considered the report on Student Voice, presented by Becky Jones, Vice-Principal.

Becky Jones reported that Laura Wedgbury-Glew, Assistant Principal, is meeting more frequently with the Student Ambassadors and has worked through many of the points raised, which have now turned to "green".

An MS Teams group has been set up for the Student Ambassadors and Student Governors which is moderated by Laura Wedgbury-Glew and there is potential that this model could be rolled out further across the College for each team.

Liz Laycock reported that positive actions are being taken by the College to address the points raised and the system is working well in the College which is critical to ensure the needs of students are met going forward in this time of change.

The Corporation noted the report on Student Voice.

## **9 Finance and Resources Reports**

### **9.1 Resources Committee Reports**

#### **9.1.1 Minutes of the Resources Committee Meeting – 04 March 2021**

The Corporation received and noted the minutes of the Resources Committee meeting held on 04 March 2021.

#### **9.1.2 Item 1 - Management Accounts**

The Corporation received and considered the management accounts for the period 1 August 2020 – 31 January 2021, presented by Deanne Morgan, Executive Director – Finance and Facilities.

Deanne Morgan reported that there has been some significant movement in the February management accounts which are in the process of being finalised.

There is an accounting deficit of £500k however the College is still generating cash and has cash in the bank.

There has been significant movement in the Adult Education Budget (AEB) funding. An assumption was originally made in the management accounts that the ESFA would reconcile the AEB funding to a similar level to last year which was 67%. Following discussions with the ESFA, the College then changed this figure to 80% in the management accounts. This week the ESFA announced it will reconcile to 90% therefore this changes the income prediction by £450k.

Discussions are ongoing with the ESFA and the AoC are raising their concerns with the ESFA. The ESFA has set the 90% rate based on mid-year funding claims which they say indicate such a level is appropriate however the funding claims were submitted before the third national lockdown. A letter is being drafted by colleges to demonstrate the impact of this, which will be sent to the ESFA and local MPs. A collective national approach has been agreed by college principals. It is also hoped that the local and county council will help communicate the impact this will have. Brian Keane highlighted how serious an issue this is and offered to raise this issue and discuss it where appropriate.

Management are now working through a plan to ensure the College achieves as much of this funding as possible and adjust its outgoings accordingly to account for the shortfall.

Karen Spencer reported that the level surprised the ESFA's territorial teams and it seems like it could have been a political decision.

Karen Spencer highlighted the challenges of delivering to adults, as adults are still required to socially distance therefore class sizes have

had to be halved and there has been two national lockdowns during this academic year which has affected delivery and take-up.

Liz Laycock asked if this is open to discussion with the ESFA. Karen Spencer reported that it will have an impact on every college, particularly those with significant financial difficulties. Paul Whitehead reported that the College is working on a plan to help bridge the gap with the reduced AEB income in the financial plan.

The Corporation approved the management accounts for the period 1 August 2020 – 31 January 2021 and agreed that further updates on the AEB will be given to the Coronavirus Governance and Leadership Group, the Resources Committee and the Corporation.

### **9.1.3 Item 2 - College Capital Projects and Estates Update**

The Corporation received and considered the College Capital Projects and Estates Update, presented by Will Allanson, Deputy Principal.

Governors were informed that the report had been considered in detail at the Resources Committee meeting held on 04 March 2021.

Will Allanson reported that the College has secured £4.5m for improvements to the campus in preparation for T-Level delivery from the T-Levels Capital Funding, Get Building Fund, FE Capital Allocation and the College will provide £500k match funding.

An £8m stage 1 application has been submitted to the FE Capital Transformation Fund for the refurbishment of Building J. There is an expectation for the College to provide up to 50% match funding. Will Allanson, Paul Whitehead and Deanne Morgan have looked at the costs and the timings for 2022/2023 and there is a potential that up to £1m match funding could be affordable however this will need to be relooked at and the College will only apply for a match funding level that is affordable.

