

**Open Minutes of the meeting of the Corporation held via Microsoft Teams
27 July 2020 at 17:00**

Present

Carole Stott (CS) Chair
 Paul Blenkinsopp (PB) Staff Governor
 Erica Draisey (ED)
 Andy Furse (AF)
 Mike Oram (MO)
 Laurel Penrose Principal & CEO
 Gary Waylen (GW)
 Jenny Williams (JW)
 Neil Wilson (NW)
 Julian Young (JY)

In attendance

Jayne Davis (JD) Deputy Principal, Curriculum & Quality
 Paul Fletton (PF) Interim Finance Director
 Anne Roberts (AR) Head of Governance

Attendance: 83%

ITEM	ACTION
1. Apologies for Absence	
Welcome was given by the Chair. Apologies for absence were given by Dan Ball and Ian Tavener.	
2. Declarations of Interest	
Carole Stott in relation to item 7.1 Chair Succession planning Jenny Williams in relation to the item 5.2 Curriculum plan and EPQ Mike Oram in relation to 5.2 Curriculum plan and apprenticeships and the Institute of Technology.	
3. Confidentiality of items	
The papers relating to agenda items 6.2.1 (capital investment), 9.4 (Finance & Estates Group notes) and 10.1 (loan arrangements) were agreed as confidential.	
4. Minutes	
4.1 Open Minutes – 22 June 2020	
The open minutes of the meeting held on 22 June 2020 were approved as an accurate record and the minutes would be signed by the Chair following the meeting.	

4.2 Actions and Matters Arising	
The Board considered the action register. All actions had been completed, were on this agenda or future agendas. No points were raised.	
5. STRATEGY	
5.1 Principal's update	
<p>LP provided the following verbal update to the Board:</p> <ul style="list-style-type: none"> • The safe space available at College had worked well for those students wishing to use it (17 students had visited the space over 80 times) • The College had re-opened on 1 July for prioritised students who had practical assessments • The catering refurbishment was due to be completed by 7 August 2020 • The capital bid of £1.8m relating to T levels had been submitted and the outcome was awaited. • The IoT refurbishment was being prepared to go out for tender and the first tranche of funding had been received • It had been confirmed that the College could offer up to 25 T levels in 2023 which was good news. Members asked about planning and delivery. LP confirmed that the college could decide which T levels to offer in addition to the 3 T levels being offered in 2021 for which planning was taking place • There was a plethora of government initiatives and the executive was keeping abreast of these. <p>Members thanked LP for her update and for all the work that had been done to achieve the successful outcomes on bids.</p>	
5.2 Curriculum Plan	
<p>The Board considered the Curriculum & Development Plan which was based on the College's Strategic Plan and its objectives. JD highlighted key areas for discussion around employment & training, inclusion & alternative provision, higher education, apprenticeships, adults and part-time courses, cross-cutting themes and the impact of covid-19.</p> <p>Members raised the following points during discussion:</p> <ul style="list-style-type: none"> • How much Level 1 & 2 provision was there as there appeared to be more at Level 3? JD reported that there was sufficient Level 2 provision in the plan and, as there had previously been insufficient provision at Level 1, more courses at this level had been added. These would provide pathways to other courses and levels. The Board asked that the Curriculum & Quality Working Group (CQWG) look at these progression pathways. ACTION: ED/JD • What market intelligence did the College have in relation to schools offering alternatives to A levels which were slightly 	ED/JD

<p>more vocational in intent? JD responded that market analysis was undertaken and currently there was little movement by schools into this market. The main competitors were other college providers and some applied general provision offered by schools. The College could offer multiple entry points and provide the Extended Project Qualification (EPQ) providing more agile and flexible routes in future. JW referred JD to the GLA publication of post-16 provision which might be of interest</p> <ul style="list-style-type: none"> • How were new courses being advertised for 2020/21, for example criminology? JD reported that marketing was being done via schools and social media/college website, rather than the traditional prospectus which was likely to become out of date. Applicants could apply online. • What was the college doing to re-galvanise areas with diminishing numbers, particularly at Level 3? JD commented on the need to boost numbers at level one. LP reported that the College was looking at offering condensed short courses to help those needing to re-train. Another issue was the difficulty in recruiting qualified staff for subjects like construction, despite the fantastic facilities. Members asked that an exception report be done on the construction area and an analysis of the market for review by CQWG. <p>ACTION: JD</p> <ul style="list-style-type: none"> • In relation to inclusion and alternative provision, it was noted that the College was in discussion with B&NES and that EHCPs were higher than anticipated • What was the strength of the College partnerships with HE providers? JD reported on the relationships developed with both local universities and with the University of Gloucestershire where the College provided excellent quality sports provision. A fall in HE numbers was expected nationally. Members noted that the new Institute of Technology should boost this area. LP reported that there would be changes to the format in terms of offering blended, distance and condensed learning with more entry points than before • What was the strategy in relation to Apprenticeships where there were less than ten learners on many strands? JD reported that there would be a focus on particular areas and information given to employers, particularly in the context of T levels. She reported on a joint bid to support SMEs in B&NES. The apprenticeship areas would be discussed in more detail by the CQWG. • What market intelligence was provided by WECA and the Local Authority in terms of skills needed in the workforce? It was reported that general statistics and analysis was done but the local economic data was not at a detailed level. LP reported on the recent IFS study categorising universities by financial risk level • Was there any competition in the St Paul's area of Bristol? JD reported that the College was the only institution to deliver both functional skills and employability together as well as 	<p style="text-align: center;">JD</p>
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<p>stand-alone accountancy and so the College would continue to deliver there. The College was also looking at provision in other non WECA areas. LP reported on an innovation pilot with WECA</p> <p>The Board APPROVED the Curriculum & Development Plan and thanked Jayne for the comprehensive and well put-together plan.</p>	
<p>6. SCRUTINY</p>	
<p>6.1 Management Accounts – June</p>	
<p>The Board considered the June management accounts, noting that the Finance & Estates Group had reviewed these in detail. It was noted that the position for June 2020 showed a further reduction in the YTD deficit from May 2020 and continued to track towards the revised year end forecast outlined in the previous report. PF provided an overview of the income and expenditure and the forecast savings to be made in July.</p> <p>He flagged two items which had been reviewed by the Finance & Estates Group, namely the expenditure on June variable hours (which was being looked into by department) and the partnership expenditure which was likely to exceed the forecast. Despite this, the forecast was still on track to deliver a small surplus and the cash position was very positive.</p> <p>The Board thanked PF for his report and APPROVED the management accounts.</p>	
<p>6.2 Draft Budget 2020/21</p>	
<p>GW, as Chair of the Finance & Estates Working Group, reported on the detailed review by the Group of the draft budget, the notes of which were available in the Board pack. The Group had concluded that the budget was as realistic as it could be, given the difficulty in forecasting in the current covid-19 situation.</p> <p>PF reported that the ESFA had asked Colleges to provide by the end of July a range of financial information. The College would be submitting a one-year budget. The key difference in this version compared to the one reviewed by the Finance & Estates Working Group was in relation to the inclusion of the weldability bid which had been recommended by the Group to the Board. PF highlighted that revenue expected through the ICCA optimisation contract would be more challenging next year. Other significant challenges related to recruitment on HE, IFY and some other activity. Savings of £0.5M would be needed on staff costs via vacancies and re-alignment of staff. He confirmed that resources were expected to be managed in line with revenue and the College's financial health was good. He also highlighted the success in realising capital funding which had levered up to £8M for new initiatives.</p>	

<p>Members commented that the assumptions were clear and commended PF for putting together the 2020/21 budget in what was a very uncertain environment.</p> <p>Members asked about clawback on english and maths and were assured that no impact was expected on the budget.</p> <p>Members asked whether the staff savings were achievable in the timeframe and that, with the advent of T levels and the new IoT, this appeared to be counterintuitive. PF reported that the College currently had £680k of vacancies which would contribute to some of the savings but some of these vacancies would need to be filled. A restructuring amount of £150k had been included in the budget. If partnership and sub-contracting staff were excluded from the figures, the College's staff costs were 69% of revenue (compared to 65% FE College average). In theory, therefore, there was scope for significant savings. LP reported that a review of areas was being done in conjunction with the Assistant Principals and everything possible was being done to relocate staff to other areas of demand. She believed that the target could be achieved.</p> <p>Members asked about pay awards and benchmarking in the sector. LP reported that FE sector lecturer salaries were lower than the school sector and even further behind the University sector and it was difficult in the current environment to be able to match these. Members commented on the need to get staff capacity levels and rewards right but noted that this was very challenging with declining income levels.</p> <p>The Board confirmed its approval of the principles set out in the draft budget and APPROVED the budget 2020/21. ACTION: LP/PF to submit the financial information to the ESFA by 31 July 2020.</p>	<p>LP/PF</p>
<p>6.2.1 Capital Investment – Weldability</p>	
<p>The Board considered the recommendation from the Finance & Estates Working Group in relation to a capital bid on weldability. Members asked what market research had been done to test out demand. PF reported that the application reviewed by the Group had shown the market demand and skills shortage needs. He also confirmed that there was a staff member available to deliver the provision. He explained the cohort levels and lead in times and the costs involved, including the element of risk in year one.</p> <p>The Board APPROVED the capital investment as set out in the paper.</p>	
<p>6.2.2 Insurance</p>	
<p>GW reported that the Finance & Estates Working Group had reviewed the insurance cover for the College. The Group recommended that the College continued with its current range of cover and renewed based on a new three-year agreement. This would generate savings and provide stability to the finance team.</p>	

<p>The Board APPROVED the renewal of the insurance cover based on a three-year scheme with Zurich Municipal.</p>	
<p>6.3 Quality Improvement Plan</p>	
<p>The Board considered the progress made in the Quality Improvement Plan. ED, as Chair of the CQWG, commented on the work being done on CPD and teaching communities. The Board noted the Plan.</p>	
<p>6.3.1 Summary Assistant Principal reports including application data ED confirmed that the CQWG had considered the APs reports and questioned the APS on their priorities and progress. The reports showed the greater clarity in roles and the links between their different remits. JD reported that the latest applications were 4% above last year's figures and HE was c. 25% below, reflecting the national trend. Members asked about the disproportionate effect on fee income that HE applications had compared to those from 16-18 year olds. JD confirmed this would be the case in relation to full time HE students but not for part time. The budget had taken account of this.</p>	
<p>6.4 Recovery and Planning for September And Covid-19 Risk Assessment</p>	
<p>The Board considered a report on the risks and mitigating actions in relation to the college reopening in September. LP reported on the July return of prioritised students which had gone well and from which further changes were planned. Blended learning would be delivered in the Autumn. Courses had been categorised into three types (blended, blended/practical and those mainly practical on site). She confirmed that the College's detailed plan for return was based on government and HSE guidance.</p> <p>JD reported that staff would be issued with a handbook before return to the College and a lot of work was being done to reassure staff. Transport planning would be added to the risk assessment. The IT dept was supplying web cams with microphones for each classroom and workshop space.</p> <p>Members asked what reaction there had been from staff. LP reported that a few resignations had been received and some staff were anxious about returning to the classroom. Conversations were taking place with staff who had concerns. One issue was in relation to safeguarding and online teaching. A staff well-being strategy was being rolled out and the health & safety of staff and students was being prioritised above all other elements of college business. Members asked that the risk assessment captured concerns around perception from staff.</p> <p>Members also asked about the factoring in of additional costs and the communication to students and their parents, particularly on public transport. JD confirmed action being taken to keep students</p>	

<p>and parents informed and that there was likely to be increased costs due to greater number of coach trips daily to and from SVC.</p> <p>Members were reassured with the work being done and APPROVED the risk assessment in principle, accepting that future changes would be made according to Government guidelines and where changes in circumstance required.</p>	
<p>7. GOVERNANCE</p>	
<p>7.1 Chair Succession Planning</p>	
<p>AF reported on the discussions held by the Governance & Search Committee in relation to the Chair succession planning, as outlined in the paper. He confirmed that he had been willing to step in as an interim Chair if another governor had expressed an interest in standing for Chair in 2021 or 2022 but he could not commit to a long-term appointment. As no other governor had expressed an interest in being Chair within this timeframe, the Governance & Search Committee now recommended that an external search took place.</p> <p>AF would lead the recruitment of a successor, with the support of AR. AF reported that the optimal time to start the search was in the Autumn which would tie in with the publication of the DfE white paper on FE. CS confirmed that she was willing to remain as Chair until the recruitment process was concluded and that she would also be available for a handover period. Members thanked Carole for her flexibility and willingness to remain as Chair. A draft job description had been prepared and timelines would be drawn up for the recruitment process. ACTION: AR</p>	<p>AR</p>
<p>7.2 Draft Business Schedule 2020/21</p>	
<p>AR presented the draft schedule of Board business which had been drawn up in consultation with the executive and with the Chair. The Schedule would be regularly reviewed and updated as appropriate to adapt to any changing circumstances. The Assistant Principals would be invited to present to the Board in rotation and they would also attend the CQWG. Governors were also invited to attend the CQWG where they had an interest. The Board APPROVED the schedule.</p>	
<p>7.3 Terms of Reference and Membership 2020/21</p>	
<p>AR reported that the terms of reference had not changed since the previous year and she presented the membership of committees and working groups 2020/21. She flagged the introduction of a link governor for Teaching & Learning and one for Digital skills given the importance of the IoT and move to blended learning. Outline roles would be drawn up for discussion by the Governance & Search Committee for recommendation to the Board.</p> <p>The Board APPROVED the membership of the Committees/Working Groups 2020/21 and the extension of the term of the Corporation Governance Group to the end of 2020/21.</p>	

8. ITEMS FOR APPROVAL	
8.1 Learner Involvement Strategy	
<p>The Board considered the updated Learner Involvement Strategy which had been reviewed by the Assistant Principal, Learner Journey & Customer Relations. The Strategy provided students with more opportunities for student engagement with the support of a strong student union. JD reported that the Strategy would be further revised to take account of the digital strategy.</p> <p>Members commented that the Strategy was an excellent document which covered all aspects of learner involvement. They asked JD to thank the Assistant Principal on their behalf. The Board noted the Strategy and delegated its monitoring to the CQWG.</p>	
8.2 Staff Disciplinary and Staff Grievance Policies	
<p>The Board considered the revised Staff Disciplinary and Staff Grievance policies which had been reviewed and recommended by the Senior Staff Performance & Remuneration Committee. AF highlighted the key updates.</p> <p>The Board APPROVED both policies.</p>	
8.3 Tuition Fees Policy 2020/21	
<p>The Board considered the updated Tuition Fees Policy 2020/21 which had been reviewed and recommended by the Finance & Estates Working Group. GW reported that it was proposed that the next policy would be for two years duration.</p> <p>The Board APPROVED the Policy.</p>	
8.4 Risk Management Policy	
<p>The Board considered the updated Risk Management Policy which had been reviewed and recommended by the Audit Committee. JY reported that the Policy would be further reviewed in 2020/21 to update the risk documentation and provide an opportunities matrix and an updated Policy would be brought back to the Board.</p> <p>The Board APPROVED the Policy.</p>	
8.5 College Financial Regulations	
<p>The Board considered the updated College Financial Regulations which had been reviewed and recommended by the Audit Committee.</p> <p>The Board APPROVED the Regulations.</p>	
8.6 Anti-Fraud, Bribery & Corruption Policy	
<p>The Board considered the revised Anti-Fraud, Bribery & Corruption Policy which had been reviewed and recommended by the Audit Committee.</p>	

The Board APPROVED the Policy.	
9. ITEMS FOR INFORMATION	
9.1 Audit Committee – 29 June 2020	
The Board noted the minutes of the Audit Committee. JY reported that two of the Assistant Principals had attended for discussion of the internal audit reports and their input had been very helpful to the Committee's discussions. The internal audit schedule for 2020/21 had been revised to include equality and diversity.	
9.2 Governance & Search Committee – 22 June & 3 July 2020	
The Board noted the minutes of the Governance & Search Committee. It was noted that the interviews for a new governor with finance skills would be held in early August and a recommendation would come to the next Board. A search for a new governor, ideally with HR strategic skills, would commence in August to fill the vacancy on the Board left by Victor da Cunha.	
9.3 Senior Staff Performance & Recruitment Committee – 27 July 2020	
AF reported on the discussions held earlier that day in respect of this year's performance reviews of the Principal/CEO, Deputy Principal and Head of Governance and objectives for next year. The Chair commented that the team was to be commended for their impressive performance. Their ability to maintain a strategic overview during difficult circumstances had put the College in a stronger position. The minutes of the Senior Staff Performance and Remuneration Committee minutes would be placed on the confidential Board portal.	
9.4 Finance & Estates Working Group – 20 July 2020	
The Board noted the notes of the Finance & Estates Working Group.	
10. Any Other Business	
10.1 Loan Arrangements Papers had been circulated earlier in the day to the Board in relation to extending the two bank loans, following discussions between the Bank, the College's External Auditors and the College. PF stressed the importance of extending the two loans. The valuation for assets had been secured and met the bank's requirements and the bank proposed extending both loans and making them coterminous to 1 August 2021. The intention was that they could then be consolidated into a single loan to run for a period of up to three years. The external auditors had confirmed that they were content with this for the financial accounts, with the caveat that a longer-term extension was secured for the Going concern position. Letters amending the term of the loans to 1 August 2021 and a letter of indemnity required Chair and governor signature by 31 July 2020.	

<p>Once this extension had been secured, work to consolidate both loans would be undertaken with the intention that a proposal for a longer contractual term would come to the Board for approval by the end of November 2020.</p> <p>The Board APPROVED the extension of both loans with revised terms so that they were coterminous at 1 August 2021 and delegated authority to the Chair and Vice Chair of the Corporation to sign the legal documents on the Corporation's behalf. The Board confirmed that it was committed to reviewing and supporting a longer-term extension of the loans by the end of November 2020. Thanks were given to PF for taking this forward.</p> <p>ACTION: PF/AR to arrange the documentation and signing PF to bring a proposal back to the Board on the longer-term extension.</p>	<p>PF/AR PF</p>
<p>11. DATE OF NEXT MEETING</p>	
<p>Monday 5 October 2020 at 17:00</p>	

Signed (Chair):

Date: