



Minutes of the Meeting of the CORPORATION

held in the Boardroom, Fawcett Building
Willesden Campus
at 5.30pm on Wednesday, 11th May 2016

Present: Judith Williams (Chair)
Jan Knight (Vice-Chair)
Vineeta Manchanda (vice-Chair)
Andy Cole
Peter Child
Tony Johnston
Priscilla Angelique-Page
Berta Martinez
Donald Palmer
Martina Porter

Present [10 of 15]
[82 %]

Vacancies [4]

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

15/113 A1. APOLOGIES FOR ABSENCE (A1)

Apologies for absence were received from Mick Gallagher and Diane Kennedy.

15/114 A2. DECLARATIONS OF INTEREST (A2)

Martina Porter declared an interest in item D1, Business Development and Employer Engagement report.

15/115 MINUTES OF PREVIOUS MEETING (A3)

It was resolved that the following minutes be approved: Corporation minutes of 23rd March 2016, including the Confidential minutes.

15/116 MATTERS ARISING (A4)

Governors Appraisals. It was noted that Paul Butler has completed appraisals for VM and DP and he will contact other governors.

Chair to Action

Pro-Retention. Has been purchased and is being implemented.

City and Guilds. The college has been involved for the past 6-7 months as part of a national initiative with other colleges focusing on a talent pipeline to secure national apprenticeships. In order to enter into a joint venture, an investment of approximately £25,000 is required. Any further progression on this will be reported to the Corporation at a later date.

AC to Action

15/117 QUALITY IMPROVEMENT (B1)

MW presented the updated Qidap following the second round of standard reviews. Governors noted:

- Key areas for improvement from last year together with feedback from Ofsted have been built into the Qidap
- Improvements in curriculum management across all directorates
- Improvements in attendance in GW's directorate from 85-90%
- Completion rate for appraisals has significantly increased across the college
- Continuing professional development activities including training for managers are continuing
- An English & Maths group has been established to monitor and improve attendance and develop new initiatives
- Apprenticeship growth is increasing
- Learner Voice feedback shows an improvement in work experience placements
- Projected success rates increased by 3% to 86%
- Apprenticeship success rates are 83% and timeliness is 92%, both an increase on last year

Governors challenged management on:

- Less attendance of 16-19 English & Maths – They were advised that this is a national issue. Many post 16's are reluctant to buy-in to Maths and English as this was not their focus when choosing a college course. CNWL is above the national average on attendance for this group but the college accepts it's attendance can still be improved.
- New grading system for English & Maths – Management acknowledge that this will be a big challenge, but are moving ahead of schedule to implement the changes. Going forward it will be hard to assess quality as there will be no historic data and the pass rate is being increased by the government.
- Support for students at exam time to ensure attendance – students are being supported in exam techniques, past papers are supplied, stress management and psychological support workshops are run and pastoral support on a group by group basis is given. This attendance issues are across the board, both capable and borderline students.

15/118 STUDENT PROGRESS REPORT (B2)

Governors noted:

- A significant number of students in ESOL have progressed to term 2 qualifications
- ESOL 72%, Accountancy Maths & IT 74% & Entry level is 71%
- UCAS applicant offer rate increased by 3.7% following further support on application writing

- 100% of 18y old applicants received an offer
- Targeted approached to students who completed in July 2015 destination data to be provided by Capita in the Autumn for post 19 learners
- Acceptance of offers is down by 6%, this is a declining trend

Governors challenged management on:

- Provision of alumni to provide positive role models for future students – This is being looked into by a software company. Students will be consulted about running reunions
- It is a requirement of ESF funding for apprenticeships - this will be reported in future
- 15% disparity between male and female students – this is a new trend and if repeated, will be investigated further

GW to action

15/119 FINANCE REPORTS (B3)

Management Accounts

The Management Accounts to 31st March 2016 were noted. Key points are:

- Year-end forecast noted against amended approved budget
- £852,000 deficit budgeted
- £729,000 forecast deficit
- There are risks around the SFA income and whether it will be achieved. It is proposed that any shortfall will be met through sub-contracted work by the year-end and the optimum position is being monitored on a week by week basis
- Forecast that the bank covenant will be breached as there will be a deficit budget. The bank have indicated that they will likely issue a waiver
- Cash balance has dropped to £4.9m following clawback by the SFA last year and this cash balance will continue to drop whilst a deficit remains
- Further savings need to be made
- Improved other income including Leading Edge rental income

Draft Budget 2016-17

It was noted that:

- Financial planning is underway and compiled on known figures which include a reduction in EFA funding of approx. 7.5% £140k, SFA funding of approx. £417k
- Prior years ESF funding allocations are predicted to cease £152k 2015-16
- New ESF funding £1.35 is anticipated
- Overall reduction in resources of £740k
- There is no planned breach of the bank covenant for 2016-17
- July Corporation will be presented with final budget

Governors challenged management on:

- Where will savings be made – securing the full SFA/EFA budget by delivering inhouse rather than subcontracting. Currently £2.6m subcontracted which has costs attached. Governors requested details of this to be in the July report
- Budgeting a surplus rather than a break even for 2016-17 – A £300k surplus is budgeted for next year and a £1m surplus the year after.

- Uncertainty around SFA funding of apprenticeships as no longer need to contract with the college, they can go straight to a training provider. Also the impact of the apprenticeship levy is unknown. Companies are currently holding off on contracting further until they see how the levy will affect their business. Management advised that there is a lack of information about how deliverers are going to access funding so it will be hard to budget for but resources will be tied to income.
- Incomes lines, which are locked in and which are vulnerable to be shown to enable clearer and more realistic decision making by the Corporation.
- Turnover of 4 Finance Directors in 1 year has made budgeting decisions difficult for the Corporation as each has made some different assumptions. This post is now permanent and governors expressed their confidence in budget monitoring going forward,

Bank Mandate

Governors noted the Bank Mandate was out of date and has now been brought up to date with staff positions rather than names now on the mandate.

It was resolved that the bank mandate be approved.

EM to Action

15/120 PROPERTY STRATEGY – UPDATE AND APPOINTMENT OF LEAD CONSULTANTS (B4)

See confidential minute

15/121 STRATEGY & OPERATIONS [B5]

See confidential minute.

15/122 KPIs [B6]

Governors noted the review of relevance of the Financial strategic priorities, taking into account the new SORP and Area Review guidance. The current position in the 'in year' Financial Strength and Efficiency KPIs were scrutinised.

Governors noted the proposed amendments as follows:

- New KPI for borrowings as a percentage of income
- New KPI for earnings before interest, tax, depreciation and amortisation
- Remove KPI of performance ratio as this is replaced by the above

The bank covenant position will continue to be reported with monthly management accounts.

It was resolved that the above proposed amendments be approved.

EM/Clerk to Action

15/123 COMMITTEE MINUTES [C3]

Audit Committee recommendations:

It was resolved that the Corporation approve the appointment of Buzzacotts as Financial Statement & Regularity Auditors at a fee of £20,000 + vat for the year ended 31 July 2016, subject to a letter of engagement being signed, following minor amendments.

EM to Action

Tony Johnston left the meeting.

15/124 GOVERNANCE [C1]

New Governance Structure

It was resolved that the Corporation approve the new Governance structure for 2016/17, committee remits (subject to a change to the Finance TOR to designate it an advisory committee), schedule of meetings and schedule of business for 2016/17. BM to be added to the T,L&S committee.

Clerk to Action

Code of Governance

Governors noted the updated Action Plan relating to the newly implemented College Code of Good Governance. The Clerk advised that the Corporation will be compliant with the Code and this will be reported in the governance section of the College Annual Report.

Clerk to Action

15/125 POLICIES

Severance Payments Policy

It was resolved that the policy be adopted.

AOL/Clerk to Action

15/126 HR UPDATE [C4]

Governors noted the position on current employment tribunals.

15/127 BUSINESS DEVELOPMENT & EMPLOYER ENGAGEMENT [D1]

Governors noted the update on a contract in regard to King’s Cross Construction & Skill Centre which will see the college delivering a range of construction apprenticeships, a range of traineeships programmes, higher level qualifications, level 1&2 adult skills funded programmes for the unemployed and school provision to 2 schools within the borough.

15/128 GOVERNOR VISITS [D2]

Governors noted the report on JW’s visit to Leading Edge, regarding business development and apprenticeships.

15/129 SUMMER CONFERENCE [E1]

Governors agreed on a joint lunch with CWC at the University of Westminster Marylebone campus and will include presentations and discussions on strategic priorities and property strategy.

Clerk to Action

15/130 DECLARATION OF BUSINESS TO BE TREATED AS CONFIDENTIAL (E2)

Item B5 Strategic Collaboration/Area Review and item B4 Property Strategy, are deemed confidential.

15/131 DATE & TIME OF NEXT MEETING

Corporation meeting on Wednesday 6th July at 4.00 p.m. for briefing and 4.30 p.m. meeting commencement, immediately prior to the Student Awards. Summer Conference 11th June 9.00 – 4.00 p.m.

Signed:

Date:.....