

**Minutes of the Meeting of the Corporation
held on Thursday 20th December 2018 at 8.00am
in the Boardroom of Matthew Boulton Campus**

Present:	Apologies:
Steve Hollis (SH) (Chair)	Keith Horton (KH)
Veronica Docherty (VD)	
Cliff Hall (CH) (Principal)	
Simon Thompson (ST)	
Hilary Smyth-Allen (HA)	
Dan Zastawny (DZ)	
Michele Larmour (ML)	
Amardeep Gill (AG)	
Angela Myers (AM)	
Michael Nnabugo (MN) (student governor)	
Daniel Millington (DM) (student governor)	
Jane Smith (JS) (Staff Governor)	
Sam Coles (SC) (Staff Governor)	
In Attendance:	
Louise Jones (LJ)	
Liam Nevin (LN)	
Martin Penny (MP)	

Apologies for Absence

Apologies for absence were received from Keith Horton

Item 1- Declarations of Interest and Matters Arising

No declarations were received in addition to those contained in the register.

SH advised the meeting that Joel Blake had resigned as a governor in view of competing commitments and his contribution to the work of the Corporation was noted with thanks.

It was noted that the first meeting of the Institutional Review Group would follow the Corporation meeting and that a panel of governors would meet on the 14th January to interview for the new Chair.

SH proposed that the Corporation deal with item 6 (ii) of the agenda, at this point and HA summarised the interviews held by the Governance and Search Committee on the 17th December. The Corporation were advised that both candidates interviewed had strong skill sets that were relevant to the Board.

Accordingly it was

RESOLVED

- That the Corporation appoint Prue Huddleston and Iqbal Mohammed as independent governors for a term of four years.

Item 2 – Report of the Chair of the Academic Standards Committee

VD provided the report of the Academic Standards Committee;

(i) Draft Minutes

These were noted and it was observed that an amendment was necessary to reflect that KH chaired the meeting.

(ii) Ofsted Report

VD stated that the Committee were disappointed with the outcome. The inspection had identified three areas as “good” and five areas that required improvement. There had been robust discussion on this including an acknowledgement that there were still significant areas of weakness on level 3 provision.

Accordingly it was

RESOLVED

- **That the Ofsted report be noted**

(iii) Self- Assessment Report

VD advised that, in light of the Ofsted findings the report had been modified so that whilst it remained a reflection on the 17/18 year it was compiled with the benefit of reflection on the subsequent Ofsted findings. The Committee had acknowledged that there were many improvements throughout the year but too much teaching and learning was not good, and there was a recurring theme around the need for more effective differentiation, and stretch and challenge for more able students.

The Committee had also reviewed the Post Inspection Action Plan and had advised the Executive that this required further consideration to provide greater clarity on key performance indicators, and impact rather than actions, and to ensure that the data presented to the Committee was reported by exception, facilitating a focus on underperforming areas.

Therefore, whilst the Self- Assessment report was recommended to the Corporation, the Post Inspection Action Plan required further work.

ML noted that the College had not performed as well in inspection as it had self- assessed and asked what changes had been made to address the weaknesses identified.

CH stated that the College had been too generous in its assessment of quality and there remained some weaknesses around teaching and learning, and although teaching and learning coaches had made a positive impact this had not been sufficient. The College would need to refocus on teachers who needed to improve their performance in the classroom.

ML stated that the Executive had self-assessed as good although there had been some scepticism from governors. Consequently, it was important to understand what had been learnt and what changes had been made in order to have assurance around the accuracy of the SAR.

CH stated that the Post Inspection Action Plan needed to be overhauled and the challenges from the Academic Standards Committee about its form and content would feed into this review. The observation process needed to be honed and there needed to be greater clarity around the strategies that teaching staff needed to deploy.

ST stated that the management of any large project required a separation between those responsible for the implementation of change plans and those responsible for the evaluation of impact. CH agreed that this point warranted further reflection.

Accordingly it was

RESOLVED

- **That the content and the grading of the Self- Assessment Report be approved**

(iv) HE Performance Review

VD explained that whilst there had been some improvements in 2017-18, and the awarding body quality standards were being met, the College was not meeting most of the key enhancement objectives that it had set.

LJ explained that there was an interim structure for HE pending the new Assistant Principal framework and HE provision would be subject to a comprehensive review once the new structure had been established.

Accordingly it was

RESOLVED

- **That the Corporation endorse that the Cross College Annual Monitoring Report for 2017/18 evidences that:**
- **the report and action plan relate to the continuous improvement of the student academic experience and student outcomes and includes evidence from BMet's own periodic review processes which involve students and include external peer or professional review.**
- **The methodologies used as a basis to improve the student experience and student outcomes are robust and appropriate.**

(v) Annual Report on Safeguarding Children and Vulnerable Adults

VD introduced the report and explained the steps that were being taken to ensure effective safeguarding. AG questioned what steps were being taken to access mental health and VD explained that there were safeguarding officers in every College and that there was a comprehensive and confidential referral service.

LJ added that all staff were trained to level 1 safeguarding and many staff were trained to a higher level. All staff were aware of the signs of a student at risk and there were mechanisms for referral through tutors or through self-referral.

SC advised that the College had also been working on activities around "healthy minds" and had been more pro-active in advertising services as it sought to address any stigma surrounding this issue.

AG stated that mental health concerns appeared to be becoming more prevalent and that whilst health and safety was a subject considered by the Corporation this tended to focus on physical safety. However, mental health issues warranted the same rigour and should be reported on the same basis.

Item 3 – Business Review/Performance Report

LJ introduced the report and advised that it summarised performance against KPIs up to the end of October and that areas of concern were highlighted in red.

HS stated that class size and utilisation were critical efficiency measures and asked what steps the College was taking to address under recruitment. LJ advised that where it was possible to remove groups this was being done and hours were also being removed from provision where possible.

CH stated that average class size compared favourably with many other colleges and that there were some big groups. However, this was not uniform and the College would, through the Institutional Review Group, be examining areas of the College that were not recruiting well.

HS stated that the performance data in relation to apprenticeships did not give an indication of cost to value. Given that the area was being scrutinised for cost savings it was important to understand what the ratio of cost to earning was, as the team was predominantly structured as a fee earning operation.

CH stated that the team had a fee target of £4.4 million and expected to generate £4.3 million and HS stated that it was not possible to identify how the KPIs provided the breakdown against this target. It was important to review the data presented so that the cost of the team was set against the budget and income generated.

ML drew the attention of the Corporation to the RAG rated executive summary and questioned whether this accurately summarised the College risk profile given the College's Ofsted grade and its financial performance. Reflecting a higher number of "red" risks could facilitate the improvement drive and generate constructive support from Board members.

VD added that at the ESFA case conference, Barclays Bank had stressed the need for the Corporation to pay close attention to the financial KPIs.

Accordingly it was

RESOLVED

- **That the report be noted**

Item 4 – Report of the Chair of the Finance Committee

(i) Draft Minutes

These were noted

(ii) Financial Statements

It was agreed that this item would be taken together with agenda items 5 (i) and (ii).

HS stated that the due diligence report completed by BDO had not been available for the Committee meeting and MP advised that the report gave the College greater assurance as the findings had been carefully scrutinised by the ESFA, the banks and the Transaction Unit. As a consequence, the Transaction Unit had confirmed that the College request for exceptional financial support had been approved and would be paid in January 2019.

ST thereafter summarised the scrutiny and debate undertaken by the Audit Committee. MP and KPMG had both provided assurances that all material matters were addressed in the draft financial statements and this being the case the principal obligation of the Corporation was to satisfy itself that, for twelve months from the date of approving the financial statements, the College would continue to trade solvently.

MP advised that the write down of the financial investment in Harborne Academy meant that the College operating loss would be £10 million and he drew attention to the going concern statement on page 17 of the financial statements which demonstrated that whilst the financial statements were prepared on a going concern basis there was a material uncertainty which may cast significant doubt on the College's ability to continue as a going concern.

At the request of ST MP then summarised the College's forecast cash flow for the next twelve months and by way of a short presentation set out the College's forecast liabilities under the Teachers Pension Scheme and the Local Government Pension Scheme.

ST advised the Corporation of the terms of the letter of representation that it was required to give to KPMG as its auditors and of the responses to the Regularity Audit Questionnaire and he invited questions on any concerns in respect of either.

Note- the remainder of this item is contained in a confidential minute.

Accordingly it was

RESOLVED

- That the financial statements for the year ending 31 July 2018 be approved
- That the management letter, letter of representation and Regularity Audit Questionnaire be approved

(iii) Management Accounts

This item is contained in a confidential minute

(iv) Property Disposals

This item is contained in a confidential minute

(v) Pay Award 2018-19

Having considered the financial information presented during the meeting the Corporation determined that a pay award in addition to incremental progression was not affordable.

Accordingly it was

RESOLVED

- That no pay award be granted for 2018-19

(vi) Partnerships Update

This item was taken as read and noted.

(vii) Write Offs

HS summarised the report and the recommendation to write off the debts set out in the accompanying report. However, the Committee had sought assurances concerning improvements in processes for recovering Advanced Learner Loan debts, and financial controls was now a standing item on the Committee's agenda

ST stated that the College could continue to pursue these debts but MP advised that legal fees would be incurred and the College's evidence base was sometimes tenuous.

Accordingly it was

RESOLVED

- That having exhausted the College debt collection processes the sum of £616,100.79 is written off against the provision for bad and doubtful debts.

Item 5 – Report of the Chair of Audit Committee

(i) Draft Minutes

These were noted

(ii) Regularity Audit Questionnaire

This matter is addressed under agenda item 4

(iii) Draft Management Letter and Letter of Representation

This matter is addressed under agenda item 4

(iv) Internal Audit Annual Report

This item was taken as read and noted

(v) Audit Committee Annual Report

This item was taken as read and noted

(vi) Risk Management Update

This item was taken as read and noted

Item 6 - Governance

(i) Harborne Academy Sponsorship

LN advised that he was awaiting feedback from the DfE in relation to the options for re-brokerage of the sponsorship of the Academy and also the arrangements for the transactional costs pertaining to this. These would be reported back to the Corporation once known.

Any Other Business

This item is recorded in a confidential minute

Date of Next Meeting: 17 January 2018 8.00 am (special meeting)

Signed.....

Chairman

Date..... 14.3.19.