



**WEST NOTTINGHAMSHIRE COLLEGE
CORPORATION BOARD**

Minutes of the Board meeting held in the Board Room at Derby Road on Thursday 13th September 2018 at 5.00 pm

GOVERNORS PRESENT: Malcolm Hall MBE
 Nevil Croston, Chair
 Dame Asha Khemka DBE DL
 Terry Dean
 Jamie Fryatt
 Lee Radford
 Martin Rigley MBE
 Ian Baggaley (joining by conference call at 6.15 pm)
 Mark Williams
 John Holford (joining by conference call at 6.15 pm)
 Jane Hawksford

ALSO IN ATTENDANCE: Maxine Bagshaw, Clerk to the Corporation
 Tom Stevens, Deputy Principal: Business Development
 John Owen, Interim Finance Director
 Louise Knott, Vice Principal Communications Engagement & Student Experience
 Gavin Peake, Director of IT and Estates
 Amanda Jogela, Director Quality and Performance
 Julian Smith, Director Learning and Innovation

1 DECLARATION OF INTERESTS

The Chair reminded everyone present to declare any interests that they may have on items to be considered. No interests other than standing items were declared.

2 WELCOME INTRODUCTIONS AND APOLOGIES FOR ABSENCE

Apologies for absence were received from Kate Alsop and Alison Breedon. The Clerk confirmed that Ian Baggaley and John Holford would be joining the meeting by conference call at 6.15pm.

3 MINUTES OF THE MEETING HELD ON 23RD JULY 2018

The minutes were reviewed and it was agreed that they were an accurate record of discussions.

ACTION by whom	DATE by when

Signed : _____ Chair

Date:

AGREED: to approve the minutes of the meeting held on 23rd July 2018.

There were no matters arising.

4 ACTION PROGRESS REPORT

The Board considered the action progress table and an update was provided on a number of items:

- Line 1 – the 2016/17 year-end accounts position is to be discussed at agenda item 13 later in the meeting
- Lines 2 & 3 – to be actioned at the October 2018 meeting.
- Line 4 – an update on discussions with the ESFA will be provided as part of confidential discussions.

5 PRINCIPAL'S UPDATE

Before considering the written report the Principal took the opportunity to advise that the College was looking amazing with high student numbers at all campuses. She described the student numbers as buoyant, even in a year of continued demographic dip, the College may be 300+ students up on the prior year position and is still enrolling. She confirmed that staff are doing everything that they can to ensure that students are going through a quality experience with a view to maximising retention and ensuring that all students are on the right course at the right level.

The Board were then provided with an update in a number of areas

1) Interim College enrolment report for 2018

Key matters noted were:

- 16-18 – total live enrolments currently stand at a 110% of planned numbers at 2942, this equates to 256 above planned numbers and 318 against the funding allocation of 2624. At the same point in the prior year the College had enrolled 2790 students so this year's picture is 152 above the same point last year. All agreed that this is looking really positive. There are currently 16 withdrawals on the system and a further 19 students who never attended – this should be a mixture of enrolled and never attended and non-returning progressors. At the same point last year the College had logged 16 withdrawals. New initiatives such as the 'swap don't drop' campaign have been working well with students able to transfer courses rather than drop out. Often students have been able to transfer programmes on the same day. This represents between 25-30 students that the College would have otherwise lost. The College is seeing some big growth in areas such as Health and Social Care and Public Services, and in some cases additional staffing has had to be approved to enable the College to provide a good experience for learners.

Signed : _____ Chair

Date:

With the exception of Creative, Lifestyle and Digital Industries all Schools of Learning are positive in terms of the percentage of plan.

- Full time 19+ - total live enrolments stand at 120% of planned numbers at 375, this equates to 63 above planned number. It was explained that this is only a small part of the College's AEB budget. 24+ learning loan numbers are slightly behind plan (-9) although the College is still awaiting some bringing their loan paperwork in to College, as such they will be currently counted as a 19+ student. At the same point last year the College had enrolled 352 19+ students. Access to HE enrolments are down against plan (-26) however there are 20+ students who have enrolled on a pre-access programme which would not be counted as part of the enrolment totals. She indicated that there was a couple more weeks before the College will know whether or not it has hit its target in this area.
- Higher Education – in some respects it is too early to make assessment of HE enrolments against plan, with enrolment likely to continue into the next 2 weeks. As at 12th September the College had enrolled 332 students against a plan of 372. Within the planned number are 19 enrolments which are January starts, so the number the college needs to have enrolled this Autumn is a minimum of 353. Teacher training programmes are currently a few enrolments below planned numbers, however we know that it can take time for students to confirm placement which needs to be done prior to enrolment and as such anticipate a further 13 enrolments for these programmes. We also know that there are a number of CYPS students who are awaiting confirmation of placement and DBS checks before they can enrol. The College's best assessment therefore at this time is that whilst the College is unlikely to exceed its HE target by any considerable number it will meet it.

