

Minutes of a Meeting of the CORPORATION held on

Wednesday 13 July 2022

Room A34 at 1.15pm – 4.00pm

62/22 DECLARATIONS OF INTEREST

Dr Nick England has completed the work he was undertaking with Island Schools. Professor Nigel Hastings: IOW Education Foundation.

63/22 APPROVAL OF THE NON-CONFIDENTIAL MINUTES OF THE MEETING HELD ON 18 MAY 2022

The minutes were approved as a true record of the meeting.

64/22 MATTERS ARISING FROM THE MINUTES OF 18 MAY 2022

The Acting Assistant Principal (Students, Teaching & Learning and Human Resources) and the Director of Governance are considering amendments to the timetable for the Governor Contact Day scheduled for 26 April 2023 in order to enable the requested additional 15 minutes to each group.

The Acting Assistant Principal (Students, Teaching & Learning and Human Resources) confirmed that the amendments to the wording of the College Charter have been actioned and approved.

65/22 APPOINTMENT OF CHAIR AND VICE CHAIR OF CORPORATION

The Corporation elected Mrs Christine Palmer as Vice Chair of Corporation for the academic year 2022/23. The Chair left the meeting at this point. The Corporation elected Dr Nick England as Chair of Corporation for the 2022/23 academic year. Dr England re-joined the meeting. The Clerk, noting the need for succession planning, stated that there was opportunity for Governors to take on an increased role in any committees.

66/22 FINAL CALENDAR OF CORPORATION MEETINGS 2022/23

The Clerk informed Members of changes made to the draft meetings calendar. A final version would be circulated following the meeting.

The Corporation APPROVED the Calendar of Corporation meetings for 2022/23.

67/22 APPOINTMENT OF GOVERNORS

The Corporation APPROVED: (1) Appointment of Mr Tony Eysle for a 4-year term from 1 August 2022 to 31 July 2026; (2) Appointment of Mrs Zoe Brookes as the Support Staff Governor for a 2-year term, from 1 August 2022 to 31 July 2024. The Chair thanked Mr David Hodgkins for his service as Support Staff Governor on completion of his second term.

68/22 CHAIR'S BUSINESS/ RATIFICATION OF CHAIR'S ACTION

The Chair welcomed the letter to the Principal received from the DfE confirming zero Match Funding Contribution to the FE Capital Transformation project. A draft Memorandum of Understanding (MOU) received from the DfE had been circulated to the Capital Committee and was recommended for approval in principle subject to the additional information required. It was noted that additional information would need to be completed in the draft and that the MOU would need to be signed by the Principal and the Chair of Corporation. The Corporation APPROVED the Memorandum of Understanding. The Chair noted the visit to UKSA as a valuable learning opportunity, and the positive Annual College Awards Day held 8 July 2022.

69/22 BUSINESS CONTINUITY PLAN

The Business Continuity Plan had been circulated to Members previously and comments and queries invited. It was confirmed that comments received from a Member had been addressed. The Corporation APPROVED the Business Continuity Plan.

70/22 ESFA TWO YEAR FINANCIAL FORECAST

The Director of Finance & Curriculum Planning presented the two-year financial forecast. The College is required to provide a financial forecast (the CFFR), commentary (and monthly cash-flow) to the ESFA, by the 31st July. The plan has to be approved by Corporation, and signed off by the Principal. Key points to note in the financial forecast include: The forecast includes: the 21/22 outturn for the year (forecast surplus of £242k). 2022/23 forecast (which becomes the budget for next year) – surplus of £191k.

2023/24 forecast – surplus of £222k. All years generate a financial health of good (based on the existing financial health – calculation is not changing for 2022/23 – and is still being reviewed). All banking covenants will be satisfied for each year of the plan. (In 2022/23 the impact of Erasmus payments must be excluded to achieve the cashflow covenant – which has previously been agreed with Lloyds). A healthy cash surplus remains, giving 3 months cash-flow. Key budget assumptions include: The additional allocation for the new T level qualification, and income as a result in the increase of 40 hours. Other income streams are forecast in line with 21/22, showing no growth on that year. Pay has been forecast based on a detailed calculation of the existing establishment list (including vacancies, adjustments and known leavers). Non-pay includes additional costs for utilities (we have seen increased cost in 21/22), and a 10% allowance for inflation. We have also included predicted Erasmus spend for 2022/23, as well as a predicted repayment of unspent funds, in both 22/23 and 23/24. Within the commentary is a summary table of the key financial risks and sensitivities. There are some key income streams not included in the forecast, and these are: International full cost income (£275k in 18/19, £91k in 2019/20: estimate of 50% contribution). Full cost spend (22/23 budget of £111k – but actually, we now have £175k for the year to date (June this year): again assume 50% contribution. Income generating activities ie hair and beauty salons: £21k this year to date. SDF2. Maths project. In response to a Member query, the Director of Finance & Curriculum Planning confirmed that there was significant headroom on covenant. A Member queried the surplus and whether this was a problem. The Principal confirmed that there would not be a surplus at financial year end as some spending had been brought forward and the pay award was to be implemented before year end. The Corporation APPROVED submission of the financial forecast to the ESFA.

71/22 MONTHLY FINANCE REPORT

The Director of Finance & Curriculum Planning presented the monthly finance report. Key points to note: (1) The management accounts report the ACTUAL position for the 11 months to date (to June). (2) As we always do, we are reporting the position against the budget agreed in July 2021. We are currently showing an operating surplus before structuring costs of £547k (versus a budget surplus of £67k), which is a £480k FAVOURABLE variance. (3) This has been driven by the following key items: INCOME: Both Apprenticeship income and High Needs income for the year to date are higher than budget, which has been incorporated into the latest estimate. Full cost income for the year to date of £174k. As previously noted, full cost income wasn't included in the budget submission. (4) PAY – Pay costs for the year are showing a £159k favourable variance for the year. This is mainly due to non-recruitment of budgeted vacancies (although some posts are covered by temporary staff, leading to higher non-pay costs). The pay increase has been actioned, and is factored into the years' costs. (5) NON-PAY – Non-pay costs are showing a £419k adverse variance to budget, and there are several key reasons for this: Direct learning costs are £181k higher than budget for the year to date (which will also partially offset the favourable pay variance). Higher energy costs are £130k higher than budget for the year to date. Non-pay costs have been revised for the latest estimate, and we are forecasting additional non-pay spend for the year on repairs, which should come through for July. (6) BALANCE SHEET – key items include: DEBTORS - total debtor days stand at 105 days, compared to 106 days in June 2021. (The June 2022 debt includes an outstanding balance of £169k for the SDF project). CASH – the total cash balance is £6.5m, of which £5.1m is college own funds (excluding Erasmus funds, unspent project monies including SDF and T levels). In June 2021, college own funds totalled £4.6m. COVENANTS – as noted before, the covenants are only measured by Lloyds on the 31st July. If it were based on June actuals, all covenants would be met, with some very healthy head-rooms. FINANCIAL HEALTH – the current financial health of the college (based on a years' rolling income) would be OUTSTANDING at 250 points. (In June 2021, the equivalent points were 230 points, giving a financial health score of good.) (7) LATEST ESTIMATE – The most recent estimate (used for the year's outturn in

the financial forecast) shows a healthy operating surplus of £243k, which would result in a financial health of Good. The Corporation CONSIDERED the report.

72/22 AUDIT COMMITTEE MEETING REPORT: JUNE 2022

The Audit Committee had met on 15 June 2022 and had received and considered a number of reports which the Committee recommended for approval by the Corporation.

The Corporation APPROVED: (1) The External Audit Planning Memorandum 2020-21; (2) The Accounting Policies and Procedures; (3) The Financial Regulations and Procedures.

73/22 TUITION & OTHER FEES POLICY (INCLUDING FEE REMISSION)

The Corporation APPROVED the Tuition & Other Fees Policy (including Fee Remission) for 2022/23.

74/22 2022/23 PARTNER CONTRACTS: PLATFORM ONE/ UKSA

The Deputy Principal presented the report on proposed partner contracts for 2022/23. She reported that GKN, a longstanding partner, has requested that 18 of their new apprentices participate in a programme to develop behaviours with this learning provider. It was confirmed that due diligence had been undertaken for all proposed partner contracts and were recommended for approval by Corporation. In response to a query from a Member, the Deputy Principal confirmed that Skern training would not make any award rather the training was necessary to fulfil criteria under a new subcontracting standard. The training was part of the national behaviour framework for GKN. A Member asked what quality assurance would need to be put in place by the College as part of Self-Assessment Review (SAR). The Deputy Principal responded that this was not necessary. Following a further question from a Member, the Deputy Principal confirmed that in the event of inadequate performance on the part of Skern training, the College would hold a joint responsibility with GKN to rectify.

The Corporation CONSIDERED the report and APPROVED the partner contracts with Platform One, UKSA, and Skern training.

75/22 RE-APPOINTMENT OF EXTERNAL AUDITORS (CONFIDENTIAL)

with the approval of the meeting the agenda was taken out of order.

76/22 HEAD OF DEPARTMENT REPORT: ACCESS TO HE

Ms Vicky Egerton joined the meeting at this point and presented the departmental report on Access to Further Education. The provision had been graded 2 in the 2020/21 SAR and this had been maintained in 2021/22. There was good retention on the 14-16 provision (93%, an increase of 3% from 2020/21). There were high expectations for student behaviour and attitudes, and all teachers were suitably qualified to teach across the range of GCSE subjects provided in the provision. Action had been taken to address satisfaction rates in the learner survey and student satisfaction had increased. Student numbers on the GCSE programme were growing but all learners had specific requirements to fulfil with the local authority before they could join the course. Students could only be accepted on the programme following a referral by the Lead Officer for Elective Home Education (LOEHE). The LOEHE is responsible for ascertaining that the students fulfil the requirements for elective home education under section 7 of the 1996 Education Act. The College are clear that this was not an alternative provision to mainstream schooling and that education provided by the College was subsidiary to home education. The Principal confirmed that there is no marketing of this provision and that the provision exists to meet local community needs. The Corporation CONSIDERED the report. Ms Egerton left the meeting at this point and the meeting reverted to the agenda order.

77/22 PRINCIPAL'S REPORT

The Principal presented her report outlining the following:

The ONS college classification review was expected to be completed by September 2022. The WorldSkills UK report - *Wanted: Skills for Inward Investors* – an important conclusion of which is that the UK needs a world-class skills economy to compete effectively for international investment and to make sure that the investment and high-quality jobs it brings go to more parts of the UK.

A summary update on Capital projects, a detailed report had been submitted to the Capital Committee. Members were advised that it was important to note that any underperformance in numbers would be written into legal agreements and that this would require close monitoring. A report of news from around the College included confirmation that the College's application for Turing Scheme 2022/23 funding had been successful.

The Work-Train Charity Shop, located within the College, and supported by donations and purchases by staff and students has raised £1000 for local charity Daisy Chains.

Feedback from the Staff survey 2020/21 had helped to inform a recent campaign – *You Said, We Did* – to update staff on actions that have taken place as a direct response to their comments and suggestions. The Principal informed Governors of the death of staff member Mr Derek Kingsland. Mr Kingsland's contribution to the College and to the Capital Committee was acknowledged. A memorial garden has been created and is dedicated to the memory of students and staff who have passed away in the last year.

Professor Nigel Hastings left the meeting at this point having declared an interest in the following item. The Principal informed Governors of the Consultation about Isle of Wight Education Federation (IWEF) schools and asked whether the Governing body would wish to respond collectively. In response to a query from a Member, the Principal confirmed that the proposed merger did not present a risk to the College as the educational offer differed and the institutions were not in direct competition with one another. The Corporation declined to submit a collective response to the consultation. Professor Hasting re-joined the meeting. The College Business Centre was opened on 30 June 2022. A Member queried how well this was attended and whether there was any concern regarding potential take up of the Business Centre. The Principal stated that many local employers had already attended the Skills Lab event and she was not concerned regarding potential take up. A Member suggested offering trainer talks to add value. The Corporation CONSIDERED the report. The Assistant Principal (Curriculum) joined the meeting at this point.

78/22 RISK REGISTER/ SUMMARY OF HIGH-LEVEL RISKS

The Assistant Principal (Finance & Resources) reported on an update of the Risk Register which had focused primarily on reviewing financial risks. Three risks had been elevated in scoring. A Member asked whether there was a risk that if canteen prices increased usage would fall? The Assistant Principal (Finance & Resources) responded that he was working with Aramark on pricing options. There was a risk but with the College's own subsidy this risk was reduced, he said, adding that an option for consideration would be to mitigate by increasing the value of free College meals with any tariff increase. Inflation rises and increased utility costs had been considered and risk scoring adjusted accordingly. In response to a Member query on overall inflationary rate, the Assistant Principal stated that the AoC recommended planning for an overall inflationary rate of 9%.

A Member asked regarding any pension fund risks. The Principal confirmed that the vast majority of staff were members of the Local Government Pension Scheme and that the College did not run its own pension scheme.

A Member queried whether the cost of living crisis would present other risks for the College for example from students struggling with the costs of transport to College, using a laptop at home, or purchasing food in the canteen. The Acting Assistant Principal (Students, Teaching & Learning and Human Resources) stated that there was an historic bursary underspend that could be used. The threshold for annual household income at which financial support could be accessed through bursary has increased from £24k to £27k. The Principal assured the Governors that she had confidence that the Student Support team would be aware of need and that this area would not be neglected. She confirmed that practical support has been provided to students in need including for clothing and referral to the Foodbank where necessary. The Corporation NOTED the updated Risk Register.

with the approval of the meeting the agenda was taken out of order.

79/22 GDPR POLICY

Ms Dawn Smart, Data Protection Officer, joined the meeting at this point and presented a report on the College's Data Protection (UK GDPR) Policy. Ms Smart outlined revisions to the Policy since its creation in 2018. It was agreed that the Policy should come to the Audit Committee and the Corporation on a regular basis and at least with every 3-yearly review of the Policy. The Policy was next due for full review in August 2024. A review of policy and compliance of information management was completed by the College's internal auditors on 20 April 2022. The report stated 'there is a generally sound system of governance, risk management and control in place'. A Member asked whether there had been any significant data breaches and Ms Smart confirmed there had not and that all breaches were self-reported. Mandatory GDPR training for all staff was in place and required to be updated every 3 years.

The Corporation APPROVED the Data Protection (UK GDPR) Policy.

Ms Smart left the meeting at this point and the meeting reverted to the agenda order.

80/22 COLLEGE HIGH LEVEL PIs AND TARGETS

The Deputy Principal presented the report on the monitoring of high level performance indicators (PIs) for 2021/22 and the setting of high level PIs for 2022/23. She provided a progress report on the monitoring of the current academic years indicators and outlined indicators assessed as red or amber in a RAG rating. The PIs rated red relate to 19+ functional skills maths retention, number of apprentices out of funding, GCSE English and Maths and functional skills English attendance, student satisfaction with the teaching of English, delivery against adult education budget funding allocation, and 16-18 student numbers. The PIs rated Amber relate to retention in functional skills English (16-18/19+) and Maths (16-18), overall attendance, satisfaction with the teaching of Maths, retention of looked after children, retention of 16-18 students on a bursary, and retention of 16-18 students with high needs.

