

SPARSHOLT COLLEGE HAMPSHIRE
MINUTES OF THE MEETING OF THE
BOARD OF GOVERNORS
held on 13 December 2018 at 9.00 am

¹PRESENT: J Blaber (St); E Bolton (S); Z Carter (E) (except 437 to 474); T Floyd (E); A Hoad (E); N Hopkins (E); E Hunter (St); T Jackson (P); M Lauder (E); A Neal (E); S Morgan (E); A Owen (E); R Palmer (E); C Wilson (E).

In attendance: S Evans, Finance Manager (mins 372 to 390 and 429 to 436)
S Grant, Deputy Principal – Corporate
J Milburn, Deputy Principal – Curriculum
S Willson, Clerk to the Corporation

APOLOGIES

343. Apologies were received from D Beaven and H Perry.

DECLARATION OF INTERESTS

344. There were no new interests to declare. The Board's Register of Interests records Members who hold (unremunerated) directorships of the College's subsidiary companies.

MINUTES

345. **Resolved** – that the minutes of the meetings held on 4 October 2018 (Part I and II) be confirmed as a correct record and signed by the Chairman.

346. There were no matters arising not covered by items on the agenda.

CHAIRMAN'S REPORT

347. The Board had received the report of the Chairman which summarised activities he had undertaken since the last meeting of the Board and upcoming events and matters requiring his consideration.

348. The Chairman thanked C Wilson, Vice Chairman and Safeguarding Lead Governor, for having taken part in the recent Hampshire Children's Services audit of safeguarding at the College on behalf of the Board.

349. The Principal reported that he had met with D Beaven as part of her induction as a new Board Member and, while unable to attend this meeting, she had discussed the papers with him.

PRINCIPAL'S REPORT AND STRATEGIC PLAN

350. The Board had received the second report of the Principal providing an update on progress towards achieving the three-year objectives of the current Strategic Plan and

¹ (E) = External; (P) = Principal; (S) = Staff; (St) = Student

against the annual milestones for 2019-20. The Board had also received the Landex Strategic Direction 2018-2021.

351. The Principal confirmed early indications of progress with the annual milestones were positive and highlighted a number of key matters in this report, verbally updating the 2019/20 headcount figures reported at 2.2 (16-18 year olds in December -76 year on year).
352. Responding to a Member's question about the reaction of employers to developments in apprenticeships and delivery of the College's target under the Work Placement Capacity and Delivery Fund (CPD), the Deputy Principal, Corporate confirmed good progress in organising work placements and maintaining/building relationships with employers.
353. Members discussed the report on actions being taken in relation to delivery of English and Maths GCSEs and the motivation of learners, enquiring about whether College management looked at best practice in other colleges. The Deputy Principal, Curriculum confirmed that the College was part of a collaborative network of colleges accessing support through the local Centre of Excellence for mathematics (Fareham College) and highlighted the information in the Self-Assessment Report about progress of Maths and English learners and the impact of teaching.
354. Members sought more information about under occupancy in the Sparsholt Campus Halls of Residence, questioning whether cost was a factor in student's deciding whether to stay on campus. The Deputy Principal, Corporate summarised the analysis undertaken by management, noting that fees were broadly comparable to other colleges and that the reduction in occupancy was linked to timetabling changes, the increase in offsite work placements and fewer enrolments in specialist subject areas which tended to attract long-distance students.
355. Members noted that the Principal had submitted a complaint to Ofqual, supported by seven other colleges, in relation to the appeal submitted to City and Guilds about synoptic assessments in Animal Care Management and that College management remained determined to challenge the results for the students involved.
356. Members discussed the update on the mental health of students, noting the development of a University Mental Health Charter and the Government Green Paper on funding child and adolescent mental health services in the future. In response to a question from the HE Student Governor, the Principal reported that discussion at the Hampshire Principals Group confirmed that all colleges had similar experiences in relation to students' mental health. The Safeguarding Lead Governor emphasised the increasing pressure on colleges in terms of strategies and resources to support students, given the strain that adolescent mental health services were under. The Deputy Principal, Curriculum also recognised this, giving the example of a mental health and wellbeing Moodle "badge" which was being planned to support students.
357. Noting the Landex Strategic Direction, a Member asked if any gaps had been identified in relation to the College's strategic plan. The Principal explained that, as a member of the Landex Board, he was keen to ensure that the College's strategic plan and the Landex Strategic Direction were aligned through the development and delivery process.

HEALTHCHECK REPORT

358. The Board had received and noted the latest College Healthcheck Report (no 2018/07, November 2018).
359. Asked by a Member about the slightly higher rolling staff turnover in September 2018 compared to the previous year, the Principal confirmed that the highest turnover remained in business support staff who had more flexibility to move between sectors. It was known from discussions and exit interviews that the availability of higher salaries externally was a factor, although staff acknowledged the pay constraints in the FE sector. It was also noted that, while the College was succeeding in filling vacancies, recruitment involved time and resources.

QUALITY & LEARNER EXPERIENCE

Self-Assessment Report

360. The Board had received the Self-Assessment Report (SAR) for 2017-18 and Quality Improvement Plan (QIP) for 2018-19, which had previously been reviewed in detail by the Quality & Standards Committee.
361. The Board noted that the SAR identified significant strengths in the current provision but, that while there was much good practice, on balance the standard of education for learners following Education and Training programmes required improvement because there was too much inconsistency within, and between, areas of the curriculum. The SAR also identified that there was much good delivery now evident for learners on Employer Responsive programmes but that there were pockets of provision which required improvement.
362. The Board noted the key priorities for further improvement which were articulated in the SAR and the specific planned actions detailed in the QIP in order to return provision of FE to Good during the year (in line with the Ofsted assessment during 2017-18), and that actions were already in progress with some completed.
363. The Board welcomed the thoroughness and clarity of the SAR and QIP and that College management had demonstrated commitment to providing the best experience for all learners and addressing areas which required improvement.
364. Challenged by a Member as to whether the insights from the SAR were sufficiently and consistently reflected in the report on the Strategic Plan objectives, the Principal explained that the Strategic Plan report had taken into account that a number of the relevant actions within the QIP had been put into place and were complete and were already having a positive impact (such as changes to teaching and learning observations). He was confident that an assessment of quality undertaken now would reflect improvements in performance. Progress would be reported through the monthly Healthcheck report to the Board and termly performance reports to the Quality & Standards Committee.
365. A Student Governor questioned the varying results by Faculty in the learner satisfaction survey and about the counsellor service in the residential learners' survey. The Deputy Principal, Curriculum explained that there had been some challenges in relation to staff turnover in one of the Faculties which had now been addressed. The question about counselling was somewhat ambiguous and would be revisited in future surveys to seek to obtain clearer feedback.

366. Discussing the QIP, Members noted that there were extensive actions outlined and sought assurance that these could feasibly be delivered alongside other demands on management and staff. The Deputy Principal, Curriculum explained that the actions covered by the QIP reflected activities should be embedded day-to-day in successfully delivering the curriculum and that the QIP provided a means of prioritising and monitoring progress, supported through internal monthly quality review meetings, segmented for each area and cascaded to teaching staff.
367. The Board noted the positive value-added (Alps) A Level data and that management was working with BTEC teachers to help them use value-added measures to make improvements. The Chairman stressed how effective, in his experience, value-added measures were to help improve learner outcomes.
368. Asked about the SAR data generally, the Deputy Principal, Curriculum confirmed that the methodology for the data was consistent with the previous year and had continued to be produced by the Director of Information & Funding.
369. **Resolved** – that the Self-Assessment Report for 2017-18 and associated Quality Improvement Plan be approved as appropriate in driving further improvements in the College.

College Policies

370. The Board had received the report of the Deputy Principal, Curriculum on proposed changes to College policies, including in relation to updates recommended following feedback received during the Hampshire Safeguarding Children Board (HSCB) Audit in November 2018. The policy updates had received prior scrutiny and were recommended by relevant committees.
371. **Resolved** – that the following policies be approved:
- a. Safeguarding Learners Policy & Procedures
 - b. HE and FE Freedom of Speech Policies (revised External Speakers Procedures)
 - c. Substance Use and Misuse Policy
 - d. Student Code of Conduct
 - e. Promoting Effective Learner Performance Policy & Procedures
 - f. Duty to Act (Whistleblowing) Policy
 - g. Staff Charter and Code of Conduct
 - h. Bullying and Harassment Policy

RISK MANAGEMENT

372. The Board had received the unconfirmed minutes of the Audit Committee meeting held on 13 November 2018 (and Risk Register Dashboard), together with the completed Regularity Audit Questionnaire, the annual Internal Audit Report and the Audit Committee's Annual Report to the Board of Governors for information.
373. The Board noted the opinion of the internal auditors that the College had an adequate and effective framework for risk management, governance and internal control and that there had been good progress implementing management actions from audits undertaken in previous years.

374. The Chair of the Audit Committee noted that the ESFA had confirmed an ongoing annual requirement for colleges to commission an external assurance audit of subcontracting and that, as in previous years, this would be an additional cost to the internal audit programme. Management had reported that the reduction in the College's work with subcontractors could mean that the College would be out of scope of the requirement in future years.
375. Noting the Audit Committee's annual report to the Board, the Committee Chair emphasised the continuing responsibility of all committees to consider risk management in areas under the remit of the committee, as noted in reports from management and highlighted by Committee Chairs and via the minutes of committees to the Board.
376. Responding to a Member's question, the Principal confirmed that the regulatory audit process had not identified any issues and that this provided assurance to the Board about the College's use of public funds.
377. **Resolved** – that the Regulatory Audit self-assessment questionnaire be signed by the Chairman and Principal, as Accounting Officer.

WESTLEY ENTERPRISES LIMITED

378. The Board had received for information the minutes of the meeting of the Board of Directors of Westley Enterprises Limited (Westley) held on 8 November 2018 and the approved Directors' Report and Financial Statements for the year ended 31 July 2018.
379. The Board noted that the Directors were satisfied that Westley was a going concern and had agreed to gift aid the profit before tax (excluding £1.00) to the College.
380. The Finance Manager confirmed that no issues had been raised on the accounts by the auditors, KPMG.

ANDOVER TOWN FOOTBALL CLUB LIMITED (ATFC)

381. The Board had received the minutes of the meeting of the ATFC Board of Directors of 9 November 2018 and noted the Directors' Report and Financial Statements for the year ended 31 July 2018.
382. The Board noted that the Directors were satisfied that ATFC was a going concern and had agreed to gift aid the profit before tax (excluding £1.00) to the College. Both sponsorship and costs had been reduced in 2018-19 with the strategy for a team of mainly College players playing in lower league.
383. The Finance Manager confirmed that no issues had been raised on the accounts by the auditors, KPMG.

FINANCE

Annual Report and Financial Statements

384. The Board had received the Annual Report and Consolidated Financial Statements for the year ended 31 July 2018, together with the letter of representation and the External Auditor's management letter. The recommendations of the Audit Committee and the Resources Committee were noted.
385. The Board noted the unqualified opinion given by the external auditors, KPMG, and that KPMG had confirmed management's assessment that the accounts were prepared on the

going concern assumption that the College would continue to meet its debts as they fell due for the foreseeable future.

386. The Finance Manager highlighted a number of other points in KPMG's management letter, as noted at the Audit Committee meeting, including two audit adjustments and confirmation that the bank covenants had been met.
387. The Finance Manager confirmed that clarifications to the wording in the Annual Report agreed by the Audit and/or Resources Committee had been made and signed off by the auditors.
388. The Board noted that the report on the Financial Statements provided for transparency a comparison of the operating surplus in the Financial Statements with the budget and forecast in the July 2018 management accounts, taking into account FRS102 pension costs and swaps.
389. Asked for an update on bank loans, the Finance Manager reported that the arrangements with **Handelsbanken** for the new revolving credit facility were still in the process of being agreed and that the NatWest loan repayment, agreed by the Board in principle, would not take place until the **Handelsbanken** facility was confirmed to be in place.
390. **Resolved** – that the Annual Report and Consolidated Financial Statements for the year ended 31 July 2018 and the letter of representation be approved and signed on behalf of the College and that the College remained a going concern.

Fees Policy

391. The Board had received the report on student fees and the FE Bursaries Policy for 2019/20.
392. The Board noted that the approach to student fees incorporated adherence to the funding policy for FE and HE where fees were prescribed.
393. The Deputy Principal, Corporate explained that it was proposed to hold transport costs for students, despite the likelihood of some increase in costs to the College resulting from the forthcoming transport retendering process, because the costs to students were higher than at some other colleges due to travel distances. Questioned about the magnitude of potential cost increase risk, the Deputy Principal, Corporate gave an estimated range of £40k-100k with the aim of achieving the lower end of the range and looking at increased efficiencies through changes to routes and vehicles.
394. The Deputy Principal, Corporate also explained the aim to increase the minimum family income level for bursaries and to increase residential bursaries.
395. Members discussed the change in approach to international student fees, to test price sensitivity, and strategies to reach potential international students.
396. **Resolved** – that the Student Fees and Financial Support arrangements 2019-20 and the Bursaries Policy for 2019-20 be approved.

CURRICULUM, EMPLOYERS & MARKET REQUIREMENTS COMMITTEE

397. The Board had received the unconfirmed minutes of the meeting of the Curriculum, Employers Market Requirements Committee (CEMR) held on 1 November 2018 and the Committee Chair highlighted key points from the meeting.

398. Responding to feedback from a Student Governor about factors influencing students' choice of progression, the Deputy Principal, Corporate recognised perceptions from FE and Access students that large universities could offer more optional units within courses and explained the measures being taken by University Centre Sparsholt to work with students to address these concerns. This included providing taster sessions and individualised progression plans as part of the wider programme of Information, Advice and Guidance (IAG).

QUALITY & STANDARDS COMMITTEE

399. The Board had received the draft minutes of the meeting of the Quality & Standards Committee (Q&S) held on 22 November 2018, which the Committee Chair confirmed fairly reflected the discussions at the meeting.
400. The Committee Chair also confirmed the Committee's review of the draft SAR and QIP, noting the decisive action being taken in areas which were under-performing and discussions during his recent Link visit to the Assistant Principal, Animal Management, Equine and Sport about the approach to preparing students for synoptic assessments.
401. The Board noted two matters in relation to Office for Students requirements for HE: that the Committee had considered and approved the annual assurance statement on HE quality (under authority delegated by the Board) and the process for the monitoring return on the College's Access and Participation Plan 2017-18 which would be confirmed by the Principal with a report to follow to the next meeting of the Committee.
402. The Board also noted the Committee had reviewed the College's updated Prevent Duty Risk Assessment and Action Plan and was assured that College management continued to effectively manage controls and requirements in relation to the Prevent Duty.

RESOURCES COMMITTEE

403. The Board had received the unconfirmed minutes of the meeting of the Resources Committee held on 15 November 2018 (Parts I and II).
404. The Chairman drew the Board's attention to the recommendation on capital spend and to the submission of an expression of interest by College management to the EM3 LEP for capital investment in Animal Health and Animal Welfare Research Facilities.
405. The Deputy Principal, Corporate reported that the EM3 LEP had approved the application, subject to confirmation of plans and costings.
406. **Resolved** – that £100k of 2017-18 approved capital spend which was not started or fully completed during 2017-18 be added to the approved capital budget of £1,817k for 2018-19 in order to complete these works.
407. The Board noted the further postponement of the staff survey given the restructuring earlier in the year and the consultation on transferring staff to the new subsidiary company. The Principal explained that the staff survey process was being reviewed, with consideration given to using a staff questionnaire being introduced under Ofsted's new Common Inspection Framework (CIF).
408. The Chairman reported the Committee's consideration of staff remuneration, re-iterating the Board's commitment to making a pay award or bonus to staff when this was affordable in relation to the financial sustainability of the College.

409. The Chairman noted that, subsequent to the Committee meeting, the SLT had confirmed the feasibility and affordability of providing an additional day of paid leave to staff and that the Chairman had informally consulted Members via email. Members had been supportive and the Principal had written to staff to announce this. The Staff Governor reported positive feedback from staff about the additional leave.
410. **Resolved** – that it was not affordable at the current time to award staff a cost of living pay award.
411. In relation to the recommendation in the confidential minutes of the Committee for an increase in the number of individuals for whom the Principal had authorisation to apply an unconsolidated market supplement, the Principal explained asked that the target be revised to cover employees across the Sparsholt College Group (given that some of those in receipt of supplements were planned to be transferring to the new company). The annual report on market supplements would be to both the College and Sparsholt College Services boards.
412. **Resolved** – that the Principal be delegated authority to approve a market supplement of up to £7,500 per post for members of staff, provided that the total number of staff receiving a market supplement within the Sparsholt College Group structure did not exceed 30 posts and that the Resources Committee be informed if the forecast annual spend on market supplements were to rise above £70k.

WELLBEING

Wellbeing Committee

413. The Board had received the unconfirmed minutes of the Wellbeing Committee held on 6 November 2018, which covered equality & diversity, health & safety and safeguarding.
414. The Principal highlighted key points from the minutes, confirming that lockdown procedures and alerts were now in place and had been communicated to staff.
415. The Board noted the data on safeguarding cases and other matters in relation to safeguarding which had been reviewed by the Committee.

Health & Safety

416. The Board had received the annual report on Health & Safety.
417. The Principal corrected the accident statistics at 1.1, 3.15 and 3.16 in the report, noting that there had been 166 accidents during 2017-18 on the Sparsholt College campus, compared to 148 and 154 in the two years. This slight increase needed to be kept under review but there were no indications at this time of significant or systematic underlying issues. At Andover College, there had been a decrease from 23 to 36 and 50 in the previous two years.
418. Asked about how accidents were defined and recorded and whether this could lead to variations year-on-year, the Principal explained the procedures were designed to capture anything that could be considered an accident (including falls from horses). Responding to a Member's steer about capturing "near misses" in order to drive improvements, the Principal explained that it was challenging to consistently record "near misses" across all activities and noted that this was an area that continued to be discussed by the Wellbeing Committee.

419. The Principal noted that Ofsted inspectors had commended the College’s detailed approach to risk assessments during the February 2018 inspection and a Student Governor confirmed risk assessments were undertaken at the start of all his practices. A Member agreed that, while it was important not to become complacent, the report evidenced low levels of accidents in areas with potentially dangerous activities and equipment, indicating that appropriate protective measures were being taken.
420. The Board was assured that standards of health and safety at the College remained at a high level, and were maintained and improved through ongoing inspection of the College’s activities and reporting to the Wellbeing Committee.

SINGLE EQUALITY SCHEME

421. The Board had received the annual report of the Deputy Principal, Curriculum on progress against the Single Equality Scheme 2016-2020 and noted that the Scheme would be republished with updated staff and student data.
422. The Deputy Principal, Curriculum highlighted some of the key areas of progress against the intended impacts under each of the characteristics and noted the link to actions set out in the QIP in relation to differences in student achievement. The Deputy Principal, Curriculum also highlighted the priorities for the Equality & Diversity Group, which included two actions from the College’s Ofsted report.
423. A Student Governor provided feedback on the “It’s Your Future” events, under a project with Southern Universities Network (SUN) for students from priority postcode areas, explaining that students would appreciate more clarity about the aim of the events and their participation in the events. The Deputy Principal, Curriculum undertook to follow this up.
424. Responding to a Member’s question in relation to intended impact around socio-economic factors and students in receipt of Free School Meals, the Deputy Principal, Corporate explained the College sought to make families aware of their eligibility and encourage take-up, with the cash value automatically loaded on to student ID cards, and to also provide information on bursaries.
425. Asked about support for “looked after children”, the Principal explained that he was in contact with Hampshire County Council about the issue of providing the names of “looked after children” who were students to the College, while recognising the individual’s legal rights to protection of their personal data, and that the Head of Children’s Services would be meeting with the Hampshire College Principals. In terms of IT facilities, the Deputy Principal, Corporate explained that the College did make available laptops to students in special cases.

FINANCE

Banking

426. The Board had received a letter of variation (the Letter of Variation) from Barclays Bank PLC (the Bank) to the College setting out the amendments to a facility agreement dated 26 July 2010 pursuant to which the Bank had offered the College (as defined in the Letter of Variation), the Facility (as defined in the Letter of Variation).
427. **Resolved**

- a. That the amendments set out in the Letter of Variation are in the interests of and for the benefit of the College and are most likely to promote the success of the College and that such terms and conditions of the Letter of Variation be and are approved and accepted.
 - b. That the Principal (Tim Jackson) and Director of Finance & Premises (Stephen Horrobin) are authorised to sign the Letter of Variation on behalf of the College to indicate acceptance of the terms and conditions.
 - c. That the Bank is authorised to act in all matters concerning the Facility as amended by the Letter of Variation upon instruction from the College, in its capacity as Borrower of the Facility, signed in accordance with the Bank's mandate for any of the accounts of the College held with the Bank current from time to time.
428. Confidential items discussed are recorded separately. The meeting closed at 1.20 pm.