

Governing Body

Date: 06 March 2017
Venue: Presentation Suite, Hillsborough Campus

Clerk to the Corporation
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Sheffield, S2 2RL
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Present: Richard Wright - Chair
Kathy Atkin
Jay Bhayani
Ian Brown
Paul Corcoran
Neil Fletcher
Chris Husbands
Sally Neocosmos
Amy Smith
John Timms
Gil Vasey
Anne Wilson

In attendance: Jason Pepper Executive Director, Finance and Resources
Alison Shillito Clerk to the Corporation
Heather Smith College Principal and Executive Director
James Smythe Deputy Principal for agenda item 3
Darren Tidmarsh Executive Director, HR and SRI

Action

17/1/1 Apologies for absence

Apologies were received from Chris Linacre, Seb Schmoller and Kim Steets.

17/1/2 Declarations of Interest

There were no declarations of interest.

17/1/3 Minutes of the previous meetings and action plan

- i) The minutes of the meeting held on 19 December were approved subject to one amendment to remove Edward Highfield from the list of Governors present as he had given his apologies for absence. **Clerk**
- ii) The action record was noted and will be updated prior to re-circulating with the agenda for the next meeting.

17/1/4 Matters Arising

4.1 Minute 16/7/14.2 refers: Allegations of Assessment and Examination Malpractice - update on investigations and resolution

The Executive Director for Human Resources and SRIS presented a summary of the ongoing investigations. It was noted that the investigation report would be considered by Audit and Risk Assurance Committee.

**Audit and
Risk
Assurance**

4.2 Senior Post recruitment - update

- i) Governors had been informed by email of the retirement of the College Principal and the resignation of the Executive Director of Finance and Resources. As the vacancies are Senior Posts, the Governing Body is required to constitute a selection panel to conduct the selection process and make recommendations for appointment to Governing Body. The Clerk would be contacting governors about willingness and availability to participate in the selection process.
- ii) The Executive Director for HR and SRIS reported that the College had started the process to appoint an appropriate recruitment partner(s) to assist the Corporation in recruiting to the vacancies. To make progress between Governing Body meetings, it was agreed that the Chairs' meeting would review the proposals and agree the selection process on behalf of the Governing Body.
- iii) The Chair thanked both Heather Smith and Jason Pepper for their service to the College.

Clerk

Chairs'
Meeting
15/3/2017

17/1/5 Chief Executive's report

5.1 Governors received the report which provided an update on the College's strategic developments; financial and other matters. A number of issues were reported on in more detail as substantive agenda items. The following issues were discussed in the presentation.

- i) The College's income position continues to be challenging. The College's financial health score against SFA assessment criteria remains 'Satisfactory' overall but at the lower end of the scale. The College has been liaising with the FE Commissioner's team as part of the SFA's new early intervention process. The College is awaiting feedback from the process.
- ii) The Qualification Achievement Rate (QAR) report and Value-Added Key Performance Measures have been published for 2015/16, providing comparisons of College outcomes against national average scores. The College's performance was above minimum standards for all indicators but the results reiterated the need for improving student outcomes and continuing to make changes to achieve this.
- iii) Governors asked directors whether the College had identified models of successful college growth from elsewhere. The Chief Executive responded that the College is active in benchmarking and seeking good practice from other colleges. In recent years, Manchester and Newcastle colleges have been successful in growing by taking over other providers and operating nationally. They had not grown their margins on providing FE, which remain tight for all providers.
- iv) The Sheffield College has a city and regional focus but through collaboration and partnership - such as the work with the Collab Group - the College is seeking to extend its reach. The College has a strong offer in apprenticeships, ESOL, employability and high needs support. Some of these areas have a history of under-funding. The College is keen to persuade the LEP of the value of its employability and ESOL offer for regional workforce development to secure

continued and possibly improved funding.

17/1/6 Key Performance Indicator Dashboard

The Governing Body received the KPI dashboard and discussed the data as follows.

Chief
Executive

- i) **Class size and student withdrawals** - it was noted that this seemed to be decreasing at a time when the College needed to be more efficient. The Principal responded that the 2% increase on pre day 42 withdrawals reflected that the College has improved the responsiveness of its processes for tracking absence and reporting students who have gone elsewhere. Class size and efficiently deploying staff resources are being addressed through the Strategic Change Initiative on timetable optimisation and curriculum planning.
- ii) **Financial indicators** - given the likely reduction in EFA grant in 2017/18 and the uncertainties around apprenticeship income, governors stressed the importance of early engagement with them about proposals for income generation and cost management for next year.
- iii) Governors noted the scepticism of lenders about the potential for any college to grow in a highly competitive market during the demographic downturn. It was commented that governors wanted to see realistic projections of income and growth for the next nine, 12 and 18 month periods. The CEO confirmed that work is in progress on more accurate forecasting to develop proposals for the May meeting.
- iv) **Apprenticeship starts** - Governors welcomed the positive developments in employer engagement and encouraged the College to continue to pursue new leads, such as by targeting companies that are new to the region and have a corporate commitment to developing local supply chains.

17/1/7 Change initiatives

- 7.1 Governors received the report.

17/1/8 Management accounts January 2017

- 8.1 Governors received the accounts and noted that the College's operating position to date and forecast had not changed significantly since the November report. The College continued to see some growth in market price provision but not to the extent required to off-set under-recruitment in HE and overseas students. Staff pay costs were being contained below budget. Finance team would be producing revised forecast out-turn data following the current round of departmental review meetings.
- 8.2 At its January meeting, Finance Employment and General Purposes Committee had expressed concerns about the College maintaining access to sufficient working capital. In the January Monthly Management Accounts, the Executive Director of Finance and Resources had provided to Governing Body a month by month profile of income and expenditure to the end of 2016/17. It was noted that the cash position continued to be challenging until receipt of the April EFA/SFA grant instalment and/or completion of the disposal of land at Norton site. As a contingency, an extension of credit

facilities had been negotiated with one of the College's existing lenders and governors considered this in a later agenda item.

- 8.3 Governors noted the issues that were delaying completion of the disposal of the Norton site which are recorded in a separate confidential minute.

17/1/9 Extension of credit facilities

- 9.1 A Facility Letter dated 10 February 2017 from AIB Group (UK) plc (the "Bank") was tabled detailing the terms and conditions under which the Bank was prepared to make facilities available to the College (the "Facility Letter").
- 9.2 The Facility Letter was considered and it was resolved that the acceptance of the facilities shown in the Facility Letter promoted the success of the College (the Borrower) for the benefit of the Borrower's members as a whole.
- 9.3 It was further resolved that the offer of facilities be accepted with all the terms and conditions and that Richard Wright and Paul Corcoran, Chair of the Governing Body and Chief Executive were authorised to sign the copy of the Facility Letter and accept the terms and conditions contained therein on behalf of the Corporation.
- 9.4 Prior to the passing of the above resolution, all members interested in the above transaction with the Borrower disclosed their interest to the other members of the Governing Body of the Borrower and any conflict(s) of interest including potential conflict(s) of interest were approved where necessary in accordance with the Instrument of Government and Articles of Government of the Borrower and the Further and Higher Education Act 1992.

James Smythe, Deputy College Principal, attended for the following item

17/1/10 Quality Improvement Plan/Post Inspection Action Plan

- 10.1 James Smythe's presentation included the following points.
- i) The leading indicators for teaching performance are showing improvement but it remains Amber rated because the proportion of lessons observed rated good or outstanding is still below 80%, the target for a green rating.
 - ii) Student retention continues to be good but attendance is below target. Actions are continuing to secure improvement by at least three percentage points.
 - iii) Predicted student achievement rates are in the 'good' range which is encouraging. Student progress and the College's 'value added' score are becoming more important and in 2015/16 the College's performance in these indicators was below national average for some groups of students. For apprentices, where achievement rates are already good, staff are pushing for outcomes in the outstanding range to ensure that all students are achieving their full potential.
 - iv) Markbook is the College's most important tool for tracking actual achievement consistently and for measuring value added. Actions are continuing to train and support staff to implement Markbook. The College is running additional external training to make sure there is

larger group of expert staff (with at least one lead in each department) to support colleagues in using Markbook to best effect.

- 10.2 Governors asked how staff were responding to the challenges of increased scrutiny of teaching practice, as it was noted that one trade union is pursuing a grievance about classroom observations. The Principal responded that there has been a significant culture change in the way teaching staff are now welcoming other staff into their classes to observe practice and discuss improvements. Teaching staff and teaching union representatives participated in shaping the scheme and recognise that it is being implemented in a supportive and constructive way. The scheme is new to Learning Support Assistants and other curriculum support staff. Through discussing the union's grievance, the College aims to improve staff understanding and respond to their concerns.
- 10.3 Governors expressed concern about the continued red RAG-rating of English and maths and challenged the Principal and her team about the effectiveness of the improvement actions being taken to overcome the barriers to further progress. The Deputy Principal said that student attendance at English and maths classes continued to be below expectation. To address this there are:
- i) actions at department level to ensure effective interventions for students' BRAG-rated as red, including involving parents and taking disciplinary action where justified
 - ii) focus groups to understand the reasons for students being reluctant to attend English and maths
 - iii) promotional activities to convince students of the importance of achievement in English and maths.
 - iv) activities with feeder schools to encourage better student engagement in English and maths before they come to College.
- 10.4 For Functional Skills students, the results of February examinations are expected shortly and will be an indication of the impact of the changes to the improvement strategy made this year. An improvement of 10% on last year's results is needed to change the RAG rating from red to amber. Delivery planning for next year is seeking to integrate English and maths classes even more closely in the timetable of students' subject studies, making it less likely that students miss English and maths because they are late arriving at College or leave early.
- 10.5 The Principal commented that the College recognises that teaching and learning in English and maths still requires improvement. Students who have experienced similar classes and exams on repeat occasions without achieving success need different teaching and learning approaches to help them achieve a different outcome. The structure of classes will change next year with shorter sessions to build skills where students are weak and support these with practice sessions to reinforce that learning.
- 10.6 Governors noted that the College had not received any information about the timing of the Ofsted re-visit. The Principal said that the College would be ready for a re-visit in June 2017 but the actual timing could be anytime from 20 to 36 months after the last visit.

17/1/11 Learning Together Review - Report on actions/recommendations from LTR and IIP

11.1 The Chief Executive Officer presented the report which summarised how the College is addressing the recommendations made in the Learning Together Review and the Investors in People report. The report was structured into reporting back on recommendations that are already being implemented; those in progress and those that have been considered but are not being taken forward.

11.2 Governors discussed the report as follows:

i) It was noted that the request to replace Markbook is one of the proposals not being taken forward. The College is implementing improvements to training and support, as noted above, and desktop shortcuts to speed access to popular functions.

ii) In terms of sustaining and continuing collaborative problem solving, the College is setting up a 'Speak up and join in' Forum that will have a practical focus on improving communication, generating ideas to improve staff and student experience and work more efficiently.

iii) The headlines about the College's financial position are communicated to all staff through the CEO's monthly cascade brief. There is feedback that some staff are not regularly receiving the brief so managers are submitting attendance lists to help identify hard to reach areas of the College.

11.3 Governors wanted to know how the College had communicated the senior staff changes to staff. The CEO responded that Senior Leadership Team members had been briefed immediately prior to an email announcement to all staff. This was done on the same day as communication with external stakeholders. There had been some rumours about the changes in the week before, which was regrettable, but timing the announcement for the first working day after the half term had been deliberate rather than releasing the news when many staff were on leave. The Principal commented that her team had also made a concerted effort to speak to staff informally.

17/1/12 Skills Audit and recruitment process for new members

12.1 The following recommendations from the Search Committee were approved

i) re-appointment of Jay Bhayani for a further period of office, terminating on 31 August 2019 (after which time she will be eligible to serve for a further period not exceeding eight years in total).

ii) re-appointment of Anne Wilson for a further period of office, terminating on 31 August 2019 (after which time she will be eligible to serve for a further period not exceeding eight years in total).

12.2 Governing Body noted the outcome of recent staff elections to nominate an academic staff governor and approved the appointment of Saleem Rashid as academic staff governor until 31 August 2019.

12.3 Governors noted that the periods of office of Sally Neocosmos and Neil

Fletcher were due to terminate on 31 August 2017 by which point both governors would have served eight years, the normal maximum period of appointment permitted by the Standing Orders. With the recent resignation of Edward Highfield, the Search Committee had commenced a call for applications to fill the three vacancies.

- 12.4 It was noted that since the last meeting, Michael Maloney, the second student governor, had resigned from the Governing Body. The Students' Union Executive Committee would be nominating a replacement student governor for the remainder of the academic year.

17/1/13 Corporation Seal

Governing Body endorsed the application of the corporation seal to the Land Registry form (TP1) for transfer of registered title(s) in relation to the disposal of land at Norton College Bochum Parkway Sheffield.

17/1/14 Committee Issues - Chairs' points of importance

Clerk

The minutes of the following meetings were received with items recommended for approval or approved endorsed and other items (as identified on the summary sheets) noted.

- Finance Employment & General Purpose Committee - 16 January 2017

- Planning and Performance Committee -23 January 2017

Governing Body endorsed the recommendation that governor participation in the Engagement Programme be mandatory and that equality and diversity training be refreshed as a minimum on a biennial basis.

- Remuneration Committee - 6 February 2017

17/1/15 Review of meeting / closing remarks

The concise reports on teaching, learning and assessment and Key Performance Indicators were welcomed. Governors commented that the Presentation Suite is unsuitable for meetings due to the room's poor acoustics.

17/1/16 Date of next meeting

Monday 15 May 2017, at 8.00 am in the Boardroom, City Campus