

**CHELMSFORD COLLEGE
BOARD OF THE CORPORATION
29 September 2017**

Minutes of a Meeting of the Board of the Corporation held at the Committee Room, Moulsham Street Campus, Chelmsford on Friday 29 September 2017 at 2.00 pm.

PRESENT: Elaine Oddie (Chair)
Andy Sparks (Principal)
Stuart Hodges
Susan Hughes
Michael Lager (Vice Chair)
Janet Maynard
Sarah Noble (Vice Chair)
Doug Zeeman

IN ATTENDANCE: Caroline Williams (Deputy Principal)
Mike Tadman (Assistant Principal, People & Services)
Debs Hurst (Assistant Principal, Finance & Risk)
Seena Shah (Observer)
Rob Millea (Clerk to the Corporation)
Joanne Harrington (Assistant Clerk)

1197. PRESENTATION: HAIR & BEAUTY FEASIBILITY STUDY

Steve Smith (Vice Principal, Corporate Resources at South Essex College) gave a presentation to the Board on the options available to the College to relocate Hair & Beauty provision from Beacon House, which is intended to be sold, to the College's other Campuses.

Steve explained that several options have been explored but the preferred option emerging is to move Hair & Beauty to Princes Road.

An Indicative cost and timetable programme was proposed and discussed. He indicated that some elements of the move would require formal planning permission if the two external receptions are required.

Steve covered the background to this proposal and the fact that the previous 2016 study had suggested a move to Moulsham Street but this had been put on hold due to Area Review.

After the move is completed, the College would dispose of Beacon House. Governors were reminded, on request, of the estimated market value of Beacon House.

Governors were keen that the shop window activity of Hair & Beauty needs to be emphasized and therefore a separate entrance is recommended for this area. This entrance could also be used whilst the main reception is refurbished under Phase 2.

Some enabling works have already taken place in preparation for moving Hair & Beauty into the space in Princes Road.

Sketch designs were presented showing the indicative m2 costs and that the design & build procurement route is preferred.

The first Phase would cost in the order of £600K (including a contingency of 10%) and would cover the move of Hair & Beauty and the conversion of Princes Road to accommodate that move. Phase 2 would cost around £760K and this would cover filling in the 'alleyway' leading to the current main entrance of the Princes Road building and resiting reception and related works.

Finance will not permit both Phases to be proceeded with immediately and it was stated that the two Phases are done sequentially

A Governor asked about cost/benefit model justification for this work and the Assistant Principal, Finance & Risk stated that a reasonable return and payback could be achieved over four years.

Currently, 145 students are enrolled in Hair & Beauty courses and this level of enrolments is fairly stable. This level of enrolment produces about £700K turnover on which a contribution of around 35% is made, based on the cost model used last year.

A Governor asked if we can stop after Phase 1 and this was confirmed.

The refurbishment of Princes Road to accommodate the Hair & Beauty move should last 25 years but the equipment required (some may be able to be relocated from Beacon House but not much) would last around 10 years.

So far as cost is concerned, governors were informed that Phase 1 can be financed from existing resources. However, it was stressed that sale of Beacon House as soon as possible is a must in order that the College can pay down some of its existing debt to the Bank.

Steve and the Principal emphasized that the relocation and refurbishment would create a much better experience for students and would enable marketing of the facility to the public.

The detailed programme for Phase 1 was discussed. It will take just over a year to plan, design and build (predominantly refurbishment) and the aim would be to move students into the new facilities in December 2018

Governors noted Phase 2 is more complicated as it does create a new (in fill) building. The hope would be to look at completion by September 2019 noting that these works have to be done outside term time

In response to a governor question, it was stated that the Board is asked to consider one of three options:

- Stop delivering Hair & Beauty
- Move Hair & Beauty to Moulsham Street
- Move Hair & Beauty to Princes Road (due to reduction of catering releasing space) and tie together Hair & Beauty and service areas (treatments, hair styling and diners in the Princes Restaurant) to provide added commercial opportunities for the College

The Chair requested that a short paper be prepared for the Board Development Day explaining the options and the costs for Phase 1 and Phase 2. A discussion can then be held with a decision on how to proceed.

