



**SPECIAL MEETING OF THE HSDC CORPORATION
HELD ON WEDNESDAY 27th SEPTEMBER 2023
ROOM 32, ALTON CAMPUS AND REMOTE ACCESS VIA MICROSOFT TEAMS**

MINUTES

Present:

Matt Atkinson	Mike Gaston (Principal)
Xin Austin (<i>remote</i>)	Lorna Hayes (<i>remote</i>)
Mike Bateman	Romy Jones (<i>remote</i>)
Stella Charman – (<i>in attendance</i>)	Elsbeth Mackeggie Gurney
Ashley Chinyemba – Student Governor	Mark Nicolson (<i>remote</i>)
Simon Claridge	Marc Schmidt (<i>remote</i>) (Student Governor)
Lucy Flannery (<i>remote</i>)	Tony Wright (Vice-Chair)

In attendance:

Dominic Asater – Deputy Principal Finance & Facilities
Richard Barlow – Deputy Principal Curriculum
Leona Berry – Vice-Principal Organisational Development & People (*remote*)
Suki Dhesi – Vice-Principal Students, Quality & Learning (*remote*)
Jackie Eayrs – Clerk to the Corporation

Total Membership	18
Total vacancies	1 (<i>Teaching Staff Governor</i>)
Total possible attendance	17
Quorum:	8
Total Present:	16 - meeting quorate (82% attendance)

Minute Number	Minute	Action
HSDC CORP 51/23	Apologies for Absence & Welcome – All members were welcomed to the meeting, in particular, Ashley Chinyemba and Marc Schmidt, Student Governors, who were attending their first meeting of the Board. Apologies for absence were received and accepted from: <ul style="list-style-type: none">• Clive Dobbin• Owen Ellwood – Student Governor• Lydia Morrison• Kamlesh Pandya• Michael Thornton	
HSDC CORP 52/23	Declarations of Interest - No member declared any conflict of interest with any item on the agenda which had not previously been declared.	
HSDC CORP 53/23	Minutes and Matters Arising from Previous Meetings: <ul style="list-style-type: none">(i) Minutes of the meeting of the HSDC Board held on the 10th July 2023 - The Minutes of the meeting held on the 10th July 2023 were agreed as a true and accurate record and were signed by the Chair.(ii) Matters arising from the minutes of the meeting of the HSDC Board held on the 10th July 2023 – Members noted that all the matters arising had been completed.(iii) Confidential minutes of the meeting of the HSDC Board held on the 10th July 2023 – The confidential minutes of the meeting held on the 10th July 2023 were agreed as a true and accurate record and were signed by the Chair. There were no matters arising from them.	

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	<p>(iv) Minutes of the Special meeting of the HSDC Board held on the 31st August 2023 – The minutes of the special meeting held on the 31st August 2023 were agreed as a true and accurate record and were signed by the Chair.</p> <p>(v) Matters arising from the special meeting of the HSDC Board held on the 31st August 2023 – The matters arising were reviewed and members noted that one action was ongoing (preparation of monthly crib sheet to be provided with Monthly Report), 1 action was completed and 2 actions were not yet due in respect of:</p> <ul style="list-style-type: none"> - The HR Committee picking up the issues of the induction process and staffing vacancy rates. - The CQL Committee to pick up the quality improvement mechanisms and, when looking at quality, to consider any staffing issues too. <p>In addition, members sought confirmation that the timetabling and rooming had gone smoothly at the start of the academic year as previous assurance had been given to the Board that this would take precedence. The DP Curriculum confirmed that the year had started far more positively than in previous years. There had been a small number of issues which had been resolved quickly and easily but nothing more than would be expected.</p>	<p>Action: Clerk</p> <p>Action: Clerk</p>
<p>HSDC CORP 54/23</p>	<p>Principal's Termly Update:</p> <p>Members of the Board received a Termly Report from the Principal which provided an update on key College issues, including initial outcomes for 2022/2023, the enrolment position for 2023/2024 and consideration of the updated 16-19 study programme settlement and proposed pay award for 23/24 in the light of additional funding from the Department for Education (DfE).</p> <p>The Principal stated that he did not propose to revisit the 22/23 outcomes as this had been fully discussed at the additional special meeting of the Corporation held on the 31st August, although he had included it in his report for completeness.</p> <p>He referred members to page 43 of the pack, in particular, the 23/24 16-18 enrolment numbers for each campus and drew the following to members' attention:</p> <ul style="list-style-type: none"> • Enrolments per campus were a very mixed picture with considerable variances to previous years and a worrying undercurrent of a decline in the A Level market at the Havant campus. • If standard drop-out rates were applied the College would be looking at an R04 figure of circa 4350 (compared to 4934 in 22/23). • There was no one specific factor which had influenced the position but early indications were that the entry criteria had been higher than some competitor colleges and GCSE outcomes had been lower than expected due to grade boundaries returning to pre-pandemic levels. It was also acknowledged that some learners may have gone into the work place due to the cost of living crisis and the need to contribute to the family household income. It was noted that the DP Curriculum was undertaking analysis and would take a paper to the Executive meeting the following week. • Nationally, numbers appeared to be slightly up in GFE colleges. Other local colleges in the region were reporting small growth or had maintained learner number levels. Therefore, it was difficult to account for where the lost enrolments had gone. • It had been disappointing to see some of the T Levels not running at the Alton campus due to lack of enrolments. • Enrolment from Leigh Park was higher than the previous year, which confirmed that the work being done in that area had secured improvement. • It was very difficult to get feedback from students on the reasons why they had not enrolled. <p><i>XA joined the meeting during this item (17.02).</i></p>	

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	<ul style="list-style-type: none"> • The DP Curriculum added that internal progression had gone up compared to the previous year, but the College had not done well in respect of its market share of Year 11s. • The reduced enrolment would have a significant financial impact on the College in 24/25. The drop in enrolments equated to a reduction in income of £2.2m to £2.5m and he referred to a detailed paper from the DP F&F which had been provided as an appendix to his report on the updated 16-18 study programme settlement. • The College remained in a Trade Dispute with the UCU and NEU unions over pay. He advised members that he had written to staff in July 2023 and had explained that colleges were not funded in the same way as schools, which had received a 6.5% pay offer. He went on to say that discussions with the unions continued and he would continue to be honest and transparent about the College's position. <p>The Principal invited the DP F&F to present the report on the updated settlement for 16-18 study programmes. He drew members' attention to the following:</p> <ul style="list-style-type: none"> • The report updated members on: <ul style="list-style-type: none"> - The updated 16-19 study programme funding settlement - The proposed pay award for 23/24 - The impact of these issues on the College's 23/24 financial position - A further update on the 24/25 forecast in the light of August 2023 enrolment numbers. • The College had received £1.255m additional funding in July 2023. The additional funding was applied to the base funding rate and by further boosting programme weightings in the College's formula allocation. The average funding per learner had risen to £5,583. This represented a 3.3% growth on total College turnover. • It was unclear if the Government would replicate this additional funding in future years. £285m had been pledged for 24/25 but it was unclear if the £185m provided in the current year would be deducted from that for 24/25. • The College had committed to using all of the additional funding received on pay in the 23/24 year. • Members reviewed the pay awards which had been made over the last 5 years outlined in point 4.1 of the report. • The Joint Union FE Pay claim for 23/24 was 15.4% based on January 2023 RPI + 2% on all pay points. DA emphasised the fact that a pay award of this magnitude would require an increase in the pay budget in the region of £3.9m and would result in an immediate operational deficit of £2.5m per annum. This was not financially sustainable. • As a result of the additional £1.255m funding, the College was now in a position to propose the following in respect of pay: <ul style="list-style-type: none"> - The original budgeted 2.5% pay award had assumed that the College would be able to find c.2% savings on pay as a result of the vacancies. DA had emphasised the fact that this was a one-year solution to afford a pay award and it was not a solution that could be repeated in future years. He went on to say that the College now intended to fund the original 2.5% from the additional £1.255m funding, this would cost £678k). - The College would use a further £407k to increase the pay award offer to 4% for all staff. - £100k would be used to support investment in Technicians across all campuses, increasing pay rates and hours to provide a more supportive and sustainable service. - The residual balance of funding (£71k) would be used to pay market supplements where the College was experiencing significant difficulties in recruiting staff. <p>Governors queried the position in respect of the 2.5% originally allocated in the budget and questioned why that wasn't being considered or included. The Principal explained that the original 2.5% had been allocated within the budget based on a historical level of vacancies. The DP F&F added that further analysis would be required on the September payroll but he did not believe that the level of vacancies which would have been required to fund the 2.5% award existed in the 23/24 year.</p>	

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	<p>The 2.5% had been removed and the College was now just offering the 4% using the additional £1.255m of funding.</p> <ul style="list-style-type: none"> • The Principal added that the schools had been awarded a 6.5% uplift and, although HSDC salaries were competitive compared to other GFE colleges in Hampshire, the College could not compete with schools or 6FCs. • The Principal stated that he was not seeking formal approval at this stage but was seeking guidance in order to inform his negotiations with the unions. He added that he would write to all staff at the end of the week and provide them with a view of the meeting. He added that the challenge was not only affordability this year but next year too. • Members were referred to the 24/25 forecast and the reduced learner numbers compared to RO4 in 2022. The consequent reduction in 16-19 study programme funding was expected to be £2.8m in 24/25. • The DfE had announced additional funding of £285m in 24/25. The College was estimating that this would generate an additional £600k in 24/25 leaving a net reduction of £2.1m in 16-19 study programme funding. • The College had already commenced work on how it would manage such a significant reduction in turnover in 24/25 and DA advised members that a more detailed report would be provided to the Finance and Estates Committee at its meeting in November 2023. In addition, if the College was minded to make a pay award offer in 24/25, then the cost of the award would need to be added to the savings target. DA advised members that every 1% of additional pay cost equated to a further £260k. • It was proposed to seek the required savings over a 2-year period in order to see the impact of the additional funding expected in 24/25 and to see the enrolment outcomes for September 2024 which would drive the Budget for 25/26. In addition, the curriculum resourcing plan would be revisited at the beginning of October. • It was disappointing that the College would dip into 'requires improvement' financial health score but not unexpected. DA reminded members of the discussions on the budget back in July where he had made it clear that the budget was on a knife edge and any variation of c.£50k could tip the College into 'RI'. Governors questioned whether there were any implications of the 'RI' financial health score and whether it would trigger some kind of intervention. DA confirmed that it did not and the College was trending 'good' at the top end of 'RI' rather than trending 'inadequate' at the bottom. DA added that the College had a successful track record of demonstrating that it could manage the situation. The Principal added that the ESFA had been made aware of the position and, although they had been surprised by the numbers, they continued to have confidence in the College. • Governors queried the demographic context. The DP Curriculum responded by saying that there had been a period of growth but this came to an end towards 2025. • Governors acknowledged that the level of savings and how to make them was a big decision. Members sought clarity on when the decision would be made. The Principal confirmed that it would be the following week. He added that there was some 'low hanging fruit' in respect of staff utilisation with regard to reduction in numbers. In addition, the College would be introducing new provision of mixed programmes. He also added that, due to the College's cash position, it was likely the savings would be secured over 2 years as there were still some factors that were not yet known i.e additional funding for 24/25 and September 2024 enrolments. <p>At the end of the long and detailed discussion, members of the Board supported the approach to the pay award which had been outlined at the meeting.</p>	<p>Action: DP F&F</p>
<p>HSDC CORP 55/23</p>	<p>Child Protection & Safeguarding:</p> <p>Members of the Board received a verbal report from the VP SLQ on Safeguarding and KCSiE. In addition, members received the Hampshire Safeguarding Children Partnership Self-Audit Tool for 2023 and the related action plan and the Safeguarding Policy which had been updated for consideration and approval.</p>	

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	<p>The VP SLQ advised members that the changes within KCSiE had been minor for 2023 compared to the previous year. She drew members' attention to the following:</p> <ul style="list-style-type: none"> - Web filters - To ensure that appropriate online filters and monitoring systems are in place. It was noted that monitoring was in the process of being implemented with a new provider. - To make sure the College was acting proactively in respect of students missing from education. - To make sure online recruitment checks were completed. <p>Members noted that any changes would be woven into practice and safeguarding policies as well as training opportunities with staff.</p> <ul style="list-style-type: none"> • HCC Safeguarding Audit Document and Action Plan – Governors were aware that, each year, the College was required to submit the annual Safeguarding Audit document to Hampshire County Council by 30th September. In order to further develop the safeguarding practices at the College, an action plan had been developed which was monitored by the Safeguarding Forum. Members of the Board were satisfied that safeguarding practices in the College were well implemented and actions were planned to address any issues identified. • Child Protection & Safeguarding Policy – Members reviewed the updated policy. SD advised members that the main change was related to reporting systems and she referred members to page 41. Members formally approved the updated Child Protection & Safeguarding Policy. <p>Members of the Board formally approved the Safeguarding Audit to be submitted to Hampshire County Council by 30th September 2023. In addition, members approved the updated Child Protection and Safeguarding Policy.</p>	
<p>HSDC CORP 56/23</p>	<p>Date of next meeting – Members noted that, in accordance with the Corporation Calendar 2023/2024 approved on the 10th July 2023, the next meeting of the full Corporation was scheduled to take place on Wednesday 13th December 2023 at 3.30pm with Christmas Dinner directly afterwards in the Training Restaurant 74South. In addition, members were reminded of the Governors' Training session scheduled for Wednesday 5th October 2023 at 4.45pm for 1 hour.</p>	

There being no other business, the meeting closed at 18.03 hrs.

Signed:

Date:.....