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**Minutes of the Meeting of the
CORPORATION**

**held in the Boardroom, Fawcett Building
Willesden Campus
at 4.30pm on Wednesday 25 March 2015**

COLLEGE OF NORTH WEST LONDON

MINUTES OF CORPORATION MEETING HELD ON 25TH MARCH 2015

Present: Jan Knight (Chair) minutes 14/73 to 14/75 and 14/76 to 14/94
Judith Williams (Vice-Chair)
Andy Cole
Tracey Connage
Robert Evans
Ann John minutes 14/73 to 14/78
Dhani Kangalee
Jeff Lee
Vineeta Manchanda

In Attendance: Fiona Chalk, Clerk to the Corporation Designate
Ashok Patel, Vice-Principal (Finance & Resources)
Ray Shilling, Assistant Principal (Enterprise & Employment)
Jo Taylor, Director of Human Resources
Lesley Venables, Interim Clerk to the Corporation
Mike Welsh, Vice-Principal (Curriculum, Teaching & Quality)

Governors were advised that the update on "An Employer's View of CNWL's Apprenticeship Provision" would be deferred until the May 2015 Corporation meeting.

14/73 APOLOGIES FOR ABSENCE

Apologies for absence were received from Melvyn Davies (Independent), Donald Palmer (Independent) and Rami Saeed Saleh (Student).

14/74 DECLARATIONS OF INTEREST

There were no declarations of interest.

Jan Knight left the meeting at this point and Judith Williams took the chair.

14/75 MEMBERSHIP EXTENSION

The Vice-Chair advised that the terms of office of Jan Knight and Melvyn Davies had technically expired on 12th March 2015. Prior to this the Search Committee had considered the contributions of both individuals and had recommended approval of a further, third term of office of 4 years. It was agreed that both individuals had made valuable inputs and that their skills should be retained by the Corporation, particularly during the transition to a unitary board model.

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Both individuals had signified their agreement to continuing for a further term of office. However, at his request due to personal circumstances, the term of office of Melvyn Davies would be reconsidered in 6 months' time.

Resolved - That Jan Knight and Melvyn Davies be re-appointed as independent governors for a term of office of four years, commencing on 25th March 2015

14/76 MINUTES OF PREVIOUS MEETING (INCLUDING PREVIOUS COMMITTEE MEETINGS)

Resolved - That the following minutes be approved:

Corporation (including Special meeting)	17 th December 2014
Curriculum & Standards	1 st December 2014
Finance & General Purposes	25 th November 2014
Audit	19 th November 2014
Search	14 th January 2015

14/77 MATTERS ARISING

Corporation meeting – 17th December 2014

The item on Curriculum Strategy had been deferred at the 17th December 2014 Corporation meeting. It was agreed that this would form part of the agenda for the Summer Conference and a summary would be provided at the Corporation's May 2015 meeting.

Corporation Special meeting – 17th December 2014

The Interim Clerk and the Principal were asked to check whether the agreed letter had been sent to the individual concerned.

Search Committee – 14th January 2015

Governors received an update on recruitment processes that were underway to fill the current vacancies on the Corporation. Four potential candidates had been identified, two of whom had made formal applications and these would be interviewed at the end of April, with a view to any appointments being approved by the Corporation at its May meeting.

Audit Committee – 19th November 2014

The Audit Committee scheduled for 11th March had been postponed, due to the internal audit work not being undertaken. This work had now commenced and the Committee would reconvene in early May, possibly on the same day as the Corporation meeting.

14/78 PERFORMANCE MONITORING

The Principal presented a set of performance indicators in a dashboard format. Governors' attention was drawn to the data on financial strength and efficiency measures. It was noted that

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predicted success rates were now included in the document and these would be updated termly, with a report submitted to the May Corporation meeting.

An additional £270k had been received from the Education Funding Agency for 16-18 apprenticeships, based on in-year performance. The Principal reported that the College had also been asked to subsume 25-30 apprentices from another provider that had failed its Ofsted inspection.

Staff utilisation had met the target of 95%. A total of 76% of lesson observations had been graded as good or outstanding, compared to the target of 80%. However, this position may improve following feedback received from Ofsted during monitoring visits.

Ann John left the meeting at this point.

In response to questions from governors over apprenticeships, the Vice-Principal (Curriculum, Teaching & Quality) reported that in Construction about 95% of apprentices followed an internally delivered programme. The College's strategy was to diversify in-house delivery in areas such as IT, Media and Business. Currently different models were being evaluated to determine which provided the best fit.

The relative financial return from internally delivered apprenticeship courses was 40%, compared to 20% for external delivery. Governors agreed that apprenticeship funding provided a higher level of certainty than other sources and allowed the College to improve efficiency and bring about growth. However, such students were expensive to manage with a high level of administration involved.

14/79 FINANCE REPORT

Governors received for information the Mid-Year Financial Overview and Forecast for 2014/2015, a report on financial planning for 2015/2016 and feedback from a recent meeting with Barclays Bank.

The Vice-Principal (Finance & Resources) advised that recruitment in January/February had been significantly below the agreed target. In addition, 15% of learners had withdrawn from their studies, which was unprecedented. Management felt that this was partly due to the impact of increased fees payable by learners and also the effect of the demolition works at the front of the building. The reduction in income equated to £1.6m, which could worsen if enrolments post-Easter failed to improve.

There would be no in-year claw-back for under-performance against the target for 16-18 learners, however, this would adversely affect the College's baseline level of funding for 2015/2016. Tuition fee income had fallen and there was a 50% reduction in applications for Level 3 student loans. Some pay expenditure costs reductions had been possible. However, due to the fact that the majority of teaching staff were permanent, full-time employees, which meant reduced flexibility to undertake new initiatives mid-year, the College's cost base could not be brought down much further.

Class sizes were currently at a sub-optimal level and management proposed to offer fewer programmes for 2015/2016 but with higher numbers in each class. Retention of learners was a high priority. It would be difficult for the College to use sub-contracting to achieve a position closer to its maximum funding targets.

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The financial position of the College was set against a background of an additional 25% reduction in Government funding for further education for 2015/2016.

In response to questions about the definition of full-time 16-18 courses, the Vice Principal (Curriculum, Teaching & Quality) reported that all students in this cohort should be attending on a full-time basis, including English and Maths lessons, but that attendance at the latter was variable. Due to some full-time learners being enrolled later in the academic year, they were counted as part-time on the College's MIS.

Attendance at English and Maths lessons would be compulsory from 2015/2016, as otherwise the College would not receive any funding for these learners, with a significant effect on income levels. It may be possible to reorganise the curriculum to ensure that English and Maths were studied at the beginning of a vocational programme, rather than throughout the year.

Governors asked about the pattern of enrolments across curriculum areas. The Vice-Principal (Curriculum, Teaching & Quality) advised that the number of learners enrolled on ESOL programmes had declined considerably, particularly in the January/February recruitment period. In terms of 19+ provision, there had been a sizeable reduction in unemployed adults studying to gain employment, due to demographic changes in the London area.

Management was of the view that the mode of delivery needed to be right for all courses and that the College should plan to align itself more closely with successful private training providers. The Principal added that the product offered by the College had not changed significantly: it was its promotion and delivery that required review.

A decline in 16-18 Engineering & Construction enrolments was partly mitigated by growth in apprenticeships and transfers to apprenticeship programmes. It was noted that, although local schools were retaining a higher proportion of 16 year olds, a greater number of these learners opted to attend the College from the age of 17.

Governors requested further information on the impact of advertising and marketing activities, relating expenditure to enrolments.

In 2015/2016 the College's income would fall by a further £3.2m and projections indicated that efficiency savings would be required for it to break even by the end of the year, including restructuring costs of approximately £2m. The College's solvency was under threat, which had implications for maintaining its bank covenants on existing and any future loans.

The Local Enterprise Partnership had approved a grant of £6m for the redevelopment of the Edison Building. However, due to the 24% cut in funding for the FE sector, the LEP would be undertaking additional stringent checks to ensure affordability before advancing the money to the College.

14/80 PROPERTY STRATEGY UPDATE – LEP FE CAPITAL

The Vice-Principal (Finance & Resources) provided an update on the College's Property Strategy. The development of the Edison Building site was progressing well, with discussions underway with professional service contractors for the second phase of the work. The majority of appointments were being carried forward, but governors were informed that these were all subject to receipt of funding from the LEP (in line with minute 14.79 above).

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A positive meeting had been held with the College's bankers (Barclays), at which it had been suggested that a number of West London colleges could prepare a joint strategy for future funding, possibly through an externally-facilitated event such as a meeting of principals.

Governors asked how many colleges had been graded as 'inadequate' due to financial under-performance. The Principal reported that the FE Commissioner was currently reviewing 20 to 25 within the sector. CNWL had a good cash position due to the sale of the Kilburn site. However, in terms of other performance indicators, it was nearing the 'inadequate' grading due to the future reduction in adult funding and the pace and intensity of any further changes.

A decision on Willesden campus options had not yet been made, pending the outcome of exploratory discussions.

14/80 STRATEGIC PROGRESSION & DESTINATIONS

The Vice-Principal (Curriculum, Teaching & Quality) presented information that had been requested by the Corporation at its December 2014 meeting analysing early withdrawals for 16-18 year old learners. Governors noted that, in line with most of the FE sector, the collection and use of withdrawal and destination information had not yet been maximised.

The College had engaged an external company (Capita) to undertake research into learner destinations for the 2013/2014 cohort at CNWL. An update would be submitted to the Corporation's May 2015 meeting, which would underpin curriculum planning for 2015/2016.

Governors questioned whether the contact rate was acceptable (530 out of a possible 5119). The Vice-Principal commented that it was important to have accurate information, which may mean a lower return rate, and that Capita were being paid on a results basis. Ofsted would expect the College to have data on a larger cohort, but also required a high level of integrity of any information presented during an inspection.

The interim results of the survey indicated that a total of 338 students had provided data on their current destination since leaving the College. The majority of these (52%) were in full-time or part-time employment, with 17% engaged in further study and 19% unemployed.

For the 2014/2015 academic year, 18.72% of those who were enrolled either withdrew or did not attend College at all. This equated to a slight improvement compared to 2013/2014, where the equivalent figure was 19.11%. Reasons for the behaviour of the vast majority of these students were largely unknown (87.11%) and governors challenged how this was being addressed by management. The Vice-Principal (Curriculum, Teaching & Quality) responded that such investigations were resource-intensive and that often these individuals did not wish to disclose the reasons why they had withdrawn from the College. Many of the reasons provided were outside of the College's control, such as injury or illness and financial pressures. Course teams were being made more accountable for ascertaining the reasons for withdrawals.

Members asked about the corresponding data for adult learners. The Vice-Principal reported that this was significantly worse than in previous years and, following further analysis, was due to similar reasons as those cited by 16 to 18 year olds, with a greater proportion of external factors impinging on their decisions to withdraw. Many of these adult learners were in groups that were harder to

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reach, over which the College had little influence. Organisations such as Job Centre Plus aimed to find them employment, rather than encouraging them to attend college to improve their skills.

It was suggested that information should also be gathered on the reasons why students remain on their programme of study. Otherwise, policy could be made to address the behaviours and wishes of a small group of learners, rather than the majority

14/81 PROJECTED SUCCESS RATES

Governors received for information a summary of success rates as at the end of January 2015 against the targets. A further update would be provided to the Corporation's May meeting, after the second round of Standards Reviews had been concluded. Difficulties with the software package that generated the report had meant that the full information would not be available until the next meeting.

The Vice-Principal (Curriculum, Teaching & Quality) reported that where success rates in a particular curriculum area were below the identified target, staff would be working on supporting and encouraging students to improve their grades and remain on programme. A number of strategies had been employed to assist learners, such as a breakfast club in Engineering.

Members queried why Engineering, Manufacturing & Construction had been graded as 'amber', when the information provided compared favourably to that of other curriculum areas that had been graded as 'green'. The Vice-Principal explained that a cautious approach was being taken with this area, given previous levels of performance, the outcomes of the imminent Standards Reviews, group sizes and attendance patterns.

The RAG rating contained in the report was an interpretation by senior management of the likely outturn in each curriculum area. Directorate staff were likely to be more optimistic when assessing relative performance, which could result in targets not being met. Towards the end of the academic year, there should be a greater degree of convergence between the two viewpoints. It was agreed that a legend would be added to all future reports to explain the RAG ratings.

14/82 OFSTED SUPPORT & CHALLENGE UPDATE

The Corporation received a report on the latest visit by the allocated Ofsted Support & Challenge officer. This had concluded that progress had not been sufficiently speedy and that members of teaching staff were not taking responsibility for their own improvement journey. Governors expressed concern that there had only been a short period of time in which to make any improvements, but management reported that this was expected by Ofsted.

The Executive Management Team had commenced a process analysing the performance of individual lecturers to ensure that they were working efficiently for the benefit of learners and initiating appropriate measures to support yet challenge staff to attain higher levels of performance.

Governors concurred that it was important for management to be effective in bringing about improvements in the College's key indicators and that the Principal should ensure that any actions were being undertaken as a matter of course and not as an outcome of comments by Ofsted.

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14/83 QUALITY IMPROVEMENT PLAN

The Vice-Principal (Curriculum, Teaching & Quality) presented an updated Quality Improvement Plan for 2014/2015. Feedback from governors was sought on the format of the information provided.

14/84 INSTRUMENT & ARTICLES AND STANDING ORDERS UPDATE

At the December 2014 meeting, the Corporation had received an action plan of the items that required amendment in the Instrument & Articles of Government and the Standing Orders to enable it to move to the unitary board model.

The action plan had been updated by the previous Clerk and was presented for information. It was noted that a number of items in the Instrument & Articles were still being progressed, such as consultations with those individuals affected by the proposed changes. Once these had been completed and advice had been received from the College's solicitors, a revised set of Instrument & Articles would be submitted to the Corporation for approval.

The Interim Clerk presented amended Standing Orders, which had been prepared to reflect the proposed changes to the Instruments & Articles of Government.

Governors asked that information on the levels of professional indemnity and liability insurance for the Corporation be circulated

- Resolved -**
- 1 That, subject to further minor amendments, the revised Standing Orders be approved
 - 2 That information on insurance arrangements for governors be circulated

14/85 GOVERNANCE WORKING GROUP

The Vice-Chair suggested that it would be appropriate to retain the Governance Working Group to deal with any governance-related matters in future, such as oversight of the content of the governors' portal.

A 12 module training pack had been developed by the Association of Colleges and could be accessed through the portal. The College had also commissioned a national subject specialist to produce a revised induction programme for new governors.

In terms of training, a one-day session on the Prevent Agenda had been arranged in June.

Appraisals had been completed for both the Chair and the Vice-Chair. The process would now be widened to cover the rest of the Corporation.

- Resolved**
- 1 That the Governance Working Group be retained
 - 2 That appraisals be undertaken for individual governors (with the exception of the Chair and the Vice-Chair)

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14/86 CONFERENCES

The Chair reported that the Winter Conference had been extremely informative and had provided an opportunity to review the Corporation's future strategy. However, attendance levels had been poor and, with the Summer Conference being held in a couple of months' time, governors were reminded that these events were vital to future development of the College and of individual members.

Resolved - That the date of the Summer Conference be changed from 6th June 2015 to encourage maximum attendance levels

14/87 FUTURE CLERKING ARRANGEMENTS

The Chair introduced Fiona Chalk, the newly-appointed Clerk to the Corporation.

14/88 AUTHORISED SIGNATORIES OF CORPORATION SEAL

The Interim Clerk advised that an amendment to the Corporation's Standing Orders was required as a result of the decision to remove the Finance & General Purposes Committee from the overall governance structure. Under the previous Standing Orders, general authorisation was given to members of this committee to authenticate the application of the Corporation Seal on official documents. It was now proposed to amend this to the Vice-Chair, the Principal and the Chair of the Audit Committee.

Resolved - That the Standing Orders be amended to reflect that the application of the Corporation Seal would be authenticated by the Vice-Chair, the Principal and/or the Chair of the Audit Committee.

14/89 ANNUAL EQUALITY & DIVERSITY REPORT

The Head of Human Resources presented the Equality & Diversity Report for 2013/2014, together with an updated action plan. The main focus for 2014/2015 was disability issues and it was noted that the disclosure of disabilities was 9%, compared to the national average for FE colleges of 4%.

The proportion of BAME staff employed by the College had increased by 2% in 2014/2015 and the number of staff choosing to disclose their sexual orientation had increased.

Staff training events on trans-gender issues had been held during the year. A further session on the Prevent Agenda had been organised for staff on 3rd July, details of which would be posted on the governors' portal.

Governors asked what impact the revised curriculum strategy had made on human resource planning. The Head of HR responded that there were close links between the two strands and financial considerations of any proposed actions. For example, previous redundancy programmes had been impact assessed to ensure that these had not disadvantaged any particular group of staff. The criteria used and the ranking order in which these were applied would be circulated to governors for information.

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Human Resources had been ranked highly both by the College's self-assessment processes and by Ofsted. However, more information was required by governors on the recruitment and retention of the best staff.

Although the College aimed to reflect the ethnic profile of the local community amongst its staff, it was noted that amongst higher grades the proportion of individuals classified as BAME reduced, as these staff tended to travel to work from further afield.

Resolved - That the criteria used for previous redundancy programmes and the ranking order in which these were applied be circulated to governors for information.

14/90 PRINCIPAL'S REPORT

Governors received a presentation on two of the College's strategic priorities – skills and partnerships.

Skills

A significant amount of positive media coverage had been generated by the College's success at the recent Skills Show, centring around its ambition to be London's leading skills provider. From a total of 6 Scholarships available across London and the south-east of England from the Institution of Civil Engineers, 4 had been won by College students undertaking higher level apprenticeships as part of a consortium of London colleges. Two learners had also received gold medals at the national hairdressing show in Blackpool.

The Chair asked that the Corporation's congratulations be passed on to all those involved in these activities.

The Principal reported that funding from the Local Enterprise Partnership would be related to outcomes in future. Due diligence was required beforehand to ensure that the College had the capacity to deliver these outcomes in the face of severe cuts in Government funding.

Governors received for information a letter from the Association of Colleges, expressing the view that consistent funding reductions could bring about the extinction of further education colleges over the next few years. The Principal commented that the level and speed of the expenditure cuts did not appear to have been anticipated by either BIS or the Skills Funding Agency.

The LEPs were becoming responsible for more strands of Government funding, however, it was apparent that the links between them and the SFA were minimal, which meant that FE was competing with other sectors for grant funding.

BIS had recently published a consultation document entitled "A Dual Mandate for Adult & Vocational Education". Submissions were to be made by June, but it was unclear as to where any feedback would be delivered and acted upon. The report set out a number of issues:

- Higher level skills delivery, i.e. post A Level but sub-degree level. Such courses were undertaken by about 10% of the population, which was low compared to the rest of Europe, in which vocational education was valued as much as academic qualifications.
- Further education as a second chance for the workforce to maximise its potential.
- Basic Skills is currently funded by the SFA and higher level vocational skills by HEFCE. Neither of these were the primary functions of these respective institutions.

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- The end of formal classroom teaching for some adults.
- An increasing emphasis on employment outcomes.

Partnerships

The Principal advised that there were to be a greater role for localities under the current Government's strategy, as already evidenced in the formation of the Greater Manchester Council Alliance, which had devolved powers for 16-18 and 19+ education budgets, and in the Sheffield City Region.

Similar powers for the Greater London Authority had been referred to in the Chancellor's Budget statement. It was felt in the FE sector that local authorities may use this as an opportunity to assume control for further education institutions, which would dilute their independence.

Currently there were 31 colleges in London. Due to financial pressures, this would probably reduce over the next few years through mergers and takeovers. A number of colleges were also being reviewed by the FE Commissioner, the outcome of which could provoke further movements.

It was agreed that a 'taskforce' of governors and senior management should be formed to examine in detail the issues outlined in the Principal's report, any future developments and potential partnerships. Further opportunities for discussion at Corporation level would be included as part of the timetable of business for the remainder of the academic year.

Resolved - That a small working group be formed to review possible solutions to the strategic issues outlined above

14/91 CHAIR, MEMBERS' AND PRINCIPAL'S UPDATES

Link activities undertaken to date had been received positively by curriculum staff and those governors who had participated.

14/92 SECTOR UPDATE

Governors received for information the latest briefing from the Association of Colleges and two reports from the FE Commissioner's office on recent college investigations.

14/93 ANY OTHER BUSINESS

There was no other business.

14/94 DECLARATION OF ANY BUSINESS TO BE TREATED AS CONFIDENTIAL

There was no business that should be treated as confidential.

DATE OF NEXT MEETING

13th May 2015

Staff governors, members of the Executive Management Team, the Interim Clerk and the Clerk Designate left the meeting at this point. Judith Williams was appointed as Clerk for the remaining agenda item.