

North Warwickshire and South Leicestershire College

MINUTES OF A MEETING OF THE CORPORATION

Monday 4th October 2021 at 6pm - Microsoft Teams Meeting

Present: Mr Chris Brewer, Mrs Karen Baxter, Mrs Helen Holley, Prof Ray Linforth, Mr Anil Majithia, Mrs Marion Plant, Mr Clive Read, Mrs Tracey Simkins, Dr Andrew Turner and Miss Charlotte Walton.

In attendance: Mr Ben Crook (Vice Principal Quality), Mr Tom Hamilton-Dick (Deputy Principal), Mrs Nicola Morrison (Director People and Commercial), Mr David Poole (Chief Operating Officer) and Mrs Rachel Marshall (Clerk).

Prior to the meeting Chris Nixon, Director of Student Experience and Support, had presented the annual safeguarding update to Members.

At the conclusion of the presentation, Ray Linforth highlighted that Chris Nixon was leaving the College to take up a new role, and on behalf of the Members he thanked Chris Nixon for all the work he had undertaken for the College and its students. As safeguarding link member he was well aware of the role that Chris Nixon undertook and the impact it had on him at a personal level; safeguarding had been in safe hands under Chris Nixon's leadership. Ray Linforth then wished Chris Nixon every success in his new role.

Chris Nixon stated that it had been his honour to work at the College.

In answer to a question from Ray Linforth concerning succession planning for the role, Marion Plant updated Members on the steps being undertaken. Tom Hamilton Dick explained that in the meantime an experienced member of the safeguarding team would step up into the role, with additional external interim support also being put in place.

Chris Nixon left the meeting at 6pm

Ray Linforth welcomed everyone to the meeting, which was quorate, in particular Simon Kirby who was attending his first Corporation meeting following his recent appointment, Trusha Lakhani who had been re-appointed to the Corporation following a period of co-option to the Audit Committee and Charlotte Walton who had been re-appointed as the Student Member. Ray Linforth emphasised how important it was to have a Student Member, such as Charlotte Walton who was able to question and challenge robustly.

1. Routine and Standing Items

1.1 Apologies

Apologies for absence were received from Duncan Cooper.

1.2 Declarations of Interest

No declarations of interest were received.

1.3 Minutes of a Meeting held on Thursday 8th July 2021

The minutes of the last meeting held on Thursday 8th July 2021 were approved. (Proposer: Charlotte Walton; seconder: Anil Majithia).

1.3.1 Schedule of Actions

See attached Schedule.

- i. Action 2 - David Poole confirmed that staff were currently working with the Nuneaton Town Council to develop the business case which would have favourable terms for the College.

1.3.2 Matters Arising

There were no matters arising.

1.4 Chair's Action

Ray Linforth reported that he had taken no chair's action since the last Corporation meeting on 8th July 2021.

2. Strategic Developments

2.1 Principal's Briefing including Covid-19 Update

Marion Plant introduced her update presentation and highlighted the following points:

- i. **Covid-19 Update:** a summary of the current College infection rates (which were less than those in schools), the steps being taken to mitigate the risk of infection (in light of changing Government guidance) and how this was being responded to, was provided.

Members asked whether there were any specific areas of concern in terms of infection rates?

Marion Plant confirmed that infection rates for staff and students were comparable and that she had not been advised of any issues requiring significant action. The current, unexpected national fuel crisis was causing some issues but overall it had been a very positive start to the year and people had welcomed being back in College.
- ii. **College Update:** Recruitment felt largely positive at this stage, although in some areas the number of applications was greater than current enrolments. Staff were working hard to increase the number of enrolments in those areas. An increase in recruitment in other areas including leisure courses was also evident. Finance continued to be stable and improving and the outturn figures for 2020/21 were showing a larger surplus than had been budgeted for. The College had now established its first supported internships, with students working at National Grid, and the positive impact of the internships on students was evident after only a few weeks; students' lives had been turned around.
- iii. **People:** Staff changes were outlined including the resignation of the Director for Adult Learning, interviewing for the role of Commercial Director and additional responsibilities for Nicola Morrison who had taken on executive leadership of commercial activity. The new finance director was settling in to the role well and was providing valuable support and additional capacity for David Poole, whose role was now Chief Operating Officer & Deputy Chief Executive.
- iv. **Regional:** As Members were aware a national insurance increase had been announced. Whilst schools/public sector organisations were exempt, FE colleges were not. A recent Warwickshire County Council SEND review had highlighted significant weaknesses.
- v. **National:** A letter from the Education and Skills Funding Agency to all Corporations had been provided, regarding changes to Post-16 Audit Code of Practice.
- vi. **Midland Academies Trust:** Ofsted inspections at The Nuneaton Academy and George Eliot School were discussed and planning for the Hartshill School new build was progressing positively. David Poole was leading on this project, and it was anticipated that the project would go to planning in the New Year.

Following discussion, Members received the update briefing.

2.2 Strategic Objectives 2020/21 Closing Position

Tom Hamilton Dick introduced the paper and reminded Members of the context that the College had been working in during the 2020/21 academic year and the resulting impact on students, with significant disruptions to all students' education and particularly to the

College's apprenticeship provision. He then outlined the range of measures implemented throughout the year to mitigate the disruption. The paper summarised the College's performance, identifying areas of achievement in-year and areas which would be carried over into 2021/22.

Members asked the following questions:

- i. In respect of the 'diverse workforce' objective, it was indicated that there was a 4.5% increase in staff feeling proud to be a part of the College. What had been the previous figure?

Nicola Morrison indicated that the increase was from 76% of staff to just over 80%.

- ii. The paper highlighted that the College had not achieved the desired 10% reduction in its utility bills, although it was working towards the objective. What reduction had been achieved and was that in terms of energy usage or cost?

David Poole explained that both usage and cost had decreased due to staff and students not being on campus. Monitoring of the situation would start again and progress would be reported to Members. Although the cost of gas was increasing the College had procured its gas supply some while ago. As the contract included a locked-in price, the College wouldn't see any increase in its gas costs, for some time. There had been a step-up in the price when the contract had been entered into, but that price was now locked-in.

Following discussion, Members received the paper.

2.3 Strategic KPI Dashboard 2020/21 Closing Position

Tom Hamilton Dick introduced the paper and again highlighted the challenging and disrupted context which the College had been working in during 2020/21. The impact of this context was apparent in the closing position of the strategic KPI dashboard. He then highlighted the following points in respect of the teaching, learning and assessment KPIs:

- i. Significant drops in retention and achievement were evident. Whilst QTAGs had been successfully applied to a large number of students, issues had arisen when assessments were required.
- ii. Difficulties had arisen with functional skills following the introduction of the new qualification (which was more rigorous) and provided less opportunities for students to take the examination as the examination window was much smaller than before. As a result, fewer students were able to successfully complete their qualifications.

David Poole then provided the following overview of the corporate services dashboard:

- i. All KPIs were RAG rated 'green' for finance.
- ii. The two 'red' RAG rated areas in enterprise and growth were again due to the impact of the pandemic on apprenticeships. This situation had been flagged throughout the year.
- iii. Again due to the pandemic, room utilisation had been RAG rated as 'amber'.
- iv. A verbal update would be given later in the agenda on progress with the partial disposal of the Nuneaton campus.

Members raised the following challenges:

- i. What was the reason for the increase in staff turnover, which was above the target?

Nicola Morrison explained that the workforce had moved on from the College into industry. This movement was linked to the national climate and there were no significant underlying reasons for the outcome.

- ii. Why had the green energy target not been met and would the 'Green' KPIs be extended this year?

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David Poole indicated that he would seek an explanation and report back. **ACTION 1 COO** In respect of the KPIs he believed that they would be expanded, and he would be looking at the detail during the year.

- iii. Given the challenging situation, progress made was good and the Team ought to be congratulated. As student achievement had been RAG rated red would the catch-up strategy manage the issue going forward.

Tom Hamilton Dick confirmed that this was the case together with the extension of student enrichment opportunities. The dashboard was not however the final outturn position, although he accepted that what was currently being reported was not normal in a usual College year.

- iv. The Quality Improvement Plan KPI was currently rated as amber. There were no target percentages reported in respect of this area so what was the position?

Ben Crook explained that the Quality Improvement Plan had been updated prior to the last Students Learning & Quality Committee meeting. Progress was being assessed for its final presentation to the Committee in November 2021 and then to the Corporation at its December 2021 meeting, together for the new Quality Improvement Plan for 2021/22.

Following discussion, Members received the paper.

2.4 Confidential - Update on Nuneaton Campus Development and Capital Projects

3. Teaching, Learning, and Assessment

3.1 Emerging College Achievements for 2020/21

Tom Hamilton Dick introduced the paper and indicated that the achievements presented reflected areas of under-performance. He did not anticipate that these would carry forward into the new academic year and that the small group funding the College had received would help students to catch-up.

Ben Crook then outlined the following matters:

- i. Usually, the paper would indicate College performance against national achievements; however performance rates had not been published for 2 years and national achievement rates had been suspended. This showed the impact the pandemic had had on Colleges. The last published achievements rates were 2018/19.
- ii. The paper presented the College achievement rates. The 16-18 achievement rates were currently being finalised. The overall apprenticeship rate was showing some decreases particularly in the younger cohort. Functional skills achievements had been negatively impacted by the introduction of reformed and more difficult qualifications together with a narrower examination window. If students returned to College they would be able to take the exams again and access further support from the Government's 16-19 Tuition Fund. The College was therefore currently advertising this fact and ramping up its capacity in line with the available funding
- iii. The Department for Education had indicated that it would not publish performance data for summer 2021 and that the data would not be used by others, such as Ofsted and local authorities, to hold schools and colleges to account.
- iv. National rates for some qualifications might be released after Christmas and these would be presented to the Students Learning & Quality Committee.

Following discussion, Members received the paper.

4. Financial Matters and Arrangements for Internal Control

4.1 Update on Recruitment and Financial Implications

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David Poole introduced the paper and highlighted that a risk to the 16-19 funded numbers was now apparent due to a reduction in the number of enrolments against the budgeted number. The initial figure was however reducing with some late enrolments taking place.

Tom Hamilton Dick confirmed that the current student attrition rate was extremely low, and staff were monitoring on a daily basis those students who were viewed as being at risk of dropping out. An improving picture was being seen on a daily basis.

David Poole explained that the funding at risk was 'lagged' finding and therefore the impact of any reduction in funding would be experienced in 2022/23. Work was ongoing to minimise the risk. There was also a risk to apprenticeship funding. There had been a decrease in new apprenticeship starters in the previous year and therefore the carry forward was less than would have been anticipated. Staff were working hard to generate more new starters this year.

Tom Hamilton Dick explained that there were plenty of apprenticeship vacancies, these just needed to be filled with students. Staff had identified the 16-18 student programme areas where it was unlikely that recruitments targets would be met, including health and social care. It was clear that grade inflation was causing students to move away from the College. Cost savings were already being identified together with the maximisation of staff utilisation.

David Poole highlighted that in respect of the adult education budget, whilst the College had not received an allocation from the Greater London Council, an allocation from the West Midlands Combined Authority and the Education and Skills Funding Agency had been received and he was confident that recruitment in this area would hold up to target.

Members asked whether it was too early to see if the ending of the furlough scheme would have any impact on apprenticeships.

David Poole confirmed that it was still too early to know the impact and there was currently no intelligence available. Tom Hamilton Dick indicated that there might be some risk, but it was probably minimal and there could be opportunities to increase distance learning in the next year.

Following discussion, Members received the paper.

4.2 Update on Progress against Financial Outturn 2020/21

David Poole introduced the paper, highlighting the financial statements presenting the financial outturn for 2020/21 would undergo further internal scrutiny before being audited by the External Audit Service. The current position was therefore as follows:

- i. The College was reporting an operating surplus of £680k for the year. Apprenticeships were £30k below the Covid-19 forecast, however, this was achieved within a challenging environment, where the sector as a whole had experienced a significant decrease in income.
- ii. 16-18 small group funding would carry over into the current academic year.
- iii. Pay and non-pay costs were in line with expectations.
- iv. The surplus indicated, was a good outcome following the significant challenges experienced over the previous academic year. Finances had been stabilised due to good budgetary control and the maximisation of income opportunities.
- v. All KPIs were showing positive outcomes and an overview of a number of the KPIs was provided.

Members raised the following points:

- i. The paper and the summary provided by David Poole showed a very positive emerging picture.
- ii. The restructuring line in pay costs had been highlighted in every forecast but had not been spent. What was happening with that provision now?

David Poole explained that this was part of the activity undertaken to manage the impact of the lockdowns and the furlough scheme. The restructuring line had been included in the budget for 2021/22 as it would now be possible to move forward with workforce efficiencies and the restructuring budget might now be needed.

Following discussion, Members received the paper.

4.3 Libor Transition

David Poole gave a verbal report, explaining the following matters:

- i. The background to the Libor (London Inter-bank Offered Rate) transition, which was affecting all organisations, and the requirements of the College's banks.
- ii. The College had taken legal advice, and the relevant documents relating to the transition decision and eventual agreement were being scrutinised.
- iii. Further advice, about the two options which were open to the College, was being taken from Grant Thornton, the College's external audit service.
- iv. The final decision as to which rate the College should operate under going forward, would need to be made by the Corporation. It was therefore likely that this would be made via electronic resolution, due to the timing of the decision.

Members highlighted the need for the paper presenting the recommendation to be clear and to give appropriate explanations for the proposal put forward.

Following discussion, Members received the paper.

4.4 Estates Planned Preventative Maintenance (PPM) Change of Contract

David Poole introduced the paper which presented a recommendation to award the PPM contract to BAM for 3-years with the option to extend it for to 24 months and outlined the situation relating to the previous contractor and steps taken by the College.

Following discussion Members approved the award of the contract to BAM for a 3-years with options to extend it for to 24 months. (Proposer: Helen Holley; seconder: Karen Baxter).

5. Governance

5.1 Governance Approach Review Outcome

The Clerk introduced the paper and highlighted the following matters:

- i. A questionnaire had been sent to all Members and co-optees to support a review of the way in which the Corporation and its Committees had worked during the pandemic. The aim of the questionnaire was to capture Members' and co-optees':
 - experiences of, and learning from the last 18 months of working during the pandemic; and
 - their views as to how governance meetings might be held going forward.
- ii. An overview of the responses which were presented in the paper was provided for Members to consider, and to support and inform discussion about the approach the Corporation wished to adopt, going forward.

Members raised the following issues:

- i. The effectiveness of online working now that Members had become used to Microsoft Teams meetings.
- ii. That whilst virtual meetings worked well, it would be good to meet in person on occasion to enable Members to get to know each better, particularly those Members who had been appointed during lockdown.
- iii. Virtual meetings promoted better attendance as evidenced by attendance rates over the last 12 months.

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- iv. There were environmental benefits to online meetings such as not having to drive to meetings.
- v. The strategy day worked much better as a face-to-face meeting; there was no substitute for this.
- vi. It would be good to have a dinner for Members to be able to meet socially.
- vii. It was important for Members to be able to come into College to get a feel for the different campuses, to see students and to assure themselves about the student experience.
- viii. This point was important as Members wouldn't gain much from coming onto a campus for a meeting.
- ix. It would be helpful to hold hybrid-meetings where Members who were unable to attend in person could join online.

Following discussion, Ray Linforth made the following proposal:

- i. Two out of the four scheduled Corporation meetings should be held in person on different campuses. **ACTION 7 CLERK**
- ii. The Members on the various committees should discuss separately how they wished to hold those meetings. **ACTION 8 COMMITTEES**
- iii. The January Strategy Day should be held in-person. **ACTION 9 CLERK**
- iv. An evening dinner to be organised at an appropriate time during the current academic year. **ACTION 10 CLERK**
- v. A number of Members (with an emphasis on the most recently appointed Members) should be invited into College to link with a particular area or facet of College activity, as Marion Plant determined best. **ACTION 11 PRINCIPAL / CLERK**

Members agreed with this suggestion.

5.2 Outcomes from Written Resolution, and the Sealing of Documents:

Members noted a number of matters:

- i. The following outcomes from a number of recent written resolutions:
 - Approval to enter into by the College of the NatWest Amendment and Restatement Agreement, the Lloyds Amendment Letter and the NatWest Security Confirmation - together with relevant signing approvals.
 - Approval of Trusha Lakhani's appointment as a Corporation Member until 31st July 2025.
 - Approval of the award of the HR, payroll and recruitment software contract to MHR for a 5-year term with an option to extend for a further 5 years
 - Approval of Charlotte Walton's appointment as a Corporation Student Member until 31st July 2022
- ii. The sealing and authentication of the following documents:
 - 28th July 2021 - WMCA Grant Agreement with NWSLC 2021/22 Funding Year - authenticated by Anil Majithia and Marion Plant.
 - 30th July 2021 - NatWest Bank Security Letter - NatWest Bank Amendments and Re-statement Agreement - Lloyds Bank Amendments and Waiver Letter - all authenticated by Anil Majithia and Marion Plant.
 - 1st September 2021 - WMCA Grant Agreement with NWSLC 1.8.21/31.7.22 - authenticated by Anil Majithia and Marion Plant.
 - 28th September 2021 - WMCA Grant Agreement with NWSLC Relating to Level 3 National Skills Funding to Operate in 2021/22 Funding Year 1.4.21/31.7.22 - authenticated by Marion Plant and Anil Majithia.

5.3 Confidential - Recommendation to Appoint a Corporation Member

6. Other Matters

6.1 Release of Papers

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

- i. Agenda item 2.1 Principals' Update Report including Covid-19 Update as the paper contained information which was considered to be commercially sensitive.
- ii. Agenda item 2.2 Strategic Objectives 2020/21 Closing Position as the paper contained information which was considered to be commercially sensitive.
- iii. Agenda item 2.3 Strategic KPI Dashboard 2020/21 Closing Position as the paper contained information which was considered to be commercially sensitive.
- iv. Agenda item 2.4 Update on the Nuneaton Campus Development and Capital Projects as the paper contained information which was considered to be commercially sensitive.
- v. Agenda item 3.1 Emerging College Achievements for 2020/21 as the paper contained information which was considered to be commercially sensitive.
- vi. Agenda item 4.1 Update on Recruitment and Financial Implications as the paper contained information which was considered to be commercially sensitive.
- vii. Agenda item 4.2 Progress against Financial Outturn 2020/21 as the paper information planned for publication subsequent to the presentation of this report.
- viii. Agenda item 4.3 Libor Transition as the paper contained information which was considered to be commercially sensitive.
- ix. Agenda item 4.4 Estates Planned Preventative Maintenance (PPM) Change of Contract as the paper contained information which was considered to be commercially sensitive.
- x. Agenda item 5.3 Recommendation to Appoint a Corporation Member as the paper contained personal data.
- xi. Agenda item 7.1 Confidential Minutes of a Meeting held on Thursday 8th July 2021 as they contained information which was considered to be commercially sensitive.
- xii. Agenda item 8.2 Confidential Minutes of a Meeting for External Members only held on Thursday 8th July 2021 as they contained information which was considered to be commercially sensitive.

6.2 Date of the Next Meeting:

Members agreed the date of the Creative Meeting as Monday 8th November 2021 at 6pm.

Matters on the Confidential Agenda for External Members were then dealt with.

Ray Linforth then indicated that Karen Baxter would be stepping down as the Staff Member at the end of the October 2021 when she would start a new role at Warwick University. During her time as a Corporation Member, Karen had provided a strong and constructive staff voice and he wanted, on behalf of all Members, to wish her every success in her new role and to thank her for her excellent contributions.

Karen Baxter explained that she had had a wonderful experience as a member of College staff and that it had the best decision she had ever made to become a teacher. The College had given her a platform to do this and to be able to teach on different qualifications. She had only been able to make the move to the new role because of the support and learning she had received whilst working at the College. She had also enjoyed being part of the Students Learning & Quality Committee.

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Everyone present at the meeting except the External Members and the Clerk left the meeting 8.02pm

Matters on the Confidential Agenda for External Members were then dealt with.

The meeting finished at 8.03pm

Signed:(Chair) Date: