



MINUTES

- PRESENT:** Piers White (Committee Chair)
Frances Wadsworth (Principal/CEO)
Jackie Wilding
Varsha Mehta
Gordon Smith (Chair of Governors)
- CLERK:** Jo Bland (Interim Clerk)
- IN ATTENDANCE** Keith Oxspring - Chief Operating Officer (COO) (left at 18.55)
Andy Smith - Deputy Chief Executive (DCE) (part of meeting)
Jo Bland - Director of Human Resources (DHR)
Caireen Mitchell – Principal & CEO Designate
- APOLOGIES** Martin Corney
Trevor Morgan
- QUORUM** The meeting was quorate throughout
- TIMING** 18.00 – 19.35

Item	Detail
1	<p>Introductions and Apologies for absence</p> <p>Caireen Mitchell was welcomed to the meeting as Principal & CEO Designate.</p> <p>It was agreed that to enable Andy Smith (DCE) to leave after his items, these would be taken before other business. The minutes reflect the order of the agenda.</p> <p>Apologies were as listed above.</p>
2	<p>Declarations of interest</p> <p>There were no additional declarations of interests relating to items on the agenda</p>
3	<p>Minutes of the meeting held on 31 October 2017</p> <p>The minutes were approved as an accurate record and were signed by the Chair.</p>
4	<p>Matters arising from the minutes not already on the agenda</p> <p>(Item 7) Debt: There was a short discussion regarding the information concerning student debts. The Chair confirmed that the COO was now treating Student Loan Debts which had not become fully due (as payable in 3 instalments) as current debts. It was noted that there is an issue with new students starting a course having applied for a loan and then finding that the loan was not approved.</p> <p>There were no further matters arising from the minutes.</p>

<p>5</p>	<p>Estates and Capital Update</p> <p>The P&CEO provided a further update on the Estates position and correspondence with the London Borough of Croydon (the Council). She presented a short report updating the Committee and circulated the minutes of the Chair's Strategy Group meeting on 18 January 2018.</p> <p>A deadline of 26 January 2018 had been set by the Council which was considered not to be reasonable and there had been further correspondence today (23 January 2018). There was a discussion concerning the content of the correspondence from the Council and the appropriate response. The Committee agreed that the P&CEO should take further advice from Eversheds on a response making the 3 following points:</p> <ul style="list-style-type: none"> (i) That a response from the Council to the Chair of Governor's letter of 23 January 2018 to the Leader of the Council of was still awaited; (ii) The College's position had been consistently to try to reach an agreement throughout; and (iii) Make a request for specific information from the Council regarding access to the Barclay Road Annex site. <p>The Committee noted the update and approved the actions to be taken.</p> <p>Action: the P&CEO should take further advice from Eversheds on a response to the Council</p>
<p>6</p>	<p>Bank Covenants <i>Supporting paper by the Chief Operating Officer</i></p> <p>The COO presented his paper confirming that he had liaised with Barclay's to resolve this matter and it had been agreed to retain the original position, updating the covenant terminology to reflect current accounting standards. There was a question raised of whether the College should pay any legal fees due to this review. The COO confirmed that in these circumstances the agreement with the Bank confirmed that the College would have to pay the fees incurred which was relatively modest in the circumstances overall. The COO was thanked for taking this forward successfully. The COO asked for Committee to approve the agreement with Barclays on the Bank Covenants for submission to the Corporation.</p> <p>The Committee agreed the Proposal</p> <p>Action: Revised Bank covenant wording to be submitted to the Corporation for approval.</p>
<p>7.</p>	<p>Student Numbers Update report <i>Supporting papers presented by the DCE</i></p> <p>The DCE advised the Committee that the current position on student recruitment for 2017/18 was as follows:-</p> <ul style="list-style-type: none"> (i) 16-18 year olds recruitment was close to but below target; (ii) 19+ recruitment was significantly above target due to a shift in programmes and funding; (iii) As has previously been reported HE recruitment fell this year, reflecting the over-capacity in the sector and particularly in London. This position is

	<p>likely to continue with applications for 18/19 some 50% lower than last year; and</p> <p>(iv) Apprenticeship recruitment was down in both 16-18 year olds and those aged 19+. Levy paying employers were proving difficult to engage. The College was still hoping to get traction on future recruitment from non-levy employers and its case was being taken up by the local M.P.s</p> <p>The P&CEO advised the Committee of the background to the withdrawal of funding for apprentices from non-levy paying employers and that, typically, these were small local businesses. The DCE advised the Committee of the potential consequences arising from this position, particularly in relation to the impact of the withdrawal of the ability to recruit apprentices from non-levy employers and the College losing out further if it was prolonged. He also highlighted the impact on HE of the oversupply of university places. It was noted that many other colleges shared these difficulties with the recruitment of apprentices falling 61% nationally on the previous year and the glut of University places impacting on other HEI institutions. There followed a discussion on the potential implications of the reduction in numbers and on possible steps the College might take to mitigate the position, noting that at this stage it was too early to clearly identify these.</p> <p>The Chair thanked the DCE for his report.</p> <p>The Committee noted the Report.</p>
<p>8.</p>	<p>Financial Monitoring Report <i>Supporting paper by the Chief Operating Officer</i></p> <p>The COO advised the Committee that the overall financial performance for the 4 months to 30 November 2017 was a deficit of £121k compared to a budgeted surplus of £23k. The likely full year position had been reviewed and the indications were that a deficit of £408k would be incurred without remedial actions to reduce it. The COO reported that some measures had been put in place to do this and preliminary work was currently being undertaken on staffing. The P&CEO confirmed that all vacancies were being signed off at Executive Team meetings.</p> <p>The COO confirmed in response to questions that savings would be looked for in both staffing and non-staffing costs and from identifying inefficient areas of activity. However, there were significant fixed costs such as rates, heating and light which would be difficult to reduce. There followed a discussion on where reductions in expenditure might come from, the potential impact on the College's financial health rating and restructuring costs. The importance of early action on staffing and non-staffing costs was outlined and the COO also warned of the risk of a possible increase in the deficit position should the position worsen on apprentices. The Chair emphasised the importance of the business and curriculum planning work being undertaken to reflect the potential 50% decline in HE students' numbers as well as in other areas.</p> <p>The Committee noted the report and the actions being taken</p>
<p>9.</p>	<p>Human Resources Update <i>Verbal update provided by the Director of Human Resources (DHR)</i></p> <p>The DHR confirmed that the London Living Wage (November 2017) had been implemented for the College's lowest paid staff. However, the general cost of living pay award for all other staff remained on hold pending further consideration of the</p>

	affordability. The Committee noted the Report
10.	<p>Risk monitoring <i>Supporting paper presented by the COO.</i></p> <p>The COO presented the three risks from the risk register and the relevant risk map that are directly monitored by the Committee. He reported that the Risk Plan was being updated following a 'table top' Lockdown exercise in December 2017 with support from a Metropolitan Police counter terrorist police representative. In addition, there had been a briefing for all staff at Staff Learning Day on 24 January 2018 which will be followed by realistic exercises for staff and students. It was noted that communication of a Lockdown is key. The Chair noted that this was a risk shared by many other colleges and he was pleased with the actions management had taken to date.</p> <p>The Chair asked whether there was a document outlining the legislative requirements on the College and how we ensured these were achieved. He asked if this could be refreshed and brought to the Committee on a regular basis.</p> <p>The Committee noted the report</p> <p>Action: COO to refresh and bring to the Committee a document outlining compliance with legislative requirements on the College</p>
11.	<p>Dates of 2017-18 meetings</p> <p>The Chair asked that the Committee meetings scheduled on 27 February and 24 April respectively be rearranged to one single meeting on Tuesday 1st May at 6pm.</p> <p>Likewise the Search Committee could also move to Tuesday 1st May at 4pm.</p>
12.	<p>Other business</p> <p>There were no other urgent items of other business.</p>

Signed (Chair)..... Date

Item	Action	Owner	Status
5	Action: the P&CEO should take further advice from Eversheds on a response to the Council	P&CEO	Completed
6	Action: The Clerk to present the updated covenants to Corporation.	Clerk	
10	Action: COO to refresh and bring to the next Committee a document outlining compliance with legislative requirements on the College	COO	