

**Minutes of the Corporation meeting 2nd July 2019 5:30pm
 Cambridge Campus, Cambridge**

MINUTES

Present

Vernice Key [Chair]
 Heather Du Quesnay
 Mark Robertson
 Martin Doel
 Nichola Harrison
 Tim Arthur
 Barry Fyfield
 Michael Cole
 Martin Clapson
 Andy Jennings
 Judith Coplowe
 Terry Butcher
 Theresa van Ruth
 Lewis Beddow
 Nauris Kalnins
 Joseph Winters

In attendance

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

Clerk

Emily Baldwin

Section 1: Introduction		
1.1	Declarations of interest	Apologies were received from Raj Kumar, Jo Lancaster and Paul Gaudin.
1.2	Apologies for absence	There were no declarations of interest that had not already been raised at previous Corporation meetings.
1.3	Vice Chair nominations	<p><i>Tim Arthur left the meeting</i></p> <p>It was noted that Nichola Harrison had nominated Tim Arthur for the position of Vice Chair from January 2020. Governors approved the nomination.</p> <p><i>Tim Arthur re-joined the meeting.</i></p>

		Governors thanked Tim Arthur for his willingness to serve as Vice Chair and wished him well in the role.
1.4	Minutes of the meeting held on 22nd May 2019	<p>The minutes of the meeting of 22nd May 2019 were agreed as a true record of the meeting.</p> <p>The action for M Dowse to meet with J Lancaster was carried over with a completion date of August 2019.</p> <p>All other actions were noted as complete.</p>
1.5	Governor link scheme	<p>A number of Governors had attended the Festival of Achievement which celebrated staff and student achievements.</p> <p>They reported that they had found the events professional and inspiring. Staff Governors confirmed that staff had preferred the staff event being held at the College which seemed to be more personal and cost efficient.</p> <p>L Kerry confirmed that initial results from the staff survey were promising.</p> <p>M Doel had attended an employer breakfast at iMET; he reported that there had been good attendance from a wide range of businesses, particularly those coming from north of iMET which was encouraging.</p>
Section 2: Strategic Matters		
2.1	Principal's Report	<p>M Robertson introduced his Principal's Report and the attached KPI report and Risk Register.</p> <p>He reported that stakeholder satisfaction had improved. Achievement rates from classroom and apprenticeship delivery was expected to improve. Applications at Huntingdon were higher than a similar time last year. He intended to update the Strategic Plan for the next academic year and this would be discussed at an autumn Corporation meeting.</p> <p>The report from the recent Ofsted monitoring visit had been circulated to all Governors.</p> <p>External funding continued to be challenging. M Doel agreed that the funding regime was currently constrained and the demographics in the region meant that there was a fall in the number of 16-18 year olds. The demographics would be improving over the next few years particularly in Cambridge. It was noted that any increased funding was likely to be conditional. N Harrison expressed concern that any increased funding might only be capital funding. It was important to get the message across that FE was underfunded in comparison to other forms of education, and revenue funding was required.</p> <p>B Fyfield asked about the emphasis on traineeships and whether funding was difficult to access. The Principal explained that 16-18 traineeships were funded from lag numbers, but there was the opportunity to put forward a business case for additional numbers in-year. The College had experienced staff who were looking to take forward traineeships and to ensure that there were appropriate quality arrangements in place.</p> <p>It was noted that the local authority had taken a different approach to funding of high needs students which had resulted in an unexpected drop in funding. The budget was</p>

		<p>prudent on high needs funding in the following year as it was expected that while numbers would rise, the amount of funding per head might be less. The College had a legal obligation to take students with high needs.</p> <p>N Harrison recommended the College appealed to the Children’s Committee about the cut in funding.</p> <p>T Arthur reminded Governors that the College had not met its international and apprenticeships targets which had affected the College’s surplus target. It was possible that the College might report a deficit position.</p> <p>M Doel said that it was important to be realistic about the international business target as the area of business was uncertain in the current political climate.</p> <p>N Harrison asked for more information about marketing activity to the north of Cambridge. M Dowse gave some examples of marketing activities, and also said the College was looking at bus routes to the two campuses.</p> <p><i>A Jennings joined the meeting</i></p> <p>Governors welcomed the summary of red risks. However, some of the risks could be more specific. For example, the risks surrounding apprenticeships could be clearer.</p> <p>The Principal gave an update on the status of the joint venture with PRC on iMET. It was expected that the legal documentation would be signed at the July board meetings.</p> <p>Governors received the report.</p>
<p>2.2</p>	<p>Financial Forecast and Commentary 2019/20-2021-22</p>	<p>D Sharp introduced the Financial Forecast and Commentary.</p> <p>It was noted that the three-year financial forecast, including the budget for 2019/20 had been reviewed by the F&R Committee. The Committee had asked for more information to be presented to Corporation before approval was given.</p> <p>The College was aiming to deliver a small operating surplus for 2018/19 which was below the reforecast set. There were risks to this surplus so there was a possibility of a deficit position. The College had expected that any shortfall to the budget would be covered by additional high needs income, which was now likely to be reduced.</p> <p>There were a number of new sources of income in 2019/2020 including the Centre of Excellence for Maths and funding for apprenticeship hubs. The budget assumed some growth for apprenticeships and international. There were particular risks around apprenticeships due to a possible capping of apprenticeship growth above allocation. The FE sector was strenuously challenging this as it affected a number of colleges. No additional funding for high needs students had been assumed.</p> <p>The budget assumed a small reduction in staff costs as a proportion of income, and for more internal delivery.</p> <p>The increase in pensions contributions was being funded centrally for 2019/2020 and it was assumed that it would be centrally funded in the future, although no confirmation of this had been given. The budget assumed a 1% staff pay award.</p>

		<p>The cash flow forecast took into account the sale of the land in Huntingdon. It was noted that there was limited capital spending in the first half of the year. Capital spending plans in the future were likely to be in IT.</p> <p>Governors agreed it would be useful to have a savings plan lined up in the event that income did not match target. This was likely to include restricted capital spend. Governors underlined their support for the staff pay award and, where possible, to look at savings elsewhere in order to afford the pay award. It was noted that discretionary spend had already been outlined in the report, but there were few areas where savings could be made.</p> <p>It was noted that the F&R Committee had asked for the internal delivery of the AEB budget to be profiled across the year.</p> <p>It was suggested that the Commercial Strategy Committee look more closely at the College's international business and barriers to growth at their next meeting.</p> <p>Corporation approved the three year financial forecast to be submitted to the ESFA, including the budget for 2019/2020, with the exception of the staff pay award. They agreed that the pay award should be reviewed in the autumn term once enrolment and income data was clearer.</p>
2.3	New Ofsted framework	<p>C Hoyes gave a presentation on the new Ofsted framework, which would come into place from September 2019. It was termed the Education Inspection Framework (EIF). The framework would apply to all schools, colleges and other educational establishments.</p> <p>She explained the change in judgment areas and provision types under the EIF.</p> <p>She explained how under Quality of Education, the College needed to demonstrate intent, implementation and impact of the curriculum. In response to a Governor query, C Hoyes explained that work experience was integrated across the curriculum.</p> <p>Governors queried whether the EIF was more subjective than the previous framework. C Hoyes said that some felt this was the case, but the inspectors would be expected to triangulate the information received. They would spend more time in the classroom looking at the curriculum in detail and at student's work, including portfolio reviews.</p> <p>Governors suggested the College worked with professional bodies to endorse the curriculum.</p> <p>Governors asked how they could gain assurance on behaviours and attitudes. These would be embedded in the quality improvement plan.</p> <p>It was suggested that a checklist was included as part of the Governor link scheme to aid governors in their interaction with staff and students as part of learning walks or quality meetings.</p> <p>Under leadership and management, there was a new focus on staff wellbeing and development, including the introduction of a staff survey.</p> <p>The College would need to show the intent of the curriculum, and was advised to ensure there were appropriate rationale for all courses at an early stage.</p>

		<p>Governors asked whether there would be any changes to the induction programme. The Principal said there would be some minor changes to ensure all students started the year with clear expectations of their behaviour and attitude at College. Their intended career path would be included on Pro-Monitor and updated regularly so that appropriate advice and support could be given. Governors agreed this needed to be revisited as it was unrealistic to expect all students to know their career path on application.</p> <p>Key priorities for CRC in preparation for Ofsted included:</p> <ul style="list-style-type: none"> - Role of the tutor (Impact on attendance, achievement, progress, personal development, ID badge compliance) - Attendance - English and Maths - Achievement rates - Enrichment <p>Governors agreed that these priorities should be reflected in reporting to Governors throughout the year.</p> <p>C Hoyes was thanked for her extremely clear and informative presentation.</p>
Section 3: Matters Referred from Committees		
3.1	Matters for decision referred from the F&R Committee	<p>T Arthur updated Governors on the main discussions from the F&R Committee held on 18th June 2019, as follows:</p> <ul style="list-style-type: none"> • The Management Accounts and likely outturn for 2018/2019, and Financial Forecast for 2019/20 which had already been discussed at Corporation • Subcontracting – there were risks associated with the complexity of the changes to the AEB requirements in 2019/20, with an increase in internal delivery of AEB of c£2m; the Committee has asked to have more information on the profile and phasing of the AEB budget across the year. • HR update – there was discussion over level of absences, mental wellbeing and workload. There were some improvements in recruitment of hard to fill positions. Exit interviews showed that some staff were moving to HE where pay was more competitive. • Estates update - the land at Huntingdon campus was now being marketed. The Committee agreed to a 3-year sublease to Addenbrooke’s as the College had no current plans for the space. • The Committee agreed the replacement of the existing revolving credit facility with an overdraft facility of similar value. <p>Governors asked whether due diligence was carried out mid-year on subcontractors. It was confirmed that due diligence was carried out at the start of the contract period, but would be repeated if there was a significant extension to their contract.</p> <p>Corporation approved:</p> <ul style="list-style-type: none"> • the Sub-contracting Policy • the Committee’s Terms of Reference
3.2	Matters for decision referred from	<p>H Du Quesnay updated Governors on the main discussions from the L&Q Committee held on 11th June 2019 as follows:</p>

	<p>the L&Q Committee</p>	<ul style="list-style-type: none"> • Curriculum Update – discussion included initiatives to boost attendance, need for clarity on apprenticeship targets and progress in value-added results • 14-16 year olds – assurance on success of new model for delivering programmes to 14-16 year olds • Supported Learning – excellent presentation on supported learning with attention given to rise in number of students, risks associated with EHCPs and uncertainty over funding • T-levels – notification that the College had secured two pilot T-levels • Learner satisfaction – significant improvement in learner satisfaction with 90% of respondents agreeing overall with all statements (compared to benchmark average of 84% and College score of 86% in 2017-18); there was a particular improvement at the Huntingdon campus. <p>Corporation approved the following recommendations made by the Committee</p> <ul style="list-style-type: none"> • the Committee's Terms of Reference
<p>3.3</p>	<p>Matters for decision referred from the Audit and Risk Committee</p>	<p>A Jennings updated Governors on the main discussions from the Audit and Risk Committee held on 13th June 2019, as follows.</p> <ul style="list-style-type: none"> • Internal auditors' completion of subcontracting controls audit, with no concerns raised • Significant assurance on two internal audits – e-learning and curriculum planning • Discussion on the internal audit plan for 2019/2020 based on risk analysis. It was proposed that 8 audits were carried out in 2019/20: ○ Student Records ○ Subcontracting controls ○ International business ○ Information governance and EU GDPR health check ○ Corporate governance & risk management ○ Resource utilisation ○ Enrolments and applications process ○ Attendance monitoring (this was a new suggested audit based on the Committee's assessment of risk) <p>A further joint audit with PRC on iMET (policies and procedures) would be carried out.</p> <ul style="list-style-type: none"> • Agreement to the external auditors' financial planning memorandum <p>Corporation approved the following recommendations made by the Committee</p> <ul style="list-style-type: none"> • the appointment of Haines Watts for a further year as the College's internal auditor for 2019/20 • the revised Whistleblowing policy • the Committee's Terms of Reference
<p>3.4</p>	<p>Matters for decision referred from the</p>	<p>M Doel updated Governors on the main discussions from the Commercial Strategy Committee held on 17th June 2019, as follows</p>

	Commercial Strategy Committee	<ul style="list-style-type: none"> • Status of CRM implementation which was a priority for the next academic year in order to have a more efficient and professional approach • Digital Academy launch in 2019/2020 in partnership with Code Nation, to focus on level 4 cybersecurity and software development, particularly for apprentices and adult learners • Traineeship and Employment Services launch, to focus on provision for the unemployed and delivered primarily in the community. Care would be needed that it did not negatively affect overall success rates and should be monitored by the L&Q Committee • English and maths offer for apprentices, as completion was hindering apprenticeship success rates. A pre-apprenticeship short intensive course was proving successful • International income and contribution target, which remained challenging, in part due to problems with visas for summer school • Nursery at Huntingdon which was forecast to be near break-even in 2019/20 but would continue to be reviewed on a 6-month rolling basis • Progress with the employer engagement strategy and apprenticeship improvement plan, including real improvement in employer satisfaction • Update on iMET, including status of joint venture <p>Corporation approved</p> <ul style="list-style-type: none"> • The Committee's Terms of Reference
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Section 4: Final matters

4.1	Any other business – iMET legal documents	It was noted that legal documents for iMET were expected to be signed at the relevant July board meetings. V Key was authorised to sign documents on CRC's behalf.
4.2	Self-assessment of Governors' performance	Governors agreed it had been a useful meeting. In the future, it could be beneficial to have slides to accompany the financial presentation.
4.3	Any other business	<p>It was noted that L Beddow was getting married over the summer. A card from Governors was presented to L Beddow and he was wished many congratulations.</p> <p>It was noted that it was the last meeting for the two Student Governors. They were thanked for their important contribution to Corporation and wished well for their future studies. The Student Governors confirmed that it had been a rewarding and interesting role.</p> <p>There was a confidential item that was minuted separately.</p>

Summary of Actions

Actions			
Item	Action	Lead	Date
Corporation meeting 22 nd May 2019			

1.4 Matters arising	It was noted that M Dowse had arranged to meet J Lancaster to discuss construction facilities.	M Dowse	Aug 2019
Corporation meeting 2 nd July 2019			
2.2 Financial Forecast	It was suggested that the Commercial Strategy Committee look more closely at the College's international business and barriers to growth at their next meeting.	M Dowse	Oct 2019
2.3 Ofsted framework	It was suggested that a checklist was included as part of the Governor link scheme to aid governors in their interaction with staff and students as part of learning walks or quality meetings.	E Baldwin	Dec 2019

The meeting closed at 20:00.

Signed

Chair