

## North Warwickshire and South Leicestershire College

### MINUTES OF A MEETING OF THE CORPORATION

Thursday 12<sup>th</sup> December 2019 at 6pm - Room 52 at the Nuneaton Campus

**Present:** Mrs Karen Baxter, Mr Chris Brewer, Mr Duncan Cooper, Mr Jerry Hutchinson, Prof Ray Linforth, Mrs Marion Plant, Mr Clive Read and Mrs Tracey Simkins.

**In attendance:** Mr Ben Crook (Vice Principal Quality); Mr Raj Joshi (Executive Director Corporate Services), Mr David Poole (Executive Director Finance & Risk) and Mrs Rachel Marshall (Clerk).

The meeting was quorate.

#### **Whole College Self-Assessment Report 2018/19 and Quality Improvement Plan 2019/20**

Ben Crook provided a briefing to Members on the Whole College Self-Assessment Report 2018/19 and Quality Improvement Plan 2019/20 providing an overview of the following points:

- i. The process that self-assessment had taken under the new Ofsted Education Inspection Framework.
- ii. The overall grade awarded and the rationale for this decision.
- iii. The validation process undertaken internally and externally.
- iv. Areas included within the Quality Improvement Plan for 2019/20.

Members raised the following matters:

- i. Was it the case that the College didn't offer a range of enrichment opportunities for students, or that the students didn't take up the options available to them?

Ben Crook confirmed that there was a take-up of the options offered but because the area was challenging to manage a particular focus was being brought to bear on it. The Quality Improvement Plan focused on areas which were preventing the College from being graded as 'Outstanding'.

- ii. Was there any benchmarking data available for high needs students?

Ben Crook explained that there was no data available on high needs students; however there were different groupings for disabilities and SEND from which it had been possible to identify issues in level 2 English and maths and functional skills.

- iii. What grade was above 'Outstanding'?

Marion Plant confirmed that there were no further grades above 'Outstanding' and indicated that this area would be discussed further by the Senior leadership Team and Members at the Strategy Day in January 2020.

- iv. Was there anything that the College could learn from other colleges?

Ben Crook highlighted a number of examples of learning from other colleges including, moving to a two year GCSE course; providing students with the opportunity to take their GCSEs in November and if the outcome was not as desired to re-sit in June; establishing dedicated tutor groups where students had been very close to passing their exams on the initial occasion they had sat them. Some new maths staff had also been recruited. The Executive was therefore hopeful that the College would be in a better position this year.

- v. Were there any international examples of excellent practice which the College could adopt?

Ben Crook confirmed that staff were reviewing the recently released PISA data to see if there was anything the College could learn from it, although the data had a primary and secondary school focus.

## **1. Routine and Standing Items**

### **1.1 Apologies**

Apologies were received from Dr Paul Cashian, Mr Martin Cooke, Mr Anil Majithia and Miss Charlotte Walton.

### **1.2 Declarations of Interest**

No declarations of interest were received:

### **1.3 The Minutes of the Last Meeting**

The minutes of the last meeting held on Thursday 10<sup>th</sup> October 2019 were approved. (Proposer: Chris Brewer; seconder: Jerry Hutchinson).

#### **1.3.1 Schedule of Actions**

See attached Schedule.

- i. Action 64.vi. - Work to review staff skills sets was ongoing and would be incorporated into the 'people' stream of the overall College strategy.
- ii. Action 64.vii. - Work was ongoing in this area including, considering leasing the 4<sup>th</sup> floor and the Bobbin Factory at the South Wigston campus. The new Director for Estates would be taking this work forward in the New Year.

#### **1.3.2 Matters Arising**

There were no matters arising.

### **1.4 Chair's Action**

Ray Linforth reported that he had taken no actions since the last meeting.

## **2. Strategic Development**

### **2.1 Principal's Update**

Marion Plant introduced her briefing presentation and highlighted the following issues which arose from it:

- i. National Context: due to the General Election and the instigation of purdah there was a dearth of national policy.
- ii. Regional Context:
  - West Midlands Combined Authority (WMCA): there were real opportunities available to the College through the WMCA although disproportionate numbers of data requests were causing challenges.
- iii. The Midland Academies Trust:
  - The Hartshill School had been the subject of an Ofsted inspection and the outcome was an improvement on the previous inspection.
  - The interim leadership structure was stretched and additional capacity was being looked for sooner rather than later.
  - The Hartshill School building was the subject of much discussion and activity.
- iv. Strategic Planning: since the Creative Meeting, a set of draft objectives had been developed and work was taking place to define 'what success would look like' and identify milestones for each of the objectives.
- v. Strategic Update:

- The new appointment to the role of Deputy Principal Curriculum and Innovation would start in late February / early March 2020. Ray Linforth was thanked for participating in the interview process.
- The College had won a bid from Ufl for £150k of virtual reality equipment to be used in teaching and learning.

## 2.2 Strategic Dashboard 2019/20

Paul Fletton introduced the paper and provided the following overview:

- The new dashboard had taken the format of the teaching, learning and assessment dashboard and with the addition of the central aspects of corporate services and key metrics to show progress against the strategic objectives. The model had been based on that used by Barnsley College
- The dashboard was RAG rated to highlight areas of concern. A blue RAG rating indicated that it was too early to report on the metric. The dashboard also provided a forecast end-of-year outcome, the prior year actual and the current year targets.
- The teaching, learning and assessment dashboard had been presented to, and challenged by the Students, Learning & Quality Committee and updated to show the changes since that meeting:
  - Attendance for English and maths was declining and staff had embarked on bi-weekly compliance meetings to re-engage students. Attendance had therefore improved since it was reported to the Students, Learning & Quality Committee in November 2019.
  - For the second year running, the completion of teaching observations was delayed by the Ofsted inspection and currently only 70% of observations had been completed. Outstanding observations had been prioritised for completion by the end of term.

Members highlighted that only 88.5% of BKSB diagnostic tests had been completed and yet it was essential that the diagnostic tests took place. What was the reason that testing had not been completed?

Ben Crook agreed that the completion number was not where it should be; however the cohort had been increased with the inclusion of home-educated students who undertook a different test and this cohort needed to be disaggregated from the overall 16-19 cohort.

David Poole then presented the corporate services dashboard, stating that the dashboard had been presented to the Resource Committee at its meeting in the previous week. Three areas had been RAG rated Red namely:

- The current ratio which the College was on track to meet at year-end.
- Creditor days which would fluctuate in-year, as the profile of receipts varied from month to month. The College was striving to pay all its creditors within 30 days.

Paul Fletton explained that the College was currently below its target for 16-18 full time recruitment by 69 students, although only down by 20 students on its funded target. This reduction would not affect in-year income due to the lag funding methodology; however it would result in an income reduction for 2020/21, a negative impact of £100k. The College had sustained a recovery position in this area from 2 years before and was reaching the bottom of the demographic dip. Whilst it was likely that there would be further HE recruitment in January 2020, it was anticipated that final number were likely to be 10 below the target.

Members raised the following challenges:

- What options were there to take out cost against the drop in income for 2020/21?

Paul Fletton explained that it would be 'lost' revenue because it would not be possible to reduce the number of groups due to the way the cohort and delivery was configured.

- ii. What impact would this drop in income have for next year?

Paul Fletton stated that the monthly resource meetings would look at what costs could be reduced and which income areas showed be grown. The College also anticipated a national increase in funding levels of £180 extra per student, next year.

- iii. The income in per student funding should go to the bottom line and not be used 'to mop up' a decline in performance.

David Poole concurred stating that the position needed to be reviewed against a plan to reduce costs.

- iv. What was the position with the Adult Education Budget (AEB)?

Paul Fletton stated that the full time element of the AEB as provided in the paper was as at R03; it was however early and the funding position was still evolving. Recruitment of the full time elements were slightly ahead of the position at the same time last year. It was anticipated that performance would be strong this year and should at least reach the target number set out in the financial plan.

- v. The RAG rating on the estates objectives should be amended, as discussed at the Resource committee.

Mr Joshi agreed that this amendment would be completed by the next reporting date.

Following discussion, Members received the paper indicating that they found the dashboard very helpful whilst indicating that it would be helpful to link finance and quality by re-grouping the table to show relevant linkages **ACTION 67 EXECUTIVE**

### 2.3 **Confidential - Nuneaton Campus Partial Disposal**

## 3. **Teaching, Learning and Assessment (TLA)**

### 3.1 **Whole College Self-Assessment Report 2018/19 and Quality Improvement Plan 2019/20**

As there were no further questions on this matter, Members received the paper and approved the Self-Assessment Report 2018/19 and the Quality Improvement Plan 2019/2020. (Proposer: Ray Linforth; seconder: Clive Read).

### 3.2 **Students, Learning & Quality Committee Assurance Report and Minutes from 14<sup>th</sup> November 2019**

Ray Linforth highlighted a failure by the College to complete an OfS annual regulatory requirement on time, constituting a breach of the College's condition of registration. The Students, Learning & Quality had received a detailed paper on the matter and discussed the breach in some detail. The Committee's view was that whilst the actions leading to the breach were not unreasonable, there was a clear breach. The Committee agreed that the proposed steps to ensure such a breach did not re-occur were appropriate and robust and were therefore accepted by the Committee. The Committee also noted the College was not the only college which had breach a condition of its registration.

Following discussion, Members agreed with the view provided by the Students, Learning & Quality Committee.

Ray Linforth went on to highlight that Committee Members, on receiving the Annual Student Engagement Report, had indicated concern as to poor student and Learning and Skills Manager attendance at student forums and had sent the clear message that these forums needed to be taken seriously by staff.

*(Ben Crook left the meeting at 7.28pm)*

## 4. **Financial Matters and Arrangements for Internal Control**

### 4.1 **Audit Committee Annual Report 2018/19**

The Clerk introduced the paper on behalf of the Audit Committee and highlighted the following matters:

- i. As the Corporation was aware, the Audit Committee was required to produce an Annual Report summarising the work it has undertaken on the Corporation's behalf during the year.
- ii. The Audit Committee's advice, based on the work it had undertaken in 2018/19 and over previous years, was that:
  - the College had an adequate and effective framework for governance, risk management and control and has fulfilled its statutory responsibilities and that progress was being made to strengthen systems and implement new systems where necessary;
  - Grant Thornton's intention was to issue an unqualified audit opinion, both for the regularity and external financial statements audit;
  - Grant Thornton did not identify any reason to challenge the decision to prepare the financial statements on a going concern basis;
  - the Audit Committee was delighted to report that all of the issues raised in connection with the Audit Findings Report were being progressed and that it was satisfied with the Management responses;

and therefore the Audit Committee was able to recommend the approval of the Corporation's financial statements for 2018/19.

Following discussion, Members received the Annual Audit Committee Report 2018/19.

#### 4.2 **Presentation of the NWSLC Financial Statements**

David Poole introduced the paper and confirmed:

- i. The financial statements showed an operating surplus of £525k against a budget of £602k, giving a surplus of £12k after exceptional items, excluding the impact of FRS102.
- ii. In respect of the financial statements and regularity audit there were no adjustments required and the External Auditors anticipated giving an unmodified audit opinion. The 'amber' RAG rated actions highlighted within the Audit Findings Report had been completed with the exception of the receipt of a Bank return. The ESFA reconciliation had been received.
- iii. The 'going concern' report had been signed off by the External Auditors and matters supporting the finding that the College was a 'going concern' were highlighted including the College's cash flow, liquidity and borrowings. It was also important to note that the date for the Banks to invoke the break clause had passed without it being invoked.
- iv. Lloyds Bank had agreed to provide the College with an overdraft facility and Members were asked to approve the overdraft to enable the signing of the relevant agreement.

Duncan Cooper, as Chair of the Resource Committee, pointed out that following significant work by David Poole and his team, it was now evident that effective financials control were in place and whilst issues might still arise unexpectedly, these would be identified at a much earlier time due to the controls in place. This was an excellent achievement over a short period of time.

Ray Linforth then reminded Members that he had to ask Members and the Executive Team if there were any matters known to them that should be disclosed to the Auditors. If not, Members were asked to approve the signing of the financial statements.

Following discussion, as no such matters had been disclosed Members approved the financial statements for signing. (Proposer: Duncan Cooper; seconder: Tracey Simkins).

#### **4.3 Presentation of Subsidiary Company Financial Statements 2018/19 and Letters of Representation**

David Poole introduced the paper and highlighted his intention to dissolve the three subsidiary companies during the current year. The Learning Chain Ltd. was a dormant company and did not require an audit or Corporation sign off.

Following discussion, Members received the financial statements for NWHC Services Ltd., and South Leicestershire College Enterprises Ltd. and letters of representation.

#### **4.4 Audit Committee Assurance Reports and Minutes from 14<sup>th</sup> October and 21<sup>st</sup> November 2019**

Following discussion, Members received the assurance reports and minutes.

#### **4.5 Performance Report including Management Accounts Period 3**

David Poole introduced the paper which had been presented to, and scrutinised by, the Resource Committee at its meeting on 5<sup>th</sup> December 2019, and highlighted that the College was on track to meet its budget surplus. The paper presented an analysis of the College's largest income stream (16-19 students) in terms of revenue and student numbers. As the tables reflected the R03 ILR return, the numbers would change following the R04 return, with a number of students moving into funding band 5, once additional qualifications and hours had been confirmed.

Following discussion, Members received the paper.

#### **4.6 Forecast 1**

David Poole introduced the paper which had been presented to, and scrutinised by, the Resource Committee at its meeting on 5<sup>th</sup> December 2019 and highlighted that Forecast 1 was indicating an operational surplus of £498k, which was a negative variance of £28k.

Members highlighted that discussion at the recent Resource Committee had focused on the reduction in the 16-18 lagged funding for 2020/21 (equating to the under-recruitment 20 students) and the need for an associated reduction in cost.

David Poole confirmed that this issue would be discussed at the monthly management resource review meetings.

Following discussion, Members received the paper.

Members were then asked to approve the £250k overdraft with Lloyds Bank, the terms of which were outlined. David Poole explained that the overdraft would support the College through the usual funding 'pinch points' during the year.

Following discussion Members approved the overdraft. (Proposer: Duncan Cooper; seconder: Ray Linforth).

#### **4.7 Resource Committee Assurance Reports and Minutes from 21<sup>st</sup> October and 5<sup>th</sup> December 2019**

Following discussion, Members received the assurance reports and minutes.

### **5. Governance**

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

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' absencing themselves from relevant discussions.

Following discussion, Members received the paper.

## **5.2 Corporation Self-Assessment Report 2018/19 and Quality Improvement Plan 2020**

The Clerk introduced the paper which presented the governance self-assessment report and quality improvement plan and explained 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 draft Self-Assessment Report had been provided to Ofsted during the earlier inspection. The Committee would monitor progress on the approved Quality Improvement Plan throughout 2019/20.

Following discussion, Members approved the Corporation Self-Assessment Report 2018/19 and Quality Improvement Plan 2019/20. (Proposer: Ray Linforth; seconder: Jerry Hutchinson)

## **5.3 Membership Recruitment and Succession Planning**

The Clerk introduced the paper which highlighted issues concerning the need to:

- i. recruit to the current external Member vacancies and respond to the succession planning issues arising at the end of 2019/20;
- ii. fill identified knowledge and expertise gaps which posed a risk to the ongoing effectiveness of the Corporation; and
- iii. resolve identified equality and diversity imbalances.

Marion Plant explained that she spoken to a potential candidate from Coventry University who had significant Higher and Further Education experience and who had the capacity and motivation to join the Corporation. Arrangements to facilitate his meeting with the Chair and other Members would take place in the New Year.

Ray Linforth asked Members to look to their own business and personal networks to seek potential candidates to put forward.

Following discussion, Members received the paper.

## **5.4 People Strategy & Governance Committee Minutes from 9<sup>th</sup> November 2019**

Ray Linforth highlighted that the People Strategy & Governance Committee needed to appoint a new Chair, following Phoebe Edwards' resignation from the Corporation. The Committee had wanted to appoint a Member who was not already a committee chair but who had relevant experience to bring to the Committee. Following discussions with Marion Plant and much thought, Clive Read had agreed to join the Committee and take the chair.

Members indicated their thanks to Clive Read who confirmed that he was looking forward to taking up the role and helping the Committee progress.

## **5.5 Report on the Affixing of the College Seal**

Members noted the College Corporation Seal had been affixed to an admission agreement to participate in the LGPS relating to the Services provided by NWSLC between LCC, NWSLC and Churchill Contract Services, and authenticated by Marion Plant and Duncan Cooper on 5<sup>th</sup> December 2019.

## **6. Consent Agenda**

### **6.1 Policies**

Members approved the following policies. (Proposer: Ray Linforth; seconder: Jerry Hutchinson).

#### **6.1.1 Safeguarding & Protecting Children and Vulnerable Adults Policy**

6.1.2 Disaster Recovery & Business Continuity Policy

6.1.3 GDPR Policy

6.1.4 Health and Safety Policy

6.1.5 Reserves Policy

6.1.6 Risk Management Policy

6.1.7 Standing Orders

6.1.8 Senior Post Holder Pay Policy

## **6.2 Matters for Note**

Members noted the following matters and requested a briefing on safeguarding to be delivered at the next Corporation meeting in March 2020. **ACTION 69 CLERK**

6.2.1 Annual Safeguarding Report

6.2.2 Annual EDI Report

6.2.3 Annual Stakeholder Survey Report

6.2.4 Annual Student Engagement Report

6.2.5 Annual Health and Safety Report

6.2.6 Human Resource Report

## **7. Other Matters**

### **7.1 Release of Papers**

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

- i. Agenda item 2.3 Nuneaton Campus Partial Disposal as the paper contained information which was commercially sensitive.
- ii. Agenda item 4.5 Performance Report including the Management Accounts Period 3 as the paper contained information which was commercially sensitive.
- iii. Agenda item 4.6 Forecast 1 as the paper contained information which was commercially sensitive.
- iv. Agenda item 6.2.1 Annual Safeguarding Report as the paper contained information which was commercially sensitive.
- v. Agenda item 6.2.5 Annual Health and Safety Report as the paper contained information which was commercially sensitive.
- vi. Agenda item 6.2.6 Annual Human Resource Report 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 Monday 30<sup>th</sup> March 2020 at 6pm at the Hinckley Campus.

## **7. Confidential Matters**

Matters on this agenda were dealt with.



Ray Linforth reminded Members that this would be Paul Fletton and Raj Joshi's final Corporation meeting before they stepped down in the New Year. Ray Linforth provided the following detail about their time at the College before thanking them both for their work and wishing them every success:

- Paul Fletton, an extremely popular and well respected colleague, had worked at the College for a total of 11 years in several different roles and had made significant contributions on several fronts including, strong Ofsted success, the development of a very strong team of curriculum / cohort Directors and the development of new curriculum provision.
- Raj Joshi, a caring and supportive colleague, had worked at the College for four years in several roles. He had brought strong HR skills and experience and a very valuable commercial skill set into the Executive Team. He had developed and worked to deliver the Service Level Agreement the College had with The Midland Academies Trust and led on complex estates strategic (including the MTI) and secured progress towards achieving planning consent for the Nuneaton Campus partial disposal.

Paul Fletton and Raj Joshi thanked Members for the opportunity to work at the College and confirmed that it had been a pleasure.

*Karen Baxter, Paul Fletton, Raj Joshi and David Poole left the meeting at 8.10pm*

## **8. Confidential Agenda for External Members Only**

Matters on this agenda were dealt with.

Ray Linforth thanked Members for their attendance and wished them a merry Christmas and a happy New Year.

The meeting finished at 8.15pm

Signed: ..... (Chair) Date: .....