

## GOVERNING BODY

### Minutes of the meeting of the Governing Body held in LSF24 at 17:00 on 22nd July 2019

- Present:** Jenny Wallace (Chair), Sam Bryant-Jones (Items 1-11), Andrew Champion (Items 5-13), Ro Day, Diane Dimond, Lena Marvão, Maxine Padgham, Mark Rogers, Steve Richardson, Iain Springate, Lindy Stacey, and Chris Williams
- In Attendance:** Bill Blythe (Items 1-12), Jane Hanson (Items 1-5 only) and Sheena Murphy-Collett
- Governance Advisor:** Jane Barton (Items 1-12)

#### Minutes

##### 1. Membership and Apologies for Absence

Apologies were received from Kevin Finan, David Chalmers and Matt Richards. Sean Mackney also tendered his apologies.

##### 2. Declaration of Interests

It was noted that the Senior Postholders – the Vice Principal Finance & Resources together with the Governance Advisor declared an interest in the feedback from the Remuneration Committee and would absent themselves from agenda item 13. No other declarations were received.

##### 3. Confidential Items

It was agreed that item 8 and item 9a would remain confidential to the Governing Body; that item 12, the confidential minutes from the meeting held on 19<sup>th</sup> June would be considered without Staff or Students present and that item 13 would be considered without the Vice Principals and the Governance Advisor present.

##### 4. Business brought forward by the Chair

There was no business was brought forward by the Chair.

##### 5. Quality, Curriculum and Learners

18FGB77

Governors received and noted the Quality, Curriculum and Learners Report which provided an update on compliments and complaints received by the College during 2018/19 and details of any excluded learners (16-18 years) during that same period. In addition, separate detailed reports were presented

by the Vice Principal Quality, Curriculum and Learners addressing Safeguarding, including the annual report containing the updated Safeguarding and Prevent Policy and details of the recent Higher Education Access and Participation Plan.

### **Compliments and Complaints**

The Vice Principal Quality, Curriculum and Learners drew the Boards attention to the content of the report and the table detailing the number of compliments and complaints broken down by area. The Board recognised that the College works hard to resolve issues as quickly as possible and communicates effectively with any complaints.

#### **The Board suggested:**

- Thought should be given to changing the designation of an unresolved complaint where the College considers it has done everything in its power to resolve the issue.
- The addition of tables within the report to quantify the number of learners in curriculum areas compared to complaint levels as this would provide better context within the reporting data.

#### **EMT agreed to:**

To include the Board's suggestions in the updated Customer Feedback Policy for September 2019.

The College is currently reviewing its Comments, Compliments and Complaints guidance and has been working alongside External Governor Iain Springate to do this; the updated guidance goes to the Senior Management Team shortly and will be brought back to the Board in the Autumn Term.

The Vice Principal Quality, Curriculum and Learners thanked Iain Springate for supporting her in updating the guidance.

### **Excluded Learners**

Governors considered the data on Student Exclusions; the Vice Principal Quality, Curriculum and Learners explained that the permanent exclusions were regrettable, but as this was only used in exceptional circumstances, small in number. The Vice Principal Quality, Curriculum and Learners acknowledged the strength of the Student Support Team and the vital role they played in supporting learners.

### **Governors noted the report.**

#### **Annual Safeguarding, including Prevent Report 2018/19.**

**18FGB78**

The Vice Principal Quality, Curriculum and Learners presented the annual Safeguarding including Prevent Report to the Board for information. This robust and comprehensive report provided Governors with an update on aspects of the College's Safeguarding including Prevent work along with some tracked changes within the Safeguarding Policy. The report detailed information on the Safeguarding Team, all training undertaken across the College and outlined the work of the Safeguarding and Prevent Committee and the Safeguarding Practitioners meetings.

It was clearly demonstrated from the data collected that the academic year 2018/19 has seen a significant increase in learners attending Petroc who are in need of being safeguarded; this follows the trend nationally, a high percentage of those are in need of immediate care and protection.

It was noted that the Deputy Safeguarding Lead – Doug Morrish had recently retired from the College; his dedication, his hard work and commitment to learners was acknowledged and celebrated. Governors were pleased to note that successful succession planning had happened and is working well. It was noted that the Safeguarding Team includes a Mentor for Enhanced Learners; this individual works with learners deemed as at risk.

Governors were pleased to note that despite the numbers of learners referred to the Safeguarding Team on more than one occasion they had been only 3 withdrawals. It was also pleasing to note that there seems to have been a positive impact resulting from the increased additional support now in place for Adult learners where retention has improved.

It was acknowledged that training for Governors is an on-going requirement; most Governors have completed the on-line training and a session on Prevent will be scheduled for early in the autumn term.

The Vice Principal Quality, Curriculum and Learners expressed her thanks to the Safeguarding Governor for his proactive support and active engagement in College Safeguarding and Prevent matters.

In response the Safeguarding Governor outlined some of the challenges faced by learners and remarked that he found the Safeguarding Team to be enthusiastic and informed individuals who worked very hard to support the increasing number of learners challenged by mental health and other issues. The Safeguarding Governor also stressed the importance of Governor training and urged all Governors to ensure they were up to date with their training.

**Governors noted the Annual Safeguarding, including Prevent report. The Safeguarding Policy was reviewed and the updates and amendments to the Policy were noted and approved.**

#### **Higher Education Access and Participation Plan (APP)**

**18FGB79**

Following the successful registration with the Office for Students (OfS) the college is required to submit a 5 year APP. Governors were asked to note the plan.

The Vice Principal Quality, Curriculum and Learners advised the Board that the APP should set out how the College intends to improve equality of opportunity for underrepresented groups to access, succeed in and progress from higher education. In completing the submission it has been recognised that we need to improve retention and the number of learners that move into jobs with salaries above £35k. The Board discussed the types of programmes offered in the past (large numbers on Art pathways) and the trend, more recently, to pathways in Early Childhood Studies and Nursing. This shift together with Higher Level Apprenticeship routes should improve retention and see learners progressing into higher paid employment.

The Board heard that the submission on the plan is an iterative process and the College is still in dialogue with the OfS while they seek clarification on some points; once final agreement of the submission has been achieved the OfS monitors the access and participation plans to ensure compliance.

**Governors, in noting the report, thanked the Vice Principal Quality, Curriculum and Learners for the work needed to complete the submission.**

The Vice Principal Quality, Curriculum and Learners left the meeting.

#### **6. Matters for Report and Approval**

**18FGB80**

The minutes of the previous meeting of the Full Governing Body held on Monday 19<sup>th</sup> June 2019 were agreed and signed by the Chair.

There were no Matters Arising.

#### **7. Membership Matters**

External Governor, Lindy Stacey, left the room whilst the Board discussed a second term of office.

The Board were advised by the Governance Advisor that Lindy Stacey's initial term of office comes to an end in August 2019; in recognising Lindy's commitment to the Board, her professionalism, background and experience and the insight and value she adds to the Board the Search and Governance Committee recommended that she serve a further 4 year term of office. This would conclude at the end of August 2023. This was unanimously agreed.

**The Board approved a further 4 year term of office for Lindy Stacey.**

External Governor Lindy Stacey re-joined the meeting.

## **8. Principal & Chief Executive Officer's Termly Report**

**18FGB81**

The Principal and CEO's report provided Governors with an update on national and College developments since the last termly report including:

- **BREXIT**
- **Funding**
- **Policy**
- **Insolvency Regime**
- **South West context**
  - **Ofsted**
  - **HOTSW LEP**
  - **New Principals**
- **College context**
  - **Staff updating and end of year celebrations**
  - **Academy Sponsorship update**
  - **University of Bolton update**
  - **Reshaping**
  - **College Successes**

The Board noted and discussed the risks associated with BREXIT, but were pleased to hear that further ERASMUS funding had been secured and guaranteed for 2019/2020. The challenges presented by the current funding levels within the sector were recognised and clearly reflected within the Strategic Risk Register; in line with the sector, it was acknowledged that the College was in a very tight financial position going forward. In hearing of the College success stories it was very pleasing to note how the College transformed people's lives.

### **Proposed Strategic Priorities 2019/2020**

The Board were invited to agree the proposed Strategic Priorities for 2019/2020. It was noted that these have been reviewed and discussed with the new Principal and the Executive Management Team.

### **Excellent Teaching and Learning Experience**

- We are highly likely to receive a full OFSTED in 2019/2020. We must be prepared at all times and have updated our practice to reflect the changes required for the new Education Inspection Framework (EIF). Our focus on the journey to Outstanding will include:
  - embedding and improving tutorial and digital literacy;
  - on-going development of our Careers and Initial Advice and Guidance and work experience services to ensure we are fully compliant with Gatsby requirements and employability expectations;

- driving further improvements in retention especially at level 2 16-18, adults and apprenticeships;
- systematic learner centred focused approach, setting individual learner targets, tracking progress and predicting outcomes throughout the year
- We will review our HE Strategy to ensure HE provision resilience given the change in regulation regime, Augar Review, SW IOT and University of Bolton developments and ongoing high levels of competition and declining 18-24 demographics

### **Partnership and External Engagement**

- We will
  - maintain and further develop external relationships and engagement including re-establishing representation with HOTSWLEP.
  - ensure that that we use all the opportunities derived from partnership working, via project funding, SWIOT, COTIE and our membership of business and sector groups to position ourselves as a thought leader for our community

### **Finance and Resources**

- We will
  - maintain financial health at a minimum of Good and preserve cash balances
  - seek to address and improve estate condition by proactively seeking capital funding via e.g. DfE commissioned Capita review and the HOTSWLEP FE collaborative capital bid
  - work to reduce our reliance on fixed infrastructure including PCs, Macs and laptops, replacing these with web browsing devices and cloud based software as part of our IT Strategy to embrace mobile technologies.

### **Growth and Innovation**

- We will:
  - optimise the benefits of new COTIE and SWIOT capital facilities to secure HE, apprenticeship and commercial income growth and facilitate Innovation and Economic development for Northern Devon
  - review our Commercial Strategy and priorities for Business Development – considering growth/opportunity sectors in Northern Devon e.g. SWIOT related/schools/. We will also look at commercial opportunities across the wider region, building on existing relationships e.g. in Civil Service/Food and Drink manufacture.

### **Our People**

- We will continue to motivate, develop and reward our staff (including a focus on mental health and wellbeing) within a challenging financial envelope which does not currently allow for pay awards
- Change management and staff team culture will be prioritised through a programme of whole staff and bite size events and training as well as further investment in developing our leaders, managers through Leading an Empowered Organisation and Aspiring Leaders programmes.
- A new competency framework will be developed and integrated into recruitment, appraisals etc.
- Our last staff perception survey was completed in autumn 2017, so the new Principal will consider the approach and timing for the next survey.
- Next year, we will review our Governance structures in line with Further Education Commissioner recommendations

**The Board agreed the Strategic Priorities for 2019/2020.**

### **Strategic Priorities 2018/19 year to date update**

The Board received a comprehensive report which included year to date progress on the Strategic Priorities 2018/19.

The Principal and CEO concluded her final report as Principal and CEO by extending her thanks to the Board for their support and commitment; she commented that she is sure the College will continue to go from strength to strength.

The Board, acknowledged that this meeting was Diane's last as Principal and CEO, in recognition of that and the diligence, passion for learners and outstanding leadership qualities demonstrated by Diane during her time at Petroc, she was presented with gifts from the Governing body. The Board wished Diane all the very best for her retirement.

**The Governors, in receiving the report, thanked the Principal and CEO for the comprehensive briefing.**

### **SW IoT**

The Vice Principal Finance and Resources presented the Board with a detailed report on the SW IoT bid; this included details of the Company Structure, the Executive Structure and a comprehensive set of the Key draft documents and commitments that the College needs to agree with the Department for Education (DfE).

The Board were asked to note the paper and authorise that the requisite documents could be signed and/or sealed as required. It was acknowledged that going forward this project is of a scale and significance that the Executive believe would warrant its own sub-group of the board and that this sub-group would need to encompass (as a minimum): Build Progress, the achievement of planned Learner Numbers, performance against other KPI's and Governance and Risk.

The documentation has been reviewed by a legal firm engaged by the consortium and by the legal teams of the Met Office and Babcocks, who in scrutinising the documentation have found no 'deal breakers'.

The Board discussed the key risks namely:

- The Capital Programme is delayed
  - High impact but low likelihood, this is largely within our own control
- Learner numbers aren't achieved
  - The risk here is mitigated by the momentum driven by the initiative and the enthusiasm for level 4/5 qualifications and the real commitment from the local employment base. On the flipside economic pressures might see subdued growth locally.
- One of the SW IoT partners defaults
  - This is unlikely but the risk is there that one of the FE Colleges, as a result of a poor Ofsted, might default.

Governors sought assurances that where the Capital Funding Agreement indicates that the two Exeter projects and the project in Truro have costs significantly higher than the expected cost-norms, that this wouldn't jeopardise the bid. The Board were assured that the DfE are working with partners to overcome any issues and may require that some 'value engineering' be undertaken. It is also evident that all those involved have a genuine appetite to ensure the project succeeds.

**The Board approved the delegation of authority and if required the use of the College Seal.**

In presenting the report the Vice Principal Finance and Resources reminded the Board that the ESFA expects the Board to consider the commentary and plan against the Financial Planning Checklist. This checklist demonstrates that the College continually seeks to ensure that the Board are fully apprised of the issues detailed within the Financial Planning Checklist as part of the on-going management accounts reporting; the Financial Regulations and through the budget planning spreadsheet; and associated commentary.

Governors received the 2019/2020 budget submission and 2020/2021 forecast containing the 2018/19 projected outturn as at Month 10, the 2019/2020 proposed budget, the 2020/2021 forecast, the Capital progress (3 years) the ESFA 24 month Cash Flow, and the Financial and Funding Tracker. Also included was a request for a bank account closure, the Month 10 Management Accounts and the annual review of the Financial Regulations.

The Board were advised that the projected outturn for 2018/19 was expected to show a surplus of £208k. The Board acknowledged the financial challenges faced in 2019/2020; the Board received a comprehensive breakdown of Income and Expenditure assumptions through to 2020/2021. Discussions ensued regarding any modelling of future pay awards, the Board were informed that increment assumptions had been made and modelled but no assumptions had been made for any pay awards. The Board were informed that the College continues its dialogue with unions. Governors discussed the cost and unaffordability of future pay awards without additional Government funding; noting that even a 1% pay award would cost approx. £180k.

Governors noted that within the sensitivity analysis model scenarios had been worked through; this reflects a discussion at Audit Committee.

#### **Bank Account Closure**

It was reported that the College currently has a remaining balance of £1 held in a Nationwide Building Society Business Savings Account. The Board was asked to approve the closure of this account. Governors were assured that if and when the opportunity arose in the future for the College to have funds to invest, it would look at what the current market had to offer.

#### **Financial Regulations**

Governors received the reviewed Financial Regulations noting that the changes have been shown as tracked changes

Name changes:

- Changed references to the Principal to Principal and CEO.
- Changed reference to departments to faculties.
- Minor updates to whistleblowing reporting 8.3 & HRP structure 19.2;

and

- Addition of 18.17 relating to Principal and CEO approval for the purchase/ consumption of alcohol.
- Reference made to the cash handling procedure under 15.3 and 20.5

**Governors approved the budget and forecast with the financial plan and 24 month cash flow for the ESFA along with the associated commentary. The Board noted the budget checklist and noted the Month 10 Management Accounts for 2018/19. The Board approved the changes to the Financial Regulations and agreed the closure of the Nationwide Building Society Savings Account.**

The Director for Human Resources and Operational Development presented Governors with an overview of HR developments during the spring term 2018/19 which included staffing figures, sickness absence figures, recruitment and selection activity and employee relations; the report also covers staff development spend and an employment law update.

The Director for Human Resources and Organisational Development highlighted the key headlines which included:

- Staff turnover levels of 4.59% (despite the Reshaping Project) in the reporting period was within the College target of 10-20%
- Staff sickness absence of 3.23% in the reporting period was lower than the College target of 4%.
- Employee relations increased in volume when compared to the previous year, with managers encouraged to tackle matters in a timely and consistent manner.
- Recruitment campaigns were higher within the period, at 53, this was largely due to the fact that 35 of the roles were posts recruited to during the Reshaping Project phase 1.

Governors were informed that due to BREXIT and other Government distractions, there has been little development on the employment law front in recent months. A key change in employment law that will affect the College in time is:

2020: Parental Bereavement Leave and Pay

The Parental Bereavement Leave and Pay Act 2018 has now been passed by royal assent. It is expected to come into force in 2020 and will give all employed parents the right to 2 weeks' leave if they lose a child under the age of 18, or suffer a stillbirth from 24 weeks of pregnancy. Parents will also be able to claim pay for this period, subject to meeting eligibility criteria.

The Human Resource Team will ensure the employment law changes are implemented, that the associated policies are updated and that managers/staff are appropriately communicated with.

**Governors noted the HR Spring Report and commended the Director for Human Resources and Organisational Development for her hard work.**

## **11. Governance**

### **Student Sabbatical Officer Report**

**18FGB85**

Governors were pleased to acknowledge the Executive Summary 2018/19 of the activities and events outlined by the Student Sabbatical Officer, Steve Dunn. The Governors expressed their thanks to the Student Sabbatical Officer for his commitment and the proactive support of Petroc learners.

Governors discussed the challenge of recruiting to the Student Governor position. The Governance Advisor outlined the plans to change the role which included broadening the scope of the post to include enrichment and extending the fixed term contract to 2 years. The role is currently out for recruitment although interest, so far, has been minimal. There are plans in place to look at the title of the role should the College need to re-advertise.

**Governors noted the Student Sabbatical Officer's Report 2018/19.**

### **Audit Committee Report**

**18FGB86**

The Board noted the draft minutes of the Audit Committee held on Wednesday 3<sup>rd</sup> July 2019 and approved the recommendations contained therein. In considering the Risk section of the draft minutes clarification was sought on Aim TR1; it was acknowledged that minute should read:

**Aim TR1:**

- **Student and/or Staff safety and/or well-being is compromised.** This remains an absolute priority for the College but external threat levels (nationally) remain high. New Deputy Safeguarding lead being recruited -July Update- Post recruited – threat level remains high.

**The minutes of the Audit Committee will be amended to reflect this.**

**The Board noted and approved the Audit Services Memorandum and Terms of Engagement prepared by Mazars for the audit of the College's Financial Statements for the year ending 31 July 2019.**

**General Data Protection Regulations (GDPR) - Annual Report**

**18FGB87**

The Board received and considered the GDPR Annual report which contained a comprehensive review of the statutory GDPR tasks undertaken during 2018/19 together with the compliance protocols applied during this period. Included within this report was a list of Freedom of Information (Fol) requests received during 2019/19.

**The Board noted the Annual GDPR and Fol Report.**

**Ofsted Ready Sub Group**

The Governance Advisor informed the Board that the Vice Principal Quality, Curriculum and Learners wishes to form a focus sub group of Governors in readiness for Ofsted. Those interested would be contacted with details of the terms of reference over the summer.

**The date of the next meeting is Monday 7<sup>th</sup> October 2019 at 5:00 pm – Mid Devon Campus**

The Staff Governor left the meeting at 7.00 pm.