

Colchester Institute Corporation

**Minutes of a Meeting of the Board
held on 13th February 2019
at the Sheepen Road Campus**

Present:

Kevin Prince, *in the Chair*
Alison Andreas
Brenda Baker
Mark Davies
Martin Fordham

David Gask
Liz Goodall
David Gronland
Terry Smyth
Richard Wainwright

In Attendance:

Maeve Borges	Vice Principal: Student Services and Support
Gary Horne	Executive Vice Principal: Finance and Corporate Development
Shaun McConnell	Executive Director: Human Resources
Hazel Paton	Clerk to the Governors
Jason Peters	Vice Principal: Curriculum Delivery and Performance
Jill Wognum	Executive Vice Principal: Curriculum, Planning and Quality

Apologies for absence were received from Keith Moule, Scott Piper and Sue Thompson-Arnold.

1. **Declaration of any conflicts of interest**

None.

2. **Appointment of Vice Chair**

The Chair outlined the responsibilities and expectations of the role of Vice Chair and reported that the nomination period would remain open for one more week. Governors interesting in taking on the role would need to be proposed and seconded by members of the Board. The appointment will be made at the next Board meeting and in the event of more than one candidate, there will be a vote.

3. **Minutes**

The Minutes of the meeting held on 12th December 2018 (CIC/19/1/1) were received and confirmed. The Chairman signed the minute book.

4. **Matters arising from the minutes**

None, other than covered elsewhere on the agenda.

5. **Chairs Announcements/Action**

- 5.1. The Chair asked for three volunteers to form the Staff Annual Awards Panel. This is the fourth year that staff and students have been invited to nominate staff for annual awards. There are twelve awards, largely focussed on teaching and learning and supporting learning (such as innovation in teaching and learning and inspirational teaching and learning), but there is also a green award and a team award. The award winners are determined by the Governor panel and announced at the staff meeting at the end of the summer term. The award winners and a partner are invited to a dinner in the Balkerne Restaurant in the autumn term, together with the previous year's Employees of the Month. It was agreed that Brenda Baker, Kevin Prince and Richard Wainwright would determine the award winners.

- 5.2. The Chair signed the cheque for the installation of the new Wi-Fi service. There have previously been complaints from the student body about the poor Wi-Fi and this investment will have a positive impact on teaching and learning. Work will start after Easter and continue over the summer months.
- 5.3. The Chair has started to look at ways of improving the presentation of information to Governors, including a standardised format for papers, with an executive summary where the report is longer than two sides. He is also looking at the way minutes are written in order to draw out Governor challenge.

A Governor asked about the current practice of not naming individuals in the minutes and asked whether questions and challenge should be attributed. It was acknowledged that this would aid transparency but there was concern that some Governors may be less likely to contribute if discussions were recorded in this way. The Chair and Clerk agreed to look at best practice.

6. **Principal's Report**

The Principal presented her written report (CIC/19/1/2).

It was reported that the Principal and Executive Vice Principal: Finance and Corporate Development had recently met with Sir Bernard Jenkin MP and had tried to use the opportunity to raise the issue of college funding. Although Sir Bernard was sympathetic, his focus was on what the College was doing to address the issues in the Ofsted report.

The AoC had yet to publish any guidance in respect of a no deal Brexit, but this was expected shortly.

At least two Governors were planning to attend the Learning and Teaching Development Day on 15th February. Other Board members wishing to attend were asked to contact the Principal.

A launch event for the Construction Skills Centre in Clacton was planned for Monday, 11th March at 5.00pm. Governors were welcome to attend.

The progress against high-level performance targets was noted. The two enrolment targets currently RAG rated red were unlikely to improve.

Governors asked what analysis had been done on potential student numbers over the next two to three years. It was reported that the College had data on the number students in the schools across the three districts by year group from the current year 7 to year 11, but not on the number of people moving into the area and the impact that might have. Student numbers will pick up fairly substantially, but school sixth forms are increasingly offering vocational programmes as well as A Levels. The Financial Plan is modelling modest growth in line with the demographic data. If the College faces increased competition, it could impact on this projected growth. It was agreed to refer this to the Risk Committee to consider further.

