

SOLIHULL COLLEGE AND UNIVERSITY CENTRE

**MINUTES OF THE CORPORATION MEETING HELD ON MONDAY 11th FEBRUARY
2019 AT THE WOODLANDS CAMPUS**

PRESENT:

John Bolt (Chair)	Barbara Hughes
Paul Assinder (External)	Pat Knauff
Stan Baldwin	Lucy Lee
John Callaghan (Principal)	Sukhy Nijjar
Antoinette Farrell-Jones	Geraldine Swanton
Badri Gargeshnari	Sally Tomlinson
Stevie Gray	Eric Wiles
Mark Hayes (Staff Governor)	
Katie Higgins (Student)	

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

Rosa Wells – Director of Employment and Skills (Item 3.4 and Item 4)

The Chair welcomed Badri Gargeshnari to his first Corporation meeting.

1. Apologies for Absence

Apologies for absence were received from Angharad James (Student/External)
Tyreece Jones (Student), Paul Large and Matthew Warburton (Staff Governor).

2. Declarations of Interest in relation to this agenda

3. Minutes of the meeting held on 12th December 2019 and matters arising

The minutes of the meeting held on 12th December 2019 were agreed as a true and accurate record.

3.1 Safeguarding Young People and Vulnerable Adults Policy – updated Policy received for information.

3.2 Freedom of Information Publication Scheme - updated Policy received for information.

3.3 Complaints Policy and Procedure – updated Policy received for information.

3.4 Institute of Technology Update

The Director of Employment and Skills provided an update regarding the Institute of Technology development. She explained that clustering guidance had been released and explanations by colleges within 40km of each other had to be submitted by the end of January 2019, to demonstrate how their proposals differed and that clustering would not be advantageous. It was noted that colleges within 40km of SCUC (Dudley and North Warwickshire and Hinckley) had shared curriculum plans and it was suggested that there

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was adequate evidence against the merits of clustering the IOT submissions.

It was noted that the interview date for the College and anchor partners (South and City, Aston University, BCU and Worcester Bosch) to present the IOT proposal would be in March 2019.

Q. How was the IOT being treated in the accounts?

A. Financial plans regarding the IOT had not yet been incorporated into the Budget. But when the proposal was approved it would be shown as a payment in the next academic year with a £100k budget.

3.5 Academic Board – an update was requested regarding the establishment of an Academic Board and the Governors' role in this. It was noted that this had not yet been set up, but membership would be considered when appropriate.

3.6 Dashboard Meeting – it was noted that there had been some difficulties with access at the dashboard workshop that took place on 28th January 2019. A further workshop was planned at the Stratford upon Avon campus on 14th February 2019.

4. Apprenticeship Report 2018/19

The Director of Employment and Skills presented the strategy and explained that it was essential to be responsive to employer needs. Employers were increasingly up-skilling their current workforce, rather than creating new apprenticeship opportunities. She confirmed that it would be necessary to apply to go on the Register of Apprenticeship Training Providers again by August 2019.

It was noted that College departments were being supported to improve apprenticeship recruitment.

Clarity was sought regarding timely achievement at Stratford upon Avon and it was confirmed that for 2017/18 it was 55.6%, not 58.1% as suggested below the table on page 4 of the report.

Q. It is clear that apprenticeships are incredibly complex and there is a lot of work involved – is the College succeeding in this area?

A. Yes it is extremely complicated. The College is working closely with other colleges and providers in the region to co-ordinate provision and approach. For example, the College is currently submitting an tender to Birmingham University for apprenticeship provision.

Q. What is planned to turn around achievement at Stratford?

A. Some of the issues relate to legacy outcomes. The structure is currently being harmonised with Solihull College and University Centre. An account manager and co-ordinator will be in place at Stratford upon Avon to work with the other campuses. Alignment is also continuing in terms of quality processes.

Q. What can be done in relation to the impact that the English and maths requirement has in terms of attracting employers and students?

A. This issue is being explored to try to find a solution. Previously students could have done Functional Skills, which was acceptable to them and their employers. Some curriculum areas are struggling with this issue, but alternatives are being explored for apprentices.

Q. Is it anticipated that it will be more straightforward this time to ensure the College is on the Register of Apprenticeship Training Providers?

A. It is hoped that the process will be refined this time as the issues that related to colleges

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being excluded during the last submission have been resolved.

Q. How confident are we in the income forecast and how do we know it is robust?

A. Clarity regarding income becomes more apparent as the year progresses and there is a re-forecast underway to ensure the outturn position is as accurate as possible. Planned income for 2019/20 is extremely cautious.

5. Stratford upon Avon Re-furbishment – Feasibility Report

The Vice Principal Finance presented the report and explained the re-furbishment plans for Stratford upon Avon College site, which were scheduled over 3 academic years and allowed an annual review of work and expenditure.

Q. Have we spoken to Stratford upon Avon Council Planning Department yet?

A. Not yet. Some informal discussions with the design team, had taken place, about what might be acceptable. Governors' approval and staff consultation would also take place first.

The Vice Principal Finance explained that sale of the car park used by local buses was being considered. Savills had quoted a sale price of £900k, but a further valuation has been requested. The College would be meeting with the bus company and the neighbouring school to discuss this further.

Q. Once the 3 year re-furbishment plan is complete will all buildings be in good order?

A. Yes, the buildings that are of poor quality will be removed and the remaining accommodation will be of good standard. Not all issues will be rectified, but the student environment will be much improved. On-going development and improvement of the campus will also continue and a high-level planned maintenance programme implemented. The lower expenditure on capital will mean a higher level of spending on planned maintenance than there would have been if a new build had been possible.

Q. Will the reduction of space impact on Performing Arts?

A. A lot of the key areas for Performance Arts will remain, with some more appropriate area found for small group work. Performance Arts is a strength at Stratford upon Avon and therefore the accommodation will be provided to ensure this area continues to thrive.

Q. What is happening regarding Sanctuary Housing?

A. No further action at the moment. A recent meeting that was arranged had to be cancelled.

Q. Will the entrance to the campus be moved to between the accommodation blocks?

A. Yes, that is the plan as there will be more visibility from the main road. The current lease with Sanctuary Housing does give the College some level of control over the use and maintenance of the building. There will also be access for staff from the rear car park, so they do not have to walk around to the front of the building.

The Vice Principal Finance explained that the project was planned over 3 years and although approval for the full project was requested, there would be an opportunity annually for the Corporation to review the project against income and budgets to confirm progression to the next phase. It was noted that the overall planned expenditure was £8.25m over the 3 year period. Although this was subject to the annual financial position it was confirmed that this could be released to the press to announce planned investment at the Stratford upon Avon campus. The initial quotation for phase 1 of the project was £3.5m and that was based on QS costs with QS contingencies and College contingencies built in. The actual cost would be known when the work was put out to tender.

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Q. If the College only completed Phase 1 would the campus accommodation still be viable and adequate for the students?

A. Whilst it would leave some areas untouched and some empty buildings the campus would still be viable. It would also be possible to scale back Phase 2 should that be required.

Q. When we go out to tender will it be in phases or as a full project?

A. The College would like to appoint a project manager to oversee the full project. Alan Hastings will act as internal project manager, but in the past it has been really useful to have a project manager to liaise with the contractors and advise the College appropriately. There will then be procurement processes for the design team and contractor as required.

Q. How is it anticipated that the College will afford £8.25m?

A. The College has cash reserves of £15m, so it is affordable.

RESOLVED to approve the overall project of £8.25m in principle, subject to annual review of income and budgets for Phases 2 and 3.

6. Budget Re-forecast 2018-19 and Financial Plan

6.1 Budget Re-forecast 2018-19 and Financial Plan

The Vice Principal Finance presented the re-forecast budget for 2018-19 and the financial plan.

Q. In terms of the KPIs for financial health, does each item have to achieve a rating of good for the College to obtain an overall judgement of 'Good'?

A. No each element is awarded points and the College has to score adequate points overall to achieve an overall judgement of 'Good'. There is also an 'Outstanding grade', but in the current climate it is not advantageous for colleges to present as outstanding. The important issue is ensuring that the balance between having adequate cash balances and providing good education is maintained.

The Vice Principal Finance explained that the key indicators presented underpinned assumptions for the Financial Plan that would be approved in July 2019. The assumption for planned income for 2019/20 was cautious. An on-going review would be carried out regarding the advantages of repaying any of the College loans. It was noted that this had to be considered in terms of not holding large reserves, but also in relation to the difficulties for FE colleges to be able to borrow from banks. The current strategy for the College would be to maintain the £6m in reserves and assign £8.25m for Stratford upon Avon campus and for the current time maintain a level of cash, but this would be kept under review.

Q. How are the TGH overage payments being received?

A. The TGH overage payments are split into 3 instalments. The first instalment had been received and the second payment would be when the work starts on site. However, Octopus was currently hoping to secure another developer by the end of February 2019. It was anticipated that they may submit a proposal to the College to re-structure the overage payment schedule.

RESOLVED to approve the following KPIs in advance of considering the Budget and Financial Plan in July 2019:

- Current Ratio – greater than 1.2;

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- EBITDA as a % of income (education specific) between 5% and 6%;
- Borrowing as a % of income to be no more than 30%;
- Aim to keep staffing costs no more than 65% of total income (exc. capital grants);
- Month End Cash Balance above £6m (over 50 days cash-in-hand);
- Contribution from Faculties of 40%;
- Meeting the banking covenants agreed for both NatWest and Lloyds.

6.2 Dashboard – Finance and Funding and PMR December 2018

The Deputy Principal presented the student numbers for 2018/19 and the Vice-Principal presented the finance dashboard for 2018/19.

7. Sub-contracting Termly Report

Discussion took place regarding funding for adults skills going forward and it was noted that it may be useful to maintain funding outside that of the combined authority funding and to maintain some sub-contracting. It was noted that there would be some income outside that of the Combined Authority as Stratford income would not be included.

Q. Will the Combined Authority have an impact on LEP funding?

A. The LEP is responsible for capital funding and the WMCA is responsible for the AEB revenue funding and the College will seek flexibilities to help with the revenue costs. The main problem is the College's success in attracting LEP grants, which involve extra revenue costs such as maintenance, licenses etc, as well as, increased staffing costs. The WMCA is also seeking to acquire capital funds so this will be monitored. There is a potential that the LEP and WMCA will impact on each other – for example the LEP consulted the WMCA about the College's construction capital bid.

Q. Is there likely to be less funding from the Combined Authority? Are they likely to have other priority areas?

A. The Combined Authority may have other priorities, but there will also be a potential for opportunities for growth if you are able to meet their priorities.

It was noted that sub-contracting income in 2017/18 had been £1.8m. This had reduced in 2018/19 to £1.2m and it was confirmed that, although this was an important way to balance the adult budget, it should be kept to a limited amount due to the higher risks involved.

Discussion took place regarding the implications of devolution for the College and whether there would be an impact if HS2 was cancelled. It was confirmed that this would be considered in more detail at a future meeting. **ACTION.**

The Vice Principal Curriculum and Quality confirmed that the quality audit process for sub-contracting was being updated in line with Ofsted guidance and best practice to develop a detailed template for completion.

8. Treasury Management Report

The Vice Principal Finance presented the report and it was noted that some of the Lloyds loans were due to end during 2019.

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9. Bids and Projects

The Vice Principal Finance presented the report outlining current bids and projects. It was noted that some of the costs regarding The Outpost Business Case had changed following approval by the Corporation and submission to the LEP. It was a combined project between Computing, Creative and the Conference Centre to provide space for businesses to use and for online courses.

Q. What is the value of potential Birmingham Adult Education Service (BAES) funding?

A. The BAES issue regular funding lots. There have not yet been any that the College would bid for, so the value will be relevant when a lot is released that the College could bid for.

It was noted that a realistic construction site was being set up at Dickens Heath, funded in partnership with DWP and Progression. The College was considering a shared delivery model with RMF Training, as sub-contracting was not permitted for this project.

10. Equality and Diversity Annual Report

The Vice Principal HR and Student Services presented the report and outlined the College's statutory duties:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Equality Act 2010;
- Advance equality of opportunity between people who share protected characteristics and those who do not;
- Foster good relations between people who share a protected characteristic and those who do not.

The Annual Report was based on merged data for Solihull College and Stratford upon Avon College. It was suggested that it would be useful to clarify, in the introduction, that there are three campuses referred to throughout as Solihull College and University Centre. **ACTION.**

The Vice Principal HR and Student Services noted that the gender pay gap was referred to on page 56 and confirmed that this is not a large pay gap in relation to the sector and nationally.

The College Objectives had been reviewed. Accessibility had been reviewed and added, as well as a new focus on E&D in learning walks.

11. Destinations 2017/18 and Student Progression within the College

The Deputy Principal presented the report. There was a focus for 2018/19 on progression opportunities for Stratford students in particular. It was noted that it was important that staff are aware of destinations and progressions for their groups of students and able to discuss this with inspectors and use this information to plan and develop curriculum further. The Deputy Principal explained that students were currently being asked their intended destinations and this information would be compared with actual destinations data after the end of the year. There is likely to be more and more emphasis placed on outcomes and destinations for learners.

Q. What proportion of adult progression is tracked?

A. There were 142 adults approached. In HE there was 23% unknown destinations. It

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It would be good to focus on full time adults.

Q. Moving to FE at another institution is not significant at 32%, but it would be useful to know why students go to other colleges.

A. Generally it tends to be for a course that is not offered at Solihull College and University Centre. Sometimes they move out of the area. It would be useful to gather more information on this.

12. Strategic Development Session Notes from 19th January 2019

The Chair presented the notes from the Governors' Development session on 19th January 2019 and noted the current priorities identified for the College. Governors were thanked for attending the session. Attention was drawn to the model inspection answers at appendix 1. It was noted that further Ofsted preparation opportunities would be arranged. **ACTION.**

13. Quality Support and Challenge Expert Group Notes of the meeting held on 28th January 2019

The Chair of the Quality Support and Challenge Expert Group presented the notes and explained that an update had been provided by the Stratford upon Avon team and that the outcomes were very positive. It was clear that improvements had been made since merger.

Governance had become stronger and information for the Stratford upon Avon campus was integral to reports for Corporation meetings. Reviews of course provision had been taking place based on 2018/19 recruitment. There had been some good improvements in Motor Vehicle and it was suggested that this would be a good area for learning walks. A report on student support enhancements had been received and this was reinforced through the student survey feedback reports on the Governors' Dashboard.

Having reviewed the terms of reference it was felt that the objectives of the group had been achieved and there had been improvements and changes at Stratford that responded to the issues raised by Ofsted in 2017.

Corporation Membership

14.1 Election of Chair for 2019/20

The Chair explained that he would be stepping down, as Chair, in the summer. Corporation members had been invited to make nominations prior to the meeting. A nomination had been received in relation to Barbara Hughes and no further nominations were received. It was also noted that Eric Wiles had resigned and had held the post of Vice Chair – and thanks were given to Eric for his contribution.

Barbara Hughes left the meeting during the election progress.

RESOLVED to elect Barbara Hughes as Chair with effect from 1st August 2019 for 2019/20 and as Joint Vice Chair with immediate effect to 31st July 2019.

14.2 Membership Report

The Chair presented the report and it was confirmed that Eric Wiles had resigned as a Governor.

Mr Wiles explained that he had been involved in FE for a long period of time and had been

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enlisted to become a Governor at Stratford upon Avon College, which had been a very involved and engaging role. He felt that he had given support to the College during a difficult period and was sure that it was now on the route to go from strength to strength and as he had committed to a 12 month period with the merged College it was now time to leave.

Badri Gargeshnari had become a full Corporation member in December 2018 and he would now be able to take the full member vacancy on the Audit Committee, as Mr Wiles was resigning.

RESOLVED to appoint Badri Gargeshnari as a full Corporation member on the Audit Committee with immediate effect.

15. Minutes of the Remuneration Committee meeting held on 7th February 2019

15.1 Senior Staff Remuneration Code

The Chair of the Committee explained that the AOC approved a Senior Staff Remuneration Code and that the implementation plan was being developed for introduction in 1st August 2019.

RESOLVED to adopt the Senior Staff Remuneration Code with effect from 1st August 2019.

15.2 Vice Principal Curriculum and Quality

The Chair of the Committee explained that the Vice Principal Curriculum and Quality had indicated her wish to retire in the summer 2019. The Committee had considered the advert, job description and person specification and these were presented. It was noted that short-listing would take place on 12th March 2019 and interviews were scheduled for 5th April 2019. It was noted that the panel would be approved, but other Governors would be invited to take part in the interviews, as appropriate, as this was a Senior Postholder role. **ACTION.**

RESOLVED to agree the job details and that the panel would be John Bolt, Barbara Hughes, Sally Tomlinson, John Callaghan and Lindsey Stewart (no voting member).

15.3 Clerk to the Corporation Pay and Contract

This item was deemed confidential.

16. Regular Update Reports

16.1 Use of the College Seal

The contents of the College Seal report were received.

16.2 Tender Update Report

The contents of the Tender Update report were received.

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17. Governance Items

17.1 Membership

The contents of the Membership report were received.

17.2 Register of Interest

The contents of the Register of Interest report were received.

18. Date of Future Meetings

The date of the next meeting will be Monday 8th April 2019, starting at 5pm and will be held at the Blossomfield Campus.

Signed: JR Bolt

Date: 14 April 2019

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