



**WEST NOTTINGHAMSHIRE COLLEGE
CORPORATION BOARD**

Minutes of the Corporation Board meeting held in the Board Room, Derby Road site on Thursday 6 March 2014

GOVERNORS PRESENT: Chris Bodger
Nevil Croston, Chair
Malcolm Hall
Asha Khemka
Mike McNamara
Diana Meale
Beverley Nita
Marie Oakton
David Overton
Hari Punchihewa
Chris Winterton

ALSO IN ATTENDANCE: Maxine Bagshaw, Clerk to the Corporation
Patricia Harman, Deputy Principal: Teaching & Learning
Tom Stevens, Executive Director: Capital Projects & Estates
Andrew Martin, Deputy Principal/Director of Finance
Louise Knott, Director: Communications, Marketing & Learner Engagement
Graham Howe, Vice Principal: Business Development
Tracey Thompson, Director: HR
Andrew King, Director: Strategy & Innovation
Gavin Peake, Director: IT
Sasha McCarthy, Director: Employer Engagement
Elaine Martin, Director: Quality & Performance

14.23 DECLARATION OF INTEREST

The Chair reminded those present to declare at the start of the meeting any interests in matters to be considered. Standing declarations of interest were noted, it was agreed that none of the declarations prohibited participation in discussion.

14.24 WELCOME, INTRODUCTIONS AND APOLOGIES FOR ABSENCE

Apologies for absence were received from Kate Allsop, Ian Baggaley, Tim Clarke, Terry Dean, John Holford, Amy Kendal-Smith, John Robinson and Colin Sawers.

It was noted that the extended Executive Team had been invited to this meeting, given the importance of the mid year review.

ACTION by whom	DATE by when

Signed : _____Chair

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14.25 MINUTES OF THE MEETING HELD ON 30 JANUARY 2014

One minor typographical error was noted at page 14, this was amended.

AGREED: that the minutes were a true and correct record and were signed by the Chair.

Chair

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There were no matters arising from the minutes.

14.26 ACTION PROGRESS REPORT

Members noted the content of the progress table presented.

14.27 MID YEAR REVIEW OF COLLEGE STRATEGY & PERFORMANCE

The Principal introduced this item and reminded Governors that this is the time of year when the Senior Team and the Board look at the College's in-year position and focus on challenges and opportunities. She explained that her presentation is intended to give an overview of all key elements of the organisation.

The presentation was broken down into a number of headlines, each of which was discussed in detail:

1) In-Year Sector Developments

- Apprenticeship reform – new standards, assessment and funding. Funding not yet finalised, but the sector knows that there will be real changes.
- Traineeships – slow initial take up resulting in further flexibilities. A real Government push to make this work. The Government and, therefore, colleges need to be committed.
- LEP Priorities – call to demonstrate contribution towards local priorities including from Ofsted. A priority is creation of jobs and getting people into jobs. The D2N2 LEP is really making progress and it is pleasing to note that they recognise the contribution of FE. LEP will have the power to allocate ESF and capital funds going forward, which will be critical for growth.
- Destinations and Outcomes – not simply success rates. The College is working on improving its systems and will improve in relation to its data capture capabilities.
- Career Colleges - new form of 14-19 institutions.
- 16-19 English and Maths focus – poor international performance. Maths and English is a huge focus at every level of education. Distinction has to be drawn between literacy and numeracy and English and Maths, it was felt that literacy and numeracy was more applicable in the workplace environment.

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2) Teaching and Learning

The presentation summary relates to College core business. There are different types of observation, but the ones recorded in summary are the graded observations only. Grades have been validated by external observers.

- College based provision – Grade 1 26%, Grade 2 56%, Grade 3 14%, Grade 4 2% - a very positive picture so far with 82% Good or Better, although there are still pockets of concern.
- Partner provision – Grade 1 0%, Grade 2 54%, Grade 3 33%, Grade 4 13% - all felt that the level of Grade 4's was too high and it was quite clear that partner observations were not as good as the College position.
- Vision Workforce Skills – only 3 observations undertaken to date and all were Grade 2. Not many observations have been completed yet as the organisation is currently finishing the cycle of peer observations which are ungraded. There will be many more graded observations in the second half of the year.
- Target is to get to no Grade 3's or 4's as soon as the organisation can.
- Predicted College success rates for long qualifications (classroom based learning only):
 - Academic Public Services and Sports Studies 90%,
 - Business, Professional Continuing Education 76%,
 - Construction and Building Services 90%,
 - Care and Education Services 96%,
 - Creative Industries and Digital Technologies 89%,
 - Engineering and Transport Skills 92%,
 - Lifestyle Academy 94%,
 - Work Related Training (classroom not Apprentices) 84%.

All agreed that the expected best-case prediction for Business, Professional and Continuing Education was of concern. It was acknowledged that this School of Learning is under review at this time.

- Predicted success rates functional skills – expected best case for 19+ is 81% and under 19 is 87%. It was confirmed that a functional skills report would be provided on a curriculum-by-curriculum basis at the next Board meeting.

In general discussion members indicated that they would find it very useful to have national benchmarks included in all reports. In addition, they would like to see trend analysis in relation to success rates on a curriculum by curriculum basis for 2011/12, 2012/13 and 2013/14.

- Success Rates Apprenticeships – timely success is a real issue for the College. Not only does it impact upon quality, but it also impacts on funding. Assurance was given that the College knows the issues to address and cannot allow the under performance to continue. This is an area that has to be tackled if the College is to regain its Outstanding grade status at the next Ofsted inspection. In terms of Apprenticeship activity it was explained that the move away from

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Principal
T&L

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NVQ has meant a move from one course to six modules, some parts of which are more difficult to secure learner engagement, particularly English and Maths, Functional Skills etc.

The Deputy Principal: Teaching and Learning confirmed that the College's target was to improve all the time, but it has to be acknowledged that this is in the context of a very changeable picture. Observations are only graded for one hour out of 800 hours delivered teaching time. She confirmed that the College does have a strategy in place to try and eliminate Grade 3's and 4's and this is very transparently linked to the capability policy and procedure. It was explained that this is a cyclical process and that reporting is only a snapshot in time.

In terms of partner observations and performance, it was confirmed that this is managed and in fact there are four partners who have had their contracts suspended as a result of poor performance. Governors questioned why there were so many problems apparent in the apprenticeship statistics. It was explained that this is as a result of a number of factors:

- a) Move away from NVQ to the new framework.
- b) Capability of Apprentices – some students should not have been enrolled on the courses at the level they are.
- c) Accuracy of time predictions for the length of stays. With hindsight, some of the courses were just too optimistic and the College needs to ensure better assessment of the time required. It was confirmed that the College will work hard to ensure that the end of year performance is improved.

3) Quality

Good progress is been made against the Quality Improvement Plan with key areas for development as previously discussed, a) moderation and continued use of Ofsted inspectors to validate grades within Schools of Learning and b) timely success in work based learning (Apprenticeships and NVQ's).

4) Financial Performance

- Financial position is well known and has been shared with the Board and the Finance Committee. Loss anticipated of £933k (before interest and depreciation).
- Income – increase in ASB (+£3.3million), ESF (+£2.5million), offset by Vision apps (-0.6%) and 16-18 Apprentices (-£1.7million).
- The £933k deficit predicted excludes VWS.
- Pay costs – reduction through College (£0.7million), and Vision Apprentices (£0.6million), this is less direct delivery and more partner delivery.
- Non-pay – increase of partner costs (£5.3million – ASB, College under delivery, ESF) £0.5million to others.

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5) Vision Workforce Skills

- Review of VWS current and short term activity undertaken, a) agreed plan to remove excess delivery capacity, b) reduction in operational training centres.
- Medium term strategy being developed, a) business is different to original plan, b) review of success/failure/opportunities to shape new strategy (1 May VWS Strategy Day).
- Key task is to keep a motivated workforce during these necessary changes.
- Review of financial performance - what was seen was a business restart with many challenges. Over ambitious budget, predominantly impacted by 16-18 IT Apprenticeship performance.
- Excess capacity, particularly in IT.
- Some poor performing centres.
- An emerging business that fundamentally differs from original plans. What has become clear is that there is a need to fundamentally change the business plan to target learners/employers who are interested in the product. The in year savings will be small, but there will be significant cost savings in 2014/15.

Vision Workforce Skills and the implications for the College Group:

- Loss of £2.4million will result in a Group deficit of a similar amount for 2013/14.
- Cash flows and liquidity remain stable due to past performance and borrowing levels.
- Result for 2013/14 not sustainable into 2014/15.
- Back on track means an overall surplus of £566k.
- VWS restructure – measures are in place to support the team and the learners during the processes agreed.

Governors were reminded that all profits from VWS and the other subsidiary companies are re-invested into the locality for the benefit of Mansfield and Ashfield students.

6) BKSB

- Another record year for the Company.
- Income growth to £2.48million (+£357k, 16.8%).
- Operating surplus of £1.125million (budget £0.997million).
- Indian subsidiary formed in year, cost of £50k to set up, expected to deliver a break even in 18 months.
- Skills Anytime – due imminently for launch (business to consumer product).
- GCSE integration generating interest but threats remain through the increased prominence in Maths and English in Government priorities.

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7) Funding Allocation 2014/15

- Funding allocations expected at the end of March 2014.
- Two key political drivers will lead to an adverse impact, these are:
 - a) Funding for 18 year olds - £300k reduction.
 - b) Adult skills budget – 8.5% reduction nationally in 2014/15.
 - c) The impact on current College allocation would be a reduction of £2.116million.

It was explained that the net effect, because of the use of partners is £400k and therefore, with the £300k reduction for 18 year olds, would make -£700k a worse case situation.

- Opportunities for 24+ loans, employer ownership.
- HE due later this month, potential impact on widening participation budgets.
- A definite challenge for 2014/15 against which the College must respond.

8) Property Strategy

- Cladding six-storey tower and other buildings – practical completion of LRC, Enviroblock, No. 19 and Sherwood Care rebranded as University Centre. Anticipated completion shortly is six storey tower – April, link bridge – April, and three storey block – July.
- Studio School refurbishment is on schedule as planned.
- Engineering Innovation Centre – work is moving on at pace in this area. It was agreed that Louise Knott needs to work with the Head of School in this area to promote and recruit more students.

Louise
Knott

March
2014

9) IT Systems

- New server room and infrastructure.
- Fully resilient internet connection.
- Improved security systems and filtering.
- 15-minute fix for classroom customers.
- New infrastructure (private cloud) rolled out in VWS.
- Datanet 2 – point in time comparison data from a data warehouse.
- Challenges – a) new HR and payroll system to go live in July 2014, b) mobile security and BYOD, c) upskilling staff to use ILT effectively in the classroom.

10) Community Impact

- College led discussion on how to improve inward investment into the local area.
- New business led group used to steer inward investment work going forward.
- Plans to produce a single document replacing the annual score card and report.

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- Studio School – acceptances received in relation to applications/offers have exceeded the minimum planned required, and therefore the project has the funding in place to progress. Acceptances take the Studio School to 117% of break-even point.

11) College Applications 2014/15

- Acceptances overall at +371 at the same point last year (+55%), a lot of which is to do with changes in processes.
- However:
 - a) FE 16-18 –164 applications against the same point last year (-7%).
 - b) FE 19+ is –254 applications against the same point last year (-27%).
 - c) HE is +20 applications against the same point last year (+1%).
- Factors to consider – a) impact of 24+ advanced learner loans, b) change in process, c) reduction in the number of courses one person can apply for.

12) Summary

- Good progress in classroom provision quality.
- Some challenges for workplace programmes.
- Pressing need to secure VWS position.
- Consistent growth of BKS products.
- College funding challenges into 2014/15.
- Excitement at the successful Studio School launch.
- Accommodation strategy reaching its conclusion.

The Principal then went on to share the potential of a University Centre on College premises. She confirmed that an application has been submitted to the LEP for funding of 3200m2. She confirmed that the bid had been submitted to very tight timescales, and at this stage there was no real way of knowing if it was going to be successful, and therefore, there was no commitment required at this stage. It was explained that it is very early in the processes, and a full report would come back to the Board if the bid was successful.

AGREED: to note the update provided.

14.28 PROPERTY STRATEGY UPDATE

The Executive Director: Capital Projects & Estates introduced this item and it was acknowledged that the majority of his summary report had been included in the presentation update. However members` attention was particularly drawn to the update on the Engineering & Innovation Centre. It was explained that establishment and connection of utilities remains a concern. Section 1 completion, that includes facilities for fabrication and welding targeted for 25 April 2014. However, this is dependent on an optimum date for gas and electricity connection. A delay in installation could delay the planned relocation of fabrication and

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welding. It was confirmed that generators are to be provided as a 'plan b', as it is imperative that the College hits the deadline.

Members were also given an update in relation to the Further Education Condition Fund – in December 2013 the Skills Funding Agency announced a new initiative. The College is eligible for £500k funding, and an application that fulfils criteria has been submitted for consideration and approval. It is proposed that £275k be used as a contribution to the cost of the external cladding to the six storey tower and three storey block, £225k to be allocated to improve the existing heating system and controls.

AGREED:

- a) To note the update provided.
- b) To provide retrospective approval for the application to the Skills Funding Agency for £500k from the FE Condition Fund. Members were supportive of the allocation proposed (£275k towards external cladding, and £225k to modernise the existing heating system on the Derby Road Campus).

14.29 MINUTES OF THE STANDARDS COMMITTEE MEETING HELD ON 23 JANUARY 2014

AGREED: to note the content of the minutes.

14.30 MINUTES OF THE AUDIT COMMITTEE MEETING HELD ON 14 FEBRUARY 2014

AGREED: to note the content of the minutes.

14.31 MINUTES OF THE FINANCE & ESTATES COMMITTEE MEETING HELD ON 25 FEBRUARY 2014

Governors indicated that rather than review the tabled of paper, they would wish to have consideration of this item deferred to the next meeting.

AGREED: to defer review of the minutes to the next meeting.

14.32 CONFIDENTIAL ITEMS

It was agreed to record confidential items separately.

14.33 AOB

There were no items of additional business.

14.34 DATE OF NEXT MEETING

The Clerk confirmed that the date of the next meeting was 10 April 2014 at 5.00 pm.

Staff and students left the meeting at 6.50 pm.

Clerk

April 2014

Signed : _____Chair

Date: