



Minutes of the Corporation Meeting held on Monday 15 July 2019

Present: -

- Mr Mervyn Jones (Chair)
- Ms Abigail Appleton (Principal)
- Ms Stevie Callender
- Dr Mia Gordon
- Ms Jennifer Hodgeman
- Miss Hannah Jones
- Ms Alison McLean
- Mr Tim Newsholme
- Mr John Nicol
- Mr Mike Rookes
- Ms Kay Sandford-Beal
- Ms Katie Seekings

In attendance: -

- Mr Ben Gamble (Head of FE)
- Mr Justin Gregory (Head of HE)
- Ms Kate Howe (Head of Communications)
- Mrs Linda Watkins (Clerk to the Governors)
- Mr Tim Williams (Finance Director)

The meeting was quorate as twelve Governors were present during the meeting.

1. Process of the Meeting

- I. Apologies for absence were received from Professor Robin Baker, Mr Daniel Fox and Mr Scott Rolfe.
- II. The Chair welcomed everyone to the last Board meeting of the academic year. The Chair remarked that this was Alison McLean's last Board meeting recording appreciation for her long service to the College on behalf of the Chair, Governors and College. Alison McLean responded that she was honoured to be involved in the College.
- III. Alison McLean declared an interest as a trustee of Herefordshire Wildlife Trust and director of Herefordshire Yoga Centre.

2. Minutes of the Last Meetings

- I. The minutes and confidential minutes of the Board meeting held on 29 May 2019 (confidential), 22 May 2019 (confidential) and 29 April 2019 (minutes and confidential minutes) were agreed and signed by the Chair as true records.
- II. There were no matters arising.
- III. Progress of actions showed these had been completed.

The Board agreed: -

- To approve the minutes

3. Principal's Report

- I. The Principal referred to the Augar Review into post-18 funding and the uncertainty if this would be implemented. Key themes included the value of

HE, how it is measured and the level of Government investment.

HCA and Herefordshire Council have signed the nomination contract and side agreement for Station Approach accommodation. Additional information had been requested by M&G before the construction contract could be signed which would provide further scrutiny to the building project, this was regarding fire prevention. City Heart has underwritten off-site work by the modular manufacturer Caledonian. A Governor asked if the completion date remained the same, this was confirmed as 11 September 2020.

Staff wellbeing had been the focus of the staff development festival with additional ideas sought from staff to improve their working life.

FE recruitment is buoyant with appreciation recorded to the Head of FE, Head of Communications and staff. A Governor asked about recruitment to the Digital Futures course with confirmation there are 18 acceptances to date. HE recruitment remains similar to last year with a marginal reduction to level 4 courses; the budget has been adjusted accordingly. The market is highly competitive and unstable. Marketing strategies have been implemented this year and some staff appointments to increase applications which will take time to embed and see the impact.

NSS overall satisfaction is 83% which meets the benchmark in the majority of areas according to OfS benchmarking. The results and trends will be analysed to improve students' HE experience focusing on the learning community, self assessment and quality improvement holistically across College. Student feedback is linked to levels of attendance as it is challenging for staff to support students unless they regularly attend College. The Access and Participation Plan includes improved monitoring so that risk can be identified at early stages and be addressed. There was a question if attendance is monitored and analysed; this was confirmed which is also used to identify how Course Leaders can help students individually and collectively with early intervention.

A Governor asked if the marketing team publicise the student experience. The Head of Communications responded that the team collate feedback from all sources starting with the initial enquiry using feedback to identify improvements which feed into the marketing strategy.

- II. Progress against the Principal's objectives and KPIs for 2018/19 was presented agreeing that this was a rigorous report. SLT are developing strategic area milestones across key areas which will show levels of achievement against the objectives.
- III. The risk register had been discussed by the Audit Committee.
- IV. Strategy implementation monitoring of key progress and milestones against each pillar and cross-cutting enabler of the strategy house was presented.

The Board agreed: -

- To note the reports

4. Finance

- I. 2019/20 College budget and 5 year financial forecast was presented by the Finance Director explaining that the College is required to submit a budget and financial forecast to EFSA by 31 July 2019. The F&GP Committee had discussed the budget in detail, acknowledging investment was required to progress strategic priorities. The Committee also recognised that it would be

crucial to monitor the objectives against the budget and forecast.

