

NORTH HERTFORDSHIRE COLLEGE FURTHER EDUCATION CORPORATION

Minutes of a meeting of the Corporation Board of North Hertfordshire College, held on Monday 3 April 2017 in the Airbus Foundation Discovery Space, Argyle Way, Stevenage.

PRESENT

Richard Alberg (Chair)
Lynne Ceeney (Vice-Chair) from Item 3
Nick Chesher
Matt Hamnett (Principal/CEO)

Vernon McClure
Jeremy Newman
Ruth Orpwood

IN ATTENDANCE

Kit Davies (Deputy Principal, NHC)
Paul Harte (Group Finance Director)

Drew Thomas (Interim Corporate Services Director)
Robert Dale (Clerk to the Corporation)

WELCOME

The Chairman thanked Nick Chesher for arranging to hold the Board meeting at the Discovery Space and for the pre-meeting tour of the facility.

ITEM 1A: APOLOGIES FOR ABSENCE

- Apologies for absence had been received from Jo Charles, Sam Coath, Paul Holgate, Rob Irving, and Peter Johnston.

ITEM 1B: DECLARATIONS OF INTEREST

- Richard Alberg repeated his previous declaration in respect of Corndel Ltd, a business operating in the apprenticeship market.
- Vernon McClure had become a director of Letchworth Sports and Tennis Club; there was a risk of a conflict of interest with the Group's Fit4Less subsidiary.

ITEM 1C: MINUTES OF THE PREVIOUS MEETING

- Minutes of the meeting held on 6 February 2017 were signed as an accurate record of proceedings.

ITEM 1D: MATTERS ARISING/ACTIONS

Actions had been addressed as follows:

- Distribute Hart L&D papers separately. **Action in progress.** Governance changes were proposed for the Board of Hart Learning & Development Ltd.
- Circulate information about the number of staff in Corporate Services. **Action pending.** The information would be circulated with the minutes.
- Explain data included in the Governor Handbook to Paul Holgate. **Action complete.** Kit Davies had gone through the data after the last meeting.

ITEM 2: RATIFICATION OF RESOLUTION PREVIOUSLY CIRCULATED

- A paper seeking the Board's agreement to recommendations arising from the Area Review process had been circulated. **The Board confirmed** that it had endorsed the recommendations in respect of North Hertfordshire College.
- The Report was being prepared for publication. Andrew Simmons (who had taken part in the Review for the local authority) would join the Board at its next meeting.

ITEM 3: CHIEF EXECUTIVE'S UPDATE

- The paper provided an overview of the current position, which was encouraging, and showing strong signs of progress.
- The Group was on track to hit its business planned financial outturn this year – though this included 'unearned' income relating to NHC student recruitment for the year, and a forecast shortfall in the Hart L&D outturn. Cost control measures had been successfully implemented to protect the overall forecast outturn

Question: *What was the background to the forecast shortfall at Hart L&D?* Given the level of growth forecast, a shortfall of £250k was not considered to be a fundamental problem – though the risk of a further shortfall was being closely monitored.

Question: *Were Hart L&D signing client contracts at the required rate?* Barchester had signed in March; others from the current pipeline were expected to sign before summer.

- After considering investment priorities through the Area Review process, we are discussing with the Herts LEP the prospect of them providing grant and/or loan support that would enable us to invest in facilities for priority sectors including health and engineering – plus the planned refresh of our tech infrastructure.
- Recruitment was being undertaken for a Chief Operating Officer. This appointment would facilitate a small number of other changes in the Group's senior management team, planned for when Lucy Hann takes maternity leave in August. James Sowray will act as MD of Hart L&D and Kit Davies as Principal of NHC whilst Lucy is out of the business. As we move into 2017/18, Matt will focus on strategic development, including business development in Hart L&D.

Question: *How will we prepare an IT strategy and manage the necessary interdependency with the estates strategy?* We will commission a third party to help us prepare an outline strategy that we can test with prospective delivery partners; we will manage the interdependency with work on the estates very closely.

Question: *What is the latest position on Fit4Less?* Discussions are ongoing with SBC about possible changes to our tenancy agreement. We are also in legal correspondence with the franchisor to agree a way forward on the franchise agreement; we are confident that we will not be required to operate the franchise for a full five-year term.

ITEM 4: 2016/17 CURRICULUM QUALITY IMPROVEMENT UPDATE

- The Board's attention was drawn to feedback received from Ofsted's support and challenge visit. We should be pleased with the outcome of the visit, which validated action being taken to improve curriculum quality. There is more to do before re-inspection – particularly at the ECC, in Business & Travel and Creative Arts. All areas are receiving focussed support to make the improvement needed.

