



MINUTES OF THE MEETING OF THE BOARD OF GOVERNORS HELD 08 DECEMBER 2016

Present:	Ms T Bruton (Chair)	
	Mr P Dubrow (Vice Chair)	
	Mr P Hannan (Group CEO & Group Principal)	
	Mr B McNicoll	
	Mr C Hearn	
	Ms S Hart	
	Mr P Morris	
	Ms J-A Delaney	
	Mr G Coshall	
	Ms R Mathar	
In attendance:	Mr J Allen	-Clerk to the Governors
	Mr M Lumsdon-Taylor	- Group Deputy CEO & Deputy Group Principal
	Dr L Pamphilon	-Group Vice Principal Quality, Standards and Performance
	Ms B Cleves	-Group Vice Principal
	Mr D Payne	-Group Vice Principal

The meeting started at 08.30

Section A: Formal Agenda Items

WELCOMES, APOLOGIES, QUORACY, & DECLARATION OF INTERESTS

1. Apologies were received from Mr C Porter, Mr G Curtiss, Mr H Guntrip and Professor S Lea. The Clerk confirmed that the meeting was quorate. The membership of some of the Members of the Hadlow Corporation on the Board of West Kent & Ashford College (WKAC), Hadlow Group Board, and Hadlow Rural Community School were noted. It was agreed that these interests would be a declared interest at all Corporation meetings. The Chair confirmed that all Members would be making decisions in the best interests of Hadlow College, regardless of their membership elsewhere within the Hadlow Group Structure.

MINUTES

2. It was **RESOLVED** that the minutes of the meeting of the Corporation held 14 July 2016 be approved and signed by the Chair as a correct record.

3. It was **RESOLVED** that the minutes of the meeting of the Corporation held 14 October 2016 be approved and signed by the Chair as a correct record.

MATTERS ARISING

4. There were no matters arising from the minutes.

Section B: Strategic Importance

KENT AREA REVIEW

5. The Principal provided the following updates:

- The first meeting of the Kent Area Review Steering Group takes place tomorrow and will be attended by the Principal and the Chairs from Hadlow and WKAC
- The Executive and Chairs of Hadlow and WKAC met with the two FE Deputy Commissioners who conducted a recent visit to both Colleges
- The FE Deputy Commissioners were made aware of the Group's agreed redlines
- The FE Deputy Commissioners were made aware of the KAFEC Position Statement
- The four Kent colleges have a combined turnover of £200m with no small colleges in terms of financial turnover
- The four colleges have a 40% market share of 16-18 year olds, with the remaining 60% in school sixth forms that do not fall within the scope of the Area Review process
- The College to use the Area Review process to raise the issue of the SFA clawback of £880k and the current dispute on the third year of protected funding
- The newly appointed FE Commissioner will Chair the Steering Group meetings
- The two Deputy Commissioners fed back positively at the conclusion of their visit to the two colleges. In particular, they commented favourably on Hadlow College's commerciality, on the strong leadership provided by the Executive, and the empowerment of senior staff by the Executive.
- A report on their visit will be made available to the Principal.

6. The Kent Area Review update was **NOTED**.

HADLOW GROUP BOARD MINUTES

7. Received and noted for information purposes were the minutes of the Hadlow Group Board meeting held 20 October 2016.

STRATEGIC & OPERATIONAL PLAN – EXCEPTIONAL REPORT

8. As agreed, each meeting of the Corporation is to receive an exceptional report reporting on those actions that have yet to be implemented against the set target date, with the July Corporation meeting receiving the full Strategic & Operational Plan.

9. The Corporation received the exceptional report where a progress update was given against a number of objectives currently being assessed at "Amber" in terms of their implementation against the agreed target date. It was noted there were no 'Red' assessments.

10. As this is the first term of the Operational Plan, there were no issues of concern being brought to the attention of the Corporation on the implementation of the Strategic Plan.

11. It was **RESOLVED** to note the exceptional report.

SELF ASSESSMENT

12. The following were received under this agenda item.

- Governance Self Assessment Report 2015/16
- College Self Assessment Report 2015/16
- Landex Membership Letter

13. The Corporation has approved a range of key performance indicators supported by 21 targets that measure both corporate and governance effectiveness. Based on published information from the work of the Corporation's Committees, the Clerk produced a commentary on performance against the performance indicators and key targets. The report concluded with a commentary on overall performance.

14. Governors noted the assessment that governance is 'Outstanding'.

15. The Group Vice Principal Quality, Standards & Performance outlined the process followed for undertaking the College's self assessment, with confirmation given that the process is a bottom-up approach starting with curriculum teams conducting their own self assessment. These self-assessments then feed into faculty self-assessments and these in turn feed into the College's Self Assessment Report.