A Member asked if there had been an impact on the College from the tutor assessed grades of the last 2 years. The Deputy Principal confirmed that this was a factor.

The Deputy Principal outlined the proposed changes to PIs for the academic year 2022/23. These included adding 16-18 retention as a separate measure, and employer feedback (apprenticeships) as part of the new apprenticeship accountability framework. Indicators to be removed included ALPs grades as there were too few qualifications with a nationally calculated ALPs grade, and English and Maths progress measures as the DfE are unable to produce an English and Maths progress measure for the next 3 years as they will not use prior attainment from qualifications achieved between January 2020 and August 2021. The Deputy Principal noted the need to consider the performance monitoring of T levels.

A Member noted the phenomenal number of PIs and asked if this was standard across the sector. The Deputy Principal responded that the number had been streamlined in the past but that she felt it was important to include indicators related to information in the public domain that Governors could be challenged on. The Principal advised the Governors to focus on those indicators currently rated red.

A Member queried whether there were any indicators related to staff. The Deputy Principal responded that staff utilisation was included but not staff satisfaction as this was reported elsewhere.

The Corporation CONSIDERED the report and APPROVED the High Level Performance Indicators for 2022/23.

81/22 PAY POLICY FRAMEWORK/ PAY RECOMMENDATIONS

The Remuneration Committee had considered the report at its meeting on 15 June 2022 and recommended the pay recommendations for approval by Corporation. Due to the need to fully process changes in the current pay year, Corporation members had given approval by email on 17 June 2022.

The Corporation RATIFIED the following amendments to the pay framework:

- i. To introduce an additional increment (APXX09) for each job family at AP04 and above at a cost for 2021/22 of approx. £120,000.
- ii. That Remuneration Committee are asked to approve a pay increase of 3% for Senior Post-holders / senior management posts. The 3% increase is the equivalent to the additional increment for all other job families and will be subject to the same criteria for implementation.
- iii. The additional increment will be phased in over 2021/22 in three stages as detailed in paragraph 5.1.
- iv. To reduce the overlap between job families by deleting the lowest increment (APXX02) for each job family at AP05 and above.
- v. From 1 April 2022, to increase the pay rate by 3% for AP01/AP02 from £9.50 per hour to £9.79 per hour. AP0406/AP0407 will also be increased from 1 April 2022 to match £9.79 per hour with an in year cost of £8,000 and £22,000 pa.
- vi. From 1 August 2022 to increase the pay rate for AP01/AP02 to £10.00 per hour.
- vii. From 1 August 2022 to introduce a two-point job family for AP04 at £10.25 and £10.52 per hour to retain pay differential and maximise pay competitiveness. Points vi and vii would cost approximately £40,000 pa.
- viii. To remove AP0503 to AP0505 from 1 August 2022 to reflect the increase in rates for AP01 to AP04 and to retain an element of pay differential.
- ix. To note that all of the above proposals have been subject to financial analysis and are included in the financial forecast for 2021/22 and 2022/23 and are confirmed as affordable.

82/22 FINAL QUALITY OF TEACHING & LEARNING REPORT INCLUDING EFFECTIVENESS OF IMPROVEMENT MEASURES

The Acting Assistant Principal (Students, Teaching & Learning and Human Resources) presented the teaching, learning and assessment report. 109 observations of teaching, learning and assessment had been conducted. Emerging strengths remained consistent and there were no significant areas for improvement. There was a slight increase in the number of staff rated as amber but there were clear reasons for this, for example being new to teaching or teaching in a different area of the College or teaching different learners. Following a question from a Member, the Acting Assistant Principal confirmed that termly teaching and learning reviews were in place, and quality assurance was undertaken through action planning. There would be concern if at December 2022 scheduled meetings any staff remained at amber. A Member argued that as each student matters that damage could be done to learning and outcomes with even a very small number of staff at risk of a red rating. The Principal assured the Governors that significant effort was being undertaken to rectify.

The reporting on assessment and internal quality assurance noted programmes at medium and high risk. A Member asked for more detail on a case of maladministration during a test, and the Principal outlined

that this related to a digital skills test allowable on PC but a screen shot showed that other tabs had been available. She assured Governors that this had been dealt with and assured Governors that there was no suggestion that there had been an attempt to manipulate the assessment. The Corporation CONSIDERED the report.

83/22 DIGITAL ENGINEERING AND MARINE CURRICULUM STRATEGY

The Assistant Principal (Curriculum) presented the draft Digital, Engineering and Marine Curriculum Strategy 2022-2025. It represented a road map and there had been mapping of the skills needed by local employers. The impact of the new Solent Freeport was noted. The report considered areas of deprivation on the Island and lower educational achievement compared with the rest of the south east. It was noted that students studying digital, engineering and marine curriculum mainly come from the east, north, south and central Wight meaning that College teaching programmes in this area cover areas of significant socio-economic deprivation. The report sets out curriculum priorities and skills considered vital in this area.

Members discussed the new development at Fawley for which a new hi-speed link was expected and whether there would be potential additional opportunities for apprenticeships. The Principal responded that it was important to ensure that the College was not operating on 'someone else's patch'. The Assistant Principal (Curriculum) noted that whilst the College did not focus on maritime curriculum which was delivered by UKSA but that broader manufacturing opportunities were relevant.

A Member queried whether small businesses were included in the strategy? The Assistant Principal (Curriculum) responded that it was harder to engage with small businesses as the time of small businesses was limited however the new Skills Lab employers' forums could start to bridge and provide more opportunities for engagement. A Member offered to assist with access into the Freeport. The Corporation CONSIDERED the report.

84/22 SAFEGUARDING TERMLY REPORT

The Safeguarding Termly report had been circulated to Governors and the Acting Assistant Principal (Students, Teaching & Learning and Human Resources) was available to answer questions.

A Member expressed concern about the growth of self-harm and bullying acknowledging that tracking was new for self-harm and cases of bullying were low, and asked what could be done to educate students regarding harmful sexual behaviour. The Acting Assistant Principal (Students, Teaching & Learning and Human Resources) responded that work would be undertaken with students in this area as part of the additional student hours being put in place. There would be sessions covering harmful sexual behaviour, online safety, low level relationships, healthy attitudes, language and stereotyping. The College was working with the Charlie Waller Trust regarding supporting young people around mental health. A future Governor Update would focus on safeguarding and harmful sexual behaviour. The Corporation NOTED the change of Designated Safeguarding Lead (from Mr Roland White to Mr David Hodgkins). The Corporation CONSIDERED the report.

85/22 ANY OTHER NON-CONFIDENTIAL BUSINESS

There was no other non-confidential business. The Chair thanked the Principal at her last meeting for her role as Principal and Governor and her honesty, openness and transparency that had assisted the work of the Corporation.

All staff members except the Principal, Clerk, and Director of Governance left the meeting.

86/22 DATES OF NEXT MEETINGS

- Wednesday 28 September 2022: Capital Committee, 14.15-15.30; Governor Updating Session, 16.00-17.30
- Wednesday 12 October: Audit Committee, 1200-1330; Governor Self-Assessment, 14.00-15.30; Corporation 16.00-18.30.

87/22 DRAFT REMUNERATION COMMITTEE MINUTES OF 8 JUNE 2022 (CONFIDENTIAL)

The Principal, Clerk, and Director of Governance left the meeting at this point.

88/22 ANNUAL REVIEW OF THE PRINCIPAL (CONFIDENTIAL)

89/22 TARGETS FOR DIRECTOR OF GOVERNANCE (CONFIDENTIAL)