

**HARLOW COLLEGE FURTHER EDUCATION CORPORATION
CORPORATION MEETING**

Minutes of the meeting held on Wednesday 01 November 2017

Membership:	* P Taylor (Chair)	* C Chatt	* R Levy
	* S Adamopoulos	C Christofides	* M Prodger
	* P Bartlett	* A Durcan	* B Spencer
	* J Bedford	* E Johnson	* K Spencer
	* J Bouffler	* L Laycock	* J Turrell
	J Breen		

* denotes present

In attendance: M Stokes, Deputy Principal
L Turner, Deputy Principal
W Allanson, Vice-Principal
B Jones, Assistant Principal
D Morgan, Executive Director – Financial Services
P Whitehead – Executive Director – Information, Data and Support
D Sheridan, Clerk to the Corporation
R Lucas, Deputy Clerk to the Corporation

2027 Apologies for absence

Apologies for absence were received and accepted from J Breen and C Christofides.

The Corporation welcomed J Turrell, the newly appointed Student Governor and J Turrell introduced herself.

2028 Declarations of Interest

R Levy declared an interest in agenda item 2036 – Group Structure – as KPMG has indicated they would be interested in tendering for the work depending on which option the College pursues.

2029 Minutes of the Previous Meeting

The minutes and the confidential minutes of the meeting held on 13 July 2017 were approved by the Corporation as a true and accurate record and were signed by the Chair.

2030 Matters Arising from the Minutes

2030.1 Principal's Report (minute 2016 refers)

The Corporation was informed that the College is using The Hides car park. A lease is being agreed between the College and the District Council which is likely to be signed next summer once the cycle path has been diverted.

2030.2 Harlow College Projects – Princess Alexandra Hospital (minute 2020.2 refers)

The Corporation received an update on Princess Alexandra Hospital. The College and Hospital are looking to progress project work following the unsuccessful procurement process. A meeting is being held with the College and the Hospital on 3 November 2017 to discuss ways of working together.

ARU are offering degree apprenticeships in nursing which will help to address pipeline issues which the Hospital currently has and the College will help facilitate this.

The Hospital is now paying for the use of the College facilities and the Corporation noted that a further update will be provided at the Corporation meeting on 7 December 2017.

2031 Membership of Harlow College Further Education Corporation

The Corporation was informed that a J Turrell has been appointed as a Student Governor. The second Student Governor will be appointed drawn from higher education at the College.

The Corporation was informed that M Prodger would not be renewing her term of office when it expires in December 2017 and that C Christofides is retiring and would therefore be standing down as a Governor at the end of the calendar year.

A potential Governor has been proposed by Stansted Airport and this is being followed up by the College. Pearson has also agreed to propose a potential Governor. Governors agreed that the Corporation would benefit from another member with educational expertise and was informed that the Chair of the Uttlesford 14 – 19 Board is identifying potential candidates.

P Taylor reminded the Corporation that a Vice-Chair position will be available when M Prodger's term of office expires and asked Governors to consider nominations.

2032 Election of the Chair of Harlow College Further Education Corporation

P Taylor withdrew from the meeting and M Prodger took the Chair.

Paul Taylor was the only nomination for the position of Chair of Harlow College Further Education Corporation. The Corporation unanimously elected Paul Taylor as Chair of the Corporation for the period 10 December 2017 – 9 December 2018.

P Taylor re-joined the meeting and M Prodger thanked him for his continuous hard work and support.

2033 Sketch Management Accounts for the period 1 August 2017 – 30 September 2017

The Corporation received and considered the sketch management accounts for the period 1 August 2017 – 30 September 2017, presented by M Stokes, Deputy Principal and D Morgan, Executive Director – Financial Services.

A discussion was held around the management accounts and Governors noted the following:

- The accounts are based on the budget approved by the Corporation in July 2017 and the sketch management accounts reflect how the College is performing at present against the budget.
- Some income figures are yet to be finalised and the College is expecting there to be a reduction in higher education income. The College's non-levy apprenticeship allocation will not be known until January 2018. Further details of expected income will be in the October management accounts.
- The cash flow is healthy,
- Two loans are due to mature in December 2018 and one loan, which ends in 2022, has come to its ten-year review period.
- The ratios should be achievable as long as cash levels remain healthy.
- Tangible assets profile has changed slightly due to Stansted Airport College which is based on the latest version of cash profiling. The cash flow has also changed accordingly. The differences in the tangible assets are due to when the building is realised.
- P Bartlett questioned why there is a negative in staff contingency. D Morgan explained it is due to a recruitment lag, as staff leave and join the College, there are normally savings that materialise.

The Corporation were asked to approve a temporary £0.5m overdraft facility for the College at a cost of approximately £2.5. The Corporation unanimously agreed the overdraft.

The Corporation approved the management accounts for the period 1 August 2017 – 30 September 2017 and approved the temporary overdraft facility.

2034 Provisional Outturn 1 August 2016 – 31 July 2017

2034.1 To receive the provisional outturn and unaudited accounts for the period 1 August 2016 – 31 July 2017

The Corporation received and considered the provisional outturn for the period 1 August 2016 – 31 July 2017, presented by M Stokes, Deputy Principal and D Morgan, Executive Director – Financial Services. The provisional outturn was discussed in detail. Governors were given the opportunity to ask questions and the following points were noted / raised:

- The original budget was set to achieve a £218k surplus with an income target of £21.463m. The final income position was £22.735m and the unaudited figures show a projected surplus of £853k. The final surplus position is likely to be in the region of £800k.
- The spend on Stansted Airport College is cumulative up until the planning application was approved.
- Higher education income was lower than originally forecast due to recruitment issues. This is a national issue for colleges. J Bouffler confirmed that this is likely to be the case for the next three to four years.
- Fewer adults are taking out adult learner loans therefore there has been a decrease in the numbers and associated funding.

- The ESFA will reconcile any unearnt 16 – 18 apprenticeship funding and adjustments will be made. The College however did not spend any money that had not been earned. The College has achieved in excess of 97% of its allocation and it will be confirmed in December 2017 whether the College will keep its full allocation.
- The balance sheet and net worth of the College has improved.
- The cash flow at the year-end was close to predictions.
- Capital works include HAMEC and the I-Hub, completed at the end of last year. An official opening of the I-Hub will take place after the next Corporation meeting where the next meeting will be held.
- The bank has unofficially confirmed that there have been no breaches to the covenants and this will be officially confirmed once they have received the audited accounts in January.
- The College's financial health rating is good; this has been confirmed in writing by the ESFA.
- Financial streams are risk rated and finance monitoring meetings are held regularly.

The Corporation noted the report on the provisional outturn for the period 1 August 2016 to 31 July 2017.

2034.2 To receive the letter from the Education and Skills Funding Agency confirming the College's financial health rating and the College's finance dashboard

The Corporation received and noted the letter from the Education and Skills Funding Agency which confirmed the College's financial health rating as being good. The Corporation also received and noted the College's finance dashboard produced by the Education and Skills Funding Agency.

P Bartlett thanked the College's finance team for all their hard work.

2035 Enrolment Report 2017/18

The Corporation received and considered the verbal Enrolment Report 2017/18, presented by M Stokes, Deputy Principal and P Whitehead, Executive Director – Information, Data and Support.

The College's 16-18 recruitment target is 2,327 and the last report shows an actual figure of 2,319. The College does expect to exceed the recruitment target as enrolment is still taking place.

Higher education recruitment is down and it is envisaged that there will be £300k less income than originally budgeted.

Apprenticeship recruitment is difficult to compare. The current recruitment level is

broadly the same as last year. National apprenticeships starts have declined therefore the College is recruiting well and going against national trends. Learners are still being signed up.

Adult recruitment is on track. Adult learner loans are currently in a similar position to last year. 84 loans have been confirmed to date and there are some more in the pipeline. It is currently too early to predict what the final position will be.

The Essex high needs funding is on target and it is predicted there will be an increase in the amount of funding the College receives. There are some ongoing issues with the Hertfordshire high needs funding which require resolution. The funding methodology was explained to Governors.

The Corporation noted the Enrolment Report for 2017/18.

2036 Group Structure

The Corporation received and considered the report on Group Structure, presented by D Morgan, Executive Director – Financial Services.

D Morgan provided Governors with background information to the Group Structure. Governors were informed that the leases and sub-leases come to an end in November 2017 and that the Corporation needs to agree for the premises to revert back to Harlow College.

There are three options available for the subsidiaries:

1. Do nothing and leave the companies to run. There will be no potential liabilities but there will be on-going statutory reporting requirements and a need for Directors to be appointed.
2. Strike off the subsidiaries from Companies House so they would cease to exist. There is an estimated £15k cost in tax and legal advice. The only liabilities would be to Harlow College or HMRC, however there is a potential £25k VAT liability.
3. Members Voluntary Liquidation – a liquidator will need to be appointed and this could cost in the region of £40k. The College would need agreement from HMRC for this option.

A detailed discussion was held around these three options and whether, if Option 3 was pursued, that the voluntary liquidation would sit on the directors' record with Companies House.

After a detailed discussion, the Corporation agreed the following:

- The directors should seek legal advice for which the College will pay.
- The College will pay for any liability resulting for the group structure.
- Option 1 was not a viable option.
- Governors were in principle comfortable with Option 2 or Option 3.
- Option 2 was Governors' preferred option however the directors should make their own decision after taking legal advice.
- Tax advice should be obtained.
- The premises should revert back to Harlow College.

2037 Code of Conduct for Staff on Student Assessment, revision October 2017

The Corporation received and considered the Code of Conduct for Staff on Student Assessment, presented by B Jones, Assistant Principal.

B Jones informed Governors that the proposed changes were highlighted in yellow and many reflect changes in practice and provision and awarding organisation requirements. The section on conflicts of interest had also been strengthened.

Governors noted that managing invigilation is covered by a separate policy and staff receive regular invigilator training.

The Corporation approved the Code of Conduct for Staff on Student Assessment.

2038 Institutes of Technology

The Corporation received and considered the report on Institutes of Technology, presented by K Spencer, Principal.

Governors were informed that an Expression of Interest has been submitted and the key areas on which the Institute of Technology would focus were highlighted. The Institute would sit in the London-Stansted-Cambridge Corridor. The Expression of Interest was for the first stage in the process and is likely to be presented to the Essex Skills Board.

Governors were informed that there is only capital funding available and no revenue funding. Governance arrangements still need to be finalised however it is envisaged there would be an advisory body which would oversee the Institute of Technology.

The Corporation noted the report on Institutes of Technology.

2039 Reports from Committees

2039.1 Audit Committee – 2 October 2017

The Corporation received and noted the minutes of the Audit Committee meeting held on 2 October 2017.

Governors were informed of the General Data Protection Regulation (GDPR) and this will be considered and monitored further by the Audit Committee. An internal working group has been set up and training will be rolled out to all staff.

2039.2 Stansted Airport College Advisory Group

The Corporation received a verbal update on Stansted Airport College Advisory Group, presented by W Allanson, Vice-Principal.

Governors were informed that the Advisory Group comprised representatives of Essex County Council, Stansted Airport, Uttlesford Headteachers' Group, Uttlesford Operations Board and Harlow College, including a member of the Corporation. Tony Durcan offered to join this group.

The lease has been signed with the Airport and contractors are on site as planned. The team is the same team that delivered the HAMEC building programme. The date for the ground breaking ceremony is to be confirmed. Open evenings to date have been fully booked, with three sessions of 70 visitors running on both evenings.

There are some budget challenges mainly due to only provisional figures for utilities connections currently being known.

The Corporation noted that a £50k application has been submitted to the Savoy Educational Trust for hospitality equipment in the College. The Corporation formally thanked Uttlesford District Council for their £300k grant.

The Corporation noted the update on the Stansted Airport College Advisory Group.

2040 Any Other Business

P Taylor proposed that in recognition of the College gaining Apple Distinguished School status that Friday 22 December 2017 be designated a non-working day for the College. This was unanimously agreed by the Corporation.

The Corporation noted that paperless meeting solutions are continuing to be explored by the College.

2041 Dates of Future Meetings

The Corporation received and noted the dates of meetings for 2017-18.

Autumn Term	Thursday 07 December 2017	08.30am
Spring Term	Thursday 15 March 2018	08.30am
Summer Term	Thursday 17 May 2018	08.30am
	Thursday 12 July 2018	08.30am

2042 Harlow College Self-Assessment 2016/17

The Corporation received and considered for the rest of the day the first draft of the Harlow College Self-Assessment Report for 2016/17.

Sessions:

Governors and members of the College Executive were divided into four groups to focus on individual team Self-Assessment Reports (SARs) and test the validity of the judgements.

Following on from these sessions, feedback was given by each group to the Corporation for inclusion in the report.

Group 1:**W Allanson, C Chatt, D Morgan, M Prodger, J Sample, P Taylor****Performing Arts:**

- The proposed self-assessment grade is 1, however the story was not sold very well and more information around attendance and achievement is required.
- Work experience is a key challenge and this is featured in the quality improvement plan but not in the SAR.
- Retention is also a key challenge.
- There are a significant number of students with mental health issues.
- The support for learners section in the Quality Improvement Plan (QIP) needs strengthening.
- The group were unable to interrogate the maths and English data set.
- The percentages in the SAR do not add up.
- Progression, destinations and the alumni are missing strengths in the SAR
- There needs to be more targeted recruitment targets in the QIP.
- A question was raised in relation to learners enrolling onto a one year programme and what happens after the end of the year. K Spencer informed Governors that this is a strategy implemented by the College which places the College in a better position with its learners, however the College does lose in the region of £400k funding by choosing this strategy. Learners are informed that they are on a two year programme however there is an option to step off the programme at the end of year one.

ESOL:

- Key strengths and improvements required have been identified however there is not enough data and evidence to back these up.
- Destinations are clearly documented.
- It would be useful if there was an introductory paragraph at the start of the SAR.
- Pedagogy and good practice is not fully evident.
- The QIP identifies the improvements needed and the impact on learners, however the "how" is missing.
- S Adamopoulos gave an excellent oral presentation.

Group 2:**J Bedford, E Johnson, A King, R Levy, K Spencer, P Whitehead****Business and Travel:**

- The group agreed with the self-assessment grade, strengths and weaknesses.
- The Business SAR was good, well evidenced and quantified using data.
- Pedagogy needs strengthening.
- The Level 2 examined provision is the biggest challenge, however a change in specification will lead to improvements in this.
- Maths and English attendance was a challenge.
- There were also issues with value added.

English and Maths:

- The group agreed that the SAR should be separated into an English SAR and a maths SAR.
- There has been a significant improvement in GCSE English and good results compared to national averages in maths.
- The group reported that not all provision should be self-assessed as grade 3. A-Level provision should be grade 2 if not higher.
- Identified maths issues include recalling facts so they become second nature and practising and revising. This is not included in the SAR.
- Attendance is the biggest challenge however this is not clear in the report. An exercise with each sub-area needs to be undertaken and work out how to deal with attendance issues, as the issues are not the same within each area.

Group 3:

S Adamopoulos, S Appleby, J Bouffler, T Durcan, B Spencer, M Stokes

Supported Studies:

- A presentation was given to the group and the group fully endorsed the team's grade 1 self-assessment .
- More information on integration is needed, such as the NCS programme and work experience.
- The curriculum is looking at building on life skills and then reinforcing them.
- There is a 97% completion rate.
- Maths and English is being addressed by calling it problem solving and communication.
- The team is relatively new and the learning environment has changed.
- There are greater links with parents.
- There is an impressive use of digital within the team and with the learners.

Digital Learning:

- The College has become the first further education college in England to be awarded Apple Distinguished School status.
- The group were informed of the way in which IT is being introduced, with five apps being used last year and ten being used this year across the College.
- A question was asked whether it would become limiting for the College however Governors were informed that the College does not solely use Apple and Apple apps. It was also asked if there is any exclusivity with Apple and K Spencer confirmed that there was not.
- A question was asked about what the College will gain from being awarded this status. Governors were informed that it is a kitemark, will be used as a marketing tool and the College will be hosting and charging for visits.
- The College is very different in profile to the other schools which have been awarded this status.
- All schools with the status have reported an increase in student recruitment.
- It was acknowledged that some Apple involvement as part of their Corporate Social Responsibility would be of benefit to the College.
- There was no time to interrogate how widely the technology is being used

across the College.

- The group acknowledged that Kelly Edwards gave a fantastic presentation.

Group 4:

P Bartlett, B Jones, L Laycock, B Nicholl, L Turner

Journalism:

- Significant improvements in the area have been reported. Retention is stronger, Level 3 outcomes are very good and HE outcomes are good.
- There are some exciting curriculum developments, such as the Level 4 Broadcast Journalism qualification.
- Shorthand continues to be a big challenge.
- There should be more emphasis on recruitment in the QIP.
- It was agreed that the grade for adult provision should be removed as there are currently only five adult learners.
- The group agreed with the self-assessment grade 2.

IT, Facilities and Infrastructure:

- The question was raised as to whether service area should be asked to grade themselves or perhaps a gold, silver and bronze judgement could be given.
- The group acknowledged that there is a broad area of sub-teams within the team's remit.
- Tighter SMART targets are needed in the QIP to show year on year changes.
- Governors were reminded that this team reports into the Resources Committee.
- Strategic issues around job prioritisation need to be addressed.
- User surveys are looking to be introduced, for example when the IT Helpdesk closes off a job.
- There have been lots of positive comments about the state of the campus.
- Positive achievements should be promoted publicly.
- The team would like to employ a plumber.

Next Steps:

P Taylor thanked Governors and members of the Executive for their time and input.

The SAR will be updated and then presented to the Standards and Curriculum Committee and the Corporation at their meetings in November and December 2017.