**SPECIAL MEETING OF THE FULL CORPORATION**

**OF FAREHAM COLLEGE**

5th October 2016

**M I N U T E S**

**Present:** Mr K Briscoe

Miss E Champion

Mr S Christian

Mr N Duncan

Mr P Grimwood

Mr M Hoban

 Mr R Kew (Chair)

 Mrs J Lancaster

 Mr A Ramsay

 Mr A Spires

 Mrs P Tilt

 Ms K Woods

**In attendance:** Mrs E Baxter (Director Finance & Funding)

Mr S Dingsdale (AP/MD CEMAST)

 Mrs J Eayrs (Clerk)

 Mrs A Hinton (Exec Director HR)

 Mr A Kaye (Deputy Principal)

**51/16 Declaration of Interests**

 Members were reminded of the need to declare any personal or financial interest in any items of business to be considered during the meeting. No interests were declared.

**52/16 Apologies for absence**

 Apologies for absence were received and accepted from Mr Hart, Mr Mansergh and Dr Thomas.

**53/16 Minutes of the meeting held on the 29th June 2016**

 The minutes of the meeting held on the 29th June 2016 were agreed as a true and accurate record and were signed by the Chair. There were no matters arising which were not covered elsewhere on the agenda.

**54/16 Confidential minutes of the meeting held on the 29th June 2016**

 The Confidential minutes of the meeting held on the 29th June 2016 were agreed as a true and accurate record and were signed by the Chairman. There were no matters arising from them which were not covered elsewhere on the agenda.

**55/16 Principal’s Corporation Update – Autumn 2016**

 Members of the Board received a Corporation Update from the Principal which provided a brief overview/update in the following areas:

 **The National Landscape:**

* **Devolution** – The Principal confirmed that no real progress had been made regarding devolution since his last report in June 2016 and the whole matter had slowed significantly under the new Government;
* **Post-16 Area Reviews** – The Principal reminded members that the final meeting of the Solent Area Based Review (SABR) had taken place on the 9th June 2016. He went on to say that all the minutes of all the meetings which had taken place to date had been circulated to attendees for validation as part of the evidence that would be provided to Central Government so that a consideration of whether the process had been worthwhile or not could be made. The Principal confirmed that he had received assurance that the final report would not change from the draft report which had already been distributed and the recommendation enshrined within that report remained that Fareham College and Eastleigh College would work collaboratively on a number of projects. He went on to advise members that he had spoken to the Principal from Eastleigh College over the summer vacation period to further explore potential collaborative projects. The Principal concluded by saying that Fiona Wilmot from the SFA would be responsible for overseeing/monitoring (on behalf of Joint Area Review Development Unit (JARDU)) the recommendations arising from the process. Members noted that the formal report, which originally was supposed to have been published in July 2016, had not yet been released for publication but it was expected within the next two weeks and the Clerk would circulate it to members once it had been received;
* **QAA** – Revised Operating Model for HE Quality Assessment – The Principal advised members that, in December 2016, the Corporation would be asked to provide additional quality-related assurances on the quality of the student academic experience, student outcomes and standard of awards. Members were aware that a presentation on the revised operating model would be provided by the Deputy Principal later in the meeting.

Members reviewed four positive aspects and four challenging aspects of the following areas as part of the Principal’s 4x4 reporting format:

* **Finance** – due to be covered in detail elsewhere on the agenda;
* **Quality and Performance**:
**Positive:**
- The aggregate of all qualifications at all levels and all ages showed continued improvement;
- The GCSE maths A-C rate had improved from 18.9% (14/15) to 25.9% (15/16);
- Traineeship outcomes were very good;
- All but 2 of the curriculum areas had a success rate above the national average for their subject.
**Challenges:**
- The GCSE English A-C rate had fallen from 55.8% to 50.5% but was still above national average;
- The English and Maths Strategy had been adjusted to remove Functional Skills Level 2;
- Outcomes for adults was mixed. Overall achievement rate of 84.4% was above national average;
- The timely achievement rate for apprentices had fallen marginally;
* Employer Services:
**Positive:**
- The programme now had 23 candidates on a mix of level 4 and 5 Higher Apprenticeships;
- Apprentice recruitment was up on the same period in 2015/2016;
- New planning for work experience participation in 2016/2017 had commenced positively;
- Traineeships closed for 2015/2016 at 82% positive progression.
**Challenges:**
- SFA allocation and funding changes;
- Apprenticeship Reform;
- Apprenticeship monitoring;
- Sub-contractor management identified for development.
* **Student Recruitment 2016/2017**:
- Full-time Study Programme – **1584** (+34 compared to target of 1550);
- Traineeships – **18** (-57 compared to target of 75);
- Apprenticeships – **612** (-388 compared to target of 1000);
- Higher Education – **199** (-21 compared to target of 220);
- Part-time (funded) – **545** (-105 compared to target of 650);
- Part-time (full cost) – **116** (-184 compared to target of 300);
- Schools – **28** (no target).

The Principal added that, although the student recruitment was not as positive as he would have liked, the College was ‘holding its own’ considering the falling demographic which was not due to recover until 2020. He went on to say that the College was seeking to diversify its income and he provided members with an update on the progress to-date regarding the recent meeting with the UKVI and the application for the Tier4 Licence so that the College could enter the International Student market.
* E-Governance – Members discussed E-Governance and the options available to support better distribution and general productivity of meetings. The Principal provided a brief demonstration of a generic E-Governance package. Members discussed the potential benefits and related costs. In view of the challenging financial position it was agreed that ‘Share point’, which would be free as part of Office 365, should be further explored to ascertain if a suitable E-Governance approach could be replicated.

In addition, the Deputy Principal provided members with a presentation on:

* **Forecast Outcomes for 2015/2016:
- Overall** – 85.3% (+2.3% compared to 2 year diff and +5.2% compared to benchmark);
- **16-18** – 85.4% (+3.9% compared to 2 year diff and +5.9% compared to benchmark);
- **19+** - 84.4% (-2.6% compared to 2 year diff but +2.4% compared to benchmark);
- GCSE entries had significantly increased during the last 3 years. 860 in total;
- Members reviewed GCSE achievement over a 3 year period;
- GCSE A-C rate of all starts 16-18 which had been reported by the Principal earlier in the meeting;
- A-C rate of all starts 19+ during a 3 year period were reviewed and noted;
- Number of entries in Functional Skills over a 3 year period were reviewed and noted;
- Functional Skills achievement over a 3 year period;
* **2016/2017 Recruitment Analysis –** Members reviewed and noted the recruitment trends for 2016/2017 as follows:
- 1517 full-time students at the 42 day point;
- The current year’s target was 1550;
- Apprenticeships last year had totalled 825 and the year had started with 494;
- Apprenticeships in the current year had started at 612 which made the 1000 target more achievable.
* **Apprenticeship methodology changes in April 2017** – The Deputy Principal reminded members of the changes to the funding framework for apprenticeships which were due to come into effect in April 2017. The Chair sought clarification on the Apprenticeship Strategy going forward to effectively mitigate the impact of the significant changes the new funding regime would bring. It was agreed that the Apprenticeship Strategy would be presented at the next meeting of the Board in December 2016.
* **Higher Education** – Members noted that the current HE student numbers were 199 with a target of 220.

Mrs Tilt raised concerns regarding the Early Years course and the fact that numbers appeared to be down. She questioned how well the course had been marketed and the Principal responded by saying that the Early Years course had been marketed as well as all the other programmes offered by the College and that there was a lot of competition for this particular course. He went on to say that the Senior Management Team had reviewed it closely to see if it was sustainable going forward but a three-year exit strategy would be required. Mrs Tilt stated that she was not sure that it was well known that the College offered this programme and she asked whether it could be further promoted. The Principal responded by saying that it could be but it was not clear if there was sufficient interest/demand for it.

The Deputy Principal reported an overall trend of improvement. He outlined areas of strength and areas for improvement as follows:

**Strengths:**

* Outstanding success rates for core aims in the majority of curriculum areas, most well above national averages. Particularly good improvement for 16-18 year olds;
* Improved A\*-C in GCSE Maths, which was now close to national average;
* A\*-C for iGCSE English was above national average.

**Areas for improvement:**

* Too few learners successfully achieved functional skills, particularly at Level 2;
* Achievement of adult programmes was mixed, poor outcomes in English and Maths and Access to HE had brought down the overall adult achievement.

The Deputy Principal concluded by saying that the course average would be reviewed when the College had received the final results. He added that the College was performing above other colleges of a similar type. The Chair questioned whether this message was being marketed to local schools and parents. The Deputy Principal confirmed that it was and the Principal added that reaching the parents to promote this message was more difficult. There was a discussion about the increased numbers taking GCSE English and Maths and whether there was any evidence that the schools were improving their performance when it came to these subjects. The Principal responded by saying that progress was being made and there was more acceptance amongst students that they would have to continue studying these subjects if they did not achieve a grade C during their time at school.

**Members of the Board reviewed and noted the contents of the Principal’s Termly report.**

**56/16 Revised Operating Model for HE Quality Assessment 2016/2017**

 The Deputy Principal provided members with a presentation on the Revised Operating Model for HE Quality Assessment 2016/2017. During the presentation he drew the following to members’ attention:

(i) The Deputy Principal provided members with a brief history of QAA, in particular the fact that in 2012, QAA developed the Higher Education Review (HER) (which replaced the IQER), an external review designed to ensure HE institutions met the threshold standards of the Quality Code (introduced in 2011);

(ii) The Deputy Principal outlined the QAA outcomes for the College since 2011 as follows:
- IQER review in 2011 resulted in only minor actions required;
- HER review in 2015 resulted in 3 of 4 core elements requirement improvement;
- HER revisit in 2016 – successful outcome with Fareham College meeting UK expectations for all 4 core elements;

(iii) The revised operating model for quality assessment had been published in March 2016 which meant that no further HER activity had taken place after July 2016. Members were advised that some providers would be subject to transition arrangements but this did not apply to Fareham College;

(iv) The new arrangements focussed on 2 aims:
- meaningful external scrutiny on areas that mattered to students;
- the reduction of bureaucracy, cost and burden placed on providers and, as a result, the revised model was designed to be proportionate and risk-based;

(v) The 4 to 6 yearly HER cycle was to be replaced with a low-burden annual monitoring process;

(vi) A re-focussed five-yearly HEFCE Assurance Review (HAR) visit to test the basis on which a Governing Body was able to provide assurances about the provider’s activities in this area;

(vii) The Annual Provider Review (APR) would take place for the first time for Fareham College in 2016/2017 and would be the core mechanism for assessing quality and it would be undertaken by HEFCE;

(viii) The College would not be required to supply information that duplicated the assurances already provided to the Skills Funding Agency (SFA)on financial sustainability and broader governance arrangements;

(ix) The full Corporation would be asked to provide assurances about the quality of the student academic experience, student outcomes and the standard of awards;

(x) The APR process was a desk-based review. Members were advised that, additionally to the Corporation assurances, HEFCE would monitor data (submitted in previous years) relating to recruitment patterns, non-progression and non-completion rates, National Student Survey Outcomes, degree outcomes and student employment outcomes;

(xi) As part of the Annual Provider Review, each further education college was required to complete an Annual Quality Assessment return. The Deputy Principal provided members with a sample of the form to be returned and the assurance declarations enshrined within it. He outlined the process for the review and validation of the Higher Education Self-Evaluation Document (SED) as follows:
- 18th / 19th September – Internal SED validation;
- 1st /3rd October – External SED validation (peer review for SED);
- 21st October – HEBoS receives SED and reviews recommendations from peer validation;
- 23rd October – TSC&Q Committee receives externally validated SED and makes recommendations to Chair of Corporation, on behalf of Corporation, to complete Annual Quality Assessment return;
- 1st December – APR deadline for return of AQA return to HEFCE;
- 7th December – retrospective reporting to full Corporation.

 **At the end of the presentation, members of the Board formally agreed to delegate authority to the Teaching, Students, Curriculum and Quality Committee to review the Fareham College Higher Education Self-Evaluation Document (SED) and, having reviewed the SED, to make a recommendation that the Annual Quality Assessment return was completed and signed by the Chair of the Corporation on behalf of the Board.**

**57/16 Draft Year End Results at 31 July 2016**

Members of the Board received a confidential paper on the Draft Year End Results at 31 July 2016. Due to the confidential nature of the contents of the paper, this item is recorded as a separate confidential minute for Governors only.

**58/16 Budget Update 2016/2017**

Members of the Board received a confidential paper on the Budget Update 2016/2017. The Director of Finance and Funding spoke to the paper and reminded members that the Board had approved the 2016/2017 Budget in June 2016 with a £269k operating surplus. She went on to say that since June the non-pay budget allocations had been reviewed in more detail and a number of virements between cost centres had been made to better reflect planned expenditure within the overall non-pay budget heading as outlined in Appendix 1 to the paper. She drew the following to members’ attention:

**Revised Budget Adjustments:**

Members were advised that the revised budget operating surplus would remain at £269k but the following adjustments had been made:

* A budget increase had been made to full-cost work income based on the actual 2015/2016 year end out-turn;
* Depreciation costs had also been reduced by £67k as this had been recalculated based on the year-end position and actual costs charged to capital;
* In addition, based on the 2015/2016 pension finance cost adjustment, the budget had been increased by a further £100k. This had resulted in a reduction of the Historical Surplus from £334k down to £234k in the revised budget.

**In-Year Growth Assumption:**

Members were advised that the level of 16-18 apprenticeship funding included in the Budget was £133k (7%) greater than the College had received confirmation of to-date and adult apprenticeship funding was £100k (17% higher). Mrs Baxter confirmed that the College would be submitting a ‘growth point one’ claim for additional funding from the SFA and, based on the strong performance in 2015/2016, it was anticipated that this would be approved.

**Members of the Board reviewed the contents of the paper and noted the current position.**

**59/16 Corporation Attendance Statistics 2016/2017**

Members of the Board received a paper on the Corporation Attendance Statistics for 2015/2016. The Clerk spoke to the paper and advised members that the figures provided included data related to all meetings (including additional special meetings), calendared only meetings (excluding additional special meetings) and a sector comparison (based on data sample of 101 colleges).

Members reviewed the contents of the paper and noted that, during the course of the year, there had been four full Corporation meetings with the following attendance:

* 23rd September 2015 (special) – 80%;
* 9th December 2015 – 94%%;
* 21st March 2016 – 75% (it was acknowledged that the date of this meeting had been changed from 23rd to 21st March and, as a result, this had affected the attendance);
* 29th June 2016 – 75%.

The mean average attendance had been reported as follows:

* All meetings – 81% (compared to 74% the previous year);
* Calendared meetings only (excluding special meetings) – 81% (compared to 84% the previous year);
* Sector comparison (101 colleges) – 80.44%.

 **Members reviewed and noted the contents of the paper.**

**60/16 Date of next meeting**

 Members noted that, in accordance with the Corporation Calendar approved on the 29th June 2016, the next meeting of the full Corporation was scheduled to take place on **Wednesday 7th December 2016 at 3.30 pm.**