

**MINUTES OF MEETING HELD ON WEDNESDAY 1 JULY 2020, 1700 HRS
USING 'TEAMS'**

Present:

Jon Sendell (Chair)

Natalie Wigman (Vice-Chair)

Jeremy Musselwhite

Dr Jan Edrich (Chief Executive & Principal)

Councillor Judith Grajewski

Steve Johnson

Angela Cross-Durrant

Gemma Baker

Bernie Topham (from item 3)

Mairead Taylor

Julie Richmond

In Attendance:

Paul Cox, Chief Executive & Principal Designate

Kevin Jones, Vice-Principal (Finance, Funding and Management Information)

Darren Coventry, Vice-Principal Commercial and Customer Services

Lou Gittens, Vice-Principal Curriculum (item B.25.20, vii only)

Paul Stannard, Vice Principal Quality (item B.25.20, vii only)

Dr Chris Davis OBE, Clerk to the Board

B.22.20 GOVERNORS' MEETING TIME WITHOUT SMT

No matters discussed.

B.23.20 MEMBERSHIP AND BOARD MATTERS

i Apologies

There were no apologies.

ii Declarations of Interests

Councillor Grajewski declared a potential conflict of interest with her appointments as Hampshire County Council's Executive Member for Public Health and as a non executive Director of the Solent LEP Board. Dr Edrich on behalf of all staff members and staff attendees declared an interest in the Annual Pay review (B.27.20, iii). There were no further declarations of interest declared, financial or otherwise in any item on the agenda.

iii Minutes of the Meeting held on 6 May 2020

The actions from the meeting held on the 6 May 2020 were reviewed and all the actions had been completed.

The minutes of the meeting held on 6 May 2020 were agreed and signed as a true and accurate record.

iv Matters Arising

There were no matters arising from the previous meeting.

v Minutes of the Special Meeting held on 27 May 2020

The actions from the Special meeting were reviewed and all the actions had been completed.

The minutes of the Special meeting held on 27 May 2020 were agreed and signed as a true and accurate record.

vi Matters arising

There were no matters arising from the Special meeting.

vii Relinquishment of post of Governor – Dr Jan Edrich (Chief Executive and Principal)

This item was postponed until the Special meeting being held on the 22 July 2020.

viii 12-month appraisal of Governor, Gemma Baker

Mr Sendell reported that Gemma Baker had successfully completed her first year as a Governor. Ms Baker had indicated that she would be willing to continue in the role for a further three years.

The Board approved a further three-year term of office for Governor Gemma Baker.

ix 12-month appraisal of Governor, Bernie Topham

Mr Sendell reported that Bernie Topham had successfully completed her first year as a Governor. Mrs Topham had indicated that she would be willing to continue in the role for a further three years.

The Board approved a further three-year term of office for Governor Bernie Topham

x Relinquishment of post, Student Governor – Ms Shannon Patterson

Mr Sendell made Governors' aware that Ms Patterson had finished her course at the College and therefore relinquished her post as Student Governor. He wished the minutes to record the Board's thanks to Ms Patterson for her diligence and hard work. He wished her every success in the future.

The Clerk would follow this up with a certificate of service and a formal letter of thanks from the Chair of the Board.

ACTION: CD

B.24.20 GOVERNORS' MONTHLY REPORT – MAY 2020

i Financial Aspects

Mr Jones began informing Governors that the forecast outturn is slightly improved on the previous month, projecting an operating deficit of £84k against a budgeted surplus of £227k, producing a negative variance of £311k. There was he said still a lot of uncertainty around COVID-19 events and that there was still the possibility of positive or negative movements depending on how the auditors view these circumstances.

Forecasted income continues to fall against the budget, however expenditure is falling, but not as fast, this he said reflects the big fall in apprenticeship income and balance of subcontracting.

The daily cash flow report (first included in the April Governors Monthly report) continues to develop and is now sharper and tidier. Forward cash flow is the main factor in all the planning at the College as the Subcontracting reduces.

Capital costs have increased this month due to the refit of the College House bathrooms to ensure a safe environment when learners return in September.

He concluded by saying that the Financial Health score was at 160 (it had previously been at 170), slight movements had caused this slippage. Everything is within the bank covenants and now the new loan agreement has been signed, the bank will not enact on the covenants until December.

Mr Johnson wished to personally thank the Vice Principal (Funding, Finance and Management Information) for the excellent progress made on the financial reporting in the Governors' Monthly report, he said it provided clarity and understanding for those who did not fully understand the complexities of the financial position.

He raised one issue about the daily cash flow, which he felt was an excellent schedule but felt that perhaps the covenant line of £1m could be inserted enabling Governors to see how the cash flow situation was aligned with the covenant.

Mr Jones said he could provide this in future reports.