2) Summer results

The Principal took the opportunity to provide a headline update and confirmed that the results over the summer were fantastic. In relation to A Levels there was a 100% pass rate, with all students progressing to their intended destinations. It was noted that one Governor, Mark Williams, was able to attend the College on A Level results day and the observation he made was the really positive relationships seen between staff and students.

3) KPI updates

The Director of IT presented the update and key matters noted were:

- Graph 1 – enrolments. This is now a mix of 17/18 and 18/19 data. Graph has now switched to enrolment rather than retention. This will be changed back in November as previously agreed.

Signed : _____ Chair

Date:

Numbers accurate as at 5th September 2018 and an update provided earlier in the meeting. Enrolments look strong.

- Graph 2 – apprenticeship income. Figures shown are for period 11 data as the final year figures are not yet available although an updating report is scheduled at agenda item 6 later in the meeting.
- Graph 3 – adult education. The information has been updated from the most recent ILR on 5th September 2018. It is still showing 17/18 in year as the final figures for 17/18 are not yet available, although the College is on track in terms of where it expects to be.
- Graph 4 – attendance. The updated and final position for 17/18 is provided. Figures show that main qualification attendance was broadly on target in terms 1 and 2 but fell below target in term 3. Attendance ended the year unchanged from 16/17. Maths and English attendance, whilst below target ended the year at 2.1% above the 16/17 position.
- Graph 5 – apprenticeship achievement. The updated position as at period 11 is shown but the yearend data for 17/18 is not yet available. Figures currently show a decline of 8% overall and 15% on timely, although he did indicate that this could change by final year end analysis.
- Graph 6 – customer satisfaction. There are no figures to update since the last report.
- Graph 7 – partner graded lesson observations. This continues to show the 17/18 position as no 18/19 data is available. Good or better has achieved target at 75% for the year.
- Graphs 11 A and B have been updated to include the final grade residuals compared to the forecast. He advised that the position shows that the College is getting better in terms of its predictions, however there are still outstanding results to enter for 17/18 so this does not represent the full picture. He confirmed that the College had a very positive year in terms of retention and progress. The AS position was slightly down but it is expected that this will be a national trend. A2 and technical results were positive.
- Table 12 and 13 - progress against target. This is particularly important to Ofsted as they look at progress made against the starting point. This compares the grades learners had when they arrived to the grades that they leave with. English progress improved in all 3 categories with a significant number seeing a better grade (12.3%). The number who didn't make any progress (neutral) decreased by 19.6% and the number getting a worse grade decreased by 4%. In Maths there was also a positive picture with 4.5% improving their grade. There was a reduction of 17.1% in the number who didn't make any progress and a reduction of 3.6% in the number who received a lower grade. He described this as a positive position. In relation to A2 it was noted that there was an 8% increase on the prior year position.

Signed : _____ Chair

Date:

4) Exception Report – Safeguarding and Equality and Diversity

The Vice Principal: Communications, Engagement and Student Experience drew members' attention to the written report and confirmed that the college has had a busy couple of weeks already. The specialist support team now have between 1400 and 1500 young people on the risk register and, of these 300 are RAG rated as red or amber. She indicated that the College is seeing many cases of students enrolling where information regarding their background should have been made available much earlier on transfer. This lack of timely information has been a challenge and the College is running to catch up to support these students. The College is also seeing a significant number of complex issues and vulnerabilities, although assurance was given that the teams are starting to work with these students.

In terms of the statistics this means that a third of students are already on the risk register, although it was explained that these are for varying reasons and not all are complex. It is expected that of those students on the risk register the College is likely to have to continue to support approximately 10% throughout the year.

5) Student Governor Appointment

The Board were advised that a new Student Union President has been appointed to replace Lewis Maskery. The new appointee is Robyn-Louise Hodgson. Robyn was an A Level student at the College in 17/18. As it is usual to have the Student Union President as a Student Governor the Board are asked to approve this appointment to 31st July 2019.

AGREED:

- a) to note the content of the update provided, and
- b) approve the appointment of Robyn-Louise Hodgson as a Student Governor from 13th September 2018 to 31st July 2019.

6 VISION BUSINESS/APPRENTICESHIPS UPDATE

The Deputy Principal Business Development presented his written report and provided an update in relation to a) partner contract values for 2018/19 and b) supply chain fees policy.

Key matters noted from the report included:

- The College currently has live continuation contracts in place with 17 subcontractors. The active number of subcontractors is 28 but will reduce to 17. At the same point in the prior year the number was 43.
- There is currently no intention to offer new subcontracts for the delivery of new start apprenticeships in 18/19. He made the observation that running down the contracts does come with risks as there is no continuing motivation for subcontractors.

Signed : _____ Chair

Date:

He described it as 'slow progress' but assurance was given that the College is moving in the right direction.

- Report 1 shows that the subcontracting value of £5,850,353 was claimed for 17/18 with an outstanding value of £657,781 to be claimed on receipt of completions and achievements.
- For 18/19 a total of 17 existing subcontractors have activity valued at £1,448,683.
- The Board were specifically asked to note that, London Apprenticeship Hair Dressing Academy with a contract value of £515,911, has provided notification that they intend to withdraw from provision in 18/19. It was explained that they have negotiated a different position in relation to end point assessors and therefore this activity will cease in year. It was explained that this decision taken by the subcontractor is part of the whole scale sector changes being seen. Prime contractors are now required to be responsible for the end point assessments (this used to be subcontractors directly) and the prime then passes on the cost. This particular subcontractor has concerns regarding this change in process and as a consequence has negotiated directly with BTBC regarding its end point assessment arrangements at a much-reduced fee. The LHAA bottom line contribution to the College is circa £50k and this will be lost. The Board questioned whether there will be any impact in terms of quality. It was explained that the withdrawal of 176 students will have an impact upon quality data, although assurance was given that this will not be significant. The Board also questioned whether the loss of this contract would have an impact upon the lease arrangements in place in London. It was explained that the lease of a building in London relates to apprenticeship provision generally and is not specifically connected to the LHAA contract.
- 10 subcontractors have been allocated funding from the AEB. The Boards attention was drawn to the 18/19 schedule of allocations and was asked to approve the position.
- Contracts for AEB are allocated on a subcontractors quality assured track record and their ability to support delivery within non-devolved areas and where possible within D2N2.
- In 18/19 the College will only subcontract with certain approved employer providers who will undertake specific and contractually agreed aspects of their own delivery.
- The continuation subcontractor risk remains high including the number of learners past planned end date and withdrawals, as the college does not have the attraction of new start contracting as subcontractors only have continuation apprenticeship contracts in place. Further, their attention and focus is on attracting activity with levy employers and securing direct non-levy funding to meet their small employer needs. Contract management will remain a challenge but additional risk measures are in place to mitigate this as much as possible.

Signed : _____ Chair

Date:

Members attention was specifically drawn to the 4 reports which detail:

- a) Report 1 – subcontracting value of £5,850,353 plus achievement potential of £657,781. £6,508,134 is confirmed to date for 17/18 from a total allocation of £7,018,190.
- b) Report 2 – subcontractors with proposed continuation activity of £1,448,683 in 18/19
- c) Report 3 – subcontractors allocated funding for delivery on the AEB contract for 18/19 is £5,215,766
- d) Report 4 – subcontracted employers allocated funding for shared delivery with the College where this has been contractually agreed with the employer, currently £0.

In terms of reporting for the year he explained that information provided will start to get smaller as all subcontracts run out through the year. All subcontract activity is planned to finish by 19/20, however there is some discussion within the sector at the moment that subcontractors may come back to colleges to give smaller companies assurance and support regarding quality.

Members’ attention was also drawn to an update provided in relation to Northern Construction Training Regeneration Company (NTRC) who are entering a process of administration. The College has 12 learners with this company, 6 of which are out of funding. The College is waiting for the insolvency practitioners to make contact, confirm status and provide data for alternative arrangements to be made. He indicated that he was unsure as this stage whether the College will be able to directly deliver to support the learners or whether their continuing learning will be through a subcontract. He confirmed that an update would be provided at the next meeting.