The College's 5-year financial health is calculated using ESFA performance indicators predicting a decrease to 'requires improvement' in 2019/20 and a challenging year in 2020/21.

The budget includes the investment strategy which was agreed by the Board earlier in the year. In the short-term the College's finances decline before improving.

The Finance Director presented and explained spreadsheets showing a summary of FE and HE income, including new courses, and pay and non-pay costs. There was a variance in staffing costs as a percentage of income which was forecasted at 68.09% in 2019/20. A Governor asked the optimum percentage which is allocated as 65% in the risk register. Teachers' Pension Scheme (TPS) employer contributions have increased from 16.48% to 23.68% from September 2019 which ESFA have agreed to fund this year. This is assumed to be an additional cost in 2020/21. A Governor asked if the F&GP Committee discussed the impact of the potential decrease of tuition fees proposed by the Augar Report. Scenario planning had not taken account of the Augar Report as there is uncertainty if this will be implemented.

Notes to support the budget were outlined noting that the budget is determined using cautious calculations for HE enrolments. The F&GP Committee had acknowledged the anticipated dip in next year's surplus and expressed concern that there would be a two-year dip, which could increase, based on predicted HE enrolments. The Committee were not comfortable with the budget but have agreed to recommend this for approval based on the requirement to submit a budget to ESFA; an explanation would be included that the profile could change to improve the financial forecast. The Committee had requested a detailed analysis of the 2nd year financial forecast with a breakdown of operating costs and a granular review of course costings. The current assumption is that the College will deliver its strategy and that cash balances will not dip further to necessitate a fundamental review and trigger plan B.

There was discussion about course capacity which still requires the same number of modules to be delivered, even for small group sizes. The College had suspended some courses next year and acknowledged the impact and challenges this created for staff. Recruitment and growth of courses remains challenging with pros and cons of small groups discussed. Collaborative projects could address small group sizes and bring additional benefits to students.

In summary, the budget is sustainable in five years subject to proactive leadership to embed changes to ensure the future sustainability of the College. Governors agreed the strategy has not changed and all staff have a role to embed the strategy. A Governor asked if teaching and professional staff understand this; the Principal is engaging with teams to empower staff to deliver the strategy.

The Board agreed:

- To endorse the 2019/20 budget and 5-year financial forecast for submission to the ESFA acknowledging additional work will be undertaken to minimise the dip in 2019/20-20/21
- To note management accounts to 30 April 2019

5. Office for Students (OfS)

- I. OfS have provided feedback on the draft Access and Participation Plan (APP) requesting additional context to make the APP a standalone document. The College had identified target groups where there is more consistent evidence of differences in performance; however, there is little meaningful data in some areas because the groups relate to very small numbers. These include students from areas of lower HE participation, household income or socioeconomic status, BAME, disabled students and mature students. OfS had responded that maintaining high levels of mature students could not be a target as this had already been achieved. Care leavers would be added with a suggestion to nurture FE looked after children (LAC) to progress to HE.

The AQ&S Committee (combined meeting) had positive discussion on the draft APP concluding that this will drive social justice.

The APP targets will be monitored to measure impact which will be dovetailed to the strategic plan. HE course reviews and APRs will include under-represented groups. The College is reviewing its school progression agreements and additional schools to forge relationships with to enable the College to achieve its targets. Governors agreed that the College should work to achieve the APP target but must not lose sight of the College's strategic objectives.

- II. The Principal gave a brief presentation recapping on the registration letter and conditions received in November 2018 which have resulted in OfS introducing enhanced monitoring of graduate outcomes and public interest governance. These are being addressed as part of the APP and the governance self assessment with additional checks already introduced to the process to appoint Governors.

Conditions outlined in OfS's registration letter (Annex D) are being tracked against the regulatory framework to ensure appropriate action and reporting. Governors concluded it is important that Governors review appropriate documentation, but minimal guidance should be provided for issues of compliance which are not crucial to the College's strategy and could prove counter-productive.

The Board agreed:

- To note the APP, which was a substantive document, and subsequent feedback from OfS. These will be used to underpin further development of the College.
- To note the update on steps introduced and progress to meet the OfS conditions
- To record appreciation to Sarah-Jane Crowson and James Newton who had significant input into the APP

6. Student Wellbeing – Strategy Implementation 2019/20

The Head of FE presented the report prepared by the Wellbeing Development Lead. The SIM covered the following key areas: FE student wellbeing, HE student wellbeing, cross-college and audit/reporting.

There was specific reference to the five-week transition course introduced for students to provide study skills support and coping strategies throughout their courses. It is anticipated that this will also improve retention. A Staff Governor informed Governors that Performing Arts have created a two-week performance linking to this.

There was a correlation between attendance, performance and wellbeing. An HE attendance policy is being introduced which will provide additional support to students. There was a suggestion to request HE students to nominate responsible adults who could be contacted if a student was absent.

There was a cross-College milestone to capture things the College does to demonstrate wellbeing quantitatively and qualitatively.

The Board agreed:

- To note the student wellbeing report

7. Major College Partnerships

The Principal had prepared the report in response to a request to Governors for topics for future discussion. Collaboration is a core College value with informal and formal partnerships crucial to the delivery of the College's strategy. A Governor asked if memorandums of understanding are established for all partnerships; these are ad hoc with expressions of good intention, but no formal engagement plans with some partners.

HCA is a small institution with partnerships adding diversity. Partnerships and live brief opportunities could be publicised more effectively. Individual courses have developed some partnerships and professional industry links which could be publicised and integrated throughout the College. There was a suggestion to include discussion about partnerships in the APRs with Course Leaders.

There was discussion about relationships with schools noting that the Head of Communications is looking at engagement in schools to identify additional ways to work together, such as assemblies and visits to schools during enrichment week, with engagement tracked to measure impact.

A Governor commented that there were no partnerships with dance companies; the College works with a range of dance organisations including Dancefest, 2Faced Dance, Jigsaw and Hereford Academy of Dance.

A Governor raised potential development of curriculum delivery with NMiTE which was only in its very early stages of discussion. Herefordshire Council has proposed formalising collaboration between HCA, NMiTE and Herefordshire Council with a LLP (limited liability partnership). Following discussion Governors agreed this was premature at this stage which would be a distraction to SLT whose priority is strategy and its implementation.

The Board agreed:

- To note the partnerships report
- It was not timely to establish an LLP with Herefordshire Council and NMiTE currently.

8. Governance

The Board agreed to approve: -

- RSM, Internal Audit Strategy 2019/20
- Mazars, Audit Strategy and Memorandum to 31 July 2019
- An amendment to the Instrument and Articles of Government (Instrument 13 (1) and (2) regarding quorum for meetings
- The procedure for Governors' urgent business
- To appoint Mervyn Jones as Chair and Tim Newsholme as Vice Chair 2019/20
- The Health and Safety Policy

The Board agreed to note: -

- The AoC Code of Good Governance: principles and values
- The business timetable 2019/20
- One to one appraisals will be arranged during the summer conducted by the Chair and Chair of Search and Governance Committee

- The Board's self assessment would be conducted over the summer. This would be benchmarked with other West Midlands' Colleges covering the Ofsted framework and OfS.

In future, reports discussed by Committees which the Board are required to approve will only be emailed to Governors.

9. Policies for approval

The Board agreed: -

- To approve the Student Complaints Policy

10. Minutes and summary of recommendations from Committees

- I. Audit Committee: 10 June 2019
- II. Search and Governance Committee: 24 June 2019
- III. Finance and General Purposes Committee: 24 June 2019 and 8 July 2019
- IV. Academic Quality and Standards Committee: 17 June 2019. The Committee Chair reported that the Committee had a presentation on the new Ofsted Education Inspection Framework (EIF) which will come into effect in September. A summary will be provided to the Board in October. **ACTION: HEAD OF FE**

The Board agreed:-

- To note the Committee minutes

11. Any Other Business

The Chair on behalf of Governors recorded best wishes to Kate Howe who would be taking maternity leave. The Graduation Ceremony would be on Thursday 18 July with congratulations to Stevie Callender who had achieved a first class degree in BA (Hons) Popular Music.

12. Date and Time of Next Meeting

Monday 21 October 2019 commencing at 4.30pm

[Staff Governors and Managers left the meeting for a confidential discussion which was recorded in a separate minute]

13. Confidential Minutes of the meeting

The Chair signed the minutes of the confidential meeting held on 29 April 2019 as a true and accurate record.

The Board agreed: -

- To approve the confidential minutes

Signed as a true record of proceedings

Chair: Date: