

MOULTON COLLEGE
CORPORATION BOARD

Minutes of the meeting held on Thursday 26th May 2016

Part 1

Present: Mr R Thompson (in the Chair), Mr S Davies, Mr L Howarth, Mrs K Mackaness, Mrs J Morris, Mr K Moulton, Mr T Neville, Mr R O'Driscoll, Mrs E Olson-Williams, Mr R Sanders, Mr A Thomson, Mr M Thomson, Mr M Wakeford and Mrs S Wilkes

In attendance: Mr G Davies, Mrs S Field, Mrs G M Hulley, Mr J Mair and Mrs C Ryan

SECTION A – ROUTINE AND STANDING ITEMS

- 16/138 Apologies for absence (Agenda item 1)**
Apologies were received from Mr R Sadler.
- 16/139 Declarations of Interest (Agenda item 2)**
Mr Howarth declared an interest in agenda items 7, 9, 11, 13, 18 and 24. Mr Neville declared an interest in agenda items 5, 6, 9, 11, 13, 14 and 16(c).
- 16/140 Minutes of the last meeting (Agenda item 3, Paper A)**
The minutes of the meeting held on 28th April 2016 were approved as a true and correct record.
- 16/141 Actions outstanding from the last meeting (Agenda item 4, Paper B)**
- 15/220(c), Moulton College Developments Limited, Action 9**
This would be an item for discussion at the meeting, see Agenda item 17. **(Open)**
- 16/3, Fire Services National Museum Trust, Action 12**
The College was awaiting a more detailed business plan from the Fire Services National Museum Trust. Once received, this would be shared with the Board. **(Open)**
- 16/94, College Strategic Plan 2016/17, Action 21**
An updated copy of the Strategic Plan 2016/17 would be shared with the Board at the meeting on 28th July 2016. **(Open)**
- 16/122(a), Saudi Arabia, Action 22**
The Solicitors were still checking some documents. This would be completed in time for the next Board meeting in July 2016. **(Open)**

16/128, Commercial Enterprise Report (Hotel Services), Action 23
Members received an update on the current situation in relation to external bookings. Occupancy was currently confirmed as circa 65%. A report confirming details of the latest bookings would be shared with the Board in July 2016. (**Open**)

16/122(b), Hydroponics, Action 24
The Deputy Principal confirmed that work was ongoing in relation to exploring potential opportunities for investment returns. (**Open**)

SECTION B – TEACHING, LEARNING AND ASSESSMENT

16/142 Student Recruitment 2016-17 (Agenda item 5, Paper C)
Further Education (FE) acceptances were showing an increase of 17.5% compared to the previous year. A low trend was reported for Animal Welfare applications at all Academies. In order to boost numbers in this curriculum area, a number of marketing and 'keep warm' activities were planned. Apprenticeship recruitment numbers were also showing an increase compared to the previous year. An increase of 15% was reported. There had also been a reduction in the number of Apprentices who had reached their planned end date and were now classed as out of funding. The number had reduced by more than 50% compared to the previous year. Actions were being taken by the team to make further reductions. In Higher Education (HE), the number of applications was similar to the same time last year. First year students had been actively encouraged to take up courses at the College. The bursary reduction and fee changes had not had a significant impact.

Members welcomed the different approaches and strategies that had been put in place to support recruitment. This included a more rigorous approach to following up applicants, a greater social media presence and tracking applications more closely. More traditional approaches to recruitment had also been adopted. These included a student newsletter and radio advertising. Following discussion, *the report was noted.*

16/143 Student retention and attendance trends 2015-16 (Agenda item 6, Paper D)
Overall retention in FE was reported as 90%, a 1% increase compared to the same time last year. The focus now was on maximising student achievements to ensure all students completed their assessments. In HE, there was a 7% decrease in retention compared to the previous year. This situation reflected a more robust and prompt approach to managing student withdrawals. There was a significant improvement with retention in Apprenticeships. This was attributed to a more formal support structure between Apprentice Advisors and the Assessor team. In relation to attendance, this had stabilised at 87%. This reflected the actions taken by College teams to follow up student absenteeism.

