

North Warwickshire and South Leicestershire College

MINUTES OF A MEETING OF THE CORPORATION

Thursday 13th October 2022 at 6pm - Wigston Campus - Room 4-47

Present: Mrs Helen Holley, Mr Simon Kirby, Prof Ray Linforth, Mr Anil Majithia, Mr Steve Maxey, Mrs Marion Plant, Mr Clive Read, Mrs Tracey Simkins

In attendance: Mr Ben Crook (Vice Principal Quality), Mr Tom Hamilton-Dick (Deputy Principal), Mr David Poole (Chief Operating Officer), Mrs Katy Urwin (Assistant Principal - Student Services and Support) and Mrs Rachel Marshall (Clerk).

Ray Linforth welcomed everyone to the meeting, which was quorate, and received a safeguarding update presentation from Katy Urwin.

Katy Urwin left the meeting at 6.05pm

1. Routine and Standing Items

1.1 Apologies

Apologies for absence were received from Dr Rebecca Suart.

1.2 Declarations of Interest

It was noted that Clive Read had been involved in the development of the heads of terms relating to the partial disposal of the Nuneaton Campus. Not further declarations were noted.

Tracey Simkins joined the meeting at 6.19pm.

1.3 Minutes of a Meeting held on Tuesday 5th July 2022

The minutes of the last meeting held on Tuesday 5th July 2022 were unanimously approved. (Proposer: Helen Holley; seconder: Anil Majithia).

1.3.1 Schedule of Actions

See attached Schedule.

1.3.2 Matters Arising

David Poole confirmed that although the delegation relating to the approval and signing of the energy contracts agreed at the July 2022 Corporation meeting indicated that two of the following Members should be involved, Chair of Corporation, Chair of Resources, Chair of Audit and the Principal/CEO, the contracts only required one Member to sign. Consequently Ray Linforth and Marion Plant approved the contracts which were signed by Ray Linforth.

1.4 Chair's Action

Ray Linforth reported that he had taken no Chair's action since the last Corporation meeting on 5th July 2022.

2. Teaching, Learning, and Assessment

2.1 Emerging College Achievements for 2021/22

Ben Crook introduced the paper and highlighted the following points:

- i. The College was close to receiving the final achievement rates since the paper had been drafted although there were more claims to finalise before the final deadline of mid-October. The national comparators had been suspended during the pandemic and

would be re-published in January 2023 enabling comparisons with College rates to be presented to Members in March 2023.

- ii. There had been an increase in the 16-18 achievements rates from those in 202/21 and the achievement rate had now almost reached the KPI.
- iii. 19+ achievements rates were moving towards the forecast target rate.
- iv. The apprenticeship rate had decreased against the 2020/21 rates. the College's forecast rates and a reset plan had just been implemented.

Tom Hamilton Dick highlighted that the level 3 rates were close to the pre-pandemic position and level 2 rates were almost at pre-pandemic rates.

Following discussion, Members received the report.

3. Strategic Development

3.1 Principal's Update Report

Marion Plant presented her update indicating that significant activity was taking place to changes in the national climate and highlighted the following matters:

- i. College Update:
 - It was reassuring to be able to welcome two new members of staff to the Executive Team over the next few weeks.
 - The Nuneaton nursery had just been inspected by Ofsted and had done well. The full inspection report was awaited.
 - The cost of living rises were now a key issue, particularly for lower paid College staff. A number of examples as to what the College was doing to support staff were given.
 - The JLR contract was going well with the completion of the pilot. Other companies were also in discussion with the College.
 - T-levels had started and enrolments were looking positive.
 - It was highly likely that Ofsted would inspect the College later in the current year or in the new year. There had been a change in the inspection focus which now included how the College met skills needs and how Members' undertook their responsibilities in this area. A briefing in this would be given at the Creative Meeting.
- ii. Regional Update:
 - The College's bid for Skills Development round 2 had been successful.
 - The Coventry and Warwickshire Local Enterprise Partnership was disbanding which required the College to re-position itself. The Leicester / Leicestershire Local Enterprise Partnership was still going strong.
- iii. National Update:
 - The new Freedom of Speech Bill was more focused on Higher Education but it was also possible that there might be an impact on Further Education.
 - The national climate, including increasing energy bills, the increasing cost of living and the associated potential for strike action by staff over pay, was posing real risks to the College. The Association of Colleges was also cautioning the FE sector to expect funding cuts or freezes. These issues were being responded to and managed.
- iv. The Midland Academies Trust Update: activity in the Trust was outlined.

3.2 Confidential - Heads of Terms and Partial Disposal Update

3.3 Strategic Objectives 2021/22 Closing Position

Marion Plant introduced the paper and explained that the paper set out the now historic closing position of the 2021/22 strategic objectives.

Members raised the following challenges:

- i. In a number of the objectives there appeared to be a disconnect between the narrative, the outcome and the RAG rating. It was difficult to see whether there was a direct line between the outcome and the RAG rating or the outcome and the narrative. It was not always possible to find the answers in the narrative.
- ii. It would be helpful to receive some clarity on this. Senior staff needed to provide the narrative and then agree the appropriate RAG rating. **ACTION 15 VP**

Ben Crook confirmed that he would include relevant numbers to make the narrative clearer.

Following discussion, Members received the report.

3.4 Strategic KPI Dashboard 2021/22 Closing Position

Tom Hamilton Dick introduced the paper and provided the following overview of the teaching, learning and assessment section:

- i. Achievement rates had seen some positive improvement with outcomes returning to close to pre-pandemic levels.
- ii. A focus was being given to attendance which was below target; this issue had been discussed extensively at the recent Students Learning & Quality Committee meeting.
- iii. The impact on apprenticeships was a direct result of the pandemic; however there had been a good start to the new academic year. An overview of the current situation, including staffing difficulties and the implementation of a re-set plan was provided. It was highlighted that the matter had been considered by the Students Learning & Quality Committee.

David Poole explained that all financial KPIs had been met, particularly the compliance with the bank covenants which was very pleasing. Other KPIs, which had not been met, included 16-19 full time recruitment (the lagged funding methodology meant that the impact would be felt in the current academic year), MTI and AutoLive. Whilst income KPIs had also not been met for the Digital Skills Academy and MTI there had been an increase in income in these areas. The staff turnover KPI has also not been met.

Members highlighted that the cash days in hand figure was lower than the FE Commissioner's expectations. It was clear that the Education and Skills Funding Agency didn't recognise that the number of cash days went up and down.

David Poole explained that the figure given was the actual number of cash days in hand at the end of the academic year.

Following discussion, Members received the paper.

3.5 Strategic KPI Dashboard 2022/23 Opening Position

Ben Crook introduced the paper and provided the following overview:

- i. The opening position teaching, learning and assessment KPIs had been reported to the Students Learning & Quality Committee at its recent meeting.
- ii. There had been some minor changes made to the KPIs which had been reported, including the method of assessing teaching, learning and assessment and an overview of the new approach was provided. The outcomes from this new approach would be presented to the Students Learning & Quality Committee.

Members asked how staff had reacted to the implementation of this new approach.

Ben Crook explained that staff wanted to be able to access the outcomes quickly and this had been possible due to the new approach. A few members of staff had taken 'exception' to it but all staff were now accepting of it.

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- iii. Could under performance be identified early enough using the new approach?
Ben Crook indicated that it was very likely that any underperformance would be identified at an even earlier stage than before. With the new approach it would be possible to take a view across a whole programme and act quickly on the findings.
- iv. Was it anticipated that the new approach would be in place from now on or would there be a return to trained staff undertaking observations.
Ben Crook confirmed that peer observations would continue but there would be no 'independent' observations. The new approach mirrored the method that Ofsted used for its inspection deep dives. It provided earlier warning signs and was about speed and dexterity.
- v. How realistic was the 100% target for work experience placements.
Ben Crook explained that the target was mandatory as work experience was part of the study programme requirements. Previously the College had reached the high 90%'s and he was comfortable with the target going forward. Setting a target of less than 100% meant that a number of students wouldn't undertake work experience.
- vi. How did Student Voice work?
Ben Crook explained that a group of five to six students would be spoken to about a range of questions which would change throughout the year, whilst including a number of constant question themes such as safeguarding.
- vii. Why had the 2020/21 national retention rates for apprentices been adopted as the KPI for 2022/23?
Ben Crook explained that this was because national retention rates had been suspended for the last two years. The national rates for the previous year wouldn't be available until half way through the current academic year, The apprenticeship sector was suffering as a whole, as was the College.
- viii. Why had the KPI for the College operating surplus been reduced by 2%.
David Poole explained that the medium term business plan had been set before the energy costs were known and a prudent view was therefore being taken. A review of the 2022/23 medium term business plan was being undertaken.
- ix. Would it be possible to present the number of apprentices who exited College before undertaking their end point assessment.
Ben Crook agreed that extra information on these measures could be provided. In depth reporting to Students Learning & Quality Committee on this area would take place including highlighting the rates up to and after end point assessments.
- x. Should Members expect to see CLEAR being reported on under the enterprise and growth KPIs?
David Poole explained that CLEAR was a separate cost centre and would therefore be added into the KPIs and reported on accordingly. **ACTION 16 COO**
- xi. Going forward would targets be set for the JLR contract?
David Poole confirmed that it was a new contract and therefore it would be reported on as an additional income stream as it was not included in the medium term business plan.
- xii. Shouldn't it be included in the dashboard?
Marion Plant explained that as the number of contracts increased it would be difficult to include them all in the dashboard; however it would be shown in the commercial income line.
David Poole confirmed that it would be shown in the management accounts.

- xiii. Would the new executive director for business and employment report to the Corporation periodically?

Marion Plant confirmed that this would be the case.

Following discussion, Members received the report.

4. Financial Matters and Arrangements for Internal Control

4.1 Energy Contracts - Verbal Update

David Poole gave an overview of the current situation, explaining the support that the Government was putting in place for businesses which the College could avail itself of. He then outlined the steps being taken by the College by way of mitigation.

Marion Plant indicated that the College had formally requested that the ESFA to postpone the next Ambertrain repayment.

David Poole then outlined the impact of the increased energy costs on the College's surpluses, cashflow, bank covenants and financial health rating. All these matters had been taken into account when managing the situation. David Poole explained that if the postponement was agreed by the ESFA this would give the College time to make a business case to mitigate the payments.

Members asked what the impact was of rising interest rates?

David Poole explained that the Lloyds bank loan had fixed interest rates and discussions were currently being held with the RBS about this matter.

Following discussion, Members received the update.

4.2 Update on Recruitment and Financial Implications

Tom Hamilton- Dick introduced the paper and gave an overview of the recruitment picture which was moving positive towards RO4. Withdrawals were being seen, although the numbers were not significant and the College was taking a 'swop not drop' approach.

David Poole confirmed that although there was still some time to go to the 42 day point, the numbers were looking good and any drop in the 16-19 numbers would impact on the next academic year due to the lagged funding methodology. If there was an increase in the student numbers over the funded level, in-year funding would be sought. Exceeding funded numbers would help mitigate the energy costs. HE and other areas were also looking positive but there would be a clearer picture after the first half term and forecast 1.

Marion Plant emphasised the 14-16 numbers were growing, particularly in Elective Home Education and Inspire. HE numbers were at target despite a decrease across the sector. The number of high needs students had also grown which was a dilemma as the area was poorly funded. The College was receiving adequate and appropriate staff resource and funding from Warwickshire County Council. Leicestershire County Council was however poor at paying for this area.

