

Item	Report	Appendix	Lead	For
3.1	Opening of Meeting and Apologies for Absence	Verbal	Chair	Information

### Training

3.2	Prevent Training – 1 hour duration Led by Mr Alamgir Sheriyar, Prevent Regional HE/FE Co-ordinator			
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### Procedural Matters

3.3	Declarations of direct or indirect interests in any of the agenda items and Register of Interest	3.3	Chair	Information
3.4	Appointment of Chair of Corporation	3.4	Clerk	Decision
3.5	Appointment of Vice Chair of Corporation	3.5	RR	Decision
3.6	Minutes of the last Corporation Board: a. 13 <sup>th</sup> December 2018 Part 1 – for general public b. 13 <sup>th</sup> December 2018 Part 2 – confidential Section A	3.6a 3.6b	Chair	Decision Decision
3.7	Matters arising from the minutes	Verbal	Chair	Information

### Standing Items

3.8	Principal's Report	3.8	VB	Discussion
3.9	Student Governors' Report	3.9	MD	Discussion
3.10	Gender Pay Gap Reporting	3.10	VB	Information

### Recommendations from Search Committee

3.11	a. Board Self Assessment b. Standing Orders	3.11a 3.11b	RR	Information Approval
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### Recommendations from Curriculum & Standards Committee

3.12	a. Termly Safeguarding Report	3.12a	JH	Information
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### Recommendations from Audit Committee

3.13	a. Internal Audit Services Reports b. Risk Register – update c. Fraud and Irregularity Policy d. Public Interest Disclosure (Whistle-blowing)	3.13a 3.13b 3.13c 3.13d	JF	Approval Information Approval Approval
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## Recommendations from Finance & General Purposes Committee

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3.14	a. Termly Financial Summary	3.14a	BE	Information
	b. Cash Balance Strategy	3.14b		Approval
	c. Capital Expenditure Update	3.14c		Approval

## Items to be taken as read – draft Committee Minutes

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3.15	<ul style="list-style-type: none"><li>• Search minutes 14<sup>th</sup> March 2019</li><li>• C&amp;S minutes 14<sup>th</sup> March 2019</li><li>• Audit minutes 19<sup>th</sup> March 2019</li><li>• F&amp;GP minutes 21<sup>st</sup> March 2019</li></ul>	3.15	Chair	Information
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*Confidential Committee minutes with restricted circulation are tabled separately below*

## Other business

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3.16	Any other business	Verbal	Chair	
3.17	Thursday 4 <sup>th</sup> July 2019 at 8am	Verbal	Chair	

*Staff and Student Governors to leave the meeting*

## Confidential section

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### Board minutes with restricted circulation for approval

3.18	Part 2B minutes of the Corporation Board meeting held 13 <sup>th</sup> December 2018 <i>Circulation is to External Governors and the Principal only</i>	3.18	Chair	Decision
3.19	Part 2C minutes of the Corporation Board meeting held 13 <sup>th</sup> December 2018 <i>Circulation is to External Governors only</i>	3.19	Chair	Decision

### Items to be taken as read – draft confidential Committee Minutes

3.20	<ul style="list-style-type: none"><li>• Audit minutes 19<sup>th</sup> March 2019</li></ul> <i>Circulation is to External Governors and SMT only</i>	3.20	Chair	Information
3.21	<ul style="list-style-type: none"><li>• F&amp;GP minutes 21<sup>st</sup> March 2019</li></ul> <i>Circulation is to External Governors, the Principal and the Financial Consultant only</i>	3.21	Chair	Information

### Other confidential items

3.22	Confidential item		Principal	Information
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## Farnborough College of Technology

### Corporation Board

Minutes of meeting held on Thursday 4<sup>th</sup> April 2019

Present:

Professor M Earwicker – Chair of Corporation  
Mrs S Chapman  
Mrs G Christie  
Mr N Crippa  
Mrs R Etebar  
Mr J Francis  
Ms J Houzer  
Mr S Hunt - *until end item 3.17*  
Mr H Malins  
Mr R Rendel – *Chair for item 3.5, left at end item 3.14b*  
Professor J Yeomans  
Ms V Barrett – Principal – *from mid item 3.2*

In Attendance:

Mr J Grindell – Financial Consultant - *from mid item 3.2 until end item 3.17*  
Mr L Magee – Vice Principal, Curriculum & Safeguarding - *from mid item 3.2 until end item 3.17*  
Mr A Sheriyar – Prevent Regional HE/FE Co-ordinator – *until end of item 3.2*  
Mrs C Gillam – Clerk to the Corporation – *Chair for part of item 3.4*

Quorate: Yes

*The meeting opened at 3.05pm*

#### **3.1/18.19 Opening of meeting and apologies for absence**

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Apologies were received and accepted from Ms Dibaj, Mr Edwards, Ms Fargeot, Ms Megeney, Mr Perry and Mr Smith. The Chair noted that the Principal would join the meeting later.

#### **3.2/18.19 Prevent Training**

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The Chair welcomed Mr Sheriyar, Regional Prevent HE/FE Co-ordinator, to the meeting to deliver an hour's training to Governors. He explained that Prevent was essentially a safeguarding issue and outlined the personal and external vulnerabilities that make an individual susceptible to grooming. Extremism occurs once there was incitement to violence. Mr Sheriyar reminded Governors of their responsibilities which were to model British values, to ensure all staff had undertaken training in the Prevent duty, to ensure staff were aware when it is appropriate to refer on concerns and that appropriate policies and procedures were in place and acted upon.

*The Principal, the Vice Principal and Mr Grindell joined the meeting.*

Mr Sheriyar answered questions from Governors. The Chair thanked Mr Sheriyar for an engaging and thought provoking presentation.

*Mr Sheriyar left the meeting.*

#### **3.3/18.19 Declarations of direct or indirect interests in any of the agenda items**

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Mr Grindell as a Director of Fusion Project Management declared an interest in agenda item 3.14c.

#### **3.4/18.19 Appointment of Chair of Corporation**

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*Professor Earwicker left the meeting.*

The Clerk took the Chair for this item. She reminded Governors that Search Committee had proposed at the December 2018 Board meeting that Professor Earwicker be nominated for a third term of office and the Board had approved this. Thus the Board was now required to consider and vote on his appointment.

The Board appointed Professor Earwicker as Chair of Corporation for a two year term to run to the date of the Spring 2021 Board meeting.

*Professor Earwicker returned to the meeting and resumed as Chair.*

The Chair thanked the Board for his reappointment. He explained that at Search Committee the Committee had discussed succession planning for the post of Chair of Corporation. He was keen to encourage External Governors to consider standing for election for the post in 2021. He suggested that External Governors took the opportunity to speak with him about what the role entails, the time commitment involved and looked for ways to develop their Board and Committee experience.

### **3.5/18.19 Appointment of Vice-Chair of Corporation**

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The Chair of Search Committee took the Chair for this item. He noted that at the recent Search Committee meeting as part of the Board's overall succession planning he had stood down as Chair of the Committee and the members had elected Mrs Etebar as the new Chair. However, as Mrs Etebar had joined the meeting remotely by speakerphone he had agreed to chair one last meeting. The Committee discussed issues which had arisen with the proposal to redesignate all Committee Chairs as Vice-Chairs of the Corporation. This would have led to a situation where one third of the Board were Vice-Chairs and potential confusion as to which Vice-Chair would deputise in the absence of the Chair. Thus Search Committee now recommended the retention of a single Vice-Chair. However, the intention to use Committee Chairs more widely as a pool of Governors who could support the Principal in attending certain events could still be retained.

The post of Vice-Chair was due for election at this Board meeting and Mr Rendel observed that it was desirable to separate the appointments of Chair and Vice-Chair so that potentially two new appointees were not appointed at the same time in spring 2021. Taking the opportunity to move to make the Vice-Chair appointment a one year term on this occasion would enable the election and appointment of Chair and Vice-Chair to take place in alternating years thus giving greater stability. It was thus recommended that a one year appointment of Vice-Chair was made.

Mr Rendel noted that the current Vice-Chair Mr Edwards was very experienced in the role and happy to take the post for a further year if the Board so voted. It was therefore the recommendation of Search Committee that Mr Edwards be nominated for reappointed as Vice-Chair. The Board agreed and was now required to consider and vote on his appointment.