Following discussion, *the report was noted.*

16/144 College Quality Improvement Report – Progress Monitoring (Agenda item 7, Paper E)

The Board received an update on progress to date with the five key priorities. There was a particular focus on maximising achievements within English and maths through a variety of support activities. In relation to Apprenticeships, an improvement in overall success rates was expected compared to the previous year. Every attempt was being made to ensure as many apprentices would have completed by the end of the year. Where teaching, learning and assessment were concerned, an external expert had been sourced to support improvements with theory teaching. The performance, development and review (PDR) process had been strengthened to ensure closer links with the teaching, learning and assessment outcomes. Training on this had been arranged for course managers. The Prevent action plan had been updated to reflect recommendations from the Police Counter-terrorism Local Profiles. Students were being encouraged to engage with the democratic process by registering to vote at the forthcoming European Union (EU) referendum. Following feedback from Ofsted, a review of the College self-assessment report (SAR) and quality improvement plan (QIP) had been undertaken. Members were informed that there would be an even greater focus upon the use of data analysis to monitor progress towards achieving targets. Following discussion, *the report was noted.*

16/145 Termly Safeguarding Report (Agenda item 8, Paper F)

The termly report was discussed. Members received updates on the latest situation in relation to Looked After Children (LAC), the Central Safeguarding Record and Early Help Assessments (EHA). Since the last report, there had been 4 LAC withdrawals and one student had returned to his family and was no longer classified as a LAC. The number of EHAs had reduced. The use of e-Personal Education Plans (e-PEPs) had been introduced for each LAC. The e-PEPs would improve the quality of support provided as information was available in one portal. Everyone working with the young person then had access to the same information. Following discussion, *the termly report was noted.*

16/146 Key Performance Indicators (KPIs) – Termly Report (Agenda item 8, Paper G)

The KPI report provided Members with an update on progress with the 19 targets agreed at the beginning of the year. To date, reasonable progress was being made. A number of targets could not yet be measured as the data was not due to be collected until later in the year. The report included a table which gave a visual representation in relation to the targets and their direction of travel. In a discussion around the KPIs relating to Staff Matters, Members received confirmation of a number of measures that should have a positive impact on reducing staff turnover. When reporting on the average

number of days lost due to sickness, this was slightly above the national rate due to the long term sickness absence of some staff. A request was made to have a breakdown of this figure. Following discussion, *the report was noted.*

- 16/147 Student Rules and Regulations (Agenda item 9, Papers H[i] and H[ii])**
Two residential agreements were presented to the Board. One agreement related to students based at The Holcot Centre for students over the age of 18. The other agreement related to The Moulton Centre for students under the age of 18. The only changes made related to job titles. Following a governor's attendance at a HE Students' Experience Committee, a question was raised about the availability of residential rooms during the summer vacation. It was confirmed that students did need to move out during the summer but if a student wanted to stay in accommodation during this period, this could be arranged through contact with the Assistant Director of Facilities Management. An extra charge would be made. Following discussion, *the two residential agreements were approved.*

SECTION C – FINANCE

- 16/148 Management Accounts (Agenda item 11, Paper I)**
The Management Accounts confirmed that the deficit had increased since the last month. There were no major variances to report on. Invoices for £75k in relation to non-refundable deposits for summer lets had been raised. The income would be deferred until the students were in residence. Members were informed that the restructuring costs were greater than the budget as the costs included holiday pay for staff who had been made redundant and had accrued six month's holiday. Overall, the position was reported as reasonable. Following discussion, *the accounts were approved.*
- 16/149 Funding Report (Agenda item 12, Paper J)**
There was no movement with the Education Funding Agency (EFA) funding in the month. This was as expected for this time of the year. In relation to Skills Funding Agency (SFA) funding for 16-18 Apprenticeships, there was an increase of £28k based on the R08 data return. The biggest movement was in the Single Adult Budget which showed an increase of £124k. The Vision2Learn contract was now taking effect. Following discussion, *the report was noted.*
- 16/150 Annual Budget 2016-17 (Agenda item 13, Paper K)**
A first draft of the budget was shared with Members. A number of cost and income lines were still to be agreed. An explanation for changes in funding, compared to the previous year, was provided. Lessons from the current year had been taken into account. All commercial enterprise budgets had been agreed with the respective Managers.

This version of the budget would result in the College breaking even at the end of the period.

Members highlighted the importance of the budget including a contingency in line with previous years' experiences. A suggestion was made to revisit some of the costings to find out if further reductions could be made. Members were also reminded of other income streams that had not been factored into the first draft, for example, any surplus in 2016-17 from Saudi Arabia or the Food and Drink Innovation Centre. Following discussion, *it was agreed that an agenda item in Part 2 would support further discussions about the draft budget. The first draft of the budget was noted.*

16/151 Quarterly Consolidated and Subsidiary Accounts (Agenda item 14, Paper L)

The accounts were discussed. All subsidiary companies were trading as expected and making a small surplus as intended. Following discussion, *the report was noted.*

16/152 Treasury Report (Agenda item 15, Paper M)

The termly report was outlined and discussed. No major changes were reported. Following discussion, *the report was noted.*

16/153 Funding Allocations 2016-17 (Agenda item 16)

a) Education Funding Agency (EFA), (Paper Ni)

The EFA allocation had been previously shared with the Board in March 2016. This report was included for completeness. Following discussion, *the funding allocation was noted.*

b) Skills Funding Agency (SFA), (Paper Nii)

The SFA allocation was better than expected and slightly more than the previous year. Following discussion, *the funding allocation was noted.*

c) Higher Education Funding Agency for England (HEFCE), (Niii)

The HEFCE allocation was also better than expected and due to increase by £194k. Following discussion, *the funding allocation was noted.*

16/154 Moulton College Developments Limited – VAT (Agenda item 17)

At a previous Board meeting, Members had been informed that Moulton College Developments had come to the end of its useful life and that the VAT advisers indicated that there was a potential saving of £25,000 per year in disallowable VAT if the company was VAT grouped with the College.

This would have to be done at the end of the VAT year on 31st July. However, the 3G pitch which belongs to the company requires resurfacing, and this would not be complete until August. Should the VAT grouping take place at 31st July, the VAT on the work (approx.

£40,000) would not be recoverable. It was therefore decided to delay the VAT exercise until 31st July 2017.

At this point, it may be beneficial to transfer the assets of the company to the College. There would be a further saving in administration costs, and in audit and tax fees should the company be dissolved or declared dormant. Further advice was awaited on the corporation tax position. Following discussion, *the verbal update was noted.*

SECTION D – STRATEGIC DEVELOPMENTS

16/155 Annual Operating Statement – Progress Review (Agenda item 18, Paper O)

There were 15 items completed and 1 that was partially completed. Of the remainder, 2 were ongoing and 3 rescheduled. This was better progress than the previous month. Following discussion, *the report was noted.*

16/156 Growth Opportunities (Agenda item 19)

a) Saudi Arabia (Paper P)

The monthly report was outlined and discussed. There was one item of significance which related to The Oxford Partnership (TOP) Accounts for the Year Ended 31st December 2015. The Accounts had been externally audited and had been given an unqualified opinion. This was a very good outcome. Before the accounts could be officially signed off by the external auditors, TOP Board were made aware of Article No. 180 of Companies Law in the Kingdom of Saudi Arabia (KSA). Following a loss position at the end of financial year 2015, it was now a legal requirement that the shareholders must formally agree their intentions. The TOP Board were presented with three options. Following legal advice, a preferred option was identified for each shareholder to sign a letter of guarantee signed by each shareholder. This would limit the liability to approximately £15k for the College.

Members discussed the implications of giving approval for the Principal to sign the letter of guarantee. Following discussion, *it was agreed that the letter of guarantee for a maximum of £15k to be taken from the bond payments due to the College should be signed by the Principal. The Board was also seeking clarification of the on-going level of liability and whether or not there would be any additional liability as a result of proposed changes to the regulations in the KSA.*

b) Other opportunities

The College was considering an opportunity to bid for some local growth funding. This was a joint bid with other FuSE (Further Education South East Midlands) colleges. The funding was aimed at the development of skills for people who are unemployed. The bid was likely to be linked to capital funding for Construction skills. The deadline

was the middle of June 2016. Following discussion, *the report was noted.*

16/157 External Reviews (Agenda item 20)

a) Area-based reviews (Paper Q)

