



**WEST NOTTINGHAMSHIRE COLLEGE
CORPORATION BOARD**

Minutes of the Corporation Board meeting held in the Board Room, Derby Road site on Thursday 23 May 2013 at 5.00 pm

GOVERNORS Kate Allsop
PRESENT: Chris Bodger
 Nevil Croston
 Terry Dean
 Jean Hardy (Chair)
 Adrian Harpham
 Asha Khemka
 Mike McNamara
 David Overton
 John Robinson
 Colin Sawyers
 Chris Winterton

ALSO IN ATTENDANCE: Maxine Bagshaw, Clerk to the Corporation
 Andrew Martin, Deputy Principal
 Patricia Harman, Deputy Principal
 Tom Stevens, Executive Director Capital Projects & Estates
 Louise Knott, Director of Communications, Marketing & Learner Engagement
 Graham Howe, Vice Principal Business Development
 Sarah Le Good & Sarah Simons – for the Ashfield Method Project Presentation

		ACTION by whom	DATE by when
14.01	<u>DECLARATION OF INTEREST</u>		
	The Chair reminded those present to declare at the start of the meeting any declarations to be considered. Standing declarations of interest were noted, it was agreed that none of the declarations prohibited participation in discussion.		
14.02	<u>WELCOME AND APOLOGIES FOR ABSENCE</u>		
	Apologies for absence were received from Tim Clarke, Diana Meale, Malcolm Hall, Amy Mellon, Marie Oakton and Hari Punchihewa.		
14.03	<u>MINUTES OF THE MEETING HELD ON 25 APRIL 2013</u>		
	AGREED: that the minutes were a true and correct record and were signed by the Chair.	Chair	23 May 2013

Signed : _____ Chair

Date:

14.04 MATTERS ARISING AND ACTION PROGRESS REPORT

There were no matters arising. The action progress report was noted.

14.05 ASHFIELD METHOD PROJECT

Sarah Le Good and Sarah Simons attended the meeting and provided Governors with an update on Ashfield developments, the following was specifically noted:

- The College provision at Ashfield Centre is outstanding and significantly raises the aspirations and life chances of young people who have previously been disengaged from education – Ofsted report.
- Underpinning the Ashfield Centres excellence is a unique collection of behaviour management strategies.
- What is different about methods used at Ashfield? a) An innovative approach which engages all staff in modelling positive behaviour, b) encourages transparency and collaboration between staff and learners, c) emphasises responsibility, positive reinforcement of one team ethos for staff and learners – strengthening staff morale.
- The Ashfield Centre has been approached by numerous colleges aiming to learn about the methods used and replicate success.
- The Ashfield model – a) a development opportunity, b) FE is different, c) the Ashfield method is behaviour management created by FE for FE, d) the Ashfield Centre's credibility and brand value is already proven.
- In 2011/12: 1) 88% success rate and 85% positive progression, 2) sited by Ofsted as outstanding, 3) extensive media coverage across print and online, 4) acknowledged by influential areas of the FE sector.
- The Ashfield method is a unique opportunity to directly address this market and develop a business platform around an already proven brand.
- The Ashfield method is a platform with potential for multiple revenue opportunities – publications, support communities, online training (potential BKSBS collaboration), extended support packages, events and more.
- Plan for development includes June-November 2013 market research, December 2013 – March 2014 internal prototyping and development, and quarter three 2014, initial consultancy sales.
- The Ashfield method is an opportunity for WNC to establish a national reputation as a leader in innovative behaviour management strategies – creating a new business platform in the process.

In general discussion it was acknowledged that Ashfield does do something different to other colleges, and give students tools to support success. The role of the College is focusing on the learning needs and this has shown to lead to impact. The work of the team is to reintegrate individuals into statutory education with an over riding desire to help everyone to be happy, healthy and achieving.

Signed : _____Chair

Date:

Governors questioned the benefit of 'behaviour management' given that this could be deemed to be an already saturated market. Sarah Simons explained that what is in place at Ashfield is sector specific, and therefore different to what a lot of other training providers offer. Governors were advised that approximately 30 FE Colleges have come to the Ashfield Centre to see operations, with a view to their own development. A number of questions were raised by Governors.

- 1) Is there any evidence that the model can be implemented in other geographical locations?
- 2) How will BKSb be used as a software-training product?
- 3) An 'oven ready' product is likely to take a lot longer to develop than originally anticipated, BKSb is evidence of this.

In terms of the role of BKSb, it was acknowledged that the company could be used as an inroad to contacts. The team feel that the product is there and ready to be developed and instead of simply giving it away free, work needs to be done to ensure that it is given a value and that value is realised.

All Governors agreed that they were supportive of the development of the project and agreed that future progress could be supported by management rather than Board decisions.

(Sarah Simons and Sarah Le Good left the meeting at 5.25 pm.)

14.06 PRINCIPAL'S REPORT

The Principal introduced this item and drew members' attention to the following:

- Sector developments – two further reviews are being completed regarding effective Governance, 1) one by BIS to be undertaken by Susan Pember, and 2) one by the AOC Governance unit. The Minister for Skills, Matthew Hancock MP is planning to visit our region in September and will hopefully include a visit to the College. Matthew Hancock was also the keynote speaker at the House of Lords event in June for Apprenticeships.
- Skills Funding Agency capital application – the College was unsuccessful in its first bid and is resubmitting - outcome will be known in July 2013.
- Vision Workforce Skills Ltd conference – a two-day conference was held with the focus being to re-energise and motivate staff to focus on the critical task of getting the business started. The conference was positively received with constructive feedback, which will formally be reviewed in order to address issues. There is a lot of enthusiasm and talent within VWS, with the majority of staff eager to make the business a success.
- Studio School update – the College is currently progressing down the list of process requirements. At this particular point in time, the

Signed : _____ Chair

Date:

Project Team needs to be happy that there is Board support for the use of Chesterfield Road as the site of the Studio School. The Principal confirmed that it would involve 125-year lease for the front part of the building, this would be at a peppercorn rent rate. Capital funding will be available for the refurbishment needed. Whilst supportive of the use of Chesterfield Road for this project, Governors did indicate that there would be a need to carefully negotiate the lease, particularly as it is a three-way agreement. The intention of the College is to provide a full repairing lease as the responsibility of the tenant.

- In the Accommodation Strategy the College looked at realising £700k for this site, but with hindsight, it has to be questioned how realistic this is.
- Utilisation of the College's own estate will be seen as evidence of how committed the College is to sponsoring and supporting the Studio School.
- This is a real community need project.
- The Chesterfield Road site in real terms would have been very difficult to dispose of. The DfE are visiting the site next week so the College will get a better idea than as to the suitability from the perspective of the department.
- Applications for 2013/14 entry – the Principal confirmed that applications were good and the challenge is now to convert them to enrolments. HE applications are a lot more challenging with the total applications showing a slight downturn against the previous year, however, acceptances for HE programme are 50% up on the same time last year. Hitting the HE target will be challenging and the College is arranging a variety of community events, including stands in major shopping centres additionally to other promotional activity. In addition, the College has hosted an internal HE advice and guidance fair in the new atrium at the College to target internally progressing students. So far, the College has 150 HE applications, with 74 having accepted offers, the target is 211.
- Traineeships – supporting young people to develop the skills for apprenticeship and sustainability for employment is a key focus for the Government in the future, whilst some clarity has been provided there is not enough detail and further updates will be provided in the future. Perhaps the most significant aspect of the framework for the College is that providers will have to be either Ofsted outstanding or good to be able to run them, however, there is still a lack of clarity regarding the facilities available for Traineeships.
- Nottinghamshire County Council elections – members were advised that Diana Meale was successful as a newly appointed and elected Councillor for Mansfield West, unfortunately Chris Winterton was unsuccessful in retaining his seat for Mansfield South.
- Stakeholder Events – these continue as planned and are well received.
- Events – members were reminded that 24 May is the official opening of the Vision Apprentices and Vision Workforce Skills site in Nottingham. 5 June is the Celebration of Apprentices at the House of

Signed : _____ Chair

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Lords and 27 June is the Celebration of Achievement in the courtyard at Derby Road.

AGREED: to note the update provided.

14.07 PROPERTY STRATEGY UPDATE

The Executive Director Capital Projects & Estates introduced this item and confirmed that a copy of this report had been shared with the Finance & Estates Committee on 9 May 2013, and the following was specifically brought to members` attention:

- LRC Block – scaffolding still in progress, cladding expected 8 July for installation, work completion on 23 August 2013.
- Enviroblock – work commences on 3 June and completes on 12 August 2013.
- Six Storey Tower – scaffolding to commence mid June and take five weeks to complete. The College is going to try and vacate the entire Tower Block through use of Thoresby Street.
- Visual Arts & Trades Building – enabling works to refurbish the existing mezzanine area to provide two classrooms for decant purpose complete.
- Thoresby Street and Chesterfield Road – both sites to be used for decant space. Decant arrangements under way. The main disruption to Teaching will be during the cladding of the Tower that will remain mainly empty throughout the programme. A high level summary of curriculum relocations was referred to at appendix 1.
- SFA College Capital Investment Fund (CCIF) – the autumn 2012 statement confirmed that £550million is available for FE College capital developments in 2013/14 and 2014/15. Colleges can bid for funds via a competitive process over four separate phases. Since the first deadline of 1 March 2013 for the submission of expressions of interest, 145 colleges made 183 returns. The total amount requested is £715million, which exceeds the available £550million budget.
- Engineering Innovation Centre – the College has not been successful in its bid for £1.9million funding support. In a debrief by the SFA they confirmed that the College can resubmit as part of the second round. During discussions, the team were advised that the educational case needs to be improved. It was noted that there are a number of colleges who have moved passed the expression of interest stage and on to phase 2. The College will be resubmitting at phase 1. A decision on the second round is anticipated by 27 July 2013.
- Project Development Fund – the College submitted an application for £110k to the SFA to support 50% of the fees relating to the development of capital projects, this payment has been received from the SFA.

AGREED: to note the content of the update provided.

Signed : _____Chair

Date:

14.08 **MANAGEMENT ACCOUNTS TO 31 MARCH 2013**

The Director of Finance introduced this item and confirmed that his full report was presented and shared with the Finance & Estates Committee on 9 May 2013, and for these reasons, he was simply going to identify key points, Members` attention was drawn to the minutes of the Finance & Estates meeting, agenda item 14.

- The College is still reporting a loss for the period, but is starting to see improvements, some green shoots.
- Subsidiary companies are performing well and supporting the core College provision.
- Vision Workforce Skills figures are not included in this report, but will start to come through in April and later accounts.
- A lot to do in the last three months, but the expectation is to get closer to target.
- One of the key areas of concern is the 16-18-apprenticeship programme, where at current rates the College will only generate £5.19million, which is £805k below forecast. This, however, includes VWS activity of £.474million passed through in its entirety to the subsidiary. Excluding VWS activity, College based activity is £102k behind year to date plan and partners £553k.
- Partner income is not the core issue within College performance, the under delivery of partner activities, excluding VWS compared to plan, at the planned margin, would have delivered approximately £450k more on margin. Higher than expected margin compensates for approximately £400k of this. Partner activity is still delivering approximately £1.9million margin before support costs.
- One of the most significant issues in College is the workplace delivery school, where contribution is currently £275k behind plan. Other and Support Services contribution is currently £267k behind plan.
- The balance sheet includes borrowing associated with the new build programme with a total value of £8.5million as at the end of March, this incurred interest costs of £178k in the first eight months of the year. It was noted that draw down of the second part of the loan facilities has been pushed back as far as possible. The Director of Finance confirmed that a report would be presented to the Board at its July meeting for discussion and approval regarding the second drawn down arrangements.
- Cash balances for the Group of £18.835million are higher than forecast, (by £9.153million). It was noted that the most significant costs incurred by VWS were the redundancy costs associated with restructure.

AGREED: to note the content of the Management Accounts to 31 March 2013.

Director
Finance

11 July
2013

Signed : _____Chair

Date:

14.09 COLLEGE FEE POLICY 2013/14

The Director of Finance introduced this item and drew the following to members' attention:

- The College reviews its fee policy on an annual basis and has seen fee levels rise as Government funding has been targeted on specific groups of adult learners. The initial move towards a sharing of investment with 50/50 levels of fee intervention funding was reached in 2010/11.
- The College had sought to increase fee levels at a modest rate by 5-10% in the previous financial year, depending on the difference in the level of actual and assumed fee.
- Due to competition law requirements and restrictions, the SFA is not empowered to set college fees. The setting of fees remains a matter of business for the College Corporation and is a key role identified within the Instrument & Articles of Government and the Financial Memorandum, however the SFA and Ministers continue to maintain an interest in the levels of income raised by FE colleges through fees, and each year Government policy is to balance the contributions for adult learning between the State, individuals and employers.
- The College fee policy for 2013 remained consistent with prior years continuing to accelerate some fees closer towards the national fees at a quicker rate. Further amendments were made to the credit policy, by which adult fee payers utilise a phased payment for more expensive courses.
- In relation to 2013/14 no proposed changes are made to the fee remission categories.

Proposed Policy:

- The major change to the policy for 2013/14 is the new advanced learning loan facility for 24+ learners. This has been introduced by Government as a means to reduce revenue expenditure on adult education and to empower individuals to take personal responsibility in the investment of human capital.
- The introduction of what will be much higher fee levels next year will be a major change for the sector and without doubt will have an impact on study decisions taken by many adult learners.
- Whilst the system will operate very closely to the HE loan system, colleges will receive monthly payments from the student loan company, based on evidenced attendance, which will add increasingly to the administrative burden of income collection.
- When setting fee levels for these courses, the College has to be aware of the fundamental changes for these learners, and in doing so, has set fee levels in order to recover the total level of income that had otherwise been lost from the introduction of the national policy.
- Whilst this has led to some very high fee levels, the College would be worse off if it set fee levels at any lower rates.
- The College will not increase its fee levels in 2013/14 from those charged in 2012/13 for all other groups of learners, recognising the

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challenging economic environment and the competitive nature of FE fees across the area.

- The College will continue to charge market rate fees where these are likely to be greater than the assumed national rate.
- Full time courses for learners under 24 years of age, but over 18 years of age will continue to be charged at £350, in line with the current fee policy. Learners within the national remission categories, will continue to benefit from non-payment of fees, in line with national policy.
- Course fees for adult apprentice programmes will continue at £500 for the majority of adult apprentices, with the exception of level 3 apprentices over the age of 24, who will pay the full cost rates linked to the advanced learner system.
- Higher Education – the College has already agreed its fee levels for 2013/14, these will be a) £5500 for full time learners, and b) £3000 for part time learners.
- Continuing learners will be charged in line with the current standing fee of £1,380 for full time and £900 for part time learners.

In general discussion, it was acknowledged that the fee proposals will have an impact on a large number of programmes for the College, particularly in relation to Access to HE, the main proposal is to keep fees, on the whole, as the prior year including HE. Courses affected by the introduction of 24+ loans have to be treated differently to try and recoup the funds lost.

Members reviewed the schedules on pages 45 to 47 and acknowledged that a large number of learners will be affected by the introduction of the advanced learning loans, and age will be a very important factor going forward unfortunately. Governors were assured that the College is not looking to go to maximum fees permissible, but would try to stay on an even keel. Governors noted some concern regarding the huge differences between fees for the same courses, depending on age. It was agreed by all that there would be a stark impact regarding adult education in a number of areas.

Whilst acknowledging the changes proposed were as a result of Government changes and criteria, the impact of the policy was very concerning, particularly for the older cohort of learners. John Holford wished to have his dissenting view noted, albeit that it was acknowledged that in practical and financial terms, there was very little that the College could do about the situation and it was simply a matter of where the line had to be drawn.

The Director of Finance confirmed that reports would be provided in the new year assessing the impact of the introduction of the advanced learner loans, so that regular assessment could be undertaken of the impact, both for the College and for learners.

Director
Finance

2013/14

Signed : _____ Chair

Date:

AGREED to:

- a) Note the update provided.
- b) Approve the college tuition fee policy proposed for 2013/14.

14.10 EMPLOYER ENGAGEMENT PERFORMANCE

The Vice Principal Business Development introduced this item and confirmed that the College has been successful in securing a £7.3million ESF tender to support skills in the workplace across the Derbyshire and Nottinghamshire LEP area. This tender is focussed on SME's and will run until July 2015. There are a number of partners on the tender including all local colleges, income will realistically commence from August 2013. It was agreed that, strategically, this will be a very important pot, as led by the LEP.

Members were advised that the current shortfall of activity to achieve contract allocations is £1.3million less than reported four weeks ago, and there is continued confidence in achieving the adult allocations although the 16-18 apprenticeships will continue to prove challenging.

Members' attention was drawn to the schedule of partner activity. All agreed that it was in line with expectations.

AGREED: to approve the partner schedule presented.

Members' attention was drawn to the performance against KPI's for the single business unit, which includes Vision Workforce Skills. It was noted that for the first time four of the five KPI's are above target, the one that remains a concern is case load efficiency. Members were advised that the inclusion of VWS has increased the proportion of the contract being delivered by the College Group to 32%. It has, however, had a negative impact on the case load efficiency, whilst customers are engaged for VWS.

The provision is now significantly above the overall success rate target for employability and NVQ, and for the first time in year, the provision is at is Apprenticeship target.

Going forward, all Governors agreed that it was important to report VWS performance separately. All Governors felt that there was a need to ensure that VWS and College performance was distinct, at least for the next twelve months.

VPBD

2013/14

14.11 EXCEPTION REPORT - SAFEGUARDING, EQUALITY & DIVERSITY

The Deputy Principal introduced her report and confirmed that there was only one safeguarding incident reported in April 2013, the allegation was reported to Derbyshire Social Care and they visited the family and found there were no concerns, and the claim to be unfounded.

Signed : _____ Chair

Date:

There were no safeguarding issues in relation to partner provision, nor were there any equality and diversity incidents, reported in either College provision or Partner provision in April 2013.

AGREED: to note the update provided.

14.12 **GOVERNANCE**

1) New Governor Appointment

The Clerk to the Corporation introduced this item and confirmed that the Board currently has one vacancy for a Business Governor. Governors will have seen from previous Search Committee minutes that an approach has been made to Ian Baggaley to ask him whether he would be willing to extend his relationship with the College and join the full Board, as well as sitting on the Board of Directors of two subsidiary companies (BKSB and Safety Plus).

The desire was to strengthen the Governor arrangements between the link companies and also take advantage of his skills, knowledge and experience within the construction sector.

Ian Baggaley has indicated that, if offered a position on the Board, he would be willing and able to make the necessary commitment, and on this basis, the Search Committee would like to make the recommendation that he be appointed.

AGREED: to approve the appointment of Ian Baggaley as a Governor from 23 May 2013 to 23 May 2017.

2) External Co-Optee for the Standards Committee

The Clerk to the Corporation explained that the Search Committee have actively targeted the recruitment of a school headteacher to sit as an external co-optee to the Standards Committee. The aspiration is to have an individual who is fully familiar with data analysis and understands the progression opportunities between schools and FE in general and the College specifically. The Committee has been able to secure the commitment from Rob Martlew, the Head at Joseph Whittaker School, and would wish to make the recommendation that he be appointed.

AGREED: to recommend the appointment of Rob Martlew as an external co-optee to the Standards Committee from 23 May 2013 to 23 May 2017.

3) FE Code of Governance Compliance Report

The Clerk to the Corporation introduced this item and drew members' attention to an update following audit findings. Members were entirely happy that audit actions identified were being progressed.

Signed : _____ Chair

Date:

AGREED: to note the content of the report provided.

14.13 MINUTES OF THE MEETING OF THE STANDARDS COMMITTEE HELD ON 25 APRIL 2013

AGREED: to note the content of the minutes.

14.14 MINUTES OF THE MEETING OF THE FINANCE & ESTATES COMMITTEE HELD ON 9 MAY 2013

AGREED: to note the content of the minutes.

14.15 AOB

There were no items of additional business.

14.16 DATE OF NEXT MEETING

The Clerk to the Corporation confirmed that the next meeting was scheduled for 11 July 2013 at 5.00 pm.

14.17 CONFIDENTIAL ITEMS

1) AGREED: to approve the content of the confidential minutes of the Board meeting held on 25 April 2013.

2) AGREED: to note the content of the minutes of the meeting held by Vision Workforce Skills Board of Directors on 20 May 2013.

Meeting closed at 6.15 pm.

Signed : _____Chair

Date: