

Minutes of the Board meeting held in the Board Room at Derby Road on Thursday 26th April 2018 at 5.00 pm

GOVERNORS Kate Allsop

PRESENT: Nevil Croston, Chair
 Jamie Fryatt
 John Holford
 Dame Asha Khemka DBE DL
 Mark Williams
 Lee Radford
 Lewis Maksery

ALSO IN Maxine Bagshaw, Clerk to the Corporation

ATTENDANCE: Alastair Thomson, Deputy Principal/Director: Finance
 Tom Stevens, Deputy Principal: Business Development
 Louise Knott, Vice Principal: Communications, Engagement and Student Experience
 Tracy Thompson, Vice Principal: Human Resources and Organisational Development
 Julian Smith, Director: Learning and Innovation
 Gavin Peak, Director: IT

	ACTION by whom	DATE by when
1 <u>DECLARATION OF INTERESTS</u>	The Chair reminded Governors present to declare any interests that they may have on items to be considered. No interests other than standing items were declared.	
2 <u>WELCOME INTRODUCTIONS AND APOLOGIES FOR ABSENCE</u>	Apologies for absence were received from Ian Baggaley, Terry Dean, Malcolm Hall MBE, John Robinson, Martin Rigley MBE, Alison Breedon, Jane Hawksford and Amanda Jogela. Alastair Thomson was formally welcomed to his first Board meeting.	
3 <u>MINUTES OF THE MEETING HELD ON 1ST FEBRUARY 2018</u>	The minutes were reviewed and it was agreed that they were an accurate record of discussions.	

Signed : _____ Chair

Date:

AGREED: to approve the minutes of the meeting held on 1st February 2018.

4 ACTION PROGRESS REPORT

The Board considered the updated table and were happy with progress being made.

AGREED: to note the content of the update provided.

5 CHAIR'S ACTION REPORT

The Clerk introduced this item and explained that because of the timing of meetings the Chair had had to make a number of decisions in relation to the subsidiary companies to ensure the smooth handover following the departure of Tim Clarke and Andrew Martin. The Board considered the detailed report and were happy to ratify and endorse the actions taken by the Chair on behalf of the Board.

AGREED: to ratify and endorse the decisions taken by way of Chair's action summarised in the report.

6 MANAGEMENT ACCOUNTS TO 28TH FEBRUARY 2018

The Deputy Principal/Director: Finance introduced this item and confirmed that further detail would be discussed as part of the mid-year review later on the agenda. He confirmed that a reforecast was completed and at the end of February the College position was a £420k deficit which should be compared with a £1.8 million surplus at the same point in the prior year. The main reasons and areas for the significant difference are:

- The substantial decline of the contribution levels from partnership activity;
- Dissipated income of Vision Business;
- Other areas of the curriculum which are underperforming.

He advised that BKSb continues to deliver good results and is progressing to plan. Pay and non-pay costs are in line with the reforecast.

Members' attention was drawn to page 11 of the management accounts, where at section 7 there is a summary of segmental School performance. He reminded the Board that the target set was a 40% contribution from each School of Learning and the table clearly shows that a number of Schools are not achieving this. Particular attention was drawn to the Vision Business contribution which is -43.5%. He explained that this is because of the costs in place that are not offset by corresponding income. He gave assurance that the restructure exercise currently being undertaken will address this.

Signed : _____ Chair

Date:

Members were also asked to specifically consider page 14 of the accounts and section 10 which summarises the key performance indicators. He explained that the majority are within target except for:

- a) Reserves are currently below the £9 million set in the banking covenants. 31st July is the key date for calculating compliance with bank covenants and therefore it is important to catch up, this relies upon the proposed asset sale included in the reforecast.
- b) Cash days – the current position is 11 days and therefore the margin for error on cash is incredibly tight and will present some challenges. He explained that the target set, in terms of cash days, at 15 is an internal target rather than external.

Q The Board questioned how challenging the position is with 11 cash days.
The Deputy Principal/Director: Finance expressed the view that the target of 15 days is already tight in the education sector and therefore 11 is incredibly tight.

Q In discussing the contributions made by the individual Schools of Learning concern was raised in relation to Sport and Public Services. The Board questioned why this School was so far behind the target contribution level. The Deputy Principal/Director: Finance explained that across some areas the College has seen a reduction in student numbers and Schools have not hit target, this is particularly true in relation to Sport. He confirmed that this will be addressed through the restructure programme.

AGREED: to note the content of the Management Accounts to 28th February 2018.

7 PRINCIPAL'S REPORT

The Principal drew members' attention to her written report and also took the opportunity to reiterate that the national context in the education sector is very challenging. Other colleges are facing similar challenges to West Nottinghamshire College as are private training providers, for example People First has gone into administration. It is widely known that 90% of money collected as part of the levy has not yet been used. She indicated that there were reputational risks regarding the Institute for Apprenticeships, because of the significant national downturn in the number of individuals starting apprenticeships. Generally the sector is feeling very uncomfortable and is having to make unpleasant decisions, this is both colleges and private training providers.

She advised that currently applications from 16-18 year olds for enrolment in the next academic year are significantly up, as are acceptances, and the key now is to convert them into definite enrolments and once enrolled retain them in September.

Signed : _____ Chair

Date:

All acknowledged that it was a very testing time in the sector and that there is a need to work hard together to navigate and minimise the impact on staff and students. The Principal provided assurance that everyone in College is working very hard to rebalance the position.

The Principal advised that she met with 35 business study students earlier today, two of which attend the Mansfield 2020 meetings. The students were very positive, energetic and enthusiastic. This was an opportunity for the Principal to fully explain the College's current challenges and what is being done to address the decline in income.

The Vice Principal: Communications, Engagement and Student Experience drew members' attention to the exception report. She confirmed that the College continues to experience a significant increase in safeguarding related referrals. Over the period between January and March the College has seen 533 safeguarding referrals 177 in January and 177 in February and 179 in March. This compares to 296 referrals at the same point last year. Of our referrals this period 87 were passed on to external agencies which compares to 85 the previous year. This tells us that whilst the overall referral rate continues to show a significant upturn on the previous year the more serious safeguarding concerns warranting a referral to an external agency has remained fairly static and is starting to level out.

KPIs

The Director: IT provided a summary of the KPI report and key matters noted were:

- As discussed at the last Board meeting KPI 1 will be replaced with a retention figure for the majority of the year and will revert to enrolments during term 1. Retention last year was 90.6% at the end of the year and a challenging target of 93% was set for 17/18. Retention currently stands at 93.5%, just above this target figure.
- Apprenticeship income is currently just over £9 million against a revised target of £12.909 million. The proportion of College generated apprenticeship income has increased from 17 to 31% but this is below the target of 42%.
- Adult education budget – cash value enrolled stands at £1.5 million against a target of £6.49 million. The proportional split of spending has remained relatively static with around 48% being spent in the D2N2 area against a target of 50%. The majority of this budget is back end loaded and will be delivered by partners.
- Attendance figures have dropped slightly from term 2 with attendance at 91.5% in main qualification (1.5% below target) and 86.3% attendance on Maths and English (which is 6.7% below target). Assurance was given that staff are working very hard to improve this.

Signed : _____ Chair

Date:

	<ul style="list-style-type: none"> • Both timely and overall apprenticeship achievement rates have improved slightly, however both are significantly below both the target and the same point last year. • There is just one change since Governors were last updated on KPIs in terms of surveys. A term 1 survey reported 100% satisfaction rate from the work based learners. There are two more surveys planned and the results of which will be included in the next KPI report. • The percentage of graded lesson observations graded good or better has increased by 4.5% in term 2. Governors were reminded that this represents partner provision only. • Financial indicators have not changed since the last report and will be updated when the March 2018 accounts are available. • Progress score – estimates of grade on main programme. These figures have declined very slightly at progress point 4. Governors were reminded that this relates to fractions of a grade. Applied general -0.3 to -0.8, tech levels -0.11 to -0.17, A-Level -0.16 to -0.26. Applied general represents an improvement in our final point last year while A-Level is currently below the 16/17 score. Tech levels are not measured as a figure – they stood at Merit + in 15/16 and moved to Distinction – in 16/17. • Progress scores in Maths and English have fallen from progress point 3 to point 4. Maths is down from -0.61 to -0.83 (16/17 position was -1.22) and English is down from -0.61 to -0.72 (16/17 position was -0.91). These results show the impact of mock exams which have informed progress point 4. Whilst showing a downward trend these results represent a considerable improvement over the 16/17 mock exam position. 	
Q	In general discussion it was noted that retention has been declining slowly but is still above target. In relation to KPI 3 the Board questioned whether the College is doing as much or more provision locally. It was explained that the College is doing much more locally but is doing less nationally. The Board questioned what the College is not now doing at a national level that it was doing in previous years. Examples given were; Business Management, Beauty, Construction. It was agreed that a more detailed report in relation to the Adult Education Budget would be presented to the next Standards Committee, with the report to include comparisons with provision in the prior year.	Julian Smith
Q	In relation to KPI 1 (student retention) the Board questioned whether it was possible to include the full 16/17 year trend rather than just the full year position. They indicated that they would then be able to better understand the difference between April and the actual yearend and see how much of the gap was made up by yearend. The Director: IT confirmed that he would be able to provide this in future reports.	Director of IT
Q	In relation to KPI 3 the Board questioned how much risk is associated with the 'back loading'.	Each KPI report

Signed : _____ Chair

Date:

Assurance was given that the College has committed to more contracts than the full allocation as a mechanism of mitigating risk in this area. Because of the concerns being expressed by Governors in relation to the AEB budget it was agreed that a more detailed report would be provided to the next Board meeting.

Tom Stevens

May 2018

A GDPR update was also presented by the Director: IT.

AGREED: to note the content of the report provided.

8

COMMITTEE CHAIRMANS' SUMMARY REPORTS

The Board were happy to note the content of the report from

- a) The Audit Committee Chairman following the meeting on 15th March 2018
- b) The Finance, Resources and Estates Committee Chairman following the meeting on 7th March 2018 and
- c) The Standards Committee Chairman following the meeting on 15th March 2018

AGREED: to note the content of the updates provided.

9

GOVERNANCE

The Clerk introduced her written report and a number of matters were considered

- a) Board membership

Members' attention was drawn to the membership table and the vacancies were noted. The Clerk advised that she was looking to work with external recruitment consultants to identify new Governors over the summer. She advised that efforts to identify and recruit a second student Governor have been successful and the proposal put forward was to appoint Chloe Parr as the second Student Governor until 31st July 2019. It was explained that she is completing her A2s this year and will return in 18/19 to complete Law and her Extended Project.

AGREED: to approve the appointment of Chloe Parr as a Student Governor from 26th April 2018 to 31st July 2019.

- b) Committee Members

The Clerk explained that the departure of Tim Clarke and David Overton from the Board has led to a number of vacancies and changes. The Remuneration Committee has a vacancy and the proposal put forward was to appoint John Robinson (subject to his agreement). The Board asked that John be approached in relation to this appointment and that if he was unable to take up the role then delegated authority would be provided to the Clerk to identify an alternative Governor.

Signed : _____ Chair

Date:

In relation to the Audit Committee it was explained that membership is now down to 3 following the resignation of David Overton and Neil Robinson the Committee Co-optee. Financial and audit skills will be a key focus for new Governor recruitment. It was noted that Jamie Fryatt has been appointed as the Audit Committee Chairman for the remainder of the 17/18 year.

c) Meeting dates 2018/19

The Clerk put forward proposals in relation to the scheduling of meetings for the next academic year, this was approved. Also presented was a Board work plan for 18/19, the Clerk explained that this was a framework document only and that agenda items could be added or moved as required during the year.

d) Code of Conduct annual review

The Clerk explained that an updated code has been published and it is therefore considered appropriate to adopt this in terms of sector good practice. The Board were happy to accept the Clerk's recommendation in relation to this.

AGREED:

A, to approve the meeting schedule for 2018/19 as proposed and
B, approve the updated code of conduct as presented and available on the portal.

The Clerk also drew members' attention to the attendance statistics and the training and development log that are available on the portal. She reminded Governors to inform her or Rachel Bates of any training they have done in their own organisations or elsewhere which would be equally applicable to the education sector, for example Equality and Diversity, Health and Safety, Safeguarding etc.

AGREED: to note the content of the update provided.

10

ANY OTHER BUSINESS

As a matter of additional business the Deputy Principal: Business Development took the opportunity to circulate a report regarding partner contracts. He drew members' attention to the detail of his written report and the spreadsheet showing the variations within different contract allocations. As discussed previously in the meeting, delivery of the full AEB allocation is a concern at this point in the year and therefore partner contracts will need to be varied accordingly, this is clearly set out within the schedule of proposed variations. The Board reiterated the fact that they would welcome a more detailed report on AEB provision at the next meeting.

Signed : _____ Chair

Date:

In terms of apprenticeships the Deputy Principal: Business Development indicated that timely achievement is a concern. There continues to be challenges regarding subcontractor performance and a further four partners have now been subject to a financial stop. This is to increase the pressure on them. He confirmed that staff are doing all that they can to increase the achievement position.

AGREED:

- a) to note the content of the update provided and
- b) approve the contract variations as proposed.

11 DATE AND TIME OF NEXT MEETING

The Clerk confirmed that the next scheduled meeting was 17th May 2018.

12 CONFIDENTIAL ITEMS

It was agreed that confidential items would be recorded separately.

(Staff and student Governors left the meeting at 5.50 pm)

Meeting closed at 6.45 pm.

Signed : _____ Chair

Date: