

Minutes of the Corporation Meeting

held on 22 May 2019

Present Ian Jewkes (*Chair*), David Williams (*Principal*), Amanda Allen, David Allen, Peter Coley, Paul Dyson (*by telephone link*), Lance Hanson, Tiffany Harvey-Pallent, 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*)

Louise Jones was voted to act as Chair to open the meeting.

Members agreed to change the order of business as is recorded in the order of the minutes.

1 Apologies

Apologies were received from Helene Jones and Bethany Cullen.

2 Declarations of Interest

There were none.

3 Minutes and Matters Arising

3.1a Minutes of the Corporation Meeting held 26 March 2019

The minutes of the Corporation Meeting held 26 March 2019 were approved as a true record.

3.1b Confidential Minutes of the Corporation Meetings held 26 March 2019

The confidential minutes of the Corporation Meetings held 26 March 2019 were approved as a correct record.

3.1c Confidential Minutes of the Corporation Meetings held 11 April 2019

The confidential minutes of the Corporation Meetings held 11 April 2019 were approved as a correct record.

3.2 Matters Arising

There were no matters arising and action for May 2019 was addressed under the agenda.

4 Governance

4.1 Minutes of the Search and Governance Committee Special Meeting held 8 April 2019

The minutes of the Search and Governance Committee Special Meeting held 8 April 2019 were received.

4.2 Minutes of the Search and Governance Committee held 7 May 2019

The minutes of the Search and Governance Committee held 7 May 2019 were received.

4.2a Corporation Appointments

The Clerk referred members to the recommendations of the Search and Governance Committee on Corporation appointments, outlining the consideration of skills and experience specific to the needs to the board.

The Corporation resolved that, subject to meeting set eligibility criteria:

- that Helene Jones and Lance Hanson be reappointed to the Corporation for a period of three years commencing 1 August 2019.
- that on the basis of her skills and experience Joanne Chilton be appointed to the Corporation for a period of one year in the first instance commencing 1 August 2019.

5.4 DfE Letter to Chairs and Principals

In considering the letter from the FE Commissioner Richard Atkins, Jacquie Carman had provided a comprehensive report for the Corporation, addressing both the key issues highlighted in the letter and the scope of the associated policy “College Oversight: Support and Intervention”. The report also considered the College position in relation to the characteristics of a well-run college, as identified by Sir David Collins in 2014.

Jacquie Carman highlighted the Commissioner’s reference to Julian Gravatt of the AoC who identified that the 2019/20 funding round saw an unprecedented level of financial challenges for colleges, which together with continued political uncertainty and an autumn spending review provided an uncertain view of the future.

Jacquie Carman reviewed the key stages of support and intervention as detailed in “College Oversight: Support and Intervention” and that while the main focus was financial solvency, quality remained high on the agenda with poor performance a clear trigger for intervention.

The College was not complacent and had scheduled a high level audit of financial management. Risk workshops would include consideration of the new regime. The review of governance would also focus on the key messages and impact of a renewed spotlight on effective governance, particularly being able to identify and take action to mitigate any areas of underperformance.

Members noted that there were no immediate risks. Members understood their level of responsibility and the need to ensure they were carrying out governance effectively,

accepting that action was in hand for strengthening the board with regard to the number of financially qualified governors.

Members discussed the detail provided in the report and made suggestions with regards to the evidence base provided. With reference to looked after children and increasing numbers of students with Education and Health Care Plans, the College's good performance was discussed recognising further developments to continue to support students to succeed.

Ian Jewkes joined the meeting and resumed the chair.

4.2b Governance Options and External Review

The Clerk on recommendation of the Search and Governance Committee provided an options report for the Corporation with regards to review of governance structure.

Members agreed that in light of new guidance, external review was not required at this time.

Members discussed the corporate governance and committee system models of governance, noting the efficacy of reintroducing a finance committee and the level of scrutiny this afforded. Subsequently, detailed review of performance of learning, teaching and assessment could also benefit from consideration by committee. Members discussed the provision of information and particularly the communication and passporting of information from committees to Corporation. Natural flows of information in relation to the College cycle and supporting governor succession planning were also noted. Members further discussed the optimum number of meetings and regularity of meetings in a committee system as opposed to the current corporate governance model. Potential change to the Corporation determination was also noted.

The Corporation resolved to forgo external review at this stage. The Corporation steered the Clerk to provide the framework documents for a change to a committee system of governance for consideration by the Corporation in June 2019.

5 Strategic Overview

5.1 Principal's Report

5.1a Key Meetings and Events

David Williams outlined the key meetings and events he had attended.

Members discussed potential developments across a range of initiatives.

5.1b Estates Strategy

Members were pleased to note that the refurbishment work on Block 2 was progressing well.

With regard to additional learner numbers and potential accommodation pressures, members were informed that the College was looking at local options. A detailed report would be provided for the Corporation.

5.1c Common Inspection Framework

David Williams informed members that Ofsted had now published the new Education Inspection Framework following a period of consultation. Changes were, on the whole, in line with consultation and members would be provided with further guidance.

5.1d Staff

David Williams informed members that following an extensive process, Melanie Taylor had been appointed as the Assistant Principal for Creative Arts and Services to People. Members were also informed that the Assistant Principal for Academic Services had recently retired and that this post would subsequently be addressed.

5.1e College Nursery

Members discussed the negative press surrounding the action to seek a third party to run the Nursery or for this to be closed. However, positive responses to the business opportunity by third party providers had been received and a tender process had commenced.

David Williams and Joanne Williams explained the time and effort taken to communicate with parents and staff. Members noted concerns raised and that this was an emotive subject.

5.2 BMet Stourbridge Due Diligence

The confidential report on due diligence relating to Stourbridge College BMet was received by members, who noted that a joint press release would be released at the appropriate time.

David Williams outlined what had been done to date to assure staff regarding any transfer arrangements and that the College had already undertaken two events for students currently at the Stourbridge facility. Members asked a range of questions around proposed transfer of staff and students.

In response to further questions from members, David Williams responded that both Dudley and Halesowen Colleges were mindful of the need to see some adult education provision in the Stourbridge area and that this should be based on areas of priority need.

Jacque Carman addressed the core assumptions for financial calculations and the scope of due diligence, including financial, legal and educational to support new ventures.

Members focused on risk and its mitigation through the process, particularly impact on funding post 2019/20, under the lagged funding model and continued recruitment and retention uncertainties. Jacque Carman emphasised the key action points that would be addressed under due diligence to mitigate risk.

Members asked about and Jacque Carman emphasised that senior post holders had attended recognised leadership programmes. The Clerk reported that the programme for Chairs was being run and would be offered.

Members asked that reporting against the appropriate key headings could be incorporated into the assurance reporting framework.

The update was received.

5.2a Confidential Minutes of the Steering Committee held 20 March 2019

The confidential Minutes of the Steering Committee held 20 March 2019 were received.

5.3 Office for Students Letter

Members received the letter from the Office for Students and noted that an update regarding higher education provision would be provided at a later meeting.

6 Monthly Performance Information

6.1 Annual Targets 2018/2019

Members noted the updated performance against targets with no new themes.

The College continued to work hard to retain students on programmes of study.

6.2 Management Accounts

Jacque Carman reported that there were no sources of concern and that the College remained on course to achieve an operating surplus, in line with the budget profile.

7 Students, Teaching and Learning

7.1 In-year Retention Report

Joanne Williams reported that retention was currently better than at the same time in the previous year. Overall male retention was lower than female and 19+ retention was significantly improved.

Members discussed the areas with lower retention and noted the range of actions that were being considered. Members also recognised that retention was above that of national performance.

Members asked if there were any areas of significance in relation to demographics, Joanne Williams responded that there were no specific groups outside a 2% tolerance, however, there were some demographic trends that were noticeable across specific curriculum areas, this was monitored as were reasons behind any retention dips. The College had also recognised the peak in mental health and illness factors in relation to some Level 1 courses and was looking to see how these could be better addressed.

Members also noted areas of excellence in retention and improvement on the previous year.

The report was received.

7.2 Student Applications Update

Joanne Williams reported on current information regarding student applications.

Applications had increased which, while not scientific, related to the closure of BMet Stourbridge.

Joanne Williams explained that staffing of areas with higher applications was key and how this was being addressed. Appropriate course offer in areas with decreased applications was also discussed. Members noted opportunities in areas not being offered by other providers.

The update was received.

8 Finance Reports

8.1 Review of Pay

Members considered early reporting in relation to staff pay as requested. Jacquie Carman outlined known information about national pay and in response to questions noted that the College also used the AoC survey on pay.

Jacquie Carman outlined the key considerations and cost pressures as consistently reported to members and that moving forward a baseline of 1% would be incorporated into the financial plan. However, this in no way constituted an actual pay award recommendation at this juncture. Additional modelling on pay wards and sensitivity analysis would be undertaken and the Corporation should discuss pay again in the autumn term.

Members asked about staff expectations and if staff appreciated financial uncertainties in the sector. It was felt that staff varied in their view and expectations, however, staff were briefed by the Principal regarding the challenges of funding and maintaining a financially viable organisation.

The report was received.

8.2 Comparative Finance Record Information

Jacquie Carman provided comparison performance with the College's own targets and sector performance. The College remained dependent on ESFA funding in relation to the majority 16-18 student cohort. Although there had been growth in adult and apprenticeship numbers this remained comparatively small.

Members noted that the College remained financially outstanding and in a relatively strong position to withstand the challenges of the 2019/2020 funding round.

The report was received.

8.3 Update on Labour Market Statistics

Members considered the summary of information available in relation to the labour market, nationally, for Birmingham and for the Black Country and noted that understanding this information was pivotal to curriculum offer, to meet student and employer needs.

The level of unemployment, lower skill and qualification and employment for the Black Country were marked. There was much work still to do to tackle barriers to learning and raising aspirations.

There remained a higher concentration of lower category jobs and concern that with the further demise of retail, there would be loss of jobs, which were predominantly held by women.

Also noted was the value of work with FESPG and NCOP in upskilling and raising aspirations.

Members noted that the College would be revising its Labour Market action plan alongside its curriculum offer, focusing on addressing barriers to learning, priority areas, raising aspirations and business development skills.

The report was received.

9 Any Other Business

Apprenticeship Work Place Training

Following member questioning, Jacquie Carman explained that apprenticeship placements were mostly addressed by one day a week in placement and that the College had undergone a funding audit in 2017 with no funding reclaimed.

Updates

The Clerk updated members on College performance dates and the forthcoming ERASMUS project.

10 Date of next meeting

The next Corporation meeting is scheduled for Tuesday 25 June 2019.

Meeting closed at: 8.30pm

Actions from Meetings			
Ref	Agenda item and action	Date/item for review	Reported by
Corporation Meeting 6 November 2018			
7.1a	<p>Complaints Analysis Report</p> <p>It was agreed that the report would be reviewed to record complaints resolution and compliments received.</p> <p>27 February 2019 noted: To be reported at the end of the academic year.</p>	27-Feb Sept 2019	DWi
Corporation Meeting 27 February 2019			
4.1	<p>Minutes of the Search and Governance Committee held 12 February 2019</p> <p>4.1a It was agreed that both strategic planning dates and events to meet staff would be reviewed.</p>	Dec 2019	JSu/DWi
8.4	<p>College Banking Arrangements</p> <p>Following discussion, it was noted that an additional action would be a review of the Treasury Management Policy.</p>	June 2019	JCa
Corporation Annual General Meeting 27 February 2019			
5.1a	<p>Annual General Meeting 2019</p> <p>The Corporation agreed to no longer include an annual general meeting within the annual cycle of business, which would be addressed in the next review of Corporation Standing Orders.</p>	June 2019	JSu
Corporation Meeting 26 March 2019			
7.2a	<p>Office for Students – Registration letter</p> <p>It was agreed that Louise Jones would be a member of the oversight committee which would be convened to take this forward.</p>	June 2019	JWi