



GOVERNORS' MEETING Minutes of the meeting on 15 October 2015

Present: Mrs Carol Clapham, Mr Martin Churchward, Mr Rob Doran, Dr Jonathan Godfrey, Dr Marion Hawkins, Mr Clive Hodgeman, Mr Chris Hodson, Dr Ken Hopkins (Chair), Mr James Miller, Mr Rob Newton, Mr Ravi Tandon, Mrs Shirley Tully, Mr Shubham Kulkarni. (13)

In attendance: Mr Robert Gorman (Clerk), Mr Peter Cooper (Deputy Principal)

1. APOLOGIES FOR ABSENCE

Ms Michelle Balcombe, Mr Charles Davies, Mrs Diane Evans, Mrs Heidi Macdougall, Dr Amber Tahir, Mr Phil Tranter, Miss Christine Wright, Mrs Sallyanne Griffiths (Finance Director) (7)

2. ELECTION OF VICE-CHAIR

The Clerk read an email from Heidi Macdougall giving her apologies for not being at the meeting, but indicating her willingness to stand as Vice-Chair. Mrs Heidi Macdougall was elected for the academic year.

Chair's Opening Remarks

The Chair welcomed Shubham Kulkarni as a new Student Governor. The Chair congratulated the Principal on his 'Talking Point' article in the Hereford Times, and read to the meeting a letter the Principal had received from a student reflecting her first year at HSFC, praising the College, its teachers and the friendly relationship between students.

3. DECLARATIONS OF INTERESTS AND GIFTS

None.

4. MINUTES OF THE MEETING HELD ON 2 JULY 2015

The Minutes were approved as an accurate record and signed.

5. MATTERS ARISING FROM THE MINUTES

There were no matters arising.

6. PREVENT STRATEGY

John Pratt, Director of Studies with responsibility for safeguarding and the Prevent Strategy, presented a training session on the Prevent Strategy, A fuller version of the training session has been given to all HSFC staff, stressing that any concerns be raised with a Director of Studies. The Director of Studies, as the Single Point of Contact for Prevent, leads on the operational delivery of Prevent-related duty, and is working with local Police and other colleges in relation to the Strategy.

According to Ofsted, 'fundamental British values' are: democracy, the rule of law, individual liberty, mutual respect for and tolerance of those with different faiths and beliefs and for those without faith.

In response to a member's question about problems arising through social media, the Director of Studies outlined the sessions given to all students in their first year at HSFC, including social media awareness.

7. CLERK'S REPORT

The Clerk gave a verbal report, confirming that the number of Board members now stood at 20 again, and welcomed Shubham. The Governance Procedures recently emailed to Governors, approved at the end of last academic year, were updated for known changes in Governors' details, but would be reviewed during the current year, as would the Governors' Handbook.

The AOC had published its *Code of Good Governance for English Colleges* in March 2015, stating that adoption of the code is voluntary, and English colleges could either adopt the AOC code or alternatively have due regard the *UK Corporate Governance Code September 2014*. Codes published before this had included the AOC's *The English Colleges' Foundation Code of Governance* in 2011, the Office for Public Management's *The Good Governance Standard for Public Services* January 2005, the *Nolan Report* and

FEFC's *Guide for College Governors*. The Clerk considered that HSFC governance procedures are compliant with this best practice, and there was no need to adopt what was already embedded.

The Clerk thanked Governors for completing the recently issued Skills Audit and Training Needs return, and Assessment of Board and Committee Meetings, Circulated Papers and Governance. The Clerk also reminded Governors to return completed Declarations of Interests and Eligibility for Membership, if they had not already done so.

6. PRINCIPAL'S REPORT

The Principal presented his report and began by confirming that the Audit Committee are overseeing the production of the Governance section of the Self-Assessment report. New enrolments in 2015-16 at 1142 are 4% up on the previous year, with College roll on 17 September at 2202 (last year 2078). Raw and Value Added results for the previous year had been maintained at a high level.

The Principal devoted the remainder of his report to the national issue of Area Based Reviews (ABR). The SFCA's paper *Area Based Reviews* and HM Government's publication *Reviewing post-16 education and training institutions: guidance on area reviews* had been circulated to Governors. The Government has initiated a major new review of post-16 providers, and it is clear from the policy statement that the Government wants 'fewer, often larger, more resilient and efficient providers'. School Sixth Forms are totally excluded from the reviews and concerns over this have been raised by the SFCA, as it believes that the narrow focus on SFCs and FECs was a fundamental flaw in the ABR process. Half of GFECs are in significant financial difficulties. The aim is to save money by merging failing colleges with neighbouring colleges. The intention is to cover all areas over two years, and reviews will be chaired by senior civil servants. It is thought that Areas might coincide with LEP areas, in which case HSFC would be included in Herefordshire and Shropshire. Recommendations of the reviews are not binding but EFA/SFA are able to influence decisions by directing funding as they wish.

The Principal confirmed that reorganisation as a result of the ABR had been added to the College's risk register as the risk is significant and the probability potentially high. The Principal went on to say that the College planned with some urgency to demonstrate:

- financial viability of its forecasts in face of falling rolls and funding cuts
- collaboration with other colleges to gain savings in appropriate areas
- reforming the soft-federation with other local colleges, delivering benefits while each remains independent with its own ethos

The aim was to have a document to present to the next Governors' meeting in December.

In response to a member's question about liability of governors, the Principal confirmed the Sixth Form College Commissioner had stated verbally that if a review found evidence that governors were aware that the college was not financially viable, and failed to take appropriate action, then they may be liable. In response to a further question as to the level of savings the Government was targeting, the Principal confirmed that the Sixth Form College Commissioner had said that there was no particular figure in mind.

