



Minutes of the Meeting of the CORPORATION

held in the Boardroom, Fawcett Building
Willesden Campus
at 4.30pm on Wednesday, 16th December
2015

Present: Jan Knight (Chair)
Judith Williams (Vice-Chair)
Andy Cole
Martina Porter
Jeff Lee
Tony Johnston
Mick Gallagher
Vineeta Manchanda
Abdulkadir Mohamed
Najma Abdinoor
Diane Kennedy

Present [11 Of 13]
[85%]

Vacancies [0]

In Attendance: Fiona Chalk, Clerk to the Corporation
Stephen Holley, Interim Vice-Principal (Finance & Resources)
Ray Shilling, Assistant Principal (Enterprise and Employment)
Mike Welsh, Vice-Principal (Curriculum, Teaching and Quality)
Anna Openshaw-Lawrence, Vice-Principal (People and Planning)

Briefing: Student Council members met with Corporation members in a 'speed dating' scenario which all agreed was a useful experience and gave better understanding of others motives and needs in connection with the College.

15/042 A1. APOLOGIES FOR ABSENCE (A1)

Apologies for absence were received from Tracey Connage and Donald Palmer. Introductions were made and new members were welcomed.

15/043 A2. DECLARATIONS OF INTEREST (A2)

None.

15/044 MINUTES OF PREVIOUS MEETING (A3)

It was resolved that the following minutes be approved: Corporation minutes of 4 November 2015, and Special Corporation meeting of 25 November 2015.

15/045 MATTERS ARISING (A4)

SUCCESSION PLAN – The updated plan was noted and this plan will be monitored by the Governance Committee.

Clerk/Governors to Action

15/046 STRATEGY AND OPERATIONS - KPIs (B1)

- i. 2014/15 KPI outturn. The outturn was noted.
- ii. 2015/16 KPIs. Governors discussed Ofsted's comment regarding their evidence for greater discussion in the minutes around college KPIs, whether the KPIs are aspirational or too ambitious and whether they are being met. **It was resolved that College KPIs should be aspirational to achieve the Strategic Plan's aims.** Current achievement is at 83%, National Average is 84% and the target is 87%. **It was resolved that this year's target should be 85% and will be reviewed year on year with a 3 year rolling target. All other KPIs were approved. These will be discussed each quarter with at least once Strategic Priority being discussed at each Corporation meeting.** It was noted that some targets have been exceeded such as cash-in-hand days and apprenticeship outcomes and the amended financial targets were noted in order to reflect the 3 year financial plan. Governors noted the unstable financial landscape currently which makes it difficult to set targets and some, such as apprenticeships for example, could be difficult to achieve. Once greater clarity is received for the next 3 years around apprenticeships, the targets will be rewritten with greater relation to employers. It was noted that after the first quarter, success rate and partnership financial targets have not yet been met. All other targets are in line with or exceed expectations.

Clerk to Action

15/047 MANAGEMENT ACCOUNTS (B2)

The Management Accounts to 31st October 2015 were noted, key points being:

- (i) Operating surplus of £850k
- (ii) ASB funding contract is 65% met
- (iii) 16-18 apprenticeship contract is 62% met
- (iv) Agency costs are £73K above target but support staff costs are down by £123k
- (v) Permanent staff costs are below target (55% of costs against 62% budget)
- (vi) Non pay expenditure is below year to date budget, with note being made of the effort by estates management in particular to achieve cost savings. Governors asked for them to be commended.
- (vii) Budget Outturn is 1.64
- (viii) Cash days in hand 520 against budget of 330
- (ix) Borrowing as a % of net assets is 15% against a budget of 17%
- (x) Health grade is Good
- (xi) The budget being met is dependent on 100% achievement of student recruitment
- (xii) £7.8m in the bank with £1.7 to be paid to the SFA
- (xiii) SFA's validation of the college shows a financial forecast of 'outstanding' financial grading.

Governors questioned the Executive on what actions are being taken to recruit further students in order to ensure the budget is met. It was noted that:

- (i) Learners are recruited all through the year with some programmes starting in January

- (ii) College looking to sub-contract in order to meet targets
- (iii) Efforts are being made to ensure students remain on role, retention is currently 99%
- (iv) Recruitment numbers across London last year were down on 19+ learners
- (v) The changes made to staffing have allowed the college to be more flexible on meeting the provision required.

15/048 LEARNER SUPPORT FUND (B2ii)

Bursaries and funds were noted with £1,066,760 being awarded for 19+ and 24+ and £272,321 being awarded for 16-18s, including vulnerable and free meal allocations.

It was resolved that a KPI be developed to measure the impact of the support provided.

BH to Action

15/049 AUDIT COMMITTEE ANNUAL REPORT [B2iii]

The areas of work of the Committee and by the IAs throughout the year was noted, including the actions for the IT Disaster recovery plan. Mazars overall audit opinion was noted and will be used to inform the college's Statement of Internal Control and Corporate Governance within its Annual Financial Statements. The opinion of BDO, the Financial Statement and Regularity Auditors advising that the accounts give a true and fair view of the college's affairs, was also noted.

15/050 ANNUAL STUDENT ACCOUNTS [B2iv]

The Annual Student Accounts were noted.

15/051 ANNUAL REPORT AND FINANCIAL STATEMENTS (STATUTORY ACCOUNTS) 2014/15 [B2v]

Members noted that the deficit at year end is larger than reported in the management accounts due to the accounting position change on the Edison Building – it was moved from capitalisation as part of the new build because of the delay in the LEP funding. The cost of £2m was written off in to the profit and loss account. This was a prudent action to take at the time, although the LEP monies will now be received. Had the LEP money not come through, there would have been a negative effect on the bank covenant. This change does not affect the cashflow position as it has already been paid out. The revaluation of the site has added £13m and made for a positive balance sheet under the new financial reporting requirements.

Members noted that an operating deficit this year will result in a breach of the bank covenant which will impact on the loan from the bank.

It was resolved that the Statutory Accounts be approved and signed by the Chair and Accounting Officer.

SH/AM to Action

15\052 DRAFT SAR, QIP AND OFSTED REPORT (B3i)

Members noted that the draft Ofsted report is awaited and is expected in January. The college has provisionally been graded Good and the inspection team concurred with the college's self-assessment, apart from the 16-18 provision which was graded requires improvement.

The draft SAR was noted, there will be an opportunity to respond to the draft report prior to its final publication. The final report will be circulated and reported to the February Corporation meeting.

The draft updated QIP was noted.

Members expressed their thanks to all the staff and the good Ofsted grading and for all their hard work. Members asked if there was a PR plan in place to maximise the result. It was noted that a PR plan is in place, both for the college and for other stakeholders. Also a marketing plan to promote the outcome to aid recruitment is being planned. Tony Johnston offered his expertise in this area and suggests that we need to be clear about the difference between PR and Marketing and that it was vital to get across the success of the college in different ways. He agreed to meet with the Principal and his team separately to take this matter forward.

It was resolved that members be included in any PR messages being sent to stakeholders.

Clerk/Aga to Action

15/053 RISK MANAGEMENT ANNUAL REPORT[B4i]

Members noted the Annual Risk Report.

15/054 RISK REGISTER [B4ii]

Members noted the contents of the Risk Register and noted the Audit Committee's review of such.

15/055 PROPERTY STRATEGY

LEP CONTRACT [B5i]

The LEP is currently awaiting the SFA financial rating (outstanding) but the contract grant and schedule are expected to be ready for signature by the end of the week. One condition of the loan is noted that it has to be built to Bream Excellent standard – sustainable development. This may add 3-4% to the build cost. Other conditions include the use of CNWL students as apprentices by the contractors.

It was resolved that the Chair sign the contract.

Chair to Action

LEGAL CHARGE – WEMBLEY CAMPUS [B5ii]

See confidential minute.

Clerk/Chair to Action

ACCOMMODATION STRATEGY – FLOWERS UPDATE [B5iii]

Members noted that with confirmation of the money from the LEP, procurement has begun for the multi-disciplinary team who will take the college to RIBA stage 2. This will include design, costing and planning for the new development.

The college will be using the Homes and Communities Agency panel which is a government sponsored panel. The process to procure the multi-disciplinary team will be run through an electronic portal, called In-Tend. The brief has been prepared by Marcel Hendricks.

Members noted that Stephen Holley will be leaving the college and the Corporation thanked him for his work on property and finance, which has been excellent. Members expressed their thanks for his patience in explanations in regard to the finances, both current and future.

15/056 SUB-CONTRACTOR FEES [B6i]

Members noted the current and proposed fees for sub-contractors.

It was resolved that the fees for 2014/15 and 2015/16 be ratified.

15/057 AREA REVIEWS [C1]

It was noted that no announcement has been made as yet on the timing of the reviews for London – this expected to be made in January with the review anticipated to take place from 8th March. The second region is expected to be announced two weeks later Chairs and Principals have attended

meetings with the GLA and London Councils. At the same time, the Chair, Principal and Vice-Chair have attended a training event run by the AOC where two case studies on colleges either having completed or are in the process of Area Reviews were discussed. They also participated in workshops at the AOC Conference concerned with governance and Area Reviews. Key points on the process which were emphasised by the FE Commissioner are that Colleges are independent corporations and governors have to decide on the recommendations in the final report. However there would need to be a strong case for not taking on any recommendations. There is a strong case for colleges to make efficiency savings which will be a consideration of the Area Reviews and future provision will need to plan for higher levels and specialisation. The process is taking place in the light of devolution in London, so that the stakeholders in this process will embrace local authorities as well as the Greater London Authority. The make-up of the steering group is yet to be confirmed, it is likely to include the Chair and Principal.

15/058 STRATEGIC ALLIANCE [C1ii]

See confidential minute.

15/059 CURRICULUM VISITS

It was resolved that members submit their visit reports to the Clerk for reporting to the Corporation on 10th February.

Governors/Clerk to Action

15/060 REVIEW OF THE INSTRUMENTS AND ARTICLES [C2i]

The proposed amendments to the I&As were noted. **It was resolved that all amendments be approved.**

Clerk to Action

15/061 APPOINTMENTS[C2ii]

Further to previous discussions Judith Williams proposed Vineeta Manchanda as Vice-Chair and Tony Johnston seconded and **it was resolved that Vineeta Manchanda be appointed Vice-Chair.**

Clerk to Action

Jan Knights advised she wished to stand down as Chair and nominated Judith Williams as Chair. **It was resolved that this item be added to the agenda of the next Corporation meeting.**

Peter Child was interviewed by the Vice-Chair and met a group of governors prior to the Corporation meeting. At present he is working as a Management Consultant and brings skills in property development, finance and project management to the Board.

It was resolved that Peter Child be appointed to the Corporation as an Independent Member.

Clerk to Action

15/062 CORPORATION SELF-ASSESSMENT [C2iii]

The Corporation self-assessment was noted. **It was resolved that the KPIs be approved and the Action Plan and Governance Improvement Plan be adopted.**

15/063 GOVERNANCE WINTER CONFERENCE [C2iv]

The programme was noted.

15/064 SMT GRIEVANCE AND DISCIPLINARY POLICY [C3i]

It was resolved that the policy be approved

15/065 WHISTLEBLOWING POLICY [C3ii]
It was resolved that the policy be approved

15/066 ANNUAL EQUALITY AND DIVERSITY REPORT [C3iii]
It was resolved that the amended Single Equality Scheme and action plan be approved.

15/067 ANNUAL STAFFING REPORT [C3iv]
Members noted the report

15/068 STUDENT COMPLAINTS REPORT [C3v]

15/069 COMMITTEE MINUTES [D1]
The Audit Committee minutes were noted.

It was resolved that Peter Child be appointed to the Corporation as an Independent Member.
Clerk to Action

15/070 CONFIDENTIAL ITEMS [E1]
It was resolved that the item Strategic Alliance and Property Strategy B5ii, be confidential.
Clerk to Action

15/071 Future Briefing requests [E2]
HE.
Clerk to Action

15/072 CONFIDENTIAL ITEM [F1]
Staffing – see confidential minute.

15/073 DATE & TIME OF NEXT MEETING

Corporation meeting on Wednesday 10th February at 4.30 p.m.

Signed:

Date:.....