

HARLOW COLLEGE FURTHER EDUCATION CORPORATION
CORPORATION MEETING

Minutes of the meeting held on Thursday 08 December 2016

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

* denotes present

In attendance: M Stokes, Deputy Principal
L Turner, Deputy Principal
D Morgan, Executive Director of Financial Services
S Abdelmoula, Assistant Principal (agenda items 1973 and 1974.1 only)
P Leggett, Director for Safeguarding and ALS (item 1974.1 only)
D Sheridan, Clerk to the Corporation
R Lucas, Deputy Clerk to the Corporation

1964 Apologies for absence and a welcome

Apologies for absence were received and accepted from J Bedford, J Bouffler, E Johnson and P Whitehead.

The Corporation advised that N Allen had resigned as a Governor due to work commitments.

T Woodward, student governor, was welcomed to the meeting and she introduced herself.

1965 Declarations of Interest

No additional interests were declared.

1966 Minutes of the Previous Meeting

The Corporation approved the minutes of the meeting held on 19 October 2016 as a true and accurate record, subject to the word “financial” being added in between the words “bank covenants” on page 3 and they were signed by the Chair.

1967 Matters Arising from the Minutes

1967.1 Matters Arising - Two Year Financial Forecast 2016-18 and the 2016-17 Budget (minutes 1940 and 1952.2 refer)

D Sheridan highlighted the SFA letter which the College received on 11 November 2016 confirming that the College’s financial health is good for 2015/16 and good for 2016/17.

1968 Self-Assessment Report 2015-2016 and Quality Improvement Plan 2016-2017

The Corporation received and considered the Self-Assessment Report (SAR) 2015-2016 and the Quality Improvement Plan (QIP) 2016-2017, presented by L Tuner, Deputy Principal.

Governors were informed that the SAR had not changed significantly since the last Corporation meeting, however the data is validated.

Governors noted the following:

- There has been an improvement in success rates, both with and without English and maths.
- Apprenticeship provision is now graded good.
- All provision is now graded good.
- There is no requirement to submit the SAR to Ofsted however the College will forward it onto the Regional Director.

The QIP details areas that the College needs to focus on and significant progress has been made in some areas. Improvements have been made in all categories and some of the measures of success have been achieved.

Governors noted the following:

- The Standards and Curriculum Committee requested the QIP is colour-coded for reviewing.
- English and maths is the College's strongest focus. The 2015-2016 GCSE maths results were at the national benchmark, however the English results were below the national benchmark.
- A discussion was held around the new grading of GCSEs and whether a grade 4 or grade 5 will be required to meet the condition of funding. It was agreed at the Standards and Curriculum Committee that a training session on the new grading system will be organised for Governors.
- C Christofides asked what the impact on the College will be and if there will be issues with changing the criteria for a "good pass". K Spencer reported that this is still not yet known and this is likely to be the situation until the Smith Report is published.
- Students of English are already following the new specification.
- Apprenticeships remain a strong focus and will continue to be so with the introduction of the Apprenticeship Levy and the new Standards. Mapping against the new apprenticeship Standards is taking place.
- L Jones asked about the i-pad roll-out and the measure of success. L Turner informed Governors that the target had not been met, mainly due to issues with retrieving i-pads from last year's students. The College is working with Apple and Academia on a revised strategy, along with investigating a lease purchase scheme for higher education and access learners and apprentices.
- L Jones asked if the National Citizen Service counted towards enrichment. L Turner confirmed that it does. The College has renegotiated its contact to allow for term-time delivery and students now take part in the scheme as part of their curriculum.
- P Taylor asked for the wording in point 5 of the cover sheet to be amended to "within the condition of funding rules".

The Corporation noted the report on the Self-Assessment Report 2015-2016 and the Quality Improvement Plan 2016-2017.

1969 Financial Statements for the Period 1 August 2015 – 31 July 2016

1969.1 To receive and approve the Annual Report of the Internal Audit Service for the year ended 31 July 2016

The Corporation received and considered the Internal Audit Annual Report for the year ended 31 July 2016, provided by College Internal Auditors Scrutton Bland.