Governors discussed the report in some detail, and then expressed their support for the soft-federation with other local colleges.

9. COMMITTEE REPORTS

i Curriculum Committee on 24 September 2015

The Committee Chair confirmed that the Committee had considered the enrolments of new students, the College's A Level and AS Level results and Curriculum for 2015/16. The Chair highlighted that the level of enrolments was very pleasing, with an increase from 121 to 140 from schools in Wales, and the roll standing at 2199 on 24 September.

The Committee had discussed value-added analyses of AS and A2 results in considerable detail, and the performance by students in all subjects was examined. The Chair again praised the way College staff analyse results and take action for improvement.

The Chair highlighted that in value added terms, the Alps Data tables demonstrated that both AS Level and A Level results are significantly above national averages. In response to a member's question about Learner Achievement Tracker, the Principal confirmed that this was a DFE value added measure using the Alis-like methodology. It appeared late (after Christmas), and did not in itself add anything more than Alps and Alis measures. The Chair noted that HSFC is the highest performing non-selective college.

The Committee recommended no changes to the Curriculum 2015/16 and Course Masterfile. After discussion the Board **AGREED** the Curriculum 2015/16 and Course Masterfile with no changes.

The Committee's Minutes were then considered and **APPROVED AS A CORRECT RECORD**.

ii. Staff and Students Committee on 29 September 2015

In the absence of the Committee Chair the Principal presented the report. The Committee had discussed:

- appraisal of Senior Post holders procedure – recommended same as last year
- staff changes – effectively no changes from 31 July position
- staff absence – below national averages for sector
- Equality Diversity and Inclusion policy and procedures – recommended with minor changes
- Safeguarding and Child Protection, and Adults at Risk policies and procedures – both recommended with minor changes

After a brief discussion the Board **AGREED** that the same procedures as last year will be used for appraising Senior Post Holders in 2015-16.

The Board also, after brief discussion, **APPROVED**:

- the Equality, Diversity and Inclusion Policy and Procedures
- the Safeguarding and Child Protection Policy and Procedures
- the Safeguarding Adults at Risk Policy and Procedures

all with no substantive changes.

The Committee's Minutes were then considered and **APPROVED AS A CORRECT RECORD**.

iii. Finance and Premises Committee on 1 October 2015

The Committee Chair confirmed that the Committee had received and considered an update on the Budget and 2016/17 Financial Forecast, and the Monthly Management Accounts for July 2015.

The curriculum model and staffing structure has been reviewed, and the detailed examination of staffing costs has resulted in a reduction in payroll costs of £50k. The impact of this and other amendments has moved the adjusted £36k deficit forecast for 2015/16 to a surplus of £150k, which will be important to the College's financial health rating.

The extension project to front of College was completed on time and within budget. Several members had expressed concern as to the narrow access to the visitors' car park. The Principal confirmed that the Estates Manager was reviewing the options available.

The Monthly Management accounts to July 2015, which included year-end adjustments, indicated a gross deficit of £336k for the year, against a budgeted gross deficit of £599k. The audit of accounts to 31 July 2015 was largely completed by the new external auditors, Thorne Widgery. The Committee had noted that the provision for the Local Government pension scheme had increased to £1.6m. Full statutory accounts would be presented in December. The Board expressed congratulations to the Finance Director for achieving preparation and satisfactory audit of the accounts for the year at such an early stage.

The Committee had also noted the College's overall insurance cost was 8% down on last year.

The Board discussed the Committee's report and then **AGREED TO APPROVE** the Monthly Management Accounts for July 2015

The Committee's Minutes were also considered and **APPROVED AS A CORRECT RECORD.**

iv. Audit Committee of 6 October 2015

In the absence of the Committee Chair, a Committee member presented the report, indicating that it was the first meeting with the new internal and external auditors attending. The Committee had considered:

- the Internal Audit Annual Plan for 2015/16 of TIAA - Agreed
- the End of Year Summary Report of 2014-15 audits from the College's previous Internal Audit Service, Baker Tilly - Agreed
- the Annual Report of the Audit Committee – to be presented to the Board
- Self- Assessment Report – Principal is working on final report
- Governors' attendance – attendance % still above sector benchmark
- Assessment of Board and Committee Meetings, Circulated Papers and Governance – results will inform the SAR
- Risk Management – risk management action plan 2015/16 updated

The Self-Assessment of Governance is based on the Ofsted Common Inspection framework for Further Education and Skills and covers four questions to Governors.

The Committee's own Annual Report gives assurance to the Board that the College has adequate and effective Risk Management, Governance and Internal Control systems which the Board can rely on in its statutory duties. The Committee recommended the amended Annual Reports to the Board.

The Principal had outlined a new risk added to the Risk Register, in respect of Area Reviews of 16-19 Provision. An SFCA guidance note of September 2015 detailed the background, scope and possible impact of an Area Review which might incorporate the College. The SFCA feels very strongly that School Sixth Forms are excluded from Area Reviews, which are prioritizing areas where there are colleges in financial difficulties. Outcomes are anticipated to have high significance for colleges involved. The Committee, had discussed the risk analysis, considered the new risk in detail, and agreed with its inclusion.

The Board considered the various aspects of the Committee's report and then **AGREED TO APPROVE:**

- the amended Annual Report of the Audit Committee for 2014-15
- the updated Risk Management Action Plan

The Committee's Minutes were considered and **APPROVED AS A CORRECT RECORD.**

8. ANY OTHER BUSINESS

None

9. DATE OF NEXT MEETING

Thursday 17 December 2015, at 6.00pm