

Approved

**EXETER COLLEGE FURTHER EDUCATION CORPORATION
CORPORATION BOARD**

Minutes of the meeting held on Friday 5th May 2017 in the Boardroom, Hele Road, Exeter College

Present	Philip Bostock John Laramy David Allen Bindu Arjoon David Batho Sarah Brampton John Bunting <i>To item 5.1</i> Dalya Erdogan Chris Hoar Elaine Hobson Craig Marshall Martin Owen Michelle Pugh Matt Roach Silas Welsh Dave Underwood	Chair
Apologies	Mark Goodwin Emma Webber Glenn Woodcock John Coombs Jo Matthews	(Co-optee invited to observe) (Co-optee invited to observe)
In Attendance	Rob Bosworth Steve Campion Julie Skinner Barbara Sweeney	Vice Principal, Schools, Curriculum and Partnerships Vice Principal, Finance and Business Operations Vice Principal, Standards and Student Experience Clerk to the Corporation

1. **Welcome, Apologies and Declarations of Interest** **Action**
The Chair welcomed members to the meeting. He particularly welcomed Elaine Hobson and John Bunting to their last Board meeting, as they completed their second term of office on 30th June 2017. He thanked

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them for their contribution and commitment. He also thanked Silas Walsh for his contribution as Student Governor 16-18, and for whom this was also his last meeting.

Apologies were received.

Bindu Arjoon declared an interest in item 4.2, Principal's Strategic report, item 9.1 Opportunities and Developments Risk Register and item 9.4, Property Update as Assistant Director, Exeter City Council, for any issues relating to planning.

2. **Minutes of Meetings**

- 2.1 The minutes of the meeting held on 10th February 2017, as circulated, were agreed and signed by the Chair.
- 2.2 The confidential minutes of the meeting held on 10th February 2017, as circulated, were agreed and signed by the Chair.
- 2.3 The minutes of the special meeting held on 17th March 2017, as circulated, were agreed and signed by the Chair.

3. **Matters Arising**

- 3.1 Schedule of meetings for 2017-18: Version 2
A revised schedule for meetings for 2017-18 was received and noted. The two amendments to the previous version, which was approved by the Board at its meeting on 10th February 2017, were the dates of the first two Audit Committee Meetings.
- 3.2 Modern Slavery Act
The Anti-Slavery and Human Trafficking Statement was received by the Board on 10th February 2017. Clarification was sought that the statement complied with new legislation on transparency in supply chains. Steve Champion, Vice Principal Finance and Business Operations, confirmed that the published Anti-Slavery and Human Trafficking Statements of those used in the supply chain were scrutinised during the procurement process.
- 3.3 Chair's actions relating to Apprenticeship decisions
Under the Business Services Committee's Executive Summary at the last Board meeting on 10th February 2017 Governors had agreed that Chair's Actions be invoked to approve Apprenticeship provision over a certain value, subject to complexity and the timing of the next Business Services Committee meeting. This resolution was subject to approval of protocols and funding limits by the Business Services Committee in April 2017.

At its meeting on 24th April 2017 the Business Services Committee scrutinised the requested protocol framework, which provided a process

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map to support decisions for apprenticeship contracts over £250k. For completeness and because of the values involved the Board received the protocols, and on the recommendation of the Business Services Committee agreed to

Approve the Apprenticeship Contract Protocol

Vote: unanimous

There were no other matters which were not elsewhere on the agenda.

4. Strategic Matters

4.1 Senior Curriculum Group: filters for operational decision making – the challenge in a £39m college.

Suggested Governor discussion topics:

- The balance between progression and success – a moral dilemma
- Apprenticeship proposition and the capacity to cope with large contracts

The presentation was received and Rob Bosworth, Vice Principal, Schools Partnerships and Curriculum reminded the Board that at its recent residential, Governors had sought clarification on the process for decision making to ensure that the College was operating effectively and responsively. He confirmed that the Senior Leadership Team met weekly, with updates from the two forums driving decisions; the weekly Senior Curriculum Group (SCG), which he chaired and which took forward the agenda on curriculum, quality and standards and the student experience under the direction of the Vice Principal Standards and Student Experience, and the Senior Resources Group (SRG), chaired by the Vice Principal Finance and Business Operations and on which there would be an update at a future meeting. The College Leadership Team, chaired by the Principal, comprised Heads of Faculty and Support Departments. The Faculty Heads meeting, chaired by the VP Standards and Student Experience, completed the suite of high level operational meetings.

The SCG comprised the Vice Principals, Assistant Principals and guests, frequently the VP Finance and Business Operations. Likened to the College's Quality and Resources Review days, it provided an opportunity for Heads of Faculties to provide an overview of their area of responsibility. Curriculum was monitored to ensure it was fit for purpose and viable, and Government initiatives taken forward. Proposals for additions to the curriculum were scrutinised. Data was interrogated, such as attendance and retention, and the group ensured compliance with mandatory standards and deadlines. Feedback on Teaching and Learning, including observations grades and new initiatives, was also scrutinised.

With the responsibility for strategic oversight of the College, the Board

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was invited to consider its response to two current and challenging dilemmas. Split into four groups of Governors with the relevant skills set, two considered the balance between progression and success and two considered the appetite for investment and growth, mindful of capacity. Feedback from each group was shared and the discussion opened for contribution from all governors.

Both subjects were relevant and topical and the executive requested a steer on the Board's position, ahead of the SLT away day on 18th May 2017.

Governors were asked to consider if there was appetite for growth, for example the recent apprenticeship opportunity. Growth was to be encouraged, but not at the expense of capacity to consider other projects. To evaluate opportunities, the Board needed to have reviewed a business plan, cash flow projections, an apprenticeship framework, and be clear on the source of funding. There needed to be realistic expectations, and the confidence not to pursue non-viable options. To manage capacity it might be necessary to reconsider and possibly relinquish some current provision. There was also the concern over pursuing projects which might have a shorter than anticipated life span, in which case there would need to be an exit strategy.

By focussing on large employers with significant levy missed the region's key SME businesses and a balanced and limited portfolio was recommended. Overall the Board agreed that investment was important, but not at a cost to current successful business or capacity and must be robustly evaluated on its cost/benefit ratio and return on investment. The risk of leaving the College open to competitors entering the market because of gaps due to lack of capacity must also be part of the decision.

Turning to the progression versus success dilemma, the issue was that if it was clear that a learner was unlikely to achieve expected grades, should the College do everything to retain them so that they achieved some qualification or should they be allowed to leave. The latter would have a negative impact on retention, but help with value added outcomes by removing a learner with potentially lower achievement.

However such a strategy was unlikely to help the learner, and the Board considered that the goal should be to achieve progress with integrity, supporting the learner by offering them a different programme. Taking this route would be better for the student but might impact on College value added outcomes. Offering a different course would be positive for retention and the College was fortunate to have a wide range of offers. Whilst it was unknown how Government priorities would change, or the potential impact of curriculum reform, the culture of the College remained "Right Student, Right Course", and this reinforced the option

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to support learners by putting them on courses where they would achieve. Previous key metrics had been success, and whilst there remained a focus on high grades, such action would inevitably impact on value added scores.

Colleges were judged by different criteria and league tables measured different things. Whilst the dilemma was understood, it was more nuanced, and important not to follow the latest ideology without debate. However, the Board was clear that "Right Student, Right Course" was its culture, and whilst it was possible to find a balance between success outcomes and progression in academic subjects, it was less clear in vocational subjects. It was proposed that Quality and Standards receive an update on the Progression Strategy at their next meeting to better understand the College's position in achieving the balance.

BHS

The Board agreed that the debate and discussion had been useful, but that in future it might also be valuable for those on Quality and Standards Committee to consider a Business Services problem and vice versa.

The Board noted the report.

- 4.2 Principal's Strategic Report
This item was dealt with as a confidential item in accordance with the College's confidentiality policy and recorded in the confidential minutes.

5. **Learner Voice Update**

- 5.1 College news
The report was received and taken as read. The Principal confirmed that amongst many other achievements across a wide range of events, the College had come second in the Association of Colleges national sports championships. It had also performed well in the regional debating competition.

Both the original target and an increased revised target for the College's chosen charity had been exceeded, and another new target set of £12,000.

Finally the Principal confirmed that the Student Representative Committee had invested in equipment identified by the Learner Voice.

The Board noted the report.

- 5.2 Student Governors' Report
The report was received. Silas Welsh, Student Governor (16-18) confirmed that many events had taken place and highlighted the anti-bullying, LGBT and Health and Wellbeing campaigns. Student

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Representative Committee elections were imminent.

He updated the Board on the recent NUS conference which he and Dalya Erdogan, the 19+ student governor, had attended.

The Board noted the report

Part 2 REPORTS FOR APPROVAL

6. Recommendations from Audit Committee

6.1 Executive Summary from Committee Meeting on 8th 2017

The report, summarising the key issues considered by the Audit Committee meeting held on 8th March 2017, was received and noted. The Committee Chair highlighted the key issues, talking to items 6.1 to 6.4 on the agenda. In addition he updated on other key agenda items.

Operational resilience had been reviewed by the College's internal auditors, PricewaterhouseCoopers. Governance and Risk Management were well established and there was one recommendation, to improve processes to cascade risk to all parts of the organisation.

The Board noted the report

6.2 Risk Management: Revised Risk Register

The report, including the updated risk register, was received. The risk register was reviewed termly by the Senior Leadership Team, and had last been reviewed in February 2017. The format of register had been changed to show the rag rating, formerly shown on the heat map, changes to ratings and reflected the new priorities in the updated Strategic Plan. Steve highlighted the key changes.

During the recent Board residential, a group of Governors had considered risk within the sector, identified by PwC, mapping the College's risks onto the sector heat map. A further update would be received by the next Audit Committee and full Board.

BHS

The Board agreed to

Approve the updated Risk Register

Vote: unanimous

6.3 Appointment of Internal and External Auditors: 2017-22

The report was received. The College had engaged Tenet Educational Services Ltd to undertake the procurement process, complying with the

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Official Journal of the European Union (OJEU) standards and timescales for tenders and public procurement.

Five firms had been shortlisted and interviewed, a mix of national, regional and internal assurance only providers. Three tendered for both internal and external audit, and one each for internal only and external only.

Following the rigorous process culminating in presentations from and interviews with the shortlisted firms tendering for appointment as Internal and External Auditors, the tender selection panel unanimously recommended to the Audit Committee that, subject to references, the following recommendations be made to the Board:

- a) That TIAA be appointed as Internal Auditors for five years from 1st August 2017 to 31st July 2022, subject to annual review.**
- b) That Bishop Fleming be appointed as External Auditors for five years from 1st August 2017 to 31st July 2022, subject to annual review.**

Vote unanimous

6.4

Subcontractor Certificate

The report and Subcontractor Certificate were received. The Skills Funding Agency (SFA) funding agreement required annual assurance that lead providers who subcontract more than £100,000 obtained a report from an external auditor on the arrangements in place to manage and control their subcontractors and to supply the SFA with a certificate confirming the provider's arrangements as satisfactory. Following competitive tendering the contract for the review had been awarded to Bishop Fleming.

Based on the declared volumes on the Subcontractors Declaration submitted in November 2016 the College had contracted to deliver £331,250 worth of provision via subcontractors. This was small scale compared to the sector.

The review found that controls in place were robust in the main, with two low risk recommendations relating to the checks completed on existing sub-contractor providers.

The Board agreed to

Note the Subcontractor Assurance Report and Subcontractor Certificate

7. **Key Issues from Quality and Standards Committee**

7.1 Executive Summary from Committee Meeting on 27th March 2017
The report summarising the key issues considered by the Quality and Standards Committee meeting held on 27th March 2017, was received and **noted**. The Committee Chair highlighted the key issues.

Quality and Resource Review Days

The Committee Chair had attended two sessions of the Quality and Resource Review Days, observing Art and Design, and English Languages and the IB. The format of the reviews had been refreshed and were more streamlined. He commended the reviews to Governors, as they provided assurance and were insightful into the College's operational processes.

Policies approved by Q and S

Pensions and Retirement Policy

Changes were minor and related mainly to the updated threshold to autoenrolment.

The Social Media Code of Practice was aimed at staff and workers, including volunteers, and was a code rather than a policy or procedure to mirror the ICT Code of Practice. It drew a distinction between private and working life and protected the College from liability, including any employment claims against the College in the event of a related dismissal. The Board would be included in the scope of the Code.

BHS

Quality Assurance Update

The Committee had received updates on a number of tools to provide assurance. Observations were no longer summative, but indicative, as part of an overall Teaching Learning and Assessment grade. The observation process was therefore renamed "Graded Learning Review." There was good evidence of EDBV being raised during lessons. A new on line survey had been developed in conjunction with IT, which provided live information on response rate and tools to permit greater interrogation of answers by faculty, teacher and individual course. This provided useful feedback for teachers to use to improve practice.

To provide better clarity the complaints procedure was under review, with a new title of Compliments, Comments and Complaints Procedure, written in more user friendly style. Although many complaints were classified as unattributable, the Committee had been assured that there were no overriding themes. The Quality Management Review on Pearson BTEC programmes had gone well and the outcome was positive with one recommendation, to complete a Conflict of Interest Policy.

HE Update

Higher Education Funding Council for England (HEFCE) had changed its

quality assurance process and now required, as part of the annual return, confirmation that the Board received regular assurance on HE provision. A recent Annual Provider Review had noted areas of concern relating to the growth of provision and assurance that steps had been taken or were planned to ensure that student outcomes and the quality of student academic experience was maintained. The circulated return, providing assurance, had been received and noted by the Committee.

Teaching and Learning Update

In the updated staffing structure James Tarling, shortlisted for the TES Teacher of the Year Awards, was working with the learning leads. The focus was on consistency across faculties, with a clear agenda, and using action learning sets to find solutions to problems. There was a new approach to staff development day, and extra sessions for support staff helped this cohort to feel valued and to understand their role in delivering exceptional teaching learning and performance.

Curriculum reform

Governors had received a number of recent updates on curriculum changes across the College including Apprenticeship Standards, Technical pathways or T levels, and A level reform. At its last meeting the Committee had been updated on the plans to offer 80% subjects with an AS exam at the end of the first year and 20% as linear A levels, with a single exam at the end of the second year. The phased approach would minimise risk on the curriculum reform and the report provided detail of which subjects were to be offered as linear A levels.

The Extend programme, where learners could study from a bespoke selection of courses, was designed to enhance learners' experience and set them apart from others. The offer was a real unique selling point (USP) for the College, and would add value to becoming an exceptional College.

Food Survey

The survey, which had been developed, distributed and analysed by the Student Representative Committee (SRC) was in response to conflicting feedback on the quality of food available to students. Although a small percentage of respondents, many of whom had special dietary needs, many of the recommendations chimed with actions already identified by the providers.

7.2 Policies for approval

- Admission Policy

The report and Policy were received. Key changes, all based on integrity, included greater clarity at the interview stage so that expectations were realistic. If the College was not the appropriate place for the learner there was signposting, and there was a clear reference to out of area

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learners who might be better served by more local provision. The Board was assured of the robustness of the overall admissions process to ensure Information Advice and Guidance was balanced and in the best interest of the learner.

On the recommendation of the Quality and Standards Committee the Board agreed to

Approve the Admissions Policy

Vote: unanimous

Equality and Diversity Policy

The Policy was received and had been refreshed because there had been changes in the language used in many of the protected characteristics in Equality and Diversity.

On the recommendation of the Quality and Standards Committee the Board agreed to

Approve the Equality and Diversity Policy

Vote: unanimous

8. Recommendations from Business Services Committee

8.1 Executive Summary from Committee Meeting on 24th April 2017

The report summarising the key issues considered by the Business Services Committee meeting held on 24th April 2017, was received. The Committee Chair highlighted the key issues, inviting contributions from the Vice Principal Finance and Business Operations.

Several items had been considered elsewhere on the agenda. The Nursery Collaboration project was dealt with as a confidential item in accordance with the College's confidentiality policy and recorded in the confidential minutes.

