

Minutes of the Corporation Meeting Held at 3.30pm on 25 March 2025

Present: Shahalam Ali (left at 7.35pm), Prue Amner, Huw Chapman, Mark Cooper (left at 7.30pm), Ashley Cullen, Alex Dartmouth (arrived at 4.10pm), Graham Goddard (from Minute 323 onwards), Tim Jackson, Lyndsey Mason (staff governor from 5.25pm via Teams), Aston Muff (student governor), Anne Murphy (Teams, left at 6.30pm), Shirley Nellthorpe, Rob Nitsch (Chair), Katy Quinn (Principal & CEO), Mike Stoneham (arrived at 4.15pm) & Pauline Tiller.

Apologies: Naomi Beer (staff governor) Liz Byrne & Mariia Hodell (student governor)

In Attendance: Matt Phelps Deputy CEO & Deputy Principal Curriculum & Quality
Paola Schweitzer Director of Governance
Maria Vetrone COO

Minutes

322 Attendance and Participation

Naomi Beer (staff governor) Liz Byrne & Mariia-Olsen Hodell (student governor) sent their apologies.

Governors **Agreed** that Graham Goddard rejoin Corporation and Finance & Resources Committee and that he reprise his role as H&S lead governor. He would resume his 1st term of office (ie until 20 July 2026). Graham joined the meeting.

323 Declarations of Interest

Huw was working with the Assistant Principal Apprenticeships & Business Development outside his role as governor. There were no other declarations of interest.

324 Matters for Decision

The minutes from the meeting on 10 December 2024 were **Agreed** as a correct record.

325 Matters Arising

Minute 304: Matters Arising: The liquidation process for HC (Nigeria) Ltd was ongoing and no further action was required by the College. It was agreed that the matter would be closed, returning to Corporation if there was a problem.

Minute 306: Principal & CEO's report: The digital spotlight session would be rearranged. Katy welcomed governors supporting management by attending internal meetings and acknowledged the negative impact when meetings were rescheduled. Paola would work with colleagues to minimise the impact of meeting changes.

326 Chair's Update

Rob outlined the three key issues for discussion: apprenticeships, the increase in 2025/26 applications and the longer term perspective in the closed session.

327 Principal & CEO's Report (paper 758/25/C)

The report summarised recent activity against the College's strategic objectives identifying areas where good progress was being made (eg staff stabilisation and improving quality measures) and the main focus for improvement: improving the quality of apprenticeship provision in key areas. The report identified the emerging risk of agreeing the curriculum and business planning for 2025/26 against a very challenging funding backdrop and increasing costs.

Maria presented the outcome of the 2025/26 curriculum planning process, noting it was prudent to assume the College would not receive growth funding. The strategy continued to be to sustainably increase market share and achieve a financial contribution at curriculum plan level of 64%, resulting in an operating surplus. Extensive modelling had been undertaken and the optimum choice provided:

- Financial viability at curriculum plan level (62.9% financial contribution)
- Manageable student number growth (130 additional students absorbed into existing groups)
- Maintenance of key stakeholder relationships with Pompey in the Community and the Kings Trust
- Alignment with local skills needs
- Protecting progression opportunities for existing students
- Responding to ongoing curriculum and policy reforms.

One governor believed the core principles of curriculum planning needed to be: make a surplus, serve the local community and run courses with a sensible margin. Katy confirmed that these principles were central to the planning process. Matt added that providing a course for everyone in the area from entry level to level 3 including those with Special Educational Needs (SEN) was at the heart of the planning process. One governor sought assurance that the College would manage the anticipated student growth, given the challenges experienced in the current year. Katy responded that the challenges had been due to recruiting many additional staff and so was already operationalised for 2025/26. In response to a question, Katy believed the College was sufficiently flexible to respond to emerging needs for example NEETs and construction although there would be some constraints. The College had a tight process to manage student numbers (underpinned by an updated admissions policy) and communication concerning full courses would be done on a course-by-course basis. Further information on admissions would be circulated to governors as appropriate. Adult provision would broadly continue in the same way. HE provision challenges had been addressed by working to a two (as opposed to one) year timeline. Governors **Agreed** the preferred curriculum planning option outlined above.

With regards to other aspects of the report one governor asked whether there was dedicated IT support at the Sixth Form Campus and another about the possibility of observing digital strategy working groups. Maria would follow up both these matters. In response to a question Katy noted that, despite her best efforts, there hadn't been any recent interactions with MPs. Future reports would include a section on MPs. Governors welcomed the report's openness and honesty and, having scrutinised it and noted progress to date, governors **Noted** the Principal & CEO's report.

328 Corporate Dashboard (paper 759/25/C)

The dashboard showed progress against the 2024/25 KPIs as at March 2025 and was to be considered alongside the Principal & CEO's report, Committee feedback and management accounts. Governors were keen to support the College in addressing the

shortfall against the employer partners target and the matter would return to the next meeting once a gaps analysis and sales and marketing plan had been produced. Governors **Noted** the corporate dashboard.

329 Outline of Strategic Goals 2026/30 (paper 760/25/C)

The outline of strategic goals 2026/30 collated feedback from the Board Strategy Day on 29 January 2025. Governors believed it was a good summary and did not have any further comments. Governors **Agreed** the proposed strategic goals and College aspirations for the next strategy plan and, mindful of executive and senior management capacity, **Agreed** the next steps and timeline meaning governors would consider the more detailed strategic planning document at the Board Strategy Day in January 2026.

330 Search & Governance Committee, 11 March 2025 (paper 761/25/C)

Rob, as temporary Committee chair, outlined the main items discussed S&G's recent meeting including Corporation and Committee membership and succession planning, the policy register and governance improvement plan. Governors **Noted** S&G Committee's 11 March 2025 minutes and **Agreed**:

- The updated *Governor Role Description & Person Specification* and *Chair and Vice-Chair of Corporation Role Description*
- The amended Standing Orders to clarify nomination/election process for the Chair and Vice-Chair(s) of Corporation.
- That the term of office for student governors be extended to up to two academic years in line with their College course
- The Governor engagement framework, 2024/25 link scheme & feedback form
- 2025/26 Corporation and Committee dates.

Paola would liaise with governors concerning the Chair and Vice-Chair nomination process. One governor welcomed the review of the governance processes.

331 Audit Committee, 25 February 2025 (paper 762/25/C)

Pauline outlined the main items discussed at the recent Audit Committee meeting including the strategic risk register, internal audit and audit recommendations follow up. Pauline invited suggestions for the 2025/26 internal audit plan (one governor had already suggested compliance). Governors **Noted** Audit Committee's 25 February 2025 minutes and **Agreed** the:

- Risk Management Policy
- Anti-Fraud, Bribery & Corruption Policy.

332 Finance & Resources Committee, 03 March 2025 (paper 718/25/C)

Rob outlined the main items discussed at the recent F&R Committee meeting noting that whilst health & safety (H&S) was work in progress, progress had been made (governors welcomed the appointment of a H&S Manager), the management accounts and gender pay gap data. There was a brief discussion about the Director of Marketing and Communications' presentation on the College's marketing activity and were encouraged by the short and long term approach being taken. Katy stated the College was now able to focus on communications with employers. Governors **Noted** F&R Committee's 03 March 2025 minutes and **Agreed** the:

- Health & Safety Policy & Statement of Intent
- Procurement & Contract Management Policy.

333 Learning & Quality Committee, 12 March 2025 (paper 764/25/C)

Hard copies of the report and minutes were distributed at the meeting. Tim (temporary Committee chair) outlined the main items discussed at the recent L&Q meeting including the FE Provider Dashboard, staff development, the College's refocused EED&I targets and L&Q dashboard which demonstrated that efforts to improve the learning experience of students were having an impact. One governor noted the progress made in Maths, as observed at a recent QRM. Shirley applauded the volume and breadth of work undertaken by the Safeguarding Team across the College and welcomed the recruitment of two additional staff members. The Committee had been given strong assurance that safeguarding was being managed well within the College. Governors **Noted** L&Q Committee's 12 March 2025 minutes. One governor was uncomfortable approving the Student Union Constitution, given that it had only been circulated earlier that day. Tim gave assurance that the Committee had discussed the matter and that it represented a reset of the Student Union rather than its introduction. Governors **Agreed** the Student Union Constitution in principle, with governors asked to raise any objections with Paola within a week.

334 Strategic Risk Register (paper 765/25/C)

The strategic risk register presented the latest movements in net risk and mitigating management actions. It had been reviewed and updated by the Strategic Risk Management Board (which Shirley had observed) in February and was recommended by Audit Committee to Corporation for approval. The register comprised 30 strategic risks (up from 28), three of which were significant/business critical:

- Failure to recruit and/or retain suitably qualified professional and teaching staff.
- Failure to maintain sufficient executive and senior management capacity.
- Failure to properly manage apprenticeship curriculum planning, budgeting and financial performance. This was a new risk.

There were three new risks: two concerning apprenticeships (see above and failure to properly manage the quality of apprenticeships provision) and the failure to renegotiate the North Harbour building lease. The executive leadership team were confident it would be possible to negotiate a reasonable rent review at North Harbour and a rent increase would be built into the budget. One governor believed this residual risk had decreased. Maria confirmed that the register drove behaviours within the College and was embedded across the College, evidenced through the Principal & CEO's report and Committee activity. Shirley highlighted the value in observing the Strategic Risk Management Board's in depth discussions and governors could be assured that the risk management process was robust. Having scrutinised the report, in particular the changes in risk definitions and assessments, movement of net risks and the associated commentary and actions, governors **Agreed** the strategic risk register.

335 Management Accounts P06 (January 2025) (paper 766/25/C)

The management accounts included year to date (YTD) actuals as at 31 January 2025 and indicated an operating surplus of £98k (favourable to YTD budget by £337k). The forecast outturn indicated an operating deficit of £279k which was adverse to the full year budget by £9k. There was an adverse full year variance in pay costs of £100k due mainly to the increase in National Insurance contributions and National Living Wage (there was uncertainty concerning additional funding to cover the former). The forecast outturn against the KPIs was good, with all measures green except for pay expenditure as a percentage of income which was amber (66.6% against the 2022/23 national FE

college benchmark (65.8%) and 2023/24 FEC college benchmark (<65%). Maria highlighted the financial risks impacting on the financial forecast which included the continued shortfall in income for apprenticeships and self-paying provision including HE and low cash levels (forecast at 28 days at year end). The College was working to deliver the best case scenario (the accounts also set out best and worst case scenarios), and one governor asked what assurance governors could take that the College would achieve it. Katy stated governors could take assurance that the College's finances were very tightly managed across the organisation and that processes were robust and responsive. Agency costs had been brought under control but receiving Element 3 High Needs funding from Portsmouth City Council in a timely manner was critical. Having scrutinised the College's financial position, particularly the KPIs, adverse variances and operating deficits, forecasts to year end and emerging financial risks and mitigating actions, governors **Agreed** the management accounts January 2025 (P06).

336 Apprenticeships Strategy (paper 767/25/C)

This report provided an overview of the challenges concerning apprenticeship provision namely ineffective curriculum and quality assurance, ineffective strategic direction and operational tactics and ineffective curriculum planning and budgeting. A new strategy was proposed from September 2025, focusing on better staff recruitment and expertise, marketing and sales strategy and delivery on Construction, Building Services, Automotive, AAT and Teaching Assistant Standards. The proposal was underpinned by a review of existing provision, demand and the wider national and local context. The proposed changes would negatively impact meeting some of the local need as identified in the LSIP as well as reduced income and contribution rates. FEC supported the proposal. Matt described the proposal as a reset to apprenticeship provision, rather than a total withdrawal however it was the last chance to address poor performance.

Governors welcomed the honesty of the paper and the fact that the College seemed to have got to the bottom of the challenges and lowered its financial ambitions. One governor asked for assurance about the availability of skilled staff in this area and the College's ability to attract them. Matt recognised this challenge and outlined mitigating actions for example the College's emerging workforce development strategy to develop College staff and increased salary levels. In response to a question, Matt confirmed the report had been written in consultation with key staff and that assuming the direction of travel was agreed with governors, the management team would work with all staff to implement the new approach. Rob stressed the importance of communication to ensure staff buy in and suggested the changes were promoted within the wider curriculum planning context. There would be a review of the business development team to create relevant roles with the appropriate skillset (recognising the importance of industry experience) and there was a possibility of partnering more closely with the University of Portsmouth to strengthen messaging and provide a more seamless experience for employers. Governors discussed the need to communicate effectively with employers to enhance understanding of the apprenticeship offer and its benefits as many were no longer interested due to its duration, maths and English requirements and End Point Assessments. Governors discussed the College's ability to take advantage of potential additional funding through national construction training initiatives. Having scrutinised the report governors **Agreed** the new strategic direction with regard to apprentices including the rationalisation of the 2025/26 apprenticeship curriculum plan and resulting income reduction in budget for 2025/26.

337 Collaboration with Bath College: Refrigeration Air Conditioning and Heat Pump Engineering (RAC) Apprenticeship Proposal (paper 768/25/C)

This report proposed the College enter into a partnership agreement with Bath College to operate out of a satellite delivery centre on their campus to deliver Refrigeration Air Conditioning and Heat Pump Engineering (RAC) apprenticeships. Governors were asked to consider approving the proposal in principle, subject to further due diligence. Bath College had approached the College with this proposal and had not approached any other institutions. 2025/26 curriculum planning did not include this proposal.

Governors focused on the strategic value of the proposal. They recognised it presented the opportunity to become the market leader in this area and therefore reputational gain. However, they also identified risks such as recruiting suitably skilled staff, management and leadership capacity at a time the College was improving its own apprenticeship provision, distraction from core business in the local/regional area and the forthcoming change in Principal at Bath College. One governor noted the impact on learner numbers and potential impact on achievement rates. These risks were mitigated through measures including a proposed one year break clause. Several governors expressed support for the initiative, with others expressing reservations. A vote was therefore held and of the ten remaining independent governors, six voted against the collaboration and four voted in favour. Katy, Matt and Maria did not vote. Governors therefore **Agreed** not to enter into a partnership agreement with Bath College to deliver RAC apprenticeships.

Minute 338 was confidential.

The meeting ended at 7.45pm.