

HARLOW COLLEGE FURTHER EDUCATION CORPORATION

CORPORATION MEETING

Minutes of the meeting held on Thursday 19 July 2018 - 8.30

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

* denotes present

In attendance: E Boys, Student Governor elect
G Onyesoh, Student Governor elect
M Stokes, Deputy Principal
L Turner, Deputy Principal
W Allanson, Vice-Principal
D Morgan, Executive Director – Financial Services
P Whitehead – Executive Director – Information, Data and Support
D Sheridan, Clerk to the Corporation

2087 Apologies for absence

Apologies were received from S Adamopoulos, J Bedford, J Bouffler, E Johnson, J Turrell and G Wootton.

The Chair of Governors thanked Governors for agreeing to move date of the Corporation meeting.

2088 Declaration of Interests

There were no interests declared beyond those already made known to the Board.

2089 Minutes of the Previous Meeting

The minutes of the meeting held on 17 May 2018 were approved by the Corporation as a true and accurate record and were signed by the Chair.

2090 Matters Arising from the Minutes

The Corporation considered matters arising from the minutes.

2090.1 Minute 2084.3 Resources Committee – VAT Refund

The Principal confirmed that there was no update yet from Essex County Council in respect of the VAT refund.

2091 Membership of Harlow College Further Education Corporation

The Board of Governors received and considered the recommendations of the Search and Governance Committee, noting that this had had to take place via exchange of emails.

The Board agreed to reappoint Paul Bartlett to serve as Governor and Chair of the Audit Committee for a period of four years.

The Board agreed to appoint Lily Lin, Director of the Excellence First Enterprise Consultancy Ltd, as Governor for a period of four years from 1 August 2018.

The Principal confirmed that this left one vacancy on the Board and Governors noted proposals for appointing the remaining Governor.

The Governors thanked Callum Alexander for his dedicated service to the Board as Student Governor, in particular for his help with and participation in the QAA review of higher education in the College. Governors wished him well.

Governors welcomed Emma Boys and Gideon Onyesoh, student governors elect, as observers to the meeting.

2092 Governor Training and Development

Governors reported on recent contacts with the Executive.

Paul Taylor attended the College's 60th anniversary celebrations. He found the event well-organised and well-attended and he passed on the Board's thanks to those staff who organised the dinner. He had met with Senior Postholders and the Clerk for their appraisals and to complete various pieces of paperwork for the College.

Paul Bartlett attended the College's 60th anniversary celebrations.

Liz Laycock had attended the College's 60th anniversary celebrations, the meeting of the Safeguarding Committee and the Students' Awards Evening.

Chris Chatt had attended the College's 60th anniversary celebrations.

Tony Durcan reported on proposals of the District Council to establish a company to build homes which he hopes will work closely with the College.

The Board noted that 12 Governors attended Safeguarding and Prevent training.

2093 Principal's Report

The Board received and considered the presentation of Karen Spencer, Principal, on progress towards achieving key performance indicators of College performance for 2017/18.

Governors discussed outcomes for learners and noted that the area of greatest

concern in last year's Self-Assessment Report, English and maths, remains under intense scrutiny by the Executive and managers. The College believes reasonable progress has been achieved but that attendance of lessons and then of examinations remains a concern.

The Principal reported that income is on track and the College expects to make a surplus again for 2017/18. The College will maintain its 'Good' financial health status and will meet the bank covenants.

The Principal reported on progress in developing the new campus at Stansted Airport which is on target to open in September 2018. Some issues around the delivery and installation of an electricity transformer have caused additional costs of £30,000 which the College will seek to recover. Student recruitment is on track and the 'letter of comfort' had been received from the Education and Skills Funding Agency (circulated at the meeting). This agreed to fund student growth in 2018/19 if a minimum of 113 students above the allocation of 2380 learners were recruited, up to a maximum of 340 additional students. The letter also supports a further increase of learners in 2019/20. A Corporation meeting will be held at the Stansted Airport Campus in the new academic year.

Other accommodation projects are underway with the development of a Hair and Beauty Centre in the town centre, with refurbishment being undertaken by College staff and construction students. This will free space on the campus to develop partnerships with the training department of Princess Alexandra Hospital and Public Health England, who will run a Science Outreach Laboratory on the campus for work with the College and schools.

The Board agreed to maintain the current KPIs for the autumn term of 2018 with a new Strategic Plan to be developed by Governors in January 2019. KPIs will be considered at the Self-Assessment meeting in November 2018 and taken forward in the new Strategic Plan. Governors noted progress in achieving the KPIs and thanked the Principal for her presentation.

2094 Management Accounts for the period 1 August 2017– 31 May 2018

The Board received and considered the report of Deanne Morgan, Executive Director of Financial Services on the Management Accounts for the period up to 31 May 2018.

Deanne Morgan reported that the current year end forecast surplus is £195k, which is slightly below the revised budgeted end of year target of £203k. This is due mainly to further reductions in HE learners and the late allocation of non-levy apprenticeship targets arising from the national procurement process. Non-pay expenditure has been appropriately reduced and a spending freeze is keeping expenditure in line with anticipated income levels.

Staff costs are expected to be within budget. Operating expenses are higher than expected, mainly due exam costs. Governors noted that premises costs are under scrutiny with a view to producing savings longer term with a review of HAMEC costs and usage.

Cash flow remains in a good position but is monitored weekly. The bank covenants continue to be met and the financial health rating remains 'Good'.

The Board noted the Management Accounts to the end of May 2018 and thanked Deanne Morgan for her report.

2095 **Two Year Financial Forecast 2018-20 and the 2018-19 Budget**

The Board received and considered the Financial Forecasts for 2018-20 and the draft budget for 1 August 2018 – 31 July 2019, presented by Mike Stokes, Deputy Principal and Deanne Morgan, Executive Director of Financial Services.

Governors identified that the plan reflects the growth in both the curriculum areas, particularly in engineering and the growth of provision to other sites including the new centre located at Stansted Airport and the town centre retail outlet to enhance the student training provision in hair and beauty, both due to open September 2018. Significant movements in the plan arise from the increase in income and expenditure due to the opening of the centre at Stansted Airport and the anticipated growth in learner numbers. There are also changes in HE income arising from the ending of the franchise arrangement with Anglia Ruskin.

The financial stability of the College is monitored by maintaining "Good" financial health and meeting both bank covenants.

Governors approved the financial objectives contained within the forecasts and the cash flow forecast, whilst noting the challenges the College faces, including pensions contributions that are expected to increase during 2018/19. The Board approved the sensitivity analysis and agreed that financial issues relating to the new campus at Stansted Airport should remain in the analysis as the College must recruit the target learners. Governors noted the Financial Planning Checklist, noting that its contents were used to develop the supporting commentary to the forecasts.

Governors approved the Two Year Financial Forecast for 2018-2020 subject to a text amendment to reflect the fact that the 'letter of comfort' has been received from the ESFA. The Board approved the budget set for 2018/2019. Governors noted that the signature of the Principal is no longer required on the Forecasts but asked Karen Spencer to add her signature to the Forecasts or to send them in with an accompanying letter.

The Board endorsed the recommendation of the Resources Committee to apply for an overdraft facility for the period September 2018 to March 2019 to accommodate lagged funding for Stansted Airport College.

2096 **Quality Improvement Update**

The Board received and considered a report from Louise Turner, Deputy Principal on progress made against key quality improvement targets.

The Deputy Principal reported that targets for attendance and retention had been exceeded. The achievement rate was currently 84% against target of 92% with staff

working hard with students to complete and claim results. Governors noted that achievement rates for students in receipt of free school meals or bursary funding was ahead of the college average but not yet at the target set.

The target for apprenticeships is 78% with a current achievement rate of 68%. Again staff were working with apprentices to complete with claims being processed.

The Board discussed English and maths predicted outcomes of 33% grades 4-9 against targets of 40%. Governors noted the percentage of learners taking the exams in full and discussed with staff how this could be increased and noted that a Head of Academy will take responsibility for English and maths across the College.

The Deputy Principal informed Governors of developments in teaching, learning and assessment that are proving effective and which should deliver further improvements in achievement and value added. Governors asked how will the College identify improvements are being made and were informed that this will be identified in 'Walk Throughs' by staff from the Quality Team. Staff were undergoing a peer improvement process called Power of Three, which enables joint planning to reach improvement goals and allows the testing of new ideas with the support of a trained observer.

The Deputy Principal reported that 78% of students completed work experience, 8% above target. Governors discussed work readiness and expressed gratitude to those companies who have given time and opportunities for young people to experience work. The meeting considered changes to be made to enable students to undertake extended work placements in readiness for T-Levels and Governors noted that this will require significant commitment from employers. The Deputy Principal shared with the Board some of the planning that is underway to facilitate 60-day work placements and the methods by which the College will capture all data relating to learners' qualifications and employability skills. The students present confirmed their work readiness: Callum Alexander had undertaken 2 weeks of work experience; Emma Boys had worked on a live brief set by an employer to make a promotional video; Gideon Onyesoh had undertaken the National Citizenship Service programme.

After discussion of the Improvement Plan 2017/18, Governors thanked the Deputy Principal for her presentation.

2097 Sir Charles Kao UTC

Governors noted that negotiations for the entry of Harlow UTC into Burnt Mill Academy Trust have concluded successfully and they received an update on the reassignment of the lease.

The Board noted correspondence between the Principal and Lord Agnew, Parliamentary Under-Secretary of State for the School System. Governors agreed, however, that the lease could not be assigned to Burnt Mill Academy Trust without sight and consideration of the documentation which had not been returned from the UTC and BMAT solicitors to Eversheds, the solicitors working on behalf of the College.

The Corporation agreed to delegate responsibility for assigning the lease to a Working Group of Governors: Paul Taylor, Ray Levy, Eddie Johnson, Brian Spencer and Karen

Spencer. The Working Group was asked to review, consider, revise if required and approve the lease.

2098 Financial Regulations

The Board received and approved the amendments to the Financial Regulations to be used by the College from 1 August 2018.

2099 Governance Issues

2099.1 Code of Good Governance for English Colleges

The Board noted that this will be reviewed by the Audit Committee and then by the Corporation in October 2018.

2099.2 Standing Orders 2018-19

The Board received and approved the Standing Orders and Committee Terms of Reference for 2018-19. Governors agreed the Terms of Reference of the Audit Committee which made specific reference to allowing a Staff Governor to serve on the Committee.

2100 Reports from Committees

To receive the minutes of the Committees:

2100.1 Stansted Airport Advisory Group – 19 April 2018 and 14 June 2018

The Corporation received and noted the minutes of the Stansted Airport Advisory Group meetings held on 19 April 2018 and 14 June 2018.

2100.2 Audit Committee – 19 June 2018

The Corporation received and noted the minutes of the Audit Committee meeting held on 19 June 2018.

2100.2.1 The Board received and approved the Internal Audit Strategy 2018-19.

2100.2.2 The Board received and noted the Risk Register, which Governors noted was compiled before the 'letter of comfort' from the ESFA was received.

2100.3 Standards and Curriculum Committee – 26 June 2018

The Corporation received and noted the minutes of the Standards and Curriculum Committee meeting held on 26 June 2018.

Liz Laycock thanked Becky Jones, Assistant Principal, for her hard work in achieving the positive outcome of the higher education QAA review.

2100.4 Resources Committee – 28 June 2018

The Board received and noted the minutes of the Resources Committee meeting held on 28 June 2018.

Deanne Morgan, Executive Director of Financial Services, updated Governors on the dissolution of the subsidiary companies. It was noted that HMRC had raised an objection which could be a standard procedure. The companies therefore still exist but remain suspended.

2101 Any Other Business

Governors noted that this was Mike Stokes last meeting of the Corporation as he retires as Deputy Principal and full-time member of staff after 34 years of service to Harlow College, for which the Board expressed its gratitude.

2102 Dates of Future Meetings

Governors received the Calendar of Meetings and events for 2018-19 and requested that the date of the Audit Committee in October be changed.

The next meetings of the Corporation are:

Autumn Term	18 October 2018	8.30 am	Self-Assessment Review
	27 November 2018	8.30 am	
	13 December 2019	8.30 am	
Spring Term	31 January 2019	3.00 pm	Strategic Plan and Dinner
	14 March 2019	8.30 am	
Summer Term	16 May 2019	8.30 am	
	11 July 2019	8.30 am	