Steve was thanked for his presentation.

ACTION:PRINCIPAL

1198. APOLOGIES FOR ABSENCE AND WELCOME TO STUDENT GOVERNOR AND OBSERVER

Apologies for Absence were received from Steve Houghton, Amanda Montague and Barbara Vohmann.

The Chair welcomed Seena Shah, who is attending this Meeting as an Observer, with a view to her joining the Board.

1199. DECLARATIONS OF INTEREST AND NOTIFY ANY CONFIDENTIAL ITEMS

The Clerk to the Corporation renewed his declaration that he acts as Clerk to South Essex College and Company Secretary of Essex Shared Services Limited. He also notified the Board that his wife's cousin is the Clerk at Writtle University College.

The Assistant Principal, Finance & Risk renewed her declaration as Director of Finance, South Essex College and General Manager of Essex Shared Services Limited.

The Board considered proposals in connection with Senior Management Restructuring as a confidential item and a separate minute has been prepared for this matter, which is attached to these minutes.

1200. URGENT BUSINESS

There were no items of Urgent Business.

1201. MINUTES OF THE MEETING HELD ON 7 JULY 2017

The Minutes of the Meeting held on 7 July 2017 were **APPROVED** and **SIGNED** by the Chair.

1202. MATTERS ARISING

The Clerk tabled a paper tracking actions arising from the last minutes.

- a. PREVENT Training for Governors – all Governors have completed the on-line Training.
- b. The results of the Governors' Self-Assessment are included in Governance Matters (Minute **1212**)
- c. Governor Recruitment is covered under Minute **1212**
- d. PFGP Committee – the final Minutes of this Committee were signed by the Former Chair of the Committee. All Members had seen these Minutes in draft at the last Board Meeting
- e. The final Essex Area Review Report has been sent to all Governors, the presentation on Apprenticeships at the last Meeting has been placed on the Governors' portal, together with the RSM Seminar Notes attended by the Clerk.

All other carry forward matters from the last Minutes are covered in the Principal's Report and in the Finance Report, which are part of this Meeting's Agenda papers.

1203. PRINCIPAL'S REPORT

The Principal presented a written Report for the information of governors.

He stated that 2017/18 has started well. There is reason for cautious optimism as we look forward to the Ofsted inspection due in November this year.

The outturn for 2016/17 is a surplus of £220K in line with projections and demonstrates our control over finances of the College. This year will be much more challenging due to the lagged learner income reduction of £760K. There is a financial plan in place to mitigate this which will become clearer once the full enrolment cycle is completed at October half term.

It is important that we progress the relocation of Hair and Beauty from Beacon House and then proceed with the disposal of Beacon House. It is also necessary to renew the revolving credit facility with Lloyds Bank through to December 2018 and that is appearing positive.

External landscape

He referred to the current external landscape in Further Education commenting on:

- New ESFA Chief Executive (Eileen Milner)
- Robert Halfon MP now Chair of Education Committee
- Lobbying regarding the continuing disparity between funding rates of schools and Colleges
- Release of public sector pay cap putting pressure on FE Colleges to fund increases in salaries

Writtle University College

The Memorandum of Agreement is still to be developed following the signing of the Memorandum of Understanding signed on 14 July 2017. There is a new Vice Chancellor in post at Writtle. These developments pick up on the recommendations from the Essex Area Review. Transitional funding of £50,000 has been received to facilitate the development of collaboration with Writtle. A consultant from ACER (Andrew Thomson) is assisting in this initiative.

Enrolment

Pleasingly, enrolment numbers have increased by 6% compared to last year, which will translate into improved income next year under the lagged learner funding model.

Adult recruitment is problematic but, apart from some move on AAT to Apprenticeships, it is expected that activity will be similar to last year.

Apprenticeships starts are down due to the Apprenticeship Reforms and there is an emerging risk with our budgeted income targets. It is due to delays in sign ups caused by employer contracts not yet being in place.

This is a significant risk to the College and the sector generally as to the number of starts.

Quality Improvement

End of year performance data for 2016/17 is very positive with most indicators having improved to a much higher level, with less variability and the draft Self-Assessment Report proposes a grading of Good. The SAR is more descriptive this year to assist Ofsted by means of a position statement as well as it driving future and continuing improvement.

The SAR will be validated over the next few weeks, with assistance from Paula Heaney (Ex-Regional HMI), and then will be loaded onto the Ofsted portal together with the College improvement plan. We expect that to occur before Ofsted visit in November and before the required deadline at the end of December.

Penny Petch has been appointed Director of Teaching, Learning and Quality (new post) to merger Teaching & Quality allowing us to build on progress thus far and synergise actions in the future.

Curriculum Developments

The Principal referred to a number of curriculum developments to take place this year, which were itemised in his Report. These involved reviewing provision to match with new diplomas and awarding bodies. A key element of this is the new specification for GCSE Maths and English and the implementation of the apprenticeship Reforms and new standards in that respect.

The Quality & Learners Committee will examine these developments in more depth at their November Meeting. The Board noted the further drop this year in enrolments in Catering and Hospitality and this needs review and rethinking for the future.

Fire Review

The Principal reported that an end of year Fire Review has been carried out and the Report from the independent reviewer was provided to the Board commenting on all aspects of the Fire Management Strategy in the College. Specifically, fire evacuation at the last test was 3.1 minutes at Moulsham Street and 2.23 minutes was the overall College average.

Estates Matters

The Board received a note of the completed aspects of the summer works programme, as previously authorised in the Budget.

1204. FINANCE REPORT

1204.1 Management Accounts for the year ended 31 July 2017

The Assistant Principal, Finance & Risk presented the Management Accounts for the year ended 31 July 2017 for discussion and comment by the Board.

For the year, the College is showing an operating surplus of £222K against an original budgeted surplus of £221K. It was slightly worse than the last forecast of £230K.

Total income amounted to £15.7million and total expenditure amounted to £15.5million.

The Accounts were accompanied by a Detailed Commentary explaining the variances from budget. These management accounts do not take into account any adjustments which will result from including FRS102 pension adjustments.

The Assistant Principal, Finance & Risk also made the following observations in response to governor questions:

- This was the third consecutive year of a surplus being reported
- Income from Adult Education was slightly down but there was some other extra income and savings on costs, which overall netted off
- The accrual for holiday pay of about £12K is yet to be put through but some achievement is still to be validated, which should net off against this accrual
- KPMG will start the final audit on 16 October
- Financial Health is Satisfactory
- Forecasting is done in November and April/May but there is no rolling forecast – most items are phased evenly over the year
- The Nursery forecast was in error during the year and some fine tuning will take place in the future
- GDPR compliance is a challenge to ensure we are not exposed to fines through non-compliance
- It is difficult to get current ratio up to 1:1 but current level not a concern
- The cash flow forecast does not yet include any amounts for the possible relocation of Hair & Beauty to Princes Road

Governors were pleased with the result being reported.

At 31 July 2017, group net assets stood at £13.4million, including cash of £ 1.1million and revalued fixed assets of £32.1million.

The College's Financial Health for 2016/17 to date, based on the SFA's new methodology, is Satisfactory and is expected to remain so for 2017/18. The target is for it to improve to Good for 2017/18.

Cash flow has been positive for the year and the revolving credit facility was not necessary in early 2018.

The current ratio stands at 0.59 slightly better than last year of 0.53. Pay expenditure as a percentage of income is 62.9% against target of 62%. Borrowing as a percentage of income is 44.54% within ESFA tolerances.

All bank covenants are being met.

1204.2 End of Year Accounts

The Annual Report & Accounts are in the process of preparation and the accounts section is virtually complete. The Commentary is being prepared and the whole package will be ready for the KPMG Audit commencing 16 October 2017.

The pension adjustments are the only changes to the Management Accounts reported in minute **1204.1** and the expected final surplus for the year is £1,149K, after charging pension interest and service charges of £510K and crediting the actuarial gain of £1,439K.

The draft Accounts will be sent to the designated Finance governors for review before going to KPMG for audit.

ACTION: AP, F&R

1204.3 Revolving Credit Facility negotiations

This was deemed to be a Confidential Item under the Instrument & Articles and a separate minute has been prepared in connection with this item, which is attached to these minutes.

1204.4 Insurance schedule for 2017/18

The Assistant Principal, Finance & Risk **PRESENTED** a Report outlining the College's Insurance Cover for 2017/18 for review by the Board as part of their duty to safeguard the assets of the organisation and procure protective cover against other risks to which the College might be exposed.

The cost for the year is £52K. The Assistant Principal, Finance & Risk is reviewing the need for Terrorism Insurance to cover Business and Property Interruption at a cost of £7K. After discussion, the Board **AGREED** that this cover should be included.

The insurance details will be placed on the Governors' portal.

A governor asked a question about level of excesses in our Policy. It was stated that this would be reviewed for next year when we retender for our insurance cover.

ACTION: AP, F&R

The Board **NOTED** the Insurance Schedule for 2017/18 and **APPROVED** the inclusion of Terrorism Insurance in the Policy at an annual cost of £7K.

ACTION: AP, F&R

1204.5 Internal Audit Plan 2017/18

The Assistant Principal, Finance & Risk and the Chair of the Audit Committee jointly **PRESENTED** the proposed Internal Audit Plan for 2017/18, which had been prepared by RSM, the College's Internal Auditors, and discussed in detail at the Audit Committee on 19 September 2017.

The Plan was adjusted to reflect the wishes of the Committee at that Meeting and it comes to the Board with the Committee's recommendation for approval.

It provides for 21 days of work for the College (of which 3.5 days is presently a contingency) and 11 days of work on Essex Shared Services, which is shared equally between the College and South Essex College.

On the recommendation of the Audit Committee, the Board **APPROVED** the Internal Audit Plan 2017/18 for the College.

A governor asked whether the College's readiness and policies in respect of the General Data Protection Regulations which come into force in April 2018 should be audited. The Assistant Principal, Finance & Risk explained that there is a contingency in the Audit Plan of 5 days and part of this could be used for such a purpose.

She further explained that there is a collaboration by the Essex Colleges on GDPR as to necessary policies, testing for cyber security and so on.

The Chair of the Audit Committee said that a review of audit needs for the future will be considered at the February 2018 Board Development Day to ensure work commissioned from internal audit and other sources meets the perceived needs of the Board. She said the Board should have clear ownership of the assurances it requires and should identify and address any gaps.

1205. FINANCIAL REGULATIONS

The Assistant Principal, Finance & Risk **PRESENTED** the updated College Financial Regulations, which had been reviewed by Management for approval. The Regulations have been loaded onto the Governors' Portal.

The revisions to the Regulations covered mainly administrative points.

The revised Regulations will be sent to all staff and they will have to respond that they have read and understood them

Governors considered a suggestion that there be an increase in the signing limit for cheques from £1,000 to £2,000, but this was not agreed.

The Board **APPROVED** the Financial Regulations and the Delegated Authority schedule attached thereto.

1206. HUMAN RESOURCES REPORT

The Board **RECEIVED** a Report from the Assistant Principal, People & Services on Human Resources matters.

The key points were:

- A workforce strategy document has been drafted and provided to the Audit Committee. It will be considered by the Committee in November and recommended to the Board in December
- Restructuring in 2016/17 to develop the academic management structure have been successful along with refinements to managing staff performance
- Turnover increased slightly at the end of the academic year and ended slightly above target at 18.5%, but has improved from previous years, but is still too high
- Staff recruitment continues and is difficult in certain areas (particularly engineering and construction) but overall greater stability has enabled reliance on agency staff to be reduced
- Around 90% of performance targets are completed or on course to succeed
- Relations with Trade Unions remain good, but they have, understandably, concerns over pay and workload

- Sickness absence was higher than target at an average of 5.8 days but this not dissimilar to national trends reported by the AoC
- Employment related legislation coming into force in 2018 include the General Data Protection Regulations (GDPR) in May 2018 and statutory gender pay gap reporting (April 2018)

A governor suggested that it would be useful to see a breakdown of reasons why staff leave (including those performance managed out) and whether staff looking for career development/promotion that we cannot offer is part of the reason.

The Assistant Principal, People & Resources commented that the removal of 1% public sector pay cap does not directly affect Colleges but it is an influence. It will become a union issue and an employee relationship issue.

He further explained that the workload issue is being carefully considered as staff become more efficient and really participate in the drive for quality. It is a delicate balance between workload and performance in line with their contract and the College's expectations.

Governors requested that there be a debate at the Board Development day on 2nd February 2018 in respect of staff workload and performance management, along with the workforce strategy document currently being drafted and reviewed by the Audit Committee.

ACTION: CLERK

The Board **RECEIVED** the Report.

1207. QUALITY MATTERS

1207.1 2016-17 Draft Self-Assessment Report

The Deputy Principal **PRESENTED** the draft SAR for 2016-17.

The drive for improvement and much improved outcomes for learners and better teaching, learning and assessment has led the SAR to propose an overall grade of Good – Grade 2. The College is currently graded 3 – Requires Improvement by Ofsted.

The Deputy Principal highlighted the key points in the draft SAR:

- Rapid improvement in success rates for 16-19 learners
- Large majority of learners achieve their vocational qualifications and make good progress

- TL&A is effective in facilitating learner progress
- Learners gain good skills and their learning is well resourced
- High levels of pastoral and learning support provided
- Learners feel safe
- Good and productive links with employers, the LEP and other local stakeholders
- Pass rates (A* to C) for GCSE English and Maths have increased significantly, however too many learners don't yet achieve C grade
- Attendance generally good but weaker at levels 1 and 2, especially in English and Maths

There are four area judgements and four provision judgements and these were validated by Paula Heaney on the qualitative judgements. She believed that the priorities for continuing improvement were well thought through and justifiable.

The Deputy Principal stated that the Self-Assessment Report is being thoroughly audited and that it is proposed to split the Report into an Executive Summary (Pages 1 to 12) which will help governors to grasp the flavour of our assessment. The detailed supporting material (Body of the Report) will be separated, along with the Appendix containing the dataset supporting the Report.

Governor questions

Is there any issue with consistency looking at the three year profile? Paula Heaney thought not and that inspectors would be more interested in the overall picture shown and by the upward trend. In addition, variability is very minor numerically. The focus should be on the positive value added, which is looking very good, and the overall trend, not small cohorts.

Is Sustainability an issue for the future? The College Improvement Plan addresses this for next year. Once rated in the 90s the challenge is to ensure students achieve their Target Achievement Grades.

Paula Heaney toured the College unannounced and this showed learners engaged and busy. This was a marked difference from the last inspection. She said she could see the difference from two years ago when she was Quality Assurance HMI at the time of the last inspection. Now, her observation was a very positive experience.

The Board and Management recognised cautiously that it does depend on what inspectors see during the visit. Nothing can be predicted.

The Chair complimented Management on the progress made and said this is a great achievement. Another governor also observed the qualitative comments looked good.

The Board **NOTED** progress to date in the preparation of the SAR.

1207.2 Progress Against College Improvement Plan 2016/17

The Deputy Principal **PRESENTED** an updated College Improvement Plan showing Ofsted Support and Challenge Actions and progress to date.

The Plan was **SUPPLEMENTED** by extensive comments by the Deputy Principal, focusing on each of the seven priorities.

Governors noted that good progress is being made against all seven College priorities.

Priorities 4 (good progress and achievement of students on 16-19 Study Programmes) and 7 (raising standards within classroom based learning) remain RAG rated as AMBER as, whilst there has been significant improvement in performance, there is still some inconsistency across the College and areas for improvement, namely GCSE English and Maths.

Nevertheless, GCSE English & Maths have improved and have reached a level consistent with the region and in line with National Rates. There are higher grades and attendance at those lessons, along with level 1.

Of the 28 key actions listed in the CIP (which are all linked to the seven priorities), most have been completed, details of which were noted in the CIP Report.

The Monitoring Report sits alongside the most recent KPIs and the Ofsted Support and Challenge Visit letter and should be read in that context.

The Report from the Deputy Principal was **RECEIVED**.

1207.3 Ofsted Preparations

The Deputy Principal reported that the College and its staff are very positive about the upcoming inspection. A lot of hard work has happened over the last two years including the assumption of greater accountability by staff. Since the last inspection in 2015, it has not been a quick fix.

The College has self-assessed as Grade 2 in all areas. It is acknowledged that Apprenticeships may be on the cusp between Grade 2 and Grade 3.

The Deputy Principal stressed that the Self-Assessment Report is only draft at this stage, further lesson observations are taking place next week and the grades/outcomes are subject to final validation.

Governors will receive a briefing from Paula Heaney (ex-HMI) on 11 October at 4pm and most have indicated that they can attend.

As far as one can tell, the likely commencement date for inspection is Tues 1 November or Tues 8 November.

The Deputy Principal informed governors that extensive preparations have been put in place and we are ready.

The recent visit from Paula Heaney was desk based but was very positive.

The Board **RECEIVED** the update Report on Ofsted preparations.

1208. KEY PERFORMANCE INDICATORS

1208.1 Outturn for 2016/17

The Board **RECEIVED** a detailed paper itemising KPIs for the College and current progress and performance, with commentary.

The Principal drew governors' attention to the 16-18 Study Programme figures for Looked After Children retention, 72% for the year against a target of 92%. This relates to about 20 learners.

In addition, the percentage of students on 16-18 Study Programmes making progress on or above their Target Achievement Grade was 70% against a target of 80% but this is considered a good outturn as the target was very aspirational.

As mentioned under the SAR item above, in year performance for Apprenticeships is likely to be 70% against a target of 75%, however this is a 5pp increase over last year and is just on National Average. The target was very ambitious.

Otherwise, there were no other RED rated items.

A governor asked why is commercial income rated GREEN, having moved from AMBER, as we are still not successful in generating commercial income. The response was that the target and plans have been met and it is not about whether we have increased commercial income.

The Principal reported that some conversations have taken place with Essex Adult Community Learning. They have been positive but any progress to collaboration or other partnership might take time.

Governors commented that the academic forecasts were all within one percentage point of the targets for last year and this was an excellent result.

The Report was **RECEIVED**.

1208.2 Targets for 2017/18

The Principal **PRESENTED** a Paper proposing targets for academic, HR and Finance for 2017/18.

The Principal commented on the uncertainty regarding Apprenticeships and the expected funding for 2017/18. This funding stream is now more complex as there are now three strands within each age group: Carry-Ins from last year, Non-Levy and Levy. These targets will be closely monitored to ensure they remain realistic but meanwhile they are set at a top level for 16-18 and 19+.

The source for each target was itemised in the document.

The target for Staff meeting the 5 key expectations in Lesson Observations has been set at 90% against last year's actual of 86%.

Governors commented as follows:

- Staff pay % as against income is higher in KPI 17/18 compared to last year but it is based on the Budget
- The target for staff absence has been set at 4.5 days per person per annum against last year's actual of 5.8 – this is quite challenging
- Target Achievement Grade for students of 75% is very challenging – in the sector, 70% is generally considered to be good

The TAG target of 75% is very challenging – 70% is considered good on a national basis.

A governor asked if the TAG target could be analysed by curriculum area and it was agreed this would be reported at the next Meeting of the Quality & Learners Committee.

ACTION: DEPUTY PRINCIPAL

A governor enquired as to whether an audit of KPIs should take place to ensure assurance and quality is good and there are no gaps in the assurance available to the Board. The Audit Committee will pick up this point.

ACTION: CLERK

The Board **APPROVED** the KPI targets for academic, HR and finance as detailed in the paper provided.

1209. RISK REGISTER AND DASHBOARD

The Assistant Principal, People & Services provided the updated Risk Dashboard as at September 2017 and Members were directed to the Minutes of the Audit Committee held on 19 September 2017 where a detailed Risk Management Report was received and discussed, which included the current Risk Register (to end August 2017).

The Clerk pointed out that the current risk status on the Register is that there are 27 risks noted, of which none are RED risks. There are 5 AMBER risks and 22 GREEN risks.

The Assistant Principal, Finance & Risk pointed out that the risks regarding curriculum intervention, 16-18 enrolments and reduced funding this year on the lagged funding model, together with apprenticeship activity will be reset at half term and these might need to be raised from GREEN or AMBER as appropriate.

The Ofsted inspection outcome is rated GREEN as the expectation is that the College will be graded 2 – Good, up from the present grade of 3 – Requires Improvement.

The Principal reported that full time learner enrolments this year are up by 18% and this has been reported to the ESFA in the hope that they will reconsider our case for additional funding. This increase is in line with that reported in our business case for amelioration of the lagged funding model income decrease for 2017/18.

There is a real risk looming regarding the apprenticeship Reforms given the complexities of the funding and the difficulty Colleges are having in signing up employers to Apprenticeships.

It was stressed to the Board that just because a risk is rated GREEN does not mean this area is satisfactory but that the risk is being well managed and mitigated.

The Board **RECEIVED** the Report.

1210. MINUTES OF COMMITTEE MEETINGS

The Board **RECEIVED** a copy of the unapproved Minutes of the Audit Committee Meeting which took place on 19 September 2017.

A governor requested that a copy of the bid for the £50K transitional funding to facilitate the outcome of the Area Review be placed on the Governors' portal for information. The Principal stated that the money has to be spent by the end of March 2018. He said that Andrew Thomson of ACER is going to provide consultancy support on this issue giving suggestions as collaborative mechanisms and shared services that could be explored with Writtle University College.

The Chair of the Audit Committee reported that the Committee and Management were not satisfied with the service being provided by RSM, the internal auditors and that consideration would be given to retendering for the Internal Audit Contract. The arrangements with RSM finish at the end of 2017/18 (three year contract) but it is renewable for two further years.

It was **AGREED** that Elaine Oddie and Michael Lager would attend the November meeting of the Audit Committee as Observers as the principal item on the Agenda will be the review of the Annual Report & Accounts and consideration of the Audit Highlights Memorandum from KPMG, the external auditors.

ACTION: AP, F&R

The Board **AGREED** that the Minutes of the PFGP Committee held on 27 June 2017, which had been provided to Board Members at the last Meeting on 7 July 2017, be signed off by the previous Chair of that Committee.

ACTION: CLERK

1211. GOVERNANCE MATTERS

The Clerk **PRESENTED** a Paper on current Governance Matters for consideration by the Board.

Governor Recruitment

Seena Shah, who is attending this Meeting as an Observer, has expressed a wish to join the Board. A Resolution to that effect will be brought to the Governors' Development Day in a Special Meeting to that effect.

There are no other potential candidates at present. The Board was reminded that there are vacancies for four independent governors. This will remain for the foreseeable future as, if Seena is appointed, this will be balanced by Michael Lager's expressed intention to retire on 31 March 2018.

The Board were further reminded that both Sarah Noble and Susan Hughes reach the end of their terms of office at the end of March 2018 – both are eligible for re-appointment.

Doug Zeeman reported that he is pursuing an opportunity through a contact of his.

The Clerk indicated that he would pursue a possible candidate, a local accountant.

The Clerk also suggested that the College use a number of free advertising media:

- AoC jobs site
- FE Week
- Indeed free jobs portal

The Clerk also agreed to enquire as to local advertising costs via the Essex Chronicle.

ACTION: CLERK

Governors' Self-Assessment Questionnaire 2016-17

All governors who served during 2016/17 (eleven) had responded to this Questionnaire and the Clerk provided a Report to the Meeting of the responses. Overall, Governors awarded a grade of 1.71 (last year: 1.8 based on five governors responding) which, in Ofsted grading terms is above Good (grade 2).

A number of issues were revealed from the responses received and the key points which featured most frequently were:

- Develop/establish more fully Governor Links programme
- Prepare a Stakeholder Engagement Strategy
- New Strategic Plan to be developed and approved (after Ofsted visit)
- Establish better/more interaction with students and staff
- Improve challenge and questioning techniques
- Increase grasp of areas of strength and where improvement is needed
- Need more governors – improve skills balance

The Clerk tabled a paper suggesting possible topics for Governor Training/Development. These issues and the possible training areas will be followed up during the year.

At the request of some respondents, the Clerk provided draft Role and Person Specifications for Corporation Members and, separately, for staff and student Members for review and approval. Role specifications for the Chair, Vice Chairs and Chairs of Committees are already included in the College Governance protocols.

ACTION: CLERK

Governors' Development Day 20 October 2017

The Principal indicated the outline of the Day as follows. It will be in two parts over two days.

Paula Heaney (former HMI) will visit the College on Wednesday 11 October from 4pm till 6pm to brief Governors on the Ofsted Inspection process and the College's preparedness. Most governors have indicated that they will attend.

On 20 October, the programme outline will be:

9.00 Governors will attend the Principal's Address to Staff - ½ hour approx.

9.45 Refreshments

10.00 Board Meeting to appoint new Governor and consider proposal to relocate Hair & Beauty to Princes Road

10.15 External Workshop with outside facilitator – to consider the ETF support package post Area Review – this will cover implications and challenges in implementing outcomes for Mid-Essex

12.15 Strategic 2017-2020 – mission and values

1.15 Lunch and disperse

This was **AGREED**.

ACTION: PRINCIPAL

Compliance against English Colleges' Code of Good Governance 2016/17

The Clerk **TABLED** a Report demonstrating the College's Compliance against the Code for last year and this was **NOTED**.

Review of Confidential Papers

The Clerk **REPORTED** that he had reviewed items in the minutes over the past year, which had been deemed by the Board to be Confidential. These

related to Area Reviews, Funding Issues for 2017/18, Bank Refinancing and the Remuneration Committee.

The Clerk **RECOMMENDED** and the Board **AGREED** that these matters not yet be classified as Open.

Reports on Governor Visits

Visits undertaken since the last Board Meeting:

Sarah Noble attended a number of SAR validation Meetings last week. The Deputy Principal thanked her for her attendance. Sarah commented that she could see a big step forward, impact was happening and was being sustained.

Susan Hughes conducted a number of Learning Walks on 21 September and the Deputy Principal also thanked her for her attendance and providing valuable feedback.

A log of Governor Visits is being maintained and governors are asked to inform Joanne Harrington of visits they make to the College.

ACTION: CLERK

1212. ANY OTHER BUSINESS

There were no items of AOB.

1213. DATES OF NEXT MEETINGS

Friday 20 October 2017 at 8.45am at Moulsham Street (Governors' Development Day)

Thursday 7 December 2017 at 2.00pm

There being no further business, the Meeting terminated at 6.00 pm.

Signed.....Dated.....