16. There took place a validation panel meeting and the Group Vice Principal thanked those governors who participated in the validation process. External moderators also took part in the validation meeting including peer representatives from Guildford College and Brighton College.

17. It was confirmed the Self Assessment Report was written against the new Common Inspection Framework (CIF) with particular focus on English and maths and Prevent.

18. Governors noted the following top level self-assessment grade profiles confirmed in the College's Self Assessment Report 2015/16:

Overall Effectiveness	Outstanding – Grade 1
Leadership & Management	Outstanding – Grade 1
Teaching, Learning and Assessment	Outstanding – Grade 1
Personal Development, Behaviour & Welfare	Outstanding – Grade 1
Outcomes for Learners	Good – Grade 2
➤ 16-18 Study Programmes	Good – Grade 2
➤ Adult Learners	Outstanding – Grade 1
➤ High Need Learners	Outstanding – Grade 1
➤ Apprenticeships	Outstanding – Grade 1

19. It was reported the most difficult discussions were on the proposed grade for 'Outcomes for Learners'. There were issues around English and maths results. English

results were good but not for maths. Functional Skills results at Level one were good but not at Level two. There was a split amongst the validation panel members, with some proposing a self-assessment grade of 'Outstanding' whilst others proposed a grade of 'Good'. Some aspects of the College's outcomes are not in line with national averages and no final assessment can be made on how the College compares nationally, as national benchmark data has still to be published for 2015-16. The expectation is for national benchmark data to decline due to the impact of the national results for English and maths. In conclusion, the validation panel, including the governor representatives on the panel, agreed that learner outcomes are 'Good' with 'outstanding' features.

20. The Board noted the debate, and the agreed outcome for the final self-assessment grade for 'Outcomes for Learners'. The Board fully endorsed the conclusion reached by the validation panel.

21. In terms of why the Board believes the College to be 'Outstanding', the following strengths were noted:

- Excellent levels of overall success which improve year on year and remain above National Rates on primary qualifications.
- Excellent Leadership and Management through all manager and governors which ensures a robust and detailed approach to improvement.
- Excellent resources which create a highly profession and 'real life' work environment in which to study and are used highly effectively within teaching and learning.
- Excellent use of external work placements which ensures all learners develop high level vocational and employability skills and have positive progression
- Teaching and learning is consistently very good using creative approaches which inspire learners and supports excellent levels of outcomes in all groups of learners.
- Outstanding support for all students through a highly responsive student support services team which celebrates individualism, promotes social and moral values and contributes to students' significant enjoyment of their time at College.
- Very good development of mathematics and English within vocational skills
- Excellent development of employability skills through robust external work placements for all students and through the use of the College's practical resources and commercial areas.
- Highly qualified staff whose vocational skills develop student's enthusiasm and passion for their subject.

22. To continue to improve, the College has to:

- Further develop a culture of teaching and learning where all staff are more open to feedback and the majority of staff are keen to share and demonstrate practice.
- Introduce annual updates for safeguarding to further develop the excellent three year training programme.
- Coaching of course managers within Level 3 courses containing 19+ students and Animal Management Hadlow Level 1 and 2 to focus on monitoring of attendance through a robust approach to tutorial to support retention.

- Further development of individualised and challenging teaching and learning particularly in Level 2 mathematics which meets the needs of all learners and supports progress and success of outcomes.

23. Membership of Landex is subject to annual review by a committee of the board. This met in July, following completion of the round of visits to members during 2015/16, to consider the extent to which individual institutions satisfied the membership criteria. All the available evidence and quality assessments were taken into account. The Committee agreed that Hadlow College continues to meet the requirements for 'designated specialist land based provider' status, and qualifies to continue in full membership of Landex.

24. It was **RESOLVED**

- (i) To approve the College's Self Assessment Report 2015/16;
- (ii) To approve the Governance Self Assessment Report 2015/16; and
- (iii) To note the Landex Membership letter.

HADLOW GROUP AUDIT COMMITTEE ANNUAL REPORT

25. The College report '*Unconfirmed Minutes of the Hadlow Group Audit Committee held 24 November 2016*' was received. The Chair of the Committee presented the report and summarised the work of the Committee.

