

Minutes of the Corporation Meeting Held at 5pm on 21 July 2022

Present: Shahalam Ali, Prue Amner, Ashley Cullen, Alex Dartmouth, Katie Hill (staff governor), Tim Jackson, Shirley Nellthorpe, Paul Quigley (Chair), Katy Quinn (Principal & CEO), Pauline Tiller and Paul Walton.

Apologies: Lily Camacho (student governor), Mark Cooper, Graham Goddard, Samantha Miller (staff governor), Rob Nitsch, Kit Peet (student governor) & Mike Stoneham

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

Minutes

1 – Standing Items

097 Attendance and Participation

Lily Camacho, Mark Cooper, Graham Goddard, Samantha Miller, Rob Nitsch, Kit Peet and Mike Stoneham sent their apologies.

Paul Q welcomed Katy, who was attending the meeting via video link, to her first Corporation meeting as Principal & CEO. He thanked Paul W for his contribution as a governor, noting that he would step down from the Board after this meeting.

Paul Q referred governors to the 20 June 2022 Search & Governance Committee meeting with Alex Dartmouth, Graham Goddard and Shirley Nellthorpe culminating in the recommendation that they join Corporation. Governors **Agreed** that Alex Dartmouth, Graham Goddard and Shirley Nellthorpe join Corporation and that they join Finance & Resources, Estates & Sustainability and Audit Committees respectively. Alex and Shirley joined the meeting. Graham sent his apologies.

Paul Q noted the length of the agenda and the number of items and reiterated the importance of focusing on the finance cover reports and using the supporting documents for further detail. He thanked staff for the high quality of the papers.

098 Declarations of Interest

Tim restated his role as adviser for the FE Commissioner, noting that it was the first time he had seen the FEC Intervention Stocktake Report. There were no other declarations of interest.

099 Minutes

The Minutes and Confidential Minutes from the Corporation meeting held on 15 March 2022 were **Agreed** as correct records.

The Confidential Minutes from the Special Corporation meeting held on 12 May 2022 were **Agreed** as correct records.

The Minutes from the Special Corporation meeting held on 30 June 2022 were **Agreed** as a correct record.

The Policies Written Resolution dated 12 May 2022 was **Agreed** as a correct record.

The Committee Membership Written Resolution dated 26 May 2022 was **Agreed** as a correct record.

100 Matters Arising

Governors **Noted** that all matters arising, except for those relating to Minutes 54 and 73 had been completed.

101 Chair's Report

Paul Q had authorised an invoice with Phoenix relating to IT requiring Chair's approval. He had completed an appraisal with Paola and agreed six month probationary targets with Katy. Finally, following the Corporation decision on 30 June 2022 he had written to the Office for Students (OfS) to cease the de-registration process. OfS had subsequently confirmed this and no further Corporation action was required. It was now for the executive team to return to governors with proposals. Katy would meet the following week with an expert who would advise on the College's HE strategy framework and controls.

102 Principal & CEO's Report

Katy presented paper 196/22/C summarising the activity that had taken place at the College since the last report to the Board on 15 March 2022.

Excellent progress had been made during the first year of merger and work continued at pace. The next two months would see the culmination of many months of hard work with the new EBS system and website going live. The Estates team was working through overdue improvements and upgrades to the College estate and the IT team were working on the IT infrastructure to bring the legacy college systems onto a single network. In response to a question, Maria stated that the IT infrastructure was end of life so significant investment was required to ensure firewalls etc were effective. Over 2,000 year 10 students had visited the College as part of their schools' career programmes, signalling the start of school liaison activities for September 2023 enrolment. The College's self-assessment process was now aligned and underway, starting with course and business support teams completing self-assessment reports (SARs) which would feed into departmental SARs and Quality Improvement Plans to be validated at the end of October.

The balanced scorecard showed that out of funding (OOF) apprentices remained a risk, despite the huge amounts of work that had taken place throughout the year. 320 apprentices had gone past their planned end date, 180 of whom were 365 days past their end date. 382 apprenticeship starts were planned by the end of October 2022, 225 of whom were currently linked with employers. The executive team were

reasonably confident that the College was on track to achieve the 2022/23 target. The Ofsted monitoring visit was expected to take place in the autumn term, thereby giving the College longer to demonstrate impact. The College had been successful in its Strategic Development Fund (SDF) and T levels bids, meaning additional capital funding of just over £2.6m. Tim noted the huge amount of work that goes into funding bids and congratulated the team on their success. The new College brand had been launched and a great deal of work was planned once the website went live on 11 August 2022. In response to a question, Katy confirmed she had written to local MPs in her first week and was now arranging meetings with them. She was keen to tie this in with the official opening of the College's hospital ward in Colleges' Week in October.

Full time enrolments were currently up by ±100 students compared to September 2021 but slightly behind the curriculum plan which included growth of 200. The executive team was confident that additional marketing activities over the summer would ensure the target was met. Pauline asked what would happen in the event of not achieving the target, to which Matt replied that additional cohorts could be recruited in January and April and that staff deployment reports would be drawn up and in year recovery plans devised. In response to a question, Katy stated that the 485 16-18 students who were still being processed were predominantly the College's level 1 students. A single EBS would speed up processing through better reporting and destinations recording. Staff were focusing on conversion, with a variety of warming up activities taking place over the summer and careers advice was being targeted to ensure the right students were on the right course. Matt gave a quick update on commercial courses, noting that the College was working with several employers who had previously been with other colleges. His biggest concern was around Net Zero which was a good concept but would require careful marketing.

Paul W asked about the College's geographical target area, stating that he worked at a school in Portchester which had not been contacted by the College. Katy noted that the school liaison strategy was a focus for College activity, particularly once the EBS was operational. Matt had recently met with secondary school heads focusing on the Portsmouth partner schools and would then meet with schools in the wider geographical area. Paul W believed that the College needed to push its academic offer. Katie H agreed, noting that her son's Portsmouth school had opted not to bring their students to visit the College.

Governors **Noted** the Principal & CEO's report.

103 FE Commissioner's Intervention Stocktake Report (paper 209/22/C)

The FE Intervention Stocktake Report had been published after the Board's last scheduled meeting. The cover report outlined progress against the outstanding actions (there were no new actions) and would be the focus of FEC's visit to the College in October. Governors **Noted** progress to date and the plan to complete outstanding actions in the FE Commissioner's Intervention Stocktake Report.

104 Estates Strategy

Katy presented paper 210/22/C providing a methodology for preparing the estates strategy and progress to date.

Work was underway to review the merged College estate in its entirety along with the longer term financial and curriculum strategies to ensure the College had a robust, cost-efficient estates strategy in readiness for the FE capital transformation fund bidding opportunity anticipated in the autumn term. An Estates steering group had been established and options would be presented to governors at the strategy day on 23 September 2022 with the Board considering the finalised strategy in December 2022. In order to develop a coherent approach to the use of current facilities the College was returning to first principles, namely reviewing strategic objectives, identifying drivers such as market forces, growth in student numbers, curriculum priorities, commercial arrangements, business development and quality of accommodation. Tim thanked Katy for the update and, as Chair of Estates & Sustainability Committee, believed the approach was very appropriate. He asked that, given its importance, the strategy day was recorded for those who were unable to attend. There was a brief discussion about timing (the estates masterplan completion date of October 2022 cited in the FEC report dated from before Katy's appointment), with governors acknowledging it was a tight timeframe and that they might need to reschedule and/or convene additional meetings.

Governors **Noted** the anticipated capital funding from central government and the requirement for a current Estates Strategy and the methodology for preparing the estates strategy and progress to date.

105 Strategic Business Plan 2022-26

Katy presented paper 197/22/C setting out the strategy business plan 2022-26. This paper provided an overview of the underpinning strategies that would be developed to support the success of the College vision and business objectives.

The paper outlined the proposed key internal strategies, dates of completion, linked projects/work streams, outstanding actions from the FEC March 2022 report where appropriate, progress to date and Committee oversight. Each strategy would be led by a member of the senior management team (SMT) with an agreed set of KPIs to measure progress. The strategies would be developed during the autumn term 2022, with input from the relevant Committees, and the finalised strategies would be considered by Corporation on 13 December 2022. There were nine strategies:

- Curriculum (Learning & Quality Committee 15 November)
- IT and Digital (Finance & Resources Committee 22 November and Learning & Quality Committee 15 November)
- Equity, Diversity and Inclusion (Learning & Quality Committee 15 November)
- Estates (Estates & Sustainability Committee 11 October)
- Finance (Finance & Resources Committee 22 November)
- Marketing (Finance & Resources Committee 22 November)
- People (Finance & Resources Committee 27 September)
- Quality (Learning & Quality Committee 15 November)
- Sustainability (Finance & Resources Committee 22 November)

Governors recognised that significant progress had already been made with the development of some of the underpinning strategies, all of which built on the work completed at the strategy day on 15 January 2022. The underpinning strategies, along with the final strategic plan and corporate dashboard, would provide a comprehensive roadmap against which to measure and monitor progress towards achieving the college's goals. Governors **Agreed** the supporting strategies

underpinning the achievement of the College vision and business objectives, **Agreed** Committee oversight and dates for each strategy and **Noted** progress to date.

106 Management Accounts (paper 198/22/C)

Maria gave a graphical representation of the management accounts, something she would do at every Corporation meeting. The presentation was a work in progress and she invited governors' comments. Maria noted that the accounts had been considered by Finance & Resources Committee on 12 July 2022.

The financial performance of the College Group was overall slightly adverse to the budget at 31 May 2022 forecast to year end, with a likely case forecast operating deficit of £1,868k. There were five major financial pressure points this year to date:

- Income deficit of £321k on apprenticeship provision (income shortfalls of £235k from 16-18 apprenticeships and £87k from 19+ apprenticeships). This was due to the OOF apprentices as well as problems with the End Point Assessment (EPA) organisations who were experiencing staffing issues as well as the volume of apprentices requiring EPAs. Maria noted it was unlikely that there would be any associated wage savings.
- Income deficit of £217 from self paying learner (income shortfalls of £127k from FE student withdrawals, £55k from full cost and £35k from overseas students)
- Overspend of £590k on premises maintenance and running costs (£393k related to utilities inflation and £197k related to urgent health and safety electrical and mechanical maintenance such as emergency lighting)
- Additional examination fees of £250k (unbudgeted price and volume increases)
- Additional building lease costs of £169k relating to the Birmingham site.

Maria noted that the 2021/22 budget included a high level of inherent risk particularly around achievement of apprenticeship income targets, self paying learner income targets, delivery of the merger and the impact of Covid-19. To mitigate these risks, SMT had implemented a five point financial deliver plan focused on:

- Continued sales and marketing activity in high impact areas with current and potential new employers. This would be driven by the apprenticeship team who were now effectively a sales team with a brief to impact the market and generate income. This would be supported by the website.
- Review of student numbers and draw down of funding in new Funding Group.
- Continued drive to complete OOF apprentices to maximise achievement funding.
- Review of staff recruitment for non mission-critical posts to reduce down total pay expenditure.
- Review of non pay expenditure budgets to reduce down/stop spend. This required a change of culture within the College.

Maria then took governors through the forecast outturn as at 31 May 2022 providing details on total income, total pay costs, total non pay costs and total expenditure and then the income and expenditure account. The College needed to work on its balance sheet (the value of its land, buildings and equipment) if it wanted to borrow money and to this end, the Tangier Road Campus was being revalued. In response to a question, Maria stated that she had not commissioned a valuation of the entire College estate as she would then be required to carry this out annually but as

Highbury College had effectively taken on the assets of Portsmouth College prior to merger, a valuation of the Tangier Road Campus was a neat solution.

Finally, Maria presented the College's performance against the ESFA's KPIs in 2021/22 which showed that whilst the College was broadly in line with its budget, it was behind some sector norms and FEC benchmarks:

- 27 cash days at year end (above sector norm)
- Adjusted current ratio, an indication of solvency, forecast to be 1.78 at year end (above sector norm)
- Operating surplus/sector EBITDA as % of income which was -1.51% (well below sector norm)
- The automated financial health score for 2021/22 was *Requires Improvement*.

Governors thanked Maria for her very clear presentation, reporting that they found the graphic representation particularly helpful. Tim noted that two of the top five financial pressure points (apprentices and self paying learners) had been cited by Ofsted in their post Covid inspections as issues in a number of colleges.

Governors **Noted** the May 2022 Management Accounts.

107 Budget 2022/23 & 1 year financial forecast including pay review (paper 199/22/C)

Maria presented the 2022/23 budget and 1 year financial forecast including pay review, noting that at its meeting on 12 July 2022 Finance & Resources Committee had agreed to recommend it to Corporation for approval.

The ESFA required Corporation to submit a 2022/23 budget and three-year financial plan (College Financial Forecast Return or CFFR) by the end of July 2022, along with a detailed budget commentary. Corporation was required to consider all relevant data and information to determine whether the College was financially sustainable and to assess the key risks to the College. The model included analysis of income and expenditure, balance sheet and cashflow items and produced an analysis of financial ratios and included an assessment of the College's financial health score/rating.

In summary:

- Total budgeted income in 2022/23 was set to increase from total budgeted income in 2021/22 by £3,465k (12.29%) and from forecast outturn 2021/22 by £3,529k (12.55%).
- Total budgeted pay expenditure in 2022/23 was set to increase from total budgeted pay expenditure in 2021/22 by £198k (1.01%) and from forecast outturn 2021/22 by £1,172k (6.29%).
- Total budgeted non-pay expenditure in 2022/23 was set to increase from total budgeted non-pay expenditure in 2021/22 by £2,307k (22.11%) and from forecast outturn 2020/21 by £1,367k (12.02%). An additional £1m had been budgeted for utilities.

The operating deficit from 2021/22 was more than halved in 2022/23, reduced by £990k to £878k. This was expected to turn into an operating surplus of £660k in 2023/24. The risks associated with the 2022/23 budget were high and with little contingency built in. The College was heavily reliant on revenue growth from apprenticeship provision and from new commercial provision and was planning to increase 16-19 student recruitment from recovery of market share.

Maria noted it was zero based budget which was aligned with curriculum planning (which had also been done from scratch) and an enormous amount of time had been spent cleaning up cost centres and ensuring budget owners were fully accountable. The College had modelled cash flows for 2022/23 and in March/April cash flow would be managed on a day by day basis as it would dip into overdraft. A 1% consolidated pay increase had been built into the budget and, as discussed at Finance & Resources Committee, this would be reviewed following enrolment in the autumn term if student numbers permitted. Ashley noted that higher pay rises were being offered in public sector organisations with possible strikes and asked what the impact of a 1% pay increase was likely to be on staff retention and morale. Maria stated that she had had a very upfront conversation with the Trade Unions who had understood the College's financial position but that she hoped to return to governors after enrolment, to review the situation. She noted that the ESFA and FEC were clear colleges could only offer affordable pay increases, with colleges that were offering 3 or 4% pay increases coming under fire.

Katie H asked if an improved EBITDA score in 2022/23 would be sufficient for the College to be *Good* financial health. Paul Q noted that external agencies were pleased with the budget and commented that they were pleased with the College's progress since the merger. He believed the College needed to invest its way out of its current financial position and believed the budget to be ambitious but achievable. Tim noted that Finances & Resources Committee had examined the budget in depth and asked if, in light of the downscaling of apprenticeship achievement from 60% to 50%, the executive team were still comfortable with its growth targets. Maria responded that the team were monitoring the situation closely and were still confident. One mitigating action was to reduce teaching costs using staff deployment/utilisation data that would shortly be produced by EBS. Pauline agreed that securing additional commercial and apprenticeship income represented the greatest risk to the College and sought reassurance that this was being managed appropriately. Matt responded that the College was looking to reduce apprenticeships pay and non pay costs and had identified several ways this could be achieved for example consolidating EPAOs and reducing one to one teaching. He believed the plan was ambitious but achievable.

Governors thanked the executive team for the huge amount of financial and curriculum work that underpinned the budget. Governors **Approved** the College Budget 2022/23 including the outcome of the pay review, which was for a consolidated pay award of 1%, and **Approved** the One Year Forecast 2023/24.

108 Capital Programme 2022/23

Maria introduced the capital programme 2022/23 (paper 200/22/C) stating that it had been agreed by Finance & Resources Committee on 12 July 2022.

The programme set out details of planned building refurbishment and replacement works across the estate totalling £1.456m. Maria noted that the College was seeking to invest in the estate as much as possible. Pauline asked whether, given the fact that the estates strategy was currently being developed, work identified in the programme would be obsolete at a later date. Maria confirmed that all the work identified in the programme needed to be carried out and that the estates strategy would address decisions about the College's buildings, with Arundel and then North Harbour being the most significant. Governors **Agreed** the capital expenditure programme for 2022/23.

109 Capital Bids 2022/23

Maria introduced the capital bids 2022/23 (paper 211/22/C) stating that it had been agreed by Finance & Resources Committee on 12 July 2022.

This paper identified capital bids selected following a bidding process whereby curriculum and business support departments had been invited to submit bids in support of the College's objectives. A total of £2.27m had been requested, of which £1,234k was agreed by SMT to cover capitalised furniture and equipment, predominantly for classrooms and other teaching space as well as IT/computer equipment.

Governors **Agreed** the results of the capital bids and allocation process for 2022/23.

110 Strategic Risk Register

Maria presented paper 201/22/C setting out the strategic risk register, stating it had been agreed by Audit Committee at its meeting on 14 June 2022.

The register, the first in this format, identified the College's strategic risks and highlighted how the risk profile had changed over time. The register also identified mitigating management action plans and detailed risk mapping. The register currently contained 25 strategic risks, all of which were monitored regularly by SMT. Nine of these risks were significant and eight were high net risks.

Tim was pleased to see the actions taken over cyber security (risk 2) and noted his surprise that teaching and learning/curriculum (risk 18) was still graded at 15 and not 12, despite the College's activity in this area. He noted the reference to employer advisory boards (EAB) and asked how the Board would be informed of their activity and progress. Matt stated that EABs operated in all sectors and HE and Learning & Quality Committee would receive information and updates.

Pauline, Chair of Audit Committee, affirmed that the Committee had considered the register at its last meeting and remarked that both the internal and external auditors had noted its high quality, particularly the assurance mapping. They were particularly impressed given all the other issues the College was addressing. Pauline congratulated Maria and her team.

Governors **Noted** the strategic risk register.

111 Governance Update

Paola presented paper 200/22/C advising governors on various governance matters to ensure the continued smooth running of the Board.

It had previously been agreed that there would be transitional Board of 23 governors for three years to ensure equal representation from both legacy colleges. However, given recent membership changes the transitional arrangement was no longer necessary and it was therefore proposed that the Board comprise 19 governors including the Principal & CEO, two staff governors and two student governors (the quorum would remain at 40% of appointed governors). It was also proposed to end the transitional agreement that the student body elect one student governor from

each of the legacy colleges, and instead that cross-College elections for the two roles take place in the autumn term. It was also proposed to combine amend the Instrument & Articles of Government and supporting Standing Orders to reflect the Board's previous decision that there was a single Principal & CEO (rather than two distinct roles). Audit and Remuneration Committees had reviewed their terms of reference in the summer term and proposed a number of amendments. Finally governors were asked to consider a Board diversity statement that *Governors at the City of Portsmouth College are committed to equality, diversity and inclusion and believe that Corporation should seek to reflect the communities it serves with regards to its membership* and governance self-assessment framework, as recommended by Search & Governance Committee.

Governors **Agreed** amended Instrument & Articles of Government and supporting Standing Orders to reduce the Board size to 19 governors and combine the Principal & CEO role; that cross-College elections be held for the two student governors from autumn 2022 onwards; the Board diversity statement and governance self-assessment framework. Governors also **Noted** the 2022/23 Corporation and Committee business plans and meeting dates.

112 Committee minutes & confidential minutes (for information)

Governors **Noted** the following minutes:

- Audit Committee, 14 June 2022
- Estates & Sustainability Committee, 24 May 2022
- Finance & Resources Committee, 26 April 2022 & 12 July 2022
- Learning & Quality Committee, 07 June 2022
- Search & Governance Committee, 17 May and 20 June 2022

113 Mazars Financial Statements Strategy

Maria presented paper 212/22/C setting out Mazars financial statements strategy for 2021/22.

The purpose of the strategy was to summarise the external auditor's approach, highlight significant audit risks and areas of key judgements and provide details of the external audit team, in particular their independence. The strategy and fees had been approved by both Audit Committee and Finance & Resources Committee. It would be the final external audit undertaken by Mazars.

Governors **Agreed** the Financial Statements Audit Strategy and the audit fee.

Minute 114 was confidential.

115 Bank Overdraft Facility (paper 204/22/C)

Maria provided an update on the bank overdraft facility and requirements for final approval by Corporation. She reminded governors that at its meeting on 17 August 2021 Corporation had given its in principle agreement to an overdraft facility and that it was now asked to consider agreeing the terms of the facility as set out in the documentation appended to the report. Finance & Resources Committee had considered the overdraft at its meeting on 12 July 2022 and recommended its approval to Corporation.

The College had put in place an overdraft facility with its banker Barclays Bank to a maximum limit of £1m to manage the College's cash flow, which was forecast to be in deficit in March/April 2023 and March/April 2024. The cost of the overdraft facility was 2.5% per annum interest rate over the Bank of England rate plus a fee of £1,875 per quarter. Corporation was required to formally minute its approval of the installation of the bank overdraft facility and to provide signatories to the Certificate of Agreement, part of which was granting a legal charge in favour of Barclays Bank Plc over the Highbury Campus. Maria noted that the overdraft costs had been included in the budget and the arrangement was likely to remain in place until the College's financial position improved. In response to a question, Maria stated that this would not affect the College's covenant with Hampshire Local Government Pension Scheme (LGPS).

Governors **Agreed** the Minute (appended to these minutes), Certificate and Legal Charge required for approval and signature by the Corporation.

116 Health & Safety Policy & Annual Report (paper 205/22/C)

Maria presented the updated Health & Safety Policy and annual report, noting that they had been considered by Audit Committee on 14 June 2022.

The Policy was in three parts: a statement of intent providing the policy and general direction for the management and governance of health and safety within the College; organisation setting out how this part of the policy was organised within the College and defining responsibilities and accountabilities for staff; and arrangements setting out the processes and systems in place to achieve the objectives of the policy. Tim asked how the Board was discharging its responsibilities for work placements outside the College, particularly for its under 18 cohort. Matt confirmed that checks were carried out in accordance with the work placement policy risk assessment for under 18s. In response to a query, Maria stated she would confirm when Display Screen Equipment training would take place for staff.

Governors **Approved** the Health & Safety Policy and **Noted** the Health & Safety Report.

117 Data Protection Policy

Maria presented paper 207/22/C setting out the Data Protection Policy, noting that it had been considered by Audit Committee on 14 June 2022.

The policy set out how the College would ensure that it is compliant with the relevant legislation. As the *data controller*, Corporation was accountable for data protection and for ensuring that measures were in place relating to personal data being fairly, lawfully and securely processed. This responsibility would be discharged through Corporation and the Audit Committee. The policy would be reviewed and updated as necessary once the new Vice Principal (Information Services) was in post at the College in August 2022. Governors **Approved** the data protection policy.

118 Subcontracting Supply Chain Fees & Charging Policy 2022/23

Maria presented paper 208/22/C setting out the subcontracting supply chain fees and charging policy 2022/23, noting that it had been considered by Finance & Resources Committee on 12 July 2022.

Subcontracting could play an important role in providing a broad and flexible mix of provision and deciding to engage with subcontractors was a strategic decision. The policy ensured that sub-contracting activity was in line ESFA guidelines. The College engaged subcontractors who were successful in its due diligence process and who could demonstrate a high level of quality delivery. Quality was monitored through existing quality assurance processes. The standard College management fee was up to 20% of all funding drawn down against the provision to be delivered. This covered the cost the College incurred in identifying, selecting and managing subcontracted provision. The fees and charging policy needed to be published on the College website by the start of each academic year. Maria noted the College only had one subcontractor, Pompey in the Community, which represented £124k. Tim stated that at Finance & Resources Committee he had asked how Corporation would be involved in subcontracting and had been assured that all subcontracting decisions would be made by the Board. Prue expressed satisfaction with the monitoring and observation of subcontracted provision.

Governors **Approved** the Subcontracting Supply Chain Fees & Charging Policy 2022/23.

Minute 119 was confidential.

120 HR Policies

Maria presented paper 214/22/C setting out four revised HR policies, all of which had been considered by Finance & Resources Committee on 12 July 2022.

The *Family Friendly, Flexible Working, Sickness Absence Management* and *Planned Absence & Special Leave* policies had been reviewed, updated and taken through a period of consultation and approval with the College's recognised trade unions. This review process meant the policies were streamlined and simplified, legally compliant and followed ACAS guidelines, aligned with the College vision and values and supported work-life balance. The updated policies would apply to all College employees. Where contractual terms protected by TUPE were more advantageous, as in the case of sickness pay and planned leave, these would still apply. Governors **Approved** the *Family Friendly, Flexible Working, Sickness Absence Management* and *Planned Absence & Special Leave* policies.

Minutes 121 – 124 were restricted confidential

The meeting ended at 7.45pm.

The next Corporation meeting will be 04 October 2022.

**CORPORATION MEETING OF THE CITY OF PORTSMOUTH COLLEGE (THE
"CORPORATION")**

Minutes of a meeting of the Corporation (the "**Board**") held pursuant to and in accordance with the Instrument and Articles of Government of the Corporation, which were approved by the Corporation on 21 July 2022 (the "**I&A**") and held at Tudor Crescent, Portsmouth, PO6 25A, United Kingdom on 21 July 2022 at 5pm.

Present:	Shahalam Ali Prue Amner Ashley Cullen Alex Dartmouth Katie Hill Tim Jackson Samantha Miller Shirley Nellthorpe Paul Quigley (Chair) Katy Quinn (Principal/CEO) Pauline Tiller Paul Walton
In attendance	Matt Phelps (Deputy Principal/Deputy CEO) Paola Schweitzer (Director of Governance) Maria Vetrone (COO)
Apologies:	Lily Camacho Mark Cooper Graham Goddard Rob Nitsch Kit Peet Mike Stoneman

1 **PRELIMINARIES**

The Chair reported that due notice of the meeting had been given to each member of the Corporation entitled to receive it and that a quorum was present in accordance with the I&A.

2 **CONFLICTS OF INTEREST**

2.1 The Chair reminded the members of their need to declare any conflict of interest or duty to the Corporation and asked any member to confirm whether they had any actual or potential conflict of interest or duty in relation to the matters to be considered at the meeting, which would need to be dealt with in accordance with the I&A.

2.2 It was reported that no declarations needed to be made.

3 **BUSINESS OF THE MEETING**

3.1 The Chair explained that the meeting had been convened in connection with the Corporation granting a legal charge in favour of Barclays Bank PLC (the "**Lender**") over the property known as the Main Campus, City of Portsmouth College, Tudor Crescent, Cosham (the "**Property**") (and the agreement is referred to as the "**Legal Charge**") in respect of an overdraft facility of up to £1,000,000 (the "**Facility**") granted by the Lender to the College in December 2021 (the "**Facility Agreement**"). The Chair reported that the Corporation had

previously, in a meeting convened on 17 August 2021, approved, in principle, the Facility Agreement.

3.2 The purpose of the meeting was to consider, and if thought fit, to approve the entry by the Corporation into the terms of:

3.2.1 the Legal Charge which was a key term of the Facility Agreement; and

3.2.2 any other documents required to be entered into as a condition of, or ancillary to the Legal Charge (the "**Ancillary Documents**").

3.3 The meeting had been convened with a view to pass the appropriate resolution required to approve entry into the Legal Charge and any Ancillary Documents.

4 **FURTHER AND HIGHER EDUCATION ACT 1992**

The Chair reminded the members that all transactions approved by the Corporation must be to further the Corporation's charitable purposes and be compliant with all obligations under applicable charity law, and that in that context and for that purpose the Corporation has the power under section 19 (4) (c) of the Further and Higher Education Act 1992 to enter into the Legal Charge.

5 **DOCUMENTS PRODUCED TO THE MEETING**

The Chair produced a copy of the Legal Charge to the Board which is to grant in favour of the Lender a first legal charge over the Property which was a key term of the Facility Agreement.

6 **CONSIDERATION OF THE LEGAL CHARGE**

After due and careful consideration of the terms of the Legal Charge, it was noted that the Legal Charge represented the terms and conditions on which the Corporation was required to grant a first legal charge over the Property and the Corporation confirmed its full understanding of the effect and implications for the Corporation of the Legal Charge which it was entering into.

7 **RESOLUTION IN RESPECT OF THE LEGAL CHARGE**

IT WAS THEN RESOLVED:

7.1 That, subject to the Legal Charge being drafted and finalised, in a manner and form unanimously approved by the Corporation, it RESOLVED in good faith and for the purpose of carrying on its business, to:

(a) enter into and perform its obligations and exercise its rights in relation to the Legal Charge and any Ancillary Documents in the terms approved by the Corporation;

(b) authorise Katy Quinn and Paul Quigley to sign on behalf of the Corporation the Legal Charge and any Ancillary Documents as are required to be executed other than as a deed;

(c) authorise any members of the Corporation to use the seal on behalf of the Corporation on the Legal Charge and any Ancillary Documents as are required to be executed other than as a deed;

(d) authorise Katy Quinn and Paul Quigley (each an "**Authorised Signatory**") to agree, affix and authorise the use of the seal of the Corporation to sign

and despatch on behalf of the Corporation all such other Ancillary Documents, agreements, certificates, notices, communications or confirmations required to be executed as a deed and to be signed and/or despatched by it under or in connection with the Legal Charge to which it is a party and any member of the Corporation be authorised to sign on behalf of the Corporation all Ancillary Documents agreements, certificates, notices, communications or confirmations as are not required to be executed as deeds, and to do all such other things, as may be required, or as any member may approve, in connection with the Legal Charge.

7.2 **IT WAS FURTHER RESOLVED** that all actions taken by any member of the Corporation prior to the date of the meeting in connection with the foregoing resolutions be and are hereby ratified, confirmed and approved.

.....
CHAIR