

SOLIHULL COLLEGE

MINUTES OF THE CORPORATION MEETING HELD ON TUESDAY 5TH JULY 2016 AT THE BLOSSOMFIELD CAMPUS, starting at 5.30pm

PRESENT: Stan Baldwin (Chair)
Chris Baranowski
Scott Beasley (Student Governor)
John Callaghan (Principal)
Jane Coleman
Mark Hayes (Staff Governor) (6.35pm)
Summiya Khan
Lucy Lee
Phil Mayhew
Alex Palethorpe
Geraldine Swanton

IN ATTENDANCE: Lindsey Stewart (Deputy Principal)
Heather Evans (Vice Principal Finance)
Pete Haynes (Vice Principal HR and Student Services)
Beth Selwood (Vice Principal Teaching, Learning and Assessment)
Theresa Lynch (Clerk to the Corporation)

1. Apologies for Absence

Apologies were received from John Bolt, Joe Kelly and Keith Marriott .

2. Declarations of Interest

Phil Mayhew reiterated his interest as a Board Member of the Colebridge Trust, in relation to discussions about community education (Item 5).

3. Minutes of the Meeting held on 14th June 2016 and matters arising

The minutes of the meeting held on 14th June 2016 were agreed as a correct record and were signed by the Chair. It was noted that section 8.2 that referred to the importance of attendance in relation to maths and English, also included the importance of monitoring attendance across the College.

3.1 Quality Improvement Strategy

The Clerk explained that some wording in relation to oversight by governors had been amended slightly to reflect the governance structure. This identified governors with special interest for quality and the use of expert groups for specific issues in relation to the QIP.

RESOLVED to approve the amended Quality Improvement Strategy 2016/17.

4. Strategic Plan 2016-19 and Annual Priorities 2016/17

4.1 Strategic Plan 2016-19 and Annual Priorities 2016/17

The Principal presented the draft Strategic Plan for 2016 to 2019 and the Annual Priorities for 2016/17. He explained that the Plan identified a more focussed strategy for the College. Discussion took place. Key priorities:

- 16-18
- Apprenticeships
- Higher Education
- Full Cost
- Underpinned by Financial resilience and high quality

Q. Is the government thinking of promoting private providers more in the FE sector?

A. Yes, this had been identified as a possible strategy for the government, but it was one of many potential scenarios, so it was important to focus on the known, whilst being aware of potential challenges and opportunities on the horizon. It was noted that the HE white paper was delayed. A key issue for broadening entry to the HE market was the need for the Lords to approve University status for institutions as this had implications for potential new providers who wanted degree awarding powers.

RESOLVED to approve the Strategic Plan 2016-19 and Annual Priorities 2016/17

4.2 Apprenticeship Organisation and Institute of Technology

The Principal presented the report and explained that £250k had been included in the budget for 2016/17 to fund developments. Discussion took place regarding the staffing structures in place and the need to appraise the developments and further investment fully.

5. Financial Plan 2016-18 and Budget 2016/17 and review of financial KPIs

The Vice Principal Finance presented the Financial Plan for 2016-18 and the Budget for 2016/17 and explained planning presumptions contained therein.

The Deputy Principal described the focussed provision contained within community learning and noted that the majority of this funded provision was in north Solihull. She explained that it was important in getting people to engage with further learning and engage with the possibility of taking further courses. In 2015-16 there had been 576 engaging with community learning, some would continue onto other courses. The on-going strategy in relation to this provision was detailed in the Strategic Plan.

Discussion took place regarding the £1m other income identified in the Budget and it was noted that this related to a range of activities, including commercial income (hairdressing, beauty etc), halls of residence, gym and other activity.

Discussion took place regarding the impact of restructuring on the outturn for 2015/16 and the budget for 2016/17 and it was noted that there was £500k funds in the restructuring fund for 2016/17.

It was confirmed that there would be a number of difficult years financially, before demographic information suggested that income would start to increase, currently likely to be 2019 onwards.

Discussion took place regarding the recruitment of apprentices and the uncertainty surrounding the levy (due to be introduced in April 2017). Through the AppOrg it was suggested that there may be opportunities and it was planned to work with public sector organisations, who would now be expected to increase the number of apprentices they employ.

The Vice Principal Finance explained that the SFA had changed the calculation for identifying financial health. This would have an impact on the finance KPIs and it was suggested that these be changed to reflect the requirements for obtaining 'Good' financial health. She explained that

the current KPI relating to maintaining an operating surplus of 1% of income was no longer appropriate under FRS 102, but that other indicators could remain.

RESOLVED to approve Financial Plan 2016-18, Budget 2016/17 and Financial KPIs set as follows:

The College's overall financial objective is to have "Outstanding" financial management and control and at least "Good" financial health, as determined by the SFA definitions, maintain financial stability and continuously improve the efficient use of resources, and aim to ensure that

- Staffing costs are no more than 65% of total income excluding capital grants
- Cash Balances are above £6m (over 60 days cash in hand)
- Contribution from Faculties of at least 45%;
- Banking covenants are met, as agreed as part of loan negotiations for the Blossomfield Redevelopment.

6. **Dashboard 2015/16 Update – Finance and Funding Quadrants**

The Deputy Principal and Vice Principal Finance presented the dashboard quadrants for finance and funding and discussion took place. It was noted that apprenticeship starts had increased. The PMR for May was available on the Dashboard.

7. **Property Report**

This item was confidential externally, due to commercial sensitivity.

8. **Bids and Projects Report**

The Vice Principal Finance presented the report and confirmed that the Life Sciences projects were all on track to be ready for the start of term in September 2016.

Discussion took place regarding the Virtual Reality and Robotics Project and the importance of continually updating resources and equipment was noted.

RESOLVED to approve the Virtual Reality and Robotics Project, with a total project cost of £392,829.60, subject to LEP funding.

9. **Health, Safety and Safeguarding Report**

The Vice Principal Finance presented the report.

It was **agreed** that the Health, Safety and Safeguarding Report be presented termly to the Corporation, rather than to every meeting (unless any urgent matter to be reported), as previously agreed. **ACTION.**

It was noted that comparative figures had been included for safeguarding and training.

Q. Two students had been referred to CTU – no action was taken – was that because it wasn't warranted?

A. Yes.

RESOLVED to approve the Health and Safety Policy Statement.

10. **Minutes of the Audit Committee meeting on 14th June 2016 and matters arising**

The Vice Principal Finance presented the minutes.

10.1 Strategic Risk Register

The Vice Principal Finance presented the Strategic Risk Register and explained that it had been considered by the Audit Committee on 14th June 2016.

RESOLVED to approve the Strategic Risk Register for 2016/17.

10.2 Internal Audit Plan 2016/17

The Vice Principal Finance presented the Internal Audit Plan for 2016/17 and explained that it represented 39 audit days, which would enable RSM to provide assurance for the Corporation. Discussion took place regarding the importance of providing assurance around safeguarding. The Vice Principal HR and Student Services explained that PREVENT had been audited in 2015/16 and that safeguarding could be included in the 5 contingency days identified in the Plan, if required. However, it was not currently an area of concern. The board assurance framework provided an overview of a range of assurance mechanisms that gave good assurance for this area. It was suggested that the Governor with special interest for safeguarding and the Vice Principal HR and Student Services meet to work through the board assurance framework for this area to review assurance mechanisms in place. **ACTION.**

Q. How does RSM perform?

A. The College had worked with the individuals involved for some time, even though the company name had changed a number of times. When tender was undertaken in 2015, competitors did not seem to be offering anything more than RSM, who do provide a good service.

RESOLVED to approve the Internal Audit Plan for 2016/17.

10.3 Policy and Procedure to Prevent and Respond to Fraud, Corruption and Bribery

The Clerk presented the Policy and Procedure to Prevent and Respond to Fraud, Corruption and Bribery and explained that minor changes had been made to ensure more clarity around definitions of fraud, bribery and corruption.

RESOLVED to approve the Policy and Procedure to Prevent and Respond to Fraud, Corruption and Bribery.

10.4 Governance Internal Audit Report

The Clerk explained that the Governance Internal Audit Report had been considered by the Audit Committee and that comments were presented in the covering report. It was confirmed that recommendations be accepted and that the dashboard would be kept under on-going review, but no changes would be made currently.

11. **Election of Chair and Vice-Chair**

The Chair confirmed that John Bolt was willing to be nominated as Chair for 2016/17. Other nominations were requested.

Discussion took place regarding the role of Vice Chair and it was suggested that for 2016/17 there be 2 vice chairs.

The Chair explained that there were 2 nominations for Vice Chair.

Both Stan Baldwin and Jane Coleman left the meeting whilst the election for Vice Chair took place.

RESOLVED to approve the following:

John Bolt act as Chair for one year to 31st July 2017;

That there be 2 Vice Chairs for 2016/17 to support the new Chair;

Stan Baldwin and Jane Coleman act as Joint Vice Chairs for one year to 31st July 2017.

12. **Principal's Report**

This item was deemed confidential.

13. **Contribution Analysis 2015/16**

This item was deemed confidential.

REGULAR UPDATES FOR INFORMATION

14. **KPMG Benchmarking Report**

The contents of the KPMG Benchmarking report were received for information.

15. **Apprenticeships Termly Report**

The contents of the Apprenticeships Termly report were received for information.

16. **Update Reports**

16.1 Tender Update

It was noted that there was no tender information to report.

16.2 Declarations of Interest Update

The contents of the Declarations of Interest Report were noted for information.

16.3 Use of the College Seal

The College Seal had not been used since the last meeting.

17. **Dates of Future Meetings:**

The dates for 2016/17 were noted.

The meeting ended at 7.15pm.

Confidential items not included.

Signed J Bolt

Date 3 October 2016