It was reported that the formal closure date for learner applications was 31 January, although the College will continue to accept applications throughout the year. Applications at 31 January were up by 6.7% compared to the previous year, but this may be because students applied more promptly than in previous years. Under Gatsby benchmarks, schools have to demonstrate to Ofsted that they engage with post 16 providers, and schools often encourage their students to apply for more than one course/to more than one provider.

A Governor asked about the College's approach to marketing to students, parents and family members. It was reported that there is a large programme of school liaison activity and members of the Marketing Team visit schools on a weekly basis. There are opportunities to influence applicants and their parents when they attend the College for open events, interview and welcome days. Attendance at open days and applications are both up; the College now needs to ensure that the student experience at interview is positive. As an example, within the Centre of Hospitality parents

are present for a briefing prior to the individual interviews, and the Head of Centre is available to talk to parents and answer questions while the students are being interviewed. This is believed to have a positive influence. A member asked if Link Governors could support the College by attending these events. It was reported that the previous Corporation Chair regularly attended open events, and that there might be opportunities for Governors to contribute at the Open Days in the summer term.

Arising from the discussion it was noted that the increase in full time applications this year might be due to a change in the application process. Students who apply for an apprenticeship are asked to complete a full time application as well so that they have a fall-back position. This is difficult for the College to track.

A Governor noted that some FE programmes naturally progress into HE and the College must do more to exploit this advantage. The College also has good progression into apprenticeships and into work.

7. College Insolvency Regime

CIC/19/1/3, Further Education Bodies: Insolvency Guidance – January 2019, was received and the obligations for the College and Governors noted. The insolvency regime came into effect on 31st January. Exceptional financial support will no longer be available for failing colleges. In the event of 'severe financial distress' the corporation would be dissolved and new arrangements put in place for the governance and leadership of the college.

The Governors with financial expertise reassured the Board that there was nothing in the guidance to be concerned about. The Resources Committee has members with appropriate expertise to scrutinise the monthly report and accounts, which includes a rolling 12-month cash flow projection. There are also other opportunities for issues to be identified early and flagged up to the Board. The Bank receives the monthly report and accounts as part of the monitoring associated with the long-term bank loan, and the External Auditors pay particular attention to going concern as part of the audit of the financial statements.

8. Reports from Committees

8.1. Curriculum and Quality Committee

The minutes of the meeting held on 29th January 2019 (CIC/19/1/4) were received and presented by the Committee Chair David Gask.

8.1.1. Progress Against Post Inspection Action Plan (PIAP)

CIC/19/1/5, Progress against the Post Inspection Action Plan / Quality Improvement Plan - November 2018 - July 2020, was received and noted. The Committee had questioned whether the PIAP was still appropriate given the changes to the Ofsted Inspection framework being introduced in September 2019, and were advised that there would still be a focus on outcomes. It was reported that there would be a Board briefing on the new Inspection framework once the current consultation was concluded.

Governors asked about progress in changing the culture of the College. It was reported that a lot of work was going into this, but it would be some time before the effectiveness of this work becomes clear. A focus at the Learning and Teaching Development Day will be on ensuring all staff understand the priorities.

A Governor asked how much the new student tracking system was affecting the students, particularly in respect of their understanding of how well they are progressing. It was reported that good practice had been taking place with regard to feedback, individual learning plans, and target setting, but it had not been consistent and it had not always led to the right actions in the classroom or on the part of students to make best use of that information. The new system identifies what knowledge, skills and behaviours a student

should have attained at various points in the year, and measures progress in a standardised way, leading to an action plan to take that student forward to get the best grades.

8.1.2. Annual Report to the Board

CIC/19/1/6, Curriculum and Quality Committee Annual Report to the Board 2017-18, was received and noted.

8.1.3. Link Governor Scheme

CIC/19/1/7, Link Governor Scheme 2019, was received and accepted.

8.1.4. Learning Walks

The Corporation Chair reported that it was suggested at the recent AoC East Governor Conference that Governors should be invited to participate in learning walks once or twice each academic year. The purpose is to give governors the opportunity to see what is going on in the classroom, and ask questions about what they have seen. The four Governors who attended the conference were supportive of the suggestion, and the Principal has been asked to timetable two dates for learning walks in the 2019-20 academic year. The groups will be small (three or four Governors) and led by a Head of Area.

8.2. Resources Committee

The minutes of the Resources Committee held on 5th February 2019 (CIC/19/1/8) were received and presented by the Committee Chair Richard Wainwright.

8.2.1. Management Report and Accounts

CIC/19/1/9, Management Report and Accounts December 2018 [Period 5], was received and presented by the Executive Vice Principal: Finance and Corporate Development. It was reported that at the end of Period 5 the year-to-date surplus was £260k ahead of the budgeted surplus position. However, the College will struggle to achieve the budgeted income levels for the second half of the year. Taking a prudent approach, the full year forecast outturn is £100k lower than budgeted, reflecting the £1.1m shortfall in tuition fee income (HE, full cost and adult FE areas). The College has achieved £700k savings on expenditure lines over the first five months of the year, and there are opportunities to improve on that position. The full year forecast operating surplus (£164k) equates to a financial health score of 140 points, 30 points above an inadequate position.

The impact of the drop in income next year from £39m to £37m has been projected forward and the College could potentially require short-term credit in March 2020. The College has a credit facility in place should it be needed.

The Committee Chair drew Governors attention to the financial health score. If there is much more slippage in the accounts, there is a danger that the score could drop to 110 points (Inadequate). In view of this the Executive Vice Principal: Finance and Corporate Development had been asked to do so sensitivity analysis and comment on this in the next Monthly Management Report. The Executive Vice Principal reported that the sensitivity analysis had been completed and the College would need to record a loss of £300k or more to fall to Inadequate financial health, a £0.5m worsening of the current position. The College has already taken action to protect the year-end position, including a stop on all non-essential spending. The College is working with sub-contractors to maximise income and achieve the Adult Education Budget funding.

8.2.2. Updated Financial Plan 2018 - 2021

CIC/19/1/10, Updated Financial Plan 2018 – 2021, was received and presented by the Executive Vice Principal: Finance and Corporate Development. It was reported that the Financial Plan approved by the Board in July each year is updated as a matter of course each month for internal use, and in line with the recommendation in the FE Commissioner

Diagnostic Assessment Report, has been extended to 2021. The plan reflects the outturn position last year, the current position for this year as at Period 5, and projects into 2020 and 2021. The plan for 2020 models the reduction in 16-18 and HE funding and includes modest growth for apprenticeships. It also incorporates a £2m savings package to offset the funding drop. At this stage, the College is forecasting a £400k pre-budget surplus for next year. The detail will be included in the full budget.

The Committee Chair drew Governors' attention to schedule four and the impact on the Balance Sheet in 2021 of a formula driven worsening of the FRS102 pension position. After discussion at the Resources Committee, and in line with practice in some other colleges, the Executive Vice Principal: Finance and Corporate Development was asked to remove this figure from the forecast and add some narrative to the Plan to explain what the College and the LGPS actuary was modelling in respect of the future pension forecast.

The cash flow forecast, and the modelling in respect of the planned savings was noted.

8.2.3. Investment in Teaching and Learning

It was noted that as reported earlier in the meeting the College would be investing in learning coaches. Further details will emerge in the College's application to the Strategic College Improvement Fund. If successful, the College will need to invest £62,500 towards a £250,000 programme of work. Fifteen capital projects sanctioned over the last six months support teaching and learning. These include investment at the Clacton Campus, and in the gaming lab in the UCC Building.

8.2.4. Capital Developments

The Executive Vice Principal: Finance and Corporate Development updated Governors on capital developments.

