



**CONFIDENTIAL CORPORATION MEETING**  
**5.00pm Tuesday 23<sup>rd</sup> April 2019**  
**BT5, Sussex Rural Business Centre, Plumpton College**  
**MINUTES**

Present: Stan Stanier (Chair), Jeremy Kerswell (Principal), Leeni Lear, Stephen Waite, Bill Pepper, Ruby Franklin-Goddard (Student Governor), Sarah Blake (Support Staff Governor), Mike Atkinson Suzanne Craig, Tim Laker and Helen Key (Co-opted Member)

In attendance: James Hibbert (Deputy Principal), Alison Kent (Vice Principal), Chris Knell (Director of Finance) and Laura Holt (Clerk to the Corporation)

Apologies: Julie Dougill (Vice Chair), John Evans, John Moore-Bick and Sally Kinsey and David Stokes (Vice Principal)

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| <b>GOV/18<br/>19/109</b> | <p><b>Welcome and apologies</b><br/>           The Chair welcomed everyone to the meeting. Apologies were received from Julie Dougill (Vice Chair), John Evans, John Moore-Bick and Sally Kinsey and David Stokes (Vice Principal)</p>   |                |                |
| <b>GOV/18<br/>19/110</b> | <p><b>Minutes of the Corporation meeting held on 19<sup>th</sup> March 2019 and matters arising</b><br/>           Members considered and approved the minutes of the Corporation meeting and Strategic Planning meeting held on 19<sup>th</sup> March 2019 as an accurate record of the meeting. The minutes were signed by the Chair. Members noted the matters arising report. Discussion took place regarding the following:</p> <ul style="list-style-type: none"> <li>• Depreciation rates – Mike Atkinson met with Chris Knell to discuss depreciation rates. Further modelling will take place for consideration by Audit Committee prior to a recommendation being submitted to Corporation.</li> </ul> |                |                |
| <b>GOV/18<br/>19/111</b> | <p><b><u>CONFIDENTIAL</u><br/>Principals Report</b><br/>           The Principal highlighted key points in his report including:</p> <ul style="list-style-type: none"> <li>• <u>Progress against priorities in QIP</u><br/>             Ali Kent advised that 97% of students have received a tutorial in</li> </ul>  |                |                |

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|                          | <p>term 2 and 100% of study programme courses now use Markbook. Animal Management exam pass rates were exceptionally strong and synoptic assessments in Horticulture and Countryside Management were also very good. A new PM for Land based Service Engineering has worked with all employers and students; all outstanding 10 week apprenticeship reviews have now completed. Key appointments have been made in Machinery, Metalsmithing and Motor Vehicle (MMM), with a new Head of Faculty and Curriculum Manager having a significant impact on morale and quality of provision. Discussion took place regarding governor oversight of tutorials and the sensitivity of one to one tutorials which governors would feel comfortable observing. It was agreed that governors could gain a greater insight to tutorials in the following ways:</p> <ul style="list-style-type: none"> <li>○ <b>Action: Julie Dougill to examine the rich evidence base for one to one tutorials through her link meetings with Sam Coles / Rebecca .Doody</b></li> <li>○ <b>Action: Governors to be invited to attend Student voice panel regarding 1:1 tutorials</b></li> <li>• <u>Student recruitment</u><br/>Recruitment for core study programmes for September is strong and initial data suggests that the proportion of internal applications to continue studying in September is higher than this point last year. In year recruitment for apprentices, part time and bespoke employer led training continues.</li> <li>• <u>Budget setting 19/20</u><br/>It was agreed that there would be a more extensive involvement of governors in the budget setting process, over the next three Corporation meetings, in order to provide greater scrutiny</li> </ul> |                |                |
| <b>GOV/18<br/>19/112</b> | <p><b>Recommendations from Committees</b><br/>Corporation noted the meeting summary and draft minutes of the Task and Finish Group meeting held on 26<sup>th</sup> March 2019 and the Audit Committee on 5<sup>th</sup> March 2019. Corporation considered and approved the following recommendations from the Task and Finish group.</p> <p><b>Approved:</b></p> <ol style="list-style-type: none"> <li><b>1. A subsidiary company should be set up as a vehicle for Stanmer’s trading activities, and the café in particular.</b></li> <li><b>2. Company Limited by Shares is the preferred legal structure for the subsidiary</b></li> <li><b>3. Jeremy Kerswell, Chris Knell and James Hibbert should be appointed as the initial Directors of the Company and Laura Holt as the Company Secretary</b></li> </ol>   |                |                |
| <b>GOV/18<br/>19/113</b> | <p><b>Student Union Update</b><br/>Corporation noted the above report.</p>  |                |                |

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| <p><b>GOV/18 19/114</b></p> | <p><b>Personal Development Behaviour and Welfare (inc. Student Disciplinary)</b><br/> James Hibbert outlined key points in the above report including:</p> <ul style="list-style-type: none"> <li>• The number of disciplinary sanctions in term 2 has not fallen as far as in previous years. 39% of all sanctions issued during term 2 were within the Machinery, Metalsmithing and Motor Vehicle division. This situation represents the actions undertaken by a new Curriculum Manager who has provided a greater focus on behaviour management and tracking. This has led to a number of students being issued with a disciplinary sanction that was perhaps overdue.</li> <li>• The number of sanctions triggered by bullying remain low with none issued during term 2. This demonstrates the effectiveness of low-level interventions employed by staff to address such issues before they escalate further and will be significant in the very strong sense of safety enjoyed by the students at college.</li> <li>• An area for improvement arising from the 2017/18 academic year was to increase the effectiveness of First Formal Warnings issued to male students given that a disproportionate number went on to receive a Second Formal Warning. The January YTD position showed good progress against this action with a relatively equal balance in gender at the Second Formal Warning stage and an overall reduction in students progressing to the Second Formal Warning stage. However, this situation has not been maintained and case-analysis work is now underway to inform future CPD for staff.</li> </ul> <p>Governors asked whether there has been a cultural shift within MMM. Management confirmed there had been, the new Curriculum Manager has worked closely with the teaching staff to achieve this.</p> |                |                |
| <p><b>GOV/18 19/115</b></p> | <p><b>Safeguarding</b><br/> Members noted the above report. James Hibbert highlighted key points including:</p> <ul style="list-style-type: none"> <li>• By the end of the academic year it is estimated that there will be a 25% increase in the number of referrals to external agencies, compared to the previous year. This trend is mirrored across the region.</li> <li>• Threatening behaviour is a high focus. A full in-depth review will take place at the end of the year, a common link has been the rise in 14+ students who have more challenging educational histories.</li> </ul> <p><i>Q: Does the college have the capacity to respond to the increased number of referrals?</i><br/> A: Yes there has been a review of SU roles to ensure there is capacity to respond. The team is now fully staffed and an additional Student Support Co-ordinator has been employed at Netherfield. A 'progress coach' pilot is being completed at the moment. The progress coach will work with students on a one to one basis focusing on academic progress and also</p>  |                |                |

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|                                 | <p>provide pastoral support. If this is rolled out next year, this will increase capacity.</p> <p><i>Q: Do you have good visibility of what is happening at other colleges?</i></p> <p>A: Yes through Landex, safeguarding networks and contact with East Sussex College Group.</p> <p>Helen Key advised that secondary schools across the region are reporting the same increasing trend in referrals. The lack of early support from elsewhere is thought to be contributing to the rise in referrals.</p> <p>The Principal reported that East Sussex County Council will be completing a safeguarding audit (Section 175) at Netherfield by the end of term, the results will be shared with Corporation.</p>   |                |                |
| <p><b>GOV/18<br/>19/116</b></p> | <p><b>Monitoring performance: Retention/Attendance/Achievement</b></p> <p>Alison Kent highlighted key items in the report including:</p> <ul style="list-style-type: none"> <li>• Retention 94% against a target of 95%. We are withdrawing students who have not attended for 3+ weeks in a more timely manner this academic year.</li> <li>• Apprenticeship retention is at 80%, a decline on the previous month. This is due to some Vet Nursing apprentices failing the professional practice exams on four occasions, which means they fail the qualification. The best case timely achievement for apprentices remains in the late 70's, which would still represent a significant improvement on last year.</li> <li>• Overall attendance is at 87%, English and Maths attendance has improved narrowing the gap between curriculum area attendance.</li> </ul> <p>Discussion took place around tolerances for the RAG rating. Overall retention at 94% is rated as red against a target of 95%. It would be beneficial to include national figures on the report to provide context.</p> <p><b>Action: Alison Kent to adjust Monitoring performance report to include tolerances and national data.</b></p> <p>Discussion took place regarding electively home-educated students. Alison Kent has written to parents and students outlining the college's expectations regarding attitude to attendance and learning. It may be necessary to cap the number of electively home-educated students to ensure that the college has capacity to manage this cohort. A briefing on electively home-educated students is on the agenda for the next Corporation meeting.</p> |                |                |
| <p><b>GOV/18<br/>19/117</b></p> | <p><b>Finance</b></p> <p><u>ESFA Finance Dashboard</u></p> <p>Members noted the ESFA Finance Dashboard. Chris Knell highlighted key points including:</p> <ul style="list-style-type: none"> <li>• 'Satisfactory' financial rating for the financial record 2017/18, primarily due to the deficit reported for the period.</li> <li>• 'Good' financial rating for 2018/19 based on the budget submitted to the ESFA.</li> <li>• The college has diverse income streams, staff costs (as a percentage of income) are lower than average and total borrowing as a</li> </ul>   |                |                |

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|            | <p>percentage of income is low.</p> <ul style="list-style-type: none"> <li>The cash reserves are limited. Governors asked what the FD would consider a good benchmark for cash reserves. Chris responded one month's payroll. A governor noted that the college had been under the one-month payroll target in 3-4 months, and requested fuller visibility of the cash flow in reports to Corporation to see if pressure points re-occur. The FD responded that a 5 year cash flow had been completed. There is a degree of tightness in August and September, the real pressure points are March and April. By next week the college will be up to date with all payments.</li> </ul> <p>The Principal reported that the low ESFA financial health rating, primarily due to the deficit reported for 2017/18, has triggered early intervention and monitoring by the ESFA. The college will submit management accounts and cash flow forecast on a monthly basis to the ESFA for monitoring. As a result of the ESFA early intervention and monitoring, the college has been referred for an FE Commissioner diagnostic assessment. A two-day visit, by members of the FE Commissioners team, will take place on 6th and 7th June. The assessment is intended to support college governors and leadership in taking the right decisions to secure the future success of the college. The assessment can result in one of three outcomes:</p> <ol style="list-style-type: none"> <li>1. Endorsement of the college's approach</li> <li>2. Suggested actions to strengthen or supplement existing improvement plans</li> <li>3. Escalation to formal intervention</li> </ol> <p>Discussion took place regarding the 'good' rating for 2018/19 being based on the original budget rather than the reforecast.</p> <p><b>Action – CK to calculate the ESFA financial health rating for 2018/19 based on the reforecast budget.</b></p> <p>Consideration was given to calculating an ESFA rating on a monthly basis based on actual figures. It was agreed that this would be too labour intensive to do on a monthly basis due to the ESFA rating not including all college activity and not conforming to FRS102.</p> <p>Governors agreed it is important to monitor the return to 'good' financial health rating in the ESFA report in conjunction with other internal targets and reporting. A 'Good' rating may be achieved without reaching internal targets and Corporation would be concerned about complacency.</p> <p><u>OfS Financial viability and sustainability</u></p> <p>Members noted the letter from the Chief Executive of the Office for Students regarding financial viability and sustainability. Governors noted the need to understand the extent to which demographics are taken into account when planning student numbers in both HE and FE. SMT assured members that a conservative approach is taken with regard to HE number projections, taking trends and local market intelligence in to account. The HE sector is more competitive than it has been before and SMT are aware of the risks to numbers. The demographic in the South East does not follow national trends and the recovery in numbers is slower in the South East.</p> |                |                |

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|            | <p>It was agreed that further discussion would take place when reviewing the curriculum plan in the June Corporation meeting.</p> <p><u>Period 8 Management Accounts</u><br/> The FD highlighted key points from the management accounts including:</p> <ul style="list-style-type: none"> <li>• Expenditure: <ul style="list-style-type: none"> <li>○ Staff costs in March were £3k better than forecast, reducing the year to date deficit</li> <li>○ Non-staff costs in March were £52k better than forecast</li> <li>○ Every 'red rated' budget holder has had a meeting with the FD and Management Accountant.</li> </ul> </li> <li>• Income <ul style="list-style-type: none"> <li>○ Conferencing and events income was one area of the College that wasn't reforecast in December due to staff absence. Year to date this shows a £78k income shortfall however this does not reflect the true phasing of these income receipts with income expected to be within £9k of forecast at year end.</li> <li>○ Apprenticeship income and the delay in payment remains an area of focus. Apprenticeship receipts so far in April at £51k above those for March as the actions taken to clear backlogs with employers levy accounts and East Sussex College Group are resolved.</li> <li>○ Stretch target for income of £100k has been identified and allocated to budget holders and the College continue to hold £200k in contingency.</li> </ul> </li> <li>• Depreciation <ul style="list-style-type: none"> <li>○ Following auditor advice the College has reviewed its depreciation policy for equipment and vehicles and included a net reduction in expenditure for these changes in the December reforecast. Due to technical challenges with Agresso these changes to depreciation were enacted in March with an net impact in line with December forecast but with separate income and expenditure impacts. This results in a net positive gain of £55k in March.</li> <li>○ Capital grant income, the accounting record of grant income received in prior years to fund capital projects, reduces as the corresponding depreciation reducing. This shows as a £91k shortfall in March and a £157k shortfall year to date.</li> </ul> </li> <li>• Cash flow <ul style="list-style-type: none"> <li>○ Advanced Learner Loans have not been fully factored, the increase in our loan allocation of nearly 200k has been approved but will not be released until next week.</li> <li>○ Disposal of Flimwell will provide a cash injection to build reserves.</li> </ul> </li> </ul> <p><u>Accounts system upgrade</u><br/> The FD advised that the college need to upgrade to a newer version of the</p> |                |                |

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|                          | <p>accounts software. This is more than a milestone update. It would be a project to install incurring costs and staff training. The functionality of the system is still supported by the provider, however the version the college is using falls outside of the SLA, so response times are slower.</p> <p><b>Action: Accounts system upgrade paper to be presented to Corporation at a future meeting.</b></p> <p><u>Internal Audit: ESFA Mock Funding Audit</u><br/>Members noted the above report from the Internal Auditors providing limited assurance. SMT were reassured by the degree of challenge and thoroughness of the Internal Auditors. They highlighted some areas for improvement that the college were expecting and others which were unexpected. The findings have allowed the college to implement a number of changes to processes.</p> |                |                |
| <b>GOV/18<br/>19/118</b> | <b>CONFIDENTIAL: Agri-Food Centre project</b>  |                |                |
| <b>GOV/18<br/>19/119</b> | <p><b>Health and Safety Report</b><br/>The Deputy Principal highlighted key points from the above report including:</p> <ul style="list-style-type: none"> <li>• Improved compliance by Managers with returns for term 2 in terms of timeliness and also quality</li> <li>• On 9th April, the Fire Service inspected New Hostel and no significant issues were identified</li> <li>• Key area of risk – Engineering. All staff within the department have received risk assessment training that contained department specific input.</li> </ul>   |                |                |
| <b>GOV/18<br/>19/</b>    | <p><b>Impact of Governance in April</b><br/>Leeni Lear joined a process improvement meeting for Academic Professional Services meeting. All processes were reviewed. This is a major piece of work, improving administration by avoiding duplication and improving consistency. Leeni also had her first Link meeting with the Head of Faculty and Curriculum Manager for Machinery, Metalsmithing and Motor Vehicle where she gained a greater insight in to the major improvement programme for the department. The new Curriculum Manager has had an immediate impact on Health and Safety and general house keeping.</p>   |                |                |
| <b>GOV/18<br/>19/</b>    | <p><b>Any other business</b><br/>The Principal advised that the programme for the Landex Conference (8<sup>th</sup> and 9<sup>th</sup> May) includes elements beneficial for governors.</p> <p><b>Action: Clerk to circulate details of the conference to governors and arrange booking for any governors who wish to attend.</b></p> <p>Meeting closed 7.28pm</p>   |                |                |
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Signed \_\_\_\_\_ Date \_\_\_\_\_