

**Minutes of the Corporation held on 16th December 2020 5:30pm
Virtual meeting**

MINUTES OF THE MEETING

Present Heather Du Quesnay, Chair
 Mark Robertson, Principal
 Tim Arthur
 Judith Coplowe
 Andy Jennings
 Daniele Gibney
 Martin Clapson
 Martin Doel
 Jo Lancaster
 Lynn Morgan
 Raj Kumar
 Paul Gaudin
 Nichola Harrison
 Mike Cole
 Theresa van Ruth (Staff Governor)
 Lewis Beddow (Staff Governor)
 Abigail Houghton (Staff Governor)
 Yeish Mohamad (Student Governor)
 Cordelia Williams (Student Governor)

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

Clerk Emily Baldwin

1. Introduction		
1.1	Declarations of Interest	There were no apologies for absence.
1.2	Apologies for absence	Abby Houghton was welcomed to the meeting as the newly appointed Staff Governor. New Student Governors Cordelia Williams and Yeish Mohamad were welcomed and introduced to the meeting.
1.3	Minutes of the meeting held on 1 st October 2020	The minutes of the meeting were agreed to be a true record and signed by the Chair. Governors asked whether the College's sale of land at Huntingdon campus had resulted in the College securing less COVID funding. The Principal confirmed that this had not been the case. He also confirmed that there had been no further news on the distribution of additional capital funding from national government.

		Governors noted the actions had been completed, including the updates to the Risk Register.
1.4	Governor feedback	<p>Governors gave feedback on their link visits and visits to the College.</p> <p>Mike Cole informed Governors that he had continued to have regular discussions with the Designated Safeguarding Lead Michelle Dowse as part of his Safeguarding Link role.</p> <p>The Chair reported on a productive meeting with CMG, which had involved three Governors. L Morgan agreed it had been a useful and constructive meeting and had been impressed by the positive attitude of staff. The Chair had continued to have had individual conversations with members of SMT and had also had a useful conversation with the head of MIS and Exams.</p> <p>Several Governors had attended SAR meetings. T Arthur had attended the Construction department SAR. D Gibney had attended the HE SAR meeting and had also met the HE Quality team to discuss the development of an HE Strategy. The chair, M Doel and L Morgan had attended the final SAR meeting with the independent consultant Marina Gaze.</p> <p>A Houghton had met with the Ofsted inspection team to discuss safeguarding.</p>
2. Matters referred from Committees		
2.1	Principal's Report	<p>M Robertson introduced the Principal's Report. He drew attention to a number of key developments.</p> <p>The ESFA had stipulated that over 50% of learning needed to be face-to-face. The College was currently running 72% of face-to-face teaching. Adults would be coming back to the College on 4th January 2021. Commercial operations were now open except for the Park Restaurant. The Government were asking institutions to become testing centres, with regular testing for staff and students. It required substantial staffing to resource. There would be some national funding available, but it would not cover all the costs.</p> <p><i>Jo Lancaster left the meeting.</i></p> <p>The local authority was arguing for education in Cambridge to be treated as essential service so all staff could be vaccinated.</p> <p>Student Governor C Williams asked whether students could be used to help administer vaccinations. P Gaudin had experience of the testing equipment and said that it would be possible to train volunteers. The Principal said that he would look into it.</p> <p>The Principal was asked about the possibility of phasing students returning in January. The Principal agreed that he would have liked to consider this, but the DfE were not allowing colleges to do so. Only Level 3 students would have a phased return.</p> <p>In response to a Governor question, L Kerry confirmed that only one staff member remained on furlough.</p>

Enrolments were slightly above target and were ongoing. The College had secured funding for a new course designed for prospective small business start-ups.

Governors said it was important to analyse enrolments to see if the College's market share had increased or if the increase reflected demographics. It was noted that the College had more enrolments in construction in Huntingdon.

Maths and English attendance figures were improving, with most departments now over 80% in Maths. Attendance in Engineering remained disappointing. Governors asked what measures were taken with those departments that were not meeting the threshold. K Da Costa outlined the discussions that were held with those departments that were below target. It was important to hold departments to account for attendance rates. The College was using Microsoft Teams to chase attendance. Attendance in online construction classes was too low, so those students were being brought into College for more face-to-face teaching. There had been incidents of COVID self-isolation amongst groups of supported learners which had also affected attendance rates, despite the College providing online learning for those affected. Study programme attendance was at 91%. Attendance for traineeships was at 93%.

Appointments had been made to both the English and Maths leads. K Da Costa agreed to circulate more information on attendance figures as the data was updated.

