WEST NOTTINGHAMSHIRE COLLEGE
CORPORATION BOARD

Minutes of the Corporation Board meeting held in the Board Room at the Derby Road site on Thursday 10th July 2014 at 5.00pm

GOVERNORS PRESENT:	Kate Allsop Chris Bodger Nevil Croston, Chair Terry Dean John Holford Dame Asha Khemka Mike McNamara David Overton Hari Punchihewa
ALSO IN ATTENDANCE:	Maxine Bagshaw, Clerk to the Corporation Patricia Harman, Deputy Principal Teaching and Learning Tom Stevens, Executive Director Capital Projects & Estates Andrew Martin, Deputy Principal/Director of Finance Louise Knott, Director Communications Marketing and Learner engagement Tracey Thompson, Director of HR Sacha McCarthy, Director Employer Engagement

		ACTION by whom	DATE by when
14.71	**DECLARATIONS OF INTEREST**		
	The Chair reminded those present to declare at the start of the meeting any interest in matters to be considered. No interests were declared.		
14.72	**WELCOME INTRODUCTIONS AND APOLOGIES FOR ABSENSE**		
	Apologies for absence were received from Ian Baggaley, Tim Clarke, Malcolm Hall, Diana Meale, Beverley Nita, John Robinson, Colin Sawers. Absent without apologies were Amy Kendall-Smith, Declan Searson and Chris Winterton.		
14.73	**MINUTES OF THE MEETING HELD ON 22ND MAY 2014**		
	AGREED: that the minutes were a true and correct record and were signed by the chair.	Chair	10.07.2014
	One minor typographical error was noted on page 4 of 10. The second bullet point should indicate that 20 Colleges competed in a wide range of craft based challenges and not completed.		

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There were no matters arising.

14.74 ACTION PROGRESS REPORT

Members reviewed the progress table and were happy that matters were progressing as required. The Principal indicated that in relation to India developments progress is slow as it is not a priority focus at the moment. She confirmed that in relation to BKSB an office in India has been opened and this will allow the company to train the trainers. In relation to the potential partnership with a construction college she confirmed that this is moving slowly and gave assurance that at this stage there is no financial commitment or investment required, all developments are to be funded externally and not by the College.

AGREED: to note the update provided.

14.75 PRINCIPALS REPORT

The Principal drew members attention to her comprehensive report and a number of items were specifically noted;

- Organisational restructure update – 69 people remain at risk across VWS and College (this is down from 111). Today was the last day of consultation and for those who have already agreed leaving arrangements they will cease to be employed from tomorrow. In terms of publicity there have been no national enquiries and just a small piece was reported in the CHAD.
- BIS consultation on the future of FE loans – the consultation proposes opening up the system to include 19-23 year old repeat learners and those taking further Level 2 qualifications who are not entitled to full grant funding. All Governors agreed that in relation to the development of loans communication is key and that students need to fully understand that they are looking at investment not debt. In terms of the national picture, London take up seems very positive and as a consequence some staff from the College are going to see how this operates as the local position has not been as positive as expected or hoped for.
- BIS/DFE consultation on the future funding of traineeships – a consultation on the future funding of traineeships has also been launched.
- OFQUAL consultation on GCSE and A-Level reform – this will mean some significant changes if implemented, however there is currently a feeling in the sector that there is a real mismatch between ‘education’ and ‘qualifications’.
- National College consultation – the call for national colleges follows announcements of new national colleges to support high speed rail as well as a new national college to support the expansion of the nuclear power industry. A high speed rail college has been put forward by D2N2 LEP located in Derby and is one of 4 shortlisted bids awaiting decision.

- 157 group response to the Adonis review – currently 45% of colleges are seeing significant financial challenges, this is only set to get worse. At this meeting the group also took the opportunity to discuss policy in relation to localism, skills and growth which will inform the labour party manifesto for 2015. In summary there is a strong commitment to devolution and local autonomy. There is a recommendation to establish 100 UTCs by 2020, whilst acknowledging the role of FE Colleges in delivering higher level of technician training. All Governors acknowledged that this was somewhat at odds with current assessments of performance for existing UTCs which is not favourable.
- HE update – Senior Managers held a very positive meeting with the Vice Chancellor of Birmingham City University last month, the Colleges new University partner. The Vice Chancellor was incredibly positive about the partnership and supportive of the vision for a university centre.
- Celebration of achievement – a fabulous event and it was pleasing to see employers sponsoring the awards this year.
- House of Lords 16th July 2014 – 150 people will be attending the celebration of apprenticeship event.
- Beacon award submission – July sees the closing date for the annual OC Beacon awards programme. This year the College is resubmitting its nomination for Gogglebox Live a TV show written, produced and presented by Level 3 media students.
- Studio School – an OFSTED Inspector attended today for a pre opening meeting, everything was very positive. A key message for the team is not to simply focus on qualifications but look to support all learners to develop employability skills.

AGREED: to note the update provided.

14.76 **<u>OUTCOMES FROM THE BUSINESS STRATEGY RESIDENTIAL</u>**

The Principal introduced this item and provided a summary of the matters agreed and discussed at the planning event.

1) Priorities
    - Return to outstanding – the College does not yet know when it will be re-inspected. The usual cycle is 3-4 years, 2 years have already elapsed since the last inspection.
    - Financial stability
    - Realising the accommodation strategy
    - Meeting local and national priorities
    - Leading the sector
        a) Blended learning – a very challenging task. Initial step is to seek 10% digital delivery, developments in this area will involve a total culture change.
        b) University centre for Mansfield – the LEP have advised that £2.61 million is available to support this development however the College will now need to assess its own investment strategy in this area.

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c) Higher level apprenticeships
d) Strong employer relationships
e) Engineering Innovation Centre and Studio School are on track.

2) Business plan – risks and challenges

- Critical to deliver on budget and achieve non pay savings
- Explore opportunities without compromise on quality (consolidation rather than expansion)
- Consider other catchment areas as others will do the same
- Explore viable use of facilities out of term time and income generation
- Improve engagement with local community
- Employ more apprentices
- Respond to the £900k additional pension/NI costs. There is a clear need to find other cost savings to offset increases. The review process will include:
  a) Review of back office systems/processes – 10% saving target
  b) Deliver teaching and learning in a different way (will take time)
  c) New staff incentive packages – probationary period for pension, lower contribution but increase in salary/holidays, different contracts
  d) Reduce cost of membership/sponsorships
  e) Ensure staff are aware and understand the issues
  f) More flexible pay and reward structures.

3) Accommodation and disposal strategy

- Develop wider accommodation strategy for 2015 linked to business plan
- Improvement plan for maintaining the estate going forward
- Review of buildings not required i.e. Acorn Way and Sovereign Way
- Consider town centre campuses
  a) Vibrancy into Mansfield
  b) Parking restrictions
- Renewal of lease for Ransom/cost implications and acquisition costs
- University centre Mansfield – raising aspirations locally

In relation to Thoresby Street the Board agreed that there would need to be some careful consideration and discussion regarding how the building could be used. All agreed that it was important to look at the cost/benefits of the whole package. It was agreed that proposals regarding Thoresby Street would be presented to the September meeting.	Executive Director	17th Sept 2014

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4) University Centre Mansfield - The proposed development has been reviewed by the LEP. The cost of the build as it currently stands is £7.8 million and £2.61 million funding has been secured for 2016. The building is based upon 3500 metres squared of space with a build complete for September 2016. The Principal confirmed that the team were still reviewing the options and viability at this stage and in terms of the £2.61 million, it is a use it or lose it situation.

5) KPIs
- Key headlines measuring distance to outstanding
- Governors to provide input
- Need to be legible with clear and measured targets
- Presented and discussed for first 15 minutes of each Board meeting
- Improve measure of employer satisfaction – assessor feedback
- Include employee, learner and stakeholder satisfaction

Members took the opportunity to review the structure of Board meetings and agreed that for the new academic year they would like to see a slightly different format. All agreed that what was important for the Board meetings was that;

a) Governors need to be clear regarding the position in relation to quality
b) At every meeting the first 15 minutes will have a report on quality and KPIs
c) The Board would like to see the reintroduction of curriculum presentations for 10 minutes at each meeting. Governors thought that it might be useful to bring students along at the same time so that Governors have direct access to the core business.
d) The papers to be presented are to include key summary changes. Very bulky documents are to be placed upon the portal.

Members took the opportunity to discuss the format of reports presented and all agreed that the exec summary was critical. Governors felt it was important that key substantial documents were available on the portal and a few sets of these papers should be available on the Board table 30 minutes before the start of a meeting. The consensus view was that there is a need to have access to the detailed information but it was felt that posting out on each and every occasion may not be the most effective mechanism of concentrating Governors minds upon the decisions required. Governors felt that there was an opportunity to use meetings more productively and agreed that there was no need to bring all items to each meeting and that each meeting should develop a particular focus/theme.

Governors felt that the agenda could be split more effectively with items for decision above the line and items for information below the line. It was felt that the items for information would not be the subject of discussion unless prior to the meeting a Governor has indicated a desire to discuss matters contained therein with the Chair, Principal or Clerk.

Governors felt that there was merit in the executive summary being no more than two pages and that a linked report would also be available with the detail. Any supporting information to be available electronically. It was however acknowledged that some reports are in a prescribed format e.g. Financial Management Accounts/ year end accounts etc and that these would continue to be presented in the current format. One Governor commented upon the size of the font utilised in the financial reports and it was agreed that this would be reviewed. Governors all agreed that they would like to see reports developed where possible to one or two sides. It was agreed that changes implemented would be reviewed in a year's time when an assessment could be undertaken as to whether or not the changes proposed had worked.

Governors all agreed that the KPIs established need to be benchmarked both in terms of prior performance and the sector position.

The Board all agreed that they were content to continue to have a Health and Safety annual report and that in the intervening periods any issues would be identified by exception only.

6) 14-16
   - Studio School preference
   - Ensure business Studio School in Mansfield is a success
   - Explore opportunities for others with different subject specialisms
   - Open discussions with Nottingham city – advantages for learners and employers
   - Consider opportunities in Gedling

7) Apprenticeship reform
   - Employer led
   - Directly funded
   - Competency standards independently assessed
   - Full implementation 16/17

   Our response
   - Risks and challenges as both ATA and training provider
   - Significant change in the market and delivery
   - Organisational change necessary
   - Set realistic targets
   - Explore other provision as financial cushion
   - Stronger direct relationship with employers
   - Realistic utilisation of Vision Apprenticeships

8) Self assessment
   - Corporate/Board/KPIs to encourage challenge

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- External training – adds little value
- Development day twice a year – it was agreed that the Clerk would incorporate this into the 14/15 calendar
- Revisit induction for all Governors – a refresh to be provided every 4 years
- Lead and host event for other colleges
- Twin with other Chairs/Vice Chairs
- Governors network events to be attended
- Co-optee for the Finance & Estates and Audit committee
- Improve dispatch and reduction of papers
- Scrutiny at Board to ensure continued effectiveness
- Ongoing self assessment

In reviewing the suggestion of hosting events for other colleges and twining with other Governors all agreed that there was a need to do a benefits analysis and that there needed to be some clear aims and outcomes to ensure that any initiative in this area was worthwhile. It was agreed that the Chair and the Vice Chair of the Board would be invited to the November AOC conference which will be held this year on 18th-20th November.

AGREED: to note the update provided.

14.77 **PROPERTY STRATEGY UPDATE**

The Executive Director introduced this item and drew members attention to a number of matters:

- 6 story block – dismantling of the scaffolding to the tower is close to completion. The bridge and main entrance to the College opened on Monday 30th June 2014. Construction of a new wall to drop off zone and barrier rail has commenced. Delivery and installation of lower level and ground up lights is anticipated for July/August 2014. New paving work has commenced at ground floor and first floor entrances. All progressing quickly.
- 3 story block – cladding to the north and south elevation is close to completion. Contractors starting to remove boarding and tidy the site. Completion date for all work scheduled for 14th July 2014.
- Engineering Innovation Centre – handover from contractor took place on 23rd June 2014. However the site remains a restricted area until August 2014. Equipment from Sovereign House and Acorn Way to be decanted from 30th June. Furniture fit out to commence 14th July followed by ICT fit out in July/August – again a positive position.
- Electricity and gas supply to the Engineering Innovation Centre – insulation of substation complete. Western power distribution yet to confirm installation date for the reinforced supply but likely to be December 2014. Meetings continue with utility subcontractor to ensure interim arrangements are in place with

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a likelihood that supply will also include the use of a generator, cost to be met by the utility subcontractor.

- Studio School project – an accelerated programme of work has been issued via Mott MacDonald with completion scheduled in 12 weeks. A recent asbestos survey has found a limited amount of asbestos which will require removal. In general discussion Governors were given assurance that the College does have an asbestos register and it was explained that it was necessary to do more intrusive testing given the size of the works underway. It was acknowledged that this did cause a slight delay whilst resolved but it is nothing that couldn't be managed on a day to day basis. In terms of the timetable for the Studio School project it is tight but all steps are being taken to ensure this project is open to deadline.
- Visual arts project – work has commenced on internal areas. Furniture and benching ordered. Handover from contractors scheduled for 1st September 2014 with students moving to the facility week commencing 8th September 2014.
- Further Education (FE) Condition Fund: improvements to the heating system at Derby Road – J Tomlinson were appointed, work to be completed by September 2014 to comply with SFA funding criteria.

AGREED: to note the update provided.

14.78 <u>FINANCE REPORT TO APRIL 2014</u>

The Director of Finance introduced this item and drew key matters to members attention:

- April has delivered an improvement in the financial performance of the group (excluding VWS) generating operating surplus before interest and depreciation of £1,517k for the first 9 months of the year. This compares to the forecast of £1,173k and the prior year result of £1,049k.
- The old group position continues to be affected by performance of Work Place Learning within the College, which is £327k behind forecast contribution. This is offset by continued under spending within pay (£137k in month) a write back from the balance sheet for accrued partner liabilities and a strong performance off BKSB, which generated £956k surplus before depreciation in the year to date.
- Including VWS the College Group result before interest and depreciation is a loss of £1,933k with a VWS loss of £3,463k in the 9 months to date being substantially worse than the approved forecast position. The in month improvement of VWS being the result of a clearing of old accruals and therefore a one off and not an improvement in underlying performance. The implementation of actions is underway to address the VWS trading losses.
- The College has generated a surplus of £584k before interest and

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depreciation in the year to date, which is £299k better than forecast and better than the prior year loss of £77k. The month of April was however £450k better than forecast. This though was substantially due to the clearing out of old provisions related to partners and a revision downwards of the estimated percentage partners will be paid in line with reports presented to the Board in April. Excluding these changes, College in month performance was in line with forecast.

- College income was £1,404k behind forecast at £40,763k for the year to date and £998k behind forecast for the month. The main adverse variance is now adult apprenticeships (£931k adverse for the year to date). If the level of performance in April continues for the remaining 3 months of the year only £12,515k of adult apprenticeship income will be generated which is £2,223k below forecast. It was noted that the College does have a significant number of end of year achievements to record but that it is unlikely that it will hit the ASB target at year end.
- The adult skills budget income is below forecast by £1,724k for the year to date, with a £1,023k under performance in month, as forecast income increase markedly in month. Within this programme FE adult learner responsive income has begun to slow down markedly in the period although adult apprenticeship activity is not increasing.
- Pay costs are £183k below forecast.
- Non pay costs are better than forecast by £1,535k as a result of a favourable variance on franchise provision.
- Schools are generally doing pretty well.
- VWS performance continues to be poor (a loss of £3,451k before depreciation) mainly as a result of the lower than planned 16-18 apprenticeship income while fixed costs retained to deliver these courses remain high (property occupation).
- BKSB continues to perform well.
- Group balance sheet – group borrowing was £17 million at the end of April 2014, a drawdown of £8.5 million since the last financial year end. This has incurred interest costs of £447k in the first 9 months of the year. Group short term solvency has improved from year end (by £1.427 million) as a result of the financing drawdown and receipt of £1.503 million of deferred capital grants more than offsetting the capital expenditure of £5.690 million and group losses for the year to date. Cash balances excluding VWS at £12.981 million are £6.339 higher than forecast, with a significant reduction in month as a result of payment for building works. Cash balances for the group stood at £14.247 million.

In reviewing the financial update members questioned the note at page 29 regarding debts owed by Mansfield Learning Partnership and Inspire and Achieve foundation. The Director of Finance explained that these debts are not in fact ‘bad’ but are ‘doubtful’. It was explained that the debt provision policy requires that any debts over 90 days be provided in full.

AGREED: to note the update provided.

14.79 **2013/14 END OF YEAR PROJECTION**

The Director of Finance introduced this item and confirmed that his report provides the usual projection for the year end. Member's attention was specifically drawn to the table on page 31. The overall group deficit projected is nearly £5 million with £4.67 million of this relating to VWS. Members were reminded that despite the loss the College gains the benefit of increased allocations for future years which will work to offset the current position. If the Board is to look at the income and expenditure over the whole period of the exercise with VWS then the College is circa £2 million better off. The Director of Finance confirmed that if the Board were to remove the VWS position from the equation then the position would be much better with the whole group performance at -£500k against forecast. Governors all acknowledged that it was clearly the right decision to close down the independent VWS operations and incorporate the viable parts of the business back into the College.

Members questioned the reference made to 'consolidation'. The Director of Finance explained that income comes into the College and is paid to VWS. He explained that it was important to ensure that income is not double counted and therefore a consolidation exercise is undertaken.

AGREED: to note the content of the update provided.

14.80 **BUDGET & FINANCIAL FORECAST 2014/15 INCLUDING CONTEXT FOR THE BUDGET**

Member's attention was drawn to the detailed report. The Director of Finance explained that this is in a prescribed format. A number of items were specifically drawn to members attention:

- Page 34, paragraph 10 – this table sets out the draft College group income and expenditure budget for the 2014/15 financial year, a detailed breakdown is provided at Annex 1.
- VWS will still be included within the 14/15 budget and forecast as it will still exist to close down the company.
- The budget was considered in detail by the Finance and Resources Committee and their recommendation is to approve the 14/15 budget as presented. Key items are;
  a) College will be in a roughly breakeven position
  b) BKSB will see a small improvement
  c) VWS no impact
  d) Vision Apprentices a breakeven position
  e) Outcome will be £1.263 million surplus.

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Key assumptions are included within the written report and include lower pay costs and lower partner costs. In relation to pay costs it was noted that negotiations around pay settlements are concluded within the sector usually at some point leading up to Christmas. The AoC conducts joint negotiations with the trade unions which though collective are not binding on any member College. Decisions on the outcome of pay review are and continue to be a matter for the Board. At the time of setting the budget an assumption of 0% pay change has been included with respect to cost of living.

- Clear assumptions of the composite costs of partner delivery have been made which include classroom delivery at 70%, adult apprenticeship delivery at 78% and 16-18 apprenticeship delivery at 80%. A range of payment levels will be set across partners with different capability and support needs which will require careful planning and monitoring in order to achieve the composite budgetary cost outcome for the partner programme.
- In general non pay budgets have been set at levels comparative to current midyear forecast levels with the addition of targeted savings which amount up to £1.1 million across College funds. This includes around 40 individual targeted measures for non-pay cost management, each of which have been allocated to a member of the Executive Team.
- Energy costs continue to rise with expected costs for gas and electricity of £601k (midyear forecast £492k) as the running costs for the new estate are not currently showing clear evidence of greater efficiency. Space reductions will be evident from 14/15 and this may provide unbudgeted opportunities for cost savings.
- Paragraph 46 sets out the loan covenant requirements in relation to long term debt commitments. It is critically important that the Board monitor these throughout the planning period and of particular note is the fact that the operating cash flow position has to be positive in 2 years out of every 3. The 13/14 outcome will mean that 14/15 has to be a positive position. In terms of capital expenditure in 14/15 there is nothing new, it is just the end of payments on the current programme.
- Page 39 sets out the key risks and challenges which include;
  a) The adult skills budget
  b) The 16-18 apprenticeship programme
  c) The College must ensure that it controls its underlying costs in the delivery of its core planned programmes to 16-18 and adult learners, and develop and deliver improved efficiencies in its teaching and learning practices in order to provide some protection against cost pressures over and above those included within the forecasting assumptions. This will require specific focus from 14/15 to deliver a programme to achieve targeted results.
  d) The College must continue to take opportunities to ensure pay cost efficiencies.

- Paragraph 12 provides a comparison between 13/14 and 15/16. There is a general downward trend. In terms of pay costs it is important that the College continues to reduce these.
- 50% of non pay costs relate to partner payments.
- Key budget performance indicators show that the College and SFA assessment of financial performance will be ‘satisfactory for a number of years.
- Annex 1 is the budget format required by the SFA.

In general discussion it was acknowledged that the proposed withdrawal of apprenticeship funding to Colleges and a move to direct payments to employers will impact after 2016/17. The College clearly needs a better understanding regarding ideas behind implementation so that it can model the potential consequences.

AGREED: a) to note the content of the detailed report, b) approve the proposed budget for 2014/15, c) approve the proposed financial forecast for 2014/15 - 2016/17.

14.81 **BUSINESS PLAN 2014/15 – FINAL DOCUMENT**

The Principal introduced this item and confirmed that changes requested at the Strategy Residential meeting had been implemented. In reviewing the document the Board felt that paragraph 24 at page 76 was no longer correct given the changes agreed in relation to VWS. It was confirmed that this paragraph would be amended. Subject to this one change the Board were happy to approve the Business Plan presented.

AGREED: to approve the 2014/15 business plan.

14.82 **PARTNER AND ERU REPORT**

The Director for Employer engagement introduced this item and drew members’ attention to her report. A number of items were specifically noted:

- The report is presented in support of the request to approve the release of initial contracts of partners for new activity to cover the 14/15 contract year. It was explained that this is to allow the team to get an early start to ensure that they hit the first quarter targets.
- In order for the 14/15 contract year to commence effectively it is fundamental that initial contract allocations are in place by the start of the contract year on the 1st August 2014. In past years not having contracts in place with partners has affected the outturn, partners need to have a contract in place to have confidence in placing their starts with the College. In the current market partners are able and in many cases do have contracts in place with other lead providers and they are more inclined to place starts with those leads when contracts are in place and secured.

- A full year performance review and risk management planning event took place on 26th May 2014 with input from partnership management, QTLP and Finance. The event evaluated the current performance and RAG rated each partner and reached a consensus on the partners that the group would recommend be offered a new contract in 14/15.
- On the outcomes of this performance review and risk management exercise 29 partners from the current cohort have been identified as being partners that the College should continue to engage with. 24 partners now have exit strategies and are closing down activity.
- Financial profiling exercises have been undertaken with all partners to establish their estimated funding requirements for 14/15 by sector subject area. This has been analysed against the actual performance of each partner during the 13/14 contract year and adjustments made according to confidence that the estimated profiling is achievable.
- The financial contracting request shows a realistic profile for 16-18 apprenticeship activity of £3,124,286 against a funding target of £3,260,463. There is an estimated carryover value of £2,424,869 within this contract cohort which would give an estimated year end variance of +£2,288,692. Currently additional spend on 16-18 provision is paid and therefore poses minimum risk.
- The funding target for adult apprenticeships is £14,743,061. The profiling activity has returned a realistic profile of £5,932,010. There is an estimated carryover of £4,494,796 within this contract cohort which would give an estimated yearend variance of -£4,316,255. This allows for the College to attract new partnerships that will be beneficial to the College and there is a fulltime role focused on engagement with new partners within the proposed restructure of the College. Whilst there is risk attached to this, this controlled approach will allow additional contracts to be spent with potential partners who fulfil the Colleges robust engagement requirements and present a more realistic model for implementation to achieve overall targets throughout the contract year.
- Taking into account the removal of the ALR forecasted carryover of £772,455 from the ALR funding target of £1,683,953, £911,908 remains to be contracted with partners. Whilst the profile requests are far in excess of the actual funding target by +£4.6 million this was to be expected as it has been the most popular and requested funding stream in recent years. Partner expectations have been managed in year to expect little opportunity to contract within this funding stream in 14/15.
- Page 106 provides a breakdown of the 29 partners proposed.
- Page 106 shows the contract changes proposed between 13/14 and 14/15.
- The budget provides for full 80% payment to partners on the basis of timely achievement but initial payments will be made at

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the 70% level (the College will hold back 10%) until it is clear that timely achievement will be reached. The College is budgeting that everyone will achieve on a timely basis however this has historically proved difficult. Assurance was given that timely achievements will be a focus throughout the year and not just the year end and it is hoped that the in effect 10% bonus will act as an incentive to reach the required position.

Members reviewed the detail provided and were happy to support the recommendations made.

AGREED: a) to note the content of the update provided, b) approve the proposed release of initial contracts to partners for new activity to cover the 2014/15 contract year.

14.83 **EXCEPTION REPORT – SAFEGUARDING AND EQUALITY AND DIVERSITY**

The Deputy Principal introduced this item and presented what was a self explanatory report. One error in the report was noted, it was explained that paragraph 5.1 should in fact relate to College provision and not partner provision, save for this change it was explained that the content of the paragraph is correct. In terms of the table at page 111, the June 2014 data for partner provision remains outstanding as at the time of the report preparation it was not known. Assurance was given that there are no incidents and this will therefore complete the 2013/14 summary.

AGREED: to note the content of the report provided.

14.84 **HEALTH AND SAFETY ANNUAL REPORT**

The Executive Director introduced this item and drew members attention to a number of matters:

- Accidents – the number of reported accidents (excluding non College) has decreased this year from a high of 516 in 9/10, there have been 499 accidents reported this academic year. The reporting of accidents has been on the decline since 9/10 this is mainly due to reclassification of the accidents that are now termed non College accidents.
- Staff accident incident rate has increased from the prior year position, this is because of a greater push from College management to report and also extended HSE reporting requirements.
- Riddors – there has been a decrease in the number of accidents reported to the Health & Safety Executive as defined within the reporting of injuries diseases and dangerous occurrences regulations. There have been 9 this year in comparison to 15 in the previous year.
- Claims – there have been 3 claims for injuries suffered made against the College this year in comparison to 1 claim made against College in 12/13. The College made a claim payment in

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9/10. No claims were successful in other years. 13/14 has outstanding claims under consideration.
- Near miss recording has increased. This is because management have encouraged staff to more readily record. All agreed that given the size of the organisation it was still an incredibly low number.
- Risk register – this continues to be regularly updated.
- Fire at Derby Road – the follow up investigation by the Health and Safety team included gaining feedback on the effectiveness of the fire evacuation systems and the actions that were taken that day. Some issues for corrective action were identified and a meeting was arranged between the Health and Safety team, Frontline services and Safeguarding to assess feedback. An action plan was drawn up to assess the deficiencies and identify how to strengthen current systems.

AGREED: to note the content of the report provided.

14.85 **RISK MANAGEMENT**

The Director for Communications and Leaner Engagement introduced this item and presented both the Annual Report on Risk Management activity for 2013/14 and the proposed Risk Management strategy and register for 14/15. Members attention was drawn to the executive summary where it was noted that:

- The College has continued to operate in a challenging environment throughout the 13/14 year and this is reflected in the relatively high risk profile.
- The most significant risk to which the College has been exposed is in relation to Vision Workforce Skills.
- Risks relating to the quality of teaching and learning and financial stability have also formed the top 3 most significant risks throughout the year.
- All risks have been monitored at least once by the Corporation Board or its standing committees and in many cases key risks form standing agenda items.
- The College has not met its targeted residual scores for its significant risks, this is in part as a result of the performance of VWS but is also due to factors that are often out of the Colleges control.
- In terms of the Strategy and Register for 14/15 it remains largely unchanged. It was noted that a full copy was available on the Governors portal for download. The Risk Register summary is appended at item 1.
- A merged risk of work related training and Vision Workforce Skills forms the most significant risk at this point in time.
- Studio School implementation is the second most significant risk entirely as a result of the complications with the build programme, it is anticipated that this risk will be removed from the register in September when the School opens successfully.

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	Members reviewed page 134 and page 135 and questioned whether the risk appetite has changed. It was explained that no, this sits against a general risk adverse approach. It was agreed that the Deputy Principal (Teaching and Learning) will double check the risk appetite statements in the Standards Committee papers as there was a query as to whether a consistent approach was taken. AGREED: a) to note the content on the Annual Report on Risk Management activity for 2014, b) approve the Risk Management Strategy and Register for 2014/15.	Deputy Principal	September 2014
14.86	**<u>QUALITY REPORT</u>** The Deputy Principal introduced this item and drew a number of matters to members attention: • Success rates – appendix A provides a detailed analysis of current retention rates for classroom based provison by age and level of qualification. The target success rates for 13/14 are provided with an indication as to whether these can be achieved with the current retention rates. National averages are also provided for comparison. In the key areas of long qualification, retention is 5% above the same point last year for both 16-18 and adults. Retention in June 2014 is below the same point last year for 16-18 long level 3, 16-18 AS level, 16-18 very short, adult long level 4 and adult very short qualification. • Areas where College targets for success rates cannot be met are 16-18 and adult very short and adult AS/A2 long qualifications. It was expalined that targets cannot be met due to retention but assurance was given that this only relates to approximately 30 students. • Overall and timely success rates are provided in table 1 for work related training, VWS and partner providers. At the point of writing the report the targets for overall and timely success are not on target however further achievements will be recorded in the coming weeks and in fact have gone up over the last couple of months. • Lesson observations – the College target for 13/14 was for 80% of sessions to be graded good or outstanding. The internal observation profile for College provision was 83% good or better. Of 21 staff re-observed 13 had improved their practice to be grade good or better. For partner providers 56% of the sessions were graded good or better. Of 12 staff that had been re-observed 7 had improved to a good or better judgement. • External observations – the lesson observation grading profile conducted by the external observer shows 74% good or better. • Curriculum reviews – 5 curriculum reviews have been completed within each of the 21 curriculum areas across the College. Action plans are in place to adress any issues identified. • College quality improvement plan – summative progress against		

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the QIP is provided at appendix B.		
Members were advised that the common inspection framework is again being revisited and of particular note is the fact that Inspectors will no longer grade lesson observations that they undertake as part of the inspection framework.		
Members took the opportunity to discuss in detail the 50 staff detailed at paragraph 3.3 who received a grade 3 or 4 observation. It was acknowledged that this number of staff could have a significant negative impact, assurance was given that all have support and development plans in place. Some staff are subject to capability measures and also some staff have now left the organisation.		
To give Governors a clearer picture of the lesson observation profile they requested that the reports separate out new starters and more longer serving staff, so that they could properly understand whether the grade 3s and 4s were in relation to new staff coming up to speed with College requirements or whether there was a longer term issue with staff who have been with the College for a longer period. Governors acknowledged that target setting for improved lesson observations is very difficult given the changing staff picture. All agreed that it was important to work towards getting every lesson as good or better and not just at the point of observation.	Deputy Principal	2014/15
AGREED: to note the update provided.		

14.87 STUDENT UNION CONSTITUTION

Members reviewed the updated document with changes proposed highlighted in red. Members discussed paragraph 2.1 on page 151 and in particular the reference made to 'adulthood' in the proposed mission statement. Governors questioned whether this was correct given that some of the Colleges students will already be considered as adults. It was felt that the Student Unions proposed mission statement referred more specificially to the younger population and that this was perhaps not the correct aprpoach. It was agreed that the Student Union would be asked to reflect on the diversity of the student population and consider whether this is the most appropriate wording. Subject to this one point identified members were happy to approve the proposed Student Union constitution.

AGREED: to approve the ammended Student Union Constitution.

14.88 GOVERNANCE

1) Committee membership for 2014/15.

The Clerk to the Corporation introduced this item and confirmed that

Signed : ____________________________Chair Date:

Committee recommendations were to roll forward membership unchanged for the next academic year although it was noted that there are two vacancies on the Audit Committee who are to be filled by either a full Governor or external Co-optee. The Clerk explained that the Search Committee were taking steps to try and recruit in this area.

In relation to the Finance & Estates Committee it was noted that Hari Punchihewa has been appointed as Chair for the 14/15 academic year. As with the Audit Committee there is one vacancy to be filled by either a full Governor or External Co-optee.

Search and Remuneration Committees are proposed to remain unchanged.

In relation to Standards Committee there is a Student Governor vacancy it was agreed that the new Student Union President William Jordan will be invited to sit on this committee.

AGREED: to approve Committee membership for 2014/15

Governors indicated that for the September meeting they would like to see a summary of subsidiary Company Director membership.	Clerk	September 2014

2) Committee terms of reference 2014/15

The Clerk to the Corporation introduced this item and drew members' attention to her report. It was agreed that in relation to the Audit, Search and Remuneration Committee there would be no changes. In relation to Standards Committee there would be no changes at this time however there is the facility for the Standards Committee in the Autumn term to make any recommendations, if no recommendations then the terms of reference would remain unchanged.

In relation to Finance & Estates Committee the terms are to be reviewed in detail to reflect an agreed change of focus. Amended terms of reference are to be presented to the September Board meeting following discussions between the new Committee Chair and the Clerk to the Corporation over the summer.

AGREED: to approve Committee terms of reference for 2014/15.

3) Board appointment - Student Governor

The Clerk to the Corporation confirmed that William Jordan has been appointed as the new Student Union President to replace Marie Oakton. All acknowledged that the Student Union President is offered a position on the Board as a Student Governor. The Board were entirely supportive of approving his appointment.

AGREED: to appoint Will Jordan as a Student Union Governor from 10th

Signed : ____________________________Chair Date:

July 2014 until 31st July 2015 (or until such time as he ceases to be a student whichever is the earlier).

14.89 MINUTES OF THE MEETING OF THE SEARCH COMMITTEE HELD ON 22ND MAY 2014

AGREED: to note the content of the minutes.

The Clerk to the Corporation took the opportunity to draw members' attention to paragraph 14.07 and the recommendation to reappoint David Overton as a Governor. It was confirmed that a formal report regarding the Search Committee recommendation will be presented to the September meeting.

Clerk	September 2014

14.90 MINUTES OF THE MEETING OF THE FINANCE & ESTATES COMMITTEE HELD ON 26TH JUNE 2014

The Director of Finance took the opportunity to draw members' attention to the recommendation at page 200 (paragraph 14.33). He explained that the Committee recommended that the Board approve an inter-company loan of up to £3.5 million from the College to VWS in order to support the accumulated losses in 13/14 and enable the satisfaction of property exits during the 2014/15 financial year.

AGREED: a) to note the content of the minutes, b) approve the establishment of an inter-company loan of up to £3.5 million from the College to VWS in order to support the accumulated losses in 13/14 and enable the satisfaction of property exits in 14/15 financial year.

14.91 MINUTES OF THE MEETING OF THE AUDIT COMMITTEE HELD ON 26TH JUNE 2014

AGREED: to note the content of the minutes.

14.92 AOB

As a matter of additional business the Chair and Principal took the opportunity to thank Mike McNamara for his time served as a College Board Governor. Today will be his last meeting as a College Governor although he will remain as a Director on the subsidiary companies of VWS and BKSB. All members of the Board were grateful for the significant contribution made.

DATE OF NEXT MEETING.

The Clerk to the Corporation reminded Governors that the next scheduled meeting was Wednesday 17th September 2014.

Signed : ___________________________Chair Date:

Staff left the meeting at 7.30pm

CONFIDENTIAL ITEMS

It was agreed that confidential items would be recorded separately.

Signed : ____________________________Chair Date: