



**MINUTES OF BOARD MEETING HELD ON THURSDAY 6<sup>TH</sup> APRIL 2017**

<b>Present:</b>	Fiona Armer	minutes 164 to 241
	Bailey Casson	minutes 153 to 167
	Peter Clark	Chair
	Rachel Court	
	Richie Dunk	
	Jenny Grainger	
	Greg O'Shea	minutes 172 to 230
	John Rees	Principal
	Malcolm Rogers	
	Janet Tyas	
<b>In Attendance:</b>	Denise Cheng-Carter	Deputy Principal (Finance & Resources)
	Rachael Hennigan	Vice-Principal (Learning & Achievement)
	Lesley Venables	Clerk to the Corporation

**PART ONE**

**APOLOGIES FOR ABSENCE**

153 Apologies for absence were received from Mark Donaldson (External Governor), Pat Drake (External Governor), Lettitia Ingham (Student Governor) and Pete Sanderson (External Governor).

**DECLARATIONS OF INTEREST**

154 There were no declarations of interest.

**APPOINTMENT OF GOVERNORS**

155 The Clerk reported that, following recent activity by the Search & Governance Committee, two candidates had been recommended for appointment as external governors. Additionally, a former governor had agreed to become a co-opted non-governor on the Financial Performance & Efficiency Committee.

- 156 **Resolved -**
- 1 That Pat Drake and Jenny Grainger be appointed as external governors for a 4 year term of office commencing on 6<sup>th</sup> April 2017.
  - 2 That Andrew Wright be appointed as a co-opted non-governor member of the Financial Performance & Efficiency Committee for a term of office from 6<sup>th</sup> April 2017 to 31<sup>st</sup> July 2018

## **PERFORMANCE REPORT**

157 Governors were advised that the majority of the information in the performance report had been submitted for detailed discussion at either the Learner Committee or Financial Performance & Efficiency Committee, which had been held recently.

158 It was noted that a significant number of indicators on learner performance had improved since the December 2016 meeting, including levels of attendance. However, the College had not met its 16-18 learner numbers target and was unlikely to be able to recover its position by the end of the academic year. This would result in a reduction in the 2017/2018 funding allocation via the lagged funding model used by the Education Skills Funding Agency.

## **CHIEF EXECUTIVE'S REPORT**

159 The Chief Executive presented his report on strategic issues that had occurred since the December Board meeting.

160 Information was provided on recent student successes within each area of the College. The Chief Executive was asked to congratulate those involved on behalf of the Board and to ensure that these examples were used in marketing materials.

161 The College had recently held the official opening ceremony for the Unlocking Potential Capital Project and had obtained positive feedback from key stakeholders.

162 Governors were informed that it was likely that the Government would change its policy on GCSE English and maths re-sits, giving colleges some discretion as to which qualification students could work towards.

163 In the recent budget the Government had announced an additional investment of £500m in its technical education reforms by September 2022. There would, however be an requirement for colleges to increase the number of learning hours from 600 to 900 per annum. Governors noted the two progression pathways for post-16 education – academic (A Levels) and technical ('T' Levels) and that there would be a rationalisation of qualifications into 15 main groups, with one over-arching awarding body.

### **Fiona Armer joined the meeting.**

164 In addition to the above, proposals for new Institutes of Technology (IoT) were being developed. Outline guidance had been issued recently, with further information due to be published over the next few weeks.

165 Discussions continued with partner organisations on the establishment of an Institute of Technology. The West Yorkshire Combined Authority and the Local Enterprise Partnership had indicated that they would be supportive of collaborative bids (extending across all West Yorkshire colleges). Given the favourable joint recommendation in the Area Review Report a bid from Calderdale, Kirklees and Wakefield Colleges should prove to be a strong submission for IoT funding.

166 In response to questions from governors, the Chief Executive reported that the initial timetable identified 2018/2019 as the target date for commencement of any such projects, however, this could change when further guidance was received.

167 There was an overall capital fund of £170m to support between 10 and 15 projects over a three year period. The College's preferred bid would be in the area of higher digital skills from Level 3 to 5, with a common core of provision and some locality-focused elements (for example, health and/or financial services).

#### **Bailey Casson left the meeting at this point.**

168 The Vice-Principal (Learning & Achievement) provided an overview of the curriculum review that was in progress. This mapped all pathways for learners, from Entry Level to higher education and was based on strong labour market intelligence and feedback from employers as to current and future demands.

169 As a starting point, the curriculum for 2017/2018 would be built on the existing model. Each sub-curriculum area had been furnished with a suite of data to enable any gaps in provision to be identified, information on actual and future employment opportunities and performance trends over the past 3 years, such as market share within a defined catchment area. The outcomes of this analysis would be reviewed by curriculum managers and an outline plan drafted, which would then be presented to a validation panel with external input including from employers.

170 It was intended that the initial plan would be completed by June/July 2017 in sufficient time to prepare the prospectus for 2018/2019. Resourcing the plan could also be undertaken in January/February 2018 in preparation for the new academic year.

171 Governors asked whether the College would be using the external marketing agency for the next 3 years. The Vice-Principal reported that no decision had yet been made, but that it would be prudent to retain the expertise and capacity provided by the agency for the foreseeable future.

#### **AUDIT COMMITTEE – 16<sup>TH</sup> MARCH 2017**

172 The Chair of the Audit Committee presented the minutes of the meeting held on 16<sup>th</sup> March 2017.

173 Two Internal Audit reports and one Advisory report had been discussed by the Committee– Learner Records & Funding, Financial Planning and External Assurance of Sub-Contracting Provision. Levels of performance were good overall but some amendments to the College's procedures on sub-contracting were required to further align these with the ESFA's guidelines. All recommendations had been accepted by management and were in progress.

174 Monitoring reports had been received on Risk Management and the implementation of audit recommendations.

175 Following discussion, the Committee had graded itself as a '2' or 'Good' in the self-evaluation process.

176 The performance of both sets of auditors had been considered as part of the recommendation on re-appointment. Although the relationship with the relatively new internal auditors was working well in general, there had been some minor issues over the timing of site visits and the production of reports. A meeting had taken place between the Deputy Principal and the Internal Auditor to discuss performance levels and a plan to meet the College's reporting requirements had been agreed.

- 177 **Resolved -**
- 1 That ICCA be reappointed as Internal Auditors for 2017/2018
  - 2 That Grant Thornton be reappointed as Financial Statements Auditors for the 2016/2017 Financial Statements

### **LEARNER COMMITTEE – 30<sup>TH</sup> MARCH 2017**

178 The Chair of the Learner Committee gave a verbal report on the meeting held on 30<sup>th</sup> March 2017.

179 Overall learner attendance was 88.2%. Despite being below the challenging target of 90%, this was an increase of 2.5PP compared to the same point in 2015/2016. It was unlikely that the target would be achieved by the end of the year, partly due to the impact of English and maths.

180 Attendance for 16-18 year olds studying English & maths programmes had continued to improve. Increases in HE and apprenticeship attendance were also evident.

181 Retention for the whole College was 94%, which was 1PP above the target. For the 16-18 cohort retention had increased compared to 2015/2016 and was 3.1PP above target, but 19+ was 0.5PP below target.

182 A total of 9.7% of learners had been categorised as 'at risk' and the Committee was assured that a range of intervention measures are in place to improve this situation.

183 From an analysis of the data provided, 14.2% of destinations were categorised as 'unknown' and 8% as negative. This was considered to be a substantial improvement on 2015/2016.

184 A report on progress against each of the areas for improvement in the Quality Improvement Plan had been received and the Committee was satisfied with this level of performance.

185 Maths and English indicators had increased significantly, with the College projected to bring about improvement overall.

186 Higher education now featured on every Committee agenda. A focal point for this meeting had been on satisfaction levels for 2015/2016 and how these impacted on the College's grading under the new HE quality framework. The Committee had been advised that the reduction in performance had been a one-year event and would not be repeated.

187 The overall Learner Voice survey results for 2016/2017 had been extremely positive.

188 The Committee had received for information a copy of the recent Internal Audit report on the Learner Journey. This was felt to be a good example of how non-learning areas of the College could impact on the curriculum and it was felt that the performance monitoring of these areas should not be totally separate from the SAR process.

189 A discussion ensued as to which of the Board's committees should be responsible for reviewing any such future reports ie should they just be presented to Audit Committee or should the committee within whose remit the content sits also be involved in their consideration. The Clerk had been tasked with producing a report on this subject for the July Board meeting.

### **FINANCIAL PERFORMANCE & EFFICIENCY COMMITTEE – 6<sup>TH</sup> APRIL 2017**

190 The Chair of the Financial Performance & Efficiency Committee gave a verbal report on the meeting held on 6<sup>th</sup> April 2017.

#### **Capital Project**

191 It was noted that the capital project ("Unlocking Potential") had now been completed and had been handed over to the College. The project had been delivered on time and within the agreed budget.

192 The College's original contribution to the project had been approved by the Board at £3.9m. However, the current level of matched funding was £3.971m and it was felt to be prudent to ask the Board to approve a revised figure of £4m.

193 **Resolved -** That the College's contribution towards the cost of the Project be approved at a maximum of £4m

### **Management Accounts to 28<sup>th</sup> February 2017**

194 The Committee Chair reported that the College was currently under-performing in relation to its financial targets for the year. The main reasons for this were a lower than anticipated enrolment of 16-18 learners, apprenticeships not commencing as quickly due to the introduction of the Levy, a reduction in the amount of HE loans compared to the target and a disappointing level of performance for external funding contracts with a high number of late starts which would delay the receipt of income by the College.

195 Although every effort was being expended to recover the shortfall, it was not felt that the targets would be achieved by the year end, which would reduce the 16-18 allocation in 2017/2018. The operating surplus was projected to decrease from £300k to £200k and the Committee had expressed its concern over this reduction in performance.

196 Governors had requested that the Committee be kept apprised of the situation between meetings, with a monthly update provided and a detailed report to the June meeting.

## **Fees Policy for 2017/2018**

197 The Deputy Principal reported that there had been no changes to the fees policy for 2017/2018. At the Board's request, wording would be added to identify each version of the policy.

## **Access Agreement**

198 The Learner Committee had been advised that the College wished to introduce an Access Agreement for its HE learners from 2018/2019. This would provide additional fee income for the College and, in line with current guidance, the monies generated could be reinvested in supporting learner priorities.

199 The amount of fees chargeable was dependent on the profile of the institution, for example, colleges with a high proportion of learners from widening participation postcodes could expect to receive between 15 and 20% from the Access Agreement.

200 Further discussion of issues such as the fee levels and flexibility would take place at a future Committee meeting and would form part of a formal proposal.

201 Due to the deadline for the initial application being set at 25<sup>th</sup> April 2017, the Clerk had suggested that approval in principle should be sought from the Board and that the Chair should be given delegated authority to approve the documentation on behalf of the Board.

- 202 **Resolved -**
- 1 That approval in principle be given for the submission of an Access Agreement for 2018/2019
  - 2 That the Chair be given delegated authority to sign off the initial Agreement by the deadline of 25<sup>th</sup> April 2017

## **Sub-Contracting Provision**

203 In accordance with ESFA guidance on sub-contracting provision, the Financial Performance & Efficiency Committee had received a report on performance against sub-contracting arrangements in 2016/2017, together with proposals for further contracts.

204 The College currently sub-contracted with 2 partner organisations Sora and Project Challenge to deliver core programmes (the latter deals with hard to reach groups of learners, for whom attendance at mainstream College programmes would be unsuitable). Both organisations had been RAG rated as 'green' according to the level of risk and robust quality assurance measures were in place to ensure that each partner organisation met the requirements of the College and of the Education Skills Funding Agency.

205 Proposals for a procurement procedure for subcontractors for non-core programmes to ensure compliance with the regulatory requirements of the Education Skills Funding Agency were reviewed by the Committee, together with a list of current sub-contractors. Management gave an assurance that all had been graded as 'green' in terms of their risk profile. This list of sub-contractors would be updated regularly in order to meet the contracted outputs and a report would be provided to each meeting of the Committee.

## External Funding

206 The Committee had received a monitoring report on the College's Skills Service provision contracts. Governors were reminded that the College had been successful in obtaining contracts worth a total of £35m, of which the management fee earned would be between 3% and 5%.

207 Although the level of income for the College could be substantial, this depended on timely achievement of the identified targets. The contracts had been slow to commence, but it was noted that the funding was weighted towards outputs. ESF funding had a finite date due to "Brexit", which meant that the College would need to ensure that it achieved the projected profile for delivery of this work to avoid any potential clawback from the ESFA. The Board was advised that it may not be possible to deliver all outputs within the timeframe.

- 208 **Resolved -**
- 1 That Sora and Project Challenge be approved as sub-contractor organisations for 2016/2017, together with the level of activity outlined in the report
  - 2 That the proposals for the procurement of non-core sub-contractors be approved, with regular updates provided to the Financial Performance & Efficiency Committee

## 16-18 Recruitment

209 At the Committee's request a report had been prepared on recruitment of 16-18 year olds, as currently there was a shortfall of approximately 144 full-time equivalents. The Deputy Principal had explained that this was partly due to the decreasing population within this age group and partly the College's reducing market share.

210 A curriculum review was underway to ensure that the qualifications offered matched demand from potential students and employers. Every effort was being made by staff to maximise levels of internal progression and a marketing agency had been retained to increase the number of new learners attracted by the College to support the work of the external recruitment group, which had been formed for this purpose.

211 A further report on the success of the 2017/2018 recruitment campaign would be presented to the Committee's Autumn meeting.

## SAFEGUARDING UPDATE

212 Governors received for information a verbal report from the designated safeguarding governor. Although the number of disclosures was similar to the same period in 2015/2016, the profile had changed.

213 The level of communication with external agencies had improved over the past few months and the College had recently participated in a Section 11 Report and Challenge exercise, whereby its procedures were assessed by peer organisations. Governors noted that the College had performed well in comparison to other agencies.

214 A high proportion of staff had now been trained on the Prevent Strategy to Level 3, with the remaining cohort scheduled for training prior to the end of the academic year.

## **EQUALITY & DIVERSITY REPORT 2015/2016**

215 The designated Equality, Diversity & Inclusion governor provided a verbal update on EDI matters that had occurred since the Board's December 2016 meeting.

216 Governors were reminded of a number of significant awards for which the College and individual members of staff had been nominated in 2016/2017, including E&D Initiative of the Year and the EDI Leader of the Year. These awards highlighted the amount of work that took place in the College to promote EDI and it was vital that governors continued to support such initiatives.

217 It was suggested that a session on EDI could be delivered at the next strategic development day in June.

218 A list of monthly EDI events was published on the intranet, with the majority of events well-attended and receiving positive feedback. This would be circulated to governors to enable them to participate in some events throughout the year.

219 The Board was advised that the needs identified for learners attending provision run by Project Challenge had highlighted a staff development requirement, which would be actioned as part of the annual programme.

## **GOVERNANCE ISSUES**

### **Search & Governance Committee – 12<sup>th</sup> January 2017**

220 The Chair of the Search & Governance Committee presented for information the draft minutes of the meeting held on 12<sup>th</sup> January 2017.

221 The Board was formally advised of the resignation of Charlotte Grace as an external governor. A replacement with suitable skills was currently being sought and it was hoped that a preferred candidate could be recommended for appointment at the July Board meeting. The Committee felt that the gaps identified in the most recent skills audit had now been filled and the focus of recruitment activity should be local employers and individuals to widen the Board's equality and diversity profile.

222 Work was almost complete on the evaluation of the Board, its committees and individual governors. At the June Committee meeting there would be a discussion on the main outcomes of the process and proposals for evaluating 2016/2017 would be recommended for approval.

### **Development Day – 9<sup>th</sup> June 2017**

223 A list of potential areas to be covered at the next governor development day had been identified from a number of sources and included visits to functional areas of the College, a review of the strategic plan and information on EDI. Further discussion on the draft agenda would take place between the Chair, the Clerk and the Senior Leadership Team.



## **Committee Memberships**

224 The Clerk presented a revised schedule of committee memberships, which had been amended as a result of discussions during the individual performance review meetings. It was proposed that Rachel Court transfer from the Financial Performance & Efficiency Committee to the Audit Committee and that Fiona Armer would join the Financial Performance & Efficiency Committee.

225 Andrew Wright, who had been an external governor and had resigned earlier in the academic year, had offered to join the Financial Performance & Efficiency Committee as a co-opted non-governor to provide additional strength to its work.

- 226 **Resolved -**
- 1 That Rachel Court join the Audit Committee with effect from 1<sup>st</sup> August 2017
  - 2 That Fiona Armer join the Financial Performance & Efficiency Committee with effect from 1<sup>st</sup> August 2017
  - 3 That Andrew Wright be appointed as a co-opted non-governor for a term of office from 6<sup>th</sup> April 2017 to 31<sup>st</sup> July 2018

## **MINUTES OF PREVIOUS MEETINGS**

- 227 **Resolved -** That, with one amendment, the minutes of the meeting held on 15<sup>th</sup> December 2016 be approved as a correct record and signed by the Chair.

## **MATTERS ARISING**

228 Governors received a list of actions from the previous meeting, together with an update on progress against each of these. It was noted that all issues were either in progress, had been completed or featured on this agenda.

229 Under minute 83, the Chair reported that he and the Chief Executive had met with their counterparts at Crossley Heath School, but that no significant progress had been made, pending the outcome of a bid for a free school.

## **DATES OF FUTURE MEETINGS**

230 The Clerk presented a draft schedule of meetings for 2017/2018. Governors were asked to send any comments on their availability directly to the Clerk, who would co-ordinate any such requests and circulate an amended document as soon as this was finalised.

