

**Minutes of the Meeting of the Corporation
held on Thursday 12 September 2019 at 8.00 am
in the Boardroom of Matthew Boulton Campus**

Present:	Apologies:
Sir Dexter Hutt (Chair) (SDH)	Hilary Smyth-Allen
Cliff Hall (Principal) (CH)	Asha Devi
Sam Coles (SC)	
Connor Curtis (CC)	
Veronica Docherty (VD)	
Prue Huddleston (PH) from 8.15 am	
Michele Larmour (ML)	
Angela Myers (AM)	
Tracey Pearce (TP)	
Ritik Sharma (RS)	
Simon Thompson (ST) by phone	
In Attendance:	
Louise Jones (LJ)	
Martin Penny (MP)	
Stephen Belling (SB)	
Hilary Barber (HB)	
Andrew Crowter (AC) Item 5	

Item 1	<p>KPMG Strategic Pensions update</p> <p>The meeting was opened with a presentation by Sophie Ash (SA) from KPMG entitled “BMet Pensions Strategy – Scenario Analysis”.</p> <p>SA detailed BMet’s current provision for teaching staff (Teachers’ Pension Scheme) and support staff (LGPS -West Midlands Pension Fund) explaining the nature of the schemes, ie Defined Benefit.</p> <p>She noted that employers’ contribution rates are high and that from September 2019 the percentage for TPS has risen from 16% to just under 24%.</p> <p>VD asked if the government is making additional funding available to support the increased cost of TPS contributions and MP confirmed that this is guaranteed for the next two years.</p> <p>SA explained the greater flexibility offered by a Defined Contribution scheme which allows individuals to access money from their pension “pot” at any stage.</p> <p>ML recognised the moral responsibility to provide appropriate pension provision for staff and SA noted that employers are required by law to provide a pension scheme – the process of auto enrolment. She suggested however, that the Corporation could consider offering a Defined Contribution scheme to staff as an alternative option, suggesting that in some cases staff may prefer the increased flexibility it offers.</p> <p>SA noted that staff are not always aware of their pension projections especially when linked to the state pension. CH asked if it was the college’s responsibility to appraise staff of these projections and VD suggested that members of the scheme are issued with annual statements; however these do not include details of potential state pension payments.</p> <p>VD noted that Birmingham City Council payslips show the pension contribution made by the employer to inform employees of the whole “reward” from which they benefit.</p> <p>The LGPS deficit was discussed and MP noted that currently the college is paying £1.2 million each year as</p>
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a contribution to the Pension Scheme's deficit. The actuary will publish a new valuation on deficit payments probably by March 2020.

DH asked if the TPS was a more advantageous scheme and SA explained that the benefits of the two schemes were similar. DH noted that although the government has increased general education funding, ostensibly for the benefit of students, in reality this does not cover additional fixed costs such as increased pension contributions.

ST asked what the liability for the LGPS shown on the balance sheet is and MP replied that currently it is £31.5 million with annual repayments standing at £1.2 million but noted that this is recast annually. He also noted that should the college become insolvent, the liability would be "crystallised" resulting in a cost nearly double the current liability.

AM asked how this would be paid in the event of insolvency and MP explained that the college would need to realise assets.

DH thanked SA for her presentation.

Resolved:

- a) **That a Pensions oversight committee be formed. ST indicated his willingness to serve on this committee.**
- b) **Pension provision would be the subject of further discussion at the Strategy Day.**

Item 2 Committee membership

DH informed members that Keith Horton has resigned due to pressure of increased overseas work. Dan Zanwasty has also resigned.

DH recorded his thanks of behalf of the Corporation to them both and a gift will be given to them to recognise the valuable contributions they have made to the governance of the college. DH is meeting Dan next week and will canvas his views on the workings of the Corporation.

DH noted that, in addition to his co-opted role within the Finance Committee, it is proposed that Peter Croom be co-opted to the full board.

Amardeep Gill has also resigned due to work commitments.

DH and CH are meeting with Helen Miles on 27 September to discuss co-option to the Corporation. Helen is a pensions lawyer and it is anticipated that she would join the Audit Committee.

Approval for an amendment to the Corporation's Instruments and Articles to increase the number of independent governors from 12 to 14 is very close. Lloyds have given written approval and Barclays have agreed in principal. In this event it is suggested that Najama Hafeez is co-opted to the Corporation.

Resolved:

- a) **That DH and CH should co-opt the potential Corporation members as detailed above.**

DH welcomed the new student governors, CC and RS and encouraged them to participate in the meetings emphasising the need for confidentiality. CC is a second year A Level student at Sutton Coldfield and Chair of the Student Council and RS is taking a foundation degree as part of his apprenticeship.

DH also welcomed Tracey Pearce as the newly elected staff governor.

Appointment of interim Clerk

The appointment of Hilary Barber as Interim Clerk to the Corporation was approved.

	<p>Appointment of Company Secretary The appointment of Stephen Belling as Company Secretary was approved. Stephen will take up post on 09 December 2019.</p> <p>Apologies for absence Apologies were received from Hilary Smyth-Allen, Asha Devi and Iqbal Mohammed.</p> <p>Declarations of Interest No declarations were received in addition to those contained in the register.</p>
<p>Item 3 (i)</p> <p>(ii)</p>	<p>Actions arising from last meeting Open and confidential minutes of meeting held on 11 July 2019</p> <p>The minutes were agreed as a true and accurate record subject to the following corrections:</p> <ul style="list-style-type: none"> - Open minutes page 4 should read “sight” not “site” - Confidential minutes page 2 should read “£80-90k” <p>The action log was noted.</p>
<p>Item 4 i)</p>	<p>Academic</p> <p>GCSE results Jan Myatt (JM) joined the meeting at 8.50 am</p> <p>DH opened the discussion by emphasising the importance of students achieving at least a level 4 in English and Maths to support their ongoing studies.</p> <p>CH explained that Achievement Rates (previously known as Success Rates) are calculated by multiplying retention rates by pass rates. AM checked from which point retention is calculated and CH responded that it is 42 days after the beginning of term.</p> <p>CH explained the rationale for the policy adopted by the college in 2018/19 of entering all students with a Level 3 or below for GCSE English and/or Maths rather than Functional Skills.</p> <ul style="list-style-type: none"> - Functional skills can only result in a pass or fail - It is a funding requirement that any student with Level 3 has to be entered for GCSE - Some vocational courses eg Engineering and Health and Social Care require a GCSE grade <p>He noted that for students on lower levels, Ofsted will recognise as progress an increase from, for instance, Level 1 to Level 2.</p> <p>DH noted how hard it is for students to re-take GCSEs with the danger that they acquire a mind-set that they “can’t do it”. He suggested that for teachers this presents the challenge of teaching the subject but also challenging any negative attitude held by students. He questioned whether the level of resource to tackle this “steep hill” was sufficient. He suggested the possibility of visiting other colleges who are being successful.</p> <p>JM agreed that this was a difficult challenge for staff, particularly within the Maths team where there had been unprecedented levels of sickness in the autumn term. In conjunction with HR a pool of Maths teachers has been established. She noted that the grade boundary required to achieve a Level 4 in Maths had increased by 17 marks this year; consequently some students were getting their best mark ever but still not achieving the needed grade. She also noted that it could be difficult to assess students correctly on arrival as the college has access only to students’ grades, not raw scores.</p> <p>AM questioned whether it would be appropriate to enter students for both GCSE and Functional Skills to give them an increased chance of success. JM responded that the two courses required different skill sets</p>

and would result in more exams for the students. AM challenged that the differing skill sets could be an advantage to students. DH suggested it could be useful to check if other colleges offer both courses simultaneously.

In noting the greater successes achieved by lower grade students, VD asked how the challenges around helping students to progress beyond Level 3 could be addressed. JM responded that this year there was a greater focus on setting to enable more focused teaching. AM asked how students are assessed for setting and JM replied that this was done using diagnostic software and by sitting past papers during week two of their course.

JM noted that a group of returning students within 17 marks of the higher band will take resits in November and there are some English papers submitted for remark.

VD checked that grade bands are drawn up by the exam boards after results are known.

DH asked what strategies the Board could enlist to move this situation forward and:

- CH suggested looking at why rates for 19+ were more successful and canvassing student opinion about what had worked for them
- ML commented that the Board need to take a 3 year strategic view having assessed successes and failures within current practice
- DH noted that resources need to be effective and sufficient
- CH noted that IT resources could support learning citing software being used by South and City College
- DH suggested that given the severe shortage of Maths specialists, the college could look for teachers within other disciplines, eg Science and Economics

In closing the discussion JM asked the Board to be aware that there had been an additional 1200 entries this year to the previous year, with the consequent challenges such a large cohort brings.

Resolved:

- a) **That an update on English and Maths provision and strategies should be presented to the next ASQD committee.**

(ii)

Level 3 Results

CH reported that results are looking positive but overall figures will not be finalised until the end of the month. Further improvement on current data is anticipated, particularly in Level 3 Diploma results. He noted the successes achieved at Sutton Coldfield in the first year of their restructure and the positive impact of the Director of A Levels Jane Campbell, appointed in May who has driven significant improvement with colleagues.

