

# HARLOW COLLEGE FURTHER EDUCATION CORPORATION

## CORPORATION MEETING

### Minutes of the virtual meeting held on Zoom – Thursday 21 May 2020 - 9.30am

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

\* denotes present

In attendance: W Allanson, Deputy Principal  
P Whitehead, Vice-Principal  
B Jones, Vice-Principal  
D Morgan, Executive Director – Finance and Facilities  
R Lucas, Head of Governance

#### **2223 Apologies for absence**

Apologies for absence were received and accepted from P Bartlett and J Breen, both due to work commitments and from A Durcan, who did not provide a reason.

P Taylor, on behalf of the Corporation, thanked the College staff and students for their response to the current COVID-19 situation and for ensuring the continued successful operation of the College and teaching, learning and assessment in such difficult circumstances.

#### **2224 Declaration of Interests**

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

#### **2225 Minutes of the Previous Meeting**

The minutes of the meeting held on 27 February 2020 were approved by the Corporation as a true and accurate record of the meeting and were signed remotely by the Chair.

#### **2226 Matters Arising from the Minutes**

##### **2226.1 ARU - UCH Deed of Transfer (minute 2212.1 – Management Accounts refers)**

W Allanson provided the Corporation with an update on the ARU-UCH deed of transfer and informed Governors that the proposed transfer is scheduled to go to ARU's Finance Board on 16 June 2020 and then to the Full Board for ratification on 7 July 2020.

W Allanson informed Governors that potentially contentious points have been dealt with by the College's solicitors however there are two outstanding issues which are currently being worked on. The Corporation was informed that the risk to the College in terms of funding clawback and liability still remains very low. ARU are however adopting a cautious approach.

P Taylor asked what the end date of the liability would be and K Spencer reported that this is unclear as all the original paperwork and targets refer to a five year period which has now elapsed and all targets have been met and all liabilities have expired. K Spencer informed Governors that the challenge exists due to the organisations that funded the building no longer exist. W Allanson confirmed that the building will continue being used for higher education provision in line with the original funding agreement.

The Corporation agreed that W Allanson should continue to deal with the solicitors to ensure that the transfer takes place this academic year and the asset value realised in the College's accounts in this financial year.

#### **2226.2 Principal's Report and the Key Performance Indicators (minute 2214.1 refers)**

R Levy asked how often staff satisfaction surveys are undertaken and whether any are planned to take place to survey staff on the current situation due to COVID-19. K Spencer reported that staff satisfaction surveys take place every two years, with the next one planned for next academic year. A survey is currently being developed to send to all staff about returning to work in the current situation. A full de-brief on this will take place once staff are back on site.

#### **2227 Membership of Harlow College Further Education Corporation**

Liz Laycock withdrew from the meeting for this agenda item.

The Search Committee recommended the reappointment of Liz Laycock as a Governor of Harlow College Further Education for a period of four years, commencing on 19 May 2020.

The Corporation unanimously approved the Search Committee's recommendation to reappoint Liz Laycock as detailed above.

#### **2228 Management Accounts for the period 1 August 2019 – 31 March 2020 and Financial Planning 2020 – 2021**

##### **2228.1 To receive the management accounts for the period up to 31 March 2020**

The Corporation received and considered the management accounts for the period 1 August 2019 – 31 March 2020, presented by D Morgan, Executive Director – Finance and Facilities. The management accounts up to 30 April 2020, which were finalised the day prior to the meeting, were

circulated to Governors in advance of the meeting as management thought it important for Governors to have the most accurate, up-to-date financial information.

The Corporation was informed that the March management accounts took into consideration potential loss of income and reduction in expenditure due to the COVID-19 situation. Governors were informed that operating savings in some areas are offset by increased costs in other areas, such as IT and costs associated with reopening the campus. Governors were also informed that the accounts include the transfer of the UCH building to the College from ARU.

Governors noted that salary costs are in line with the budget and expenditure on non-pay costs has been reviewed. The College is continuing to pay its suppliers who have not furloughed their staff. The College will still incur some exams costs related to assessment and registration however some awarding organisations have committed to pass on any savings back to colleges and the Association of Colleges is trying to obtain a national picture for each awarding organisation. The College has incurred costs for teacher assessment and moderation and there are still some processes to be concluded with this.

Governors' attention was brought to the salary costs graph and the budgeted increase in July 2020 due to the accrual of year-end costs such as carried forward annual leave. The current forecast however does not show this increase as all staff are required to take all their annual leave during this academic year, with carry forward only being allowed in exceptional circumstances and approved by the Principalship. K Spencer informed Governors that the Government has announced that employees are entitled to carry forward the statutory minimum annual leave. However all College staff receive above the statutory minimum and have taken at least the statutory minimum annual leave in the year to date therefore the College is unaffected by this announcement. The Corporation were reminded that it has a duty to protect the organisation and the needs of the students and by not allowing carry forward of annual leave, it leaves the College in a stronger position with more control on its finances. P Taylor highlighted that he had been part of these discussions as well as the decision to have the economic shutdown over Easter.

D Morgan highlighted the balance sheet, including the bank loans being recorded as a short term liability as they are due for renewal in May 2021, and capital expenditure which has been diverted from the Advice Centre to the T-Levels capital project and includes the value of the transfer of UCH building from ARU to the College.

Cash flow continues to be closely monitored and there was some concern that the bank covenants would not be met in April. The College requested a capital repayment holiday on all its loans, except one, to preserve cash. Governors were informed that interest still accrues and is payable during the repayment holiday period.

P Taylor asked if the College was intending to release the cash saved and spend it or use it as a safety net. D Morgan replied that as of the end of March, the College was unsure of its funding lines and therefore believed a repayment holiday was in the best interests of the College's finances. P Whitehead confirmed that the initial concern was for this year and the longer term impact into next year however as funding has become more secure, the repayment holiday is being used as a safety net this year which will pay off next year.

Governors noted that the financial health rating remains good and the accounts forecast that the bank covenants will be met at the end of July.

P Whitehead updated the Corporation on the main changes between the March and the April management accounts. Governors were informed that apprenticeship income is now more secure and this has had a positive impact on the year-end forecasts. The College was successful in applying to the ESFA's Provider Relief Scheme for additional apprenticeship funding. There was uncertainty around apprentices losing their jobs however it is now more likely that apprentices will retain their jobs as the Government's Job Retention Scheme has been extended. P Whitehead confirmed that additional costs have been added into exams and assessments which are costs that will be incurred this academic year. Furthermore additional costs for IT systems and infrastructure are being incurred,

D Morgan informed Governors that discussions have been held with the bank and that the April bank covenants have been met.

D Morgan provided the Corporation with an overview of the audit planning meeting held with RSM UK, the College's external auditors, in which the following pertinent issues were raised and discussed:

- Going concern – the College needs to demonstrate that it will be solvent for the next 18 – 24 months. A discussion was held around cashflow, meeting the bank covenants and meeting financial targets.

The College engaged with the bank early which is positive. The short term liability of the May 2021 loan could impact on the College's going concern status and additional disclosure would be required.

The College has an agreement in principle from the bank to extend the loan beyond May 2021 resulting in it no longer being classed as a short term liability.

RSM have agreed in principle to this approach however there will need to be a formal agreement in place between the College and the bank prior to the external audit taking place.

P Taylor highlighted that the College would not be looking to pay off the loan in May 2021 therefore agreeing to a new product with the

bank before then will just bring forward the same decision that would have been taken in May 2021.

The Corporation agreed to approve a new banking product by written resolution if required due to the timings of the Corporation meetings.

- Property Strategy – what the College’s priorities are and the elements which have been included in the cashflow forecasts.
- Risk – the College needs to share how it is managing risk as part of the audit planning process.
- The transfer of the ARU UCH building to the College and how to value it.
- New disclosures required by the Office for Students, many of which are covered by the current audit process however some of these disclosure might look different.
- Costs associated with COVID-19 and to report these on a different line.

R Bristow highlighted that the drop in income is offset against a fall in costs however the full year basis in July is roughly in line with what was originally forecast. The capital expenditure was highlighted and the summary of associated items. The overall financial effect is therefore lower income and lower costs. D Morgan confirmed that this is the case and that cashflow is monitored constantly and redirected where necessary.

R Bristow asked what the situation is looking to the future and if scenario planning is taking place. K Spencer reported planning is taking place however future funding is more uncertain. P Whitehead confirmed that the College is looking at ways to reduce costs and to balance out the loss of income this year however next year has more uncertainties.

The Corporation noted the management accounts for the period 1 August 2019 – 31 March 2020.

## **2228.2 Financial Planning 2020 – 2021**

The Corporation received and considered the report on Financial Planning 2020 – 2021, presented by P Whitehead, Vice-Principal.

P Whitehead informed Governors that there has been an 11% uplift on the individual 16 - 18 funding rate and the College’s overall allocation has increase by 13%. The ESFA is looking to keep funding as stable as possible during the current climate.

A business case has been submitted to the ESFA for the third year at Stansted Airport College, based on more learners looking to remain in

education and training at the College due to the current challenges in the aviation industry. Additional courses, such as HNs in International Travel and Tourism, will be offered at the College to provide these learners with a progression route.

P Whitehead informed Governors that if the number of learners increases, the College could approach the ESFA for additional in-year funding. Demographics indicate there will be an increase in 16 year olds and the College could retain more students due to the current employment market. The College sees the biggest risk is recruiting additional learners and not being able to secure funding for them from the ESFA. K Spencer however reported that there is a risk that students will remain at school sixth forms rather than enrolling at the College therefore student numbers for September 2020 are the most uncertain they have ever been. The College's usual conversion rate of offers to enrolment is 80% however it could be lower next academic year. The College is currently working through the applications for September 2020 and engaging with the students.

R Bristow asked if there was a strategy for finding opportunities for growth in learner numbers and funding. K Spencer reported that there is a cap on higher education learner numbers however this may not be applied. The College is exploring possibilities to bridge the gap between levels however the College would not get the funding for this in-year. The College is working through this year and looking to maximise funding opportunities across all funding lines. A strategy for next academic year will be developed in due course. The College's strategy is a best estimate based on different scenarios. Courses that the College could offer adults at Levels 3 – 5 would be a positive. There is no certainty with levy paying employers at the current time. Further blended learning approaches are being explored and the College is looking to offer HNs with online delivery.

R Bristow highlighted the move from other countries to delivering higher education online and asked if the College was considering different ways of delivering higher education. K Spencer reported that students appear to be saying that they are not satisfied with their university experience being 100% online and having to pay the same tuition fees. K Spencer also reported that the lower the level being studied, the greater the need to have face-to-face tuition whereas the higher levels could have more online delivery. Delivery staff are currently modelling a 50 / 50 timetable based on building and staff capacity. The College needs to address social distancing requirements and assess what is best for the students and what the capacity restrictions are. Online delivery has worked effectively however 100% online delivery should not be the model going forward. The College does however recognise that it could be more flexible in the way it works going forward. The delivery model will be different for every course based on course content and student cohort. Upon re-opening staff will be put into two teams – one working online with students and one working on site with students.

R Bristow asked for a further update on delivery models at the next Corporation meeting.

P Taylor asked how future delivery models would work for those students who do not have the right learning environment at home. K Spencer reported that human interaction cannot be removed from learning however this could be more online than face-to-face if required.

P Whitehead updated the Corporation on the other funding streams.

Governors noted that apprenticeship recruitment relies on the employment market and it is difficult to predict this at the present time.

The College's adult education budget has been reduced due to under-delivery at the time the allocation for next year was calculated. The College has submitted a business case as year-end delivery was forecast to be above the allocation for this year.

There was been an increase in the advanced learner loans allocation.

The College is anticipating growth in the loan funding of Higher National Certificates and Diplomas as new pathways in International Travel and Tourism and Healthcare practice are being opened up. There is the possibility that higher education numbers could grow if students wanted to stay local and access higher education provision.

The high needs funding allocation is being worked through and there may be an increase in numbers next year.

P Whitehead informed the Corporation that financial planning is being undertaken and a reduced IFMC will need to be submitted to the ESFA by 31 July 2020.

The Corporation noted the report on Financial Planning 2020 = 2021.

## **2229 Principal's COVID-19 Report and Risk Register**

The Corporation received and considered the Principal's COVID-19 Report and Risk Register, presented by K Spencer, Principal.

K Spencer highlighted that most of the report had already been covered in previous agenda items.

Governors' attention was brought to Section G which details work that the College is doing in the community. K Spencer explained in detail the work the College is undertaking and explained that funds are being raised for these activities therefore College resources were not being used to support this work. The Corporation approved the work the College is undertaking. The Corporation thanked all the staff involved in the community initiatives and agreed that P Taylor would write to thank them.

The Corporation considered the COVID-19 risk register in detail which provided Governors with an overview of the current situation and what the College is doing.

Government guidance recommends Corporations consider establishing a Coronavirus Governance and Leadership Group which meets regularly with an oversight on actions colleges are taking in light of the pandemic. The Corporation agreed to establish such a group consisting of the Chair of the Corporation, the two Vice-Chairs of the Corporation, the Principal, the Head of Governance and any other senior members of staff as appropriate. This group will meet virtually on a weekly basis and will track actions undertaken by management on behalf of the Corporation.

The Government has announced FE colleges can re-open from 1 June, for a specific set of students, provided that certain Government tests are met. The College's current intentions are as follows:

- The majority of the first years have completed their learning and therefore they will not be expected to return to College this term as the term would have ended on 12 June. Online delivery will continue until this date and learners will complete the year as per the awarding organisations' requirements.
- For some courses the guidance is not clear. Assessment is classed as delayed and the list of qualifications which fall into this category is changing constantly. Small groups of staff will be allowed onto campus from 8 June to prepare for students returning the following week. Students will be in small groups and will be socially distanced. Some curriculum areas, such as construction and engineering, are well set up for social distancing.
- A questionnaire will be sent to all staff to determine their individual personal circumstances and any barriers they may face to returning to work.

S Adamopoulos asked if the College has a temporary COVID-19 Policy which would cover staff, students and parents. K Spencer confirmed that these documents are currently being produced and will be in place for staff and students' return to campus. The Local Authority has produced a suite of documents which can be accessed by the College. The challenge in producing any such documents is that the guidance is constantly changing.

P Taylor asked if spaces can be prepared in advance of staff return to campus. K Spencer reported that managers are undertaking risk assessments, ensuring a safe environment for everyone on site and that a gradual and cautious approach is being taken. The Corporation agreed that a re-opening in some form following a policy-based, safe mechanism would be required.

L Sherry asked who would be responsible for social distancing. K Spencer reported that national guidance has been produced and staff and students all need to be aware of this. Entrances and exits need to be marked out however the guidance states that corridors do not need to be marked. There are specific social distancing challenges with classrooms and toilets.

L Layock asked if the College's approach would be trialled. K Spencer reported that students will work in dedicated contained areas and for example automotive will bring groups of four students in at a time for face-to-face learning with one member of staff.



J Bedford asked if the College had any indication of students' desire to return back to site. K Spencer reported that once the confirmed list of qualifications with delayed assessments was published, the College will contact the students and ask their opinion. Until this information is received, the College is working on estimated student numbers returning to site. The College is hopeful that students will want to return to complete their qualifications in order to gain employment.

The Corporation agreed that a potential increase in the number of grievances should be added to the COVID-19 risk register, as requested by the Executive Director of HR Services.

The Corporation noted the Principal's COVID-19 and approved the following:

- The community work which the College is undertaking.
- The establishment of a Coronavirus Governance and Leadership Group, comprising of the Chair of the Corporation, the Vice-Chairs of the Corporation, the Principal, the Head of Governance and any other senior member of staff as appropriate.
- The COVID-19 risk register with a knowledge that this is a working document which will be constantly evolving and overseen by the Coronavirus Governance and Leadership Group.
- A safe and sustained reopening of the campus from 1 June, with a low number of delivery staff returning from the 8 June and only students with delayed assessments from 15 June.

## **2230 Grading, Assessment, Quality and Curriculum Update**

The Corporation received and considered the Grading, Assessment, Quality and Curriculum Update, presented by B Jones, Vice-Principal.

B Jones reported that the College's well-established Digital Strategy ensured that the College was well-placed and facilitated the smooth transition to online learning for staff and students. Staff are embracing the technology and are being supported by the Digital Team and IT.

All students have been able to work off site and those without WiFi have been supported by the College. There has been a high level of student engagement and regular contact is being made with those students not engaging.

MS Teams is now being used for online learning and is proving successful. Prior to it being rolled out to students, rigorous testing was undertaken to ensure it was safe, particularly from a safeguarding perspective.

Governors were informed that formal delivery of English and maths GCSE and second year A-Levels have finished for the academic year. First year A-Level and all other delivery is continuing to be delivered online until 12 June 2020, which is when delivery was scheduled to finish for the year.

B Jones provided Governors with an update on assessment processes.

The majority of Level 3 students studying vocational or technical qualifications will receive a teacher assessed grade. First year A-Level students will not require a grade and will continue with their learning as usual. Teaching and learning is continuing for those studying Higher National qualifications and are not in scope of a teacher assessed grade. There is a mixed approach for Level 4 diplomas. The College is trying to complete online assessments as usual however there is the possibility for teacher assessments.

The Exams Team, Quality Team and Vice-Principals are meeting daily to discuss grading and assessment and communicating information out to relevant staff.

For exam based assessments, an assessed grade is being awarded and ranking within a grade boundary needs to be undertaken. A range of data is being used to calculate the grade, including a student's starting point and progress. Final approval and sign off of the grades needs to be undertaken by the Principal and the grades have gone back to the staff for ranking. K Spencer reported that the November GCSE resits have helped to facilitate the ranking process as the College has granularity of data. The College has completed this process a week ahead of schedule and Governors noted that the same approach is being taken for English and maths.

The College is still awaiting some further clarity from some awarding organisations around assessment and grading and more information is expected in early June on how to send / upload the information to the awarding organisations.

The College is still awaiting confirmation of the vocational and technical qualifications which are in the delay or adjust categories.

The College is working through the information it has received to date and has been asked to submit internal assessment to date for the first part of the year in line with normal processes. The deadline set for teacher assessed grades is 5 June 2020 and for ranking is 12 June 2020.

The College is uncertain how students who were planning to move onto higher education will behave due to the current situation and it is possible that they could opt to attend universities closer to home through the clearing process. With this in mind, the College has brought forward the introduction of a Higher National in International Travel and Tourism from September 2020 and there are currently 23 students at Stansted Airport College who have expressed an interest in this pathway. A Healthcare Practise HNC and HND has been fast tracked through the approval process and it is envisaged that there could be a number of students interested in this pathway.

The College is working with Pearson to launch a new UK Learns platform which will deliver an online Business HNC and HND from September as well as a range of BTEC Explorer courses online at Entry Level and Level 1.

L Laycock asked about T-Levels and whether the Government is still planning to introduce them from September 2020. B Jones confirmed that this is the case however there is a concern across the sector about how T-Levels will work given the current situation. The College will start to deliver T-Levels in September 2021 therefore has

another year of planning before they are introduced. K Spencer reported that Wave 1 colleges starting delivery in September 2020 have reported a drop-off in interest and have concerns over the capacity to deliver, particularly in relation to the work placement element which is an integral part of the qualification.

The Corporation thanked all staff and students for the great work that has been undertaken and continues to be undertaken and acknowledged the fantastic job everyone was doing during these unprecedented times.

The Corporation noted the Grading, Assessment, Quality and Curriculum Update.

## **2231 Policies for Approval**

The Corporation received and considered the following policies:

- Harlow College Safeguarding and Prevent Policy
- Harlow College Equality and Diversity Policy
- Fees Policy 2020 – 2021

K Spencer provided an update on the three policies and highlighted the proposed changes.

The Corporation approved the Harlow College Safeguarding and Prevent Policy, the Harlow College Equality and Diversity Policy and the Fees Policy 2020 – 2021 with an amendment to the Fees Policy 2019 – 2020 to cover the current COVID-19 situation.

## **2232 Safeguarding and Prevent Training for Governors**

The Corporation received an update on Safeguarding and Prevent training for Governors, presented by R Lucas, Head of Governance.

The Corporation were reminded that Governors undertake annual safeguarding and prevent training which is usually delivered face-to-face at the May Corporation meeting annually. Due to the current COVID-19 situation, this training will be undertaken online this year, with Governors required to complete two Education and Training Foundation online learning modules.

The Corporation approved this approach and R Lucas will circulate the details to Governors.

## **2233 FE Commissioner Letter**

The Corporation received and considered the latest FE Commissioner's letter, presented by R Lucas, Head of Governance.

R Lucas highlighted that the letter focuses on the current COVID-19 situation and the need to retain good governance throughout this period.

The Corporation noted the contents of the FE Commissioner's Letter.

## **2234 Reports from Committees**

**2234.1 Audit Committee – 3 March 2020**

The Corporation received and approved the minutes of the Audit Committee meeting held on 3 March 2020.

**2234.2 Search Committee – 7 May 2020**

The Corporation received and approved the minutes of the Search Committee meeting held on 7 May 2020.

**2234.3 Standards and Curriculum Committee – 18 March 2020  
Resources Committee – 7 May 2020  
Stansted Airport College Advisory Group – 14 May 2020**

The Corporation noted that the Standards and Curriculum Committee meeting scheduled for 18 March 2020, the Resources Committee meeting scheduled for 7 May 2020 and the Stansted Airport College Advisory Group meeting scheduled for 14 May 2020 did not take place due to the COVID-19 situation. The work of the Committees have been incorporated into this Corporation meeting.

**2235 Any Other Business**

There were no items of any other business.

**2236 Dates of Future Meetings**

Summer Term 2020	Thursday 09 July 2020	9.30am
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