- Paula Heaney – who was until recently the lead HMI for our region – has been engaged to provide ongoing challenge and support to curriculum areas, and senior managers, as we drive for improvement.

Question: *What are the implications of Government policy changes to maths and English?* We await detailed guidance from Government on what will be required of students taking GCSEs under the new grading framework this summer. It will be difficult to plan September 2017 given current uncertainty on the requirement, and until we see the distribution of student attainment under the new grading system.

Question: What is the process for responding to feedback from governors' learning walks? Feedback from learning walks is collated by the Quality team, and fed into established processes for monitoring actions i.e. performance boards and quality improvement plans. Where governors would like to be kept informed of progress against an issue or agreed action, they should discuss this with Kit Davies.

Question: *Could governors just 'pop in' to sites unannounced?* Yes – though they should speak to the Quality team or relevant campus Director on arrival so that their visit can be managed without disruption to e.g. exams.

Question: *Were mock interviews offered to students?* Yes, this was part of the Bridge tutorial programme. Ofsted commented positively on this aspect of our provision at inspection and we are keen to extend it as a strength going forward.

ITEM 5: ANNUAL REVIEW OF SAFEGUARDING POLICY

- The updated Safeguarding Policy reflected current best practice advice; amendments made to the present version were identified in the cover paper. A full report on Safeguarding would be provided later in the year, with support from Emma Masters, the Designated Senior Person.

Governors approved the amended Safeguarding Policy.

Actions: Place the revised Policy on the NHC website.

ITEM 6A: HART LEARNING AND DEVELOPMENT GOVERNANCE PROPOSAL

- The paper proposed enhancing the governance arrangements for Hart Learning & Development Ltd (formerly Protech Training Services Ltd). Governors asked:

Question: *How attractive would an unpaid non-executive role on a subsidiary body be to somebody not already serving on the Board?* The intention had been to mitigate the call on Board members' time, all of whom currently had other responsibilities. However, further recruitment to the Board – to be pursued by the Search Committee – would create extra capacity. Members did not want to pay non-executive directors, though their views might change were the business to grow substantially.

Question: *Was the change in governance intended to make it easier to spin off the business?* No; the business was expected to provide a return which could be used to support the Group's charitable beneficiaries and it made no sense to plan for disposal. Investment opportunities might arise in the future, though.

Question: *Was the proposed frequency of meetings adequate?* This was a complex business and the Board would need to include people with an understanding of apprenticeships; the frequency of meetings would be kept under review.

The Governors approved the governance proposals in principle, with the new Board to be chaired by Ruth Orpwood, supported by one more non-executive member drawn from the Corporation, and three executive members.

Action: Establish the new Board and plan a calendar of meetings.

ITEM 6B: UPDATING THE GROUP LEGAL STRUCTURE

- The proposal was to introduce two extra subsidiary businesses, to accommodate group corporate services and agency workers. Governors asked:

Question: *How would the different businesses account for services given and received?*
We will continue to operate on the basis of gross margin/contribution as the prime focus with agreed, block, corporate overhead charges; this would avoid a distracting cross-charge culture.

Question: *Had VAT implications been explored?* This needed some further work, to be completed alongside legal work.

Governors approved the proposed approach subject to the completion of further work on VAT.

ITEM 7: ANY OTHER BUSINESS

Governor engagement

- Governors were willing to participate in presentations on matters in which they had expertise or experience.

Action: Review Governor biographies to identify potential ‘specialisms’.

ITEM 8: DATE OF NEXT MEETING

- Monday 5 June 2017, at NHC Hitchin, starting at 18.30.

ITEM 9: INSOLVENCY REGIME FOR COLLEGES

- The paper briefed governors on the forthcoming introduction of an insolvency regime for FE colleges. It would be increasingly important to monitor the financial position of colleges in future to avoid the risk of trading when insolvent, although these duties were very similar to the duties of charitable trustees and should not materially alter the risk profile for individual governors.

ITEM 10: PROPOSED CALENDAR OF MEETINGS 2017/18

- The Board endorsed the proposed schedule.

Action: Issue diary appointments for the proposed dates.

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Signed – Chair of Governors

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Date

CORPORATION ACTION LOG

Meeting	Minute Reference	Summary of Action	Lead/timing
03/04/17	5.	Ensure that the revised Safeguarding Policy is placed on the NHC website.	Robert Dale 21/04/17
03/04/17	6.	Establish the new Hart L&D Board and plan a calendar of meetings.	Ruth Orpwood/Robert Dale 28/04/17
03/04/17	7.	Review Governor biographies to identify potential 'specialisms'.	Kit Davies 28/04/17
03/04/17	10.	Issue diary appointments for the proposed Board meeting dates.	Robert Dale 28/04/17