Members raised the following challenges:

- i. Why was the pandemic still being used as the reason for the impact on apprenticeships?
Tom Hamilton Dick explained that as a legacy of the pandemic the College had been 'carrying' students who were out of funding.
- ii. The 63 apprentices highlighted in the paper were not there as a result of a carry over and were therefore not Covid-related. The reference to Covid should therefore be removed.
- iii. Were the 63 apprentices an expected number at this time of year? It seemed very low.
Tom Hamilton Dick indicated that he was not overly concerned about these numbers. As part of the apprenticeship re-set plan the roll-on-roll off approach previously adopted had been changed for a number of reasons which he outlined. He then explained that

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apprenticeships were being re-profiled with apprentices being brought into larger groups. The number of different pathways and standards were also being reviewed to reduce the number and to make the programmes clearer as a result of employer feedback.

- iv. It was important not to lose sight of the unfunded apprentices. How many were there roughly.

Ben Crook explained that there were 29.

- v. These should be included in the numbers so they were not lost sight of.

Following discussion, Members received the paper.

4.3 Update on Progress against Financial Outturn 2021/22

David Poole introduced the paper and highlighted the following key points:

- i. The College would be reporting a pre FRS 103 operating surplus of £619k for the twelve month period ended 31st July 2022. This figure was slightly up on the forecast 3 surplus amount and was a positive variance of £117k against budget.
- ii. This was a good result in light of the ongoing financial challenges and the cash reserves were very positive. It was anticipated that the College's financial health grading would move towards the upper end of 'requires improvement'.

Members indicated that this was a good outcome and following discussion, received the paper.

4.4 Annual GDPR Report 2021-22

The Clerk introduced the paper and indicated that the paper set out the GDPR activity undertaken over the summer 2022 terms and provided an overview of annual activity relating to data breaches, subject access requests, data protection impact assessment and freedom of information requests. The Audit Committee had received the report at its meeting in September 2022.

Following discussion, Members received the paper.

5. Governance

5.1 Outcomes From Written Resolutions and Sealing of Documents

Members noted that the documents had been sealed and authenticated since the last report to the Corporation.

- i. NWSLC and NatWest Bank plc Amendment and Re-statement Agreement authenticated by Anil Majithia and Marion Plant on Tuesday 26th July 2022.
- ii. NWSLC and NatWest Bank Security Confirmation Letter authenticated by Anil Majithia and Marion Plant on Tuesday 26th July 2022.
- iii. Lease agreement between Coventry University Enterprises and NWSLC authenticated by Ray Linforth and Marion Plant on Thursday 28th 2022.

6. Consent Agenda

6.1 Policies

No requests from Members had been received to discuss any item on the consent agenda and therefore Members unanimously approved the following policies. (Proposer: Clive Read; seconder: Andrew Turner).

6.1.1 Safeguarding and Protecting Children and Vulnerable Adults Policy 2022

6.1.2 Risk Management Policy

7. Other Matters

7.1 Release of Papers

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

- i. Agenda item 2.1 Emerging College Achievements as it contained information which was commercially sensitive.
- ii. Agenda item 3.1 Principal's Update Report as it contained information which was commercially sensitive.
- iii. Agenda item 3.2 Heads of Terms and Partial Disposal Update as it contained information which was commercially sensitive.
- iv. Agenda item 3.3 Strategic Objectives 2021/22 Closing Position as it contained information regarding the College's financial position, where disclosure may harm it or its competitive position, information planned for publication in advance of that publication and information considered to be commercially sensitive.
- v. Agenda item 3.4 Strategic KPI Dashboard 2021/22 Closing Position as it contained information which was commercially sensitive.
- vi. Agenda item 3.5 Strategic KPI Dashboard 2022/23 Opening Position as it contained information which was commercially sensitive.
- vii. Agenda item 4.2 Update on Recruitment and Financial Implications as it contained information which was commercially sensitive.
- viii. Agenda item 4.3 Update on Progress against Financial Outturn 2021/22 as it contained information which was commercially sensitive.
- ix. Agenda item 4.4 Annual GDPR Report 2021-22 as it contained information which was commercially sensitive.

7.2 Date of the Next Meeting:

Members agreed the date of the next meeting as the Creative Meeting on Monday 7th November 2022 at 6pm at the Hinckley Campus.

Matters on the confidential agenda were then dealt with.

The meeting finished at 7.50pm