

## Minutes of the Corporation Meeting

held on 27 June 2018

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*Present* Helene Jones (*Vice Chair*), David Williams (*Principal*), Elaine Cammies, Peter Coley, Paul Dyson, Mark Johnson, Louise Jones

*In attendance* Joanne Williams (*Director of Learning and Teaching*)  
Jacquie Carman (*Director of Finance and Corporate Services*)  
Jennifer Sunter (*Clerk to the Corporation*)

*Members present agreed that Mark Johnson take the chair to open the meeting.*

*Members agreed to change the order of business.*

### **1 Apologies**

Apologies were received on behalf of Ian Jewkes, Amanda Allen, Karen Cocker, Tiffany Harvey-Pallent, Kiran Dior and Jamie Fox.

### **2 Declarations of Interest**

David Williams and Jacquie Carman declared their interests in agenda item 6.3 South Black Country Education.

### **3 Minutes and Matters Arising**

#### **3.1 Minutes of the Corporation meeting held 22 May 2018**

The minutes of the Corporation meeting held 22 May 2018 were approved as correct record.

#### **3.2 Matters Arising**

Under the meeting of 1 March 2017 item 9.3a West Midlands Superannuation Scheme, the Clerk reported that the College had explored options and taken action. Jacquie Carman confirmed that she had been appointed as a director for the West Midlands Pension Fund.

Under the meeting of 28 November 2017 item 3a, Governors attended the Student Ambassadors Showcase and Awards evening.

Under the meeting of 27 March 2018 Capital Development Reports were addressed under the current agenda.

All actions were closed.

## 4 Governance

### 4.1 Appointment of Staff and Student Governors

The Clerk reported on the results of both staff and student governor election processes.

**The Corporation resolved to appoint David Allen as the staff governor subject to set eligibility, for a period of two years commencing 1 August 2018.**

**The Corporation resolved to appoint Myles Manders-Young as the student governor subject to set eligibility, for a period of one year commencing 1 August 2018.**

### 4.2 Appointments of Chairs, Vice Chairs and Committee Membership

It was agreed that appointments be deferred for consideration until September.

**The Corporation resolved that appointments to current offices be extended to October 2018 to enable elections to take place at the scheduled Corporation meeting in September 2018.**

### 4.3 Review of Framework Documents

The Clerk addressed changes to Standing Orders and Committee Terms of Reference.

**The Corporation resolved to approve the revisions to Standing Orders (subject to corrections noted) and Committee Terms of Reference.**

### 4.4 Actions on the Confidential File

The Clerk reported that a further review of the Corporation's confidential file had been undertaken resulting in a range of actions being proposed.

Members sought assurance regarding the basis for actions. The Clerk explained the guidance and checks undertaken.

**The Corporation resolved to approve the actions provided from the review of the confidential file.**

### 4.5 Declaration of Eligibility and Privacy Notice

The Clerk provided members with a revised procedure for checking governor eligibility and a new Privacy Notice.

**The Corporation resolved to approve the revised Declaration of Eligibility procedure and form and to approve the Privacy Notice for use by Corporation members and Directors of Halesowen College Enterprises.**

*Helene Jones joined the meeting and took the Chair.*

## **5 Audit and Assurance Committee**

### **5.1 Audit and Assurance Committee Minutes of the meeting held 14 June 2018**

Mark Johnson outlined the work of the Audit and Assurance Committee, highlighting, in addition to reports recommended directly for Corporation approval, the report from TIAA on Finance and the report on DisabledGo.

The minutes of the meeting were received.

### **5.2 Regularity Audit Annual Self-Assessment**

Jacque Carman explained the context and role of the regularity self-assessment questionnaire as part of the overall audit and assurance model. It was noted that the questionnaire now included a section on cyber security.

**On recommendation of the Audit and Assurance Committee the Corporation noted the self-assessment of compliance with regularity and proprietary requirements and agreed that this be signed by the Chair and the Accounting Officer of the College before being submitted to external audit as part of the regularity audit process for 2017/18.**

### **5.3 Audit and Assurance Plan 2018/2019**

Jacque Carman presented the draft plan for audit and assurance work for the College for 2018/2019. This addressed internal and speciality audit work and was subject to autumn review, to encompass any changes arising from the detailed review of risk being undertaken.

The rationale for proposed audits had been considered by the Audit and Assurance Committee.

**On recommendation of the Audit and Assurance Committee the Corporation resolved to adopt the Audit and Assurance Plan for 2018/2019 subject to review in the autumn term.**

### **5.4 Internal Audit Appointment 2018/2019**

It was noted that the Audit and Assurance Committee commended the work undertaken by TIAA.

**On recommendation of the Audit and Assurance Committee the Corporation resolved to reappointment TIAA as Internal Audit Service providers for 2018/2019.**

## **6.2 Capital Developments**

Members noted the progress made on work to be undertaken on Shenstone House.

### 6.3 South Black Country Education

Jacque Carman reported on final actions to be approved to address the cessation of South Black Country Education. In addition, amendment to the directorship of Halesowen College Enterprises was proposed.

#### **The Corporation resolved:**

- The one-pound ordinary share in SBCE held by Halesowen College to be sold to King Edward VI Form College for the price of one-pound on 1 August 2018.
- The Halesowen College directors namely David Williams and Ian Jewkes resign from the Board as at 00.01 on 1 August 2018.
- The Company Secretary, Jacque Carman resign from the Board as at 00.01 on 1 August 2018.
- The private members agreement signed by the Corporations of both Colleges ceases as at 00.01 on 1 August 2018.
- To appoint Rachael Charles and Jacque Carman as the two executive directors to the Board of Halesowen College Enterprises Limited with immediate effect.

### 6.4 Update on Student Applications

Members received the update on applications received to date in comparison with previous years.

### 6.5 Marketing Strategy

It was agreed to defer consideration of the Marketing Strategy until the Corporation meeting scheduled for September 2018.

## 8 Students, Teaching and Learning

### 8.1 Student Charter Report

It was agreed to defer consideration of the Student Charter Report until the Corporation meeting scheduled for September 2018.

### 8.2 Learning and Teaching Assessment Report – Quality Review and Development

It was agreed to defer consideration of the Learning and Teaching Assessment Report – Quality Review and Development until the Corporation meeting scheduled for September 2018.

## **9 Finance Reports**

### **9.1 Review of Revenue Budget 2017/18**

Members noted that the current year would realise a strong financial position as at 31 July 2018. Funding growth would be realised in 2018/2019 under the lagged funding model. Further consideration was given under the monitoring of management accounts.

**The Corporation resolved to approve the budget review noting the key risk factors to the 2017/2018 budget profile.**

### **9.2 Financial Plan 2018-2020**

Jacque Carman delivered a presentation outlining consideration of financial performance, financial health and information, together with key assumptions, risks and sensitivity analysis, to provide a comprehensive two-year financial plan.

Maintaining strong liquidity, EBITDA and reduced borrowing were pivotal to maintaining financial health as good or outstanding.

Two fundamental areas of risk were highlighted; being failure to achieve the current market share in student recruitment and underperforming against the adult education contract.

The sector continued to receive no inflationary uplift and general costs, including pension costs were increasing. The College continued to work on pay structure efficiency and had reduced borrowing.

David Williams highlighted that due to staff hard work, particularly Jacque Carman and Joanne Williams, the College remained in a strong financial position; especially notable in a sector where less than 20% of organisations were classified as financially outstanding.

Members also discussed the potential benefit of presenting data on pay to illustrate component parts such as pension costs, to better understand the pay as a percentage of income financial measure.

**The Corporation resolved to approve the Financial Plan 2018/2020.**

### **9.3 Revenue Budget 2018/19**

Members discussed information relating to pay disputes both nationally and locally and potential impact on the College.

David Williams further reported that it would be necessary to review plans should there be a significant reduction in recruitment of students in 2018.

**The Corporation resolved to approve the revenue and capital budgets for 2018/2019.**

#### **9.4 Halesowen College and HCE Memorandum of Understanding**

Following the withdrawal from South Black Country Education and the subsequently increased role of Halesowen College Enterprises, the memorandum of understanding had been revised and updated to be legally accurate.

Members noted the importance of continuing to understand that the Company was not subsidised by the College.

**The Corporation resolved to approve the revised Memorandum of Understanding with Halesowen College Enterprises 2018/19.**

#### **9.5 Halesowen College Enterprises Business Plan**

Jacque Carman highlighted the change in the company activities and that each area of activity was risk assessed. A modest profit was forecast.

**The Corporation resolved to approve the Halesowen College Enterprises Business Plan August 2018 to July 2021.**

#### **9.6 Gift Aid**

Jacque Carman reported that the directors of Halesowen College Enterprises had recommended that Halesowen College Enterprises company profit for 2017/2018 be gift aided to Halesowen College.

**The Corporation approved the accounting treatment of the covenant from Halesowen College Enterprises Limited to Halesowen College, that being, to account for Gift Aid in the 2017/18 accounts.**

### **6 Strategic Overview**

#### **6.1 Principal's Report**

##### **6.1a Key Meetings and Events**

David Williams reported on meetings attended highlighting meetings with Dan Baker of the Education and Skills Funding Agency and Phil Loveday of Earls High School.

David Williams also reported from the Further Education and Skills Productivity Group Meeting, on changes to the adult education budget allocation for 2019/2020. Funding based on student's postcodes would be through either the West Midlands Combined Authority, or the Education and Skills Funding Agency.

##### **6.1b King Edwards and Halesowen Colleges' Multi Academy Trust**

The update was noted.

##### **6.1c Curriculum Team Managers**

David Williams outlined changes combining Animal Care and Science under one manager.

### **6.1d T Level Pilot**

David Williams explained the basis for T Level Pilots being awarded nationally, where Grade 1 Colleges were prioritised. Both Dudley and Walsall Colleges had been awarded pilots.

### **6.1e Leaders in Diversity**

The College awaited the outcome of a recent review for reaccreditation.

### **6.1f Basic Maths Premium Pilot**

David Williams reported that there were three funding structures being tested under the Basic Maths Premium Pilot. The College had been successful in achieving a pilot, whereby 100% additional funding would be awarded per student achieving in maths by 2020.

## **7 Monthly Performance Information**

### **7.1 Annual Targets 2017/2018**

Jacque Carman confirmed that performance remained consistent.

Focus remained on tracking student attendance and implementing new strategies in 2018/2019. It was noted that room utilisation and some areas of student retention were also under further consideration.

The update was received.

### **7.2 Management Accounts**

2017/2018 was recognised as a challenging year and that financial targets should be met, within a close margin. Members discussed the probability of remaining in outstanding financial health. Jacque Carman explained the remaining budget variables which would impact on the final outturn.

The position was noted.

## **10 Any Other Business**

Praise received for the College's treatment of a student who had been ill was shared with the meeting.

## **11 Date of Next Meeting**

The date of the next meeting was noted as 6pm on Wednesday 26 September 2018.

The meeting closed at 7.45pm