Governors noted that, for the year ended 31 July 2016, it is the opinion of the Internal Audit Service that the College had adequate and effective risk management, governance and control processes and adequate and effective efficiency, effectiveness and economy processes to manage the achievement of the College's objectives.

Governors noted that no high risk recommendations were made during 2015/16, positive assurances have been given on all internal audits and that there is a good professional relationship with Scrutton Bland.

The Corporation approved the Annual Report of the Internal Audit Service for the year ended 31 July 2016.

1969.2 To receive and approve the Annual Report of the Audit Committee

The Corporation received and considered the Annual Report of the Audit Committee for the period 1 August 2015 to 31 July 2016.

The Corporation noted that the Joint Audit Code of Practice requires the Audit Committee to produce an Annual Report, which must be made annually to the Corporation. The report has increased in significance and is now submitted as part of the annual accounts to the funding body. The Audit Committee needs to produce an opinion on:

- Its own effectiveness;
- How it has fulfilled its terms of reference;
- The adequacy and effectiveness of the College's audit arrangements, its framework of governance, risk management and control, and its process for securing economy, efficiency and effectiveness.

The annual report contained the following sections: introduction, membership of the Committee; meetings in the period and attendance; terms of reference of the Committee; the internal audit service; review of reports of the internal audit service; review of external audit; reports from the Skills Funding Agency; actions in response to key recommendations arising from audit; other independent assurance; proposed Audit Committee opinion and resolution.

The Corporation agreed the following opinion of the Audit Committee:

“It is the opinion of the Audit Committee, based on the reports it has received and considered, and drawing upon the knowledge and expertise of its members and its audit services, supported by the work and views of College management, that during 2015-16 Harlow College:

- *had adequate and effective systems of governance;*
- *had adequate and effective risk management systems;*
- *had adequate arrangements for securing economy, efficiency and effectiveness;*
- *had adequate and effective key internal controls;*
- *had, overall, systems and controls that are adequate and effective for carrying forward the objectives of the college.*

The Audit Committee met in private with the internal and external auditors on 1 December 2016 and no issues impacting upon matters of internal control were raised. RSM UK did not identify any matters of impropriety throughout their audit work to bring to the attention of the Audit Committee.

The Audit Committee considers that it operated effectively in 2015-2016 and that it met its terms of reference and the Joint Audit Code of Practice.”

The Corporation approved the Annual Report of the Audit Committee for 2015/16 and agreed for it to be signed by Paul Bartlett, Chair of the Audit Committee.

1969.3 To receive and approve the Audit Findings Report for the period to 31 July 2015 and the Letters of Representation

The Corporation received and considered the Audit Findings Report for the year ended 31 July 2016 and the letters of representation.

Governors noted that the report had been considered in detail at the Joint Audit and Resources Committee meeting and Governors noted that the report provides two positive opinions, stating that:

- The financial statements give a true and fair view of the state of the Groups’ and the College’s affairs as at 31 July 2016 and of the Group’s surplus of income over expenditure for the year then ended and have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.
- No regularity or propriety issues were identified.

Governors were informed of the change to the valuation method of the College’s assets and the Corporation agreed to use the new valuation method for the financial statements.

The Corporation reviewed the letters of representation.

The Corporation approved the Audit Findings Report for the period to 31 July 2016 and the Letters of Representation for the Financial Statements and the Management Letter for the Regularity Audit for the year ended 31 July 2016 and agreed for them to be signed by the Chair and the Principal.

1969.4 To receive and approve the Operating and Financial Review 2015/16

& 1969.5 & To receive and approve the Financial Statements 2015/16

The Corporation received and considered jointly the Operating and Financial Review and the Financial Statements for 2015/16.

Governors noted that the Operating and Financial Review and the Financial Statements follow an SFA published model and further noted that the documents were reviewed in detail at the joint Audit and Resources Committee meeting. Governors had requested some changes to the financial statements at the meeting which have been incorporated in the latest set of financial statements.

Governors reviewed the Operating and Financial Review and the Financial Statements and noted the following:

- The main amendment is concerning the reserves stated on page 12.
- Reference to higher education includes the College's ARU provision and the College's own HNC and HND provision.
- The College's surplus of £328k equates to approximately 8% of income.
- RSM UK are undertaking the sub-contracting audit, an SFA requirement, that will be completed and signed off by 31 January 2017.

The Corporation approved the Operating and Financial Review and the Financial Statements for 2015/16 and agreed that they should be signed by the Chair and the Principal and sent to the Skills Funding Agency.

1970 Management Accounts for the Period 1 August 2016 – 31 October 2016

The Corporation received and considered the management accounts for the period 1 August 2016 – 31 October 2016, presented by M Stokes, Deputy Principal. Governors were informed that the format of the management accounts has changed to incorporate EBITDA - Earnings Before Interest, Tax, Depreciation and Amortisation.

A discussion was held around the accounts and the following were noted or raised by Governors:

- The College's 16 – 18 Learner Responsive allocation is £11.121m.
- The College is expecting to exceed its 16 – 18 apprenticeship £1.16m target It is currently forecast at £1.2m. K Spencer asked if a growth request is needed and M Stokes confirmed that any growth in 16 – 18 apprenticeships will materialise in the next financial year or via the SFA's new procurement process. This process was explained to Governors.
- There has been a significant increase in the College's high needs allocation however there has been an increase in the staffing cost to deliver this area of work.
- All the catering and cleaning staff have been TUPE'd over to the College and are now employed directly by the College.
- The original budget for tangible fixed assets was £35.276m however this has now increased to £44.468.
- The cashflow forecast is based on predictions and it is anticipated that there will be a dip in the cashflow in March 2017. The Corporation approved in

principle a three-month overdraft for February – April 2017 at the Corporation meeting on 19 October 2016. The College is waiting for the terms and conditions of the overdraft from the bank. The Corporation authorised P Taylor, Chair of the Corporation, to sign the bank's facilities letter on its behalf.

- Both financial banking covenants have been met for both the rolling period and end of year position.
- The College's financial rating is good and is forecast to remain as good.
- P Bartlett asked if the accounts had been submitted to the bank and the SFA on time and M Stokes confirmed that they had been.

The Corporation approved the management accounts for the period 1 August 2016 – 31 October 2016 and delegated authority to P Taylor to sign the bank's facilities letter for the overdraft.

1971 Key Performance Indicators and Targets

The Corporation received and considered the report on key performance indicators (KPIs) and targets, presented by K Spencer, Principal.

Governors' attention was brought to the 2015/16 KPIs which provided an overview from last academic year. The Principal informed Governors that some on the KPIs are on-going and will transfer through to this academic year. A final reconciliation is taking place on the KPIs for 2015/16 and the October 2016 review of the KPIs matched the information contained within the SAR.

The KPIs in red were brought to Governors' attention and discussed. The following points were noted:

- English and maths is the College's biggest quality concern. T Woodward asked why there is a 100% English and maths A-Level pass rate and why the GCSE pass rate is comparatively low. L Turner informed Governors on improvements being made.
- There has been a limited response to the e-learning self-assessment system and now usage of five year apps / tools is being assessed this year.
- Higher education income is a risk to the College.

The Principal presented the KPIs for 2016/17 which have been mapped against the new strategic priorities which were agreed by the Corporation last academic year.

The five key KPI areas were highlighted and K Spencer informed Governors that timescales will be added into the document. Regular updates will be provided at Corporation meetings and Governors were asked if they required more. It was suggested that the higher education QAA review and student feedback be added in.

L Laycock highlighted the attendance target of 90% which seemed a modest 1.5% increase on last year's attendance. L Turner explained that a different strategy has been adopted for English and maths and this could impact attendance rates. It was suggested that two attendance targets be set, one with and one without English and maths. The College agreed to explore this further.