Education and Skills Funding Agency (ESFA)

A letter from the Chief Executive of the ESFA, and which was to be shared with and considered by the Board, highlighted the risk of poor financial oversight by Governing Bodies and reminded Boards of their fiduciary responsibilities. With 58% of the sector in non-forecast deficit the importance of good governance.

The Board was reminded that it had adopted the Code of Good Governance and that it complied with the "must" and "should" criteria other than a small number of "should" which were on a comply or

explain basis. The Search and Governance Committee, on behalf of the Board, reviewed compliance annually and was content that the Board practiced good governance, which together with regular monitoring of the Management Accounts and other metrics, mitigated the risk.

The annual Treasury Management report had been received by the Committee providing assurance on optimising returns on deposits. Finally, student recruitment and financial performance were noted as comparatively strong within the sector.

The report was noted.

- 8.2 Student Representative Committee Accounts: year ending July 2016
On the recommendation of the Business Services Committee, which had scrutinised the Accounts, the Student Representative Committee (SRC) Accounts to July 2015 were received and **noted**.

There were proposals to draw on reserves to address issues raised by the Learner Voice.

- 8.3 Student Residential Accommodation
This item was dealt with as a confidential item in accordance with the College's confidentiality policy and recorded in the confidential minutes.

9. **Reports**

The following reports were received and **noted**

- 9.1 Opportunities and Development Risk Register. Historic projects would be removed from future registers. JL

- 9.2 Management Accounts

Surplus for the year was forecast to be above the budget due to growth in learner numbers, including apprenticeships. Non pay costs had increased, in part due to increased investment in staff. Cash balance during the month remained strong, and did not include the grant for the 3G football pitches. The realisation of the Wear Barton sale was anticipated in early 2018.

With income from funding allocations not evenly spread through the year, cash flow was currently at its lowest but still within an acceptable range. The College remained on track to continue good financial health and initial indications were that the March Management Accounts also indicated a strong position.

Finally, Steve confirmed that the College's strong performance within the sector meant that the banks were content. During the imminent budget setting process for 2017-18 there would be a greater focus on cash flow to mitigate less certainty over the timing of receipt of finding streams.

The Board noted the report.

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- 9.3
- Skills Funding Agency Letter
The report was received and confirmed that, following a review by the SFA of the College's financial plan 2015/16 to 2017/18, the College's underlying financial health grade was Good.
 - Sector Financial Benchmarking
The report was received and showed an analysis of college accounts for 2015/16 versus 2014/15. The College had moved from 47th position to 37th in England. Data showed large losses in some colleges and was an indication of contraction within the sector. With 100% increase in the number of colleges in deficit, the College was bucking the trend.

The Board noted the report.

- 9.4 Property Update – received and **noted**. There was good progress with the LEP funded extension to the Technology Centre, and the project would be delivered ahead of schedule. Sale of land at Wear Barton would come to market in June/July 2017. The Board commended the Vice Principals in achieving a positive outcome with funding for the 3G pitches at the Exwick playing fields.
- 9.5 Evaluation of External Auditor
Given that the contract with the current external auditors terminated on 31 July 2017, the report was received and noted only.
- 9.6 Governance Report - received and noted. Online training for Child Protection would be rolled out to all Governors. Annual governance documents were reviewed and signed.
- 9.7 Sealing Report – received and noted.

10. **Minutes**

The following minutes were **received and noted**.

- 10.1 Audit Committee Minutes 8th March 2017 *Draft*
10.2 Quality and Standards Minutes 27th March 2017 *Draft*
10.3 Business Services Minutes 24th April 2017 *Draft*

11. **Confidential Minutes**

The following minutes were **received and noted**.

- 11.1 Audit Committee Confidential Minutes 8th March 2017 *Draft*
11.2 Business Services Confidential Minutes 24th April 2017 *Draft*

12. **Date of final scheduled meeting for 2016/2017**

Wednesday 5 July 2017

Dates of scheduled meetings for 2017/2018

Friday 7 October 2017

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Friday	8	December	2017
Friday	9	February	2018
Friday	4	May	2018
Friday	6	July	2018