

Approved

**EXETER COLLEGE FURTHER EDUCATION CORPORATION
CORPORATION BOARD**

**Minutes of the meeting held on Friday 11th December 2015 in the Boardroom,
Hele Road, Exeter College**

Present

Philip Bostock
Emma Webber
David Allen
Bindu Arjoon
David Batho
John Bunting
Chris Hoar
Elaine Hobson
From Item 8 Abbie Lawless
Craig Marshall
Michelle Pugh
Matt Roach
Tim Tamblyn
Dave Underwood

Chair
Vice Chair

Apologies

Richard Atkins
Sarah Brampton
Michael Caines
John Coombs
Rachel Hutchins
Jo Matthews
Martin Owen

(Co-optee invited to observe)

(Co-optee invited to observe)

In Attendance

John Laramy
Steve Campion
Item 4 Rob Bosworth
Item 8 Dee Rowett
Item 4 Julie Skinner
Barbara Sweeney

Vice Principal
Executive Director, Finance and
Resources
Assistant Principal
Champion Strategic Plan
Assistant Principal
Clerk to the Corporation

1. **Welcome, Apologies and Declarations of Interest**

Action

The Chair welcomed members to the last meeting of 2015.
He particularly welcomed Tim Tamblyn to his last meeting before he
retired from the Board after 8 years as a full member and five years

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prior to that as a co-opted governor. Over his term of office he had contributed to every Committee and had held a number of offices including Chair of Business Services and Chair of Audit. He had served and as a concurrent member of both the Business Services and Quality and Standards Committees, and sat on the Search and Governance and Remuneration Committees, plus a number of working parties. Perceived by all as a "rock", his eye for detail had been invaluable to the Board and the College, not only for his scrutiny of finances, but also as proof reader of a number of statutory documents. Together with his strategic mind and eye to the future, Tim had a rare combination of skills, which had contributed to the success of the Board. The Chair reminded the Board that it had agreed to inviting Tim to be an Associate to the Board, and welcomed his ongoing contribution in that capacity.

Apologies were received.

Bindu Arjoon declared an interest in item 6, Opportunities and Developments Register and item 11.2, Property Update, as Assistant Director, Exeter City Council.

Chris Hoar declared an interest in item 6, Opportunities and Developments Register, and item 11.2, Property Update, as Partner, Foot Anstey.

Chair's Update on Association of Colleges (AoC) Conference

The update was received and the Chair reminded Governors that it was customary for the Board to receive a summary of the annual Association of Colleges (AoC) conference at this meeting. This year he had been joined by the Vice Chair, and encouraged a second Governor delegate to attend in future years also. Several members of the Senior Leadership Team had attended and presented. Overall the conference reflected the sombre mood of the sector. Although predating the Comprehensive Spending Review, from which FE had not suffered as much as expected, the state of the sector and potential funding cuts dictated the tone of the event. Area reviews and devolution were also key topics of discussion. The highlight was winning the Beacon Award for Innovation in FE which recognised the work at Haven Banks Outdoor Education Centre.

The Board noted the report.

2. Minutes of Meetings

- 2.1 The minutes of the meeting held on 9th October 2015, as circulated, were agreed and signed by the Chair.
- 2.2 The confidential minutes of the meeting held on 9th October 2015, as circulated, were agreed and signed by the Chair.

3. **Matters Arising**

3.1 Confidentiality agreement

The report was received and the Chair reminded the Board that at its last meeting, Governors had asked about confidentiality, given the termination of discussions with Petroc. The report included the Confidentiality Agreement, signed by both parties, which confirmed that “confidentiality obligations of each Party shall, notwithstanding the earlier termination of negotiations or discussions between the parties in relation to the Purpose, continue for a period of two years from the termination of discussions in relation to the Purpose.” Accordingly, the Chair reminded Governors to abide by the two year confidentiality rule until September 2017.

The Board noted the update

3.2 Recruitment of a new Principal

The Chair updated the Board on progress towards recruiting a new Principal. Advertisements had been placed on 30th October 2015, with a closing date of 27th November 2015. A good number of applications had been received from a range of candidates, including Principals, Vice and Deputy Principals, representatives from other education sectors including HE, and a number from outside of the education sector. The Selection Committee had agreed to longlist eight candidates, each of whom had undergone an initial interview or telephone interview with the recruitment consultant. The Committee was meeting after today’s Board meeting to shortlist. A two day selection process was scheduled for the 19th and 20th January 2016, and Governors would be invited to participate in the selection days, in addition to a dinner with candidates after the first day. A special Board meeting would be convened on 21st January 2016 to ratify the recommendation from the Selection Committee. Governors expressed a preference for this single item agenda meeting to be held at 5pm.

The Chair confirmed that the Acting Principal had been appointed Principal at Petroc.

All other matters were covered elsewhere on the agenda.

Rob Bosworth and Julie Skinner, Assistant Principals, joined the meeting for item 4 only.

4. **Self-Assessment Report (SAR) 2014/15 and Quality Improvement Plan (QIP) years ending 2015 and 2016**

The presentation was received and Julie and Rob provided an overview of the draft College SAR, which had been considered by the Quality and Standards Committee and came recommended for approval. Governors

received the SAR 2014/15 Executive Summary, the full SAR the proposed Quality Improvement Plan (QIP) for 2015/16 and the outturn of the 2014/15 QIP.

It was important to consider the College SAR in the context of the FE sector as a whole. 67% of colleges were graded 3 or 4. Not only was the sector struggling, but it was going backwards because of the impact of compulsory English and Maths to level 2 for those who had not achieved a C grade. The Southwest was performing significantly better than the rest of the country, illustrated by the number of Beacon Awards awarded to colleges in the region. The Board asked if there were mechanisms to benchmark against other colleges in the area and was assured that the College participated in peer benchmarking with other outstanding colleges within and outside the region. There was little point in benchmarking against less successful peers, and several local colleges had not been inspected for several years, and against different inspection regimes.

The College was recommending a self-assessment grade of Outstanding for overall effectiveness, which comprised grade 1 for each of the Ofsted criteria: outcomes for learners, quality of teaching learning and assessment and effective leadership and management. Outcomes had remained stable, despite significant year on year growth in learner numbers and the impact of the English and Maths. Results were 4% above the all provider national average (which included sixth form colleges and General Further Education (GFE) colleges).

In recognition of the new Ofsted framework, different types of provision were graded for the first time, with four outstanding and one good. There had been particular success in 19+ results and, having been an area for improvement in 2008, these were now significantly above the national average. Apprenticeships were a particular strength, with success rates well above the national and county average, and the success of the College was bucking both the national and county trend.

Ten of the fourteen faculties were graded outstanding with three good and one requiring improvement. The report under scrutiny was for the year ending 2014, and the faculty requiring improvement had since been incorporated into an outstanding faculty, and was making good progress. The Board challenged the assuredness that incorporation into an outstanding faculty would impact as predicted. Julie provided a number of examples of change to justify the assertion.

Of the ten business support Departments, eight were outstanding, one good and one requiring improvement. The department requiring improvement had a strong self-assessment at a high level, but that there had been challenges prior to an overhaul of a number of operational systems which should impact positively on the 2015 report.

Quality of teaching and learning was outstanding. The College was rare in sustaining its quality metrics following an Ofsted inspection, particularly given the growth in learner numbers. There was triangulation of lesson observations and outcomes with student feedback and, whilst falling short of observation grades, feedback was considered to be within an acceptable margin. There was no doubt that student expectations were high, and also that observation was a blunt instrument. Because of this, the approved new Observation Strategy would include learner feedback and outcomes in addition to observations. However, internal inspections were conducted by current Ofsted inspectors, providing assurance that the outstanding grade was valid.

Leadership and Management was assessed as grade 1. There had been significant changes including the successful implementation of the English and Maths programmes of study, with compliance of 94%, and the business efficiencies project. Quality and Resource Review days (QRR) demonstrated that Heads of Faculty were well aware of key issues identified by the Senior Leadership Team.

Rob and Julie reminded the Board that there was much to celebrate in the year ending July 2015, with the successful HE and Colric (evaluating learner support services) reviews, the opening of the Sports Hall and Maths and Science Centre and the success in apprenticeships.

Concluding, Julie updated the Board on the new Common Inspection Framework for Ofsted. There were now four judgements, with an additional focus on personal development, behaviours and welfare. Within this, progression was a big element.

Quality Improvement Plan (QIP) 2015/16

Julie confirmed that key areas for the QIP were implementing the new Observation Strategy, improving value added scores and functional skills, internal progression, improving specialist space and embedding British Values in the classroom. Governors considered the focus on value added scores. This differed from the past where success had been the key metric. A debate was needed to consider whether the Board wished to consider a fundamental change in educational character since retention was a key element to improving value added scores. Progression algorithms were based on A Levels, and the College offered a far wider range, particularly the significant number of BTec courses.

The Board challenged the reference to the Strategic Plan in the QIP, and whether it was fit for purpose. Governors were assured that the Quality and Standards Committee had considered this at its meeting and recommended a change to the text to reflect the midterm review. John

Approved

Laramy, Vice Principal, confirmed that the amendment had been made, as had all other recommendations from the Committee.

The Chair of Quality and Standards confirmed that the Committee had scrutinised the report at length and commended the outstanding assessment grade. There was strength of evidence and the process was robust.

QIP 2014/15 outturn

The completed QIP for 2014/15 was received.

Subject to the amendments recommended by the Quality and Standards Committee, the Board resolved to: JL

- a) Approve the SAR for 2014/15**
- b) Approve the QIP for 2015/16**
- a) Approve the QIP outturn for 2014/15**

Vote: Unanimous

5. Curriculum and Resources Outlook 16/17 to 17/18
- Financial outlook for colleges 2016/17 to 2017/18
 - Curriculum changes likely during the period
 - A level
 - BTec
 - Apprenticeships
 - English and Maths
 - Work Experience
 - Impact of Business Efficiency Group

The update was received and John confirmed that there would be a presentation at the Board Residential on the legacy of the college. He reminded Governors of challenges over the past seven years both to the College and to the sector. These included a decline of 3.1% in learners in the sector in 2014/15 due to changes in demographics, 29 colleges in financial difficulty, with predictions for this to rise to 70, and year on year cuts to adult funding of 25%.

Illustrating the range of income streams, he confirmed that 16-18 funding was the most significant, operating under a lagged funding model. Whilst there had been strong growth, apprenticeships remained an area of further potential. In 2014/5, the College had achieved an operating surplus, with FRS17 included, the highest turnover ever and completed the biggest capital investment in a year. However the extent

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of the surplus would be reduced in future years as better forecasting was undertaken. There had been significant churn in leadership and the largest 16-18 recruitment ever, with the College now the 8th biggest in the sector for these learners. For 2015/16 student numbers were again up, despite a fall in demographics in the City. The momentum of growth must continue to protect against cuts. Apprenticeships and HE were up on budget.

Efficiency was key as colleges needed to do more for the same income or less. The College was already efficient, with good average class sizes and well controlled finances. John provided the forecast costs and any mitigations from growth in 16-18 and apprenticeship students. The College would be notified of its funding allocation in January 2016, with confirmation in March 2016. However he cautioned that any funding cuts might impact on curriculum delivery. Delivery of compulsory maths and English impacted, and in a City of full employment, recruitment was challenging. He provided best, worst and most likely case scenarios for required savings dependent on the extent of funding cuts, which were inevitable. It was important to control costs whilst maintaining growth and quality. Other challenges included the uncertainty caused by area reviews, demographics, competition, and curriculum reform. Space and leadership capacity must also be monitored carefully.

There were opportunities to grow by sustaining the College's effective partnerships, increasing learner numbers in HE, apprenticeships and international students and securing a positive outcome in the area reviews.

Governors noted that with 60% of world demand in business and IT skills, it was important to ensure decisions were strategic. It was also important to maintain skilled and motivated staff though appropriate reward.

The Board noted the update.

6. **Opportunities and Developments Risk Register**

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

7. **School Partnerships Update** – Item deferred

Dee Rowett, Strategic Plan Champion, joined the meeting for item 8.

8. **Strategic Plan Update**

The update was received and Dee reminded the Board that her task was to consult with staff and Governors between October 2015 and January

Approved

2016 and propose a revised mission statement. The existing mission statement, which had been developed alongside the Strategic Plan in 2013, was at its midpoint and no longer perceived to be fit for purpose, given that the aspiration to be Ofsted outstanding had been achieved in 2014.

Dee had consulted with the College Leadership Team (CLT) and staff via Survey Monkey and, with over 400 responses, confirmed that staff were engaged. Key words had emerged, and where ambiguous, Dee had contacted the respondents direct for clarification. Suggestions must be memorable and meaningful, and be relevant, insofar as any new mission statement needed to accommodate the aims of a new Principal and changes in the sector. Dee provided examples of words put forward by staff.

The intention had been to present two potential mission statements for the Board to consider in February 2016. However there was a clear feeling that the mission statement was only part of the necessary review and that the Strategic Plan itself was no longer fit for purpose. Therefore Dee proposed that there be a pause for reflection and evaluation to consider the remit of the task. It was important not to develop a new mission statement, only for it to become redundant because of internal and external influences. It must also align with the Quality Improvement Plan. To sustain momentum, the consultation must remain visible, and to this end, meetings with the Deputy Heads of Faculty, Student Representative Committee and Learner Voice were scheduled.

The Board considered the need for a wider remit. Behind the mission statement should lie the substantive Strategic Plan, based on aims, business cases, threats and opportunities. This was an iterative process, so that the mission statement was an inspiration but also reflected the Strategic Plan. Given the non-delegable role of the Governing Body in setting strategy, the Board should be involved.

Consensus was difficult where there was prolonged consultation, and Governors urged action. The current Strategic Plan had not been fit for purpose for a while and a resolution was needed. However it was also accepted that area reviews, funding cuts and the appointment of new Principal meant that it was prudent to await the resolution of some or all of these factors.

It was proposed that a fuller discussion be scheduled for the Board Residential, by which time there would be more clarity. The focus on progression by Ofsted also needed greater consideration at Board level.

The Board noted the update.

9. **Principal's Report**

Approved

The report was received, and in the Principal's absence, John, highlighted the key issues. He thanked the Finance Department for their work in preparing the Financial Statements following a year of significant change in the team. He also reminded the Board that despite the positive outcome of the Comprehensive Spending Review for the sector, funding cuts were still anticipated.

The Board noted the report.

10. **Student Representatives' Update**

Student Governors' Report

The report was received and Abbie highlighted key events. November had been anti bullying month and over 300 messages of support had been received during the sign and support campaign. Interfaith week has also been a success, supported by NUS materials.

The Learner Voice meeting had attracted the biggest turn out ever. The Board requested further clarification on the process. Tutor reps were engaged in faculty rep meetings to collate comments and feedback from students. The tutor reps were then invited to a meeting with the Vice Principal in the CCI theatre for a question and answer session. The meetings covered three agendas: positive issues, nominations of exceptional staff, each of whom was notified and thanked, and identifying of areas for improvement. The mechanism to feedback completion of actions was through a "you said - we did" on the portal and via the student bulletin.

December was College charity month, with a number of fundraising events. Abbie confirmed that £2,638 had been raised towards a total target of £6,000. Finally she confirmed that an application to be accredited as a Fair Trade College had been achieved ahead of target.

The Board commended the report and agreed to

Note the Update.

Part 2 REPORTS FOR APPROVAL

11. **Recommendations from Business Services Committee**

At the invitation of the Chair, the Chair of the Business Services Committee updated Governors on decisions recommended for Board approval at its meeting on 30th November 2015. Those relating to the Financial Statements were subject to approval of the recommendations of the Audit Committee.

11.1 Statutory Accounts for Financial Year Ended 31st July 2015:

11.1(i) Exeter College

The draft accounts for Exeter College for the year ended 31st July 2015,

Approved

which had been reviewed by the Business Services Committee and recommended for approval, were received. The Finance Department was thanked for a smooth, clean audit. Steve Campion, Executive Director, Finance and Resources confirmed the headline figures.

The Board resolved to:

Approve the Exeter College Financial Statements for the year ended 31st July 2015.

Vote: Unanimous

11.1(ii) Aplus Training (SW) Ltd

The draft accounts for Aplus Training (SW) Ltd for the year ended 31st July 2015, which had been reviewed by the Business Services Committee and were recommended for approval, were received. The Board resolved to:

Approve the Aplus Training (SW) Ltd Accounts for the year ended 31st July 2015.

11.1(iii) Ecole Limited

The draft accounts for Ecole Limited for the year ended 31st July 2015, which had been reviewed by the Business Services Committee and were recommended for approval, were received. The Board resolved to:

Approve the Ecole Limited Report and Financial Statements for the year ended 31st July 2015.

Vote: Unanimous

11.2 Property Update

- i) Property Review
- ii) Technology Centre
- iii) Wear Barton

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

12. **Recommendations from Audit Committee**

At the invitation of the Chair, the Chair of the Audit Committee updated the Board on decisions recommended for Board approval at its meeting on 2nd December 2015.

12.1 Audit Committee Annual Report

Approved

The report was received and recommended for approval. The Chair of Audit confirmed that the Committee had scrutinised the Annual Report, which provided the Board with a review of the work of the Committee and provided assurance that controls were in place.

The Board resolved to:

Approve the Audit Committee Annual Report.

Vote: unanimous

12.2 **Statutory Accounts**

12.2(i) Audit Findings Report

The report was received and was confirmed as being a smooth clean audit. There had been no change to the agreed plan, no significant findings and no override of manual controls. The Financial Statements represented a fair view of the College's position and there was nothing to threaten it as a going concern, despite challenges within the sector.

The Committee had sought assurance that the College would comply with new FRS 102 regulations. Whilst seen as mainly presentational changes, a working group had been established to assess implications, and amendments to the Financial Regulations would be required.

The Board resolved to:

Approve the Audit Findings Report.

Vote: unanimous

12.2(ii) Regularity Self-Assessment

The report was received and the Chair of Audit confirmed that the Audit Committee had reviewed the self-assessment document, and recommended it to the Board.

The Board resolved to:

Approve the Regularity Self-Assessment.

Vote: unanimous

12.2(iii) Letter of Representation

The report was received and Chair of Audit confirmed that the Auditors required the Board to confirm its understanding of its responsibilities by signing the Letter of Representation before the

Approved

accounts could be finalised. Subject to an amendment to clarify that there had been no instances of fraud, the Board resolved to:

BHS

Approve Letter of Representation for signature by the Chair.

Vote: unanimous

- 12.3(i) Risk Management Annual Report
The report was received and the Chair of Audit confirmed the Annual Report summarised the activity relating to risk management for the year. The College had a strong culture of risk management at all levels, demonstrated at recent Quality and Resource Review Days, with Heads of Faculty having a clear understanding of appropriate significant risks.

It was recommended that the College retain an Internal Audit Service. Although no longer mandatory, it provided a valuable resource and additional assurance. However, as was typical in the sector, there might be a change of focus to provide greater value for money.

The Board agreed to

Approve the annual Risk Management Report

Vote: unanimous

- 12.3(ii) Risk Register
The report, which had been scrutinised by the Audit Committee, was received.

The Board agreed to

Approve the Risk Register

Vote: unanimous

- 12.4 Anti Bribery Policy
The report was received. The Anti-Bribery Policy had been approved by the Board on 9th October 2015. Following review and approval of the Financial Regulations, it was necessary to include a reference to gifts and hospitality within the Anti-bribery Policy.

Subject to an amendment to clarify the procedure for staff and Governors, and completion of the equality impact assessment, the Board agreed to

Approve the revised Anti Bribery Policy

Approved

Vote: Unanimous

PART 3: REPORTS AND MINUTES FOR INFORMATION

13. **Reports**

13.1 Management Accounts

The September Management Accounts 2015 were received. These were the first prepared under the new finance system, FIS. The Board agreed to:

Note the Management Accounts for the period to the end of September 2015.

13.2 Targets 2015/16

The report was received and the Chair of Quality and Standards confirmed that the Committee had scrutinised and approved the targets, which in turn informed Faculty targets. The Committee had noted the change in Ofsted criteria and the new focus on progression and value added scores. Although the College had prided itself on its success outcomes, the Committee had debated at length the proposal to support the drive to improve value added scores by reducing the success targets.

There was an appetite for flexibility and for a meaningful and balanced debate. Therefore it was recommended that a lower target be approved to send the message that the Board was alert to the issues and that measured and informed consideration was underway. The Board Residential would offer an opportunity for further debate.

The Board noted the report.

13.3 Governance Report.

The report was received and the Clerk update the Board on key issues. Governors were invited to complete the register of Gifts and Hospitality at every meeting alongside the events register to comply with the Anti-Bribery Policy and Financial Regulations. They were also asked to review and sign the IT code of conduct.

The Board noted the report

14. **Minutes**

The following minutes were received and noted.

14.1 Business Services Minutes 28 September 2015 *Approved*

14.2 Audit Committee Minutes 30 September 2015 *Approved*

15. **Confidential Minutes**

Approved

The following confidential minutes were received and noted:

- 15.1 Business Services Confidential Minutes 28 September 2015 *Approved*
- 15.2 Audit Committee Confidential Minutes 30 September 2015 *Approved*

16. Dates of scheduled meetings for 2014/2015

Friday 12 February 2016
Friday 6 May 2016
Wednesday 6 July 2016

Dates of special meetings for 2015/2016

Tuesday 19th January 2016 at 7pm Venue TBC (dinner with candidates)
Thursday 21st January 2016 at 4pm

Lunch

Pete Chapman, Head of Faculty for Sport, leisure and Tourism and Ben Hedden, Centre Manager for Haven Banks Outdoor Education Centre joined the Board for lunch to celebrate winning the AoC Beacon Award for Innovation in FE.