It was reported that planning permission had been granted for the additional floor to South Wing at the Sheepen Road campus. To avoid disruption to teaching and learning this academic year work will start at the end of the summer term. In response to a question, it was reported that work would be complete in March 2020. Governors asked about the impact on students during the build period. It was reported that the noisy work would be completed over the two-month summer vacation period. There will be a designated compound for the contractor. All walkways will be open and the building will be in full use, although it may be necessary to relocate teaching on certain days. The College will have a greater understanding of the level of disruption in September 2019.

Piling works for the STEM 2 building at the Braintree Campus are complete. The project is currently one week behind schedule due to the weather. Discussions with the mobile mast operators are positive and the College has just received drawings for where the mast is going to be sited. The purchasers of the land in the middle section of the campus are preparing for a public consultation to be held at the Braintree Campus on 7th March 2019, 3.00pm – 7.00pm.

8.2.5. Update on One Year Strategic Plan Action Plan

CIC/19/1/11, Update on One Year Strategic Action Plan (Priorities 3-5), was received and it was noted that the plan is generally progressing well.

It was reported that the Executive Director: Human Resources would be leaving the College at the end of March, and this would inevitably result in some slippage in the HR Plan. A number of actions in the HR Plan had due dates of December 2018 and January 2019, of which about 60% have been completed to date. The HR Plan is being RAG rated and prioritised and a further report on progress will be made to the April meeting of the Resources Committee.

8.2.6. **Wellbeing Annual Report**

CIC/19/1/12, Report to the Resources Committee on activity to promote Staff Wellbeing during 2018, was received and noted. The College has engaged with the Essex County Council Working Well Community Programme, to support the living well aspects of the wellbeing policy. The College's contact at the County Council will attend a future meeting of the Wellbeing Group to help with prioritising the activities going forward.

8.2.7. **Gender Pay Gap Reporting**

CIC/19/1/3, Gender Pay Gap Reporting, was received and noted. This is the second year that the College has been required to publish this statutory report. There has been a narrowing of the gender pay gap compared to the previous year.

8.2.8. **Sickness Absence**

A Governor referred to a statement in the minutes of the Resources Committee that absence due to stress and mental ill health had dropped slightly compared to the previous year, and questioned whether the drop was significantly significant. It was acknowledged that it was borderline. The Resources Committee will continue to monitor sickness absence.

9. **Remuneration and Search Committee**

The minutes of the Remuneration and Search Committee held on 12th December 2018 (CIC/19/1/14) were received and noted.

10. **Board Objectives 2019**

The Chair asked for Governor input into the Board objectives for 2019. The objectives for 2018 are still pertinent. The Chair would also like to reflect on the responses from the annual Board self-assessment and form an action plan to support Board improvement. A Governor referred to the practice at some colleges of Governors doing annual appraisals with the Chair. The Chair reported that he had met on a one-to-one basis with four Governors and was keen to continue this practice.

11. **Feedback from Governor Training Activities**

Four Governors had attended the AoC East Governor Conference in January 2019 and their notes on the breakout sessions, together with the presentation from Paul Joyce, HMI, on the new Ofsted Inspection Framework had been circulated to all Governors. A Governor who attended the Conference commented on the quality of the speaker from the AoC, who was cognisant of the challenges facing colleges.

12. **Date of Next Meeting**

The next meeting of the Corporation Board is on Wednesday, 24th April 2019 at 11.00pm. The meeting will be preceded by a presentation at 10.30am and followed by lunch in the Balkerne Room.

13. **Any Other Urgent Business**

13.1. **ETF Governance Development Programme**

The Clerk reported that registration was now open for the face-to-face modules in the ETF Governance Development Programme pilots. Details will be emailed to Board members and Governors were asked to respond quickly if they wished to be registered on a module. There are a limited number of places, and bookings will be accepted on a first come, first served basis.

13.2. **Thanks**

The Board extended its thanks to the Executive Director: Human Resources, Shaun McConnell, for his contribution to the College and wished him well in his new position.