The Corporation noted the report on key performance indicators and targets.

1972 Strategic Area Reviews

The Corporation received and considered the report on strategic area reviews, presented by K Spencer, Principal.

Governors noted that there are five steering group meetings planned as part of the Essex strategic area review. Two meetings have taken place to date and the minutes of the first steering group had been circulated to Governors. The second meeting took place on 5 December 2016 here at the College and the minutes will be circulated to Governors once they are received.

The area review team visited the College on 14 November 2016 as part of the process and confirmed that the College has good quality provision and good finance, whereas a number of Essex colleges are struggling in these areas. The Principal informed Governors that the College will be required to consider a number of different options as part of the process. A longlist of options being considered by the College needs to be produced by 16 January 2016. An Essex shared services model could be part of the options considered however this has been previously considered by the College and no long term benefit was evident. A number of potential collaborative working approaches were outlined by the Principal however discussions around these are in the early stages.

The College will have a meeting with David Williams – the Deputy Commissioner – in January 2017 as part of the area review process.

B Spencer reported that he attended the Governors' session with the area review team on 14 November 2016 at which the team stated that any decision regarding the future of the College is entirely the College's decision.

The next steering group meeting is on 23 January 2017 and a 15 page business plan is required for the February meeting. R Levy asked what the purpose of the Governors' meeting in February was. K Spencer informed Governors it was to find out about progress and to raise awareness of the area review. All Governors will be invited to this session.

The Corporation noted the report on Strategic Area Reviews.

1973 Equality and Diversity Annual Report 2015/16

The Corporation received and considered the Equality and Diversity Annual Report 2015/16, presented by Sallyann Abdelmoula, Assistant Principal.

S Abdelmoula highlighted the key points arising from the report as follows:

- Success rates show an improvement for learners with a disability or learning difficulty however there is still an achievement gap for these learners.
- There has been a decline in success rates for Black African learners.

S Abdelmoula reported that the College constantly responds to emerging needs and enrolls students at any time throughout the year, due to the nature of the roll-on, roll-off curriculum. A gender pay gap analysis is being undertaken.

A general discussion was held around the report and Governors noted / discussed the following:

- There have been changes in the SEND requirements and in the importance of Education Health Care Plans. New internal processes have been

implemented and the College is confident in these.

- P Bartlett asked if parents of SEND learners are involved with the College. S Abdelmoula confirmed that the College holds briefing sessions for all parents.
- There has been an increase in learners with mental health issues. This is a national issue and the College is working with partners on this.
- New campaigns, such as Stonewall, have been introduced and an LGBT group has been established.
- The College continues to promote British Values and the Prevent agenda. No referrals have been made to the Channel Panel. British Values initiatives and awareness raising is taking place for staff.
- A new equality and diversity software package has been purchased. All staff will undergo training and refresher training.
- No grievance or complaints have been received due to equality and diversity issues, however four compliments have been received.

The Corporation thanked L Turner, S Abdelmoula and P Leggett for their hard work throughout the year.

The Corporation approved the Equality and Diversity Report for 2015/16.

1974 Safeguarding and Health and Safety Reports 2015/16

1974.1 To receive and consider the annual Safeguarding Report for 2015/16

The Corporation received and considered the annual Safeguarding Report for 2015/16, presented by P Leggett, Director for Safeguarding and ALS.

P Leggett highlighted three significant events which had taken place throughout the year: firstly the Ofsted inspection which confirmed the College's safeguarding procedures as effective; secondly the closure of Occasio House, the supported housing scheme, and finally the retirement of the previous Safeguarding Manager.

