

Minutes of the Corporation Meeting

held on 28 November 2017

Present Helene Jones (*Vice Chair*), David Williams (*Principal*), Amanda Allen, Elaine Cammies, Karen Cocker, Peter Coley, Tiffany Harvey-Pallent, Louise Jones

In attendance Joanne Williams (*Director of Learning and Teaching*)
Jacquie Carman (*Director of Finance and Corporate Services*)
Jennifer Sunter (*Clerk to the Corporation*)

Helene Jones took the Chair.

Tiffany Harvey-Pallent was welcomed to the meeting.

Changes to the order of agenda items was agreed, and is reflected.

1 Apologies

Apologies had been received from Ian Jewkes, Mark Johnson, Jamie Fox and Kiran Dior.

2 Declarations of Interest

There were none.

3 Minutes of Meeting held 8 November 2017 and Matters Arising

The minutes of the meeting held 8 November 2017 were approved as a correct record.

The Clerk reported on progress against actions scheduled for address which could now be removed from the list.

With reference to action 4.3a Good to Outstanding Plan, under the minutes of the previous meeting, Joanne Williams outlined proposals for governors giving of awards.

Action 3a It was agreed that proposed dates would be provided shortly, to enable governor engagement.

4 Audit and Assurance

4.1 Minutes of the Audit and Assurance Committee held 16 November 2017

The minutes of the Audit and Assurance Committee held 16 November 2017 were received.

4.2 Recommendations from the Audit and Assurance Committee

Jacque Carman gave a detailed presentation in order to address the key points across the Audit and Assurance Committee recommendations, leading to the signing of the Annual Members' Report and Financial Statements.

This included the basis of accounts, financial performance and statements, the Annual Members' Report including the Statement of Corporate Governance and Internal Control and Statement of Propriety and Compliance.

Jacque Carman stressed, and it was understood by members, that the Chair would be signing the approved Annual Members' Report on behalf of all members.

4.2.1 Accountability Review Self-Assessment year ended 31 July 2017

Jacque Carman confirmed that while no longer required, it remained good practice to supply an accountability self-assessment return.

The Corporation, on recommendation of the Audit and Assurance Committee, noted the Accountability Review Self-Assessment year ended 31 July 2017, which formed part of the framework from which the Audit and Assurance Committee gained assurance in forming the opinion on internal control, governance and financial management.

4.2.2 Summary of Assurance relating to Systems of Internal Control and Corporate Governance

The Corporation, on the recommendation of the Audit and Assurance Committee, noted the Summary of Assurance relating to Systems of Internal Control and Corporate Governance, the contents of which supported the opinion in the Annual Report.

4.2.3 External Audit: RSM UK Audit Findings Report year ended 31 July 2017

The Clerk highlighted key statements from the audit findings report.

The Corporation resolved to accept the RSM UK Audit LLP Halesowen College Audit Findings Report for Year Ended 31 July 2017 and the assurance therein:

'We consider that the audit and regularity assurance approach adopted will provide the Audit Committee with the required confidence that thorough and robust audit and regularity assurance engagements have been carried out.'

‘The accounting policies were reviewed with reference to UK GAAP, the FE&HE SORP, Casterbridge model financial statements and the accounts direction handbook. No issues were noted.’

Subject to the satisfactory clearance of our final audit queries, we can confirm that, at the date of this report, we anticipate no modifications from our proforma financial statement audit report or the regularity assurance report provided in the Audit Plan previously communicated to you’.

4.2.6 Audit and Assurance Committee Annual Report year ended 31 July 2017

The Clerk emphasised that the Committee’s report provided a summary of work, and audit findings and offered its opinion as part of the Corporation’s assurance regime, leading to confident signing of the Annual Members’ Report.

Based on the review of the assurance mapping exercise, together with the assurance presented to the Audit and Assurance Committee and Corporation throughout the year, the Corporation accepts the Annual Report of the Audit and Assurance Committee 2016/17 and the opinion contained therein and agree to forward this report to the Education and Skills Funding Agency, alongside the Annual Members’ Report and Financial Statements 2016/2017.

The opinion contained therein being;

‘For the period 1 August 2016 to 31 July 2017 the Audit and Assurance Committee is satisfied that the College’s audit arrangements, governance framework¹, processes for risk management and control and processes for securing economy, efficiency and effectiveness, the solvency of the institution and safeguarding of its assets were adequate and effective, and that there were no significant issues of concern.

The sources of assurance for the year are summarised in the paper ‘Summary of Assurance relating to Systems of Internal Control and Corporate Governance’ which was considered at the meeting held on 16 November 2017. The Committee is satisfied that the internal and external arrangements in place to manage and quality assure the data on which it relies throughout the Corporate Cycle of Business are effective.

The Audit and Assurance Committee is satisfied that there were no significant issues arising up to the date of the preparation of the Annual Report and that there were no significant matters of internal control included in the management letters, or reports from auditors, or other assurance providers.

The Audit and Assurance Committee has received the necessary assurance to advise the Corporation on the adequacy and effectiveness of the Colleges’ assurance framework, to support the signing of the Statement of Corporate Governance and Internal Control within the Annual Members’ Report, for the year ended 31 July 2017.’

¹With reference to the scope of the adopted 'Code of Good Governance for English Colleges

4.2.4 Annual Members' Report and Financial Statements 2016/2017

The Corporation resolved to approve the Annual Members' Report and Financial Statements 2016/2017 and that the statement on the College's regularity, propriety and compliance with the funding body terms and conditions of funding be signed by the Chair and the Principal.

4.2.5 Halesowen College Enterprises Ltd Directors Report and Financial Statements 2016/17

The Corporation resolved to approve the Halesowen College Enterprises Ltd Directors' Report and Financial Statements 2016/17.

4.2.7 Review of Anti-Fraud Suite of Policies

Jacque Carman explained that a number of changes had been made to the suite of policies particularly the Gifts and Hospitality Policy which now had a central record and clear categories and instructions. A significant update of the Anti-Money Laundering Policy had also been undertaken following 2017 regulations.

All staff were being informed of policy updates through the current Principal's Briefings.

In response to questions, Jacque Carman clarified that there were a range of internal reporting mechanisms relating to fraud and whistleblowing and that external reporting routes were also provided.

The Corporation approved the suite of Anti-Fraud Policies comprising; Anti-Fraud Policy, Anti-Fraud Response Plan, Anti-Bribery Policy, Gifts and Hospitality Policy, Anti-Money Laundering and Proceeds of Crime Policy, Whistleblowing Policy.

5 Strategic Overview

5.1 Principal's Update

David Williams reported on a range of key meetings and events that had been attended, including a meeting with the Vice Chancellor of the University of Worcester and attending the AoC Colleges' Conference. Members noted the importance of the Further Education Skills and Productivity Group and also the role of the Black Country Colleges' Consortium, particularly in progression towards a devolved budget to the West Midlands Combined Authority.

With regards to the Multi-Academy Trust, David Williams reported that the date of 1 March 2018 was expected.

The College awaited the outcome of the ESFA bid for non-levy apprenticeship funding, which was delayed. Members asked what the impact would be if this was not secured and how the College was proceeding. David Williams explained that if unsuccessful this would mean no funding for delivery to non-levy paying customers, with effect from January 2018, however, the College continued to prepare for January apprenticeship starts in readiness of achieving a successful outcome.

Members were pleased to learn that the College had achieved the Leaders in Safeguarding Award, one of few colleges to achieve this. This afforded further assurance and offered an additional source of consultancy.

It was also noted that DisabledGo were visiting to assess the College and that information about the College would be placed on their website for reference.

Members considered the table of results covering regional Ofsted Inspections across the current term. It was felt that the College had done well to retain a Grade 2/Good.

Sector performance in relation to schools was discussed, particularly noting the challenges placed on General Further Education Colleges in meeting the needs of large numbers of students, who were yet to attain GCSE English or Maths.

The Principal's Update report was received.

5.2 Strategic Colleges Improvement Fund Bid

David Williams updated members on progress of the Strategic Colleges Improvement Fund Bid.

Areas for development, which would support the recipient College, were outlined in the report to members. The College would also benefit from this outward looking opportunity.

The update was received.

5.3 College Self-Assessment Report

Joanne Williams gave a detailed presentation, which afforded members a clear overview of College strengths and areas for improvement.

The College self-assessment of Grade 2 had been validated by the outcome of 'Good' from the September 2017 Ofsted full inspection. Members noted the range of areas that supported why the College was assessed as good, whilst recognising that there were still areas of challenge and development:

The first term had seen some challenges in the behaviour of a small number of students, but also saw very high attendance rates.

GCSE resits continued to be a great challenge.

There remained focus on quality improvement, with greater use of centralised tracking, through which students could see how they performed across the first term.

Looking forward, the College needed to focus on work experience, stretch and challenge and greater use of the central system to monitor performance.

Support for staff to address key challenges was also noted.

Members considered grading by faculty and curriculum area success rates. Areas of outstanding practice were noted, as was the College work to translate success to other areas. Areas of underperformance were contextualised and in response to questions from governors actions that had been taken were outlined.

Members delved to have greater understanding of courses under review. Joanne Williams responded that difficulties related in part to the challenges of staff skill shortages and that action had been taken to cease running certain courses. Where courses were in demand alternative provision was offered, or students were directed to other providers.

The Corporation also noted the potential for management to change from an annual lesson observation grading scheme, to a more motivational and constructive approach, based on regular updates.

The Corporation resolved to adopt the College Self-Assessment Report 2016/2017 and that this be used to inform the Development Plan for 2018-2019.

5.4 ESFA – Letter from Peter Lauener

Members noted the letter from Peter Lauener, particularly the comments on governance and financial oversight.

Action 5.4a It was agreed that an evidence report based on the key points raised in the letter from Peter Lauener, dated 17 November, would be taken to Audit and Assurance Committee in March 2018.

6 Monthly Performance Information

6.1 Annual Targets 2017/2018

A range of key points were highlighted against the annual targets.

In relation to some room under-utilisation, Jacquie Carman noted that the College Property Strategy would be discussed at the Corporation meeting in January 2018.

David Williams reported that apprenticeship growth was moving forwards and a new member of staff had been employed to address systems. However, some historical information regarding learner completions was being addressed, which would impact on the College 2016/2017 data and minimum levels of performance.

The update on Annual Targets 2017/2018 was received.

6.2 Finance – Management Accounts

Jacquie Carman reported that as at 31 October 2017 the College was in a stable financial position, with no significant cost pressures. All budgets were being carefully monitored.

Jacquie Carman emphasised continuing awareness of increasing financial risks and uncertainties including non-levy paying apprenticeship contracts, reduced grants, increased student loans and potential claw back on the Adult Student contract. However, the College moved forward from a stable base with increased 16-18 year old learners.

Members noted that Halesowen College Enterprises was realising low profit levels and that the College was looking into actions to address this.

Members asked about planning for 2018/2019 and understanding potential reductions. Jacquie Carman and David Williams outlined the range of variables and highlighted that the three year financial forecast, considered in June 2017 had been based on no growth.

The Management Accounts and Supporting Notes for October 2017 were noted.

Action 6.2a	Members asked for further financial indications regarding 2018/2019 which would be addressed in the scheduled budget update reports.
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7 Students, Teaching and Learning

7.1 Student Charter Report

Joanne Williams presented the findings from the end of the 2016/17 academic year and the beginning of the 2017/2018 programme.

Key points included:

That UCAS applications decreased. However, conversion to places increased, with current year applications also rising.

While Open Day remained a key factor for prospective students, the College was also reviewing other actions, including taster days.

Students continued to value the support that the College provided, and teaching and learning are mostly rated highly.

Examples of areas where students complained, such as effective communication on College buses, change of timetables and Wi-Fi speed were shared.

Use of Elevate workshops with A Level Students to raise aspirations was also shared and discussed, with potential to extend this to students undertaking resits.

The Student Charter Report was received.

7.2 HE Self-Assessment Report and HEFCE Assurance Report

Members noted that it was now a requirement that they receive assurance about Higher Education provision at the College. Joanne Williams reported that overall the review was positive, reflecting appropriate standards.

The College had achieved a TEF silver judgement which was judged a good basis from which to continue. Members discussed what this meant within the context of HE provision at Colleges and Universities.

Actions for improvement included more HE student voice and improved furniture.

The HE Self-Assessment Report and HEFCE Assurance Report and the associated action plan were received.

7.3 Human Resources and Staff Development Review 2016/2017

Joanne Williams highlighted headline staff development activity. Key focus on maths and English development had supported their embedding and the College continued to keep staff up to date with Prevent and Safeguarding training.

There had also been successful supportive work across the Black Country Colleges.

In the current year an hour each week was provided for Personal Coaches and the Curriculum Leadership Programme and the development programme for support staff was continuing for a second year.

With regards to the overview of Human Resources members noted key changes under South Black Country Education Limited. Staff turnover was comparable to the AoC average, there had been a reduction in staff settlements and staff absence remained below target.

Members were also informed of increased use of Occupational Health to provide the right support for staff.

Members asked about the impact of the new General Data Protection Regulations. Jacquie Carman answered that all staff had been briefed and there were additional actions in place to raise awareness. The College had undertaken to do data audits in January 2018 and there would be an internal audit conducted in February 2018.

The Human Resources and Staff Development Review 2016/2017 was received.

8 Finance Reports

8.1 Review of Financial Regulations

Jacquie Carman provided the key changes to the Financial Regulations, being clear that the regulations formed part of staff terms of employment. The review had also clarified the relationship between the College and both Halesowen College Enterprises Limited and South Black Country Education Limited.

Jacque Carman also highlighted the need for vigilance against cyber fraud and that some staff had received training from the College's bank.

Members noted that proposed changes to the College bank tender process focused on change where there was a compelling economic reason to do so.

The Corporation resolved to approve the revised Financial Regulations dated November 2017.

5.5 Confidential Staffing Report

5.5a Members discussed actions reported and plans in moving forward with the College's marketing and website arrangements. Changes to Marketing and Web and Communications teams were noted. A Marketing Strategy would be provided for the Corporation.

Following resolution under Standing Order 8 Proceedings at meetings, the staff governor Ellie Cammies withdrew from the discussion of agenda item 5.5b.

5.5b David Williams outlined plans, and members asked questions on the draft arrangements for revision to the management structure.

The confidential reports were received.

9 Any Other Business

The Clerk highlighted attendance to the forthcoming Governor Network event being held on Tuesday 12 December 2017.

10 Date of Next Meeting

The next meeting of the Corporation was as scheduled for 13 January 2018.

The meeting closed at 20:40.

Actions from Meetings			
Ref	Agenda item and action	Date/item for review	Reported by
Corporation Meeting 1 March 2017			
9.3	West Midlands Superannuation Scheme	July 2017	JCa
9.3a	The Corporation noted the position and the risks with the West Midlands Superannuation Scheme and approved that the Principal and Director of Finance and Corporate Services explore alternatives for future Corporation consideration.	Ongoing Review February 2017	
Corporation Meeting 26 September 2017			
4.2a	Review of Confidential File		
	The Clerk agreed that following research, changes to ensure compliance with General Data Protection Regulations as they will come into force in 2018, would be addressed and reported as appropriate.	March 2018	JSu
Corporation Meeting 28 November 2017			
3a	Minutes of Meeting held 8 November 2017 and Matters Arising	January 2018	DWi
	Governor Awards; It was agreed that proposed dates would be provided shortly to enable governor engagement.		
6.2a	Finance – Management Accounts	March 2018	JCa
	Members asked for further financial indications regarding 2018/2019 which would be addressed in the scheduled budget update reports.		
5.4a	ESFA – Letter from Peter Lauener	March 2018	JCa
	It was agreed that an evidence report based on the key points raised in the letter from Peter Lauener, dated 17 November, would be taken to Audit and Assurance Committee in March 2018.		