

EXETER COLLEGE FURTHER EDUCATION CORPORATION

CORPORATION BOARD

**Minutes of the meeting held on Friday 13th February 2015 in the Boardroom,
Hele Road, Exeter College**

Present

Philip Bostock	Chair
Ian McGregor	Vice Chair
Richard Atkins	Principal
David Allen	
Bindu Arjoon	
David Batho	
John Bunting	
<i>From Item 4</i> Rachel Hutchinson	
James Jefferson	
Craig Marshall	
Mark Overton	
Martin Owen	
Matt Roach	
Cameron Seymour	
Tim Tamblyn	
Dave Underwood	
Emma Webber	

Apologies

Michael Caines	
Chris Hoar	
Elaine Hobson	
John Coombs	(Co-optee invited to observe)
Jo Matthews	(Co-optee invited to observe)

In Attendance

John Laramy	Vice Principal
Steve Champion	Executive Director, Finance and Enterprise
<i>Item 5 only</i> Ian Fitzpatrick	Assistant Principal
<i>Item 5 only</i> Malcolm Walsh	Assistant Principal
Barbara Sweeney	Clerk to the Corporation

1. Welcome, Apologies and Declarations of Interest Action

The Chair welcomed members to the meeting.

Apologies were received.

Bindu Arjoon declared an interest in item 6, Opportunities and

Developments Register and item 12.4, Property Update, as Assistant Director, Exeter City Council.

David Allen, David Batho, Mark Overton, Emma Webber and Dave Underwood declared an interest in item 10.7 Appointments and Reappointments.

The agenda was reordered to take item 7 after item 5.

2. **Minutes of Meetings**

2.1 The minutes of the meeting held on 12th December 2014, as circulated, were agreed and signed by the Chair.

2.2 The confidential minutes of the meeting held on 12th December 2014, as circulated, were agreed and signed by the Chair.

3. **Matters Arising**

There were no matters arising which were not covered elsewhere on the agenda.

4. **Appointments**

The report, including a career resume of Rachel Hutchinson, Head of St Peter's Church of England Aided School, was received. The Chair updated the Board on a meeting with the candidate, Chair and Clerk.

The Board agreed:

a) To appoint Rachel Hutchinson, representing the secondary schools, with immediate effect for a four year term of office to 12th February 2019.

BHS

b) To appoint Rachel Hutchinson to the Quality and Standards Committee with immediate effect for this academic year to 31 July 2015

BHS

The Chair invited Rachel in to the meeting and welcomed her to the Board.

Rachel Hutchinson, joined for the rest of the meeting.

Ian Fitzpatrick and Malcolm Walsh, Assistant Principals, joined the meeting for item 5.

5. **Global Strategy**

The report and presentation were received and Malcolm reminded the

Board of the key elements of the Global Strategy; College students, International fee paying students and the link with India. The link with China provided enhanced learning opportunities through a British Council initiative to bring together Chinese and British institutions through a 3D animation collaborative project. The relationship was flourishing and gave credibility to the College's Global agenda. An exchange was planned for 2015/16.

Ian updated Governors on the links with India. Thirteen months into a British Council led UKIERI project to train the trainer, the College was delivering training near Bangalore, and there was currently a group of students visiting the College as part of the programme. There were options to deliver high cost/low volume training as well as low cost/high volume, and in Bhopal, high volume training ranged from CV writing courses to Masters degrees. The College was one of many providers, and there were particular opportunities in delivering training in the aviation sector, a growing sector, where skills qualifications were mandatory. The Association of Colleges (AoC) was very active in India and a wealth of opportunities were being created. However it was important to be selective, as developing provision was resource intensive and it was vital to assess the return on investment.

Malcolm presented the timeline for commercial opportunities for International recruitment from 2012/13 through to spring 2015. Overseas visits to a range of destinations promoted opportunities and developed links. Relationships were maintained by ongoing communications through Skype and emails to promote International student recruitment. Malcolm provided projections of International student numbers, with income forecasts based on historic income per student. He updated the Board on areas of interest and proposed new activity.

Concluding, Malcolm reflected on the key themes; to continue with developing commercial opportunities with international students, maintaining the Indian and Chinese links and responding to leads provided by trusted partners. Faculties were being encouraged to establish a broader range of international links. However it was crucial to remain vigilant on costs and to assess potential return on investment.

Considering the Strategy, the Board noted a lack of detailed outcomes. Malcolm confirmed that the College was still assessing opportunities and it was difficult to make accurate projections on return for new projects. Clearer attribution would be possible once projects were established. Therefore the Strategy included broad expectations rather than detailed outcomes. However, predicted contribution for 2015/16 was based on accurate assumptions and all projects were evaluated. Costs were being monitored carefully and

there was effective intelligence from within the sector on what projects gave high margins.

Governors questioned the capacity of management to maintain the relationships, which were clearly so important. Links were maintained by piggybacking opportunities. The link with the University, AoC and other providers in the sector were very valuable, and there was positive collaboration and mutual support. In addition, individual relationships were sustained with effective communication with educational agencies in target markets.

In assessing the curriculum offer, markets were carefully selected where the College had expertise. Pastoral support was provided by the International Office and there was close liaison with Heads of Faculty. The importance of integrating International students into the College community was recognised, but currently numbers were so small that the impact was low. However the College was mindful of its commitment to the local community and local learners.

The Board commended the incremental approach to developing global income streams. International reach was crucial when domestic funding was so challenging. Few colleges did not have an international agenda. However quick wins and an over-reliance on global income to fill the funding gap was dangerous and the Principal commended to the Board the College's long term and measured approach.

The Board agreed to

a) Approve the Global Strategy

b) Request a further update in October 2015

BHS

c) Recommend the appointment of a Global Governor

BHS

Vote: unanimous

7. **Principal's Report**

The report was received and the Principal confirmed that in the week commencing the 9th February 2015 he had formally written to the Chair, notifying him of his intention to retire from his post as Principal of Exeter College on 31 January 2016. By that time he would have completed 14 years in post at Exeter College and 21 years as a college Principal. He confirmed that the Chair had been aware of his intention for several months and that it was appropriate that he should retire following his year as President of the Association of Colleges (AoC).

The notice period and planned timing would mean that prior to

making an appointment, the Board could undertake a robust recruitment process. The Principal confirmed that he would remain flexible to permit a smooth transition to a successor. He confirmed his commitment to the College and that it would be “business as usual” until his retirement.

An email announcement had been sent to staff during the Board meeting and press communications had been prepared.

The Chair thanked the Principal for his contribution and commitment during his tenure, and confirmed that there would be other opportunities to thank him further before he left. It fell to the Board to appoint a successor to build on the strong foundations of his leadership, and for such an appointment to continue to lead the College to achieve its mission to go beyond outstanding.

The Chair invited the Clerk to update Governors on the process for recruitment. At its meeting on 19th January 2015, the Search and Governance Committee had considered and recommended to the Board the terms of reference of a Selection Committee. As a Committee elect, it had recommended appointing executive recruitment consultants to support the Board in the recruitment process and to that end a tendering process had been undertaken. Following interviews on 2nd February 2015 the Committee elect had agreed to recommend to the Board that Veredus be appointed.

The Board agreed to

- | | |
|--|-----|
| a) Approve the Terms of Reference of the Selection Committee, subject to a minor amendment | BHS |
| b) Approve the membership of the Selection Committee | BHS |
| c) Delegate to the Selection Committee the recommendation of a candidate for approval by the Board | BHS |
| d) Approve the appointment of Veredus as Executive Recruitment Consultants to support the recruitment process | BHS |

Returning to the report, the Principal confirmed the small growth in student numbers for 2014/15, but that demographic changes would mean a fall over the next five years. Adult funding cuts of 20% had been confirmed and whilst a future Labour Government had committed to protecting funding up to age 18, with the outcome of the May General Election uncertain, it was a challenging time for the sector. Alternative income from HE, apprenticeships and international markets would be crucial. Across the sector, the

projected fall in income would be compounded by additional costs in NI and pension contribution. The Principal confirmed that the Business Services Committee had considered the matter at length and in addition to budget cuts there was a need for growth, which would be considered during the forthcoming Board Residential. The College was in a better position than many to shape its own future and had a track record of managing a similar challenge five years ago.

A working group was considering savings and reporting to the Senior Leadership Team weekly. The Business Services Committee had also requested updates to each meeting. The Board considered the position and was assured that there was effective communication with staff, with emails and meetings with all levels of staff and the Trade Unions. The Principal would also hold open meetings.

Finally the Principal confirmed that there had been a visit from the Shadow Chancellor to the College, a very successful celebration of Student Awards and that collaboration with partners was strong through the Ted Wragg Multi Academy Trust.

The Board noted the report.

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.

8. **Governance Report**

The report was received and the Clerk confirmed proposals for providing Safeguarding, Equality and Diversity and Prevent training for the Board. She updated on a recent internal inspection of Corporate Governance and Risk Management and national recognition of the Board's adoption of paperless meetings.

The Board noted the report.

9. **Student Representatives' Update**

Student Governors' Report

The report was received and James Jefferson, 16-18 Student Governor highlighted key issues. The Student Representative Committee had negotiated with the NUS to enable staff to purchase NUS extra discount cards. James updated the Board on a recent student governance meeting at which the importance of the student vote at the General Election was highlighted. The SRC was on target with fundraising for its chosen charity. Finally James updated on the Starbucks Youth Action to promote mental health awareness, and the

Valentine's Day campaign to promote safe sex.

Cameron Seymour, 19+ Governor updated the Board on 19+ students' contribution to the imminent Higher Education inspection. There had been a number of focus groups to inform the student submission, which formed part of the evidence reviewed in advance of the inspectors' visit. Cameron confirmed that he had spoken at the HE conference and that a number of strengths and areas for improvement for HE students had been identified which would support a restructure to align it better with the Student Representative Committee.

The Board commended the report and agreed to

Note the Update.

Part 2 REPORTS FOR APPROVAL

10. Recommendations from Search Committee

10.1 Terms of Reference

The report recommending the updated terms of reference for the Remuneration Committee to include the Chair of Audit in the membership, was received.

The Board approved the updated Remuneration Committee Terms of Reference

BHS

Vote: unanimous

10.2 Standing Orders

The report, recommending amendments to the Chair's and Vice Chair's terms of office and student governors' titles, was received.

It was recommended that the number of terms of office for the Chair and Vice Chair be extended to two terms of two years. There was also provision to enable them to complete their term as Chair/Vice Chair if the proposed member's term of office was due to end before their term as Chair/Vice Chair.

The Clerk updated Governors on the rationale for the 16-18 and 19+ student governors' titles. The Board had agreed that there should be a Minimum of 1 Student member/s nominated and elected by fellow students. Over the past few years this had been two, with a member coming from the 16-18 students, elected by the whole student body and one from the 19+ student cohort, elected by the whole student body. The two constituencies from which the student was nominated broadened the range of input on the learner experience.

The Standing Orders needed to reflect this. However, legal advice

from Eversheds was that such a distinction risked contravening age discrimination laws and that there should be an FE and HE distinction. However this would be an imbalance, given the numbers of HE students compared to the FE population. 16-18 and 19+ students represented the funding streams, with 16-18 funded through the EFA and 19+ through the SFA or HEFCE. The distinction was not only funding but also that the learners' experience and delivery of teaching was different between the two groups. It was not an age distinction per se.

The Board agreed to

Approve the revised Standing Orders

BHS

Vote: unanimous

10.3

Appraisals

The report was received and at the invitation of the Chair, the Clerk reminded the Board that it had agreed to reschedule annual Governor appraisals from the summer to the spring from 2014/2015, to inform the decision on the membership of committees for the following academic year. She tabled the self-evaluation questionnaire and questionnaires on the Chair and Committee Chairs and reminded Governors of the proposed process. The Clerk reminded the Board on the schedule for the return of questionnaires and the dates of proposed appraisal meetings.

The Board agreed to

Approve the new Appraisal Process.

Vote: unanimous

10.4

Proposed dates for meetings 2015/2016

The Schedule for Board and Committee meetings for 2015//16 was received

The Board approved the schedule of meetings 2015/16

BHS

Vote: unanimous

10.5

Board Residential

The report was received and the Clerk confirmed arrangements for the Residential on 20th and 21st March 2015.

The Board Residential Programme on 20/21 March 2015 was approved

BHS

Vote: unanimous

- 10.6 Role Descriptions
The role descriptions were received and the Chair confirmed that the Search and Governance Committee had considered them as part of their annual review. Changes were minor, but included reference to a commitment to HE as well as FE and to the principles of Equality and Diversity.

The Board approved the revised role descriptions for Governors, and for Chairs and Vice Chairs of the Board and its Committees.

BHS

Vote: unanimous

Emma Webber and David Batho withdrew for item 10.7

- 10.7 Appointments and Reappointments
The report was received and the Chair updated the Board on a number of appointments and reappointments.

The Board agreed

a) To appoint David Allen to the Remuneration Committee with immediate effect to the 31 July 2015

BHS

b) To appoint Dave Underwood to the Audit Committee with immediate effect to the 31 July 2015

BHS

c) To appoint Mark Overton as HE Governor, reporting to the Quality and Standards Committee

BHS

d) To reappoint Emma Webber for a second term of office from 18 February 2015 to 17th February 2019

BHS

e) To reappoint David Batho for a second term of office from 4th July 2015 to 5th July 2019

BHS

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 2nd February 2015.

- 11.1 Budget 2015-16
The confidential item was received and the Board was referred to the Principal's report.

Turning to improvements and developments to the estate, given the need for prudence, a review of priorities would be required. To support this it was recommended that a working party be formed.

The Board agreed

- a) To approve the formation of a Property Working Party**
- b) To endorse the work of the SLT Budget Working party, reporting in to SLT, and request updates as a standing agenda item at the Business Services Committee meetings until further notice.**

BHS

11.2 Cost of Living Pay Award

This item was deferred to the next Board meeting on 1 May 2015.

BHS

11.3 Estates Annual Report

The report was received and the Board agreed to

Approve the Estates Annual Report, including the Health and Safety Annual Report and the Sustainability Annual Report

11.4 Treasury Management

The report was received and the Board agreed

- a) To approve the Treasury Management Policy**
- b) To use Santander for treasury deposits, subject to their rates improving**
- c) To reduce the number of banks holding deposits to a minimum of three.**

Part 3 REPORTS AND MINUTES FOR INFORMATION

12. **From Business Services Committee**

12.1 Key Performance Indicators

The Key Performance Indicators were received electronically via the link to the College portal.

The Board noted the update

12.2 Management Accounts

The November 2014 Management Accounts were received. Steve Campion confirmed that the mid-year review had been brought

forward. The Board agreed to:

Note the Management Accounts for the period to the end of November 2014.

- 12.3 Student Recruitment Update
The report was received and Steve confirmed the positive position for 16-18 learners and 16-18 apprentices. Adult learner numbers were more challenging because of falls in 19+ full time students and 19-24 Access to HE students.

John updated the Board on the correlation between income and learner numbers. He confirmed the complexity of funding. Students on the same course were funded differently depending on a variety of factors. This illustrated why it was difficult to make comparisons of value by course based purely on learner numbers.

The Board was updated on the potential for the architecture of funding bodies to change after the General Election

The Board noted the report.

- 12.4 Property Update
The confidential report was received and **noted**

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

- 13.1 Business Services Minutes 1st December 2014 *Approved*
13.2 Audit Committee Minutes 3rd December 2014 *Draft*
13.3 Quality and Standards Minutes 8th December 2014 *Approved*
13.4 Aplus Board 24 November 2014

14. **Confidential Minutes**
The following confidential minutes were received and noted.

- 14.1 Business Services Confidential Minutes 1.12.14 *Approved*
14.2 Audit Committee Confidential Minutes 3.12.14 *Draft*
14.3 Student Accommodation Working Party 8.12.14
It was recommended that there be overlap of membership with the Property Working Party to provide continuity.

BHS

15. Dates of scheduled meetings for 2014/2015
Friday 1 May 2015
Wednesday 8 July 2015