



MINUTES

PRESENT:	Piers White (Committee Chair) Gordon Smith (Chair of Governors) Frances Wadsworth (Principal/CEO) Martin Corney Jackie Wilding
CLERK:	Melissa Drayson
IN ATTENDANCE	Keith Oxspring - Chief Operating Officer (COO) Andy Smith - Deputy Chief Executive (DCE) Jo Bland - Director of Human Resources (DHR) Paul Marsden - Head of ICT and Estates Jill Small - Property Consultant
APOLOGIES	Kevin Zuchowski-Morrison Trevor Morgan`
QUORUM	The meeting was quorate throughout
TIMING	6.30 – 8.35pm

Action lead

1. Apologies for absence

Apologies as listed above

2. Declarations of interest

Gordon Smith declared a new interest as Chair of Octavo Partnership. Octavo supplied some safeguarding training materials to the College.

3. Minutes of the previous – main and confidential

Two minor typos under item 7 were corrected.

RESOLVED: that both the main and confidential minutes of the meeting on 19 January 2016 be approved and signed by the Chair.

4. Matters arising from the minutes not already on the agenda

A report on salary scales and the number of staff eligible for incremental pay increases would be given as part of the HR update.

5. Financial Monitoring

Supporting paper presented by the Chief Operating Officer and Deputy Chief Executive

January 2016 Management Accounts.

Headlines were that:

- Revenues for 15/16 were likely to be approximately £2m short of budget
- Cost management had been tough but effective with pay and partner savings of £1.3m
- Nevertheless, the forecast £277k historical cost deficit remained unchanged from that reported the month before
- The pay to income ratio was improving and is currently below the budgeted figure
- The contribution from Acquire Learning was currently £39k against a budget figure of £63k. An assumption was made in the full-year forecast of a 75% contribution being achieved.
- Non pay costs had been updated with savings relating to Just IT sub-contracting costs.
- The balance sheet showed a financial health position of 'good' at the year end.

The Principal commented that, as discussed and agreed in the preceding Chairs' Strategy Group, it was important to ensure that sufficient funds and staff resources were available to ensure an ability to lead and manage strategic changes that Area Reviews and prevailing opportunities might afford.

Income

The DCE reported on emerging issues affecting future apprenticeship and Higher Education income

Apprenticeships:

It was noted that apprenticeship recruitment across all ages was lower than predicted, partly as a result of lower recruitment through Just IT.

The College was taking a cautious approach to further recruitment in 2015-16 for 16-18 apprenticeships given the recent experience of other colleges not receiving full funding for over delivery. There was now ongoing doubt as to whether growth in 16-18 would in future be honoured in full by the Skills Funding Agency. The college had reined back delivery to a more modest potential £200k above its contract value in terms of delivery, which we were advised might be a sum that would be paid, if starts above contract value had already been enrolled.

Clarification was sought on the high level of carry-in apprenticeships at the start of the year. It was confirmed that the projected carry-in determined the contract value for the forthcoming year.

The college had a significant number of apprenticeship vacancies which were proving difficult to fill. These were either in low paid sectors, such as childcare, or in areas where it was difficult to find sufficient applicants of appropriate calibre to fill placements, such as plumbing, heating and ventilation. Careers staff were targeting potential applicants who were not yet work-ready, to provide them with interview and employment skills. A further option was to provide Traineeships for these students, although it was not thought the take-up would be high.

The Committee discussed the preparations that the College needed to make to maximise the opportunities created by the Apprenticeship Levy. It was important to consider this in the context of the wider strategic discussion and options for future delivery models. The College's partnerships with large employers would be vital to its success in growing apprenticeships.

The Committee noted that quality had improved significantly in apprenticeship provision, with success rates now 12% above the national average.

Higher Education

A number of issues were reported that are being addressed, but which had acted as barriers to completion/academic progress and consequently maximising income generation. These included students retaking modules at a fee of £150, though often then staying the full year (compared with £6k for a full HE Course); students who 'intermitted' on their course, and then did not return, and a significant number of requests for mitigation. These factors would be addressed and built into the planning model for 16-17 to provide a clearer picture of actual numbers and income.

6. Budget preparation 2016-17
Supporting paper by the COO

COO

The budget setting timeline was noted. An update would be brought back to the Committee's April meeting with key issues for discussion..

7. Fees Policy
Supporting paper by the COO

It was noted that Appendix C, relating to distance learning fees, had not been included with the Policy as it was undergoing further review.

The main other proposed change was to raise the fee to retake degree modules from £150 to a more realistic £750. The aim was to both reflect the actual cost to the college of a retaking student more fairly (approx. £1k), and to encourage students to achieve in the normal timeframe, whilst also dissuading students from retaking, particularly as retakes had a very low rate of success. The change would come into effect from 2017-18. The retake fee would remain for CIPD programmes.

