

**SPARSHOLT COLLEGE HAMPSHIRE**  
**MINUTES OF THE MEETING OF THE**  
**BOARD OF GOVERNORS**  
**held on 6 October 2022 at 9.30 am**  
**at Sparsholt College**

**<sup>1</sup>PRESENT:** J Emm (SCS) (from minute 313); T Floyd (E); N Hopkins (E, Chair); P Jordan (E); J Lander (E); M Lauder (E, Co-Vice Chair); J Milburn (P); N Moody (E); S Morgan (E) (to minute 349); G Morris (St); A Neal (E); H Perry (St); C Wilson (E, Co-Vice Chair).

In attendance: S Grant – Deputy Principal  
N Heslop - Director of Finance  
D Mernagh – Vice Principal and Dean of Higher Education (to minute 381)  
B Stokes – Vice Principal Curriculum (Andover College) (to minute 353)  
M Treagust – Vice Principal Curriculum (Sparsholt College) (until minute 381)  
S Willson, Clerk to the Corporation

**APOLOGIES**

289. Apologies were received from G Davies, C McCormack and S Rai.

**DECLARATION OF INTERESTS**

290. 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**

291. **Resolved** – that the minutes of the meetings held on 19 May and 7 July 2022 (Parts 1 and 2) be confirmed.

292. Sparsholt College history project (minute 176/22): J Lander reported that the printed book would be available shortly and that he was receiving positive interest from a range of people formerly involved with Sparsholt College.

293. Board membership (minute 250/22): the Chair reported that M Lauder had offered to postpone stepping down from the Board until to the end of the Spring term and her offer had been gratefully accepted.

294. It was noted that the resolutions of the Board had been enacted and that there were no matters arising not covered elsewhere on the agenda.

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<sup>1</sup> (E) = External; (P) = Principal; (S) = Staff; (SCS) = Sparsholt College Services Staff Governor; (St) = Student

## **CHAIR OF GOVERNORS' REPORT**

295. The Board had received and noted the report of the Chair which summarised activities he had undertaken since the July 2022 meeting of the Board and forthcoming events and matters requiring his consideration.
296. The Chair recorded his thanks to members who had been able to attend the Curriculum Area SAR meetings and the Employers' Thank You event and welcomed, in their absence, C McCormack and S Rai as new members, as well as D Mernagh, the new Vice Principal & Dean of Higher Education.
297. The Principal confirmed that the Employers' Thank You event had been well received and was being planned as an annual event going forward. Awards had been presented at the event to recognise the difference that the College's employer supporters make to the life chances of students.

## **STRATEGIC PLAN TO 2021-22**

298. The Board had received the report of the Principal summarising outcomes in relation to the Strategic Plan Annual Milestone Objectives for 2021-22.
299. The Principal had judged overall performance to be 'good', demonstrating the agility of the College Group to function both effectively and efficiently whilst responding to the volatility created by the ongoing pandemic, cost of living crisis, global energy crisis and war in Ukraine.
300. The financial outturn for 2021-22 was projected to be a £42k surplus position in line with the June Forecast, before any FRS102 pension, SWAPS and audit adjustments. This took into account the efficiencies achieved in the latter part of the year and the accrual for an increase in staff costs which was reported separately on the agenda.
301. The Principal highlighted that, while the FE achievement growth targets of +2% for 2021-22 had not been met across all areas of the business, the overall achievement rate was predicted to exceed pre-pandemic levels, representing a 3% increase on 2018-19. The Principal admitted that, in hindsight, the growth targets had been overly ambitious given the impact of the pandemic and the return to normal assessment methods in 2021-22.
302. Members raised a number of points about the achievement data, including in relation to English and maths results and the impact of these on student progression, and discussed with SLT members the challenges which had arisen from the gaps in learning and the nature of assessments experienced by pupils at schools as a result of the pandemic and how the college's teaching and student support had needed to adapt as a result. Members were assured of the commitment of management to continue to address these challenges and to support students with their progression routes.
303. It was noted that further analysis about the results and comparisons with the sector was being undertaken and would be presented to the Quality & Standards Committee. The Committee Chair emphasised that the committee would want to be assured about the actions being taken in relation to English and maths, and how the teaching of maths in particular could address the issue of students who had not passed previously and were not motivated themselves to make progress.

304. The Principal confirmed that the challenges for land-based colleges in particular in relation to the gaps in school learning in English and maths and science subjects (with variation across the wide number of schools) were being highlighted by Landex to Ofsted.
305. In response to the reported outcome of the annual milestone objective about affordable housing options for the college workforce, a member noted that the current economic situation would have a constraining impact on opportunities for shared housing options and asked what alternative plans were being considered. The Principal reported that occupation of the college-owned housing on the Sparsholt campus had been rationalised, resulting in the availability of accommodation for an additional five individuals. The Deputy Principal additionally noted that the College was first seeking to establish whether the local authority would consider a small amount of College land being designated for social housing in order to then be in a position to enter discussions with housing associations or other partners.

### **PRINCIPAL'S REPORT**

306. The Board had received the report of the Principal summarising key developments at the College since the previous meeting of the Board and in relation to the 2022-23 Strategic Plan objectives.
307. The Principal provided an update on FE enrolments and explained that there were three main factors impacting the numbers: the financial circumstances of families in the current economic climate; the impact of the pandemic in relation to mental health and related concerns; and the impact of previous gaps of learning and assessment in schools on progression, particularly in relation to English and maths requirements. The College had assessed individuals and put in additional targeted and Study+ support where relevant but had maintained its entry requirements for progression.
308. The Deputy Principal noted the measures taken to support students to afford bus travel and explained that the wide catchment area for the Sparsholt College campus and the reliance on bus companies presented a level of strategic risk which management was reviewing to identify any further mitigations.
309. Members went on to discuss the patterns of enrolments at Andover College, noting examples of liaison activities with local schools and developments to open events, and approaches to engaging with young people categorised as NEET (not in education, employment or training). Feedback from schools about students GCSE choices was being used to inform curriculum planning and further develop relationships with the schools. It was noted that students who did not meet the full T Level entry criteria had enrolled on one-year T Level transition programmes and that this did not have an impact on T Level grant funding conditions.
310. The Vice Principal Curriculum (Andover) reported that a new management Andover College Strategy forum had been set up in order to further analyse and steer the strategy for the campus.
311. The Deputy Principal provided further context for the decline in first year HE enrolment numbers, explaining that the comparatively high number of 'declined by default' and deferred applications presented a new pattern. Information gathering pointed to a similar decline in HE applicants in other comparable institutions. Feedback from applicants suggested this was influenced by the impact of the pandemic on mental health

- and resilience, as well as the current economic situation. Recruitment activities and financial support arrangements were being reviewed to seek to address these challenges.
312. Responding to a member's questions, the Deputy Principal confirmed that supporting the College's FE students to progress to HE, where in the students' interests, remained a priority, giving examples of the support activities in place.
  313. Moving on from enrolments, the Board commended the SLT on a number of positive developments in relation to partnerships and investment in the College's teaching facilities. These included success in all four applications for Buildings and Facilities Improvement Grants to the T Level Capital Fund and the collaborative bid with other colleges to the Strategic Development Fund. The College had also supported Surrey Chamber of Commerce's development of the Local Skills Improvement Plan which had been submitted to DfE.
  314. The Board noted the ONS's (Office for National Statistics') decision on the public or private sector status of FE colleges was anticipated in early November and that Landex had highlighted a number of potential consequences for land-based colleges which were being kept under watch.
  315. The Principal drew the Board's attention to updates on changes to College management and to delivery of the Health & Wellbeing Strategy.
  316. The Principal provided an update on employer relations, reporting on her recent meeting with the UCU branch representative and on the UCU's planned strike action. It was noted that management would undertake the necessary risk assessments to maintain the safety of staff and students and put operational arrangements in place to ensure continuity of learning for students. It was noted that discussion of staff remuneration matters would follow under a subsequent agenda item.
  317. The Board noted that the College now had a seat on the Civilian Military Forum which would support the College to better meet the needs of the local military communities and showcase the College's offer.
  318. The Board noted that University Centre Sparsholt had confirmed to the Office for Students its intention to participate in the new TEF, with the submission due in early 2023.
  319. The Board commended the achievements of the teams involved in the completion by students of Industry Work Placements in 2021-22, the ongoing placements in 2022-23 and the work on delivering additional placements this academic year. It was noted that Landex was in discussion with the DfE seeking a continuation in funding for another year to support land-based T Levels placements (given their deferral until 2024)
  320. The Board noted that the College Group Covid-19 risk assessment would remain in place and be updated by SLT when/if further government or Health & Safety Executive requirements/guidance changed. The assessment would be available on request to members of the Board and Audit Committee, rather than being circulated with each meetings' papers. The Principal confirmed that the College would support both flu and Covid vaccination clinics on campus when made available by the local providers.

## **HEALTHCHECK REPORT**

321. The Board had received the latest Healthcheck report (2022-Issue06) and noted that the key performance indicators for student enrolment numbers and funding had been discussed under earlier agenda items.
322. The Board agreed that the RAG rating of the employee relations performance indicator be raised to ‘amber’ in recognition of the action being taken by UCU and the wider economic context faced by the College, while acknowledging that appropriate management actions were in place.
323. Responding to member’s question about the business support staff turnover data, the Principal provided an update on recruitment but noted that it was too early to confirm if the situation was improving. There were challenges in relation to both the lower and higher grades, with continuing competition for Learning Support Assistants from schools and the cost of travel being factors. The Director of Finance reported that the College’s cleaning contractors were also reporting recruitment challenges. It was noted that staff turnover and related management actions would continue to be monitored via the Resources Committee.

## **SUSTAINABILITY STRATEGY**

324. The Board had received the annual progress report on the College Group’s Sustainability Strategy which had also been published on the College’s website to comply with the College’s commitment to the Race to Zero Climate for University and Colleges pledges.
325. The Principal reported good progress in the delivery of the Sustainability Strategy with the majority of the 2012-22 actions completed and others ongoing.
326. The Board noted that progress going forward would be measured against the DfE’s key action areas identified in its Sustainability and Climate Change Strategy, which responded to recommendations for education from the Committee for Climate Change, the Dasgupta Review, and the Green Jobs Taskforce report and would support the delivery of the Government’s 25-year Environment Plan and Net Zero Strategy.

## **FINANCE AND RISK MANAGEMENT**

### Finance

327. The Board had received the report of the Director of Finance on the end of year financial position 2021-22 and early indications on progress with the two-year financial plan. The management accounts to 30 June 2022 had been circulated separately.
328. The Director of Finance highlighted a number of developments since the June management accounts were issued which had informed the expected year end surplus of £42k (before any FRS102 pension and SWAPs related adjustments).
329. The Board noted that the ESFA financial health grade for 2021-22 was expected to be ‘good’ or better.
330. The cash position at year end was better than budget and the Director of Finance reported actions in relation to treasury management to benefit from higher interest rates on cash deposits whilst maintaining the availability of funds to meet operational and capital requirements.

331. The Board reviewed the update on significant potential variances to the 2022-23 budget ahead of the monthly management account forecast being presented at the Resources Committee meeting.
332. Responding to a member's questions, the Director of Finance confirmed that steps continued to be taken to reduce gas and electricity consumption, giving examples of the actions undertaken to date. The nature of an all-year, 24-hour operating land-based campus presented specific challenges and the Director of Estates was reviewing future options, including regarding renewables. Land-based colleges were also lobbying DfE via Landex and AoC for funding support.
333. The Director of Finance also responded that, while there were some small positive known variations, the overall potential variances were downward. It was difficult to fully quantify the economic and inflationary pressures, although management was seeking to mitigate risks through procurement tactics where possible.
334. Additionally, the Principal highlighted the other financial mitigations which were being targeted, such as growth of the full-cost and apprenticeship offer.
335. Asked about the 'going concern' position, the Director of Finance confirmed that this was not currently an issue and that there was reasonable tolerance in the bank loan covenants. An assessment of going concern would follow to the December meeting of the Board alongside the external audit report and 2021-22 statutory accounts.
336. The Board reviewed the budget position in relation to staff costs and the Principal provided an update on the SLT's consideration of options for staff pay changes during 2022-23. Members sought additional information and discussed a range of points about the structure, timing, affordability and communication of pay awards.
337. There continued to be strong support from members to the SLT's aim to make a pay award, following the awards made by the College Group in 2021-22, and recognising both the extraordinary cost pressures on members of staff due to national economic situation and the operational risks relating to retention and recruitment, and competition from the education and other sectors. It was also recognised that the wider economic situation presented financial pressures for the College and that the Board had a responsibility for maintaining the future financial sustainability of the College. It was noted that the College Group ICE Group would be updated.
338. **Resolved** – that the SLT finalise proposals regarding staff pay to be presented to the Board for approval via written resolution or, if further significant matters were identified for discussion, that a Special Board meeting be called and that the proposals be accompanied by an assessment of the impact on the two-year financial plan.

#### Risk Management Policy

339. The Board had received the Risk Management Policy and Risk Register 2022-23. The draft Risk Management Policy had been reviewed by the Audit Committee in June and recommended to the Board for approval, subject to finalisation of the updated risk register. Some minor further changes to the policy wording were also proposed.
340. The Principal explained that the risks set out in the risk register had been re-ordered to align with the Strategic Plan aims.

341. The Chair of the Audit Committee commended the developments to the risk register over the previous year which had provided greater clarity of the strategic level of risk, the controls and the assurance mechanisms.

342. **Resolved** – that the Risk Management Policy 2022-23 and the Risk Register be approved.

#### HE Student Fees

343. The Board had received the report of the Deputy Principal on HE student fees for 2023-24.

344. The Deputy Principal summarised the key points, explaining the context for the proposals and noting that the arrangements adhered to Office for Students requirements and Consumer Markets Authority guidance.

345. The Vice Principal and Dean of HE responded to members' questions about international students.

346. **Resolved** – that the HE student fees for 2023-24 for each category be approved, including full time domestic HE undergraduate fees continuing to be charged at £9,250 pa, and that the refund criteria be approved.

### **QUALITY, CURRICULUM AND EQUALITY, DIVERSITY & INCLUSION**

#### FE & HE Performance

347. The Board received a presentation on the FE and HE performance indicators for 2021-22 ahead of end of year quality assessment reports to follow to the Quality & Standards Committee in November.

348. The members noted the key points presented by the Vice Principals Curriculum and the discussion earlier in the meeting about the underlying factors and the actions arising in relation to FE achievement data.

349. The Vice Principal & Dean of HE summarised the overall outcomes for MSc, BSc and FdSc outcomes and noted the areas of focus to address the level of withdrawals and study breaks.

#### Equality & Diversity

350. The Board had received the annual report on Equality and Diversity, including progress with the Single Equality Scheme (SES) 2020-24.

351. The Vice Principal Curriculum (Andover), the SLT lead for Equality and Diversity, introduced the report, and highlighted a number of actions undertaken or in progress.

352. Responding to a member's question about the actions planned for 2022/23, the Vice Principal confirmed that management was looking at the standards of the 'Investor in Diversity' award with a view to internally assessing the College's strategies against best practice, as well as working towards the requirement of the Rainbow Flag Award in relation to an inclusive environment for the LGBTQ+ community.

353. The Board noted that the College Group had made significant progress against the SES objectives and the examples given to evidence this.

### Meeting Skills Needs

354. The Board had received the report of the Principal on the Ofsted Enhanced Inspection Framework (EIF) and Skills and Post 16 Education Act 2022 in relation to meeting skills needs and the related statutory guidance for governing bodies.
355. The Board noted the actions underway to evidence how the college identifies and meets skills needs, as well as other areas of the EIF key judgements. This included new reporting to the Curriculum, Employers & Market Requirements Committee and the hosting of a new collaborative event with colleagues from the other colleges involved in the SDF and LSIP, which it was hoped would become a regular event.
356. A member provided positive feedback from his attendance at the Curriculum Area SAR meetings on the knowledge and calibre of the curriculum leaders, the level of scrutiny and the examples of strong performance highlighted.
357. It was noted that the Board was required to undertake a review at least every three years (or following the publication of a new LSIP) of how well the college's provision met skills needs and to publish the outcome of the reviews, taking into account collaboration with other governing bodies in the area. The actions agreed as a result of the review would be reflected in the new ESFA Accountability Agreements, which were due to be introduced in 2023-24.

### **GOVERNANCE & COMPLIANCE**

#### Data Protection

358. The Board had received the annual monitoring report of the Data Protection Officer (DPO) on activities related to Data Protection and Freedom of Information (FOI) legislation during the 2021-22 academic year.
359. The Board noted that the DPO was unable to attend the meeting and the Deputy Principal and Head of Corporate Governance confirmed that the DPO had produced the data protection report independently of the College's SLT.
360. The Board noted the summary of the 25 data subject requests handled by the DPO and that 23 of these were accepted and responded to within the legal timeframe. The reasons for the two requests which were not accepted were explained.
361. It was noted that the DPO had dealt with a reduction in reported data breaches in 2021-22 compared to 2020-21, and that the numbers had returned to the level of the previous three years prior to 20-21, which appeared to confirm that the previous rise had related to the increase of electronic communications during the pandemic. One of the reported breaches was rejected by the DPO as not having constituted a data breach of personal information, this one having been reported by a student's parent. All of the remaining 7 breaches related to small scale administrative errors which the DPO confirmed were apologised for and which constituted no serious risk.
362. The Board also noted the summary of staff training activities and simulated cyber-security phishing exercises, and actions arising, which had also been reported to the Audit Committee.
363. The internal audit plan for 2022-23 included an audit of compliance with GDPR requirements and would report to the Audit Committee for assurance to the Board.



364. The number and profile of FOI requests remained similar to the previous year and no issues had arisen.
365. The Board reviewed the report and was satisfied by the information provided and the clarity and transparency of the reporting.

#### Written Resolutions and Chair of Governors' Approvals

366. The Board had received the report of the Head of Corporate Governance on written resolutions by the Board and approvals by the Chair of Governors since the July meeting of the Board.
367. There had been no written resolutions.
368. The Board noted three approvals by the Chair of Governors:
- a) Agreement to publish the new annual sustainability report in advance of the report being received by the Board in order to meet the EAUC 31 August 2022 deadline.
  - b) Approval of a new 'RCVS / VetSkill Qualifications Closure, Merger, Withdrawal and Failed Approval Policy' to meet the requirements of the awarding bodies.
  - c) Approval of a SLT recommendation in relation to the 2021-22 expenditure on staff costs, following consultation with members via email.

#### Annual Performance Review

369. The Board had received the report of the Head of Corporate Governance to inform the Board's performance effectiveness review for 2021-22 and planning for an external performance review.
370. The report provided feedback received from governors via two online survey, summaries of the key outcomes of evaluation activities during the year, external security, the performance of the College as a whole, and feedback from the SLT, and presented a draft action plan for review and approval.
371. Given that the time available for discussion was limited and that the report had not identified any significant or urgent issues to address, the Chair of Governors proposed that the report return to the December meeting of the Board for fuller consideration.
372. **Resolved** – that a performance review item be included on the agenda of the December meeting of the Board, that the Governance & Search Committee consider the output in relation to commissioning the planned external review, and that an interim report of the review and of the draft action plan be drafted by the Head of Corporate Governance for agreement by the Chair of Governors and inclusion in the College's annual report.

#### Governance Report

373. The Board had received the report of the Head of Corporate Governance updating on governance matters, including in relation to recent developments in the FE and HE regulatory environment and the Board's operations.
374. The Board noted the review of the Safeguarding Lead Governor role description and performance by the Safeguarding Lead Governor.
375. **Resolved** – that the updated Safeguarding Lead Governor role description be approved, and that Chris Wilson be re-appointed as Safeguarding Lead Governor for a term of

office to 12 October 2023 (or until completion of his term of office as a governor if sooner).

376. The meeting had been proceeded by safeguarding and Prevent refresher training, including in relation to the latest Keeping Children Safe in Education' (KCSIE) statutory guidance which had received by all members and actions arising from the latest staff survey.
377. The Board noted the updates on membership and recruitment and the proposed next steps.
378. **Resolved** – that authority be delegated to the Chair of Governors to approve committee appointments if required before the December meeting of the Board.
379. The Board noted the annual confirmation that the College continues to meet the requirements for 'Designated Specialist Land Based Provider' status, is financially sound and qualifies to continue in full membership of Landex.
380. Confidential matters were recorded separately.
381. The meeting ended at 1.30 pm.