

**Minutes of the Corporation held on 17th December 2019 5:30pm  
 Boardroom, Cambridge Campus  
 Cambridge Regional College**

**MINUTES OF THE MEETING**

**Present** Vernice Key, Chair  
 Heather Du Quesnay  
 Mark Robertson, Principal  
 Tim Arthur  
 Barry Fyfield  
 Andy Jennings  
 Daniele Gibney  
 Martin Clapson  
 Theresa van Ruth (Staff Governor)  
 Lewis Beddow (Staff Governor)  
 Cameron Wallace-Sayers (Student Governor)

**In attendance** Michelle Dowse, Derek Sharp, Laura Kerry, Kate Da Costa, Corrin Hoyes

**Clerk** Emily Baldwin

<b>1. Introduction</b>		
<b>1.1</b> <b>1.2</b>	Declarations of Interest Apologies for absence	Apologies were received from M Cole, R Kumar, J Coplowe, M Doel, T Butcher, N Harrison, J Lancaster, P Gaudin and M Abdul Qadir.  Daniele Gibney was welcomed to the meeting as a new Corporation member. Cameron Wallace-Sayers (Student Governor) was welcomed to his first meeting as a Student Governor.
<b>1.3</b>	Minutes of the meeting held on 25 <sup>th</sup> September 2019	The minutes of the meeting were agreed to be a true record and signed by the Chair.  M Dowse confirmed that more work on the economic benefits of a qualification in English and Maths had been carried out.
<b>1.4</b>	Governor feedback	Governors gave feedback on their link visits and visits to the College.  The Clerk gave feedback on behalf of B Fyfield who had visited both the Cambridge and Huntingdon campuses as part of his Governor link role. He noted that the College was now the eighth largest provider in the country for High Needs Learners. A decentralised model of learning support was being piloted in

		<p>Sports and Creative Industries at Cambridge and being reviewed at the end of term.</p> <p>In terms of student behaviour on both campuses, he had noted all students wearing lanyards and good general behaviour. He had noted an example of good practice in the foyer of Cambridge Campus when reception staff had offered support to a learner who had witnessed a medical emergency. He noted the limited amount of classroom activity on his visit to Huntingdon campus, where there were fewer scheduled classes on a Friday.</p> <p>The Clerk reported that R Kumar had visited his link area (International) on two occasions and had reported back directly to the Principal.</p> <p>M Cole had met with the safeguarding team and regular meetings were now scheduled for the following terms.</p> <p>H Du Quesnay had met K Da Costa and R Metcalfe, and had had a useful discussion about attendance and a tour of the campus. She noted that students were wearing lanyards and were courteous when challenged to display their lanyards. She also commended the refurbishment of the Student Lounge which had been turned into an informal working area. She had attended a catering class where students seemed alert and behaved well.</p> <p>T Arthur had attended the SAR meeting on study programmes, where there had been a healthy and rigorous debate. He had also attended a Halloween meal, and commended the students in catering and makeup.</p> <p>T van Ruth and L Beddow had attended the Staff Governor conference which they had felt was helpful, and C Wallace-Sayers had attended the AoC Conference. It was noted that the Principal and L Kerry had presented at the AoC conference.</p>
<b>2. Training session</b>		
3.1	Safeguarding at CRC	<p>It was noted that training for safeguarding would be given at the Awayday on 17<sup>th</sup> January 2020.</p> <p>Governors <b>approved</b> the revised safeguarding policy, but asked that the names listed in the policy were checked to ensure they were updated.</p> <p><i>B Fyfield joined the meeting.</i></p>
<b>3. Strategic Matters</b>		
3.1	Principal's Report	<p>M Robertson introduced the Principal's Report. He drew attention to a number of key developments:</p> <ul style="list-style-type: none"> <li>• Enrolments were up on the previous year's levels at both campuses with 102 16-18 year old students enrolled over allocation at the first census point of 1 November.</li> <li>• The traineeship, digital academy and health academy work had launched successfully</li> <li>• Student behaviour and the wearing of ID badges were much improved.</li> <li>• The land sale at Huntingdon had progressed well and should complete before Christmas.</li> </ul>

		<ul style="list-style-type: none"> <li>• English and maths lessons had started well</li> <li>• There were new appointments in hair and beauty and engineering, in part due to a need to improve results in those areas.</li> <li>• Following a competitive process, R Metcalfe had been appointed as new Director of Curriculum</li> <li>• It remained a particularly difficult year for funding, although the signs were that funding would improve in 2020/21.</li> </ul> <p>Governors asked about the College’s budget for 2019/2020. M Robertson said the forecast was being monitored closely as there were a number of areas that were uncertain, including the Adult Education Budget (AEB), employability provision and international market due to the impact of Brexit. The apprenticeship market remained difficult.</p> <p>The Principal was questioned on the monitoring of underperforming areas. The Principal outlined ways in which the College was reacting to areas of underperformance quickly and appropriately. Overall the College was improving, but there was now more focus on areas that were not meeting College standards.</p> <p>The Principal was asked about attendance at English and Maths. It was noted that poor attendance led to sanctions. Governors questioned whether the sanctions were balanced with rewards for good attendance. K Da Costa confirmed that there were attendance rewards, and that most of the disciplinary process around poor attendance had not needed to go further than stage 1. Governors agreed that it was important that good attendance was seen as part of College culture and essential for employability.</p> <p>The Principal drew attention to the latest KPIs. English and Maths results were shown as red, although progress scores and functional skills results had improved. Governors noted the concern over staff absence levels which had been discussed at the F&amp;R Committee. The Strategic Implementation plan and Risk Register had been updated and were noted.</p> <p>Governors <b>received</b> the Principal’s Report.</p>
3.2	Self Assessment Report (SAR) Performance 2018/19	<p>C Hoyes introduced the Self-Assessment Report (SAR) for 2018/19.</p> <p>The College was required to produce a SAR annually which was sent to the Education and Skills Funding Agency (ESFA). The College’s SAR was structured in line with the criteria of the Ofsted Inspection Framework. In the period since the draft SAR was distributed to Governors, the SAR had been subject to validation at a meeting on 12<sup>th</sup> December 2019 which the Chair of Corporation and Chair of L&amp;Q Committee attended.</p> <p>The CRC SAR was graded at Grade 2 for all types of provision, with the exception of HE (Grade 1 ) and Apprenticeships (Grade 3).</p> <p>C Hoyes outlined the College’s key strengths and weaknesses as outlined in the SAR report.</p> <p>Governors noted that the volume of students with high needs has risen significantly, and good programmes had been put in place. They asked whether 10% of students with high needs gaining employment was a strong indicator, and C Hoyes assured them that this was 3% above the national average. The College</p>

		<p>was providing more customer service and land-based courses for students with high needs to encourage employability.</p> <p>Governors noted that achievement rates were generally improving steadily, and noted the particular achievement rates at different levels and in different categories in the report.</p> <p>They also agreed with the key areas for improvement that had been identified, including</p> <ul style="list-style-type: none"> <li>- Achievement rates for English and Maths</li> <li>- Apprenticeship success rates, noting that these were forecast to be higher in 2019/2020 as the impact of subcontracted provision was largely removed</li> <li>- Achievement rates in a minority of curriculum areas – engineering and motor vehicle, hair and beauty and construction</li> <li>- Attendance, particularly English and maths</li> </ul> <p>Governors noted that the College had good links with employers, and a range of volunteering and community action projects. The College had self-assessed as Grade 1 for personal development and Grade 2 for leadership and management. Governors asked how the College was able to benchmark against other colleges for some of the more subjective areas. C Hoyes acknowledged that this could be difficult for areas such as student behaviour, so it was important to use a wide range of evidence, such as observations, retention and achievement data and learning walks.</p> <p>Governors asked that the wording regarding the College’s underlying operating surplus should be amended to match that in the Financial Statements.</p> <p>T van Ruth questioned whether quality improvement could be graded a 1, given the fact that many areas had not yet shown significant improvement. M Robertson recognised that this was a valid concern, but that the grading referred to the processes and management of data around quality improvement. The College had a good record of successful implementation of surveys with good response rates. Every headline indicator was improving and there was much greater rigour in the management of subcontractors and the use of data. Nonetheless, he agreed to check the grading again with the Senior Management Team.</p> <p>V Key and H Du Quesnay confirmed that they had attended the final SAR validation. No major changes had been made as a result of that meeting and they felt that the SAR process was robust with no major surprises at the final meeting. There had been some suggestions to improve the sequencing of the material, so there was a summary at the start of the document.</p> <p>Governors <b>approved</b> the SAR for 2018/19.</p> <p><i>A Jennings joined the meeting.</i></p>
3.3	CRC Financial Statements 2018/19	D Sharp introduced the Financial Statements for 2018/19. Earlier versions of the Financial Statements had been reviewed by both the Finance & Resources Committee and Audit & Risk Committee. The external auditor had confirmed that it had been a clean audit process

