

Corporation Board Agenda
Thursday 2nd July 2020 at 8.00 – 10am
Online

Item	Report	Appendix	Lead	For
Procedural Matters				
7.1	Opening of Meeting and Apologies for Absence	Verbal	Chair	Information
7.2	Declarations of direct or indirect interests in any of the agenda items	Verbal	Chair	Information
7.3	Minutes of the previous Corporation Board meetings: <ul style="list-style-type: none"> • 2nd April 2020 Part 1 – for general public • 2nd April 2020 Part 2 – confidential • 23rd April 2020 Part 1 – for general public • 23rd April 2020 Part 2 – confidential • 12th June 2020 	7.3	Chair	Decision
7.4	Matters arising from the minutes	Verbal	Chair	Information
Key Standing Items				
7.5	Principal's Report (incl. term3 H&S report)	7.5	VB	Discussion
7.6	Student Governors' Report	7.6	EM/KV	Discussion
Recommendations from Curriculum & Standards Committee				
7.7	a. Centre Assessment Grading Report b. Termly Safeguarding Report	7.7a 7.7b	JH	Information Information
Recommendations from Search Committee				
7.8	a. Corporation Board Meetings Schedule 2020/21	7.8a	RE	Approval
Recommendations from Audit Committee				
7.9	a. External Auditors 2019/20 Accounts Audit Plan b. Internal Audit Progress Report c. Internal Audit Plan 2020 d. Risk Management Policy e. Risk Register – update f. Anti-Bribery Policy	7.9a 7.9b 7.9c 7.9d 7.9e 7.9f	JF	Approval Information Approval Approval Information Approval
Recommendations from Finance & General Purposes Committee				
7.10	a. Financial Forecast for May 2020 b. Capital Projects c. Budget 2020/2021 d. Treasury Management Policy e. Annual Fees Policy	7.10a 7.10b 7.10c 7.10d 7.10e	GC	Information Information Approval Approval Approval

Items to be taken as read – draft Committee Minutes

7.11	<ul style="list-style-type: none">• C&S minutes 11th June 2020• Search minutes 11th June 2020• Audit minutes 16th June 2020• F&GP minutes 18th June 2020• Remuneration minutes 18th June 2020	7.11	Chair	Information
------	--	------	-------	-------------

Other business

7.12	Review of Instrument & Articles/Standing Order temporary amendment to quoracy	7.12	Chair	Decision
7.13	Any other business	Verbal	Chair	
7.14	Date of next meeting	Verbal	Chair	

Staff and Student Governors and SMT to leave the meeting

7.15	Remuneration minutes 18 th June 2020 Part 2 with restricted circulation	7.16	Chair	Information
7.16	Corporation Board minutes 12 th June 2020 with restricted circulation	7.17	Chair	Decision
7.17	Confidential matter of report by the Principal	7.18	Principal	Information

Farnborough College of Technology

Corporation Board

Minutes of meeting held on Thursday 2nd July 2020

Present:

Professor M Earwicker – Chair (via video conference)
Mrs S Chapman (via video conference) – left mid item 7.6 and re-joined before item 7.9a
Mrs G Christie (via video conference)
Mr N Crippa (via video conference) – from mid item 7.6
Mrs R Etebar (via speakerphone)
Ms C Fargeot (via video conference)
Mr J Francis (via video conference)
Ms J Houzer (via video conference)
Professor O Khan (via video conference) – until late 7.17
Mr S Hunt (via video conference) - until end item 7.14
Ms E Marsh (via video conference) - until end item 7.14
Mr R Rendel (via speakerphone) – from mid item 7.5
Mr A Smith (via video conference) until end item 7.14
Ms K Vargas (via video conference) until end item 7.14
Ms V Barrett – Principal (via video conference)

In Attendance:

Mrs H Drewery – Vice Principal Technical & Vocational Education (via video conference) - until end item 7.14
Mr J Grindell – Consultant Director of Finance (via video conference)
Mr L Magee – Vice Principal Learner Services & General Education (via video conference) - until end item 7.14
Ms C Gillam – Clerk to the Corporation (via video conference)

Quorate: Yes

The meeting opened at 8.16am

7.1/19.20 Opening of meeting and apologies for absence

Apologies were received and accepted from Mr Malins and Dr Oduneye.

7.2/19.20 Declarations of direct or indirect interests in any of the agenda items

Mr Grindell as a Director of Fusion Project Management declared an interest in agenda item 7.10b.

7.3/19.20 Minutes of the previous Corporation Board meetings

The Corporation Board minutes for the 2nd and 23rd April, and 12th June 2020, were accepted as true and accurate records and would be signed by the Chair.

7.4/19.20 Matters arising from the minutes

There were no matters arising from the minutes.

7.5/19.20 Principal's Report

The Principal began by reporting the death of Councillor Rust who died after contracting Covid-19 and who had been due to become the next Mayor of Rushmoor. Turning to the College she reported that all teaching and assessment had been completed by the end of June. Student engagement had continued to be very good with overall attendance at 83% and 16-18 attendance at 85%. In national news the Government had confirmed that a free digital skills

qualification for adults would be launched from 1 August. The Apprenticeship Frameworks would end on 31 July 2020 meaning that only the new Apprenticeship Standards would be funded for new starts from 1 August 2020. Regarding T Levels, four providers had delayed T Level delivery for a year and 6 specialisms including dental and optical care services had been temporarily removed from the Health, Healthcare Science and Science pathway.

Mr Rendel joined the meeting.

The Principal explained that since the College had been permitted to re-open more widely on 15 June, students taking subjects with practical assessments required for a licence to practice had been attending to complete their courses. Thus the Aldershot College had had students on site every day and at the Farnborough site some motor vehicle and aeronautical engineering students had attended. The numbers on site at any one time were substantially below the 25% of students advised in Government guidance. Other practical based subjects such as catering and hair and beauty had conducted demonstrations of their practical skills from home. There were delays to some assessments for apprenticeships so timely completion rates would be affected.

The Chair of the Corporation informed the Board that he had visited the College the previous day and was very impressed with the changes made to the site such as a one way system, clear signage and sanitising stations.

7.6/19.20 Student Governors' Report

The HE Student Governor introduced her report noting that HE lecturers had worked hard to teach and support their students through the shutdown. The pastoral care they had provided was invaluable. Lectures had worked well via Teams but some students with young children at home were experiencing difficulties managing online study. The Chair of Corporation acknowledged that whilst online learning would work well for some it would work less well for others and asked what vision HE students had for the immediate future. The HE Student Governor said that there had been talk of the possibility of having HE students attend in the autumn on a rota and that students were keen to return in whatever capacity could be managed. She acknowledged that HE students were fortunate in having contained areas within the URC and Westminster building. The Board noted that it was important that students shared what worked for them. The Academic Staff Governor added that in exit interviews with Catering students although they were pleased to have been able to complete their qualifications via online work the vast majority said that they missed physically attending College. They missed the social contact and the spontaneous discussions which would arise in the classroom. Other Governors noted that in their workplaces there were a range of responses to home working. On the whole younger workers reported missing social interaction whilst older workers preferred being at home. Peoples' life circumstances played a part here as those with their own homes and a quiet environment to work in coped better with home working than those sharing homes with siblings or children.

Mrs Chapman left the meeting.

Mr Crippa joined the meeting.

The FE Student Governor gave a powerpoint presentation summarising news and events and students' requests for improvement. It was reported that students from Aldershot College said that they felt isolated and wished to be included more with the Farnborough site and in particular with enrichment activities. She also shared results from a student survey on online working which found that 46% of students reported their experience as 'excellent' or 'good'. She thanked the College and the Board for her time as a student and the experience of being a Student Governor. Governors thanked the FE Student Governor for her comprehensive report. It was noted that the College does not have many sports facilities and the Board reflected that if more facilities could be provided it could help to engage students from Aldershot College.