The Board approved the appointment of a single Vice-Chair.

The Board approved henceforth electing the Chair and Vice-Chair in alternate years.

The Board appointed Mr Edwards as Vice-Chair of Corporation for a one year term to run to the date of the Spring 2020 Board meeting.

Mr Rendel emphasised that as part of succession planning it was hoped that a broad range of External Governors would consider standing for the roles of Chair and Vice-Chair in 2020/2021 to create a strong field. Potential applicants for the Vice-Chair's role could also speak to Professor Earwicker about the role. Governors discussed whether it might be useful if the role of Vice-Chair was held for one term of office only to enable a greater range of Governors to have that experience and agreed to give future consideration to this idea. The Principal also invited External Governors interested in the Chair and Vice-Chair roles to meet with her and possibly arrange to attend an event or an internal College Committee.

### **3.6/18.19 Minutes of the last Corporation Board**

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The Part 1 and confidential Section A Corporation Board minutes of the meeting of 13<sup>th</sup> December were accepted as true and accurate records and signed by the Chair.

### **3.7/18.19 Matters arising from the minutes**

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There were no matters arising.

### **3.8/18.19 Principal's Report**

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The Principal drew attention to a number of College events including the graduation ceremony at Aldershot College for the Building Heroes Charity project. This project offered construction skills courses for military veterans and the ceremony was attended by the Aldershot MP Mr Leo Docherty. The College's successful engagement with business continued with the College working closely with Local Authorities to provide support for meeting training needs for employers such as Gulfstream and Airbus Space & Defence who were moving into the area. College performance was good with overall attendance including English and Maths at 84.3%. It was noted that mock results for English and Maths were very encouraging and the Chair of the Board described how on his recent tour of the new English and Maths facilities there was a palpable energy amongst the staff and students.

The Principal's Report included the College financial dashboard from the ESFA. Mr Grindell explained that the ESFA agreed with the College's assessment that its financial health was outstanding. Indeed for 2017/18 the College's total points score for financial health was a maximum score of 300. Cash reserves were robust despite the College's capital investment and the College's forecasting was assessed by the ESFA as very accurate. The College's ratios for solvency, profitability and borrowing were all strong. It was particularly pleasing to note that the College's staff costs ratio which had been above the sector norm in 2016/17 were now below despite the College continuing to employ many services such as cleaning and security in-house when many in the sector contracted out such services.

The Board thanked the Principal for her report.

### **3.9/18.19 Student Governors' Report**

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The Board noted that neither Student Governor could attend the meeting as the FE Governor was overseas on a College trip and the HE Governor had secured a prestigious work placement at the BBC. However, the Board received their written reports and praised the quality of these. The Board discussed comments raised by HE students included in the HE Student Governor's report and asked what the procedure was for addressing the issues raised. The Principal explained that she had met with the HE Student Governor prior to the Board meeting to discuss the content of the report and had discussed these matters then. Some of the issues regarding investment in expensive equipment required a longer term decision regarding which HE areas would be offered but funding for essential items would be considered. The Vice Principal explained that in addition to this on the ground feedback to the Student Governor there was a systematic process for collecting and responding to students' concerns. Surveys of the whole student body were conducted and action plans drawn up on the basis of the feedback received. Governors enquired how students knew what action had been taken and the Vice Principal explained that at the Student Conference in May a presentation entitled 'You said, we did' set out the actions the College had taken in response to student feedback.

Governors noted that some of the HE student feedback concerned feeling distinct from the FE student body. Whilst it was recognised that significant progress had been made with investment in buildings such as creating designated areas for HE in the Westminster building and the UCF building, was there more that could be done to help the HE student body feel distinctive? The Vice Principal explained that the Westminster car park had been designated as HE student parking which had proved popular and there were separate HE teaching rooms.

The Principal observed that the challenge was to make the HE student experience different and unique whilst also encouraging progression through from FE.

### **3.10/18.19 Gender Pay Gap Reporting**

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The Principal introduced the report noting that the format was as legally required and the information would be published on both College and Government websites. It was noted that the proportion of female to male staff was approximately 2:1 but that men tended to be employed in the upper quartile bands. The mean gender pay gap was 14.4% and the median 10.3%. There was a significant mean bonus gender pay gap of -76.5% but Mr Grindell noted that the Board's decision to award performance related pay to all staff in 2018/19 would result in next year's mean bonus gender pay gap being reduced to zero. Governors observed that with a small pool of staff receiving a bonus in 2017/18 the percentages were easily skewed and that if the actual numbers rather than percentages were included this would be clear. Governors enquired whether the College was adrift from the sector and noted that no, the College was not atypical. Governors suggested that it might be a useful exercise for the College to reassure itself that at every pay grade the bands were the same for male and female employees. The Principal agreed that this was an important area to understand and that HR would be tasked to produce a report with an analysis of staff pay bands, broken down by academic and non-academic staff. This report would be taken to F&GP Committee. Finally Governors suggested that the College might want to consider including in its commentary on the report what steps it was taking to address the pay gap.

**Action:** Principal to circulate staff pay band paper to F&GP Committee.

### **Search Committee papers**

#### **3.11a/18.19 Board Self Assessment**

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Mr Rendel introduced the paper on the Board's self assessment against four sections of the Code of Good Governance. The review against the entire Code would be completed next year. Mr Rendel observed that it was hard for Governors to objectively assess their own skills and experience but that the self assessment revealed that in the area of equality, diversity and inclusion the Board could be better aware of the work which was taking place in the College.

#### **3.11b/18.19 Standing Orders**

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Mr Rendel thanked the Clerk for the detailed work she had carried out to update the Standing Orders. The Clerk drew attention to the significant changes in the document which included reducing the number of Staff Governors from 3 to 2 and thus the overall size of the Corporation Board from 20 to 19, and stipulating a normal limit for External Governors' term of office. It was noted that the latter item was in response to a query received from the OfS and the College had adopted wording from the Code of Good Governance for English Colleges in order to follow best practice in the sector.

The Board approved the amended Standing Orders.

### **Curriculum & Standards Committee papers**

#### **3.12a/18.19 Termly Safeguarding Report**

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The Vice Principal presented the report drawing attention to the range of training undertaken by the safeguarding team and the testing of lockdown procedures to support a new lockdown policy. The Hampshire Safeguarding Audit was successfully completed in term 1 and a safeguarding survey was completed by students with positive results. Governors discussed the issues raised through the MyConcern system and in particular the increase in mental health concerns and anxiety. Counselling appointments had risen by 83% in comparison to the same period last year and there had been a notable increase in self harm and suicide ideation. Governors noted that the College employs two counsellors plus the Student Health & Wellbeing Adviser has a specialism in counselling. In response to a question from Governors the Vice Principal said that he was satisfied that the College has robust safeguarding systems in place.

Governors praised the counselling service offered by the College but noted that the College could not be expected to cover the shortfall in external mental health services. Governors also discussed student resilience and the broad range of issues covered within each of the MyConcern categories.

## **Audit Committee papers**

### **3.13a/18.19 Internal Audit Services Reports – February 2019**

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Mr Francis reported that substantial assurance had been given to the two areas audited: Key Financial Controls and Trips and Visits. One low and two medium priority management actions had been identified.

The Board approved the Internal Audit Services Report.

### **3.13b/18.19 Risk Register Update**

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Mr Francis introduced the full Risk Register. This comprehensive list of risks had been discussed in detail at the Audit Committee and the financial and curriculum risks were also scrutinised by the F&GP and C&S Committees respectively. 24 risks were RAG rated as red on their initial score but no risks were red rated on their total net score showing good mitigating actions and controls applied. Governors discussed the yellow RAG rated Term 1 progress in risk 1.1.1 Engineering and the Principal reflected that although progress was being made residual issues were being worked through. The College had appointed an experienced new Head of Engineering and would continue to review what staffing was required and thus steady progress was anticipated in Engineering. It was appropriate not to be complacent in this area and thus the RAG rating was yellow and not green.

The Board praised the Risk Register and noted there were no major areas of concern. It was requested that in future a one page executive summary sheet would be helpful to accompany the document.