The report provided Members with updated information regarding the Area Based Review process of post-16 education and training institutions. Since the last update, the second Area Based Review Workshop planned for 7th June 2016 by Regeneris Consulting had been deferred and rescheduled for September 2016. To ensure this second workshop focused on the needs of all attendees, it had been agreed to use the date of the 7th June for a dedicated planning session. Following discussion, *the report was noted.*

b) Proposal for an Area Based Review Task and Finish Group (Paper Qi)

The proposal for a Task and Finish Group (Group) was outlined and discussed. This would be a working Group that would be in existence for 4 to 5 months. Meetings were likely to take place on a monthly basis. The purpose of the Group would be to prepare the College for the Area Based Review and to consider the implications of the process. It would also provide advice to the Board. Following discussion, *it was agreed that Members would consider the Terms of Reference outside of the meeting and register their interest with the Chair. The Chair and Vice Chair would then agree the membership of the Group taking into account the likely skills mix needed. The Terms of Reference would be agreed at the first meeting of the Group.*

SECTION E – RESOURCES

16/158 Human Resources (HR) and Payroll System - Proposal (Agenda item 21, Paper R)

Members were informed that the current HR system was 15 years old. It was no longer considered as meeting the requirements of a modern HR system. Board approval was sought for a new HR and payroll system for the College. This would take up to 18 months to source, design, implement and develop. The proposal included associated costings. The benefits of a more robust and manageable system were explained. This included supporting reporting requirements of the business, for example, the 'Gender Pay Gap Reporting' (April 2017). Following discussion, *Members recommended additional research was required around the options available, including sourcing of software and the need to explore any potential for shared services.*

16/159 Current Developments – Progress Report (Agenda item 22)

a) Athletics track

The building had been completed to a high standard. The changing facility was still awaiting two doors to be fitted on a storage cupboard used for equipment. This was close to completion. Members were informed that the contractor for the athletics track had gone into

liquidation two weeks ago. The Borough Council was in the process of re-letting the contract and awaiting confirmation of the approved new contractor. Following discussion, *the update was noted*.

b) 3G pitch

At the Board meeting in January 2016, Members had been informed that the College's 3G pitch needed to be resurfaced. The College was in the process of completing a tender exercise. The deadline for tenders was June 2016. It was expected that the contract would be for less than £200k plus VAT. The VAT would be recoverable through the Moulton College Developments (MCD) Limited. As the contract would be let in the middle of June 2016, Board approval was sought for the Chair of Corporation to have delegated authority to approve the outcomes of the tender process for the amount previously outlined. Following discussion, *the recommendation was approved*.

16/160 Commercial Enterprise Report - Management Centre (Agenda item 23, Paper S)

The report was outlined and discussed. Members' attention was directed to the summary of Management Centre income for April 2016. This was showing an increase of 9% compared to the same time in the previous year. Income generation by the Centre was improving. Following discussion, *the report was noted*.

16/161 Health and Safety Report (Agenda item 24, Paper T)

The report had been presented in the usual format. The first section of the report provided Members with a reassurance that the processes remained in place and up to date with risk assessments, etc. The Health and Safety Policy was approved by the Board in April 2016. The accident report summary provided a record by Centre and Type. There were 94 accidents between January and April 2016. This was a 6% increase on the same time last year. Members were informed that if this situation continued into a second period, there would be a need to investigate those areas causing concern. Following discussion, *the report was noted*.

SECTION F – GOVERNANCE

16/162 Governance Annual Reviews (Agenda item 25)

a) Committee Terms of Reference

The Clerk informed the Board that the Terms of Reference (ToR) for each Committee would be circulated for a review at the next meetings which were planned for the summer term. Criteria would be circulated for each Committee to consider. Agreed ToR would be submitted to the next Corporation meeting in July for approval. Following discussion, *the update was noted*.

b) Instrument and Articles of Government

c) Standing Orders

d) Code of Conduct

The Clerk would complete a review of the three documents for the Corporation to approve at its July meeting. Following discussion, *the update was noted.*

SECTION G – OTHER MATTERS

16/163 Date of next meeting (agenda item 26)

Thursday 28th July 2016 at 9.30am.

16/164 Any other business (agenda item 27)

Members were informed that the Ofsted inspection report was expected to be published in the next two weeks.

Part 1 of the meeting concluded at 11.46 am. Mr L Howarth, Mr K Moulton, Mrs S Field, Mr J Mair and Mrs C Ryan left the meeting.