Curriculum & Standards Committee papers

7.7a/19.20 Centre Assessment Grading Report

Ms Houzer reported on the huge challenge the College had been presented with in generating Centre Assessment Grades (CAGs) and rank ordering learners. The College's FE curriculum offer was accredited by 23 different Awarding Organisations each with their own regulations. A robust quality assurance procedure had been developed to ensure the integrity of the grading and ranking processes and Ms Houzer explained that this had included checking a wide variety of evidence. The Curriculum & Standards Committee was impressed at how thorough the quality assurance process was. Centre Assessment Grades had been arrived at through evidence based judgement and were not solely the personal judgements of individual tutors. Concrete evidence was carefully scrutinised to support each decision. The Principal agreed and said that great care had been taken by staff to ensure that processes were robust and that there was paperwork to justify the grades reported to the Awarding Organisations.

Governors discussed how students from ethnic minorities fared in centre assessment compared to external examinations and whether there were cultural differences. It was noted that research conducted by the University of Oxford over a 10 year period had found that the move to increased examination assessment over centre assessment had narrowed the BAME attainment gap. The Principal explained that the quality assurance team had conducted impact assessments on different groups of students. For example, in a subject area such as ESOL which had a higher than average percentage of ethnic minority students, there had not been a significant shift in the grade distribution to previous years. The Principal would check that impact assessments had been conducted on functional skills students as results here were predicted to be below average. Ms Houzer noted that Curriculum & Standards Committee had raised the question of how to prevent unconscious bias in the grade distribution and the quality team had explained the care taken to ensure no student was disadvantaged and how the professional judgement of staff was applied through an objective lens of procedure.

The Board congratulated the College on its work in the Centre Assessment Grading process.

7.7b/19.20 Termly Safeguarding Report

The Board received the report noting that the College was aware of potential Covid-19 safeguarding issues and had produced a Covid-19 annex to be used in conjunction with the Child Protection Policy. The College's E-Safety guidelines had also been updated. The College's counselling service had continued to support students remotely and it was noted that there had been a decrease in requests for counselling.

Search Committee papers

7.8a/19.20 Corporation Board Meetings Schedule 2020/21

Mrs Etebar introduced the draft schedule for the forthcoming year noting that dates and times had been set in consultation with Committees' preferences where possible.

The Board approved the Meetings Schedule 2020/21.

Mrs Chapman re-joined the meeting.

Audit Committee papers

7.9a/19.20 External Auditors 2019/20 Accounts Audit Plan

Mr Francis introduced the proposed plan and discussed the main risk areas of management override of controls, income recognition and trading as a going concern. Particular attention would be paid to the going concern aspect this year, not because it was a special risk for FCoT, but because it was a systematic risk due to the national economic situation and thus there would be greater testing of all organisations' solvency.

The Board approved the External Auditors 2019/20 Accounts Audit Plan.

7.9b/19.20 Internal Audit Progress Report

The report set out reasonably good progress in the schedule of internal audit work despite the impact of the coronavirus shutdown. Arrangements would be made to enable the auditors to make an onsite visit to check the paperwork required as part of the apprenticeship testing for the learner number systems audit but other works would be completed remotely. RSM had confirmed that they would be in a position to give an internal audit opinion once all works were completed.

7.9c/19.20 Internal Audit Plan 2020

Mr Francis reported that Audit Committee had discussed cyber security risk noting its increased importance during remote working but that the Committee was content that having held an internal audit review of this area last year it did not need to be reviewed again for a consecutive year. The fact that the College was working towards achieving its ISO 27001 information security standard certification would provide additional reassurance and this was included in the Principal's targets. A new area for review entitled 'business continuity – lessons learned from Covid-19' had been included in the audit plan and this had been welcomed by the Committee.

The Board approved the Internal Audit Plan 2020.

7.9d/19.20 Risk Management Policy

Minor changes had been made to the policy to rephrase and reposition the College's risk appetite statement.

The Board approved the Risk Management Policy.

7.9e/19.20 Risk Register Update

Mr Francis described the executive summary to the risk register as very helpful in focusing attention on the highest risks. Three risks had the highest maximum gross score: English and Maths provision, and the impact of Covid-19 on apprenticeship provision. The risk register included five new Covid-19 related risks which had been discussed by the Committee. Governors praised the thorough analysis presented in the executive summary and discussed the level of detail included in the risk register. Mr Grindell noted that at the Audit Committee meeting Dr Oduneye had shared a one page grid risk map which the College was looking to adopt as a graphical representation of the overall risk position. The risks were plotted on a grid with indications for the direction of travel for each risk. It was agreed that this would be a useful addition to the executive summary. A training session on risk had recently been held at SMT and this should improve the ease of reading for the detail included in the risk register.

7.9f/19.20 Anti-Bribery Policy

One minor change had been made to the policy to align it with changes made to the Financial Regulations regarding the limit for registering hospitality and gifts.

The Board approved the Anti-Bribery Policy.

F&GP Committee papers

7.10a/19.20 Financial Forecast for May 2020

Mr Grindell explained that the College was still forecast to record a surplus of £46k compared to a budget of £346k which was impressive given the current financial situation. He reminded the Board that at the 2nd April Board meeting he had set out a best and worst case scenario for the impact of Covid-19 lockdown on College finances. The worst case scenario then had been a reduction in income of £1.5m. Now, through a lot of hard work, it looked to be much closer to the best case scenario of a reduction of £450k and this was due to the loss of various commercial income streams from the closure of the nursery, refectory, hair and beauty salon and the Gallery restaurant.

7.10b/19.20 Capital Projects

Mr Grindell introduced the paper which updated the Board on the College's position with its capital projects. Despite projects having been paused during lockdown work had recommenced on the Aerospace Research & Innovation Centre and the building was scheduled to be completed and ready for students by September 2021. Governors asked if increasing the College's teaching space coupled with a move to greater online teaching could leave the College open to criticism that it was increasing its teaching space area and not maximising its space utilisation. The Principal replied that the College was looking to maintain its long-term growth trajectory and in the short-term provide sufficient space to enable teaching students in constant groups during the coronavirus outbreak. In addition new initiatives like T Levels required their own separate spaces. Governors agreed and reflected that teaching space should be considered in the widest possible terms. The College had to remain flexible to whatever the pedagogic norms were to emerge from Covid-19. It was impossible now to predict what the new norms would be in education in even a year's time. Currently the trend was to have teaching bubbles but it was likely there would be huge innovations to come and the campus had to be flexible enough to adapt and ensure student safety amidst a likely growth in numbers as more students in an improving demographic chose to study closer to home. The Principal agreed and noted she had approved £50k to be spent on immersive teaching rooms in the Emerging Technology Centre which could be used for remote and face-to-face learning.

Mr Grindell concluded the update by informing the Board that the Government had recently announced it was bringing forward some of its condition funding from March 2021 to September 2020 and colleges would not be required to bid for this funding. It would be calculated according to a formula and it was hoped that it could be used to contribute towards the College's ongoing roof renewal works.

7.10c/19.20 Budget 2020/21

Mrs Christie introduced the budget noting that in keeping with College tradition, despite the prevailing national economic difficulties, a surplus budget had been set. Mr Grindell advised that prior to Covid-19 the College would have set an ambitious budget of £19m. The significant risks presented by the new economic realities such as the end of furloughing and its potential impact upon apprenticeships and the impacts upon the College's commercial income streams had to be taken into account. The lagged 16-18 funding plus an increase in the underlying funding rate of 4.7% amongst other factors would mean an increase of £1.5m in ESFA funding. This would be a significant boost to income in a difficult year. £1m of at risk income had been removed from the budget leaving a budget target for total income of £18.2m. Costs had been kept tight but the budget for staff costs had increased compared to 2019/20 to include additional posts to support the College's growth. The new academic year included much uncertainty and it remained to be seen how recruitment fared, what Government guidance would be in place for colleges and if a second wave of the coronavirus would occur. But in the current context, being mindful of the risks already discussed, achieving a budgeted operating surplus of £340k should be achievable.

The Board congratulated Mr Grindell on a careful approach to budget setting in unprecedented circumstances. A Governor enquired whether an alternative approach might be to reduce the size of the budgeted surplus and increase the size of the contingency. The Principal explained that the F&GP Committee had discussed the appropriateness of the £300k contingency and noted that the budget had in effect a number of other contingencies built in. Firstly £1m of high risk income had been removed from budget targets creating in effect another contingency. Staff vacancies had been included, not all of which might be recruited to, and potential new business contracts had not been included, both of which provided additional buffers. There was a balance to be struck between managing risk and keeping on track with the College's 5 year plan for growth and remaining a provider of choice in the region. The College had the

processes and resilience to meet the challenges of the coming year and set a cautious but realistic budget.

Mr Grindell concluded the discussion by noting that the College would be able to meet its cash balance strategy of £10m even factoring in all current capital projects. If the bid for Wave 2 T Level funding was successful then a cash balance of £12m was predicted for year end July 2021.

The Board approved the 2020/21 budget.

7.10d/19.20 Treasury Management Policy

Mrs Christie informed the Board that the F&GP Committee had discussed the security of the College's investments in the various UK banks and was satisfied. The policy was recommended for approval.

The Board approved the Treasury Management Policy.

7.10e/19.20 Annual Fees Policy

Mr Grindell introduced the policy noting that much was unchanged. He drew attention to new ESFA funding guidance regarding a change to the rule regarding the level of fees to be charged to co-funded adults. In previous years the policy was to charge a fee that was equal to 60% of the ESFA unweighted funding rate but the ESFA had proposed a cap for 2020/21 of 50% of the fee. Now the ESFA had withdrawn that guidance meaning that the College could revert to the previous 60% fee. He also drew attention to two areas where the College was awaiting further guidance from the ESFA and which were not currently reflected in the policy. They were a new digital entitlement for some adults from September 2020, and the impact of Brexit.

The Board approved the Annual Fees Policy.

7.11/19.20 Draft Committee minutes

The following draft Committee minutes were received by the Board:

- Curriculum & Standards 11th June 2020
- Search 11th June 2020
- Audit 16th June 2020
- Remuneration 18th June 2020
- F&GP 18th June 2020

7.12/19.20 Review of temporary amendment to quoracy – I&A/Standing Orders

The Board agreed to retain the temporary amendment to quoracy as the lockdown was still in effect and agreed to review the temporary amendment again at the December 2020 meeting.

7.13/19.20 Any other business

No other items were raised. The Chair thanked Board members for their discussions. He noted that these remained challenging times but felt that the right issues were being addressed and that College staff were using their initiative. He thanked the Principal and her team for their hard work.

7.14/19.20 Date and time of next meeting

Monday 28th September 2020 at 8.00am.

The Staff and Student Governors and the Vice Principals left the meeting.

7.15/19.20 Remuneration minutes 18th June 2020 Part 2 with restricted circulation

The confidential draft minutes of the Remuneration Committee meeting of 18th June with a restricted circulation were received by the Board.

7.16/19.20 Corporation Board minutes 12th June 2020 with restricted circulation

The Corporation Board Part minutes of 12th June 2020 with a restricted circulation were accepted as a true and accurate record and would be signed by the Chair.

7.17/19.20 Confidential matter of report by the Principal

*This item was recorded as a confidential minute.
Professor Khan left the meeting during this item.*

The meeting closed at 10.00am

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

Signed:.....

Dated:.....