



HUDDERSFIELD NEW COLLEGE FURTHER EDUCATION CORPORATION

Corporation Meeting held on Tuesday 2nd July 2019 from 5.30pm.

Confirmed Minutes

Present Ms L Summers (Chair), Ms K Fleming, Mr K Webb, Ms H Haigh, Ms P McGuire, Ms M Boryslawskij, Ms R Drury, Ms A Williams, Mr A Leach, Miss J Rowlands (67% attendance)

In attendance: Mr M Smith-Connor

Clerk Mrs C Coupland

1. Apologies for Absence/ Declaration of Interest

Apologies were received from Mr J Dawson, Mr A Nelson, Ms M Dean, Ms H Richards and Ms T Wright.

Mr Leach and Miss Rowlands were welcomed to their first Corporation Meeting
There were no declarations of interest.

The Corporation congratulated Ms Williams on being named as the FE Leader of the Year at the recent Educate North Awards.

2. Minutes from Meetings held on 9th April 2019

Resolved:

- That these be accepted as a true record of the meeting.

3. Matters arising

Gender Pay Gap Report

Ms Summers advised the Corporation that this matter was to be picked up at the next meeting of the Remuneration and Personnel committee given the committee's revised terms of reference.

Remuneration Committee

The Clerk confirmed that staff-related strategic risks as identified within the Board Assurance Framework for 2019/20, that is to be presented by the Audit Committee at this meeting, have been appropriately assigned to the Remuneration & Personnel Committee.

4. TLA Review Report 2018/19

The College is committed to providing high quality teaching, learning and assessment to enable all students to achieve their full potential. This is achieved through; high quality teaching and learning opportunities, rigorous assessment and feedback and the sharing of good practice.

The report presented by Mr Smith-Connor, explained the current framework to Governors for the delivery of high quality teaching, learning and assessment. Details were given on how all members of staff have engaged in facilitating, supporting and managing learning throughout the academic year to meet the differentiated needs of all students. Governors were satisfied that the summary of the conclusions of the TLA review supported an outstanding self-assessment grade for 2018/19.

Stakeholder feedback captured within the report demonstrates student satisfaction with structured teaching and learning, support and guidance across all programmes. The widespread adoption of flexible

approaches to teaching, learning and assessment further demonstrates staff commitment to the sharing and dissemination of good practice.

Governors were mindful that under the new inspection framework; Ofsted Inspectors are to take a rounded view of the quality of education delivered to students. In particular about the knowledge, skills and behaviours students need to acquire from college life to fulfil their aspirations for learning, employment and independence. Mr Smith-Connor confirmed that the TLA strategy to be implemented for 2019/20 has been updated in light of what inspectors will look for to demonstrate how the grade descriptors for each key judgement are applied. Furthermore all members of the teaching and learning team have received training on the new inspection framework to best inform assessments going forward. The Clerk also confirmed that the TLA strategies and processes to be adopted for the new academic year are to be presented to Governors at the first Corporation meeting in October 2019.

Resolved:

- **That the report be received**

5. Corporate report

Ms Williams presented the Senior Leadership Team report to the Corporation. Comprehensive updates were provided on key areas of the college and its performance to date against key performance indicators.

Performance Update:

Time was taken by the Corporation to interrogate the headline data submitted within the report. All agreed that the analysis of Progress Point 5 data indicated positive predicted outcomes for August 2019.

Ms Williams also advised Governors that HNC had received the results of the first cohort of Foundation Degree Sport students. 23 students completed the full 2 year Level 5 Foundation Degree and the 1 year Level 4 qualification. 2 students achieved the highest grades for this Foundation degree cohort at UCLAN and a further two students were also recognised for their achievement in the face of serious adversity. 16 students have progressed to the 'top up' year for the full degree and 7 are moving on to gainful employment in a relevant field. All present agreed that it had been a successful first cohort.

Staffing Update:

Ms Williams acknowledged to the Corporation that this has been an unprecedented year for the level of staff turnover. One further appointment is still required to be at full complement. A staff organisational chart will be provided to the Corporation as soon as possible. All present agreed that a period of stability across 2019-20 was now needed for new staff to become familiar and confident with new roles.

The Corporation wished to record their thanks to the following long serving staff who are all retiring this summer: Ms C Murray (15 years of service), Ms E Chitham (16 years of service), Ms J Moss (16 years of service), Ms D Niessen (18 years of service), Ms A Lindley (20 years of service), Mr A Shaw (25 years of service) and Ms A Taylor (25 years of service).

Ms Williams also took this opportunity to advise the corporation that at present there is one teaching staff member subject to disciplinary processes due to failure to meet Standards 2 and 6 of the National Teachers Standards.

Student and other stakeholder Views:

The Corporation welcomed the opportunity to review the headline outcomes of the recent stakeholder surveys. It was noted that the student perception survey was exceptionally positive. The Corporation was also particularly satisfied to see that 95 % of parents would recommend HNC to family and friends; this is a 1% increase on last year's survey

Admissions Entry Criteria 2020:

In addition, Ms Williams also presented, for approval, the proposed General Entry Criteria and Curriculum offer for 2020/21. Governors felt assured that the revised entry requirements had not shown to be excluding students thus remaining true to the college's mission to remain inclusive.

The Corporation also noted the amendments that had been made to the Admissions Policy for 2020 entry.

Resolved:

- **That the report be received**
- **That the General Entry Requirements for 2020/21 be approved.**

6.Board Assurance Reviews:

i) Poor whole college experience for students and parents/carers

ii) Poor reputation management

The Governors thanked Ms Williams for the comprehensive assurance reports and helpful commentaries. After a full discussion the Corporation was satisfied that the actions being taken by the college to mitigate against the risks were robust and effective. The Corporation was also confident in the different levels of assurances identified within the BAF for each of the separate risks. In respect of the assurance review for whole college experience; it was agreed appropriate for the college's sterling work on supporting students' mental health to be better reflected within the mitigating actions. The Corporation discussed whether, in light of the national increase in student mental health issues, greater emphasis should be placed on this aspect of the risk; Ms Williams agreed that the assigned risk owners would review how best to incorporate this.

Governors agreed that an overall green assurance level shall be assigned to both risks.

Resolved:

- **To assign Green overall assurance to each of the risks**
- **For the Clerk to update the Master BAF**
- **For the assigned risk owners to make the necessary changes to the BAF in respect of the whole college experience risk.**

7.Search & Governance Committee (Meeting held on 14th May 2019)

Chair : Ms Michaela Boryslawskij

Ms Boryslawskij briefed Governors on the business of the Committee. Particular attention was given to the outcomes of the annual reviews of Governance policies and procedures. The Corporation duly approved the amendments proposed for Governors Code of Conduct, the standing orders and the scheme of delegation.

Ms Boryslawskij reminded the Corporation that effective engagement enables stakeholders to be confident that their views are to be heard and actively listened to and that there is an opportunity for those views to effect change for the good of the college. The Clerk is to circulate the planned stakeholder engagement calendar for 2019/20; attendance at college events would be very welcomed by staff, students and parents.

The Corporation approved the Committee's recommendations for membership appointments.

Resolved:

- **That the minutes be received**
- **That the changes to the Standing Orders be approved**
- **That the changes to the Scheme of Delegation be approved**
- **That the changes to the Code of Conduct be approved and for all governors to confirm by email to the Clerk that they shall agree to observe this code of conduct to the best of their abilities.**
- **For the Clerk to circulate the proposed stakeholder engagement calendar for 2019-20.**
- **For Mr Seaton to be appointed as External Governor for 4 years as of the start of the new academic year (to August 2023) in accordance with Instrument 2(1)(a)**
- **For Mr Keith Webb to be reappointed to serve for a final term of office as of January 2020 for a period of 4 years (to January 2024) in accordance with Instrument 2(1)(a) and to also serve the Remuneration Committee as of August 2019**
- **For Ms Kate Fleming to be reappointed to serve for a final term of office as of January 2020 for a period of 18 months (to August 2021) in accordance with Instrument 2 (1)(a)**

- **For Ms Julie Pryce to be reappointed as a co-opted member of the Finance & Resources Committee for a further term of office as of January 2020 for a period of 4 years (to January 2024).**

8. Audit Committee (Meeting held on 11th June 2019)

Chair: Mr Antony Nelson

In the absence of Mr Nelson, Ms Fleming briefed Governors on the business of the Audit Committee.

Ms Fleming informed the Corporation that the Committee had received an updated Board Assurance Framework for 2019/20 identifying the key business risks (strategic, financial and operational) proposed by the Senior Leadership Team. The Committee viewed the identified strategic risks as relevant and necessary going forward. The Committee was also satisfied that the major risks impacting the college are to remain subject to timely assurance reviews by the Corporation or its Committees. The timeframe is to be agreed by the Clerk and the College Risk Management Group with alignment to corporation responsibilities, existing agenda plans for corporation and sub-committees and criticality of risk issue. Ms Fleming advised the Corporation that all key risks identified throughout 2018/19 had been subject to assurance reviews. However, a further formal assurance review was still to be undertaken for the GDPR risk as the final audit report has not yet been received by the college. A comprehensive verbal update was provided to the committee at its meeting and the final report is not expected to differ from the feedback received to date which was extremely positive for the college.

Ms Fleming explained to the Corporation that the Colleges Whistleblowing policy had been subject to its annual review. No changes had been deemed required to the existing policy.

Resolved:

- **That the minutes be received**
- **That the Overview of the BAF 2019/20 be received**

9. Finance & Resources Committee (Meeting held 24th June 2019)

Chair: Mr Jonathan Dawson

In Mr Dawson's absence, Ms Williams briefed the corporation on the business of the F&R Committee. Particular attention was given to the following:

Financial Regulations:

Ms Williams explained that the College's Financial Regulations explain how the College meets certain financial regulations, requirements, restrictions and guidelines, aiming to maintain the integrity of the financial system.

The Financial Regulations have therefore been amended to reflect the college's current framework and approach to financial management and control. It was acknowledged by the committee that the Financial Regulations continues to include both high level guidance in terms of the College's Governance requirements, and also procedural detail to support decision making, clarify accountability and ensure integrity of internal controls and stewardship. It was confirmed, in relation to one of the proposed amendments, that it is in order for the Principal, as Chief Accounting Officer, to delegate defined responsibilities.

The Clerk confirmed that the ESFA has again published a self-assessment questionnaire which remains to be a required element of the Regularity Audit. The self-assessment questionnaire will be presented to the Audit Committee for consideration at its next meeting in September 2019. The Clerk explained that the self -assessment questionnaire has been revised in line with the newly introduced anti-fraud checklist. The Committee upon recommending approval of the financial regulations to the corporation, acknowledge that responses to the self-assessment may initiate a programme of work for 2019/20 to further underpin the robust anti-corruption policies and procedures already in place; which may prompt an earlier review of the Financial Regulations.

Annual Budget 2019/20 & Financial Forecast 2019-21

Ms Williams presented the 2 year financial forecast and drew governors' attention to the major assumptions underlying its formulation.

Members were satisfied that the key assumptions for the forecast period are driven to meet the agreed financial parameters for the full reporting period (as approved in April 2019) of maintaining £2.1million cash, expenditure to not exceed income for any year and to just maintain 'outstanding' financial health.

The major year on year variances in the forecast were duly considered and Ms Williams explained that a balance budget had only been forecasted for 2020-21 working on the assumption that the 7% (£345k) increase in the Teachers' Pension Scheme (TPS) contributions will continue to be funded for that year and beyond. Ms Williams stressed that this is a major uncertainty for the corporation and there is a possible risk that this subsidy may not continue.

The Corporation took the time to discuss and test the reasonableness of each assumption identified within the proposed 2 year financial plan. Governors also considered all of the possible scenarios to mitigate against the identified risks, in particular that the TPS subsidy may not continue beyond August 2020.

It was noted that the Financial Forecast, adequately identified and explained each of the key risks and that the financial plans have all been modelled in terms of sensitivities, with the negative financial impact being considered in isolation for each of these risks. Governors also acknowledged that there are also positive sensitivities to be considered such as:

- With the buoyant recruitment in 2018-19, the increase in applications and acceptances for 2019-20, and the known demographic increase in sustained post 16 growth each year from 2020, it is reasonable to assume that the funded student number level could be modestly exceeded. A further 50 students (for example) are being planned for 2019-20 and this will generate extra income of about £200k per year. Governors were satisfied that this is a realistic and safe assumption. Growth could exceed this.
- In addition, the College is still aware of academy conversion, as one of the other possible options. If this becomes the preferred option, VAT on costs may reduce other operating costs by up to around 3% of income (over £300k per year). There would also be a pay award subsidy (of about £70k per year).
- From 2019-20 and 2020-21, it has been assumed that the funding rate will remain at £4000 per student. If for example the rate was increased to £4150 in the Autumn CSR (the minimum increase demanded by the SFCA's Raise the Rate campaign), this would generate an extra £375k of funding in 2020-21. Given the current economic situation and government indications, this would be highly unlikely in the short term before 2020-21 and the Corporation agreed that it was appropriate currently to assume zero increase to the base funding rate. However, in light of the recommendations from The Social Mobility Commission's annual report (April 2019), the Education Policy Institute's Report on 16-19 student funding (May 2019) and the Auger Review of Post-18 Education & Funding (May 2019), the Corporation cautiously concluded that the possibility of a future increase may be greater than previously thought.
- In addition, pay awards have been assumed at 2% in 2019-20 and 1.8% (current inflation rate) in 2020-21. It is understood however that many SFCs are not budgeting for this level – should the proposed national staff pay award be less; additional funds may therefore be freed up in 2019-20 and in 2020-21. The Corporation also reminded themselves that any proposed national staff pay award exceeding the prudent assumptions budgeted for during the 2 year financial period, is not compulsory but rather a recommendation for due consideration to determine affordability.

From the robust discussion had, the Corporation endorsed each of the major assumptions underlying the formulation of the financial forecast. The Corporation acknowledged however that with any of the positive or negative outcomes identified within the sensitivity commentary; further development plans, or the bringing forward of current plans, may need to be considered. The Corporation therefore agreed it necessary for the F&R Committee to regularly review the financial position of the college and to promptly advise the corporation of any necessary changes required to the agreed current budgets; as the national landscape becomes clearer and the direct impact on the college is known. It was also agreed by all governors that it may even be necessary to bring the date forward for the strategy planning meeting (currently scheduled for February 2020) to enable the corporation to be proactive and responsive to any known changes to the financial assumptions so as to enable informed decisions and action to be taken in a timely manner.

Ms Williams confirmed that the financial commentary on the salient features continues to be set to the ESFAs Financial Planning Checklist. All Governors were also of the opinion that the detailed explanations

of the assumptions underpinning the financial plan had enabled them to take an informed view about the reasonableness of the forecast and approve with confidence.

Resolved:

- **That the minutes be received.**
- **That the changes made to the Financial Regulations be approved**
- **That the Clerk is to circulate to all Governors a copy of the College's Financial Dashboard.**
- **That the 2 year financial forecast 2019-21 be approved for forwarding onto the ESFA by 31 July 2019**
- **That the college's financial health be assessed as 'Outstanding'**
- **That the annual budget for 2019-20 be approved as:**

Income	£12, 027k
Expenditure	£12,019k
Operating Surplus	£8k
Capital expenditure	£927k (with £246k capital support)

10. Meeting schedule 2019/20 and Agenda Planner 2019/20

The Meeting Schedule and Outline Agenda Plans for 2019/20 were presented for approval. The Clerk asked Governors to note that all meetings are to now commence at 5pm. It was noted that due to recent changes to the College calendar the final corporation meeting proposed for 2019/20 needed to be changed to Tuesday 30th June 2020 from Thursday 2nd July 2020. The clerk agreed to circulate the final version of the corporate calendar to all Governors.

The Clerk also advised Governors of the dates for the Cross College and Curricular SAR Validation meetings.

11. Any other Business.

12. Learner Impact Reflection

The impact of discussion and scrutiny of the Corporation's work in improving the outcomes and experience for all learners was considered and the following agreed.

- **Assurance received that the college continues to provide a welcoming, safe and supportive environment for all students to develop personally and academically.**
- **Assurance that the college is maintaining strong financial procedures to ensure funding is allocated to the most appropriate areas, to maximise the student learning, experience and outcomes in a reducing funding external environment.**
- **Ability to financially support all elements of the Strategic Plan for the College, potentially impacting on all areas of student learning, experience and outcome**
- **An informed Board of Governors is effective in its scrutiny, challenge and support of the senior leadership team thus ensuring positive outcomes and progress for all students**
- **To continue to ensure that the college and the corporation publishes accurate and honest information about its activities and processes – this is particularly important in relation to information for parents, students and employers**
- **The annual review of all Governance policies ensures the effective running of the Corporation and that of its committees and Governors ability to confidently provide oversight and scrutiny of the college and of its governing activities**
- **The corporation is committed to ensuring the effective control and due diligence takes place and that systems of delegation and accountability are in place.**
- **The Board continues to conduct its affairs as openly and as transparently as possible**
- **Assurance that the college strives to create a transparent, fair organisation that is attractive to work and learn at.**

- Assurance received that the governing framework is compliant with statutory responsibilities and regulations.
- Assurance that the corporation continues to seek out best practice initiatives as well as to inform/lead best practice within the sector in order to remain outstanding in its performance.
- A high performing corporation is able to support the college to achieve its aims and objectives and secure positive outcomes for students.
- The pursuit of excellence in all of the Corporations activities as demonstrated by an uncompromising and highly successful drive to contribute to the colleges success and ambitions
- The Corporation is committed to ensuring the effective control and due diligence takes place and that systems of delegation and accountability are in place
- To continue to ensure that the college publishes accurate and honest information about its activities and processes.

13. Determination of confidentiality

Supporting papers for agenda items 7 and 8 were deemed to be confidential.

14. Date of next meeting: 17th October 2019 at 5pm