



Minutes
Meeting of the Corporation
Wednesday 20 September 2017 at 4.30pm
William East Room

PART 1

Present:

Pippa Goodwin (<i>Chair</i>)	Janet Robertson
Neil Dew-Gosling	Sylwester Rzeminski
Gillian May (<i>Principal</i>)	Daniela Shanly
Gareth Osborn	Dave Snowden
John Petitt	Ian Thomson
Frank Pitkin	Andrew Try
Neil Prior	

Apologies: Amanda Gee

In attendance:

Anne Entwistle	<i>VP Curriculum & Students</i>
Richard Munday	<i>Finance Director</i>
Tracy Reeve	<i>Clerk to the Corporation</i>

The Governors had a short pre-meeting without members of the Executive Team present which was not formally minuted.

Pre-meeting presentation: Higher Education (HE) Update, Jan Selfridge, Head of HE

The meeting had a detailed HE Update from the Head of HE (JS) in advance of the planned QAA Quality Review Visit which would take place at BCA on 10th and 11th October. Discussions are minuted at item 108/17 below.

101/17 Chair's Welcome

The Chair informed the meeting that they would be discussing the important and pressing issues contained within the part 2 agenda as a matter of priority during the meeting; these items would be taken at the start of the agenda after the Governors had challenged the HE Manager on her presentation. This would enable lengthy discussion and fulsome challenge without the meeting over-running as previously requested by governors. Members noted that the Safeguarding Training and the Health and Safety presentation would be deferred to a future Corporation meeting due to pressure on the agenda and timing available. The Annual Health Safety Security and Wellbeing Report was still considered in detail by the meeting (see minute 112/17, page 6 below).

102/17 Apologies

Apologies had been received from Amanda Gee.

103/17 Notification of any other business

The FD informed the meeting that he would table an update paper on the College's LGPS deficit.

There was no other business.

104/17 Notification of Members interests

There were no interests notified.

105/17 Minutes of the meeting held on 5 July 2017

The meeting went through the minutes in detail and they were subsequently approved and signed by the Chairman as a correct record.

106/17 Matters Arising

There were no other matters arising that were not already included on the agenda.

ITEMS FOR DECISION**107/17 Governance**

- **Corporation Annual Schedule of Business**

The meeting considered the planned annual schedule of business for Corporation and Committee meetings during 2017/18.

The Annual Schedule of Business for 2017/18 was APPROVED as presented.

- **Governors' Attendance 2016/17**

The Clerk reported on attendance of Governors during 2016/17. Overall attendance at Corporation and Committee meetings had been 82% (the prior year figure had been 76.1%); this exceeded the Governance Key Performance Indicator target for attendance (70%). The vast majority of Governors had met the attendance target and individual exceptions had been due to work or community commitments.

NOTED

- **Self-Assessment: Governance KPIs**

The Clerk tabled a 'RAG' rated summary of performance against the governance KPIs for 2016/17. It was noted that the vast majority of the indicators were graded as 'green' and completed. The Clerk informed the meeting that an update version of the Governance Action Plan would be brought to Strategy Day.

NOTED

108/17 Higher Education (HE)

The meeting considered three key documents: the BCA HE Strategy 2017-20; HE Strategic Action Plan 2017/18 – 2019/20 and the draft HE QRV Report which would be submitted to QAA inspectors in advance of the inspection. The meeting noted that the HE Strategy had also been subject to a recent advisory review by the College internal auditors, ICCA, and their report would be discussed at the next meeting of the Audit Committee (4th October). The Principal informed the meeting that two issues identified in this report had been around ensuring HE recruitment targets were realistic and also in relation to the impact and effectiveness of the current marketing activity for HE at the College. Management had accepted these recommendations and would be allocating a specific budget to HE marketing for 2017/18. The meeting noted that the strategic aim for HE at the College was to get to numbers of circa 102 HE students by 2019/20; the current number was 73. The meeting commended the positive impact of the new Veterinary Physiotherapy course which had recruited very well for 2017/18; this had been marketed externally via the specialist lecturer. The meeting noted and agreed the recommendation in the HE Strategy that the marketing for HE needed to be more targeted and specific to HE; this would include the College running HE specific recruitment Open Days during 2018. The Chair sought, and was given, assurance that the recruitment targets were realistic and achievable. Governors sought

clarification on whether the target of 102 represented a maximum ceiling for BCA; it was confirmed that it did, based on the current space allocation within the campus.