Governors asked when proposals for HE Fees, including evaluation of

forward looking competitive positioning opportunities would be brought to the Committee. The Committee would receive a report on 26 April, as the submission date to the Office of Fair Access was 27 April

RESOLVED: that the revised Fees Policy be approved.

AGREED: that a report on HE fees from Sept 2017 be brought to the Committee on 26 April. DCE

8. Human Resources Update

Supporting papers by the Principal and Director of HR

i. Staff feedback

The Committee commended management for its commitment to gathering meaningful feedback from staff, the creative means by which these had been effected and for achieving a high response rate to the staff survey. It was noted that communications were identified as a strength, but that a number of suggestions had been received for further improvement. These would include sharing good practice between departments. An example would be the weekly 'stand-up briefing' which had been introduced by the School of Art.

The Staff GOAL exercise would now be repeated regularly to tie in with Student GOAL. Six staff GOALies had been appointed and briefed and were gathering staff feedback anonymously. The next theme would be maths and English.

ii. Pensions changes

RESOLVED: that a confidential minute be taken of part of the discussion

The Committee noted the update on pensions auto-enrolment, pension scheme membership and costs to the college. More information was sought on the impact of the deficit reduction payment on the financial position as it was understood that this could either be paid as a lump-sum or added to the monthly employer's contribution.

The confidential addendum on options was discussed.

iii. Probation policy and procedure

The addition of the requirement to complete compulsory training was welcomed.

RESOLVED: that the revised Probation policy and procedure be approved.

iv. Pay scales report

A paper was tabled showing that 79% of business support staff who were on the old NJC pay-scales had reached the top point. The use of pay-scales for business support staff was being phased out with newer

staff appointed on spot salaries. 53% of established lecturers were at the point of their pay-scale. Beyond this point, teaching staff were eligible for an additional allowance for good performance for a further two years. Of the fifty lecturing staff eligible for performance-related incremental progression, thirty had achieved this.

9. Estates and capital development update

Supporting report for discussion

College Green

It was noted that the Chairs' Steering Group had been given a detailed presentation on proposed plans by the current project team earlier in the afternoon. Key headlines were:

- The outline planning application had been submitted
- The next stage would be to take forward the detailed design. The Council was finalising the procurement process for the project team for this stage. It was important for the college to have a leading role on the design brief and clear terms of engagement.
- The draft legal agreement was due to be sent to the College by the Council. This would then be reviewed by the college's lawyers (Eversheds) and Executive and presented to the Chairs' Strategy Group before seeking the approval of the Board. The Chair planned to invite Martin Corney and Trevor Morgan to join the Chairs' Strategy Group at salient points when property matters are being discussed to benefit from their experience and expertise.
- There was support for the view that Eversheds' advice should be sought to ensure that the College had the final say in terms of the design, timescales and costs of the build. In the event the Council did not produce a draft legal agreement in short order, then we should inform the Council that we plan to instruct Eversheds to do this.

It was pointed out that the Board needed to ensure that key decision points were mapped against the project timeline, and that sufficient time was built in to ensure that governors were basing decisions on high quality information and advice.

Governors were also mindful of their statutory responsibilities as FE governors and charity trustees for safeguarding assets and ensuring best value. It was advised that legal advice should be taken on dealing with potential differences between the new building's value and the loss of the existing site.

AGREED:

- (i) that the Council should be urged to send the draft legal agreement immediately in order to obtain legal advice on ensuring that the College's best interests were reflected.**
- (ii) that Eversheds should be invited to the Chair's Steering Group to present the headlines from the legal agreement**

**J Small/
P&CEO**

prior to seeking Board approval.

Heath Clark

Resolved: that a confidential minute be taken of this discussion on the grounds of commercial sensitivity.

10. Risk monitoring - Focus on Business Continuity

Presented by the COO and the Head of ICT and Estates

The committee was advised of a continuous programme of activity aimed at providing assurance over business continuity in the event of a cyber-attack, security incident or other event. There were clear links between this work and the Prevent duty, and a high level of involvement in cross-Croydon initiatives.

A series of themed Scenario meetings were being held, with the next taking place on 22nd April. Representatives from HR, Estates, Health and Safety, the Executive and academic staff would be involved along with external experts.

The Committee sought assurances that cover for key staff had been clearly identified in the case of their absence.

AGREED: that the findings from the scenario meeting on 22 April would be shared with the Committee in correspondence for information. The proposed amendments to the risk register were agreed

Clerk

11. Dates of future meetings

26 April 16 and 29 June 16

12. Other business

The DHR reported that industrial action had taken place the previous week involving UCU. There had been very little disruption.

The COO reported that a letter had been received from the SFA confirming the financial health grade of outstanding, with underlying financial health of good.

Signed by Chair.....Date.....