

Governing Body

Date: 15 May 2017
Venue: Boardroom City 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 Linacre
Sally Neocosmos
Saleem Rashid
Seb Schmoller
Amy Smith
John Timms
Gil Vasey
Anne Wilson

In attendance: Rav Garcha Financial Consultant
Jason Pepper Executive Director, Finance and Resources
Alison Shillito Clerk to the Corporation
Heather Smith College Principal and Executive Director
Darren Tidmarsh Executive Director, HR and SRI

Action

17/2/1 Chair's comments and apologies for absence

The Chair welcomed Saleem Rashid, Staff Governor, and Rav Garcha to their first Governing Body meeting. Apologies were received from Chris Husbands and Kim Streets.

17/2/2 Declarations of Interest

There were no declarations of interest.

17/2/3 Minutes of the meeting held on 6 March

The minutes of the meeting held on 6 March were approved subject to adding a note that Sally Neocosmos chaired the meeting for Parts 1 and 2.1 (Chief Executive's Report) prior to Richard Wright joining the meeting to Chair the remainder of the agenda. **Clerk**

17/2/4 Action record

- 4.1 Most actions were reported as completed, the two outstanding actions were
(i) Governors self-assessment against the Code of Good Governance - the **Clerk**

Clerk would circulate an updated report shortly. Governors are asked to provide feedback to inform annual governance reporting and board effectiveness review.

Clerk

(ii) Equality and Diversity training - the CEO reported that a supplier for a senior leader programme had been selected and work was progressing to confirm training aims and content.

4.2 The action record to be updated prior to re-circulating with the agenda for the next meeting.

17/2/5 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 considered as substantive agenda items. The following issues were discussed.

- i) Financial performance - the forecast outturn had improved mainly due to tight control of costs (pay and non-pay). The position for next year would be exacerbated by a reduction in grant funding.
- ii) New course developments - the College had been successful in securing validation/revalidation of a number of HE programmes and overall HE applications are higher than in 2016/17. Two new programmes in veterinary nursing required further work before they could be reconsidered for approval in September. This would delay the programme launches until January 2018, at the earliest. Applicants have been informed and the College hopes to be able to offer a January 2018 start for those who wish to do so.
- iii) Governors were concerned that the College had made offers of places for courses, subject to validation, that the College had then had to withdraw. It was noted that the programmes had required professional body accreditation as well as Open University validation, which had made approval more complex. Governing Body asked the College Executive to ensure it provides any help it can in finding alternative places for any disappointed students. Governors recommended that the College liaise with validating bodies to ensure that its arrangements for advertising programmes subject to validation comply with sector good practice.
- iv) The report noted several recent issues that seemed to be undermining the development of a strategic partnership with Sheffield Hallam University. The Chair commented that he and the CEO had met with Hallam University's Vice-Chancellor and Chair of Board of Governors and at the most senior level there is a readiness to collaborate on developments which are mutually beneficial and strengthen progression opportunities for local students.
- v) The CEO reported the removal of the summative grading of staff performance in the annual PDR process. Governors wanted to know if this change might make it more difficult to identify and address under-performance. The Executive Director of HR commented that the College is reinforcing the importance of regular one to one meetings to consider performance throughout the year and deal with any issues as soon as they arise, rather than waiting for PDR.

Director
of
Marketing

5.2 Governing Body noted the report.

17/2/6 Key Performance Indicator Dashboard

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

- i) Student attendance still needs to improve. Attendance at English and maths is having a negative impact on attendance overall. In spite of this, forecast achievement is improving as compared to the same time last year.
- ii) Staff turnover is amber rated due to the relatively high turnover of new recruits. About half of leavers had completed exit questionnaires but no common themes are emerging in responses. Turnover for teaching staff is below national average and the College is keen to ensure it is attractive to and can retain good staff.
- iii) Governing Body wanted to know if the College is currently overly reliant on staff teaching on an agency basis, some of whom may be ex-staff phasing their retirement. This may give the College recruitment problems in the medium to long term when these associates fully retire.
- iv) The CEO responded that the balance between Sparks Teaching Staff associates and permanent staff is under review. The College would like to make efficiencies to invest in its permanent teaching workforce. This may provide opportunities for STS associates to apply for permanent posts and/or attract new staff. Planning for new permanent posts would depend on need and affordability.

Executive Board

17/2/7 Change initiatives

7.1 Governors received the project dashboard which summarised the progress on initiatives. The Executive Board would be reviewing change initiatives for prioritising in the 2017/18 Business Plan.

7.2 Governing Body noted the report.

17/2/8 Monthly management accounts March 2017

8.1 Governors considered the accounts as follows.

- i) The management accounts indicate that the College will generate a small surplus this year and have a reasonably robust cash position for the start of 2017/18.
- ii) Receipts from the disposal of the Norton site had paid down the College's revolving debt facility but debt servicing gearing would remain relatively high due to the College's reduced income this year.
- iii) The percentage of the College's income spent on staffing remains at the high end of the spectrum. Finance, Employment and General Purposes Committee would be reviewing newly published AoC pay benchmarking data to consider this in more detail.

EDF&R

8.3 Governors noted the report, commenting that the improved forecast outturn seemed to be a good result for the College in what had been a difficult year for recruitment and other income generation.

17/2/9 First draft budget 2017/18 CONFIDENTIAL

- 9.1 The Executive Director of Finance and Resources presented the first draft budget for 2017/18.
- 9.2 Governing Body considered the report some of the discussion is reported in a confidential minute.
- i) Apprenticeship recruitment showed a significant increase. Governors wanted to know how realistic it is to be projecting a further 30% increase in apprentice recruitment in 2017/18 while also maintaining or increasing 16 - 18 recruitment to other provision. The EDF&R responded that, while uncertainties remain around apprenticeships, the forecast had been based on known data i.e. continuing apprentices progressing and planned recruitment from established relationships. It was also noted that the College had been able to transfer continuing apprentices from a number of small private apprenticeship providers that had closed during levy changes.
 - ii) The College has been addressing disappointing HE recruitment in 2016/17 by refreshing its portfolio with new, more distinctive provision. HE applications have increased as compared to last year and in the context of a 4% drop in HE applications nationally.
 - iii) In order to add established posts for teaching staff in developing and shortage areas, the College would need to make additional efficiency savings in other parts of the budget.
 - iv) Employment cost data indicated a significant rise in the size and cost of managerial staff. It was noted that this classification has changed and now includes staff managing learner support and apprenticeship provision as well as more traditional supervisory functions. FEGP would be reviewing sector benchmark data to consider in detail the profile of the College workforce.
- 9.3 It was noted that Finance, Employment and General Purposes Committee had reviewed the first draft and recommended to Governing Body that the College set a budget that maintains a satisfactory financial health score; meets its debt servicing covenants and breaks even or makes a small surplus.
- 9.4 Governing Body endorsed the budget criteria proposed by Finance, Employment and General Purposes Committee and requested that College Executive develop budget proposals that meet the criteria and
- i) provide for investment in increasing student numbers (via collaboration with SWFCCP and direct recruitment) and
 - ii) enable the College to maintain teaching quality and invest in its established teaching staff workforce and staff development to support changes to portfolio.

17/2/10 Letter from Peter Lauener, Chief Executive ESFA

- 10.1 Governing Body received the letter to the sector. It was noted that many colleges are struggling financially and no additional help is being offered. The letter reminded governors of their responsibility to ensure that the College is managed in the best interest of all the stakeholders and continues to be 'a going concern'.

Sharon Smith, Vice Principal, attended for the following item

17/2/11 Quality Improvement Plan/Post Inspection Action Plan - progress on English and maths

11.1 Sharon Smith's presentation included the following points.

- i) Over 40% of the College's students study English and maths; currently over 95% of them are meeting the condition of funding; attendance is better than last year but remains below target; forecast achievement is that 1 in 5 will achieve A*- C.
- ii) It is difficult to engage with parents and supporters. The College puts a lot of effort into engaging with parents about the importance of English and maths from information sessions pre-induction to preparing for exams. This is not an easy task. A recent presentation for parents about helping students prepare for exams was poorly attended (20 out of 400 invitees attended). The presentation has been sent to all invitees. The College is currently exploring automated methods of sending SMS messages to supporters about student attendance, homework and behaviour.
- iii) The team continues to seek ideas for further improvements from higher performing colleges. Changes already planned for next year include: changes to the teaching model to embed Functional Skills into vocational areas; better integration of English and maths sessions into subject timetables to improve attendance; and restructuring GCSE classes into taught classes and practice time when students can focus on those aspects of the curriculum that they find most difficult. Staff are developing new schemes of work
- iv) Governors asked about student behaviour in English and maths classes and whether student attendance and performance is being adversely affected by poor behaviour of some de-motivated students. The Principal responded that poor behaviour had been noted in one in five of the sessions observed in the recent review of English and maths. The College is providing further staff development on behaviour management to address this. Members of staff are encouraged to report disruptive behaviour so it can be addressed through the pastoral and disciplinary processes.
- v) It was commented that feeder schools are not necessarily using tiered papers in maths GCSE appropriately and this is leading to a higher proportion of D grades than would be expected. The Vice Principal responded that the College is engaging with its feeder schools to encourage all aspects of good practice in English and maths including directing students to the most appropriate Maths level for their forecast achievement.

11.2 Governors noted the presentation including the challenges and the progress that is being made and endorsed the strategy for continuing to improve students' attendance, progress and attainment in English and maths.

17/2/12 Students' Union Constitution

12.1 The President of the Sheffield College Students' Union presented a revised constitution with changes to simplify its structure and provide continuity by:

- i) replacing the Student Council, which had not generated sufficient interest to convene in recent years, with an Annual General Meeting open to all students of the College and
- ii) to change the current maximum term of an elected sabbatical officer from one to two years of office.

12.2 It was noted that the proposals were the outcome of a review by the Students' Union Executive Committee and had previously been considered and recommended for approval by Planning and Performance Committee.

12.3 Governing Body considered the proposals and approved the revised constitution.

17/2/13 Governor appointments

13.1 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:

- i) for the transfer of property to St James Securities and
- ii) for the transfer of adjacent small parcels of land to Sheffield City Council.

17/2/14 Senior Post vacancies

14.1 The Chair reported on progress on recruiting a new College Principal and Finance Director and thanked governors for their support in the recruitment process.

14.2 It was noted that a national search had been conducted for both vacancies. A shortlist of candidates for the Principal post had been agreed and the selection event would take place on 23 May with Governing Body scheduled to meet on 25 May to consider the Selection Panel's recommendation. A meeting to prepare a short list of candidates for the Finance Director post would take place on 24 May. The selection event for Finance Director would be conducted on 7 June and Governing Body would consider the Selection Panel's recommendation on 12 June.

14.3 Governing Body endorsed the action taken by the Chairs' meeting to make arrangements for the recruitment process and governor selection panels.

17/2/15 HRM update including Employee Survey - initial results 2017 Confidential

15.1 Governing Body received the report which included initial results from the Employee Survey. The level of staff participation in the survey had improved marginally as compared to the previous year with 73% of staff responding, a relatively high level of engagement. Looking across the range of indicators, business support staff continued to record higher rates of satisfaction than colleagues in curriculum areas and the difference seemed to have increased.

15.2 In noting the report, it was reported that the independent consultant responsible for the survey would be preparing a detailed analysis of the results and presenting this to the Executive Board and governors.

EDHR

17/2/16 Update on progress against actions/recommendations from Learning Together Review and Investors in People assessment

16.1 The Chief Executive reported that since the last meeting, the Learning Together Review final report and update on actions had been circulated to all staff and the Speak Up and Join In staff engagement group had been constituted, with an initial meeting scheduled for 22 May.

16.2 Governing Body requested that a copy of the full report be circulated to all governors and minutes of meetings of the Speak Up and Join In group be routinely circulated to Governing Body. **Clerk**

17/2/17 Committee Issues - Chairs' points of importance

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 - 13 March 2017 and 9 May (tabled)
- Chair's Meeting 15 March 2017
- Planning and Performance Committee -27 March 2017
- Audit and Risk Assurance Committee - 20 March 2017

17/2/18 Review of meeting / closing remarks

18.1 Governors commented that the presentation on English and maths, including the update on forecast achievement and the challenges of persuading students and their parents of the importance of English and maths, had been particularly informative and useful. The presentation had been full and concise; an example of good practice in reporting for future reports.

18.2 The Chair commented that the challenges of setting a viable budget for 2017/18 would require detailed scrutiny and further iteration before they could be finalised at the July Governing Body meeting. It was therefore agreed that the principal activity of the strategy event on 12 June 2017 would be to look at the proposals for addressing the financial challenges facing the College.

**CEO; EDHR
and
Financial
Consultant**

17/2/19 Date of next meeting

Thursday 25 May, at 8.00 am in the Boardroom, City Campus, an exceptional meeting to consider the recommendation of the selection panel for the appointment of College Principal.

Monday 12 June at 8.00 am in the Boardroom, City Campus, originally scheduled as a strategy event but would be used to consider College