P Leggett highlighted the main areas in the report and Governors noted / discussed the following:

- Safeguarding training has been undertaken by all staff and Governors.
- Three phones are staffed at all times by members of the Safeguarding Team.
- Approximately 30 local safeguarding champions have been trained to Level 2 across the College.
- Last year there were 43 Looked After Children (LAC) and 14 care leavers of whom 53 were retained.
- There has been a reduction in numbers of students being referred to the Safeguarding Manager and this is partly due to an increased awareness amongst staff as to what are safeguarding issues and what are classroom management issues. The majority of referrals are due to emotional well-being, mental health or housing issues.
- Nine child protection referrals were made and there are two active Child in Need plans in place.
- No Prevent referrals have been made.
- 23 students from Occasio House attended College last year, with 16

- being retained and 15 having achieved.
- The College dealt with two external cases of child sexual exploitation.
- The sexual health service provision has been relocated from the College campus and a report on the outcomes as a result of this will be incorporated in next year's Safeguarding Report.
- Reporting systems have been refined and any safeguarding concerns are indicated on group profiles in ProSolutions.
- R Levy asked if safeguarding records are destroyed once a learner leaves the College. P Leggett responded that they need to be kept by the College for a defined period of time.
- The Safeguarding Steering Group meets three times a year and has Governor representation on it.
- The College is represented on a number of networks and local groups.
- There is now a box on the enrolment form for learners to indicate if they have any criminal convictions and the model used is considered good practice by the AoC. Only two students have not been enrolled due to criminal convictions. L Laycock asked if the wording on the application could be checked to ensure that the College is not in danger of discriminating against any individual due to criminal convictions. This was agreed by the College however it was noted that the safety of all learners is of paramount importance.

The Corporation noted the annual Safeguarding Report for 2015/16.

1974.2 To receive and consider the annual Health and Safety Report for 2015/16

The Corporation received and considered the annual Health and Safety Report for 2015/16, presented by M Stokes, Deputy Principal.

M Stokes presented the main points of the report and Governors noted / discussed the following:

- The Health and Safety Committee ensures that risk assessments are in place to reduce the number of accidents. The Committee meets termly.
- There has been a drop in recorded accidents and incidents from 154 in 2014/15 to 147 in 2015/16. Most accidents are of a minor nature. Three accidents were RIDDOR (Reporting of Diseases and Dangerous Occurrences Regulations) reportable. The issues surrounding these accidents were reported to Governors.
- There has been a decrease in accidents in the Hospitality and Catering team.
- There were ten fire alarm activations throughout the year, nine of which accidental.
- The student pregnancy rate has increased. Governors stated it would be useful to know how many students started College pregnant and to which teams the pregnant learners belong.
- L Laycock asked if legionnaires was tested for. M Stokes confirmed it has been and no issues have been identified. L Laycock stated it would be useful to have this noted in the report.

- Governors asked what the College's policy is on e-cigarettes and were informed it is the same as the College's policy on smoking.
- M Prodger asked whether support for students with existing medical conditions was highlighted at induction and it was confirmed they are given reassurance at enrolment, interview and induction.

The Corporation noted the annual Health and Safety Report for 2015/16.

1975 Facilities Update

1975.1 Harlow Advanced Manufacturing and Engineering Centre and its Electricity Substation

The Corporation received an update on the Harlow Advanced Manufacturing and Engineering Centre (HAMEC), presented by the Principal.

The handover of the building is scheduled for 23 December 2016 and the equipment will start to arrive on the same day. The issues surrounding the electricity sub-station have been resolved and the lease of land had been approved.

The official opening of the Centre will take place during National Apprenticeship Week in March 2017 and all Governors will be invited.

The Corporation noted the HAMEC update.

1975.2 Stansted Airport

The Corporation received an updated on Stansted Airport, presented by K Spencer, Principal.

K Spencer informed Governors that funding may not be secured from the Local Growth Fund however Essex County Council are looking at options to commit funding for the project. There is the possibility of some skills funding from the LEP and Essex County Council and the College has been asked to explore ways of bridging the funding gap, which would be in the region of £1.75m. The College could afford the capital investment if it secures revenue funding for the Centre. The College has been advised to formally write to the EFA, highlighting the projected student numbers and ask for a letter of comfort. The College is also in dialogue with Robert Halfon MP.

Governors were asked to consider if they would agree in principle to the College committing funding to the project. A discussion was held around this and it was acknowledged that this is a big opportunity for the College with an identified need and the risk of not proceeding is significant. Governors viewed the project as part of a longer-term strategy with long-term gain for the College. Ownership of the land was discussed and Governors noted that ownership would remain with Manchester Airport Group. B Spencer highlighted the need to be careful with any planning constraints and restrictions put on the land.

The Corporation agreed that the College should move forward looking at options to secure the required investment for the Centre.

1975.3 Princess Alexandra Hospital

The Corporation received an update on Princess Alexandra Hospital (PAH), presented by K Spencer, Principal.

Governors were informed that there are three education and development teams at the hospital, all of which are looking to relocate to the College's campus over the next year. A statement of intent is being developed between the College and PAH. A costing model is being developed which could see some of the rent being offset if PAH commit some of their apprenticeship levy to the College. The College is in early discussions with PAH regarding their apprenticeship provision.

L Jones updated the Corporation on his work experience at PAH and S Adamopoulos confirmed that the approach being taken is in line with Public Health England's strategy.

The Corporation noted the update on PAH.

1975.4 University Centre Harlow

The Corporation received an update on University Centre Harlow (UCH), presented by K Spencer, Principal.

K Spencer informed Governors that there are on-going discussions with ARU regarding UCH. The current provision and capacity was outlined for Governors and Governors noted that the College has its own direct contract with HEFCE for HNCs and HNDs.

The Corporation noted the update on UCH and agreed that the College should formally write to the vice-Chancellor of ARU highlighting the issues outlined in the paper presented to Governors and also agreed to share this information with Harlow Council and Essex County Council.

1975.5 CONFIDENTIAL – Sir Charles Kao University Technical College

This item was minuted separately.

1976 Governor Training and Development

P Taylor attended the Open Evening, the second Area Review Steering Group meeting, the joint Audit and Resources Committee and the Resources Committee meetings.

M Prodger attended the Open Evening, Health and Safety Committee and the Standards and Curriculum Committee meetings.

R Levy attended the Audit and joint Audit and Resources Committee meetings.

L Jones has attended a number of student ambassador meetings and is attending an Area Review meeting for student governors.

B Spencer attended the Governor meeting as part of the Area Review Team's visit to Harlow College, the joint Audit and Resources Committee and the Resources Committee meetings.

L Laycock attended the Governor meeting as part of the Area Review Team's visit to Harlow College, a College-led safeguarding training session and the Standards and

Curriculum Committee meeting.

S Adamopoulos attended the Standards and Curriculum Committee meeting.

R Lucas informed Governors that ACER is organising a Governor Induction training session on 11 January at 4.30pm here at Harlow College. R Lucas asked for Governors, even more experienced Governors, to contact her to reserve a place.

1977 Reports from Committees

1977.1 Standards and Curriculum Committee – 22 November 2016

The Corporation received and noted the minutes of the Standards and Curriculum Committee meeting held on 22 November 2016.

1977.2 Audit Committee – 1 December 2016

The Corporation received and noted the minutes of the Audit Committee meeting held on 1 December 2016.

1977.3 Joint Audit and Resources Committee – 1 December 2016

The Corporation received and noted the minutes of the joint Audit and Resources Committee meeting held on 1 December 2016.

1977.4 Resources Committee – 1 December 2016

The Corporation noted that the minutes of the Resources Committee held on 1 December 2016 will be presented at the next Corporation meeting on 16 March 2017.

1978 Any Other Business

T Woodward asked about the Student Memorial Trust and K Spencer informed Governors that this Trust is external to the College.

T Woodward asked for an update on the toilets and fire exit in UCH and M Stokes confirmed that everything has been resolved.

1979 Dates of Future Meetings

Spring Term	Thursday 16 March 2017	08.30am
Summer Term	Thursday 18 May 2017	08.30am
	Thursday 13 July 2017	08.30am