Historically AS levels have been challenging and in some cases lack of achievement has prevented students from progressing in their studies. Although no longer a requirement, Sutton College are still offering AS levels believing that they ensure students have a clear goal. Results to date show an overall 5% increase in achievement.

CH noted that:

- A further update on Value Added will be available when ALPs results are published.
- High grades at A2 have increased

CC shared issues that he had experienced in Physics provision last year at Sutton Coldfield. The situation is now resolved but the Board expressed its concern. DH suggested the possibility of using video conferencing as a means of sharing best teaching across campuses or even other colleges.

DH remarked that the appointment of an Assistant Principal to each college is working well and CH noted his complete confidence in their leadership.

	<p>ML asked if the Board felt they have sufficient oversight of staffing issues and the impact on students and other colleagues of issues that arise. She suggested the Board should have information to be able to identify the level of risk. She recognised the positive improvements at Sutton Coldfield and it was agreed that Jane Campbell, the Director of A Levels should be given the opportunity to share with the Corporation her successful strategies and whether there are ways in which they could be transferred to other areas of the college. It was noted that she has requested that the TES is utilised for recruitment of A Level teachers.</p> <p>In concluding the discussion, Corporation members agreed that overall, results were encouraging.</p> <p>Resolved:</p> <ul style="list-style-type: none"> a) That a staffing report to include numbers of staff, vacancies and areas of risk is tabled as an agenda item for the next Corporation meeting b) Jane Campbell, Director of A Levels at Sutton be invited to present to governors at a future meeting c) That a full report is presented to ASQD when all results are consolidated <p>(iii) Harborne Academy results</p> <p>CH presented the results and noted the dip in Maths outcomes with which the Academy were disappointed. On a more positive note there has been a greater engagement between the college and the academy over the last year with reciprocal visits between staff and students.</p> <p>(iv) Enrolment 2019/2020 update</p> <p>LJ presented live enrolment data (as at 12 September 2019) and highlighted the following:</p> <ul style="list-style-type: none"> - Actual enrolment to date stands at 5,289 - Target is 5,103 so 104% actual to target - Funding agreement is for 4,883 – retention of this number will result in lagged funding at this level being assured - Attrition rate (withdrawal after 42 days) was 13% last year. This year's target is 7.5% or less. - A new process is in place which requires APs to authorise any withdrawals - Currently there are 150 more enrolments than at the same point last year - The number attended is how many students have been seen on registers. Aim is 1% difference between attended and enrolled by the end of the month - Big focus of APs on chasing up students who have not been seen on a register <p>VD commented positively on the college's marketing materials she has observed, including bus advertising, fliers and the appearance of Anna Jackson and students on Channel 7.</p>
<p>Item 5</p>	<p>Recovery and improvement progress report</p> <p>LJ presented the report explaining that it is “multi-purpose”, ie it will incorporate and address the requirements of a number of stakeholders including the banks.</p> <p>Its focus is the 6 KPIs and LJ directed governors to page 9 which shows a screen shot to illustrate the dashboard - the mechanism by which a number of strands of the plan will be monitored.</p> <p>AM asked where levels of student achievement against target were included in the plan and DH confirmed they were within the Teaching and Learning section.</p> <p>DH noted that if the 6 KPIs are met, success will necessarily cascade to other areas; for example, if the quality of teaching and learning improves, student grades will improve accordingly.</p> <p>PH requested more information around work placements and the monitoring and quality of learning outcomes. CH informed governors about the strategy brought to the Senior Leadership Team by Anna Jackson and suggested that it should be presented to the next ASQD. In addition DH suggested that it would be useful for PH and AJ to meet to share their expertise.</p>

	<p>LJ highlighted the following points from the report</p> <ul style="list-style-type: none"> - The target saving of £1.4 m arising from restructuring is being met with the SPA successfully concluded, Kidderminster Academy being mothballed (although some alternative options are being explored) and Millennium Point being vacated. - Apprenticeship income: work continues with the APs to ensure this is on target. The need to remain focussed remains critical. ML noted that in previous years predictions had not been met and LJ admitted that there was still some concern about meeting the targets. LJ has asked the APs to plan beyond target and focus on the quality of induction and provision. VD asked if there is a national problem with recruiting and LJ suggested this was not the case with increases in advertising and marketing taking place nationwide. Locally the opportunity to work with supply businesses of large companies and the WMCA will offer further flexibility. Employer events set up by the college are effective but still numbers of apprentices are low compared to some other colleges, particularly Dudley. <p>DH thanked LJ for her presentations.</p> <p>Resolved:</p> <ol style="list-style-type: none"> a) AJ to present her Work Experience strategy to the next ASQD b) A meeting to take place between PH and AJ to share Work Experience expertise c) Apprenticeships to be tabled as an agenda item at the next Corporation meeting d) Suzie Branch-Haddow to present at the Strategy Day e) RS to present to a future meeting on his experiences of his apprenticeship
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Item 6	Finance
(i)	<p>3 year ESFA plan, commentary and cash flow</p> <p>MP presented the papers highlighting the following:</p> <ul style="list-style-type: none"> - The returns have been submitted to the ESFA within the required deadlines, and are in line with the internal recovery documents - At the point of submission the final allocations for the post disaggregation position had not been received so the plan presented shows the best estimate for the budget forecast. It reflects a prudent approach and in fact more funding than anticipated has been received. However, this could not be recognised by the ESFA until documents were signed on 16 August which was too late for the August instalment. ESFA funding will be adjusted in September. - The additional income results in good cash flow which stood at £6.8 million at the end of August. ST congratulated MP on this outcome. - An updated plan reflecting the increased income will be presented to the Finance Committee on 24 September and will be very similar to the outturn statement. - Cash flow is strong and is monitored daily. - Positive feedback is being received from the ESFA on the current position. They have also expressed their satisfaction with the level of scrutiny offered by the Corporation. - The college has been asked by Andrew Bruce (DfE) to take part in trialling a new monitoring tool which eventually, if successful, will reduce reporting to one consolidated report in January, post enrolment. - Cash flow projections now cover a 24 month period and will be included in the monthly management accounts. - The DfE and ESFA are currently being scrutinised in terms of how they manage the finances of the FE sector. <p>DH noted that two of the Recovery Plan KPIs are finance linked.</p>

(ii)	<p>Management accounts</p> <p>Please see confidential minutes.</p>
<p>Item 7</p> <p>(i)</p> <p>(ii)</p>	<p>Governance</p> <p>Planning for the Strategy Day</p> <p>The following was suggested:</p> <ul style="list-style-type: none"> - Andy Street to be invited to make an opening presentation - Julian Gravatt Deputy CEO of the Association of Colleges - Claire Hatton from WMCA - Short presentation from each of the APs about their vision for their colleges - Presentation from Suzie Branch-Haddow re Apprenticeships <p>Student representatives from each college to attend for a session Sharon Davies to be invited to facilitate the day</p> <p>LJ researching daytime venue HB researching evening meal</p> <p>Resolved:</p> <p>a) Governors authorised CH and the SLT to make arrangements as discussed</p> <p>Appointments to committees</p> <p>Resolved:</p> <p>a) AM to be appointed to Governance and Search b) PH to chair ASQD c) Remove Amardeep Gill from Audit d) Helen Miles to be appointed to Audit</p>
<p>Item 8</p> <p>(i)</p> <p>(ii)</p>	<p>College estates AC joined the meeting at 10.25 am</p> <p>Update on the disposal of Longlands</p> <p>LJ updated governors on the disposal of the Longlands site confirming that Section 106 plans have been signed by the college and should also be signed by the Council by the end of this week (13 September 2019). This enables the October deadline to be met and facilitates the opportunity to move the badgers from the site within the prescribed timescales.</p> <p>VD noted that the documentation refers to a small piece of land which will remain in Dudley's ownership. AC confirmed this did not affect any of the land values and the issue had been about the ongoing liability to maintain this land.</p> <p>Options for disposal of the Stourbridge College site</p> <p>Please see confidential minutes.</p>

<p>Item 9 (i) (ii)</p>	<p>Policies for review Gifts and Hospitality Whistleblowing</p> <p>Resolved: a) To approve the policies subject to ensuring that all text is gender neutral</p>						
<p>Item 10</p>	<p>Governor confidential discussion and any other business</p> <p>Resolved: a) Following the meeting CH agreed the following Link Governors:</p> <table data-bbox="316 712 834 808"> <tr> <td>Angela Myers</td> <td>Matthew Boulton</td> </tr> <tr> <td>Prue Huddleston</td> <td>James Watt</td> </tr> <tr> <td>Veronica Docherty</td> <td>Sutton Coldfield</td> </tr> </table>	Angela Myers	Matthew Boulton	Prue Huddleston	James Watt	Veronica Docherty	Sutton Coldfield
Angela Myers	Matthew Boulton						
Prue Huddleston	James Watt						
Veronica Docherty	Sutton Coldfield						
<p>Date of next meetings: 24.09.2019 Finance committee 07.11.2019: Strategy Day 24.10.2019 Academic standards and quality development committee (note change of date) 19.11.2019 Governance and Search committee 29.11.2019: Audit committee 19.12.2019: Corporation meeting – please note the start time may be 5.00 pm – TBC</p> <p>Action: HB to circulate updated meeting schedule</p>							

Signed:



Chair:

Dexter Hutt