

MINUTES

Group :	SHREWSBURY COLLEGES GROUP – BOARD MEETING	Date:	02/07/2018
Location:	ORIGINS RESTAURANT, LONDON ROAD CAMPUS, SHREWSBURY	Time:	6.00 p.m.
Membership:	Andy Allen, Linda Carroll, Gordon Channon (Chair), Christine Davies, Jae Evans, Iain Gilmour, Christina Gore, Richard Heath, Georgia Kelly, Steve Lewis, Nigel Merchant, David Pulford, Rob Rosson, Rex Sartain, James Staniforth (Principal/Chief Executive), Michael Thompson, Paula Tucker and Michael Willmot.		
IN ATTENDANCE:	<u>Members of the Senior Leadership Team (SLT):</u> C. Armstrong, Group Vice Principal, Curriculum Support and Business Development (GVP – CS&BD) Mark Brown, Group Vice Principal, I.T. and Strategic Development (GVP – IT&SD) Donna Lucas, Group Vice Principal - Human Resource Development (GVP – HRD) Paul Morgan – Director of A Level Studies (DoALS) Paul Partridge – Finance Director (FD) Chris Pemberton, Group Vice-Principal, Quality and Curriculum Development (GVP – Q&CS). Clerk to the Board – Tracy Cottee		
APOLOGIES:	Linda Carroll		

PART I – OPEN ITEMS

20/18. Declarations of Interest

Richard Heath declared a Standing Interest as an employee of Harper Adams University.

21/18. Minutes of Board Meeting Held 26 March 2018

Resolved: That the Minutes of the meeting held on 26 March 2018, be approved.

22/18. Matters Arising

None.

2318. Chair's Announcements

The Chair advised that –

- All governors were required to submit any claims by 31 July 2018;
- The Academic Staff Governor (English Bridge & Welsh Bridge campuses) would be retiring from the College at the end of July 2018. The Board thanked him for his service to the College and for serving as a Staff Governor since September 2017;
- The 16 – 18 Student Governor, Georgia Kelly, would be leaving the College having completed her A level studies. The Board thanked her for serving as the Student Governor and President of the Students' Union (English Bridge Campus);

- Governor Attendance – All committee attendance for 2017 – 18, was above the set KPI of 80% for the first time. Overall attendance was 91% - 7% higher than last year and unofficially heading for the top 5% of colleges nationally;
- He had signed the following as Chair's Actions since the last Board meeting –
 1. Approval for the College to enter into a contract with SBC to deliver non-levy Apprenticeships in 2018/19; and
 2. Approval of the College Fees Policy 2018 – 19, following recommendation by the Finance & Business Operations Committee (F&BO Min NO 14/18 refers).

The Chair took the opportunity to thank the Principal/CEO and Senior Leadership Team (SLT) on a year of achievement.

24/18. **Principal's Update** (Appendix No. 7)

The Principal/CEO presented his Report (previously circulated), providing verbal updates, where necessary. He pointed governors' attention to the latest KPIs – targets and progress and provided updates and comment on –

- Full-time applications and latest recruitment position;
- Curriculum management changes;
- Higher Education applications and recruitment, including a verbal update on the final QAA Report. The Board expressed its thanks to the HE Lead, the HE QAA Review Preparation Team and HE Lead Governor for all their hard work and thorough preparation, which had contributed to the successful outcome;
- Apprenticeships - The Board acknowledged the hard work and commitment of the GVP – CS&BD, in what had been a challenging and difficult year for apprenticeship provision;
- F.E. Funding and the next Comprehensive Spending Review. The Board acknowledged that colleges should make the case to the Treasury regarding improving the funding for 16 – 19s. The Association of Colleges (AoC) was working on a campaign;
- Marches LEP new Strategic Economic Plan. The Board congratulated the Principal/CEO on his recent appointment to the LEP Board following competitive interview;
- Full Time Attendance and Retention;
- Progress Monitoring – Review Period 4;
- Origins Restaurant – operational changes and national competition success;
- Work Experience; and
- Student achievements in national competitions.

The Board was circulated with the new College Annual, created for parents and schools and containing positive stories about students' achievements and information on activities. The new College website would also be going 'live' and the GVP – CS&BD invited feedback from governors.

Resolved: that the Report of the Principal/Chief Executive be noted.

25/18. **Summary of Minutes and Recommendations from Committees** (Appendices 7a – 7f)

The Board was presented with the Draft Minutes of committee meetings held during the Summer Term (previously circulated) as follows:

Quality, Standards & Curriculum Committee – 23 April 2018

The Draft Minutes were presented. There were no recommendations.

The Committee Chair reported the Committee had considered –

- the College's draft submission in advance of the Higher Education (HE) Quality Assurance Agency (QAA) Review Visit in May 2018;
- an overview of the main actions from the Spring 2018 HE Consultatives and had noted that feedback from students was, in the main, very positive with many reporting high satisfaction;
- Progress Grades – review Period 3 outcomes. The Committee had supported the measures the College put in place to support students to achieve;
- a report on Apprenticeship activity, including the latest data with respect to enrolment, attendance and achievement. The Committee had commended the GVP – CS&BD and the Team in maintaining good relationships with employers, focussing on timely completions and investing in support to assessors at a challenging time.

Search & Governance Committee – 02 May 2018

The Draft Minutes were presented. There were no recommendations.

The Committee Chair reported the Committee had considered –

- that search activity would increase to plan for 2019;
- the Audit Committee membership. The Clerk continued to seek a co-opted audit committee member. The Committee was also advised that an updated version of the Post 16 Audit Code of Practice had been published which 'clarified' that staff governors should not be members of an audit committee. The Committee had agreed that the staff governor should continue to be a member of the Audit Committee; however, the Board should consider replacing the staff governor by the end of their Term of office, or earlier, when the opportunity arose;
- The outcome of the Learning Walk Programme for 2017 – 18 and had agreed that Learning Walks supported governors' development and should continue in 2018 - 2019. The Chair of the Quality, Standards & Curriculum Committee endorsed this. It was evident that staff had taken a great deal of time and effort to make the Walks successful;
- the new Charity Governance Code which would be added to the options available in the Accounts Direction for Sixth Form Colleges. The Board was either fully compliant or on the way to full compliance with respect to the Corporate Code of Governance and the English Code of Governance.

Finance & Business Operations Committee – 15 May 2018

The Draft Minutes were presented. There were no recommendations.

Audit Committee – 19 June 2018

The Draft Minutes were presented.

The Committee Chair reported that –

- Prior to the meeting, Committee members had received a Briefing on the risk management of the College's Apprenticeship provision. The Principal/CEO had also briefed the Committee on progress on the College's strategy to offer Non-Levy funded Apprenticeships as a sub-contractor to an independent training provider;
- The Committee had agreed that the presentation had provided assurance on the robustness of the College's approach. It had commended the risk-based approach

taken by the College in identifying the risks and the controls and actions being taken to mitigate these risks;

- The Committee had received a report, setting out progress against Internal Audit Service Reports recommendations. The Committee had accepted that the College had overcome issues on merger in implementing recommendations in a timely manner.

26/18. Financial Statement Auditors Audit Plan and Strategy (Appendix 7di)

The Plan and Strategy (previously circulated) set out -

- the principal business issues relating to SCG and the overall impact on the audit approach – financial position and Going Concern; and
- Significant risks identified.

The Chair confirmed that the Committee had been adequately informed and had a good understanding of the College's risk management processes.

Resolved that: the Financial Statement Auditors Audit Plan and Strategy be approved.

27/18. Internal Audit - Strategy and Plan 2018 – 2019 (Appendix 7dii)

The Committee had reviewed the Draft Internal Audit Strategy and Plan (previously circulated), which set out those audits to be undertaken with the 2018 – 2019 year and the current status of each audit undertaken during 2017 – 2018.

Resolved that: the Internal Audit Strategy and Plan 2018 – 2019, be approved.

28/18. Risk Register and Board Assurance Framework (Appendix 7diii)

The Board reviewed (previously circulated) the Risk Register and Board Assurance Framework (BAF) – June 2018 Update.

The Finance Director had agreed to undertake a review as the Committee had agreed that some of the routine risks identified in the Risk Register be removed or excluded from the Register to provide an increased focus on strategic risks.

It was agreed that the next presentation to the Audit Committee would assess the level of risks identified in the Register and whether the level and attitude to risk was appropriate.

Resolved: That the Risk Register and Board Assurance Framework (BAF) – June 2018 Update, be approved.

The Board discussed the progress of marketing the College since the merger in August 2016. The GVP - – CS&BD explained that the College had launched a Prospectus, using a joint approach and had held its first Group H.E. Event and first Group Parents' event; enrolment activities would, for the first time, be held on one site (London Road).

Finance & Business Operations Committee – 26 June 2018

The Draft Minutes were presented (previously circulated). There were no recommendations.

The Committee Chair reported that –

- In considering the Management Accounts, the Finance Director explained the main risks to the successful delivery of the budgeted financial outcome;
- Shropshire Council had advised the College that there would be changes to ESFA (Education & Skills Funding Agency) funding to Council for High Needs Students and

that this might have implications for the College in how this funding was passed on. However, the Finance Director had queried this and would continue to work to ensure that the College would be paid in the year the student was enrolled;

- The Committee had commented on the reduction of the forecast spend on non-pay costs for Marketing. The Committee was of the view that, bearing in mind the strategic challenges facing the College and highlighted in the three year financial plan, it and the Board would benefit from a briefing on the College's marketing strategy, to ensure that this supported the College's strategic development to grow provision.

The Board AGREED that it should consider the College Marketing Strategy going forward in the new Academic Year.

ACTION: REPORT TO BOARD

29/18. Group Financial Forecast and Draft Budget 2018 – 19 (Appendix 7ei)

In introducing the Draft Budget (previously circulated), the Committee Chair explained that -

- The Draft Budget reflects the ongoing challenges facing the College, in particular the likely reduction in 16-19 students as a result of demographic changes over the coming two years, and increasing upwards pressure on pay;
- EBITDA was budgeted to remain positive in 2018-19, but with a significant reduction in 2019-20. Despite this the Draft Budget plan was to continue to generate cash for re-investment into the College;
- The Budget allows for Capital expenditure in 2018-19, to enable continued refurbishment of the College's Estate and IT facilities. The overall aim was to maintain and enhance the student experience and ensure that teachers have the appropriate resources available;
- The Draft Budget maintained the strategic objective of maintaining a financial health grade of "Good", although in 2019-20, the Health score was expected to reduce driven by the lower EBITDA. As there was less margin this carried increased risk and
- The Draft Budget sought to maintain a neutral cash flow.

In conclusion, the Draft Budget represented a Good financial health grade with the ESFA which kept the College within its banking covenants.

Resolved: That the Group Financial Forecast and Draft Budget 2018 - 19, be approved, including Financial Plan objectives.

Quality, Standards & Curriculum Committee – 07 July 2018

The Draft Minutes were presented. There were no recommendations.

The Committee Chair reported the Committee had considered –

- a report setting out a summary of recent Higher Education activity and planned recruitment for 2018/19. The QAA The Final Report had advised:
 - Confidence that academic standards are reliable, meet UK requirements, and are reasonably comparable with standards set and achieved in other providers in the UK; and
 - Confidence that the quality of the student academic experience meets baseline regulatory requirements.
 - The College was not required to make any specified improvements following the visit and had only three areas for development. The Committee would receive the HE QuIP at each meeting, going forward.

- a report setting out the key issues raised at the student forums in 2017 – 2018 and actions taken in order to respond to students' views. The Budget 2018 - 19, contained provision for capital investment in IT and student-facing resources;
- Progress Grades – Period 4 Outcomes;
- The E&D Link Governor had provided feedback on the recent College E&D Committee meeting. She was maintaining a strong focus on staff E&D training. The STAR Awards had been held in June. A record 14 nominations had been received for students across the College who had overcome or dealt with challenges whilst studying. There was 1 overall winner receiving a Trophy; and 3 runners-up. The event had been attended by over 70 people, including members of the E&D Committee, SLT, E&D Lead Governor and Chair of the Board;
- The Safeguarding Lead Governor had provided feedback on the most recent College Safeguarding Committee meeting and recent meetings with College officers regarding Safeguarding, Looked After Young People and High Needs.

30/18. Risk

As part of the discussions on the College's Risk Register and Board Assurance Framework agreed (Board Min No. 67/17 refers), all committee agendas now featured a final item to consider whether risks connected with that committee had been effectively addressed in the meeting.

The Board also undertook a review of the risks within the remit of the Board. It was assured that the College was taking reasonable actions to mitigate these risks.

31/18 Academic Staff Governor (English and Welsh Bridge Campuses) – Nomination

The Clerk reported that, following the end of Term of the Academic Staff Governor for the EB & WB campuses, nominations from eligible members of the College staff to the Vacancy created had been sought. One Nomination from Joshua Harry (a teacher of Maths) was received. Therefore, no election was held.

Resolved: That Joshua Harry be appointed as the Academic Staff Governor (EB & WB campuses) for a Four Year Term, with effect from 01 August 2018.

ACTION: Clerk

32/18. Assurance Reports (Appendices 10 a – c)

The Board received (previously circulated) and reviewed the following assurance reports –

- Safeguarding Annual Report;
- PREVENT Annual Report; and
- SEND Annual Report.

The Board sought clarity from the College on the provision of appropriate faith space at the English Bridge and Welsh Bridge campuses.

33/18. Draft Board and Committee Calendar 2018 – 2019 (Appendix 11)

Governors were presented (previously circulated) with the Draft Calendar of Board and committee meetings 2018 – 2019. Governors noted that a Strategic Planning Day would be held on Friday, 25 January 2019. It was requested that the Audit Committee be held on Wednesday, 21 November 2018.

Resolved: That the Board and Committee Calendar 2018 – 2019, be approved, as amended.

34/18. **Date of Next Meeting – 01 October 2018.** Venue – Origins Restaurant, London Road Campus.

PART 2 – CONFIDENTIAL ITEMS

It was agreed that Items 35/18 & 36/18 be considered as confidential under Article 16(2) (d) and Standing Order 11.

35/18. **Confidential Minutes of Board Meeting Held 21 May 2018** (Appendix 13a)

Resolved: That the Confidential Minutes of the meeting held on 21 May 2018, be approved.

36/18. **Additional Confidential Item – Erasmus Bid**

The Principal/CEO reported that the College had made a successful Erasmus Bid for funding for a KA2 Strategic Partnership. The bid would support improving attendance by prisoners in education through the use of ILT. Working with three European partners and HMO Hewell, the College would be involved in a pilot to use Augmented Reality (AR) in a prison environment using 'tough pads' in the classroom to improve prisoner attendance.

The meeting concluded at 18.45 p.m.