

HARLOW COLLEGE FURTHER EDUCATION CORPORATION

CORPORATION MEETING

Minutes of the virtual meeting held on Zoom – Monday 20 March 2023 - 8.30am

Membership:	*Liz Laycock (Chair)	*Alex Hanson	*Brian Spencer
	*Jon Bouffler	*Mike Hardware	*Karen Spencer
	*Rod Bristow	*Stephen Isherwood	*Paul Taylor
	*Hannah Cheesman	*Ray Levy	*Michael Travers
	*Julia Fillyar	*Lily Lin	*Dawn Tuner
	*John Godley	*Rachel Miller	*Ed Whittle

* denotes present

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

1 Apologies for Absence

Apologies for absence were received and accepted from Will Allanson.

2 Declaration of Interests

There were no new additional declarations of interest.

3 Governor Training Session – Curriculum Reform

The Corporation received a presentation on curriculum reform, presented by Becky Jones, Vice-Principal.

The presentation covered what is currently known about the Level 3 curriculum reforms and what the College is doing in response to the proposed reforms.

At the end of the presentation, Karen Spencer reported that she has been in contact with the Director and Deputy Director of the Institute for Apprenticeships and Technical Education and with the Rt. Hon. Robert Halfon and is working with the Association of Colleges to raise concerns about the approach being taken. There is a concern that qualifications are being removed when there is no tried and tested model for the new qualifications and there is a danger that this will leave significant gaps for some people. The DfE's own impact assessment indicates that the changes will affect 355k enrolments. The total number of employers in the UK with more than three employees is 455k and 386k or 80% of them would need to be engaged in technical qualifications and providing industry placements in the Government's proposed model.

Governors thanked Becky Jones for the presentation, noted that there were no answers to any questions they may have and the full detailed of the proposed reforms have not yet been worked out. The Corporation echoed the concerns raised by the

College and recognised the important work being done by the College to raise the issues and concerns.

Karen Spencer reported that this will affect employers and have a huge impact on them and suggested that employers write to the Government and suggest some testing of the model in the first instance.

A Governor reported that his organisation will write to the Government independently and that the reforms will have a big impact on progression to university.

A Governor asked if part of the problem was the message Government is hearing as the argument seems to be “don’t do it yet” and maybe they are focusing on the “yet”. Perhaps this message is not strong enough and maybe the message should be “don’t do it at all”. Karen Spencer reported that this argument was made at the start however both parties appear to be wedded to the technical and academic routes. A Governor suggested that the argument needed to be stronger and based on evidence.

A Governor highlighted that T-Levels are not on employers’ radar therefore any connections that can be made with employers and colleges to help raise awareness and promote T-Levels would be beneficial. The detail is currently not getting through to the employers and action needs to be taken to educate them.

The Corporation noted the presentation on the curriculum reform and that this topic will be revisited at future meetings.

4 Minutes of the Previous Meeting

The minutes of the meeting held on 15 December 2022 were approved by the Corporation as a true and accurate record of the meeting and were signed remotely by the Chair.

5 Matters Arising

5.1 Self-Assessment Report (minute 6.2 refers)

Becky Jones confirmed that the Self-Assessment Report was submitted to Ofsted.

5.2 Financial Statements (minute 7.2.3 refers)

Deanne Morgan confirmed that the Financial Statements were submitted to the ESFA in advance on the 31 December deadline.

5.3 ONS Reclassification (minute 11.3 refers)

Karen Spencer reported that this is covered in the Search and Governance Committee minutes and that at present there is not much to report as the detail is still being worked through.

6 Written Resolution

The Corporation received and noted the written resolution which was dated 2 March 2023 and was signed remotely by the Chair after the meeting.

7 Principal's Update – Annual Accountability Statement

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

Karen Spencer informed Governors that there is a new requirement to produce an Annual Accountability Statement, approved by the Corporation, published on the College's website and submitted to the ESFA by 31 May 2023. The Search and Governance Committee has responsibility for the oversight of the Annual Accountability Statement. Further context on the requirement was provided in the paper.

Karen Spencer reported that Essex's Local Skills Improvement Plan (LSIP) draft priorities are due to be published by 31 March 2023 and these, along with labour market information (LMI) from the UK Innovation Corridor, will be used to inform the Annual Accountability Statement. The Statement is an annual plan on the College's intentions for the year based on what the information is saying. The College is in a strong position with this as it undertakes an annual review of its Strategic Plan with LMI and information from employers used to inform this annual review.

Governors were informed that the Annual Accountability Statement will be a subset of the College's Strategic Plan, Skills Statement, Self-Assessment Report and Key Performance Indicators.

The Corporation was presented with the draft Annual Accountability Statement and noted that it is currently a work in progress and that the LSIP priorities have not yet been included as they have not yet been published.

Governors were informed that a further draft will be presented to the Search and Governance Committee for approval at its meeting on 2 May 2023, with the final version being presented for Corporation approval at its meeting on 18 May 2023.

A Governor reported that the main concern from other colleges is the delay in getting the LSIP priorities and asked if the Annual Accountability Statement can be submitted without the LSIP priorities. Karen Spencer reported it could however draft priorities will be published before the deadline and the Corporation has always looked at the labour market and what it means for the College. This approach is a strength of the College and the College would not expect any surprises from the timing of the publication of LSIP priorities in relation to finalising the Annual Accountability Statement.

The Corporation noted the Principal's Report – Annual Accountability Statement and approved the approach set out above for the approval of the Annual Accountability Statement.

8 Standards and Curriculum Committee Reports

8.1 Minutes of the Standards and Curriculum Committee Meeting – 14 March 2023

The Corporation noted that the minutes of the Standards and Curriculum Committee meeting held on 14 March 2023 will be presented to the Corporation at its meeting on 18 May 2023.

8.1.1 Item 1 – Key Performance Indicators 2022-2023

The Corporation received and considered the Key Performance Indicators (KPIs) 2022-2023, presented by Becky Jones, Vice-Principal.

The Corporation was informed that they had been scrutinised in detail in the individual reports presented at the Standards and Curriculum Committee meeting held on 14 March 2023.

Becky Jones reported that good progress is being made with the KPIs. Governors' attention was brought to those RAG rated red.

Maths and English is still an area of key focus and there was a detailed discussion on this at the Standards and Curriculum Committee meeting. The College is trying different approaches and new ways of ensuring students attend their Maths and English lessons. The Chair of the Standards and Curriculum Committee reported that the Maths and English team are doing a really good job and that the objective is to consistently make progress which the team is doing.

Embedding Maths and English in learning on main programmes is also a key focus. The criteria for how this is judged internally has changed and more is expected from the delivery teams. Training is being undertaken by staff to focus on ensuring this is taught, practiced and applied. It is expected that this will take one to two years to fully embed.

Recruitment of students and higher education income are both currently RAG rated as red.

The Corporation noted the Key Performance Indicators 2022-2023.

8.1.2 Item 2 – Quality Improvement Plan 2022-2023

The Corporation received and considered the Quality Improvement Plan (QIP) 2022-2023, presented by Becky Jones, Vice-Principal.

The Corporation was informed that the QIP was considered in the individual reports presented at the Standards and Curriculum Committee meeting held on 14 March 2023.

Governors noted that 53% of the targets have already been achieved, 41% partly achieved and 6% not yet achieved, with many of those not yet achieved relating to Maths and English. Governors noted that the number of completed targets is higher than at this point in previous years.

Governors noted that key strengths were enrichment, skills and behaviours and the widening of opportunities for work placements.

The Corporation noted the Quality Improvement Plan 2022-2023.

9 Resources Committee Reports

9.1 Minutes of the Resources Committee Meeting – 2 March 2023

The Corporation received and noted the minutes of the Resources Committee meeting held on 2 March 2023.

9.1.1 Item 1 – Management Accounts

The Corporation received and considered the management accounts for the period 1 August 2022 – 31 January 2023, presented by Deanne Morgan, Executive Director – Finance.

Governors were informed that the deficit is higher than in the original plan approved in July 2022 due to the increase in funding challenges, particularly with adult income, lower student numbers at STAC and in-year clawback of T-Level funding.

Governors noted that non-pay costs have increased due to rising inflation. Staff costs are lower than planned due to some posts being kept vacant as the College has not got the student numbers required for some posts and there are still unfilled hard to fill vacancies.

The College is looking at alternative options for generating income from cash reserves and Governors noted that this will be covered in further detail in agenda item 9.1.2.

Governors noted that the College's financial health rating is good, cash levels are good and borrowing is low. The bank covenants continue to be met with the two waivers which are in place.

Karen Spencer reported that statistics presented by the Association of Colleges show that currently 80% of colleges have good financial health however this is predicted to drop to 40% and then to 5% over the next two years. This is based on the current funding models and demonstrates what a difficult environment colleges are operating in.

A Governor asked if this was mainly due to an increase in overheads. Paul Whitehead reported it was a mix of factors including non-pay, pay, income and changes to funding models. Karen Spencer reported that it is not just due to one thing. School pay rises will widen the gap between school and college pay. It is predicted that an additional £400m would be required to give college staff the same pay rises as schools. The additional 40 teaching hours has been costed at 60% of the normal funding rate and colleges are funded significantly less than per hour than schools and universities. There are going to be difficult times for the sector.

The Corporation noted the management accounts for the period 1 August 2022 – 31 January 2023.

9.1.2 Item 2 – Treasury Management Report

The Corporation received and considered the treasury management report, presented by Deanne Morgan, Executive Director – Finance.

Governors were informed that this report was discussed in detail at the Resources Committee meeting held on 2 March 2023.

Governors noted that the College has good levels of cash in the bank, despite the in-year deficit. Discussions were held at the Resources Committee meeting on how to make best use of the cash, either by investing up to £2m in fixed term investments or by paying off one of the loans. Following a detailed discussion at the Resources Committee meeting, the Resources Committee recommended to the Corporation that the College invests up to £2m in £500k tranches with a review at the point of £1m invested, subject to the interest rate being above the interest rate on the current account. This was unanimously approved by the Corporation.

The Corporation reviewed and approved the following annual banking facility with Virgin Money / Clydesdale Bank, as recommended by the Resources Committee:

Facility	Previous Limit	New Limit	Frequency
Overdraft	£0	£0	-
BACS (salaries)	£850,000	£870,000	per month
BACS (non salaries)	£1,100,000	£1,000,000	per week
Business Card (credit card)	£40,000	£40,000	per month
Open Credit (Cash facility with Natwest)	£10,000	£10,000 (until the account is closed)	per week

The Corporation was informed that the banking mandate needs to be updated to approve those who are in charge of the bank accounts. As part of this, four Governors need to be on the bank mandate. The Resources Committee recommended that this should be by the Chair of the Corporation, the two Vice-Chairs of the Corporation and the Chair of the Resources Committee and that the Executive Team should be appointed to operate the banking arrangements on a day-to-day basis. This was unanimously approved by the Corporation.

The Corporation was informed that the College would like to introduce payment cards and would need to open a bank account to facilitate

this. This was recommended by the Resources Committee and unanimously approved the Corporation.

The Corporation was informed that the College's Natwest account was used to allow the College to access cash when required however it has not been used for over seven years. The Resources Committee recommended the closure of the account and this was unanimously approved the Corporation.

The Corporation noted the treasury management report and unanimously approved the following:

- Committing to invest in fixed term investments in rolling tranches, subject to the interest rate being above the interest rate on the current account.
- The annual banking facility with Virgin Money / Clydesdale Bank as detailed above.
- The updated bank mandate with the four governors being the Chair of the Corporation, the two Vice-Chairs of the Corporation and the Chair of the Resources Committee and the Executive Team appointed to operate the banking arrangements on a day to day basis.
- The opening of a new bank account to facilitate payment cards.
- The closing of the Natwest bank account.

9.1.3 Item 3 – Future Funding

The Corporation received and considered the management accounts for the report on future funding, presented by Paul Whitehead, Vice-Principal.

The Corporation was informed that the report had been discussed in detail at the Resources Committee meeting held on 2 March 2023.

Governors were informed that there has been a 2.2% increase in the 16-18 funding base rate. This is not a significant increase as there is still a requirement to deliver an additional 40 hours per student and there is growing T-Level provision.

Governors noted that student numbers have declined slightly however the 16-18 funding allocation for 2023-2024 is as expected.

Governors were informed that the College is waiting for the remaining allocation statements and all the allocation statements will form the basis for financial planning for 2023-2024.

The Corporation noted the report on future funding.

10 Audit Committee Reports

10.1 Minutes of the Audit Committee Meeting – 7 March 2023

The Corporation received and noted the minutes and the confidential minutes of the Audit Committee meeting held on 7 March 2023.

10.1.1 Item 1 – Appointment of Internal Auditors

The Corporation received and approved the Audit Committee's recommendation to appoint Scrutton Bland as the College's internal auditors for 2023-2024.

11 Search and Governance Report

11.1 Minutes of the Search and Governance Committee Meeting – 09 March 2023

The Corporation received and noted the minutes of the Search and Governance Committee meeting held on 9 March 2023.

The Corporation welcomed Mike Hardware to his first Corporation meeting as a Governor and he introduced himself.

11.1.1 Item 1 – Annual Report of the FE Commissioner 2021-2022

The Corporation received and considered the annual report of the FE Commissioner 2021-2022, presented by Ruth Lucas, Head of Governance.

The report was taken as read and Governors were given the opportunity to ask questions.

Karen Spencer reported that the FE Commissioner is highlighting that Governors should not serve more than two terms of office and that the majority of Governors should not have been a Governor for more than ten years. A Governor commented that the balance and ratio on the Corporation is important.

The Corporation noted the annual report of the FE Commissioner 2021-2022.

11.2 FE and 6th Form College Corporations: Governance Guide

The Corporation received and considered the FE and 6th Form College Corporations: Governance Guide, presented by Ruth Lucas, Head of Governance.

Governors were informed that the Guide had recently been presented to the Corporation however the latest version includes an updated section on Executive Pau to reflect the new senior pay controls as part of the ONS reclassification and there is a new section on SEND and Disabilities in the

Compliance section of the Guide. Governors were informed that Corporations are required to have a SEND lead governor and Ruth Lucas informed Governors that the Corporation already has a SEND lead governor.

The Corporation noted the FE and 6th Form College Corporations: Governance Guide.

11.3 Register of Membership of Harlow College Further Education Corporation

The Corporation received and considered the Register of Membership of Harlow College Further Education Corporation, presented by Ruth Lucas, Head of Governance.

Governors noted the current terms of membership for Governors and lead governor role appointments.

Governors were informed that there is a need to appoint a lead governor for Health and Safety and Sustainability. Ruth Lucas reported that this Governor would be appointed to the Health, Safety and Environment Committee which meets once a term. Meetings usually take place at 3.30pm, last for 1.5 hours and can be attended virtually. Governors were asked to submit self-nominations for this role to Ruth Lucas so that an appointment can be made at the Corporation meeting being held on 18 May 2023.

The Corporation noted the Register of Membership of Harlow College Further Education Corporation.

12 Stansted Airport Advisory Group Meeting – 9 February 2023

The Corporation received and noted the minutes of the Stansted Airport Advisory Group meeting held on 9 February 2023.

13 Health and Safety Committee Meeting – 22 February 2023

The Corporation received and noted the minutes of the Health and Safety Committee meeting held on 22 February 2023.

Karen Spencer reported that the College is undertaking good work at rolling out the Carbon Literacy Trust programme and training. The College has appointed Carbon Literacy champions who are rolling out the training to students and staff and are looking at how it can be rolled out to employers the College is working with.

14 Equality and Diversity Committee Meeting – 8 March 2022

The Corporation received and noted the minutes of the Equality and Diversity Committee meeting held on 1 March 2023.

A Governor reported that there is some cross-over between the issues being discussed at the Safeguarding Committee and at the Equality and Diversity Committee and there is a need to ensure the Committees are not doing the same work. Karen Spencer reported that the same staff are leading the Committees therefore they will ensure that the same issues are not being discussed. The Committees will look at the issues from different perspectives. The Safeguarding Committee is largely student-

focused, outside of statutory staff checks, whereas the Equality and Diversity Committee is staff-focused also.

15 Safeguarding Committee Meeting – 6 March 2023

The Corporation received and noted the minutes of the Safeguarding Committee meeting held on 6 March 2023.

Liz Laycock reported that mental health is an issue for a high number of students.

16 DfE and ESFA Correspondence

16.1 Annual Strategic Conversation summary letter from the ESFA to Harlow College, dated 6 February 2023

The Corporation received the Annual Strategic Conversation summary letter, presented by Karen Spencer, Principal.

Karen Spencer reported that the Annual Strategic Conversation is an annual meeting with the College's ESFA Partnership Managers, the FE Commissioner's Office, Governors and senior leaders.

Karen Spencer thanked Liz Laycock and Paul Taylor for attending the meeting.

The Corporation noted the Annual Strategic Conversation summary letter.