The four key priorities within the HE Strategy were noted:

- To be recognised for high quality specialist land-based HE provision ensured by a robust quality assurance system.
- Ensure a financially viable HE provision capable of supporting growth.
- Focus on land-based provision to grow reputation as a Specialist Centre for HE
- Develop strong, innovative relationships with validating bodies and industry to grow the HE portfolio and enhance the strategic profile of BCA as a provider of HE.

The meeting considered the detail of the HE Strategic Action Plan 2017/18 – 2019/20 and the 3 Year Strategy Map 2017-20 which outlined the detail of how these 4 key priorities would be achieved. The meeting discussed the unique selling point of BCA's small course sizes compared with most HE providers; this was noted as circa 15 per cohort. Governors agreed that the marketing moving forward should highlight this specialist land-based bespoke provision and should target potential students who lived locally but did not want to study away from home for HE.

Governors sought clarity on the potential weaknesses identified by the College ahead of the HE Quality Review Visit. JS informed Governors that she fully expected the QRV team to identify that there were a number of processes at BCA that did not yet fully comply with QAA requirements; however these were noted as being fully appropriate to the small size of the HE provision at BCA. The key actions needed for full compliance were: the creation of a specific Quality Review Board for HE; a quality policy to filter through the QRB process; a separate HE lesson observation process; improvements to the interview pack and process for HE learners; a course change and closure policy; a specific HE enrolment form; and specific HE Terms and Conditions. Governors sought, and were given, assurance that there was unlikely to be anything resulting from the QRV process that would have a negative impact on BCA's HE recruitment. JS reminded the meeting that BCA had full validation from its university partners, Royal Agricultural University and the University of Reading. The meeting noted that the Chair (PG), as Link Governor for HE, would be involved during the Quality Review Visit.

The BCA Higher Education Strategy 2017-20, HE Action Plan 2017-20 and the College submission for the October 2017 QRV Inspection were APPROVED as presented.

109/17 Risk Register/ Board Assurance Framework

The meeting considered the Board Assurance Framework which clearly detailed the key strategic risks against the four strategic priorities for BCA. This item was now a standing item for consideration at each Corporation meeting. Governors noted that this document had been updated since last presented to the Corporation in July 2017. The Principal informed the meeting that post-issue of the papers the following additional update had been made; the risk rating around Health and Safety (risk 13) had been reviewed and even though the SLT were assured by the very competent Health & Safety Manager it had been agreed that due the nature of the BCA campus and curriculum this required a risk score of '15' and an amber risk rating. The Principal confirmed that the internal auditors would be developing an action plan for the College in relation to the new GDPR requirement which would come into effect on 25th May 2018; this item would be added to the College Risk Register once the specific risks had been identified (before the December 2017 Corporation meeting).

The meeting discussed the following key risks which were currently rated as 'red' and the ongoing mitigation that was being provided against their crystallisation:

Risk 1 'Failure to Retain independent Status' (Risk score of 20 'red' after mitigation): The Principal asserted the need to keep this risk as 'red' due to the uncertainty about the final outcome of the planning application which necessitated a high risk score around possible 'forced' merger.

Risk 2 'LGPS deficit expected to be significant' (Risk score of 20 'red' after mitigation): The meeting was reminded that this risk was essentially outside the control of the College but governors were given assurance that College management were doing all possible to mitigate the increases and any future demands for 'top-up' payments. The FD was continuing to work with other local FE College Finance Directors to challenge the actuarial assumptions and to minimise any actual short-term financial impact on the College.

Risk 6 'Insufficient capital investment in the listed assets, specifically the mansion house' (Risk score of 15 'amber' after mitigation): The meeting was reminded that the issue of securing the requisite funding for the future maintenance of the heritage assets was still very uncertain following the call-in of the planning application for the care village at BCA by the Secretary of State for Communities and Local Government (DCLG). The Principal highlighted the heightened concern after the FE Commissioner's visit to BCA in August 2017 had made it clear that funding from the Transactions Unity would only be available within a merger scenario. The Principal informed the meeting that a new report for Governors which would provide additional information about the costs and operational aspects of running the BCA estate and the buildings would be developed for the December 2017 meeting.

Risk 8 'Insufficiently developed succession planning/ staff retention strategies (Risk score of 20 'red' after mitigation): The Principal informed the meeting that as the College had not met the enrolment target of 1500 there would be no cross-college pay increase of 1% (to reflect a pay-back of the salary cut applied in January 2014). Staff Governors and the Exec members present confirmed that all staff understood the importance of the enrolment target being achieved and that there was ongoing transparency around any pay increase being based on securing target learner numbers; staff understood why the 1% return could not be given. The meeting noted recent CPD and management training programmes which had been run in-house to ensure that staff succession planning and the opportunity for internal promotion was catered for. The Principal reminded the meeting of all the recent initiatives put in place by the HR team which did not cost a great deal of money but provided benefits for staff.

The Board Assurance Framework/ Risk Register was RECEIVED.

110/7 Internal Audit Plan 2017/18

The Finance Director (FD) informed the meeting that this had been discussed in detail at the Audit Committee in July 2017 and that the Internal Audit Service (IAS) for BCA, ICCA had been represented at this meeting. Governors commended the useful supporting paperwork provided by ICCA which provided a good summary of current areas of risk for the College. Governors sought, and were given, confirmation that the Audit Committee, Principal and the FD had been fully involved in drafting the IAS plan and that it would be reviewed throughout the year as new risks emerged. It was also noted that the members of the Audit Committee had continued to be very impressed with the input and value-added from ICCA during the last academic year; their contract to provide internal audit services to the College had been extended through to 31 July 2019.

The Internal Audit Plan for 2017/18 was APPROVED.

111/17 Annual Safeguarding Report

The meeting noted the Safeguarding Overview Report which provided detailed information from the team with responsibility for Student Protection.

During the 2016/17 academic year 317 students were judged to be 'high risk' (this was 23% of all students and was confirmed as in line with data for the previous three years). There were 8 learners attached to Social Care and 11 'Looked After Children' (LAC) which was a significant reduction compared with the prior year. Governors were given confirmation that all of these LAC learners had completed their programme and had moved on to a positive destination. Governors were reminded that the College's recruitment area covered 120+ feeder schools and 12 Local Authorities so there were numerous external agencies linked to BCA which continued to pose an ongoing challenge in terms of time and resources. The meeting discussed the marked increase in welfare concerns with 242 students being 'flagged' by safeguarding staff. Governors were given clarification that these learners had presented with depression, anxiety and mental health concerns. It was noted that 18 students were also young carers alongside their studies and 103 learners had significant family issues. Governors were given assurance that these statistics and the year-on-year increase were in line with recent NSPCC trends.

Prevent: The meeting noted that there had been 4 referrals through the Prevent programme during 2016/17; three of these learners had completed their programme of study with appropriate support and intervention and the fourth withdrew for personal reasons. It was confirmed that all students, staff and governors had received Prevent training in line with the CONTEST government directive. The meeting noted that in October 2016 additional training had been given to all students and staff on Hate Crime, Equality Act, Prevent Strategy, Extremism and Safeguarding and British Values via an external company called Routes Prevent. British Values (BV) at BCA posters were used effectively throughout College to help students relate to BV and to support respectful debate. The meeting was reminded that when Ofsted inspected the College in March 2017 they had found that: 'Full time students have an exceptional knowledge of British Values and how to keep themselves safe from the dangers of extremism and radicalisation.'

The report gave the Governors assurance that all safeguarding training requirements had been met. All new staff - including the catering team, transport team, volunteers, and apprentice employers – had received initial induction Level 2 Safeguarding Training. All staff also received annual safeguarding update training in July. The Vice Principal, Senior Designated Safeguarding Person (SDSP) and Student Welfare Manager Designated Safeguarding Person (DSP) attend Level 3 safeguarding training externally every three years. In addition the DSP had attended many one day training courses throughout the year, subject specific, run by RBWM. There was also regular liaison between the Windsor & Maidenhead Local Safeguarding and Children's Board (LSCB) and the SDSP & DSP regarding matters arising in the local borough relating to safeguarding. Safeguarding training had also been delivered to all students prior to them going out on work placement.

The meeting noted the following additional Safeguarding activity which had taken place at BCA during 2016/17:

- Development of an electronic 'at risk' register which was a confidential system for the collation of student welfare information. The system allowed quick reference to each student with a welfare need and could be accessed by staff on a need to know basis. This new system was especially helpful for Additional Learning Support (ALS) and support staff. Individual Learning Plans (ILPs) had been linked to this new register so

that staff could see if a particular student had an additional learning, welfare or medical need.

- BCA had employed a College nurse.
- Development of a monthly 'Lesbian Gay Bi Transsexual' (LGBT) group which has proved to be well attended. Students report feeling recognised and enjoy meeting like-minded young people.
- Development of a monthly student welfare newsletter. This highlighted current issues and offered support through links for further reading. Topics covered include: worries about the world, sexting, relationships, male suicide, exam stress, mental health and mindfulness.
- Delivery of 'Run, Hide, Tell' training. A government directive to be followed in the event of a terrorist attack or other similar threat. All staff and students had received this training.
- Pranic healing and meditation for exam stress was delivered to students who experienced high levels of exam anxiety. There had been positive feedback from staff and students.

The Safeguarding Report 2016/17 was NOTED and RECEIVED.

112/17 Health, Safety, Security and Wellbeing Annual Report

The Committee meeting noted a comprehensive report from the Health, Safety and Wellbeing Manager who had now been in post just under two years. This included details of H&S Management at BCA, Policy & Procedures, details of Incident Reporting (including details of RIDDOR reportable incidents in 2016/17), a summary of maintenance and review, and some good news items during the year. During the year the Health, Safety and Wellbeing Manager had focussed on health issues rather than just safety and there had been a two-phase occupational health programme to comply with statutory testing in conjunction with wellbeing days. Depending on the nature of their work, departments were tested for face fit on respiratory personal protection, audio tests, hand arm vibration assessments and lung function. These benchmark assessments were now held on file in the employee's personal records. Two members of staff were identified as wearing the wrong size face mask and this has now been rectified. The meeting noted that the Health, Safety, Security and Wellbeing Committee had continued to meet termly during the year and the seven College Health and Safety Champions had also met on the alternative month. The H&S Champions were now looking to work as a forum on the new Gmail chat system to enable them to discuss issues quickly, and to have fewer meetings.

It was confirmed that all new starters had received a health and safety induction generic for whole site risk. To make this more specific the Health, Safety and Wellbeing Manager had introduced an induction checklist for each Head of Department to use with new starters; this checklist was designed to encourage a conversation about departmental risk.

The meeting was reminded in the past BCA staff had been good at reporting all incidents on an incident report form but historically these had not been handed to the Health and Safety Manager in a timely manner. Governors were pleased to note that there had been a significant improvement during 2016/17 and that Heads of Departments were now also engaging with completing the corrective actions section of the report form. In addition there had been a programme of departmental training around completing an accident form and recording a witness statement.

The meeting was pleased to note that the total number of accidents reported during 2016/17 was 173 down from 214 in 2016 and 212 in 2015. There had been four RIDDOR accidents which had been reportable to the Health and Safety Executive (HSE); this compared with 2 incidents in 2015/16 and 2 in 2014/15. The four incidents were: 24th November 2016 a

mobile elevated work platform (MEWP) was hired in for training this was discovered to have significant safety issues included severed hydraulic hoses; 25th November 2016 a student broke radius during sport; 19th January 2017 a student broke wrist after a fall; and 18th April 2017 a student broke wrist after a fall. It was noted that technically only two of the RIDDORs were directly attributable to BCA as the MEWP had been hired by a training company and one of the falls was off-site during work experience.

The meeting noted that there had been considerable work undertaken throughout 2016/17 on maintenance and review. This had included the following:

Fire Risk: The fire risk assessments for each building were reviewed in August. In February 2017 the Fire Safety Inspecting Officer from Royal Berkshire Fire & Rescue Service (RBFRS) came onsite asked for some building amendments to be made: clear escape routes in the hostels and that we can no longer have the kitchenettes in the two under 18 blocks. Governors noted that the College's on-site maintenance team had done an exceptional job of putting in two new fire walls and doors to satisfy this requirement. RBFRS would revisit to inspect this remedial work.

Legionella: Due to the age of the water pipes and storage tanks on site, and the adding of new services the water system is prone to legionella risk. The meeting noted that this was compounded by the removal of various outlets which had created 'dead legs' within the system. The meeting was given assurance that the College monitored water temperature at the tap outlets and in and out of the hot water storage tanks. In addition an external specialist was used to take water samples for analysis twice a year and when legionella was present the College paid for emergency disinfection and then re-tested three times to demonstrate the system was now clear. The meeting noted that this process of tank disinfection and three re-tests was currently costing c£2,000 every six months.

Oil Tanks: A conditions survey of the heating oil tanks at ten locations on site took place in May 2017 to ascertain the condition of each tank and bund. All but two were described as in a poor state of repair. The meeting noted that a capital budget request had been made for £15,000 in 2018/19 and £20,000 in 2019/20 to replace these. The importance of this work was agreed by the meeting as the impact of one of the tanks failing could result in prosecution from the Environment Agency.

Water Damage to Mansion: The meeting was reminded that on the evening of July 18th a significant amount of rain fell during a thunderstorm. This caused water damage in Clock Cottage, the Mansion toilet block, Jacob Bancks Room and the basement Common Room in the Mansion. Due to the listed status of these two buildings the insurance company appointed Complex Loss Adjusters who commissioned a restoration report to identify what restoration needed to be undertaken. The meeting noted that the Complex Loss Adjuster had now submitted their report to the insurance company and the SLT were waiting to hear if the claim would be upheld. Governors sought additional clarity on what repair work needed to be undertaken and the associated urgency with the individual elements.

The meeting went on to note the 'good news items' where good H&S practice had been driven forward during 2016/17. This had included the very significant piece of work to relocate the student coach park to the centre of campus (Easter 2017) which allowed the whole campus to become more pedestrianised with students being dropped off and collected at a central point. As previously noted in the meeting the 'Run Hide Tell' campaign had been demonstrated to staff and students and was part of the student induction in September 2017. Governors noted that a klaxon has been fitted to the learning centre to alert all on campus if a 'Lockdown' was happening. Governors were also pleased to note that a third defibrillator

has been installed in the Skills Centre to serve the north end of the campus.

The Health and Safety Report 2016/17 was RECEIVED.

113/17 Overseas Learning Visit

The meeting considered a proposal for a Football Academy learning visit to Rotterdam from 4th to 8th May 2018; a maximum of 40 learners would attend with 4 BCA staff in attendance. The accompanying risk assessment was also considered. Governors were given assurance that this trip was being run through an approved tour company and that the students were self-funding.

The meeting APPROVED the Rotterdam learning visit in May 2018 as presented.

ITEMS FOR INFORMATION

114/17 Principal's Report

This item was taken as read as it had been circulated by e-mail earlier in the month; all items for action were included elsewhere on the agenda or had been superseded by current events.

NOTED

115/17 Academic Report

• Post Ofsted Action Plan

The meeting noted the detailed Post Ofsted Action Plan (POAP) which had been drawn up to reflect the quality improvement required by the Ofsted inspection in March 2017. This document was now presented as a one-page dashboard of progress against the three key priorities within the POAP: apprenticeship provision; quality of teaching, learning and assessment in GCSE maths; and stretch and challenge. The meeting commended the progress made against each of these during 2016/17. The meeting was reminded of the changes to the management of English and maths which had been put in place for 2017/18; there would be a Head of Department for each of English and maths which would provide a strong focus on securing ongoing improvement.

• Success rates 2016/17

➤ ***English and maths:*** The meeting noted a detailed report from the VP Curriculum and Students (VPC&S) which gave governors an update on maths and English outcomes for 2016/17.

Maths: The meeting was pleased to note that attendance at maths exams improved in 2016/17 to 98% from 96% in the prior year and that the maths GCSE results showed an overall improvement on 2015/16. Of the 486 students who resat 26% increased their performance by at least 1 grade. VPC&S confirmed that all mainstream students had been entered for a resit irrespective of prior performance which depressed the A*-C rate. Of those students whose prior attainment was a D grade 22.3% achieved at least a grade C (against the national rate of 24.4%). The achievement rate for maths was 87% - an increase of 10% on prior year.

Regular assessments and skills audits throughout the year had shown skills development and an increased confidence in tackling more complex, problem solving questions. This is evidenced clearly in students who retained the same grade profile indicating that although they did not reach the next grade boundary their maths skills had been developed. The meeting noted that the maths team would be adopting the new 9 - 1 specification for the 2017/18 academic year; two new team members had experience of delivering this and the whole maths team had received relevant training to support them through the transition.

English: The exam attendance had been 98% - in line with 2015/16. Governors were reminded that the College had delivered the new 9-1 GCSE specification in 2016/17. This had been a challenge since it meant students were not 're-sitting' their previous English course. The assessment regime was also very different: in previous years assessment and final grade included 40% coursework, 10% speaking and listening assessment and a final exam whereas the new course was 100% examination based with 2 exams. The meeting was pleased to note that despite these challenges the results remained above the national rate. The English team had received training to support the delivery of the new 9-1 specification and 3 staff members spent their summer marking papers for the AQA exam board. This had enhanced their professional development and whole team competence in delivering the new specification. Future students would benefit from this experience and governors commended the fact that expectations were high for results in 2017/18.

➤ **Indicative headline data 2016/17:** The VPC&S tabled an update report which gave retention, pass and achievement rates for English and maths and main subject for the last 4 years. Governors were pleased to note the three year positive trend for maths and overall main subject achievement and pass rates. The meeting noted the overall retention rate of 92.2% (the same high level as the prior year). The overall achievement rate for 2016/17 was noted as 85.0% which rose to 89% when maths and English were excluded; the comparable prior year figures were 82.2% and 85.5%. The meeting also noted that English achievement remained above national rate; the 1.1% decline in pass rate to 90.1% was attributable to the changes in assessment methods for the new 1-9 qualification.

- **Apprenticeships Update**

The meeting noted the overall (74%) and timely (74%) success rates for 2016/17; this was a considerable improvement on the prior year (when timely had been 38.8%). The meeting noted details of the apprenticeship enrolments and the pipeline for 2017/18 by the four curriculum areas: agriculture, floristry, horticulture and motor vehicle. BCA had 86 continuing apprentices into 17/18 with 62 enrolling in September 2017; this represented an increase of 11% compared to the prior year. The meeting was pleased to note that timely achievement was now above the national average; the additional resources allocated to this area of work was proving effective.

➤ **Apprenticeship Strategy:** The meeting noted that the apprenticeship team had developed a three year Strategy to drive the apprenticeship programme for the next 3 years and to support the Government's visions for their goal for 3 million apprentices for 2020. The key drivers for this strategy would be: quality of teaching and learning; income and contribution growth; and student experience. The meeting also noted that the College was reviewing the opportunity to offer arboriculture within that three year apprenticeship strategy.

➤ **Employer Satisfaction Survey:** It was noted that the results were now known from the Government satisfaction survey undertaken by the ESFA, these would be made public in October 2017. Governors were pleased to hear that the results indicated that 98% of employers were extremely likely to recommend BCA, with a mean score of 8.67 out of 10 for performance (this compared to 7.65 in September 2016).

- **Tangible results campaign:** The tangible results from tele-marketing during 2016/17 were also noted; including the number of calls made for each of the curriculum areas during the two-phase campaign (April and then July 2017). The investment data was noted and governors were pleased to note the large number of e-mail addresses (273) now owned by the College for decision makers in the organisations. Governors flagged the need to consider the new GDPR legislation when undertaking any tele-marketing campaigns in 2018.

- **Higher Education Update**

Applications: The meeting noted the standing HE Update report; this was taken as read following the comprehensive HE Update given at the start of the meeting. The overall HE enrolment target for 2017 was 44 and the College was expecting 76 students to enrol for 2017/18 a start. A detailed breakdown by course was also noted. The numbers for the new BSc (Hons) Veterinary Physiotherapy were particularly good; 15 learners were due to start in September 2017.

Partnerships: The meeting was pleased to note that the Royal Agricultural University (RAU) were keen to progress with 'networked' Higher and Degree Apprenticeships following a collaborative partnership meeting in June. Work was still ongoing to try and move forward the conversion of the FdSc Equine Entrepreneurship and Business management to a level 5/ Foundation Degree Apprenticeship. Governors noted an update on the positive interest from BNU in the development of an Outdoor Education HE programme; this would now be progressed for a 2019/20 start at the earliest.

Higher/Degree Apprenticeships: The meeting noted that there had been no further news following the National Land-Based College's statement at the beginning of June, confirming that: *'There is much enthusiasm and opportunity within the land based sector for the development of higher and degree apprenticeships. There is also a willingness to develop collaborations between industry and the network of specialist land based colleges and HEIs.'*

QAA Inspection: As previously discussed, governors were reminded that the QAA Quality Review Visit (QRV) which would inspect HE provision at BCA would take place on 10th and 11th October 2017. This would be a 'light touch' inspection comprising a desk based review of published metrics and a 'reduced' submission from the HE provider (a maximum of 40 pages plus no more than 100 pieces of supporting evidence), followed by a shorter one or two day QRV. Governors had already considered and approved the College's written submission which had been prepared by the Head of HE and would be submitted to HEFCE to meet the deadline of 22nd September.

The Academic Report was RECEIVED.

116/17 Enrolments

Governors were reminded that although enrolment was just below target at 1,415 the improved mix of students this year meant that EFA funding in 2017/18 would be similar to 2016/17. Governors were reminded that the enrolment falling below target would mean that staff would not receive the 1% salary increase. The detailed picture by curriculum area was considered and the four areas below target were noted as floristry, foundation, sport and land. Each of these was considered in some detail. Governors were reminded that the increased number of apprenticeships within land would net-off against the shortfall on main FE programmes. The Principal reminded the meeting that there would be a full College Open Day on Saturday 7th October, with a second on Saturday 25th November; both running 10am-2pm. The meeting sought clarity on whether enrolments were taken at Open Days or learners were directed back to online registration; the management team would remind staff to enrol learners where possible.

The Enrolment Report was RECEIVED.

117/17 Finance Report

- **Finance Director's Report**

The meeting noted the report from the Finance Director (FD) which summarised progress in all areas under his control and highlighted the main areas for focus going forward.

2016/17 actuals and 2017/18 and 2018/19 budgets

The meeting noted the year-end July 2017 management accounts for 2016/17 which showed a £129,000 surplus for the year; this was exactly in line with forecast. The FD reminded the meeting that all figures would be subject to the external audit which would commence on 25 September 2017. The meeting noted the main features of the accounts as follows:

- The variances for income, pay and non-pay costs were all immaterial overall but explanations of the main favourable and adverse variances within each category were provided for governors in the Finance Report.
- The College had passed all the bank covenant tests based on the 12 months to July.
- The ESFA Financial Health grade for 2016/17 was 'inadequate', which was also expected in the forecast.

The meeting was reminded that the budgets for 2017/18 and 2018/19 had been presented and agreed at the July 2017 Corporation meeting. The surpluses were expected to be £195,000 and £165,000 in the two years respectively. The downturn in 2018/19 was due to the inclusion of a £148,000 lump-sum repayment of the LGPS pension deficit (2017/18 £37,000). The FD confirmed that the College expected to report satisfactory financial health in both years. The reforecast for 2017/18 would be presented to the Corporation at their meeting in February 2018.

SFA and EFA funding:

It was noted that monthly reviews of ESFA performance to monitor performance against allocation continued. Governors were reminded of the mechanics of 'lagged funding' and that ESFA funding in 2018/19 would be recalculated in light of the enrolment figures for 2017/18. The current estimate was that EFA funding would be about £160,000 below the figure included in the budget 2018/19.

Cash flow

The meeting detailed cash-flow information; the balance at the end of 2016/17 was £89,000 overdrawn compared to £105,000 in credit in the reforecast. The variance was explained by having to make supplier payments earlier than expected, but was timing only. The FD confirmed that the College remained within the overdraft facility throughout 2016/17. The meeting noted the most recent cash flow forecast to the end of July 2019 which was included in the management accounts pack; this showed that the College would remain within the overdraft facility throughout 2017/18.

LGPS pension deficit

The FD presented a comprehensive update on the Local Government Pension Scheme (LGPS) pension deficit. Governors were reminded that the LGPS was administered by the Berkshire Pension Fund and was for non-teaching staff at BCA. For clarity the meeting noted that the Teachers' Pension Scheme, which was completely separate, operated for the benefit of teaching staff but, under FRS 102, is treated as a defined contribution plan and consequently was not reported as a surplus/deficit in college's financial statements.

Governors were reminded that the LGPS deficit that was reported in BCA accounts had increased significantly over the last few years (£000):

	2017	2016	2015	2014	2013
Assets	7,645	6,990	6,002	5,429	5,200
Liabilities	18,197	16,000	12,652	10,499	8,144
Deficit	-10,552	-9,010	-6,650	-5,070	-2,944

However, the meeting was reminded that the figures above reflected what the College was obliged to report under FRS 102. The FD confirmed that separately, the actuaries had

produced a triennial actuarial valuation that formed the basis for their calculations relating to the repayment of the actuarial deficit; BCA's actuarial deficit was noted as being in the region of £2.4 million i.e. far smaller than the £10.55 million in the table above.

The two main issues with the LGPS pension scheme were highlighted as: the continuing increase in the deficit as calculated under FRS 102; and the recent request from the Pension Fund Manager for the actuarial deficit to be repaid (by 2030). The meeting noted the detailed questions that the FD had asked the actuaries in relation to the assumptions underpinning the actuarial work on the LGPS deficit which included the following: membership, cost of accrual of future benefits, assumed salary increases and the discount rate used. An update paper was tabled at the meeting which detailed the actuarial responses to these questions. Governors were reminded that whilst the increase in the deficit did not impact on operating performance, nor the College's financial health as measured by the ESFA, nor the covenant tests applied by Lloyds, it was reflected in the published financial statements and had a significant negative impact on the balance sheet.

The meeting considered the request for the deficit to be repaid that had been received in March 2017. This had asked BCA (apparently in common with other colleges) to repay the actuarial deficit of £2.4 million by 2030. The Pension Fund Manager had specified the first two repayments that we had to make - £165,000 in their financial year 2018/19 and £338,000 in 2019/20 – but future repayments were still to be decided. Governors were reminded of the context to this, BCA's surplus in 2016/17 was £129,000. Governors were given assurances by the FD that he would be working to mitigate any impact on BCA of these requests for repayment and would continue to work with the FD's of other local colleges, to meet the Pension Fund Manager to express concerns about the requests and to try and understand how they have been calculated. Governors noted that another meeting had been arranged for 28 September and an update would be provided.

A separate and supplementary paper was presented at the meeting which outlined the detailed Pension Fund Manager's responses to the questions that RM had submitted in relation to the assumptions behind the proposed increase in the LGPS deficit in 2016/17. The meeting also noted an update about the deficit repayments that had been requested as referred to in previous meetings. Governors noted that the difference between the £2.4m actuarial deficit and the sum of the repayments requested was noted as being due to a Risk Sharing Reserve of £3.75m. RM assured the meeting that he would be raising this issue with the Pension Fund Manager and the actuary during their scheduled meeting week commencing 25th September 2017. Governors were also given assurance that any proposed changes would be discussed with the College's external auditors RSM Tenon LLP.

The FD's report was NOTED.

- **College Management Accounts: July 2017**

The meeting took the Management Accounts to 31 July 2017 as read; the meeting had already discussed the full year-to-date performance as outlined above. ***Governors asked for an amendment to the HR Dashboard: the graph showing numbers of staff leaving BCA should be amended to exclude those on 1 year contracts.***

The July 2017 management accounts were RECEIVED.

118/17 Register of Interests

The Clerk reminded the meeting that timely completion of this form by Members was a formal requirement of the audit process. She thanked the majority of Governors for completion and asked any outstanding forms to be returned to her as soon as possible.

NOTED

119/17 Date of Next Meeting

- Wednesday 13th December 2017 at 4.30pm.

Governors noted that there would possibly be an additional extraordinary Corporation meeting before December; date to be confirmed.

NOTED

120/17 Any Other Business

- **LGPS Update**

The additional paper had been considered as minuted above.

There was no other business. The meeting closed at 7.00pm.