

GOVERNING BODY

Minutes of the meeting of the Governing Body held in LSF24 at 17:00 on 12th December 2018

Present: Kevin Finan (Chair), Sam Bryant-Jones, Ro Day, Steve Dunn, David Chalmers, Diane Dimond, Steve Richardson, Iain Springate, Lindy Stacey, Lee Thommen, and Chris Williams

In Attendance: Bill Blythe, Jane Hanson (for items 1,2,3,4, and 7), Sheena Murphy-Collett

Governance Advisor: Jane Barton

The meeting commenced with a Governor Development briefing on Equality and Diversity staffing matters as these impact on the organisation, presented by Sheena Murphy Collett, Director of Human Resources and Operational Development.

Minutes

1. Membership and Apologies for Absence

The Chair welcomed Mark Rogers the new External Governor to his first meeting.

Apologies were received from Abbey Harwood, Maxine Padgham, Jenny Wallace and Ruth Williams.

2. Declaration of Interests

No declaration of interests were declared.

3. Confidential Items

It was agreed that item 6 (Principal's Report) and Item 10 (Annual Review of Recruitment against Targets by Partner Schools) be considered commercially sensitive.

4. Business brought forward by the Chair

Following a meeting of the Search and Governance Committee the Chair asked the Board to approve the appointment of Andrew Champion as an External Governor. The appointment would be for an initial Term of Office of one year and would include membership of the Strategic Review Working Group. The Board were informed that Andrew Champion brings a wealth of experience in property development, planning and development, surveying and project management. The Board **approved** this appointment.

The Governance Advisor informed the Board that Sam Dart the new Student Governor had unfortunately been unable to assume the role; however Abbey Harwood, who had secured second place in the student ballot, had accepted the role.

The Board were advised that it is best practice for Colleges to have a Deputy Safeguarding Officer; Sam Bryant Jones (Support Staff Governor) agreed to assume this responsibility.

5. Matters for Report and Approval: 18FGB17

The minutes of the previous meeting of the Full Governing Body held on Wednesday 14th November 2018 were approved and signed by the Chair.

Matters Arising:

SWIoT:

The Vice Principal Finance & Resources confirmed that the submission had been sent off, some minor queries had been raised and that the College now waits to hear if the bid goes forward to the next stage.

There were no other matters arising not covered by the Agenda.

Item 7 was then taken:

7. Quality, Curriculum and Learners

Self-Assessment Report 2017/18; including Final Results, Value Added and Progress including the Self-Assessment Validation Report and the Quality Improvement Plan for 2018/19. 18FGB19

The Self-Assessment report (SAR) for 2017/18 was presented to the Board for approval. The Board noted the thoroughness and comprehensive nature of the SAR and considered and discussed the judgements and the narrative contained within the SAR.

Overall Judgements

Provision / Theme	Validated grade
16-19 Programmes of Study	Good
Adult Learning	Good
Apprenticeships	Good
High Needs	Outstanding
Leadership and Management	Good
Quality of Teaching, Learning and Assessment	Good
Safeguarding	Effective
Personal Development Behaviour and Welfare	Good
Learner Achievement, Outcomes and Value Added	Good

Self-Assessment Validation:

Governors were taken through the remit of the SAR Validation Panel; which included an external panel member (Louise Twigg FE Commissioner Advisor, Education consultant; ex principal and ex Ofsted inspector). The Board appreciated that the role of the Validation Panel was to test the judgements

made in the various curriculum SARs and cross college SARs which in turn fed into the overall Petroc SAR, and make judgements as to their accuracy.

Based on the evidence presented the Validation Panel ratified the judgements made and agreed that in using a comprehensive self-assessment process involving staff, learners and stakeholders the SAR, had effectively and accurately identified strengths and areas for improvement.

The Board accepted that the SAR 2017-18 was a true reflection of Petroc as good with outstanding aspects.

The Vice Principal Quality, Curriculum and Learners informed the Board that the Common Inspection Framework (CIF) will be superseded by the Education Inspection Framework, would bring changes to the inspection themes and come into effect from September 2019.

College Quality Improvement Plan (QIP) 2018/19:

After scrutinising the QIP for 2018/19 the Board accepted the key actions and noted the good progress being made. The Board noted the QIP provided a meaningful and clear summary of improvements actions planned.

The Board were assured that detailed department and programme level QIPs underpinned the summary.

Governors noted that termly updates of the QIP would be provided to the Board.

The Board accepted the SAR 2017/18, the judgements within and the QIP and actions planned for 2018/19.

Quality Update Report – Surveys for 2017/18 and Learner Induction 2018/19. 18FGB20

The Vice Principal Quality, Curriculum and Learners provided the Board with a report on the findings of the learner induction survey 2018/19, parent survey 2017/18, employer survey 2017/18 and the Nicdex together with an update on the FE Choices learner survey which will be issued in the spring term. It was noted that the surveys provide important feedback from all our stakeholders to help Petroc continually improve upon the quality of its provision.

The Board were informed of the College's success with the Nicdex 2018; this is a college league table based upon learner satisfaction survey data, employer satisfaction survey data, 16-18 positive progression data and the conversion rate of adults from training into employment. After achieving second place in 2017 Petroc came top of the 2018 league table, of all the FE colleges in the country.

The Board, in noting the report, congratulated everyone involved in securing such positive outcomes.

6. Strategic (Commercially Sensitive) 18FGB18

The Principal and CEO's report provided Governors with an update on national, regional, sector and College developments together with a comprehensive update on progress to deliver the Strategic plan action plan and the outturn on full year and term 3 KPIs for 2017/18 and in addition provided a term 1 KPI report for 2018/19.

The Board noted the updates provided in the Principal and CEO's report and after consideration approved the KPIs for 2018/19. Discussions took place about the number of College Action Plans and associated KPIs; the Executive Management team agreed to revisit performance reporting and

consider how this can align effectively with other performance indicators to ensure all KPIs link meaningfully with the Strategic Plan.

8. Finance and Resources:

Year-end, Campus Analysis and Month 3 Management Accounts.

18FGB21/22

The Vice Principal Finance and Resources asked the Board to receive:

- the Regularity Self-Assessment Report;
- the Annual Internal Audit Report from Haines Watts;
- the Audit Completion Report;
- the Audit Committee Annual Report;
- to note the Month 12 Management Accounts;
- the Campus Financial Analysis;

and to approve:

- the audited College Financial Statements for 2017/18

Regularity Audit Self-Assessment Questionnaire:

The Board noted the responses to College Regularity Audit Self-Assessment questionnaire 2017/18.

Annual Report of Haines Watts (Internal Auditors):

The Board received the Annual Internal Audit Report from Haines Watts 2017/18. The Board noted that in the opinion of the Internal Auditors; the organisation has an adequate and effective framework for risk management, governance and internal control. It was recognised that this is the highest opinion available to the auditors within their methodology.

Mazars Audit Completion Report 2017/18:

The Board accepted Mazars Completion report and noted that this gave an unqualified opinion, without modification; and an unqualified opinion with regards to Regularity.

In addition to this very strong assurance the Board are asked to note that there are no internal control recommendations and only two audit misstatements – this is highly unusual in the sector and reflects very well on the Finance Team who have produced the accounts.

Annual Report of the Audit Committee:

The Board noted the 2017/18 Annual Report from the Audit Committee to the Board and the Principal & CEO.

Management Accounts for Month 12 of 2017/18; these reflect the final position at the year-end in the College's standard Management Accounts format. The Board noted that the College achieved a year end operating surplus of £314,000, an improvement on the £250,000 that had been budgeted. Cash balances at £3.72m also reflected an improvement against the budgeted cash figure of £3.69m.

The **Campus Analysis** seeks to reflect the year end position through an analysis of the underlying financial position of the three main campuses plus the projects managed by the College.

The Board noted that:

Brannams is showing, year on year a significant improvement in performance driven by increased HE and 16-18 learner volumes on that campus and is now making a significant contribution to overheads.

The position at Mid Devon shows a broadly flat position year on year, after adjusting for a one-off provision for roof repairs despite modest learner number growth. The campus continues, however to makes a contribution to overheads.

It was noted that North Devon, unsurprisingly given its scale, remains the key contributor to overheads but reducing 16-18 learner numbers and the transfer of some HE provision to Brannams had impacted the financial position for this year compared to last year.

College Financial Statements 2017/18:

The Vice Principal Finance and Resources, in summary, confirmed that the college produces Financial Statements on an annual basis to a format prescribed by regulation and in broad accordance with the FE and HE Statement of Required Practice. It was further noted that the Audit Committee had scrutinised the annual reports of both with the internal and external auditors and had considered the completed Regularity Self-Assessment Questionnaire and received the draft financial statements at its November 2018 meeting and had recommended these to the Board for approval.

The Vice Principal Finance & Resources in presenting the Final Accounts to the Board, for consideration and signature, advised the Board that:

- The surplus (before the effects of Local Government Pension Provisions) was £314k (2.36% of income)
- Pay expenditure as a % of income was 67.87% (against a target of 65%)
- Reserves excluding pension liability were £17,894k
- The Cash balance at the year-end was £3,720k
- The Adjusted current ratio (a test of liquidity) was 1.42
- N.B Whilst net Current Assets showed at £140k, this includes a holiday pay accrual of £761k and capital grants falling due in less than 1yr of £708k giving Adjusted Net Current Assets of £1.609m
- Cash days in Hand were 49.83

The Board approved the Financial Statements for signature by the Chair and the Principal & CEO and in congratulating the Finance Team thanked them for their hard work and commitment.

Month 3 Management accounts;

The Vice Principal Finance and Resources presented the Month 3 Management Accounts. It was noted that the College remains confident that, with current policies, it can achieve its forecast in-year operating surplus of £250k (before the effects of the Local Government Pension Scheme provision). Overall income is forecast to meet budget expectations at this early stage in the academic year.

9. Our People:

HR Annual Report 2017/18

18FGB23

The Director of Human Resources and Organisational Development presented an overview of HR developments during the 2017/18 academic year; in summary the Board noted that:

- The College turnover at 17.5% was within the percentage target for the College (10-20%) and below the sector percentage in the South West (19.9%), with 67% of people leaving due to resignation.

- The College sickness absence levels at 3.21% were below the percentage target for the College (4%), but slightly above the sector percentage (3%). It is hoped the new Wellbeing and Mental Health strategy will contribute to improved staff wellness.
- The number of formal employee relations matters were slightly down on the previous year. However, 72 formal cases still took a significant amount of time to appropriately deal with by the human resource team.
- The College spent almost £500k on CPD for staff.
- 97% of staff who had their performance appraised were graded as good or better.
- Within 2017/18 there were little activity around new or changing employment legislation, with a key change being around the General Data Protection Regulations (May 2018).

Equality, Diversity & Inclusion (EDI) Report 2018:

18FGB24

The Board considered and noted the report of the staff EDI status at the College and the diversity of the staff team presented by the Director of Human Resources and Organisational Development. The report together with the Governor Development session delivered prior to the start of the meeting provided Governors with a comprehensive understanding of EDI matters at the College.

Governors noted the EDI action plan.

10. Partnership and External Engagement:

Annual review of recruitment against targets by Partner Schools: (Commercially Sensitive) 18FGB25

The Board received the Annual review of recruitment against targets by Partner Schools.

11. Governance:

18FGB26

The Board received and noted the Audit Committee Minutes of the 27th November 2018.

The following paper was presented for information.

12. Draft Minutes of the Academic and Business Development Board, 28th November 2018.

18FGB27

The Board received the minutes of the inaugural meeting of the Academic and Business Development Board and debated the purpose of the Committee. The Board recognised that the remit of the Academic and Business Development Board is to ensure that the College's strategic aims are developed and met through strategic (rather than responsive) curriculum and business development. This Board will oversee Petroc's Sustainable Curriculum Strategy 2018-2020. The Academic and Business Development Board minutes will be reported to the Full Governing Body each term.

Date of the next meeting: Monday 28th January 2019 at 5.00 pm – North Devon Campus.

Staff Governors and Student Governors withdrew from the meeting at 19:16.