In terms of the 17/18 year-end position generally he explained that it was slow to conclude as the College is awaiting subcontractors to complete the administrative processes and pass the documentation on to the College for verification and recording. As in previous years delayed receipt of documentation from subcontractors overlaps with delays in the College compliance office annual leave during August and enrolment of new students in early September.

In relation to the 2018/19 position he confirmed that

- AEB allocations for 18/19 are confirmed to be the same as the 17/18 allocation of £6.8 million for the College.
- The funding guidance and rules for 18/19 are the same as the 17/18 rules. The funding rules make it clear that the Governing body of the organisation (Corporation Board) must be satisfied that all subcontracting delivery meets the strategic aims of the organisation and enhances the quality of the learner offer. He confirmed that the Colleges focus for 18/19 is in areas where it is known that budgets will not be devolved.

Deputy
Principal
Business
Dev.

October
2018

Signed : _____ Chair

Date:

- The AEB supports:
 - a) English and Maths up to and including Level 2, for individuals aged 19 and over who have not previously attained GCSE grade A*-C or Grade 4, or higher
 - b) First qualification at level 2 for individuals aged 19-23 and/or
 - c) First full qualification at Level 3 for individuals aged 19-23.
- For 2018/19 it is proposed to subcontract AEB delivery to a more restrictive number of contractors who will deliver AEB in non-devolved areas.
- 10 subcontractors are proposed for the allocation of funding for the AEB for 18/19. This is an initial allocation and will change throughout the year.
- The subcontractor rules for 18/19 provide the opportunity for shared delivery of funding with College where it has been contractually agreed with the employer. Report 4 identifies that no shared delivery has taken place to date although this may change in year.

Members' attention was drawn to the recommendations in section 7 of the report and it was agreed:

- a) To note and approve the contents of the partnerships commitment proposals report as presented.
- b) Approve the subcontractor Supply Chain Fees and Charges Policy for 2018/19 as provided at appendix 1.

7 BUDGET FOR 2018/19

The Interim Director of Finance and the Deputy Principal of Business Development jointly presented an update paper. Key matters noted were:

- Corporation Board approved the business plan and restructuring proposals for 18/19 as presented to the Board on 1st March 2018.
- The College embarked on a major restructure of services and teams in March 2018 in readiness for the 18/19 academic year, mainly as a consequence of the apprenticeship reforms introduced in May 2017 that has led to a reduction in the number of apprentices at the College and also the demographic downturn of 16-18 year olds in the Mansfield/Ashfield area.
- A financial forecast and budget is usually prepared for approval at the July meeting of corporation Board to commence from 1st August 2018.
- This year the financial forecast and budget for 18/19 was considered and approved by Corporation Board on 1st March 2018 as part of the proposed restructure.
- The financial forecast and budget presented for consideration and approval at the meeting today is amended to reflect the outcome of the restructure to date and will form the basis for income and expenditure and, measure the performance of budget holders over the forthcoming year.

Signed : _____ Chair

Date:

- This financial forecast and budget will be subject to further change and review as September student enrolment and apprenticeship numbers become clear and also finalisation of any elements of the March 2018 restructure.

In general discussion he described this as a budget for 'this particular point in time' but that it will be subject to change in year. He confirmed that the budget reflects the outcome of the restructure exercise undertaken.

- Members' attention was particularly drawn to the table on page 4 of the budget which shows the fall off in terms of apprenticeship income which is significant.
- Members' attention was drawn to the table on page 6 which sets out the income currently coming in to the College and anticipated.
- Members' attention was drawn to section 8 of the budget on page 8 which shows the College's overall trading position which includes the impact of bksb contributions in 18/19. The total group surplus is projected to be £288k. It was specifically noted that this is with continuing support from bksb. In terms of the information provided it was explained that some of the lines do not specifically impact upon cash flow. It was confirmed that before interest and depreciation there are signs of an improving financial position, although it is still too early in the year for the College to assess an accurate position regarding student recruitment.
- He confirmed that the 18/19 budget has been planned with a number of key items, these include:
 - a) The impact of restructuring;
 - b) Reduction in staff costs;
 - c) Reduction in partner costs.

It was noted that the EBITDA position is forecast to be just under £1000. He reiterated that the budget reflects where the College is at this particular point in time.
- It was confirmed that the budget also clearly highlights the position in terms of cash days where there are some known 'pinch points'. It was acknowledged that the budget does not include any potential upsides in terms of student numbers etc.
- The Interim Director of Finance confirmed that there are some risks associated with the budget and that it could be that the College is a victim of its own success in terms of having more students enrolled than are funded for in terms of the allocation, this will be a strain and will have to be carefully managed. The impact of the restructure in terms of impact on remaining staff is yet to be fully understood but assurance was given that this is being carefully monitored and managed.
- He explained that in terms of the 17/18 year-end the College will be down in terms of its apprenticeship numbers and will also have increased costs because of the restructure.

Signed : _____ Chair

Date:

The Board questioned whether the increased student numbers in 18/19 would lead to increased pay costs. It was explained that this is something that the College will have to carefully manage and there is a potential option to make a case to the ESFA for in year rather than lagged funding. The College is currently working with its existing work force, however in some areas there will need to be flex in terms of additional resources because of staff capacity. Assurance was given that this is being monitored on a day to day basis with an identified need to ensure that all students have a good experience so as to avoid any retention issues. The Board were given assurance that the College will put in extra resources where they are needed and an example of this was provided ie creating extra classrooms at Station Park because of need. The current work force were described as supportive and flexible and are currently working to fill any gaps that exist within existing resources.

In considering the 2018/19 budget proposed it was specifically noted that this has not previously been reviewed by the Finance, Resources and Estates Committee because of the timing of this meeting.

AGREED: to approve the 2018/19 budget as presented.

8 **SUMMARY REPORT FROM THE FR&E COMMITTEE CHAIR FOLLOWING THE MEETING ON 23RD JULY 2018**

The Board were happy to note the content of the summary report provided.

9 **AUDIT COMMITTEE CHAIR'S SUMMARY REPORT FOLLOWING THE MEETING ON 12TH JULY 2018**

The Board were happy to note the content of the update provided.

10 **SUBSIDIARY COMPANIES**

The Clerk to the Corporation introduced this item and explained that there are a number of subsidiary companies where the former Deputy Principal Finance is named as a Director. As these appointments were dependent upon his employed position at College they are no longer appropriate. The recommendation is that the Deputy Principal: Business Development (Tom Stevens) replace him as a Director on a like for like basis, this is in relation to Vision Workforce Skills, Vision Apprentices, Vision Business Support Services, Safety Plus Construction Ltd and Safety Plus Consultancy Ltd.

AGREED: to approve the appointment of Tom Stevens as a Director on the identified subsidiary companies.

Signed : _____ Chair

Date:

She also advised that internal auditors had made a recommendation to the College that any non-trading subsidiary companies should be wound up/dissolved. This would apply at this stage to the two Safety Plus companies. The Clerk and the interim Finance Director provided some context to transactions still outstanding in the accounts for both of the Safety Plus companies. It was confirmed that there is no net value to either. It was acknowledged that in one case there may be transactions which would prevent dissolution until 2019. The Board were happy to approve the winding up/dissolution of the companies at the appropriate time and asked that the Board of Directors to seek to conclude any financial transactions to enable final accounts to be prepared.

AGREED: to approve (at the appropriate time identified by directors) the winding up/dissolution of Safety Plus Construction Limited and Safety Plus Training and Consultancy Limited.

11 WHISTLEBLOWING POLICY – ANNUAL REVIEW

The Clerk presented this policy for annual review. The Board made the observation that there appears to be a missing element in terms of additional reporting back to the Board and the Audit Committee in terms of the outcome of any investigations. The Clerk confirmed that a final paragraph at the end would be included to specifically provide for reporting arrangements to the Board.

AGREED: subject to the additional paragraph identified, to approve the update to the Whistleblowing Policy.

12 MINUTES OF THE MEETING OF THE AUDIT COMMITTEE HELD ON 12TH JULY 2018

The Board were happy to note the content of the minutes provided.

13 MINUTES OF THE MEETING OF THE FINANCE RESOURCES AND ESTATES COMMITTEE HELD ON 23RD JULY 2018

The Board were happy to note the content of the minutes provided.

14 CONFIDENTIAL ITEMS

It was agreed that confidential items would be recorded separately.

15 ANY OTHER BUSINESS

There were no items of additional business.

16 DATE AND TIME OF NEXT MEETING

Signed : _____ Chair

Date:

The Clerk confirmed that the next scheduled meeting was 25th October 2018 at 5.00 pm.

(Staff left the meeting at 6.05 pm)

Signed : _____ Chair

Date: