



1525 Preliminary Procedural Matters

1525.1 Attendance & Apologies

Present: Ken Ayling
Mike Dempsey
Warren Gordon *(From Item 1.4)*
Jo Howell
Ricky Irons
Tony Medhurst
Ian Richardson
John Sills *(From Item 2.1)*
Charlotte Simmonds
Jan Wing (Chair)
Emma Woolley

In Attendance: Jayne Chaplin (Clerk to the Corporation)
Andrew Clare
Wayne Wright

Apologies: Stephen Alexander
Mike Carver
Mark Eastwood
Sam Pettican
Rina Singh
Nicky Stone

In the absence of the Corporation Chair, the meeting was chaired by the Vice Chair of the Corporation.

1525.2 Declaration of Interests and Confidential Items

Declarations of Interest were received from:

- Ken Ayling in his capacity as a Hertford Councillor (Part 2 Agenda)
- Warren Gordon in his capacity as a Director of HRC Cubed.
- Jo Howell in her capacity as an employee of Volkervessells (Part 2 Agenda)
- Tony Medhurst in his capacity as a Director of HRG Ltd and CK Assessment & Training Ltd (Part 2 Agenda)

Based on the commercially sensitive nature of the matters for discussion, it was **RESOLVED** for those Items forming Part 2 of the Agenda to be taken as confidential Items of business; along with Items 2.1 and 2.2 (Section 3) from the Part 1 Agenda.

1525.3 Membership Appointments

Following staff and student elections, it was **RESOLVED** to:

- **ENDORSE** the **APPOINTMENT** of Emma Woolley as Staff Governor for a term of office of four years.
- **ENDORSE** the **APPOINTMENT** of Sam Pettican as Student Governor for a term of office of one year.

Welcome was extended to the new members attending their first meeting.

1525.4 Minutes of the last Meeting

The Minutes of the Meeting held on 14 December 2017 were agreed as a correct record and for the signature of the Chair to be applied.

1525.5 Matters Arising

The update accompanying the minutes was reviewed noting in particular:

- **Discussion with representatives from University of Hertfordshire (Minute 1520.5)**
Members were advised that the College was awaiting receipt of a revised funding proposal.
- **2016/17: Learner Outcomes (Minute 1520.5)**
Further to report at the previous meeting, members were advised that whilst there had been no formal recognition of any issues raised during 2016/17, initial discussions between OFQUAL and BTEC were taking place regarding a more flexible approach in 2017/18 approach to the Unit concerned.

Warren Gordon joined the meeting

1526 Chairman's Report

An oral report was received from the Chair of the Corporation advising members:

- Of participation in the meeting with the Ofsted Inspector along with the Chair of the Corporation Mike Carver and governors Jo Howell and Mark Eastwood.

The report was noted.

1527 CONFIDENTIAL MINUTE

John Sills joined the meeting

1528 Principal's Report

After noting those items discussed elsewhere on the agenda (Minute 1527 refers), the Principal's Report was received providing an overview of the latest national, regional and College activities and developments.

The report was summarised and discussion included in respect of:

1528.1 Local matters, confirmation was welcomed of the submission of the bid for the Hertfordshire Institute of Technology

1528.2 Wider Partnership activity:

- The continued partnership and developments with Tottenham Hotspur FC welcoming and commending the finalisation of some exciting work experience opportunities for College students at their training ground.
- The College annual staff conference, commending the staff charity challenge and the winning team promoting Muscular Dystrophy.
- **CONFIDENTIAL MINUTE**

Following consideration, the report was noted.

1529 Reports on and recommendations from Committee Meetings

Reports on and recommendations from the recent Committee meetings were received from:

1529.1 Resources Committee held on 16 March 2018

An overview was received of the business considered and those items requiring formal review or action then were presented:

1529.1a Management Accounts (Jan 2018)

The Management Accounts for the operating position at the end of January 2018 were received along with an oral update on the report outlining the operating position to the end of February 2018, made available to members following publication of the Board papers.

After reporting a surplus of £61k against a profiled surplus of £600k, members were advised of an outturn position forecast to be lower than expected due to the apprenticeships income being lower and costs for additional high needs students where additional numbers should be funded by the local authority.

Reviewing the position in further detail discussion included:

- The Group position in general and the College outturn forecast in particular noting the lower than expected position reported. Whilst acknowledging the challenging nature of the environment within which the College was operating, emphasis was placed both on the need both for all parties to contribute to the Group financial position and to avoid breach of Bank Covenants. There was question of Management of the action taken and planned to ensure that the operating surplus would be brought back in-line with the budget for the year.
- The impact of the position concerning the higher level of students in Learner Support, expressing concern that payment by the Council still remained outstanding. Members were advised that dialogues were ongoing continuing but until an agreement was reached the funds would not be included in the overall Income.
- Welcoming confirmation of the sale of Amwell House and the presentation of reinvestment options in due course; and commending the Deputy Principal Finance & Resources for bringing the matter to a swift conclusion.

After discussion, the report was noted.

1529.1b Sub-contracting: Update

An update was provided on the sub-contractors used by the College for the delivery of study programmes, Apprenticeships and Adult Skills along with revised contract values.

Reviewed by the Resources Committee, the revised contract values were summarised. After confirming the changes to be reflective of growth opportunities identified or adjustment or reduction due to under performance against agreed profile, members were advised that review remained ongoing with further reports to be presented for consideration as appropriate.

After consideration and on the recommendation of the Resources Committee, it was **RESOLVED** to:

- **APPROVE** the revised contract values for sub-contracted provision for 2017/18.

1529.1c 2018/19 Preparations: Budget Assumptions

A report was received summarising the 2018/19 Budget Assumptions to ensure the achievement of a balanced budget to generate a College surplus for reinvestment into existing and new facilities.

In preparation for Board consideration and approval of the 3-year financial plan for the group in July 2018 and following review by the Resources Committee there was consideration of the current assumptions presented for Income, Pay costs, non-pay and Capital and Project costs.

There was discussion of the assumptions in general and in particular the provision for and recognising the importance of a pay award in each year.

On the recommendation of the Resources Committee, it was **RESOLVED** to:

- **APPROVE** the 2018/19 Budget Assumptions.

1529.1d Financial Regulations

A report was received reporting on the outcome of the review of the College Financial Regulations to ensure these remained in-line with the Financial Memorandum between the Funding Body and the College, which set out the terms and conditions on which grant funding was made.

Noting that the updated regulations had been reviewed by both the Resources and the Audit Committees, the changes were summarised, noting these were mainly to reflect changes in titles, the re-wording of text or revisions to payment limits.

On the recommendation of the Resources and the Audit Committees It was **RESOLVED** to:

- **APPROVE** the revised Financial Regulations.

Other financial reports received subsequently were presented comprising:

1529.1e ESFA Letter: College Financial Statements 2016/17

Following submission to the ESFA of the College's audited financial statements, finance record and assurance returns for the year ending 31 July 2017, the Letter outlining its conclusions was presented.

The key points were reviewed:

- Noting the conclusion of the ESFA that the appropriate assessment grade for the College's Financial Health for 2016/17 and for its underlying Financial Health was now Outstanding with no significant financial control concerns identified
- Accepting the conclusions presented but, in the context of the volatile nature of sector funding, reflecting on the arguably overly-optimistic nature of the financial dashboard and the College performance against the various key performance indicators and measures against both target and sector benchmarks and benchmarks.

Following discussion, the report was noted.

1529.2 Audit Committee, 09/03/18

The Minutes were received noting the business considered, including the imminent plans for the retendering of the audit services. Those items requiring formal review or action then were presented:

1529.2a Financial Regulations

See Minute 1529.1d

1529.2b Risk Management Update

The risk management report and risk register update were received.

Acknowledging the risk profile to be reflective of the environment within which the College was operating and reviewed by the Audit Committee at its last meeting, members noted that there had been little significant change since the previous report.

The report was noted.

1529.3 Quality, Standards & Curriculum Planning Committee, 28/02/18

After receiving an overview of the business considered at the meeting, the Minutes were considered and those items requiring formal review or action were then presented, comprising:

1529.3a Strategic Objectives Update (Curriculum/Quality)

A report updating members on progress in the implementation of the strategic curriculum and quality performance objectives proposed for 2017/18 along with an oral update on the position since the papers were published.

After acknowledging that it remained too early to predict an overall achievement rate for the year, there was consideration of performance against predictive indicators of achievement, which:

- Highlighted the current overall retention rate to be 95.21% compared with the 94% retention rate target for the year and representing a 0.5% improvement on 2016/17
- Showed overall attendance to date at 83.71% reporting that whilst further improvement was required, the position represented a 2% improvement on the position on 2016/17.

After noting the overall year to date position, review with management focused on student Attendance to date in general and specifically in the context of Ofsted expectations:

- Noting report that whilst Inspectors had observed progress, further work was required notwithstanding it to be a sector-wide issue.
- Questioning the differentiation between vocational lessons where attendance for 16-18 learners was higher than for adults and in English and Maths lessons where attendance for adults was better than for 16-18 year olds questioning how this was to be addressed. Members were advised of action taken, including the delivery of English and Maths as an integral element of all programmes of study for full-time learners; and a campaign promoting the importance of acquiring such skills to enhance future career prospects
- Exploring with Management more generally the current strategies and new initiatives for improving attendance, noted to include involvement in a national project involving the sending of texts to students, which a study had shown how this could increase achievement by 2-4%. Responding to questioning of the proportion of students involved, the need was observed for attention to focus on repeat/serial offenders

After discussion, the update was noted.

1529.3b Enrolment Update

A report was received providing an overview of the enrolment position to date, along with the indicative picture for 2018/19.

After review of enrolments to date, there was focus on the year to date Applications for 2018/19. After acknowledging it to represent an initial picture for the forthcoming year and observing the current areas of growth and decline in applications, there was discussion with Management:

- The decline in the 16-18 application numbers in particular compared with the same period in 2016/17. Questioning the variation in and possible reasons for the difference, there was note of local competition from school sixth forms and the potential for students to submit multiple applications before a final decision regarding a preferred place of study.
- The extent to which withdrawals was considered an issue and the action being taken to stop or mitigate it.
- The reduction in applications in general questioning the activity taking place to boost student numbers including through marketing campaigns, school's liaison and recruitment events, scheduled for both the spring and summer terms; and the rebranding of some curriculum areas.

Following discussion, the report was noted.

1529.3c Equality & Diversity Annual Report

Following earlier circulation by email, a report was received presenting the College's Equality & Diversity Annual Report for 2017/18.

Responding to the requirement for the data to be made available on the College website and falling outside of the usual meeting cycle, members were reminded that the report had been circulated by email prior to formal publication. Acknowledging that the report reflected how the College met the public sector general and specific equality duties, the report contents were reviewed, noting that as presented it represented the final version and was reflective of members' comments.

On the recommendation of the Quality, Standards & Curriculum Planning Committee, it was **RESOLVED** to:

- **APPROVE RETROSPECTVELY** the Equality & Diversity Annual Report.

1529.4 Employer & Community Engagement Committee, 21/03/18

The minutes were presented and an overview was received of the business considered and noted.

1530 OTHER BUSINESS, MEETING EVALUATION & DATE OF NEXT MEETING

1530.1 Any Other Business

None recorded.

1530.2 Date of Next Meeting

Wednesday 11 July 2018

Signed:



(Chair)

Date: 11 July 2018