		<p>The financial budget aim for 2018/19 was to deliver an underlying operating surplus of £425k (£525k after removing restructuring costs). The final result before FRS102 pension adjustment was a loss of £(88)k and an underlying operating of surplus of £70k after removing restructuring costs.</p> <p>In terms of statutory accounts, the major change to the balance sheet was the valuation of the LGPS pension scheme liability which deteriorated in value by £10m. It was noted that the Audit and Risk Committee had looked at the reserve position in detail, and gained assurance that a negative position on the balance sheet would not affect the College's financial health. The College's financial health remained good.</p> <p>The College's cash reserves remained similar to last year. The College was likely to be taken out of early intervention by the ESFA. It was also noted that the College had scored well in the FE Week ranking which took account of employer satisfaction, student satisfaction and destinations, and now was the highest scoring college in the region.</p> <p>The apprenticeship market remained challenging, with a shift to high level apprenticeships.</p> <p>Funding in the sector remained problematic, with half of colleges reporting a loss.</p> <p>Governors discussed the grading that should be attached to governance in the Financial Statements. Senior management said that that in their experience of working with boards at other colleges, the current Governing body was challenging and well engaged with the College, with robust debate of a very high quality. In their view, Corporation could be assessed as being outstanding. Governors, however, noted that the College had not met its budget target, and therefore it would be more appropriate to self-assess as good.</p> <p>The Chair of the Audit and Risk Committee introduced the Audit Committee's annual report. There had been 6 internal audit reports during year, all gaining substantial assurance. The external auditor had recommended the signing of the Financial Statements with no qualifications, and issued an unqualified regularity opinion. In addition to the internal audits, the Committee had received an update on GDPR and subcontracting controls. The external auditor had raised some recommendations with regards to the financial controls audit, which had been given adequate assurance. The Audit and Risks Committee were satisfied that all the issues raised had been dealt with by the year-end.</p> <p>It was suggested that the local authority review of safeguarding be presented to the Audit and Risk Committee next year. Governors agreed that safeguarding should receive a higher profile across Committees.</p> <p>Governors <b>approved</b> the Group Report and Financial Statements for CRC, and agreed that the Chair of Governors could sign the Letters of Representation and the Regularity Self-Assessment Report.</p>
3.4	Integrated Financial Model for Colleges	D Sharp introduced the new Integrated Financial Model for Colleges (IFMC) which had been introduced by the ESFA. It was designed to ensure there was early intervention if the College looked likely to have solvency issues. The model included intensive cash flow profiling.

		<p>V Key expressed her dissatisfaction with the way in which the model had been introduced with little notice and consultation. It required substantial work by the Finance team. She said that the AoC should pass this dissatisfaction onto the ESFA.</p> <p>It was noted that the model drew heavily on information that had already been submitted to Corporation, but it did require an update on this year's forecast, and profiling for an additional year which required Corporation approval.</p> <p>In future years, the model would be presented to F&amp;R Committee for recommendation to Corporation. Due to timings in this year, it was agreed that the revised forecast should be presented to the Governor Awayday on 17<sup>th</sup> January 2019. The Chair of the F&amp;R Committee would then have delegated authority to review and approve the final IFMC, provided it used the budgets and forecast assumptions that had already been approved by Corporation.</p>
3.5	Confidential – sale of excess land	<p>Governors noted the progress made with the sale of excess land at Huntingdon campus, and noted the outstanding issue regarding the s106 agreement for which legal advice had been sought.</p> <p>Governors noted that the value of the bid was currently at £2.5m, which would significantly boost the College's cash reserves.</p> <p>Governors <b>approved</b> the contracts for the sale of the land, along with the overage deed and transfer documents.</p>
3.6	Annual review of complaints and compliments	<p>C Hoyes introduced the Annual Review of Complaints and Compliments for Cambridge Regional College.</p> <p>There were 62 formal complaints in 2018/19, of which 22 were upheld. The highest volume of complaints related to staff behaviour and learner experience. The greatest number of complaints came from the learning support area.</p> <p>In response to a Governor query, C Hoyes said that the number of complaints generally correlated to the number of students in an area, as would be expected.</p> <p>Governors asked whether the College ever asked for a complaint to be retracted. C Hoyes confirmed that this was not the case, but some complaints were logged as issues that were resolved locally. However, these were still shown in the report. The College always investigated all complaints as the focus was on fixing any problems that arose.</p> <p>C Hoyes clarified that the College had no plans to change the complaints process.</p> <p>Governors <b>received</b> the report.</p>
<b>4. Matters referred from Committees</b>		
3.1	Matters for decision referred from the L&Q Committee	<p>B Fyfield updated Governors on the main areas of discussion of the Learning and Quality Committee which had met on the 12<sup>th</sup> November 2019.</p> <p>The main focus of the meeting had been around English and Maths results, and student attendance. Specific areas of discussion were:</p>

		<ul style="list-style-type: none"> <li>• Annual safeguarding report – discussion centred on current trends, particularly around mental health and assurance that students knew where to seek help and were aware of the procedures</li> <li>• Performance 2018/19– Governors had noted the pleasing performance, particularly for 16-18 year olds at level 3. Overall retention rates were above the national average, but it was noted that some students left 2 year courses after their first year due to getting employment.</li> <li>• Targets and Priorities for 2019/20 which were agreed and integrated into the Corporation KPI sheet</li> <li>• English and Maths – Committee members noted the change in delivery and approach to English and Maths, including a tightening of the disciplinary policy with regard to attendance</li> <li>• Attendance – Committee members received assurance on a number of measures in place to boost attendance, and had asked for the attendance target for English and Maths to be changed to 90% for year 3</li> <li>• HE – Committee members had been impressed by the strong performance of the HE department, which has been self-assessed as outstanding</li> <li>• Use of Pro-Monitor – Committee members had found it very useful to see how Pro-Monitor was used so management could track indicators in real-time</li> </ul> <p>Governors <b>approved</b> the Student Union Constitution.</p>
4.2	Matters for decision referred from the F&R Committee	<p>T Arthur updated Governors on the main areas of discussion of the Finance &amp; Resources Committee which had met on the 26<sup>th</sup> November 2019. Specific areas of discussion were:</p> <ul style="list-style-type: none"> <li>• Committee members had noted the end of year position, and the financial challenges during the year, particularly around apprenticeship income.</li> <li>• The Annual Human Resources Report 2018/19 – sickness levels had increased due to large increase in the number of staff on long term absences and absences due to mental ill-health and stress.</li> <li>• Estates Strategy - the Committee recommended to Corporation that the College proceed with making a bid to the Combined Authority for minimal refurbishment and addressing of immediate space issues for construction and motor vehicle at the Huntingdon campus (estimated cost £1m). This would not preclude any wider decision on relocation in the future.</li> <li>• Health and Safety - Much of health and safety improvement work had focused on the Huntingdon campus.</li> <li>• Period 3 Management Accounts - This showed an adverse variance against budget driven by a shortfall in income, in part due to the timing and processing of apprenticeship provision. Committee members had stressed the importance of improving forecasting in apprenticeship delivery.</li> <li>• ESFA intervention – the College was being lifted out of early intervention by the ESFA subject to certain conditions as it was now taking into account the College’s overdraft facility in calculating its 30 day cash days rule.</li> </ul>

		<ul style="list-style-type: none"> <li>• OfS regulatory letter - the Office for Students (OfS) had written a letter to the College regarding the reasons for a late payment for the 2019 OfS registration fee and fees to the Designated Quality Body. The fee had been paid 12 days late as the College had been expecting an invoice which had not been sent. Committee members were assured that now it was known that no invoice would be sent, payment to the OfS would be made on the back of the notification in the future. Governors were also assured that some 95% of College payments were made on time.</li> </ul> <p><b>Governors approved:</b></p> <ul style="list-style-type: none"> <li>• The Annual Health and Safety Report and updated policy</li> <li>• the proposal to bid to the Combined Authority for minimal refurbishment and addressing of immediate space issues for construction and motor vehicle at the Huntingdon campus (estimated cost £1m).</li> </ul> <p><b>Governors noted:</b></p> <ul style="list-style-type: none"> <li>• the reasons for the delay in making a payment to the OfS as set out in the minutes of F&amp;R Committee, and were assured that late payment would not be repeated. The Clerk was instructed to write to the OfS accordingly.</li> </ul>
4.3	Matters for decision referred from the Commercial Strategy Committee	<p>M Dowse updated Governors on the main areas of discussion of the Commercial Strategy Committee which had met on the 3<sup>rd</sup> October 2019. Specific areas of discussion were:</p> <ul style="list-style-type: none"> <li>• Apprenticeship delivery - although the College had met its apprenticeships student numbers target the previous year, the income from apprenticeships was below target in part due to the lower value per apprenticeship and the staggered start dates. Quality issues had meant some apprenticeships had been put on hold the previous year.</li> <li>• International – it was noted that the College’s income target was met due in part to summer school activity. More information had been sought about international’s lower contribution rate, and it was noted that this was due to a rise in accommodation costs which could not be passed onto customers to maintain competitiveness. The Committee wanted more information on the pricing model and margins for international at the next Committee.</li> <li>• The lifelong learning strategy, including the risks associated with delivery of the Adult Education Budget.</li> </ul> <p>[Confidential item minuted separately]</p>
4.4	Matters for decision referred from the Audit & Risk Committee	<p>A Jennings updated Governors on the main areas of discussion of the Audit and Risk Committee which had met on 5<sup>th</sup> December 2019. Specific areas of discussion were:</p> <ul style="list-style-type: none"> <li>• Financial Statements 2018/19 and Annual Report of the Audit Committee (already presented to Corporation under item 3.3)</li> <li>• Internal audit on governance/risk management &amp; staff utilisation – significant assurance given to both audits.</li> </ul>



		<ul style="list-style-type: none"> <li>Financial controls audit – adequate assurance had been given; all the recommendations were already implemented or due to be implemented. The Committee noted the mitigating circumstances in the year with a number of staff absences, which meant that some areas of control were not evidenced.</li> <li>Internal audit plan for 2019/2020 – this was agreed based on the discussion of the previous Audit and Risk Committee. It was a larger programme than the previous year due to one audit being carried over, and a planned audit on iMET.</li> </ul> <p>Governors <b>approved</b> the Teachers’ Pension Audit YE 31 March 2019</p>
<b>5 Final matters</b>		
<b>5.1</b>	Matters agreed between meetings	<p>Corporation noted the items that had been agreed electronically since the last meeting:</p> <ul style="list-style-type: none"> <li>Appointment of Daniele Gibney</li> </ul>
<b>5.2</b>	College logo	<p>M Dowse introduced the options for a new College logo.</p> <p>Governors agreed the new strapline ‘Great careers start here’ but recommended that the strapline was dynamic, rather than fixed.</p> <p>Governors noted that the new logo would be rolled out incrementally alongside the existing brand in order to minimise costs. The logo had been designed so it could work with the existing logo, rather than a complete rebrand. It was noted that a brand that made use of Cambridge’s reputation would not work well with the Huntingdon campus.</p> <p>It was agreed that the ‘flags’ icon should be on the left of the Cambridge Regional College wording. There was however no consensus of opinion on the ‘flags’ logo. It was recommended that student opinion be sought before a final logo was agreed.</p>
	Any other business - AEB	<p>D Sharp introduced the additional item on Adult Education Budget (AEB) funding.</p> <p>The College had been budgeting for a substantial increase in own delivery this year of AEB. Traineeship delivery was a significant part of the planned delivery and it had become clear that the learners were skewed towards the 16-18 age range and therefore not eligible for AEB funding. The outcome of the change in learner profile is that whilst recruitment numbers progress, the funding stream changes result in increased 16-18 funding whilst giving a shortfall in AEB. It was therefore proposed that the AEB shortfall was resolved by moving to additional partnership and subcontractor delivery.</p> <p>Corporation was asked to approve the revised partnership/subcontracting delivery to £500,000 under the ESFA AEB Contract and a transfer of delivery to the value of £100,000 under the GLA AEB Contract (to GoTrain).</p> <p>D Sharp confirmed that he was confident about the quality and capacity of delivery of the partners. Although the margin would be decreased, the overall impact on the College’s targets would remain the same due to increased numbers.</p>

		Corporation <b>approved</b> the proposal.
<b>4.2</b>	Confidential Minutes	<p><i>The Student governor left the meeting.</i></p> <p>There was a confidential item which was minuted separately.</p> <p><i>Staff governors and staff members left the meeting</i></p> <p>Governors' discussion of the Remuneration Committee minutes was minuted separately.</p>
<b>4.3</b>	Self-assessment of Governors' Performance	<p>Governors agreed it had been a productive meeting. They noted the high volume of papers, but agreed it was necessary as it include a number of annual reports.</p> <p>They agreed that the summary of the SAR was extremely useful.</p> <p>They also agreed that cover papers for Committee feedback worked well.</p> <p>They advised that iMET should be addressed in more detail at the Awayday in January.</p> <p>The meeting finished with a presentation to the Chair Vernice Key who was stepping down as Chair. Governors thanked the Chair for her enormous contribution to the College over 17 years. Her dedication to the College and skills in bringing together diverse views on a range of challenging topics would be greatly missed. She was wished well in her retirement.</p>

There was no other business and the meeting ended at 8:30pm.

Signed

Chair