The KPIs for 2019/2020 were complete. KPIs for 2020/21 had been expanded at Governors' request, and now included a tab for each Committee. The Chair welcomed the increase in detail for KPIs. She asked for confirmation that apprenticeship KPIs would be populated regularly throughout the year. The Principal confirmed that this would be the case and the first set of data would be viewed in the Spring committee meetings.

Governors asked about the KPI related to staff costs as a percentage of turnover. They asked for more information on why this was high in 2019/20. The Principal set out a number of reasons:

- Income was depressed due to COVID. This was particularly acute at CRC due to its high international income
- The College had considerably more high needs students than the national average (c3x more). The College had additional funding for their particular needs which covered 100% of that staffing cost. When these costs were reduced by 50% to allow for comparison with other colleges, the ratio percentage dropped to 72.3% for 19/20 and 67.9% forecast in 20/21
- Pension costs had gone up significantly, adding an average of c2% to the overall ratio.
- The cost of living in Cambridge meant that some salaries needed to be competitive

Governors also noted that they had made a strategic decision to increase capacity in attendance monitoring, safeguarding and English/Maths in order to target investment in areas that most required improvement.

Governors noted the reasons for the higher staff costs as a percentage of turnover, and agreed it was an important area for continued focus. They asked

		<p>that SMT provide more information in the form of a briefing note which set out the learning support costs, as well as a split between support and teaching costs. They also asked for any information on national benchmarks to be included, together with an explanation on how the College was aiming to reach the target in 2020/21.</p> <p>Governors noted the information on traineeships in the Principal's Report. M Dowse agreed to circulate a briefing note to Governors with more information.</p> <p>It was noted that there was the possibility of using iMET as testing centre.</p> <p>Governors noted the update on the Ofsted monitoring visit, which would likely take place between May and December 2021.</p> <p>The College was preparing for the FE Commissioner visit and further information would be given to Governors participating in the visit in January 2021.</p> <p>Governors <u>received</u> the Principal's Report.</p>
2.2	Risk Register	<p>D Sharp introduced the updated Risk Register which had also been reviewed at the autumn Committee meetings. It had been updated to take account of comments made in those committees.</p> <p>It was noted that the COVID Risk Register had been updated. In response to Governors' discussions, it now included a new risk about staff home working and the actions that had been taken to mitigate the risk.</p> <p>Governors noted the retirement of the Health and Safety Office and asked for their thanks to be passed to J Moody for his long and important service to the College.</p>
2.4	CRC Financial Statements 2019/20	<p>D Sharp introduced the Financial Statements for 2019/20. 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> <p>The final outturn for the year was a loss of £(1,318)k before restructuring of £194k to give a deficit of £(1,512)k. The outturn reflected the significant financial challenges in the year as a result of COVID-19. It was noted that the College had to maintain payment to contracted suppliers under Procurement Notice 02/20 which supported key suppliers in the pandemic. This had meant that cost savings were limited. The College had used the furlough scheme in accordance with the regulations. The Statements also referred to the joint venture iMET which had now ceased.</p> <p>D Sharp explained that the College's Local Government Pension Scheme had been revalued which had resulted in a £9m increase in liability. This had affected the College's bottom line in Income and Expenditure.</p> <p>Governors noted the unusual year and that the final outturn and cash balance was in line with the College's forecast.</p>

The College had benefited from the land sale at Huntingdon which had helped the College's cash balance. Some of the proceeds from the land sale would be used to further capital investment at the College.

Financial health was now at 'requires improvement' in line with forecast.

D Sharp explained that since the papers had been sent to Governors, the ESFA had raised two issues relating to traineeships and apprenticeships as part of its funding reconciliation. In terms of apprenticeships, the College had accrued all income delivered for non-levy apprenticeships on the basis that in all previous years this had been paid following reconciliation of the final funding return for the year. However, the ESFA had indicated that they would not pay for the over-delivery despite apprenticeships being a Government priority. The over-delivery impacted both 16-18 and 19+ by £145k and £410k respectively for the year to March 2020.

In terms of traineeships, the ESFA had indicated that they may claw back funding for the 66 traineeships that the College had not delivered in the lockdown period with a value of £207k.

Discussions were ongoing with the ESFA. The Financial Statements were due to be signed and returned to the ESFA along with the Finance Record by 31 January 2021.

Governors stated their disappointment that these issues had been brought to the attention of Governors at this late stage. T Arthur, Chair of F&R Committee, said that in the future, contract values should be listed in the Management Accounts against actuals. It was important that the College's cashflow model was accurate. Tracking mechanisms needed to be put in place so that the College was aware of any issues at an earlier stage so that the ESFA could be approached earlier. D Sharp confirmed that it had been highlighted to the ESFA.

J Coplowe, Chair of Audit and Risk Committee, said that there had been a clean external audit report, and she would be discussing the matter with the external auditor in due course.

A Jennings asked why this had not affected other colleges to the same extent. The College had grown traineeships quickly and had applied for additional in-year funding. It is the additional funding that the ESFA is asking to return. Up until the point of lockdown, the College was on track to deliver its traineeships as forecast.

M Cole left the meeting.

Governors agreed that approval of Financial Statements and associated documents should be postponed until discussions with the ESFA had concluded. In the event that there were changes needed, the College would set up an Audit and Risk Committee to review the changes and a further Corporation meeting to approve the revised accounts. It was noted that D Sharp had notified the external auditors.

J Coplowe introduced the Audit Committee Annual Report. It included the outcomes of the internal audits that had been carried out during the course of the year. The internal auditor had concluded that the College had in its opinion adequate and effective risk management, governance and control processes.

		<p>The Annual Report was also informed by the external auditor's audit completion report.</p> <p>Corporation received the Audit Committee Annual Report.</p>
<p>2.3</p>	<p>Self Assessment Report (SAR) Performance 2019/20</p>	<p>C Hoyes introduced the Self-Assessment Report (SAR) for 2019/20. C Hoyes outlined the College's key strengths and weaknesses as outlined in the SAR report. It was noted that the SAR had been subject to a validation panel which included an external consultant and three Governors.</p> <ul style="list-style-type: none"> • All ages and all level achievement rate was 87.7%, 1.7% above the national rate • 16-18 all level achievement was 85.7%, 3.1% above the national rate • 19+ all level achievement was 89.3%, 0.2% above the national rate • Poorer English and maths achievements, and the impact of delayed assessment due to lockdown had reduced the overall achievement rates at level 1 • Apprenticeship achievement rates had improved significantly from 51.1% to 66.6% and were now at the national rate <p>Governors noted that due to the impact of Covid-19 on assessment processes there would be no nationally published data sets or performance tables for schools and colleges for 2019/20.</p> <p>The SAR was graded in line with the Ofsted Inspection Framework. Grades were agreed as follows:</p> <ul style="list-style-type: none"> • Quality of Education – 2 • Behaviour and Attitudes - 2 • Personal Development - 2 • Leadership and Management – 3 • Provision types - Provision for young people (2), apprentices (3), adult learners (3) and student with high needs (2) • Overall Effectiveness – 3 <p>The final SAR would be sent to Ofsted, and used as the basis of the College's Quality Improvement Plan for the current year.</p> <p>Governors discussed the gradings that had been included in the SAR. They noted that in a number of areas, such as adult provision, improvements had been made but it was too early to demonstrate the impact of the improvements that had been put in place. Leadership and management had been graded 3 as two of the provision types were graded 3.</p> <p>Governors noted that the Post Inspection Action Plan (PIAP) was carefully monitored by the Quality team, SMT and Governors. It would be important to demonstrate the impact of changes that had been made. COVID had added uncertainty to delivery in some areas. Governors said it was clear there was clarity of purpose and delivery since the Ofsted inspection. Governors had supported management in making clear and strategic decisions to effect change</p>

		<p>such as re-structuring and additional appointments which would take longer to make an impact. This was particularly the case in apprenticeships due to the complexity of the area. Impact was now a key focus of departmental priorities.</p> <p>It was noted that the Ofsted monitoring visit would not give a grade but comment on how the College was progressing in its actions.</p> <p>Governors approved the SAR for 2019/20.</p> <p>The Clerk agreed to amend the rating in the Financial Statements regarding Governance to 'requires improvement' and to circulate a revised paragraph to Governors.</p>
2.5	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 75 formal complaints received in 2019/2020. There was a change in the way complaints were recorded last year. Previously concerns resolved quickly by a department were logged separately as having a 'local resolution'. Recording of complaints was simplified in 2019/20 and the distinction removed. In 2018/19 there were 62 formal complaints, and 63 informal complaints, totalling 125.</p> <p>The highest volume of complaints related to work-based learning, particularly construction and engineering. Issues related to the quality of learning and delays to assessment.</p> <p>There had been an increase in complaints related to staff behaviour as the relationship between HR and Quality team has strengthened.</p> <p>Governors asked about data from other colleges, but it was explained that it was difficult to get benchmarking data on complaints.</p> <p>Governors noted that there had been a limited number of complaints in the lockdown period, which they thought was likely to be unusual. They wondered whether this reflected the commitment of staff in delivering online learning.</p> <p>Governors received the report.</p>
3. Matters referred from Committees		
3.1	Matters for decision referred from the Task and Finish Group	<p>H Du Quesnay updated Governors on the main areas of discussion of the Task and Finish Group which had met on the 2nd November and 8th December 2020.</p> <p>Many of the areas of discussion had already been covered on the agenda.</p> <p>The Group had felt that it had been a useful Group and still had some further work to complete. In particular, it was noted that the IQR on adult learning would be taking place in January 2021.</p> <p>It was proposed that the Task and Finish Group would continue for at least another term. It would look at adult learning, traineeships and follow-up on previous areas that had been reviewed. Any other member of governing body who was interested to join the Group was invited to inform the Clerk.</p>

3.2	Matters for decision referred from the Finance and Resources Committee	<p>T Arthur updated Governors on the main areas of discussion of the Finance and Resources Committee.</p> <p>Governors had already discussed the Financial Statements which had been a major focus of the Committee.</p> <p>In terms of Management Accounts, Governors noted that income was slightly ahead of the budgeted position. Pay costs were higher due to agency costs, and non-pay costs were higher in part due to catering costs.</p> <p>The Committee had reviewed the College's three-year financial forecast. There had been some changes to the income and costs in the forecast, but overall the College's position was as forecast. D Sharp had run sensitivity checks and under all the scenarios, the College remained in a healthy position regarding cash and had no forecast need for the overdraft facility.</p> <p>The Committee had reviewed the Annual Human Resources Report 2019/20. It had been particularly pleased with the data on the reduction in sickness and noted the good work that the HR team had undertaken to support staff with any mental health concerns when home working.</p> <p>The Committee had reviewed progress with the Huntingdon campus refurbishment and were supportive of SMT's plans.</p> <p>Corporation approved the Annual Health and Safety Report.</p>
3.3	Matters for decision referred from the Learning and Quality Committee	<p>L Morgan updated Governors on the main areas of discussion of the Learning and Quality Committee which had met on the 24th November 2020.</p> <p>The main focus of the meeting had been around the SAR which had already been discussed earlier on the agenda.</p> <p>Other areas of discussion included:</p> <ul style="list-style-type: none"> • Review of the Teaching, Learning and Assessment strategy which had been updated with new milestones and objectives. • Review of the English and Maths targets which the Committee had reviewed and considered to be stretching but realistic. • Review of the Annual Safeguarding report, which was comprehensive and gave the Committee assurance that the College was managing well the range and complexity of safeguarding cases in extraordinary circumstances <p>Corporation approved the Quality Strategy and the Teaching and Learning Strategy.</p>
3.4	Matters for decision referred from the Commercial Strategy Committee	<p>M Doel updated Governors on the main areas of discussion of the Commercial Strategy Committee which had met on the 15th October 2020.</p> <p>The main areas of discussion included:</p> <ul style="list-style-type: none"> • Ensuring coordination between the committees

		<ul style="list-style-type: none"> • Noting the impact of pandemic on commercial income, particularly international. It was agreed that ESOL provision would be shown separately from other international provision in the future • Review of the Employer engagement strategy, and details of a new contract with LNER <p>M Doel also said that the Committee felt it would benefit from a new member so invited an interested Governors to contact the Clerk.</p> <p>Corporation approved the Employer Engagement Strategy</p>
3.5	Matters for decision referred from the Audit and Risk Committee:	<p>J Coplowe updated Governors on the main areas of discussion of the Audit and Risk Committee which had met on the 7th December 2020. Main areas of discussion included:</p> <ul style="list-style-type: none"> • Review of the remaining internal audit reports for 2019/20 which included Information Governance (adequate assurance), Attendance monitoring (substantial assurance) and key financial controls (adequate assurance). The Committee were particularly pleased with the assurance awarded to attendance monitoring which was seen as a key area for the College. • Review of internal audit for 2020/21 on Safeguarding (substantial assurance). Governors were pleased with the outcome with only 2 low priority recommendations which had been agreed. • Agreement of the Internal audit plan for 2020/2021. Governors agreed that the plan seemed comprehensive. The plan was reviewed at every Audit and Risk Committee meeting and could change according to College requirements <p>Corporation approved the appointment of Mazars as external auditor for 2020/21.</p>
4 Final matters		
4.1	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"> • Appointment of Abigail Houghton
4.2	Confidential Minutes	<p><i>Student Governors, Staff governors and staff members left the meeting</i></p> <p>Governors' discussion of the Remuneration Committee minutes was minuted separately.</p>
4.3	Self-assessment of Governors' Performance	<p>Governors agreed it had been a productive meeting. They noted the extremely difficult circumstances of the last year and the immense work College staff had carried out in support of their learners.</p>

There was no other business and the meeting ended at 7:50pm.