**Action:** Mr Grindell to prepare an executive summary sheet to accompany the Risk Register in future.

### **3.13c/18.19 Fraud and Irregularity Policy**

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The policy had been updated with no substantive changes to the underlying principles. One query was raised regarding the list of unacceptable professional conduct for staff. The list referred to accepting gifts from external sources but Governors asked if this should also include gifts from students. Mr Grindell agreed to check against the Financial Regulations and update if appropriate.

**Action:** Mr Grindell to review whether gifts from students should be included in the policy.

The Board approved the Fraud and Irregularity Policy.

### **3.13d/18.19 Public Interest Disclosure (Whistleblowing) Policy**

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The Board approved the policy which contained one minor update.

The Board approved the Public Interest Disclosure Policy.

## **F&GP Committee papers**

Mr Grindell introduced the papers in the absence of Mr Edwards.

### **3.14a/18.19 Termly Financial Summary**

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Mr Grindell drew attention to the positive variance of £378k in income for the year to date against budget. This included positive variances for HE, 14-16 and high needs students. The balance sheet showed cash in hand of nearly £15m even after investment in equipment and capital projects. One change from the November forecast was that apprenticeship income was now estimated to be £258k below a challenging target of £2.5m. Despite this negative variance the new forecast would still represent an increase of 25% on last year's figures and thus an extremely positive result in a nationally difficult market. The small negative variance would be

offset by the other income variances noted above and the contingency. It was forecast that £111k of the £300k budget contingency would remain after allowing for variances.

### **3.14b/18.19 Cash balance strategy**

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Mr Grindell reported that the F&GP Committee had held an interesting discussion regarding how much cash the College should hold, informed by various factors set out in the paper including the need for capital spend, maintaining outstanding financial health and managing operational risks. The Committee had also looked at sector benchmarking but here FCoT was atypical in the extent of its cash reserves. The Committee concluded by recommending a cash balance strategy of £10m or 6 months cash at hand, whichever was the larger sum.

The Board approved the cash balance strategy.

*Mr Rendel left the meeting.*

### **3.14c/18.19 Capital Expenditure Update**

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*This item was recorded as a confidential minute.*

### **3.15/18.19 Committee Minutes**

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The following draft Committee minutes were received by the Board:

- Search 14<sup>th</sup> March 2019
- Curriculum & Standards 14<sup>th</sup> March 2019
- Audit 19<sup>th</sup> March 2019
- F&GP 21<sup>st</sup> March 2019

### **3.16/18.19 Any other business**

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The Chair drew attention to a letter from the Office for Students which had been circulated in the meeting regarding financial viability and sustainability. It contained some general sector statistics for information. Governors also received a copy of the FCoT termly newsletter 'Going Far'.

### **3.17/18.19 Date and time of next meeting**

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Thursday 4<sup>th</sup> July 2019 at 8.00am.

*The Staff Governor, Vice Principal and Mr Grindell left the meeting.*

### **3.18/18.19 Confidential minutes for approval with restricted circulation**

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The Corporation Board Part 2B minutes of 13<sup>th</sup> December 2018 with a restricted circulation were accepted as a true and accurate record and signed by the Chair.

### **3.19/18.19 Confidential minutes for approval with restricted circulation**

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The Corporation Board Part 2C minutes of 13<sup>th</sup> December 2018 with a restricted circulation were accepted as a true and accurate record and signed by the Chair.

### **3.20/18.19 Confidential Audit Committee Minutes**

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The confidential draft minutes of the Audit Committee meeting of 19<sup>th</sup> March 2019 with a restricted circulation were received by the Board.

### **3.21/18.19 Confidential F&GP Committee Minutes**

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The confidential draft minutes of the F&GP Committee meeting of 21<sup>st</sup> March 2019 with a restricted circulation were received by the Board.

### **2.22/18.19 Confidential Item**

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*This item was recorded as a confidential minute.*

*The meeting closed at 6.00pm*

Minutes agreed as being a true and accurate record by the Chair.

Signed: .....

Dated: .....

**Summary of action points**

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<b>Item</b>	<b>Action</b>
3.10 Gender Pay Gap Reporting	Principal to circulate staff pay band paper to F&GP Committee
3.13b Risk Register Update	Mr Grindell to prepare an executive summary sheet to accompany the Risk Register in future.
3.13c Fraud & Irregularity Policy	Mr Grindell to review whether gifts from students should be included in the policy.