

Minutes of the meeting of the Corporation Held on Monday 22 October 2018

at 4.45 pm in Room H102a, City Centre Campus

Carole Stott
Andy Furse

Chair (until item 12)
Vice-Chair (Chair from item
12)
Principal
(from item 6 to 12)

Laurel Penrose
Victor da Cunha
Erica Draisey
Paul Blenkinsopp
Mike Oram
Andy Parker
Jane Shaw
Gary Waylen
Jenny Williams
Neil Wilson
Julian Young

Apologies
Apologies

(from item 5)

(from item 5)

In attendance

Heather Cross
Jayne Davis
Barbara Owen

Clerk to the Corporation
Deputy Principal
Director of Human
Resources
ICCA

Jonathan Creed

1. Apologies

Apologies for absence were received from Mike Oram and Andy Parker. Carole Stott apologised that she would need to leave the meeting by 6.40 pm and would hand over the chair to Andy Furse Vice Chair if the meeting had not concluded by that time.

ACTION

2. Declarations of Interest

Carole Stott declared an interest concerning the Association of Colleges Senior Staff Remuneration Code consultation item as she had been on the working party which devised the proposed Code and in fact had introduced the Consultation nationally by letter.

3. Confidentiality of Items

The minutes of the Senior Staff Employment Committee were noted as confidential.

Discussions concerning the Estates Strategy were noted as confidential until such time as the information was provided to staff.

4. Minutes of the meeting of the Corporation held on 24 September 2018 and any matters arising

The minutes of the meeting held on 24 September 2018 were accepted and signed as a true record, subject to agreed amendment of wording concerning the treatment of cash as covered in the reporting relating to the management accounts.

5. Principal's update, including enrolment report

The Principal related to governors a number of developing safety and security issues concerning students and other young people who were regularly outside the city centre campus. A paper was tabled which set out the steps which had been taken promptly and further actions planned to address the issues and the Principal gave further details of the liaison with the police and the support actions which they had recommended. The Chair advised the meeting that the Principal continued to keep her regularly informed on behalf of the Board as events developed. The meeting discussed and underlined the importance of the safety and security of students and staff and commended the actions which college management had been taking to maintain this. There was also discussion of any public relations implications of the activity and the college response. College management was thanked for the proactive approach it had been taking.

Governors were provided with a verbal update on the recent ESFA audit of the college which had concluded recently. Formal notification in the form of a management letter which would make some recommendations and set out findings was expected to give an unqualified opinion. It was acknowledged however to have been a difficult and intense process which had made great demands on certain staff and had identified improvements which were required, which was to be expected of the process. ICCA had been commissioned by the college to carry out a review of data and associated college structures, systems and processes as a result. Governors recorded their considerable thanks to the Deputy Principal, Apprenticeships Manager and MIS Manager in particular for their tenacity and perseverance in supporting the audit and congratulated the college on the positive result.

The Principal had recently met with Barclays bank, the college bankers at their regular bi-termly meetings. The bank had given verbal confirmation that the college was no longer under the scrutiny of their business support team.

The College had recently been informed that the collaborative bid of which it was a part for an Institute of Technology had reached the second phase of selection, including a Heads of Terms and a further document was required to be submitted by 23 November.

With regret the Principal announced that there had been a successful ballot for industrial action by college staff along with four other colleges nationally. The number of staff voting for action was very small but as this represented more than half of those voting, the result stood. It was understood that UCU had two weeks to inform about the planned action.

The College had received recent positive news that subject to the satisfaction of a small number of confirmations by January 2019 the college had been successfully registered by the Office for Students as an HE provider.

Governors were thanked for the support they had given to Love Our Colleges week and the Student Awards evening recently.

The Principal was thanked for her report.

6. Estates Strategy update

A report from the Principal concerning potential catering and hospitality developments had been circulated previously. The Principal introduced the paper and commented that a decision was not required at this meeting but to introduce the aspects requiring consideration and a decision would be needed by the end of the calendar year. Catering and hospitality was an important part of the college curriculum, but the provision of the facilities was a considerable expense and the overall solvency as a result of any scheme needed careful consideration. The funding for a scheme currently would have to be the college's cash reserves or loan funding.

The Board were reminded that it had agreed previously a scheme for two kitchens be developed but the changing curriculum would require 3 kitchens, although each one smaller than currently specified. It was a requirement that the Ralph Allen building be handed over at the end of the next year and therefore needed to be fully vacated.

The Chair asked that the 3 funding models and consequential financial health given in the circulated report be explained to the meeting - and these were presented. It was noted that it had been requested by the Finance and Estates Working Group that an option be presented showing the maximum expenditure possible but which would achieve the minimum financial standards. It was advised that this was the retention of 30 days cash days as minimum, but this would still involve active cash management. This would allow a £1 million refit, the current £1.5 million loan would be required to be paid back in April 2020 and there would need to be renegotiation of loan finances. The possibility of new loan arrangements was discussed, including likely security levels and due diligence costs of securing the borrowing.

It was agreed that any scheme beyond £1million was not currently feasible and for solvency to be maintained, although the situation might change if capital funding from WECA became forthcoming. There was another option which was to keep a smaller catering facility on site in the city centre and to have another kitchen facility off site, which would not compromise the site in the longer term. An option for leasehold accommodation elsewhere had become available and the team was

about to view this. Given that catering student numbers were low at present, this option could provide some breathing space before longer term capital commitments had to be made. It was acknowledged that the catering curriculum may not be as developed to justify the scale of investment previously contemplated. The Chair commented that the Senior Staff Employment Committee had agreed in a meeting earlier that day that there should be a full review of the catering curriculum which would include a full market review in the region including apprenticeship development potential.

Governors thanked the senior management for the presentation of options so far and looked forward to further reporting at a meeting before the end of the calendar year of the suitability of a 4th option. This was the use of leasehold accommodation with a smaller scheme on site. This could be a realistic possibility until the long term requirements for a larger scheme were determined to be assessed against affordability.

7. Pay Policy

A proposed Pay policy had been circulated previously. The Director of Human Resources introduced the document and commented that it was part of the normal cycle of review of policies. The areas of change and addition had been identified.

The contents of the document were discussed and it was noted that it needed adjustment to reflect the recent recommendations concerning the handling of senior post holder salaries as put forward by the Association of Colleges Governance Code Annex consultation. It was agreed that the document would be reviewed again and return to a future meeting for approval.

8. Quality Dashboard 2017-18

The latest dashboard was circulated. The final return for the 2017-18 year had recently been submitted to the Education and Skills Funding Agency. A key change had been made to apprenticeship data since the data submitted to the recent Quality Working Group.

The dashboard showed the breakdown of outcomes and it was noted that 16 to 18 achievement was 0.5% below benchmark with 19plus slightly above. English and Maths results still exceeded the national average although there had been reduction in performance, especially in Maths. It would be of significance to see how the results compared with local colleges, once the information was published.

Governors asked questions about performance in various departments with media, hair and beauty noted as not performing as well as the previous year. It was also noted that overall Art and Design courses were close to the national rate. Quality Working Group members commented it had discussed how the projections should have identified that this was going to happen, as the results should have not been a surprise. The format of the new exams had had an effect. Some concerns were expressed that where there were courses that had declined over two years, this meant that more than one cohort of

students was affected and management was encouraged in its actions to address this.

All governors were encouraged to get involved in some of the activities suggested for governor involvement so that there was a good sense across the Board of college activity.

9. Management Accounts and progress towards end of year accounts 2017-18

The latest management accounts had been circulated. It was noted that figures were on profile. Student recruitment was in excess of target but the adult education budget remained an issue. Staff costs had allowed for a pay award but as the decision to pay this had as yet to be taken, the budget was below profile. Non-pay expenditure showed some areas of saving and some additional spend on items such as security. Overall there were no concerns.

The management accounts were received.

10. Finance Dashboard – ESFA financial health assessment

The Finance dashboard issued by the ESFA had been circulated previously, together with a letter confirming the college's financial health as good. The circulated dashboard showed that the college was moving into a consistently good position. The adjusted current ration had markedly improved. Staff costs were below median but the percentage could still improve further.

The dashboard was received and it was agreed this should be placed in the Board Intelligence reference material.

11. Equality and Diversity Annual Report 2017-18

The circulated report was considered. The information about both staff and students was reviewed. In the case of staff there were reducing numbers but the gender split had been maintained as had variable hours contracts. Impact was considered when introducing new policies.

Student statistics showed an increase in Caribbean students and there was an increase of students with learning difficulties. The statistics showed there were no discernible achievement gaps, but these would continue to be reviewed.

The circulated report was received.

12. Safeguarding and Prevent Annual Report 2017-18

The circulated report was considered. Mental health concerns for students remained the biggest issue, with 16 to 18 year olds and male students being the most significant. The safeguarding team and their arrangements were noted as very good, but the increasing volume of case work was the issue which needed to be monitored. The College was recruiting a mental health worker to assist.

13. AoC Consultation on Senior Staff Remuneration Code

The proposed annex to be added to the AoC Code of Good Governance which was the subject of consultation was considered.

The Board **agreed** its support of the proposals and requested the Vice-Chair to work with the Clerk in responding positively to the consultation by the deadline.

14. Minutes of the Quality Working Group held 15 October 2018

The minutes of the meeting held 15 October were noted. Items discussed at the meeting had been raised earlier in the meeting under the quality dashboard item.

15. Minutes of the Finance and Estates Working Group held 17 October 2018

The minutes of this meeting were circulated for information and were received.

16. Minutes of the Senior Staff Employment Committee held 13 September 2018

The confidential minutes which had been circulated were received.

17. Any Other Business

a. Bank Mandate

The Board approved an amendment to the bank mandate whereby whilst there was no Finance Director in post, the Director of Human Resources be added to the approved signatories.

b. Christmas dinner

Governors were reminded of the date of the evening dinner on 6 December.

18. Date of next meeting

This was noted as 26 November 2018 at 4.45 pm