26. The Corporation received the '*Annual Report on Hadlow College 2015/16 from the Hadlow Group Audit Committee*'. The annual opinion from the Audit Committee for the attention of the Corporation and Principal was confirmed as follows:

There are no matters that the Committee wishes to bring specifically to the attention of the Corporation. Overall, based on the information provided to them by the College; the work, reports and audit opinions of the College's Internal and Financial Statement & Regularity Auditors; and the opinions and assurances received from the reviews conducted under the Board Assurance Framework the Hadlow Group Audit Committee's opinion is that that Hadlow College's risk management, control and governance systems and its internal processes for securing economy, efficiency and effectiveness at the College are adequate and effective and that the Governing Body should have confidence in relying upon them. The Committee is satisfied that where weaknesses are identified they have been responded to in an appropriate and timely manner.

The Committee is satisfied with the financial reporting of Hadlow College and the performance of the internal and financial statement & regularity auditors.

The Hadlow Group Audit Committee considers that the Corporation's responsibilities have been satisfactorily discharged and recommends this report to the Corporation of Hadlow College.

27. It was **RESOLVED**

- (i) That the '*Audit Committee's Annual Report 2015/16*' on the College's whole system of internal control be approved and submitted to the SFA;

- (ii) That the '*Financial Statement & Regularity Auditors Audit Findings Report for 2015/16*' be approved and submitted to the SFA;
- (iii) That the '*Letter of Representation*' be signed by the Chairman; and
- (iv) To note the unconfirmed minutes of the Hadlow Group Audit Committee meeting held 24 November 2016.

FINANCIAL STATEMENTS AND YEAR-END ACCOUNTS 31 JULY 2016

28. The '*Financial Statements and Year End Accounts 31 July 2015*' were received. The Financial Statements confirmed a College surplus of £466k.

29. The Financial Statements and Year-End Accounts were reviewed in detail by the Group Finance meeting held 18 November 2016 (the Committee reviewed the financial information in the Statements); and by the Group Audit Committee meeting held 24 November 2016 (the Committee reviewed the audit opinions confirmed in the Statements from the Financial Statement & Regularity Auditor).

30. The Board welcomed the unqualified opinion received from the auditors. The Board placed on record its appreciation of the efforts of the staff in the Finance Department in achieving these outcomes.

31. It was **RESOLVED** to approve the Financial Statements Year Ended 31 July 2016 and to authorise the Chair and Principal to sign the Statements.

GOVERNOR LINK VISITS

32. Completed Governor Link Visit Reports were received and **NOTED**. It was confirmed there were no themes of concerns identified in the visit reports received.

Section C: Committee Reports

33. The Chair confirmed the 'principle' that it will be taken that Members have read the minutes and Members can seek further information and clarification on any issues arising from the minutes, but the debates that have already taken place at Committee level cannot be re-opened.

REPORT FROM THE CURRICULUM & QUALITY COMMITTEE

34. The College report '*Unconfirmed Minutes of the Curriculum & Quality Committee held 10 November 2016*' was received. The Committee received and considered reports on:

- Quality Improvement Action Plan
- Student Success Rate Data 2015/16
- Lesson Observation Profile 2015/16
- Interim Destination Report
- Student Attendance Report 1st Term
- College Self Assessment Report 2015/16
- Functional Skills Report
- Complaints & Compliments Report 2015/16
- Annual Safeguarding Report 2015/16
- Monitoring of College performance in the area of student experience.

35. It was **RESOLVED** to note the minutes of the meeting of Curriculum & Quality Committee held 10 November 2016.

36. Made available for information purposes was a copy of the '*Annual Safeguarding Report 2015/16*' which was subject to detail review from the Committee.

REPORT FROM HADLOW GROUP FINANCE COMMITTEE

37. The College report '*Unconfirmed Minutes of the Hadlow Group Finance Committee held 18 November 2016*' was received. The Chair of the Committee presented the report. The Chair confirmed that the Committee received and considered reports on:

- Group Annual HR Report 2015/16
- Financial Statement & Year-end Accounts up to 31 July 2016 for both Hadlow & WKAC Colleges
- Management Accounts/Financial Performance Report for both Hadlow & WKAC Colleges
- Group Capital Portfolio
- Tender Report for both Hadlow & WKAC Colleges
- Group Health & Safety Report
- Monitoring of College performance in the area of finance and estates for both Hadlow and WKAC Colleges
- Sale of Jemmett Road

38. It was **RESOLVED** to note the unconfirmed minutes of the Finance, Commercial & Resources Committee meeting held 18 November 2016.

39. Made available for information purposes was a copy of the '*Annual HR Report 2015/16*' which was subject to detail review from the Committee.

40. The Group Finance Committee resolved for the Corporations of West Kent & Ashford College and Hadlow College to approve the Heads of Terms and sale of Jemmett Road to Orbit at a sale price of £8m. If approved, contracts are expected to be exchanged on 08 December, with the first payment of £2m expected to be made on Friday 09 December.