Will Allanson reported that the College had considered leading on an Institute of Technology bid however the decision was taken to be a partner on a LEP-wide bid, led by South Essex College. A stage 1 application has been submitted and initial feedback has been positive. The stage 2 application will be worked up and submitted in the Summer. As part of the stage 2 application, a substitute lead partner needs to be nominated in case the lead partner becomes financially unstable. South Essex College has approached Harlow College to take on this role. At this stage it is procedural and if the College were to be asked to lead, the College will have the option to agree or not at that point.

The Corporation noted the college capital projects and estates update, approved the continuation of the projects as outlined in the report and approved for the College to be the nominated substitute lead for the Institute of Technology stage 2 application.



## 9.2 Approval of Loan Facility

The Corporation received and considered the report on the approval of a loan facility, presented by Deanne Morgan, Executive Director – Finance and Facilities.

Deanne Morgan reported that the paper set out the current position with the College's loans and the proposed details of the refinancing of the loans which are due to mature in May 2021 at a rate of 3.5% which was higher than expected.

Liz Laycock asked for confirmation that there are two loans which are due to mature in 2027. Paul Whitehead confirmed that this is the case. He also added that the loans are fixed against the campus for specific building works that have been undertaken. The campus is not registered as separate buildings with the land registry therefore it is not possible to secure the loans against individual buildings.

Paul Whitehead informed Governors that a longer-term strategy needs to be looked at. When the loans mature in 2027, there will be more options available. The option to refinance the loans maturing in May 2021 with Clydesdale Bank will provide a solution to the current situation and generate more options moving forward.

Paul Taylor highlighted that the recommendation would take the College up to 2026 however there are loans with fixed charges up to 2027. Paul Whitehead reported that judgments will be made at the time and Karen Spencer added that there is not currently a possibility of a loan term to 2027. By 2026, the break clauses and financial liability will be significantly less as the loans will only have six to twelve months left before they mature.

Paul Taylor confirmed that his question had been answered.

Karen Spencer highlighted that colleges will always need investment from banks and that this proposal puts the College in a better position. It was noted that other colleges are in significantly worse positions with their loans than the College is.

Karen Spencer reported that there a number of big unknowns due to COVID-19 in relation to the colleges' financial situation nationally. There is significant turbulence in the system and colleges are unsure of their capacity to build up reserves. Karen Spencer reported that management would work through the College's borrowing over the next two years, taking legal advice, to produce the best strategy for the College moving forward.

The Corporation approved a Clydesdale loan with a 10-year repayment profile with maturity in October 2026 on a margin of 3.5%, indicative base rate 0.10% (total 3.6%) and 1% arrangement fee and approved for Liz Laycock and Karen Spencer, in their roles as Chair of the Corporation and Accounting Officer, to act as signatories for the loan.

### **9.3 Future Funding 2021-2022**

The Corporation received and considered the report on future funding 2021-2022, presented by Paul Whitehead, Vice-Principal.

Paul Whitehead highlighted that the report sets out where the College is at with income for its major sources for 2021-2022 and this information will be taken forward into the financial planning process. The information provides Governors with a good starting point for project income next academic year. Governors noted that allocations for AEB and Advanced Learner Loans have not been announced yet therefore assumptions have been made in the report.

The Corporation noted the report on future funding 2021-2022.

## **10 Audit Committee Reports**

### **10.1 Minutes and Confidential Minutes of the Meeting – 02 March 2021**

The Corporation received and noted the minutes and the confidential minutes of the Audit Committee meeting held on 02 March 2021.

Paul Whitehead informed the Corporation that the Audit Committee has reviewed the College's internal audit provision and Scrutton Bland are to be reappointed as the College's internal auditors for 2021-2022. The Audit Committee however are looking at the number of internal audit days required and using some days in a different manner however the budget will be set and ring-fenced at the current level for next academic year.

### **10.2 Item 1 - Appointment of External Auditors**

The Corporation received and considered the report on the appointment of external auditors, presented by Deanne Morgan, Executive Director – Finance and Facilities.

The Corporation noted that a tender exercise has been undertaken. Three tenders were received and two companies were shortlisted – Buzzacott and RSM UK. Buzzacott scored the highest in the tender evaluation and following on from the presentation and interview process, Buzzacott remained the highest scorer. Deanne Morgan highlighted that Buzzacott has got good FE sector knowledge and experience and their tender was priced significantly lower than RSM UK's.

Liz Laycock highlighted that Buzzacott are proposing fewer audit days than RSM UK and asked if that was the reason their tender was cheaper. Paul Bartlett confirmed that this was the case however the number of days were questioned as part of the interview process and their model fits the needs of the College.

Governors were informed that feedback from other colleges who use Buzzacott was positive and that a "getting to know you" week will be held at zero cost to the College.

The Corporation unanimously agreed to appoint Buzzacott as the College's external auditors for three academic years (2020/21, 2021/22, 2022/23) subject to an annual review.

## **11 Stansted Airport College Advisory Group Meeting – 25 February 2021**

The Corporation received and noted the notes from the Stansted Airport College Advisory Group meeting held on 25 February 2021.

Karen Spencer reported that the College is reviewing its recruitment strategies to debunk the myth that the College is closed due to the impact the lockdown is having at the airport.

## **12 FE Commissioner and ESFA Correspondence**

The Corporation received and considered the FE Commissioner and ESFA Correspondence, presented by Ruth Lucas, Head of Governance.

Governors noted the FE Commissioner letters dated 7 January 2021 and 22 February 2021, as well as the FE Commissioner Benchmarks: Definitions February 2021. It was agreed that management will review the management accounts to ensure that all benchmarks listed in the FE Commissioner's correspondence are included.

Governors noted that annual strategic conversations are being introduced and will be held with each college, consisting of the ESFA, an FE Commissioner representative, the College Principal and the College Chair. The College could be part of the pilot scheme, with the conversations taking place in June 2021.

The Corporation noted the report on FE Commissioner and ESFA correspondence.

## **13 Policies and Reports**

The Corporation received and considered the report on policies and reports, presented by Will Allanson, Deputy Principal and Paul Whitehead, Vice-Principal.

The following policies were reviewed and approved:

- Health, Safety and Welfare at Work Policy

Three minor changes were approved to this policy in relation to remote working, COVID-19 and change of the Chair of the Corporation's name.

- Data Protection Policy

Changes to job titles were approved in this policy with no other substantive changes.

- Information Security and Compliance Policy

There were no changes to approve in this policy.

- Careers Education, Information, Advice and Guidance Policy

The only changes approved in this policy were to the responsibilities of the Work Placement Officers with no other substantive changes.

The Corporation received the Streamlined Energy and Carbon Report. Governors were informed that there is a Government requirement that companies publish such a report however there is currently no benchmarking data therefore it is difficult to assess the College's figures. The consultants, with whom the College has worked, have indicated that the College's figures looked good compared to private organisations however it is difficult to put this into context due to COVID-19 and a shift in working arrangements. Karen Spencer reported that the cost per employee will be different for colleges compared to private organisations due to the large number of students utilising energy that will not be factored into the per employee calculation.

Governors were informed that the next step is for the College to produce a strategy to reduce its energy usage. Paul Whitehead confirmed that some internal audit contingency days will be used to help the College produce its strategy and set realistic targets. Small pots of funding could be available to implement some carbon reducing measures which could be built into the strategy. There is also the potential to involve students in projects looking to reduce the College's carbon footprint. This year's report is a starting point and subsequent annual reports will be able to demonstrate the impact that the strategy is having at reducing energy consumption.

The Corporation approved the Health and Safety Policy, the Data Protection Policy, the Information Security and Compliance Policy and the Careers Education, Information, Advice and Guidance Policy and noted the Streamlined Energy and Carbon Report.

#### **14 Governor Training and Development**

In Lily Lin's absence, it was reported that she has been undertaking mentoring sessions held by the AoC and the ETF and she had attended an AoC regional governance conference and the International Women's Day Event hosted by the College's gaming students and provided some lovely feedback.

Liz Laycock reported that she had attended the AoC national conference, an AoC regional governance conference, the College of the Future seminar and Module 1 of the ETF's Chairs' Leadership Programme.

#### **15 Any Other Business**

There were no items of any other business.

#### **16 Dates of Future Meetings**

Summer Term 2021	Thursday 20 May 2021	9.00am Safeguarding Update Training
		9.30am Corporation Meeting
	Thursday 8 July 2021	9.30am