ACTION: KJ

Mr Cox then provided some clarity and an update on some of the recent financial matters, which had been raised in his COVID-19 emails to Governors previously requested by the Board at the Special Board meeting in May.

The Chair asked for an update on the Financial moderation with the ESFA.

Dr Edrich said that she had received a confirmation of receipt and the financial record had been resubmitted. A communication was expected imminently.

ii Safeguarding Update

Mr Cox said that there was nothing further to report other than what had already been reported in his weekly COVID-19 emails.

iii Matters arising

Dr Edrich asked for any questions regarding the Governors' Monthly report for May 2020.

There were no further questions.

Governors noted the Financial aspects, Safeguarding update and matters arising from the Governors' Monthly Report, May 2020.

B.25.20 TO RECEIVE

i COVID-19 update

- Wellbeing, welfare and safeguarding

Mr Cox said that he had nothing further to report and that his weekly emails contained all the latest information regarding wellbeing, welfare and safeguarding during the COVID-19 pandemic.

- Financial impact

Mr Jones explained that a detailed paper had been presented at the last Finance and General Purposes Committee meeting. This detailed the impact of COVID-19 focusing on:

- Short courses especially with regards to the professional courses (gas assessment centre) £46k a month (some mitigation)
- MOT centre; hair and beauty is closed
- Full cost provision up to £20k losses
- East Avenue Restaurant closed (neutral impact)
- Leisure and evening courses

The present update is that the impact on income to the College before the impact of apprentices is approximately £140k.

- Apprenticeships

Mr Coventry began by looking at impact on the number of students within ECTA.

He then went on to explain the financial impact of those learners that have been removed from the funding system either due to complete withdrawal or short-term break in learning.

The Chair asked about the potential big-spend by the Government in the building and construction industry and the potential opportunities and need for training providers.

Mr Coventry said there could be opportunities but that there was still a great deal of uncertainty and caution being shown by businesses, with a wait and see agenda prevailing.

Governors all agreed that the College needed to be in a position to take advantage of these developments should they arise. Opportunities would appear, but it was a case of waiting to see what happens.

The Chair said it was a case of the College being flexible and proactive, something it had always been in the past. He felt that a lot of hard work had been going on behind the scenes to secure any potential new work opportunities available in the future.

Governors received the COVID-19 update.

ii Audit Committee minutes, 20 May 2020

Mrs Taylor said that this had been her first meeting on appointment of the Audit Committee.

She took the Board through the main points of the Committee meeting:

- Progress Report on Implementation of Recommendations of Previous Audit Reports
- Internal Audit Report – Visit 2 2019/20
- Internal Audit Report – Visit 3 2019/20
- DSAT output/action summary as of R08
- Risk Management
- Anti-Bribery Policy

She summarised the Annual Internal Audit Plan 2021/21 and the Strategic Internal Audit Plan 2020-2024.

She provided an overview of the key points from for the External Audit Plan Financial year 2019/20.

She also said the external auditor had taken the Committee through the sector emerging issues.

Mrs Cross-Durrant asked where the College was with regards the requirement of reducing subcontracting to no more than 10% of gross income.

Mr Cox responded by saying the ESFA had published this week the outcome of their consultation outcomes document, which confirms the overarching intent of reducing subcontracting to no more than 10% of ESFA income. A detailed implementation and timescale is not yet published, but the intent is to have this in place by 2023/24. He concluded by saying the College's subcontracting has recently been as high as 50% and has a very long way to go to achieve the planned 10%.

Mr Jones responded to a question about a change of auditor and responded by saying that he would start a process to go out to tender in January.

ACTION: KJ

Governors' received the minutes of the Audit Committee meeting 20 May 2020.

iii Standards Committee minutes, 3 June 2020

Mrs Wigman reported that the Committee had received the following items:

- Changes to awarding qualifications during the COVID-19 period
- English and maths report
- Teaching and learning termly report (carried out remotely)
- E-learning
- Partner Performance report

With regards to the QIP term 2 update she clarified that 2 out of 36 improvement actions are rated red with no progress on actions and the KPI at risk of not being achieved and there are 4 out of 36 rated black at the end of term, 1 action not started, not due.

The last area looked at by the Committee was the Link Governor scheme during COVID-19. It had been agreed by the Committee that Governors should make every effort to contact their PAMs to find out how the situation is impacting on the curriculum area, either by telephone or using 'Teams'.

The Clerk had made contact with all Governors to encourage this action.

Mr Johnson felt there was some confusion whilst in lockdown on how to carry out the Link Governor role; he was also concerned about the subject areas being covered and whether the shortage in Governors had resulted in areas not being covered.

The Clerk said that the Board was short of members as highlighted at the recent meeting of the Search Committee and there were curriculum areas that did not have Governors assigned to them.

Mr Cox said that with the retirement of Shirley Nellthorpe there was a vacancy for a Safeguarding Link Governor, which required someone to take up immediate action, he asked for any volunteers to contact the Clerk for more details after the meeting.

Councillor Grajewski wished to comment on Dr Edrich's comment in the minutes which stated, "that this situation will at sometime in the future metamorphosis into a very large training opportunity ", she said she entirely agreed with this opinion and the College needed to be in a position to respond to the ever-changing circumstances.

Governors' received the minutes of the Standards Committee meeting, 3 June 2020.

iv Finance and General Purposes Committee minutes, 10 June 2020

Mr Johnson provided a comprehensive summary of the minutes of the Committee's last meeting.

He explained that the meeting had reviewed several items with the majority of the time being spent on the Revenue & Capital Budget 2020/21 and financial plan. He described the two versions of the budget, which the Committee had been presented with:

- Version 1 of the budget was based on the College Business Plan as approved by the Board on 6 May and included the latest detail for income and expenditure, but still reflected the pre Covid-19 planned position for apprenticeships. Version 1 was a break-even budget, forecasting a small surplus of £28k before FRS102.
- Version 2 was revised to introduce more realistic assumptions for apprenticeship numbers based on latest Covid-19 impact on apprenticeship recruitment and projections for demand for 2020/21. The basic contribution of these adjustments result in a sizable forecast year-end deficit of £1.13m.

Mr Johnson continued by saying that as a result of the Committee's review of the Revenue & Capital Budget 2020/21 and financial plan, the Committee had agreed to allow the budget being prepared for this Board meeting to include the apprenticeship income assumptions. This was he said a budget which was continually being refined and honed as the new data becomes available.

He also made Governors aware that the Committee had approved a number of Policies and Procedures:

- Health and Safety Policy
- Leave Procedure
- Data Protection Policy
- Personal Relationships Policy and Guidance
- Remuneration and Reward Policy
- Staff Development and Performance Management Policy

Governors' received the minutes of the Finance & General Purposes Committee meeting, 10 June 2020.

(Confidential item)

v Remuneration Committee minutes, 6 May 2020

(See confidential addendum)

Governors' received the minutes of the Remuneration Committee meeting, 6 May 2020.

(End of confidential item)

vi Search Committee minutes, 10 June 2020

Mr Sendell provided a summary of the minutes of the Search Committee held on the 10 June 2020.

He reported that the Committee had discussed Governor Succession Planning for 200/21 and highlighted the fact that the Board needed to recruit at least six new members within the next 12 months.

The Clerk had been asked to put out a final call to the Board asking for any potential contact leads, this he had done and to date no further leads had been provided.

The Governance model had also been discussed, looking at whether the Board should re-configure to a Policy Governance mode (Carver) or remain with its present committee structure. He reported that the Search Committee unanimously recommended retaining the Committee structure and had asked the Clerk to ascertain from the Board whether there were members who felt differently to this opinion. The resulting poll confirmed that the structure of the Board would remain in its present form for present time until such time that the incoming Chief Executive and Principal had been in position to evaluate the Board's structure.

The other important item presented at the meeting was a comprehensive brief by Drew Richardson-Walsh a director with the executive search partners 'Peridot', about a potential association with the College in the recruitment of potential new independent Governors.

Mr Sendell said that the Committee had requested the Clerk to formulate a proposition on using Peridot as a potential partner in the recruitment of independent Governors. This has been produced as a paper and submitted within the Board papers for this meeting.

Mr Sendell asked the Board to consider the proposition of the Search Committee to use executive search partners 'Peridot' to recruit up to six new independent Governors.

Governors agreed to the proposal and recommendation of the Search Committee (10 June 2020) to use executive search partners 'Peridot' to recruit up to six new independent Governors.

Governors' received the minutes of the Search Committee meeting, 10 June 2020.

vii Standards – Future Planning Updates 2020/21

Ms Gittens explained that operational and planning activity is well underway for 2020/21, focusing on the recruitment and transition of learners, time tabling, curriculum development and planning, enrolment and induction.

Ms Gittens took Governors through the enrolment and induction process:

- Enrolment
 - Enrolment of learners will now commence w/c August 24 2020

- Enrolment will take place over an extended 5 day period, comprising 3 sessions per day, with an extended day to ensure the management of numbers whilst retaining social distancing
- Enrolment is being planned to enable step on step off points to manage those learners whose grades meet the entry criteria to their chosen area, those not meeting the entry criteria for their chosen area, or now unsure of their original course selection and those for whom personal, social issues may have become apparent
- At each stage of enrolment specialist staff and teams are being made available to manage learners on an individual basis.
- Open events are planned to take place for five consecutive Thursdays beginning on Thursday 20 August 2020.
- Enrolment will continue throughout the month of September.
- Induction
 - The Induction programme this year is being designed to retain the core components within a model that attains the need to reduce group sizes and ensure social distancing.
 - The model will therefore comprise a series of sessions that will take place remotely and on site in reduced group sizes.
 - Sessions will be delivered by use of centrally delivered and tutor course based sessions.
 - Sessions will also include preparing new learners for the use of online tools and platforms. Eligible learners will also be equipped with a chromebook where possible.

Mr Stannard then took Governors through the plans for future Teaching, Learning & Assessment.

- Plans for delivery of remote and face to face delivery for all attendance modes (Part Time, Full Time, Apprenticeship, Work Based Learning) are well advanced.
- High quality remote small group delivery focussed on the development of knowledge, skills and behaviours required to be successful in the chosen subject or sector
- Online whole group tutorial and centrally produced resources to ensure that pastoral support and contemporary issues are discussed by all learners (FT study programme learners only)
- High quality, fully remote English and maths provision for all attendance modes. Learners will access high quality whole group recorded lesson content, followed by small group teaching to fully confirm learning. This will be supplemented by online learning and flipped learning software and resources.
- All learners will have a requirement to complete a minimum number of directed study hours each week. For example, full time learners are required to complete a minimum of 3 hours directed study per week

Mrs Cross-Durrant felt this had been very well thought through and wanted to congratulate everyone involved in this development. She asked whether the Teaching, Learning & Assessment process was equally transferrable for students going on into their second year of study.

Mr Stannard confirmed that it would be manageable across the board and that in fact those moving into a second year had been well equipped through the recent lockdown period.

Councillor Grajewski expressed concerns about young people's ability to be able to integrate and form relationships with others through this remote learning experience. She also had concerns about the self-imposed discipline that this process demanded on the learner and the mental health consequences that might transpire through not making contact with other people.

Ms Gittens said there were concerns, however the College was taking every measure to try and counteract this potential malaise; she reported that the tutorial lead was working

closely with the safeguarding lead to try and provide the necessary support and guidance necessary.

Councillor Grajewski asked for more monitoring with regards to safeguarding and mental health to be undertaken and reported back to the Board, establishing a 12-month comparison of what is happening.

Governors' agreed with this proposition.

ACTION: PS

Mr Stannard concluded that the College has a college collaboration bid in with another college, with mental health very high on the agenda. If successful the College would look to employ a new position of College Engagement Officer working within the safeguarding team and dealing specifically with learners who have anxiety issues.

Governors received the Standards – Future Planning Updates 2020/21.

B.26.20 TO REVIEW

i Initial evaluation of revised Instrument and Articles

The Clerk took the Board through the first draft of the revised Eastleigh College Instrument and Articles, which was agreed would be based on the Eversheds' standard I&As template (Board meeting 6 May 2020).

Each amendment was reviewed by the Board and either agreed or further amendments made to the draft document.

The Clerk said the process would now be to formulate another draft, which would include all the amendments agreed at this meeting. The second draft would then be sent to Eversheds for review to ensure that it has legitimacy before bringing back to the Board in September for approval.

Governors' reviewed and agreed to the amendments made in the draft Board I&As process and will receive a second draft to approve at the September Board meeting, having received the additional assurance from a legal perspective from Eversheds.

(Confidential item)

B.27.20 TO APPROVE

i Revenue and Capital Budget 2020/21 and Financial Plan

(See confidential addendum)

Governors' agreed that the Revenue and Capital Budget 2020/21 and Financial Plan should be further updated with the most informed and timely information available and returned to the Board at the 'Special' meeting on the 22 July 2020 for final approval before submission to the ESFA on the 31 July 2020.

The Chair thanked Mr Jones for his hard work in compiling the Budget.

(End of Confidential item)

ii Financial Regulations and Procedures

Mr Jones made Governors aware that the Financial regulations and Procedures had been reviewed at the meeting of the Finance and general Purposes Committee and they had recommended them to the Board for approval.

He reported that the changes in this version largely reflected changes to staff titles and roles following the recent organisational restructure. There have also been a number of procedural changes to reflect the new organisational structure.

The College is also in the process of updating its HR and Payroll system and its Finance database. As these systems will not be fully operational until after August 2020, this set of proposed changes to the Regulations should be seen as stage 1 of 2, with a further set of proposed updates of the Regulations to be presented to Governors in the Autumn 2020.

Governors' approved the Financial Regulations and Procedures.

(Confidential item)

iii Annual Pay Review

(See confidential addendum).

(End of confidential item)

B.28.20 Date of the next meeting:

**i 'Special' Board meeting
Wednesday 22 July 2020, 1600 hrs**

Revenue and Capital Budget 2020/21 and Financial Plan (To approve)

There being no further business, the meeting closed at 1930 hrs.