41. It was noted that a ransom charge of up to £1m has been agreed with Kent County Council should they develop a piece of land they own adjoining Jemmett Road. The Deputy CEO gave assurances to the meeting that robust checks and balances are in place to ensure that KCC cannot renege on the agreement.

42. The Deputy CEO placed on record the good support from senior planning officers at KCC but there were serious issues with front line operators within the planning department that resulted in incurred costs of £30k. Once the disposal has been completed, the Deputy CEO will make representation to KCC to seek redress.

43. Assurances were sought that the market place has been tested and that the College has obtained the best value. It was confirmed the market place was tested last July and the agreed sale price then was £7m. When the original developer withdrew their offer, the market place was again tested resulting in a better sale price of £8m with the possibility of an additional £1m from KCC.

44. It was confirmed the Board meeting of West Kent & Ashford College held 07 December 2016 had approved the sale of Jemmett Road for £8m.

45. Following a through review of the Heads of Terms, it was **RESOLVED** to approve the Heads of Terms and the sale of Jemmett Road at a sale price of £8,000,000.

46. The Board received a proposal on the financing of the College's variable debt. The proposal is to re-finance the current variable debt and to release extra funds for further capital investment. Final term details are due soon to be made available to the College and the proposal is to seek approval for the Chair of the Corporation and the Chair of the Hadlow Finance Committee to be given delegated approval through 'Chair's Action' to approve the terms for the variable debt.

47. Confirmation was given that the proposed refinancing keeps the College within the fiscal rule of total debt not exceeding 30% of the College's turnover. As the mortgage for Grove Farm is fully funded through Grove Farm residential and letting income, this debt is excluded from the fiscal rule. Excluding Farm Grove, and with the new financing of the variable debt, total borrowing for Hadlow College would be at 27% of turnover.

48. It was **RESOLVED** for the Chair of the Corporation and the Chair of the Hadlow Finance Committee to be given delegated approval through 'Chair's Action' to approve the terms for the variable debt; and to report back at the next meeting of any decision taken under 'Chairs Action'.

Section D: Monitoring

MONITORING OF COLLEGE PERFORMANCE – OVERALL SUMMARY ASSESSMENT OF COLLEGE PERFORMANCE & ASSESSMENT OF RISK

49. The College report '*Monitoring of College Performance – Overall Summary Assessment of College Performance & Assessment of Risk*' was received (copy attached to the signed minutes). The monitoring framework approved by the Board requires the overall assessments undertaken by each Committee during the term to be made available to the Board.

50. It was **RESOLVED** to note the following overall summary of College performance and assessment of risk:

1	The Student Experience, Teaching & Learning (Agreed by the Curriculum & Quality Committee)	No Concern/No Risk
2	Financial & Estates (Agreed by the F,C&R Committee)	Some concern/Some risk
3	Audit (Agreed by the Audit Committee)	No concern/No risk
4	Staff & Human Resources (Agreed by the F,C&R Committee)	No concern/No risk
5	Governance, Leadership & Management (Agreed by the Governance & Search Committee)	No concern/risk

51. The Corporation reviewed current performance against each of the agreed Super KPIs that are reviewed at each Corporation meeting. The 'Amber' assessments for HE recruitment and forecast year-end outturn against the set budget were noted. The Corporation was assured that HE recruitment is being closely monitored by both the

curriculum and finance committees, and the Group finance committee is also monitoring the forecast out-turn. As the current forecast is for a surplus of £250k against the budgeted surplus of £383k, the Group Finance Committee agreed for an 'Amber' assessment to be reported to the Corporation on the risk area of 'Finance & Estates'.

ANY OTHER BUSINESS

52. There was no other business.

DATE OF NEXT MEETING

Thursday 16 March 2017 @ 09.30

(Staff and student governors, the Principal, and College Officers left the meeting at this point).

ANNUAL APPRAISAL OF THE PRINCIPAL

53. The Chair of West Kent & Ashford College and the Chair of Hadlow College confirmed the annual appraisal of the Principal was recently conducted and the Chairs reported favourably on the outcomes of the appraisal meeting.

54. It was **RESOLVED** to approve the confidential minutes of the Board meeting held 14 July 2016.

The meeting closed at 11.15

Signed: _____ Date: _____

Action Point:

48, It was **RESOLVED** for the Chair of the Corporation and the Chair of the Hadlow Finance Committee to be given delegated approval through 'Chair's Action' to approve the terms for the variable debt; and to report back at the next meeting of any decision taken under 'Chairs Action'.