16.2 Harlow College letter to the Rt Hon. Robert Halfon, Minister for Skills, Apprenticeships and Higher Education, dated 8 February 2023, regarding curriculum reform

The Corporation received the Harlow College letter to the Rt Hon. Robert Halfon, Minister for Skills, Apprenticeships and Higher Education regarding curriculum reform, presented by Karen Spencer, Principal.

Karen Spencer reported that over 100 college principals had written to their local MPs regarding the impact curriculum reform would have on colleges and the sector.

A Governor highlighted that they found this letter very useful.

The Corporation noted the Harlow College letter to the Rt Hon. Robert Halfon, Minister for Skills, Apprenticeships and Higher Education regarding curriculum reform.

16.3 Baroness Barran, Minister for the School System and Student Finance letter to the Rt Hon. Robert Halfon, Minister for Skills, Apprenticeships and Higher Education, dated 27 February 2023, regarding curriculum reform

The Corporation received the Baroness Barran, Minister for the School System and Student Finance letter to the Rt Hon. Robert Halfon, Minister for

Skills, Apprenticeships and Higher Education regarding curriculum reform, presented by Karen Spencer, Principal.

Karen Spencer informed Governors that Robert Halfon was not allowed to reply to her letter therefore a reply had come from Baroness Barran. The letter, however, was the same letter that was sent to all principals by Robert Halfon. The letter was not allowed to be signed off by DfE ministers, it was signed off by Prime Minister's Office.

The letters being sent in by college principals do not appear to be having a huge impact at present however last week it was announced that some T-Level rollout is being paused as the qualifications are not yet appropriately developed.

The Corporation noted the Baroness Barran, Minister for the School System and Student Finance letter to the Rt Hon. Robert Halfon, Minister for Skills, Apprenticeships and Higher Education regarding curriculum reform.

16.4 DfE letter to stakeholders, dated 7 March 2023, regarding the lifelong loan entitlement – government consultation response

The Corporation received the DfE letter to stakeholders regarding the lifelong loan entitlement, presented by Karen Spencer, Principal.

Karen Spencer reported that the lifelong loan entitlement is aimed to match some of what higher education has and is only for Levels 4 and 5. It was noted that Levels 4 and 5 cannot be freed up if Levels 2 and 3 are not being freed up.

The Corporation noted the DfE letter to stakeholders regarding the lifelong loan entitlement.

17 Governor Visits

Ruth Lucas provided the Corporation with an overview of the Governor visit scheme and how it is progressing. Six visits have taken place to date, with a further four scheduled. Two visits are still to be arranged.

Mike Hardware reported on his visit to the Construction and Building Services Academy, which was quite an experience. He met with students and saw the work they were doing. He visited the new electric vehicle testing centre. Karen Spencer thanked Essex County Council for helping to fund the centre and thanked everyone involved in the opening event held on 10 March 2023.

Lily Lin reported on her visit to the Health, Science, Business and IT Academy. She reported that the visit was very enjoyable and she met with staff and students. It was really impressive looking at the way the students are working academically and with work placements. There are lots of challenges faced by the team but also lots of successes.

Dawn Turner reported on her visit to the Quality and Digital Teams and reported that it was a brilliant experience. She learnt about internal quality assurance and

walkthroughs and the i-pad rollout, together with ongoing support and training. She was impressed with the digital learning taking place and the engagement with it.

Ed Whittle reported on his visit to the Creative Arts Academy. He met with staff and students and the main takeaway was the quality of the facilities that the College has. He also reported that it was reassuring to see the predicted achievement rates.

Ray Levy reported on his visit to the Engineering and Services Industries Academy. He reported on the enthusiasm of the managers and how they have plans in place to improve the quality of learning and outcomes for learners. He reported that their biggest challenge is mental health.

Rod Bristow reported that after the Standards and Curriculum Committee meeting he met with eight senior managers to gain a deeper understanding of what is happening in their areas. He was incredibly impressed and learnt a lot. He reported that consistency, coherence, commitment and experience was evident and impressive.

The Chair of Governors highlighted that the visits put life into the reports Governors receive and adds to the Governor experience. She thanked Governors for giving up their time and asked for the positive feedback to be sent back to the areas visited.

18 Any Other Business

There were no items of any other business.

19 Dates of Future Meetings

Summer Term 2023	Thursday 18 May 2023	9.30am
	Thursday 06 July 2023	9.30am