

North Warwickshire and South Leicestershire College

MINUTES OF A MEETING OF THE CORPORATION

Thursday 4th October 2018 at 6pm in the MIRA Technology Institute

Present: Mr Chris Brewer, Dr Paul Cashian, Mrs Karen Chouhan, Mr Martin Cooke, Mrs Phoebe Edwards Mr Jerry Hutchinson, Prof Ray Linforth (Chair), Mr Anil Majithia, Mrs Marion Plant and Mr Clive Read.

In attendance: Mr Ben Crook (Vice Principal Quality), Mrs Joan Coe (Executive Director Business Development & Marketing), Mr Paul Fletton (Deputy Principal), Mr Raj Joshi (Executive Director Corporate Services), Mr David Poole (Executive Director Finance & Risk) and Mrs Rachel Marshall (Clerk).

The meeting was quorate.

Ray Linforth welcomed Members and the Executive to the first meeting of the academic year and extended a special welcome to Martin Cooke who had been recently appointed.

1. Member's' Briefing

1.1 Ofsted Briefing

Ben Crook reminded Members of the presentations they had received in the previous year and indicated that the information, which was available to them on the Diligent Boards repository, had been updated and added to. He then summarised the following matters:

- i. Two position statements had been uploaded. One identified current strengths and weakness and provided an achievement rate forecast, pending the finalisation of data later in October, the other related to an initial College self-assessment position.
- ii. As Members were aware, Inspectors would want to speak to a number of them, including the safeguarding link Member.
- iii. Achievement rate information relating to the 2016/17 position and a limited number of achievements rates which had been confirmed for 2017/18 (including English and math GCSE outcomes) were presented. Improvements relating to the 2017/18 outcomes had been identified, as had a number of strengths. This information would be reflected in the self-assessment report.

Members raised the following challenges:

- i. The information provided was very detailed and gave a comprehensive summary; however it was difficult for Members to 'digest.' A more concise overview of the position would be helpful.

Paul Fletton confirmed that a shorter document would be produced with hyperlinks to the more detailed information.

Ray Linforth confirmed that he would assist with the development of this document.

- ii. It was essential that the identified strengths and weakness were the same as those that Ofsted inspectors would find during their inspection. The Executive Team had to be confident that this was the case.

Members thanked Ben Crook for his presentation.

(Ben Crook left the meeting at 6.20pm)

2. Routine and Standing Items

2.1 Apologies were received from Mr Duncan Cooper.

2.2 **Declarations of Interest**

No declarations of interest were received

2.3 **The Minutes of the Last Meeting**

The minutes of the last meeting held on Thursday 12th July 2018 were approved. (Proposer: Anil Majithia; seconder: Clive Read).

2.3.1 **Schedule of Actions**

See attached Schedule.

- i. Action 50 - Marion Plant confirmed that it was not possible to increase the contribution rates as the College was required to comply with the ESFA sub-contracting regulations.
- ii. Action 51 - it had not been possible to find a date to hold a strategic discussion meeting at the start of term; however the Chair was going to work with the Clerk to find some space in meetings to enable this type of discussion to take place.

2.3.2 **Matters Arising**

There were no matters arising.

2.4 **Chair's Action**

Ray Linforth reported that he had taken the following action since the last meeting; namely on behalf of the Corporation in its capacity as a Midland Academies Trust Member, approval of the re-appointment of Wendy Martin as a Trust director.

Ray Linforth then reported that Duncan Cooper, in his capacity as Resource Committee Chair, had signed a number of sub-contracting contracts previously approved by the Corporation.

2.5 **Report on the Affixing of the Corporation Seal**

Members noted that the North Warwickshire and South Leicestershire College (NWSLC) Corporation Seal had been affixed to two additional copies of building contract documents relating to the construction of the MTI by GF Tomlinson Building Ltd. authenticated by Ray Linforth and Marion Plant on 15th August 2018.

3. **Strategic Development**

3.1 **Principal's Strategic Update**

Marion Plant introduced her briefing presentation and specifically highlighted a number points which arose from it:

- i. **National Context**
 - **FE finance and funding:** it was important to recognise the current pressures on college finances. It was quite apparent that FE sector finances were unlikely to improve in the near future.
Members discussed issues relating to increases in Teacher Pension Scheme employer contributions as from September 2019.
 - **Ofsted:** the introduction of a new common inspection framework in 2019 would bring about the grading of individual campuses. This which was an important consideration for the College with its 4 separate campuses.
 - **Skills Competitions:** Her recent involvement in EuroSkills Budapest had been very interesting. 20 College students and apprentices were taking part in the Skills Live UK national finals in November 2018 and Members were invited to attend.

- **Ongoing changes to apprenticeship standards funding bands:** the funding bands had still not been clarified.
- ii. **Regional Context**
 - Several new Principals had been appointed in the region, including Tracey Forman who had been the College's Director for Student Experience.
 - Stephenson and Loughborough Colleges were currently in merger talks.
- iii. **Long Term Strategy Update:**
 - **MTI:** The opening of the MTI had been very successful and a significant amount of interest was being shown in it. Students had started at the MTI in the previous week and whilst recruitment was currently steady, it was likely to scale up in light of this interest.
- iv. **NWSLC 18-19 Updates**
 - The negotiation of partnership agreements, for a number of potential partnerships which Members were aware of, were currently taking place. These partnerships were not 'in budget' but should they be realised, would be sizeable projects going forward.

3.2 Emerging College Achievements

Paul Fletton introduced the paper and provided the following overview, indicating that in general the position was as previously reported, apart from the following variances:

- i. A minor reduction in the forecast 16-18 education and training category. The target was however 1% in excess of benchmark.
- ii. A 3.5% reduction in the forecast for the overall 16-18 apprenticeship achievement. While disappointing, this represented 15 apprentices and the College outcome remained 3.5% over benchmark
- iii. A 5% increase in the forecast for overall 19-23 apprenticeship achievement.
- iv. A 1.8% increase in the forecast for overall 24+ apprenticeship achievement.
- v. A 10.2% reduction in the forecast for GCSE maths high grade (4 to 9) achievement. Whilst this reflected the national trend, the variance to forecast was very disappointing. An action plan to address the decline had been developed and was being implemented.
- vi. The GCSE maths 1-9 pass rate had increased to just under 88%, although the focus for Ofsted was on the 4-9 pass rate.
- vii. Value added scores had also markedly increased from 2017/18.
- viii. A 14.9% increase in the forecast for GCSE English for students aged 19+.

Members discussed the new grading system for GCSEs and interrogated the paper:

- i. Ofsted would be interested in the progress score in English and Maths for level 2 students.
Paul Fletton agreed and confirmed that this was close to the sector average. A detailed paper would be presented to the Students, Learning & Quality Committee.
- ii. In light of the difficulty the College had in trying to ensure huge numbers of students, who had failed to achieve the requisite GCSE grades at school, passed at the right grade level in less than 8 months, was the strategy now to try achieve this expectation over 2 years?

Paul Fletton indicated that this was the case but there was a risk that the College failed to hold on to the students over this period. Work was ongoing to ensure that students were retained. Generally speaking, despite Government expectations the GCSE was not the appropriate qualification for many of the students, who needed to

undertake a functional skills qualification. Progress measures reflected the cohort the College took on and it was clear that the College added value and took then further forward, even if it couldn't get them to achieve to the Governments expected level.

- iii. Were there any funding implications to this new approach of extending the study period?

Paul Fletton confirmed that there were no funding implications. He then highlighted that College forecasting was also wrong for the A-C outcomes of adults undertaking GCSEs as they had performed better than expected.

- iv. Had questions been asked as to why forecasting was so inaccurate?

Paul Fletton confirmed that in the cases where outcomes were higher than forecast, the reason was that staff had been cautious in their forecasting. The current focus was therefore on reviewing those areas where outcomes were worse than the forecast outcomes. Overall forecasts were generally accurate, other than in the two areas highlighted.

- v. This might be the case but because inaccurate forecasting was a recurring them it was essential for Members to know the reasons why.
- vi. It had been noted that outcomes were significantly higher than those achieved 2 years ago.

Following discussion, Members received the paper.

3.3 Strategic Objective Monitoring 2018/19-2021

Marion Plant introduced the paper and reminded Members of the context of, and process for, setting the strategic objectives, which Members had approved in July 2018. She then summarised a number of key points:

- i. The paper presented an early picture of progress at the start of the academic year and there were no surprises with progress at this point in time.
- ii. Most areas had been rated as 'amber' with several indicating 'blue' i.e. work towards achieving the objective had not yet started.

Members raised a concern about the reference to "clean data reports."

Marion Plant assured Members that this was entirely to be expected at this point in the year. The reason there were data errors was that due to the time of year enrolments were still live and had not yet settled. By mid-November it would be possible to get accurate data and produced a 'clean' report.

Paul Fletton confirmed this position and added that changes to the funding rules had also require changes to the IRL specification. The situation was reflected in the Education Skills Funding Agency's expectations when it requested early data returns.

Following discussion, Members received the paper.

3.4 Confidential Item - Update on the Nuneaton Campus Development

4. Financial Matters and Arrangements for Internal Control

4.1 Financial Outturn 2017/18 - Confidential Item

4.2 Performance Report including Update on Recruitment

It was agreed that the tabled paper would be further updated and shared with Members on the Diligent Board platform. Members would be able to raise any challenges or queries with the Principal thereafter.

4.3 **College Risk Report 2018/19**

David Poole introduced the paper and indicated that this was the Corporation's first sight of the draft risk report which would be presented to the Audit Committee at its next meeting.

Members interrogated the risk report:

- i. Would a risk around the cash flow issue be included? Some specificity on this risk was required including short term mitigating actions from December 2018 to March 2019

David Poole indicated that it was currently part of the over-arching risk relating to College insolvency; however it could be added to the risk report as a separate risk.

ACTION 52 EDFR

- ii. Although a presentational issue, the risks relating to finance should be shown on the first page of the risk report. **ACTION 52 EDFR**

Ray Linforth highlighted that the Corporation was relying on the Audit Committee to look closely at the risks in this area.

Following discussion, Members received the paper.

4.4 **Audit Committee Assurance Report and Minutes from a Meeting on 1st October 2018**

Anil Majithia introduced the committee assurance report and highlighted that the Committee was content with progress made by management actions and could provide assurance to the Corporation on the matters that it had considered during its meeting on the 1st October 2018..

Following discussion, Members noted the minutes and received the Committee assurance report.

4.5 **Appointment of External Auditors**

David Poole introduced the paper which described the process undertaken to tender for the external audit services and presented a recommendation from the Audit Committee to appoint Grant Thornton as the College's External Auditors from the academic year 2018/19 for a period of 3 years, with an option to extend the contract by one year, up to a maximum of five years.

Following discussion, Members approved the recommendation (Proposer: Jerry Hutchinson; seconder: Chris Brewer).

5. **Governance**

5.1 **Report on the Annual Completion of the Register of Interests and Certificates of Eligibility**

The Clerk introduced the paper which confirmed that a full return of certificates of eligibility and declarations of interest had been made by Members. Following a review of those declarations, the People Strategy & Governance Committee was satisfied that Members' declared interests did not indicate any conflicting institutional or organisational interests which would impair a Member's primary loyalty to the Corporation. The Committee was able to confirm full transparency and assurance to the Corporation and any particular issues which might arise could be dealt with through the normal steps of disclosure and Members' absenting themselves from relevant discussions.

Following discussion, Members received the paper.

5.2 **Corporation Self-Assessment Report 2017/18 and Quality Improvement Plan 2018/19**

The Clerk introduced the paper which presented the governance self-assessment report and quality improvement plan and set out the process taken to draft both documents, including the scrutiny and challenge that the People Strategy & Governance Committee had brought,

when it had reviewed those documents. The Committee would monitor progress on the approved quality improvement plan throughout 2018/19.

Following discussion, Members approved the governance self-assessment report and quality improvement plan. (Proposer: Phoebe Edwards; seconder: Jerry Hutchinson).

5.3 Senior Staff Remuneration Code Association of Colleges Consultation - PSG Recommendation

The Clerk introduced the paper and presented the following key points:

- i. Following the implementation of The Higher Education Senior Staff Remuneration Code in June 2018, the Association of Colleges (AoC) was currently proposing an amendment to its Code of Good Governance for English Colleges (the Code), to include a Remuneration Code for Senior Staff.
- ii. The Remuneration Code was developed for FE colleges by the AoC Governors' Council; however it aligned with, equated to and largely originated from the Committee of University Chairs' Code which was implemented in June 2018 for use by all HE providers.
- iii. The AoC was seeking to consult on its proposal for colleges to adopt the amendment to the Code.
- iv. The People Strategy & Governance Committee had reviewed the proposed amendment to the Code and the Senior Staff Remuneration Code and were recommending that the Corporation agreed to be involved in the consultation and to the Committee's proposed approach to that consultation. This would be to respond that it "agreed" to all the consultation questions, with the exception of question 11 which would be answered by "disagree."

Following discussion, Members approved the Corporation's participation in the AoC Senior Staff Remuneration Code consultation, on the basis set out in the paper. (Proposer: Martin Cooke; seconder: Anil Majithia). **ACTION 53 CLERK**

5.4 People Strategy & Governance Committee Assurance Report and Minutes from a Meeting on 20th September 2018

Phoebe Edwards introduced the committee assurance report and highlighted the following matters:

- i. The Committee had considered a paper on recruitment and succession planning which had highlighted the need for recruitment activity to take place, to fill a number of current vacancies and to prepare for some further vacancies which would come about at the end of this academic year. Members were asked to appeal to their own professional networks and connections, to assist in identifying appropriately skilled and motivated candidates. The Corporation required a further Member with financial and / or auditing expertise. It would also be helpful to consider the age, gender and diversity mix of the Corporation. The Committee would be actively working on this challenge throughout the year.
- ii. Following a review of Committee terms of reference at the end of the last academic year, the Committee now had a new responsibility associated with overseeing the College's people strategy. A constructive discussion had been held as to how this responsibility should be undertaken, whilst not cutting across the Resource Committee's role to scrutinise College HR performance and activity.

Following discussion, Members noted the minutes and received the Committee assurance report.

Ray Linforth indicated his gratitude to Phoebe Edwards and the Clerk for the extensive work they had undertaken.

6. Consent Agenda

6.1 Policies

Members approved the following policies. (Proposer: Anil Majithia; seconder: Karen Chouhan).

6.1.1 Safeguarding and Child Protection Policy 2018

6.1.2 Risk Management Policy 2018

6.1.3 Standing Orders 2018

6.1.4 Public Interest Disclosure (Whistleblowing) Policy 2018

6.2 Matters for Note

Members notes the following matters:

6.2.1 Annual Remuneration and Search Committee Report 2017/18.

6.2.2 Outcomes from Written Resolutions: the unanimous approval on Wednesday 26th September 2018 of the sale of the Spa Lane site.

7. Other Matters

7.1 Release of Papers

Members agreed to the release of papers with the exception of:

- i. Agenda item 3. 3 Update on Nuneaton Campus Development as the paper contained information planned for later publication.
- ii. Agenda item 6.2.2 Outcomes from Written Resolutions as the paper contained information which was commercially sensitive.

7.2 Date of the Next Meeting

Members agreed the date of the next Corporation meeting as Thursday 13th December 2018 at 6pm at the Nuneaton Campus.

8. Confidential Matters

Matters on this agenda were dealt with.

9. Confidential Agenda for External Members Only

Matters on this agenda were dealt with.

The meeting finished at 8.20pm

Signed: (Chair) Date: