

**APPROVED BY THE VICE CHAIR AND CHAIR**

**THE CORPORATION OF EALING, HAMMERSMITH & WEST LONDON COLLEGE**

<b>Meeting</b>	Board
<b>Date and time</b>	6 pm, Tuesday 2 July 2024
<b>Venue</b>	LT3, Hammersmith & Fulham College
<b>Members</b>	Ian Comfort (Chair); Phillip Kerle; Rachael Fisher; Chris Taylor; Laura Gladstone; Sarah Benjamin; Shawez Mir; Karen Redhead; Jonathan Roe; Suzanne Lyne; Maddalaine Ansell; Carole Kitching; Robin Ghurbhurun
<b>In attendance</b>	Maxine Deslandes (Director of Finance); Matt Fawcett (Deputy Principal (Planning, Partnerships and Projects)); Anil Nagpal (Chief Operating Officer); James Taylor (Deputy Principal (Curriculum & Quality)); Richard Ward (Director of Governance).

<b>No.</b>	<b>Item</b>
<b>1</b>	<p><b>Attendance</b></p> <p>Apologies were received from Adrien Ong, Kunal Parkash and Sharon Lambert.</p> <p>In the absence of Ian Comfort, Phillip Kerle took the chair as Vice Chair of the Corporation. Phillip Kerle welcomed Suzanne Lyne to her first meeting of the Board. He noted that the Search, Governance &amp; Remuneration Committee had recommended her appointment as a governor and member of the Audit Committee.</p> <p><b>Resolved, That Suzanne Lyne be appointed as a governor and member of the Audit Committee for a term of four years beginning on 2 July 2024 and ending on 1 July 2028.</b></p>
<b>2</b>	<p><b>Declarations of Interest</b></p> <p>Phillip Kerle declared that he was a governor of Orbital South Colleges.</p>
<b>3</b>	<p><b>Minutes</b></p> <p><b>Resolved, That the minutes of the meeting held on 21 May 2024 be approved as a correct record.</b></p>
<b>4</b>	<p><b>Written resolution</b></p> <p>The Chair noted that the written resolution relating to the approval of the College's accountability statement for 2024/25 which had been circulated on 26 June following the recommendation of the Curriculum &amp; Quality Committee had been passed.</p>

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5	<p data-bbox="304 241 644 275"><b>Operational plan update</b></p> <p data-bbox="304 311 1406 607">The Deputy Principal (Planning, Partnerships and Projects) presented a report on the College’s operational plan as it stood at the end of May. He reported that the proportion of actions rated as green or amber/green had increased from 76.3% at the end of March to 81.4%, and the proportion of actions rated as amber and amber/red had both declined slightly to 13.9% and 4.7% respectively. Of the 49 actions due to be completed by the end of the academic year, 77.5% were currently rated as green or amber/green, 18.4% were rated as amber and 4.1% were rated as amber/red. The Deputy Principal drew governors’ attention to the addition of trend arrows as requested at the May meeting.</p> <p data-bbox="304 645 1270 707">In the discussion that followed, the Board queried the two actions rated as amber/red:</p> <ul data-bbox="328 745 1398 1077" style="list-style-type: none"> <li data-bbox="328 745 1398 880">• <b>International Strategy</b> – The development of the strategy had been delayed and income at the beginning of June stood at £923k with an end year target of £1.365m. The underperformance of this area was an area of concern and ongoing review.</li> <li data-bbox="328 913 1398 1077">• <b>Apprenticeships</b> – The Deputy Principal confirmed that income currently stood at £650k at the end of the R10 reporting period excluding predicted achievement, with a revised end of year forecast of c.£915k against a target of £1m. The College was planning to enhance its offer and improve links with key stakeholders to support apprentice recruitment.</li> </ul>
6	<p data-bbox="304 1142 517 1176"><b>Funding report</b></p> <p data-bbox="304 1211 1406 1375">The Deputy Principal (Curriculum &amp; Quality) spoke to his paper setting out details of the College’s performance against major funding allocations at the latest funding return period (R10, submitted 5 June). 16-19 enrolments continued to sit slightly above target and GLA AEB was above 100%. The forecast for ESFA AEB at the end of the year was 97.5%.</p> <p data-bbox="304 1413 1398 1514">A governor asked whether the underperformance on GLA Courses for Jobs was reflected in the management accounts. The Chief Operating Officer confirmed that it was captured within the sensitivity analysis (Appendix 3).</p>
7	<p data-bbox="304 1574 624 1608"><b>Management accounts</b></p> <p data-bbox="304 1644 1398 1879">The Chief Operating Officer presented the College’s management accounts for the period ending April 2024, as scrutinised by the Finance &amp; General Purposes Committee at its meeting on 18 June. The accounts continued to show a projected end-year deficit of £2,606k against the original budgeted deficit of £2,338k as agreed by the Board. After the pensions adjustment, the College was still forecast to be in surplus at the end of the year but only just, and there were significant pressures set out within the sensitivity analysis.</p> <p data-bbox="304 1915 1406 2040">Forecast year-end income was £35,053k, pay was forecast at £20,562k and non-pay was forecast at £12,340k. The College’s financial KPIs were all positive, and the Chief Operating Officer noted that borrowing as a percentage of income was below the target of 43% at 39.2% as a result of increased income. He drew the Board’s</p>

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	<p>attention to the fact that while the College was still reporting 'Good' financial health, it was at the lower end of the range and retaining a 'Good' financial health score was of the utmost importance to the College at this stage.</p> <p>In the discussion that followed, governors queried what steps the College was taking to ensure that the 'Good' financial health was retained at the end of the year. The Chief Operating Officer explained that since the previously reported period, the impact of some measures was becoming evident. The College's strong cash balance would be one factor that might influence the end of year score; the COO noted it remained a challenging financial environment with a number of variables that may have an impact and contribute to the year-end financial health score. He drew the Board's attention to the table circulated with the minutes of the Finance &amp; General Purposes Committee meeting, which set out the scoring methodology.</p> <p>Governors asked when the May management accounts would be circulated. The Chief Operating Officer reported that they were in the process of being finalised and would be distributed as soon as they were ready. He noted that the implementation of the College's new finance system (which had gone live the previous day) was expected to speed up aspects of the production of the management accounts.</p> <p>The Board discussed the relationship between the College's financial health score and the Post-Intervention Monitoring and Support process. The CEO/Principal commented that retaining good financial health was a key element within the plan, especially as the College had been under a financial notice to improve. The CEO/Principal added that being at the lower end of 'Good' financial health was not where the College wanted to be and that it should be sitting higher up the range. The College would continue to monitor income and expenditure very closely in the run up to the end of the year in order to maximise its performance.</p>
8	<p><b>Confirmation of going concern</b></p> <p>The Vice Chair reported that the Finance &amp; General Purposes Committee had considered the College's position on 18 June and concluded that the College remained a going concern.</p>
12	<p><b>Committee reports</b></p> <p><b><i>Search, Governance &amp; Remuneration Committee (13 June)</i></b></p> <p>The Vice Chair reported that the Committee had reviewed the Corporation's membership and noted that elections for student governors and one staff governor role would take place in the autumn.</p> <p>The Committee discussed its composition and how its membership and terms of reference could be altered slightly to better serve the Remuneration and Search &amp; Governance functions. This would be a matter for the Board to determine.</p> <p>The Committee considered a draft policy on the admission of non-members to meetings of the Board and recommended it for approval (the policy would be brought to the first meeting of the new academic year).</p> <p><b><i>Finance &amp; General Purposes Committee (18 June)</i></b></p>

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	<p>The Vice Chair reported that the Committee had scrutinised the April management accounts and financial plan, recommending the latter for approval.</p> <p>The Committee had been briefed by the Deputy Principal (Planning, Partnerships and Projects) on the College’s plans for subcontracting activities for 2024/25. He reported that the College had reduced its level of subcontracting and was working below the cap proposed in the business case approved by the ESFA for the current year. The Deputy Principal added that a business case had been submitted to the ESFA for 2024/25 and the College was awaiting a response.</p> <p>The Committee had also considered the annual review of the financial regulations which made minor changes and introduced a new Scheme of Financial Delegation to support the College’s move to greater devolution of financial control and accountability to budget holders within an overarching framework.</p> <p><b>Resolved, That the fee and refund policy be approved.</b></p> <p><b>Resolved, That the financial regulations be approved.</b></p> <p><b>Resolved, That the College’s proposed subcontracting arrangements for 2024/25 (including renewal of the subcontracting policy) be approved.</b></p> <p><b>Curriculum &amp; Quality Committee (26 June)</b></p> <p>The Chair of the Curriculum &amp; Quality Committee reported that the Committee had received regular updates on the College’s QIP, on teaching, learning and assessment, predicted outcomes and attendance. The Committee had noted that all actions on the QIP were now green or amber/green, with highlights being:</p> <ul style="list-style-type: none"> <li>● 93.4% of learners responding to the mid-year survey reporting that they received developmental feedback</li> <li>● 84.3% of lesson observations (n=166) graded as ‘Good’ or better</li> </ul> <p>The Committee had noted that some subject areas had relatively high proportions of observations assessed as being Grade 3, and that particular focus was being placed on Business, Professional &amp; Science and Care, Sport &amp; Protective Services.</p> <p>The Committee had been informed that the new draft of statutory guidance “Keeping Children Safe in Education” had been published in May and was subject to change before publication in the autumn. All Board members would receive a safeguarding update at the start of the new academic year. The College had continued to investigate the reasons behind the significant decline in mental health referrals. From consultation with other colleges, the working theory was that this is a reversion to the mean following a pandemic-related spike.</p> <p>As the College’s link governor for safeguarding, Carole Kitching added that the term had seen a slight reduction compared to the first two terms of the year but that overall referrals were up significantly on the previous year. Having spent time with the Student Services team that afternoon, she had been impressed by the level of detailed knowledge that they had of learners’ needs across the College.</p>

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	<p>The Chair of the Committee concluded by noting that the Committee had scrutinised the College’s accountability statement for 2024/25 and recommended it for approval, which had since taken place by written resolution at the end of the previous week.</p> <p><b><i>Audit Committee (27 June)</i></b></p> <p>The Chair of the Audit Committee reported that the Committee had considered the College’s strategic risk register, noting that the scoring and the commentary had been significantly updated to reflect developments in the College. The Committee noted a modest improvement in some areas and welcomed the positive direction of travel after a couple of meetings where the impact of mitigations had not yet materialised.</p> <p>On internal audit, the Committee had considered a progress report, assignments relating to financial planning (strong assurance), payroll and sickness absence (reasonable assurance) and learner numbers/funding assurance (reasonable assurance). The Committee agreed the internal audit plan for 2024/25. The Committee reviewed the number of internal audit recommendations still outstanding from previous years and discussed how these could be resolved.</p> <p>On external audit, the Committee had reviewed progress against recommendations, and was informed that the College’s new finance system was being implemented which would contribute to resolving a legacy issue relating to the way in which the fixed asset register was kept. The Committee approved the external audit strategy for 2024/25.</p>
13	<p><b>Draft schedule of meetings and cycle of business</b></p> <p>The Director of Governance presented a draft schedule of meetings and cycle of business for the following academic year, much of the detail of which had already been considered by the relevant committees. He drew attention to the fact that the schedule involved a small reduction in the number of formal meetings, and included several informal and social events for governors as requested during 2023/24.</p> <p>The Director of Governance also informed the Board that the College’s new board portal was in the process of being implemented and would be in place for the start of the new academic year. He added that training and support would be provided by the College and from the supplier.</p> <p><b><i>Resolved, That the schedule of meetings and cycle of business for 2024/25 be approved.</i></b></p>
11	<p><b>External governance review</b></p> <p>The Director of Governance presented the report of the College’s external governance review, which had been conducted by Stone King LLP between January and May. The process had included a review of documents and processes, observations of committees and the Board and interviews with governors and staff. The report concluded that the College’s governance arrangements were effective, and made recommendations for ways in which it could be further strengthened.</p>

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	<p>The Director of Governance informed the Board that an implementation plan would be worked up over the summer and fall under the remit of the Search, Governance &amp; Remuneration Committee via the College's governance improvement action plan. He suggested that the Board might benefit from a twilight session with the reviewer once a draft plan was in place. Governors commented positively on the report and approved the publication of a summary on the College website.</p>
<p><b>9</b></p>	<p><b>Strategic plan</b></p> <p><i>Ian Comfort joined the meeting at 6.50 pm.</i></p> <p>The CEO/Principal presented the College's new strategic plan and reminded governors of the key points during the process when the Board had been involved. As with the current plan, the strategic plan would feed into an annual operational plan which would be worked up over the summer subject to Board approval of the strategic plan. The key components of the plan had flowed from engagement with staff, learners and stakeholders, and the vision statement had been kept succinct in response to Board feedback on elements of the draft plan as shared in May.</p> <p>The Board welcomed the ambition of the new strategic plan and discussed the following issues:</p> <ul style="list-style-type: none"> <li>● <b>Whether the KPIs would be fixed or flexible in response to changing circumstances.</b> The CEO/Principal noted that the Board had carried out an annual refresh of the current strategic plan, particularly in response to GLA priorities. It was likely that a similar process would be followed for the duration of this plan.</li> <li>● <b>Whether the objectives of 100% staff accessing coaching support and 100% of teachers accessing industrial upskilling were intended or feasible.</b> The CEO/Principal confirmed that this was intended, although the form in which coaching or upskilling took place would vary. Coaching was already becoming widespread in the College, and the timeline of 5 years meant that not everything had to happen at once.</li> <li>● <b>How the College would approach the process of revising its risk register to be aligned with new strategic objectives.</b> The CEO/Principal noted the key role of the Audit Committee in providing oversight of the College's strategic risks which were inherently dynamic and subject to a very fluid external environment.</li> <li>● <b>How the College would work towards the objective of 100% of courses embedding artificial intelligence and extended reality.</b> The CEO/Principal stated that the College's three immersive rooms offered great potential but that greater capacity would be required for AI and XR to be rolled out across the curriculum offer.</li> </ul> <p><b>Resolved, That the College's strategic plan for 2024-29 be approved.</b></p>
<p><b>10</b></p>	<p><b>Financial plan</b></p> <p><i>Ian Comfort took the chair.</i></p>

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	<p>The Chief Operating Officer presented the College’s financial plan, which had been scrutinised by the Finance &amp; General Purposes Committee at its meeting on 18 June. The plan covered the current year, the next financial year and the financial year after that. The cover paper summarised the College’s financial context and performance against finance KPIs. He noted that there was a lot of uncertainty and pressure on budgets, and that the College had no room for complacency in what was a difficult financial environment for all colleges. The plan was predicated on the retention of ‘Good’ financial health. Over the years covered by the plan the overall deficit (adjusted for pension costs) reduced each year, and the operating surplus was forecast to increase. The College aimed to maintain a capital programme subject to affordability, and the College’s borrowing would start to come down as repayments against the principal sum of the College’s loan with DfE started later in 2024. The COO drew the attention of the Board to one minor revision which had been made since the F&amp;GP meeting to the third table in the cover paper on the cash position in 2025/26 which was now £8,084k up from £8,002k. This had a positive impact on the ratios in that the debt service cover stayed just above 2.</p> <p>The Chief Operating Officer drew the Board’s attention to the proposal for a staff pay deal, [REDACTED]. The normal process of national recommendations had been interrupted by the General Election, as the School Teachers’ Review Body (which informed rather than determined FE pay) had not yet made a recommendation. The AoC had also not yet made a recommendation. [REDACTED]</p> <p>A governor queried the provision for advancing the College’s estates objectives within the plan, and the COO confirmed that the plan did not include the funds required to advance the Hammersmith redevelopment to the end of RIBA Stage 3. A governor noted that the capital budget was set to drop by 50%, and asked what the impact on the College would be. The CEO/Principal commented that this position would be improved if possible, but that would be contingent on driving up income. A governor asked whether the financial plan provided the resources to achieve the ambitious goals set out in the strategic plan. The Chair noted that this risk had been recognised within the strategic plan as the third bullet point on page 28.</p> <p><b>Resolved, That the College’s financial plan and associated documents be approved.</b></p>
14	<p><b>Any other business</b></p> <p>Nil.</p>
15	<p><b>Next meeting</b></p> <p>The next Board meeting was scheduled for Tuesday 10 October.</p>