



DIRECTORS' MEETING Minutes of the meeting on 11 October 2018

Present: Mr Vernon Amor, Ms Michelle Balcombe, Mr Peter Cooper, Dr Marion Hawkins, Dr Ken Hopkins (Chair), Mr James Miller, Mr Andrew Parsons, Mrs Shirley Tully. (8)

In attendance: Mr Robert Gorman (Clerk), Mrs Sallyanne Griffiths (Finance Director), Mr Callum Berry (Student), Miss Rose Ruggiero (Student), Mr Adrian Allan, Mrs Danielle Thompson, Mrs Catriona Ward.

Prior to the business of the meeting Mark Ridgeway (Director of IT and MIS) gave a presentation on the new Directors' section of the College website, and how Directors gain access.

1. **APOLOGIES FOR ABSENCE**

Mrs Emma Telford, Mrs Andrea Marshall, Mr Phil Tranter (3)

Chair's Opening Remarks

The Chair indicated that the Search Committee item would be taken first.

7 (v) Search Committee on 11 July 2018

The Committee members had considered the appointment of new Board members. The three current co-opted Committee members had each expressed an interest in becoming a full Director. The Committee had appraised their background details and interest in the College, and recommended that all three be appointed as full Directors. Each one briefly introduced themselves to the Board.

Mr Adrian Allan – Veterinary surgeon - Staff & Students Committee
Mrs Danielle Thompson – Managing Director, Purple Monster – Staff and Students and Audit Committees
Mrs Catriona Ward – Heritage Conservator – Curriculum committee

All were in favour, and the **BOARD AGREED** to **APPROVE** the appointments. The Notes of the Committee were then considered and **APPROVED AS A CORRECT RECORD**.

The Chair went on to welcome Rose Ruggiero, as a new Student Governor.

2. **DECLARATIONS OF INTERESTS AND GIFTS**

None.

3. **MINUTES OF THE MEETING HELD ON 28 JUNE 2018**

The Minutes were approved as an accurate record and signed.

4. **MATTERS ARISING FROM THE MINUTES**

There were no matters arising.

5. **CLERK'S REPORT**

The Clerk gave a verbal report, confirming that, with the appointment of the new Directors, the number of Board members now stood at 14. The Clerk thanked

Directors for returning completed eligibility and declaration of interest forms, reminding those who had yet to do so. The Skills and Training Needs questionnaire was circulated, to be returned by 13 December. Documents for the next cycle of meetings, and going forward, would be available on the Directors' section of the College website, as outlined in the presentation earlier.

There was a change to the timing of the next Audit Committee meeting, which will now be on 29 November at 17.00 prior to the Finance and Resources Committee.

6. PRINCIPAL'S REPORT

The Principal presented his report and began by indicating that although results were pleasing, the Board faced significant challenges ahead, the main ones being:

- maintaining quality offering and support for students in changing times
- new qualifications in an environment where funding in real terms has suffered 40% cut since 2010
- demographics have declined by 5%, reflecting in HSFC numbers
- progress towards forming a Multi Academy Trust (MAT)

Intake is down by 100 from same point last year. There will be at least two lean years after this until things level out. In funding terms 100 students equates to £430k, and in the next couple of months the College will have to review staffing in order to balance the budget over this period, so that it can emerge in good order. In response to a Director's question, the Principal confirmed that the relatively easy savings had already been made.

Staff appointments included the new Chaplain, Lana Silk. Staff absence continues to be relatively low, with the average number of days absent dropping from 4.8 in 2016/17 to 3.5 in 2017/18, and low compared to public services figure of around 6 days per year. In response to a Director's question, the Principal confirmed that the majority of absences were single figure, with no worrying patterns.

The Principal went on to report that Jacquie Lake, Deputy Principal, has been seriously ill since June, and unable to return to work as a significant period of recuperation was needed, adding that the SMT have been have been magnificent in ensuring that all has run smoothly.

New enrolments in September were in line with the 5% decline in demographics reflected in the school cohort data. Patterns are changing with more Year 1s progressing to Year 2, coupled with a decline in students recycling back to Year 1, leading to a smaller Year 1. There is also more competition.

Results improved slightly to 99.2% A-E for A Level, against 97.1% nationally. Value Added results A Level for 2017/18 were in the 75th percentile. Pass rates on Vocational courses were good and value added has improved, although problems still exist in the evaluation this area nationally. GCSE A*-C pass rates were in line with the previous year in most subjects and are well above national averages. English and Maths were at 74% (80.5%) and 66% (76.5%), respectively, where both subjects have a post-16 pass rate nationally of less than 25%.

In relation to Finance, the College's expected out-turn for 2017/18 is a surplus of £166k prior to audit adjustments. Pay negotiations, between the SFCA and the Unions, will be based on school teacher settlement of 3.5% for main scale, 2% higher scale and 1.5% management. As an academy the College will get some help with funding the award.

HSFC the Academy and the future

HSFC had become an academy on 1 March 2017 to be in the right sector, and was now working with Worcester Sixth Form College and its Governing Body with a view to forming a MAT. The Principal went on to confirm that the bureaucratic process was moving ahead, and a shadow trust board had been formed with Dr Ken Hopkins as Chair. A chart showing the structure of the proposed MAT Governance and Operating Structure was circulated. Both institutions would still have a high degree of autonomy, with the HSFC Local Governing Body (LGB) being much as the existing Board is. Directors asked a series of questions:

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| what this would mean for the students | - little effect on staff or students |
| would Chairs of LGBs be part of Trust Board | - yes as co-opted members |
| what happens to present Members of HSFC | - new Members will need to be appointed |
| what Committees of MAT are there | - only Audit Committee must be there, although quality and teaching need to be monitored |
| would there be harmonisation of curriculum | - certain things need to be done in certain way, but there will be a degree of autonomy |
| would there be a pull on Principal's time | - will limit the number of meetings attended, and focus on HSFC priorities to retain Outstanding status. |

Directors discussed in some detail and **NOTED** the report.

7. COMMITTEE REPORTS

i Curriculum Committee on 20 September 2018

The Committee Chair confirmed that the Committee had considered the recruitment of new students, retention, the College's A Level, AS Level and vocational results and Curriculum for 2018/19.

The Committee had looked at recruitment by school and by course. College roll of 2033 in September, was 100 down on the same point last year. The market is becoming increasingly competitive in year 11 recruitment from schools. Improvement in GCSE results at feeder schools would have an effect on this. Psychology was the most popular course with 290 students in 12 sets. The Chair indicated that staff workloads were high due to high course set sizes in many subjects, but remarked that staff were doing an excellent job.

Retention remained at a high level, 95.5%, from November to May.

Examination results had been very good, but it was felt that more students with lower grade GCSEs going through had reduced the percentage of top-end grades. Committee members had remarked that GCSE results overall were excellent, and noted the outstanding English and Maths performance. The Committee Chair commented, that with GCSE passes at 66% for Maths and 74% for English, compared respectively with 22.7% and 33.0% nationally, the results were stunning.

The Committee had discussed value-added analyses of A Level and AS results for 2017/18 in considerable detail, and the performance by students in all subjects was examined. The Alps Data tables, based on previous year's data, indicated that the A Level Quality Indicator was showing that overall results

remained in the top quartile of colleges. BTEC results also scored in the top quartile. The Committee Chair again praised the way College staff analyse results, self-appraise in a very rigorous fashion and take action for improvement on any poorly performing subjects.

In relation to the curriculum, the Committee had reviewed the master-file schedule of all courses offered by the College, including new courses offered at BTEC.

Directors **NOTED** the report. The Committee recommended the changes to the Curriculum 2018/19 and Course Masterfile, and after discussion the Board **AGREED** the Curriculum 2018/19 and Course Masterfile with minor changes.

The Committee's Minutes were then considered and **APPROVED AS A CORRECT RECORD.**

ii. Staff and Students Committee on 25 September 2018

A Committee member presented the report in the absence of the acting Chair.

The Committee had discussed:

- Staff absence – below national averages for sector, no concerns
- Staffing update – 12 staff on maternity leave in the past year, aggravating the balancing of staffing requirements against student numbers
- Appraisal of Senior Post holders procedure – recommended same procedure as last year
- Staff Questionnaire 2018 – results were very positive, particularly given significant management changes and increased workload
- Equality, Diversity and Inclusion policy – recommended with minor changes
- PREVENT Strategy – recommended with no material changes
- Safeguarding and Child Protection, and Adults at Risk policies and procedures – both recommended with changes as outlined

Outcomes against all six of the College's Equality Objectives for 2017/18 were successful. In response to a Director's question about the relative performance of girls especially in STEM subjects, the Principal had confirmed that this was a national issue, aggravated by linear examinations, but HSFC was ahead of the national picture. The designated Director for Safeguarding issues is Emma Telford. Directors were reminded that Michelle Balcombe leads on Equality and Diversity.

After a brief discussion the Board **AGREED** that the same procedures as last year will be used for appraising Senior Post Holders in 2018-19.

The changes to the Safeguarding policies, outlined in the Committee minutes, were reviewed, and after discussion, the Board **APPROVED:**

- the Safeguarding and Child Protection Policy and Procedures
- the Safeguarding Adults at Risk Policy and Procedures
- the Equality, Diversity and Inclusion Policy, including Disability disclosure Policy

all with changes as outlined.

The Committee's Minutes were then considered and **APPROVED AS A CORRECT RECORD.**

iii. Finance and Premises Committee on 27 September 2018

The Committee Chair confirmed that the Committee had received and considered the Management Accounts for August 2018 and Budget and Financial Forecast.

The Management accounts for the 12 months to August 2018, prepared prior to audit completion and FRS 102 pension adjustments, forecast a surplus of £66k for the year, against a budgeted deficit of £95k. The Finance indicated that savings on pay costs are offset by differences in accounting treatment of government capital grants, such that the final accounts may show a deficit of £56k. The Balance Sheet remains strong at 31 August with Net Current Assets at £3.0m and an Adjusted Current Ratio of 5.17%, all still producing a Financial Health score of Outstanding using the previous criteria. The external auditors, Thorne Widgery, had commenced the audit of Accounts to August 2018. Full statutory accounts would be presented in December.

The Board expressed thanks to the Finance Director and Finance team for achieving early preparation of accounts for audit. The Board discussed the accounts and then **AGREED TO APPROVE** the Management Accounts for 12 months to 31 August 2018.

The Committee had received a verbal update on the Budget for the current year. Reduction in student numbers and increased transport costs as more students come from further afield have an impact.

The Committee had also received updates on the College's insurances, premises works and IT developments. It was intended to accelerate the completion of the remainder of the College's air conditioning project. It has become increasingly difficult to be successful in capital funding bids, and the College is to work with a consultant to submit its next bid.

The Committee's Minutes were also considered and **APPROVED AS A CORRECT RECORD.**

iv. Audit Committee of 2 October 2018

The Committee Chair presented the report, indicating that the Committee had considered:

- internal audit review – Learner numbers – assessed as Substantial Assurance. A particularly good outcome in a year when the previous MIS manager had retired
- the Internal Audit Annual Report 2017/18 – on work carried out against the approved plan – IA gave clean opinion, satisfied that College has reasonable and effective risk management, control and governance in place
- the Annual Report of the Audit Committee – Agreed - to be presented to the Board
- Directors' attendance – attendance % still above sector benchmark
- Directors' self-assessment of governance – used to inform College's SAR – Board worked effectively and operated as a team
- External Audit Plan for August 2018 Accounts – AGREED to be signed - audit work already started
- Self-Assessment Report – no longer mandatory but College will continue to prepare

- Risk Management – risk management action plan 2017/18 updated
- Disaster Recovery Plan update – not just about IT

The Chair had welcomed Danielle Thompson to the Committee.

The Risk Management Action Plan 2018/19, updated September 2018, used to manage risks identified as requiring significant focus or monitoring had been reviewed. Risks to the College are scored by significance and probability together with a rag (red, amber, green) rating. Only one new significant risk, cyber-crime, had been added.

No instances of fraud or cybersecurity breaches had been reported to the Committee. This was now a standing item for the Committee's agenda.

The Committee's own Annual Report gives assurance to the Board that the Academy, HSFC, has adequate and effective audit arrangements, and an assurance framework and control systems which the Board can rely on in the execution of its duties. The Committee recommended the amended Annual Report be presented to the Board.

The average attendance at HSFC full Board meetings was 91.0%, and 89.1% for Committees overall. By way of benchmarking, the attendance statistics gleaned from the Clerks' network, based on returns from roughly one third of colleges, gave an average attendance at governors' meeting of 80.4%, within a range of 63% to 92%.

In relation to the Directors' self-assessment of governance, 83% had given an overall assessment of governance as outstanding and 17% good. The responses and comments from the self-assessment would be used to inform future training and information sessions, with information on the College website in due course. The Principal and Clerk had agreed to follow this up. Directors acknowledged and sought suggestions as to how the mix of the Board with regard to race and age might be improved, although the ethnicity of Herefordshire did not help. It was agreed that the Directors' self-assessment should be on an annual basis.

The Board considered the various aspects of the Committee's report and then **AGREED TO APPROVE:**

- the Annual Report of the Audit Committee for 2017-18
- the updated Risk Management Action Plan 2018/19

The Committee's Minutes were also considered and **APPROVED AS A CORRECT RECORD.**

8. ANY OTHER BUSINESS

The Principal presented a letter of 18 September from the ESFA addressed to Chief Executives and Principals of Academies, about the proper use of budgets, achieving value for money and ensuring constructive challenge. A trust must notify EFSA of appointments, vacating of roles and details of trustees in accordance with the Academies Financial Handbook.

9. DATE OF NEXT MEETING

Thursday 13 December 2018, at 6.00pm.