

Minutes of the Corporation Meeting Held at 3.30pm on 08 October 2024

Present: Shahalam Ali, Prue Amner, Naomi Beer (staff governor), Liz Byrne (Teams), Huw Chapman, Ashley Cullen, Graham Goddard (left at 6.30pm), Tim Jackson, Lyndsey Mason (staff governor), Anne Murphy (Teams, left at 6.15pm), Shirley Nellthorpe, Rob Nitsch (Chair), Katy Quinn (Principal & CEO) & Pauline Tiller.

Apologies: Mark Cooper, Alex Dartmouth, Liz Rix & Mike Stoneham

In Attendance: Matt Phelps Deputy CEO & Deputy Principal Curriculum & Quality
Paola Schweitzer Director of Governance
Maria Vetrone COO

Minutes

289 Attendance and Participation

Mark Cooper, Alex Dartmouth, Liz Rix & Mike Stoneham sent their apologies.

290 Declarations of Interest

There were no declarations of interest.

291 Matters for Decision

The minutes from the meeting held on 23 July 2024 were **Agreed** as a correct record.

292 Matters Arising

Minute 272: The process to dissolve Highbury College (Nigeria) Ltd was nearing completion. An update would be brought to the next meeting.

Minute 276: L&Q Committee, 19 June 2024: To be resolved through L&Q.

Minute 283: Management Accounts: Portsmouth City Council had paid the Element 3 high needs funding for 2023/24. Discussions were ongoing concerning 2024/25 rates. This matter was now closed.

Minute 281: Feedback from 2023/24 Link Governor Visits: It was agreed that feedback forms should be completed following all link and lead visits and completed following other meetings if governors wished to bring anything to governors' attention. This matter was now closed.

Minute 284: Budget 2024/25, One Year Forecast & Pay Review: Maria would ensure that the College website was compliant with its gender reporting requirements.

293 Chair's Update

Rob noted the pleasing 2023/24 financial outturn and encouraging student numbers at the start to the 2024/25 academic year. He encouraged governors to complete training follow up and advised governors of the three waivers to the College's financial regulations he had recently signed *[further information was sent to governors on 10 October 2024]*.

294 Results 2023/24 (paper 663/24/C)

The report set out 2023/24 T Level, Vocational, A Level and GCSE results and identified key areas for improvement. More positive vocational and technical outcomes were anticipated following the closure of the ILR in mid-October.

Highlights of Level 3 results:

- 96% A Level pass rate (95.6% in 2022/23), with 38.7% of students achieving high grades and 67% achieving a grade C or above.
- Overall pass rate of 95% (100% for BTECs) for vocational provision at Highbury
- 1,724 results issued across all campuses, with an overall pass rate of 96%.

Highlights of Level 2 results:

- 100% pass rate for vocational subjects across all campuses
- Above national average Maths & English (ME) GCSE results for students aged 16 – 18.

Governors asked about issues including action being taken to counter the effect of unconditional university offers, clarification on T Level grades and the reasons for low retention and achievement in some areas. Results were being benchmarked with local data and would be formalised when national achievement rates tables (NARTs) were available. The College was the University of Portsmouth's largest feeder group (30% of Level 3 students) and both institutions were keen to further develop the relationship. One governor asked that a summary table of SAR outcomes comparing 2022/23 grades with likely 2023/24 grades and the direction of travel, was circulated. Governors **Noted** the Level 3 and A Level results as well as the Maths & English GCSE results.

295 Enrolment 2024/25 (paper 664/24/C)

The report provided an update on the latest position regarding 2024/25 16-19 student enrolment and the impacts on the curriculum offer.

The main enrolment period had ended but the College would continue to support late applicants as well as new and existing students until October half term. Student numbers were looking strong with projections indicating the College would exceed its ambitious target of 3,283 by 72 students. Final enrolment numbers would be confirmed at census point on 21 October 2024. Enrolment had necessitated changes to the curriculum plan including additional groups, reprofiling and closing provision. The College was likely to receive £1m in exceptional in-year growth funding with this fed back into the budget with governor oversight through the management accounts.

The continuing educational challenges in the city and impact of Covid were likely to be felt for many years and were manifested at the College through an increase in Level 1 students and poorer attendance. In response to a question, Matt stated that most staff were competent in the curriculum area they were teaching but there remained a small number where this was not the case. Recruitment in some areas continued to be a challenge and whilst staff turnover was stable, there was increased sickness absence in some areas. Governors were encouraged by the uptick in enrolment numbers and provided anecdotal evidence that the College's profile was increasing. The 2024/25 apprenticeship recruitment target was 270 and had been reprofiled over the year, with a November target of 145. To date there had been 130 starts, with a further 31 in the pipeline. Further recruitment would take place in January and March. One governor noted this ambitious target and asked if the pattern of frequent reprofiling in 2023/24 was likely to be repeated. Matt believed it might be and noted the risk, but highlighted mitigating action taken for example a new Apprenticeships & Business Development

AP to ensure a structured approach to curriculum and apprenticeships. Governors would continue to be kept informed.

Corporation **Noted** the latest enrolment numbers position, in particular the correlation between enrolment, exceptional in year funding, current and future income projections and the impact in the patterns of enrolment on the College's curriculum offer.

296 FNTI/PIMS (paper 665/24/C)

The DfE wrote to the Chair on 25 July 2024 advising that significant progress against the College's terms and conditions of its Financial Notice to Improve (FNTI) meant that it was being moved out of intervention and into Post Intervention Monitoring & Support (PIMS). As part of this transition, the College would be monitored against actions in the PIMS plan. Katy confirmed that the plan aligned to the College's KPIs and progress would be reported to Corporation through the corporate dashboard. The indicative date for lifting the PIMS status was 2025. There was a brief discussion about the '*ongoing search for a capital/funding solution to the leased accommodation at North Harbour and Arundel*' target, with governors believing this would continue to be contingent on support from DfE. Having scrutinised the PIMS plan and actions, targets and milestones to be achieved to demonstrate sustained improvement, governors **Noted** the DfE letter and action plan.

297 Management Accounts: P12 July 2024 (paper 666/24/C)

The management accounts included full year actuals as at 31 July 2024 and indicated an operating surplus of £88k (favourable to budget by £1.379m mainly due to pay and non pay cost savings). The forecast final outturn indicated an operating surplus of £189k, favourable to the full year budget by £1.664m. After other gains and losses, the forecast final outturn for the year was expected to be a deficit of £74k. The College's financial health at 31 July 2024 and expected final outturn was *Good*.

Maria drew governors' attention to the summary table, additional analysis concerning outturn pay expenditure and key financial health ratios noting that the two risks: North Harbour rent review and high needs funding, had been eradicated (the former had concluded within the allocated contingency and the latter had been paid in full). Whilst the EBITDA had improved, it was still weak. Katy noted the figure would be significantly higher without the leased buildings costs. Rob asked what the College could learn from the rent review with regards to the relet. Governors were reassured that the College was paying the market rate and that risks were being mitigated through the budget contingency and instructing a professional company to advise the College but recognised the ongoing risk in the absence of capital funding. Governors welcomed the 2023/24 outturn and asked if the 2024/25 budget would be more stable. Maria responded that there was still a great deal of variability in the College and sector. Having scrutinised the College's financial position including KPIs, variances and the operating position, final outturn forecasts to year end, financial risks, governors **Noted** the management accounts for July 2024, thanking Maria for the significantly improved outturn.

298 Corporate Dashboard 2023/24 and 2024/25 (paper 667/24/C)

The report set out the 2023/24 corporate dashboard KPI outturn position to date, comparing it against the 2023/24 targets and 2022/23 outturn position and proposed KPIs for 2024/25.

2023/24 KPIs: Excellent progress had been made during the year and the College was making great strides towards achieving its 2026 strategic goals. Over 50% of KPIs had

been achieved with only 12% RAG rated red (target not met). Areas of success included improvements in the College's financial health leading to the lifting of the FNTI and FEC formal intervention, positive impact of the management re-structure leading to improvements in student experience, quality of education, enrolment, finances and the day to day management of the College, a positive Ofsted monitoring visit with a *significant progress* judgement for leadership and management and a strengthening brand leading to two years of FT student growth. Governors noted how important good apprenticeship provision (currently graded red) was to the College's purpose.

2024/25 KPIs: 2023/24 had focused on building processes and systems and 2024/25 marked the launch of the journey to excellence. Governors asked that a column be added to the dashboard indicating Committee oversight. They then discussed the strategic themes/KPIs in turn, raising the following points:

Strategic goal 1: Inspirational, aspirational and inclusive place to work and learn

- 2% annual pay award in line with budget (KPI to be corrected)
- Staff sickness absence was unusually low in 2023/24. It was expected to rise in 2024/25 due to the tightening up of reporting and this was reflected in the KPI.
- Data would be desegregated by campus for Committees eg staff morale at F&R. There had been a significant improvement in staff morale at Highbury and Arundel, a slight increase at the Sixth Form and a drop at North Harbour.
- One governor asked if there was sufficient focus on investment in the physical environment and whilst this would be reflected in capital investment and student satisfaction KPIs, it was agreed that the physical environment would be contextualised in the capital investment report considered by F&R.

Strategic goal 2: A responsive and relevant curriculum offer

- HTQs were captured in level 4 and above programmes

Strategic goal 3: High quality teaching, learning and assessment

- A KPI measuring learning (as opposed to achievement) measured through progress monitoring points (PMPs) would be included
- One governor noted that the ME KPI was very stretching. Matt believed it was realistic as the College would only be teaching GCSEs (not functional skills), students were streamed and there were thorough schemes of work.

Strategic goal 4: Trusted partner for the communities we serve

- There was a discussion about including a broader, regional KPI but after discussion it was agreed that extending to regional aspirations would be better suited to the College's next developmental phase.
- Governors noted that the number of high needs students was rising rapidly in the Hampshire area. The KPI was prudent due to the funding mechanism.

Strategic goal 5: Stabilised and sustainable finances

- Maria stressed that the KPIs linked to the budget
- The HE student numbers and income KPIs would be checked
- One governor noted that whilst carbon was reported in the financial statements, there was no KPI. It was agreed that this would be rectified in 2025/26.

Having reviewed the outturn position for 2023/24 in the context of the progress being made towards achieving the 2026 strategic goals when compared against the starting position in 2021/22 governors **Agreed**, with the amendments outlined above, the proposed 2024/25 KPIs to deliver the right outputs and measure impact. Governors also agreed the series of priorities for the next 12-18 months including ongoing

improvements to the culture within the College, building on the 'Excellence' campaign launched at the September staff development day, service excellence, learning excellence and developing teachers to become leaders of learning, the launch and first year of implementation of the Digital Strategy and achieving an Ofsted *Good*. Governors watched the Magic! video showcasing the College.

299 Audit Committee, 17 September 2024 (paper 668/24/C)

Pauline gave a brief overview of Audit Committee's meeting on 17 September 2024 noting that it had considered a series of items including the internal audit annual report, outstanding audit recommendations and the 2023/24 regularity self-assessment questionnaire. The latter was required by the College's external auditors as part of the annual financial statements regularity process confirming that funding was used for its intended purposes and that financial transactions conformed with the regulations. Corporation **Agreed** the regularity self-assessment questionnaire and **Noted** Audit Committee's minutes, 17 September 2024.

300 Search & Governance Committee, 23 September 2024 (paper 669/24/C)

In Mark's absence, Rob gave an overview of Search & Governance Committee's meeting on 23 September 2024 and there was a discussion about succession planning for the offices of Chair and Vice-Chair of Corporation, including clarification on the election process. Governors **Noted** the 2023/24 Review of Governance & S&G annual report, 2024/25 Register of Interests and Search & Governance Committee minutes, 23 September 2024 and **Agreed** the following:

- Governance self-assessment & improvement plan
- Independence of the Director of Governance
- Membership changes
 - Prue Amner & Mark Cooper reappointed to a 2nd four year term of office & to a 2nd two year term of office as Chair of L&Q Committee and S&G Committee respectively
 - Rob Nitsch & Tim Jackson serve a three year term of office as Chair & Vice-Chair of Corporation respectively ie until 31 December 2025
 - Liz Byrne join L&Q Committee
 - Mark Cooper step down from L&Q Committee on 31 December 2024
 - The two student governors join L&Q & F&R (one at each Committee).

Having expressed his disappointment with the lack of communication concerning changes to his portfolio under the Governor Liaison Scheme, Graham resigned as governor and left the meeting. Governors expressed their sadness over Graham's decision, recognising his enormous contribution to the College and FE sector. It was agreed to defer consideration of the Governor Engagement Framework & 2024/25 link scheme to the following meeting and that Graham would be approached by Rob, Tim and Shirley to explore options for his continuance on the Governing Body.

The meeting ended at 6.40pm.