

## **Hills Road Sixth Form College**

### **Minutes of the Corporation Meeting: 10 December 2024 (Ordinary Business)**

**Members Present** Kevin Taylor (Chair of the Corporation), Jane Sterling (Vice-Chair of the Corporation), Adrian Clark (except for part of Agendum 11), Mark Dawe, Anthony Omo, Katie Paton (Staff Nominee Member), Carrie Anne Philbin, Jonathan Russell, Matthew Smalley (Staff Nominee Member), Jo Trump (Principal), Richard Westcott.

**Governance Services** Robert Smith (Governance Professional)

**In Attendance** Laragh Jeanroy (Independent Chair of the Audit Committee: Agenda 6), Ian Pryer (Deputy Principal), Saira Hanif (Chief Finance Officer), Rachel Hooper (Chief Operating Officer).

#### **1 Apologies for Absence & Quoracy**

Apologies for absence had been received from the following members of the Corporation: Bruno Cotta (Parent Member), Paula Heaney, Charlotte Southgate (Student Nominee Member), Alison Taylor, Evren Uygun.

The meeting was quorate.

Rachel Hooper (Chief Operating Officer) was welcomed on the occasion of her first attendance at a meeting of the Corporation.

#### **2 Declarations of Interest**

Reference is made to Minute 2 of the Corporation meeting held on 11 September 2024, the circumstances of which continue to apply.

#### **3 Minutes of the Previous Meeting: 6 November 2024**

It was noted that the draft minutes of the meeting held on 6 November 2024 had received approval by the Chair of the Corporation for circulation.

The minutes were approved as a correct record of the business transacted and *prima facie* evidence of the proceedings to which they relate.

#### **4 Matters Arising from the Minutes of the Previous Meeting: 6 November 2024**

*Minute 8:* it was reported that 2,923 full-time students were enrolled at the census date, of which 1,497 were Y12 students and 1,426 were Y13 students, and that the College's 2025-26 core funding will be calculated by reference to the figure of 2,923 enrolled students.

It was noted that an online link had been provided in late September for members to record activities in relation to the Governor Link Scheme, and members were encouraged to make active use of it. The Chair would re-circulate the link and ask for it to be linked from GovernorHub.

There were no other matters arising except as reported elsewhere in these minutes.

#### **5 Chair's Action Report**

None.

#### **6 Audit Committee Report (including Annual Report & Accounts: 2023-24)**

The following documents were received:

*Draft minutes of the meeting held on 13 November 2024 approved by the Independent Chair of the Committee for circulation to members.*

*Draft Annual Report and Group Financial Statements for the year ended 31 July 2024.*

*Letter of Representation in relation to the financial statements audit.*

*Audited Annual Financial Statements of the subsidiary undertaking.*

*Post-audit management letter 2024.*

*Regularity Self-Assessment Report 2024.*

*Internal Audit Plan 2024-25 (the first from the new incumbent, Scrutton Bland, and approved by the Audit Committee on behalf of the Corporation).*

*Annual Report of the Audit Committee (signed by the Independent Chair of the Committee).*

The Independent Chair of the Committee reported that:

*the unusual number of recommendations set out in the post-audit management letter had reflected the substantive approach taken by the*

*financial statements' auditor in the context of significant staff changes to, and reallocation of duties among, the College's finance staff, and were not attributable to concerns about the adequacy of the College's control environment; and*

*the Committee had provisionally identified the following areas for review by the internal audit service in 2025-26: estates management, electronic payments, GDPR compliance.*

The draft Annual Report and Group Financial Statements for the year ended 31 July 2024 were approved by the Corporation.

The Chair of the Corporation was authorised to sign the Letter of Representation.

The Memorandum of Understanding between the College and its subsidiary undertaking (Cantabrigian Ltd) was approved.

Other documents received were noted.

## **7 Quality Improvement Plan (QIP)**

An update recording activity which had taken place since the previous report, together with the full plan, were received and considered. The new reporting format was noted with appreciation.

Activities were noted in relation to Quality of Education, Leadership & Management, Personal Development Behaviour & Attitudes, and Meeting Skills Needs.

It was noted that:

*satisfactory progress had been made in all areas under review in the year to date, but that the development and utilisation of virtual reality (VR) based on experiential learning is a work in progress owing to the unfamiliar technology entailed;*

*the information disclosed in the report does not constitute assurances at this stage, but is indicative of existing positive trends, with students adhering closely to relevant benchmark grades; and*

*consideration will be given, drawing on the model of the QIP report, to the format of a progress report in relation to the implementation of the College Strategic Plan.*

## 8 Principal's Update

A written update was received and considered particularly in relation to Industrial Action & Pay, East-West Rail, Cambridge Growth Company Meeting, Condition Improvement Fund Bid (placed on hold), New Appointments (including that of Development Director, commencing mid-February 2025), and Action Taken in Response to a Student Death (with reference to an appendix to the main update).

It was reported that additional strike days had been notified in pursuance of a dispute between the National Education Union and the Secretary of State for Education. It was also noted that a judicial review of the Government's decision to withhold payroll support funding from sixth form colleges, applied for by the Sixth Form Colleges' Association, is being conducted.

Members noted the College's measures following the recent tragic death of a student, and expressed their appreciation of the care being shown to those affected, both students and staff.

Members also noted the prospective interest expressed by East-West Rail in land owned by the College, or in which the College has an interest, including areas of the College playing field and the staff car park, with the following matters being particularly noted:

*the distinction between the compulsory purchase of land and its temporary use by contractors during phases of construction, and the range of terms applying to each;*

*although the route of the line had been determined, there remain options to be discussed and negotiated over associated land usage and its attendant terms;*

*the impact of rail construction on the College's present and longer-term development plans;*

*the impact on the annual financial plans of the College, reflecting its dependence on annual funding allocations from central government, of a project with a ten-year planning horizon; and*

*the potential interest of the Department for Education where rail construction plans impact educational provision.*

Members noted that the Chief Operating Officer is leading for the College in discussions with relevant external agencies. They also agreed that additional advice be taken from a planning professional in this regard.

It was reported that the College's formal response to the East-West Rail consultation is due by 24 January 2025, and that it will be made available in draft form for comment by members in advance of submission.

## **9 Key Performance Indicators (KPIs)**

The following KPIs were noted:

*Teaching Staff Retention (target  $\leq 7.5\%$ );*

*Support Staff Retention (target:  $\leq 15\%$ );*

*Student Attendance to date 96% – prior year to date 95% (target for year 94%); and*

*Budget/Forecast: as more fully reported under Minute 10.*

It was noted that there had been no leavers in the early part of the 2024-25 year, but that it is too soon to confidently extrapolate a positive trend.

## **10 Management Accounts 2024-25 (to Period 3)**

A report, prepared by the Chief Finance Officer, was received and considered.

It was noted that:

*the year-end surplus is currently forecast to meet the approved budget, but that there are still risks to consider, particularly in relation to pay;*

*capital expenditure is on track to meet budget;*

*the year-end cash projection is as budgeted (a £24,000 inflow on current projections); and*

*the Financial Health Category (based on the original three measures at the top of the KPI table) is forecast to be "Good" at the year-end;*

It was also noted that:

*adult education had under-performed against budget in the Autumn Term 2024-25, and that a paper analysing the activity and its business plan will be presented at the February 2025 Corporation meeting; and*

*payroll costs had been adversely impacted in the Autumn Term 2024-25 by the unusual level of cover required for teaching staff sickness, paternity leave and jury service, leading to a number of vacancies being held open, and to the use of the payroll contingency.*

It was further noted that the following measures *inter alia* had been undertaken, or are contemplated, by the College:

*a review of EHCP funding, not all anticipated eligible students having materialised in the current year;*

*a review of the £50 optional fee solicited from parents, 51% of which remains outstanding at the date of the paper;*

*the role of Development Director and her likely impact; and*

*re-scheduling to 2025-26 some projects not yet commenced.*

It was reported that a full financial re-forecast for the year will be prepared for Period 4 onwards and presented at the February 2025 Corporation meeting. This will not, however, entail a re-formulation of the annual estimates of income and expenditure..

An appendix to the Period 3 Management Accounts providing further details about free reserves was also received and considered. It was noted that:

*Free Reserves in October had amounted to £1.6m, which is above the KPI threshold of £1.5m, but below the threshold (£1.95m) for report to the Corporation;*

*the College had historically apportioned budgeted amounts equally across 12 months, not accounting for the timing of actual income and expenditure, and leading to unpredicted fluctuations in the free reserves position since detailed forecasting or analysis of payment schedules is not performed, with invoices being typically paid on receipt, plus no day-to-day cash management and no strategic scheduling - historically, this approach had sufficed because of the College's large cash balances which absorbed resultant fluctuations in income and expenditure;*

*following significant self-funded capital projects totalling £2.3m in 2023-24, the cash balance had become more sensitive to normal monthly variations, resulting in the level of free reserves being more likely to fall below the thresholds set in the Reserves Policy while they recover, and with the sensitivity likely to increase further if the College repays its bank loan early.*

It was reported that the following actions are proposed, and will be further reported on as they are implemented, namely:

*the development of more robust cash flow projections using enhanced accounting software;*

*the introduction of more strategic payment scheduling and improved cash management, using enhanced accounting software, allowing the college to better manage fluctuations and optimise financial stability; and*

*improved systems of continuous monitoring of income and expenditure.*

Members agreed that a revision of the Reserves Policy be undertaken. It was further agreed that the revised draft policy be reviewed by the Audit Committee at its 26 February 2025 meeting (for report to the Corporation on 26 March 2025).

## **11 Report of the Nominations Committee**

The draft minutes of the meeting held on 14 October 2024, approved for circulation by the Chair of the Committee, were received for information, together with a report on its business.

Members were further invited to suggest persons having qualifications and experience in the management of land and buildings who might be approached with a view to their appointment in due course to the Corporation. Members should in the first instance submit names to the Chair of the Committee (via the Governance Professional).

The following resolution was approved:

*THAT: on the recommendation of the Nominations Committee, Adrian Clark be reappointed to serve as an independent member of the Corporation for the period from 3 February 2025 to 2 February 2029.*

Adrian Clark withdrew for consideration of, and voting on, the resolution.

## **12 Schedule of Corporation and College Policies**

An updated schedule was received and noted.

It was reported that the Audit Committee had recommended the Risk Management Policy for approval by the Corporation, and that the business will form part of the Committee's report to the 5 February 2025 Corporation meeting.

The progress on reviewing overdue policies due for approval within the College was noted.

It was also noted that the IT Disaster Recovery Plan should be reassigned to the category of policies approved by the Principal (or as delegated).

## **13 Governance Professional's Announcements**

None.

## **14 Dates and Times of Remaining Corporation Meetings 2024-25**

The following approved dates and times were noted:

***Wednesday 5 February 2025 (6.30pm)***  
***Wednesday 26 March 2025 (6.30pm)***  
***Wednesday 14 May 2025 (6.30pm)***  
***Wednesday 25 June 2025 (6.30pm)***

## **15 Any Other Competent Business**

None.

## **Actions Arising from the Minutes of the Meeting**

<i>Minute No.</i>	<i>Person(s) Responsible</i>	<i>Action(s) Required</i>
<b>4</b>	Chair of the Corporation	Recirculate link to the Governor Link Scheme spreadsheet.
<b>8</b>	Chief Operating Officer	Make available to members in draft form in advance of submission the College's formal response to the East-West Rail consultation.
<b>10</b>	CST	Prepare for submission to the Corporation at its 5 February meeting a paper analysing adult education activity and its associated business plan.
<b>10</b>	Chief Finance Officer	Prepare a re-forecast of 2024-25 outcomes from Period 4 onwards, for report at the 5 February 2025 Corporation meeting.
<b>10</b>	Chief Finance Officer	Prepare a revised Reserves Policy for consideration at the 26 February 2025 Audit Committee meeting.
<b>11</b>	Members of the Corporation	Propose suggestions to the Nominations Committee (in the person of its Chair, via the Governance Professional) of persons having qualifications and experience in the management of land and buildings who might be approached with a view to appointment in due course as a member of the Corporation.
<b>12</b>	PA: Principal	Transfer the IT Disaster Recovery Plan to the category of policies approved by the Principal (or as delegated).