



**WEST NOTTINGHAMSHIRE COLLEGE
CORPORATION BOARD**

***Minutes of the Corporation Board meeting held in the Board Room, Derby Road site on Thursday
7 March 2013 at 5.30 pm***

GOVERNORS
PRESENT: Kate Allsop
Chris Bodger
Tim Clarke
Nevil Croston
Diana Gilhespy
Malcolm Hall
Jean Hardy, Chair
Adrian Harpham
John Holford
Asha Khemka
Amy Mellon
Marie Oakton
David Overton
Hari Punchihewa
John Robinson
Chris Winterton

ALSO IN ATTENDANCE: Maxine Bagshaw, Clerk to the Corporation
Andrew Martin, Deputy Principal
Patricia Harman, Deputy Principal
Tom Stevens, Executive Director Capital Projects & Estates
Louise Knott, Director of Communications, Marketing & Learner Engagement
Gavin Peake, Director IT
Tracey Thomson, Director HR
John Saunders, Chair of the Board of Directors for bksb
Tracey Murphy, KPMG – Presentation (until 6.00 pm)
Derek Jones, KPMG – Presentation (until 6.00 pm)
Andy Argyle, KPMG – Presentation (until 6.00 pm)

13.80 DECLARATION OF INTEREST

The Chair reminded those present to declare at the start of the meeting any declarations to be considered. Standing declarations were noted. It was agreed that none of these declarations prohibited participation in discussion. Chris Winterton declared an interest in relation to agenda item 8, it was agreed that he would step out of the meeting when discussion took place on this matter.

ACTION by whom	DATE by when

Signed : _____ Chair

Date:

13.81 WELCOME, INTRODUCTIONS & APOLOGIES FOR ABSENCE

Apologies for absence were received from Terry Dean, Mike McNamara, Colin Sawers and Graham Howe. John Saunders, the newly appointed Chair of the Board of Directors for bksb, was welcomed to the meeting. It was noted that he was attending as an observer only to better familiarise himself with the College operations.

13.82 PRESENTATION – THE FUTURE OF APPRENTICES

Tracey Murphy, Derek Jones and Andy Argyle introduced this item. They explained that the purpose of the presentation was to try and summarise the future of apprenticeships, in what is a confusing market. KPMG indicated that it was likely that as the picture is confusing for professionals, it must also be confusing for apprentices and employers. A summary of the presentation points included:

1) Apprentices – Agencies that influence

- Skills Funding Agency – this is the College's key purse holder at the present time, but it could be that their role diminishes if the LEP position strengthens as proposed. The SFA is currently the funding body for adult skills apprentices 19+ (and manages the budget of EFA).
- National Apprenticeship Service – this organisation oversees the quality of apprenticeship delivery and works closely with the SFA.
- Ofsted.
- Local Enterprise Partnership – it is the role of this organisation to determine local economic priorities and lead economic growth and job creation within each local area.
- Sector Skills Councils – these set out what apprenticeship delivery includes.
- Education Funding Agency – this organisation is the budget holder for 16-18 apprenticeships.

2) Summary of Apprenticeship Reviews 2012

a) The Holt Review – making apprenticeships accessible for SME's (May 2012).

The Holt review concludes mainly that:

- Apprenticeships are not given sufficiently high profile in schools. NAS should take more of a leading role in the promotion and communication of the benefits of apprenticeships.
- SME's should have more purchasing power over what they buy from providers – providers need to become more competitive.
- There should be clearer lines of responsibility for Government departments and other agencies involved within apprenticeship delivery – to ensure that each agency is clear, coherent and optimal in its role.

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b) Lord Hesseltine Review – no stone unturned in pursuit of growth.

Lord Hesseltine review (233 pages, 89 recommendations) is a review into creating wealth in Britain in which apprenticeships cannot be ignored. Chapter 6 of the review is dedicated to education and skills – the foundation for growth and prosperity.

- Recommendation – the budget for vocational learners aged 19 and over and all funding currently set aside for apprenticeships age 16 and over should be devolved to local areas (LEP's) through a single funding pot – this calls into question the role of the Skills Funding Agency in the future.
- Recommendation – all FE Learning providers must consult and agree their provision with LEP's to ensure that the courses they offer to 16-18 year olds reflect local labour market requirements.
- Recommendation – action to address NEET's is best taken at local level. Resources to attack problems should therefore be available from the single pot.

c) Business Innovation Skills Committee report into Apprenticeships (back in November 2012)

- The Government needs to clearly articulate the overarching strategy and purpose of the apprenticeship programme.
- An introduction of the definition of apprenticeships would ensure greater clarity within the strategy.
- Delivery of skills is too complex and the Government should devise a smaller and more efficient delivery system.
- The objectives of the National Apprenticeship Service are too focused on growth in numbers and should give equal status and attention to the quality of the provision.
- The academic route and the vocational route should be given equal prominence in careers advice. To address this inequity, we believe that the national apprenticeship services should be given statutory responsibility to raise awareness of apprenticeships within schools.
- Schools to be required to provide information on apprenticeship starts alongside the number of students entering higher education.
- Apprenticeship Training Agencies (ATA's) and Group Training Agencies (GTA's) are welcomed as an alternative model of delivery and NAS should be responsible for promoting the use of these models, particularly ATA's.

d) The Richard Review of Apprenticeships

A clear line of definition is needed. Apprenticeships are not the answer to everything Focus of apprenticeships should be on the outcome. Recognised industry standards should be at the heart of every apprenticeship. These standards should form the basis of new apprenticeship qualifications, which should replace apprenticeship frameworks. The Government should:

Signed : _____ Chair

Date:

- Set up a contest for the best qualification.
- Encourage diversity and innovation in delivering apprenticeships.
- Promoting good quality delivery.
- Actively boost awareness of the new apprenticeship model.
- Create the right incentives for apprenticeship training – funding should be routed via employers, who will drive up quality through their purchasing power.
- All apprentices should have achieved level 2 in English and Maths before they can complete their apprenticeship (although it is noted that this is not yet cast in stone).
- Payment will be linked to the apprenticeship reaching the industry agreed standards.

In general discussion regarding the apprenticeship reviews, it was acknowledged that there were some common themes, the most challenging of which was likely to be LEP's having more power in the future. It was acknowledged that the Hesseltine review which was undertaken in Birmingham was very focussed on the future role of LEP's and the Chamber of Commerce. What was surprising in relation to the reviews was that the NAS service has been criticised with the perceived focus on quantity rather than quality. The suggestion is that apprenticeships ought to be for a longer period than currently operates and the introduction of the twelve-month rule will help to overcome this perceived weakness in the system.

3) The Short Term Challenges 2013/14

The changes in the sector offer both opportunities and challenges:

- Introduction of traineeships from September 2013. This has got to be a good thing and will open up opportunities for individuals not yet ready to commence an apprenticeship.
- Introduction of 24+ advanced learner loans. This will be a huge challenge with little confidence that older learners will follow the HE loan route. It was considered that there has not been enough national marketing, and the centre for the Student Loans Company may not be able to cope with the more complex frameworks involved in FE.
- Government to maintain growth of apprenticeships – this is a positive, but it is not known at this stage what an apprenticeship will look like in the future.
- Introduction of the raising of participation age – this is a concern as SMEs may not understand the meaning and implications of this policy.
- LEPs to be given more power to plan local provision – this will be a challenge as the Nottingham LEP does not appear to fully embrace the benefit of organisations outside the 'city'.
- Employers should have more purchasing power in the future – it would be key for the College to correctly identify and work towards satisfying employer needs.

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- Introduction of charter status – this is an accreditation that the College will want to achieve, although the exact requirements for obtaining charter status are not yet known.
- Higher apprenticeship consultation – a clear need to correctly match College delivery to customer and employer requirements.

In general discussion, it was acknowledged that employers, when they are given more purchasing power, will influence the nature and content of delivery. This change will go hand in hand with the increased role of LEP's. The College has got a number of LEP's to influence and this needs to be part and parcel of a wider regional strategy.

Whilst acknowledging that traineeships for 16-18 year olds will provide opportunities. It was, however, noted that they will be funded out of current 16-18 EFA allocations. There is no suggestion, at this point in time that additional funding will be made available. This being said, the question was raised regarding whether or not unspent apprenticeship money in the current learner responsive pot could go towards funding for traineeships. This is simply something that is not known at this stage, but should become clear as part and parcel of the consultation process.

4) Longer Term View 2014/15 and Beyond

In the longer term there are many ideas proposed which appear to be contradictory. Would the Government be brave enough to allow employers direct access to funding, and if they did would SMEs be able to cope with the systems needed for training, compliance, delivery and funding? ATAs currently in place could support this development.

Key issues to monitor:

- Achievement funding to be applied to all framework elements?
- Greater emphasis on transparency, particularly for sub-contracting.
- Higher apprenticeship/employer ownership.
- Push on Apprentices achieving level 2 on English and Maths before they can complete – this is a key issue in the Richard Review.

All acknowledged that there was uncertainty regarding how the systems proposed in the future would operate and that there are in fact topical issues which may influence the direction of travel and strategies.

5) Impact of Pearson in Practice to Vision West Notts

What the College should be mindful of:

- Pearson learners performance impacting on College minimum levels of performance.
- Working with new subcontractors not chosen by Vision West Notts and not used to College systems.

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- Maintaining employer engagement in the transition period and beyond.
- Aligning processes and systems without losing best practice from either organisation.

The College should ensure:

- All learners and employers should be contacted and assessed by WNC to identify those who may not achieve. Arrange for withdrawals with SFA.
- Sub-contractors to be reviewed for quality of delivery and paperwork to ensure the College can operate a streamline system as soon as possible.
- Begin a series of communications with employers to explain the benefits of working with WNC.
- Undertake a full review of systems and paperwork to identify where delivery is more efficient and adopt a common approach for all provision.

It was felt that the College is likely to be in a ‘honeymoon’ period with the SFA at the moment and it is therefore critical that the College seeks to maximise benefits at this stage.

KPMG were thanked for their presentation and left the meeting at 6.00 pm.

13.83 MINUTES OF THE MEETING HELD ON 16 JANUARY 2013

AGREED: that the minutes were a true and correct record and were signed by the Chair.

Chair

7 March 2013

13.84 MATTERS ARISING AND ACTION PROGRESS REPORT

There were no matters arising from the minutes. The action progress report was noted. Item 2 to be presented to the July 2013 meeting. Item 8 to be rolled forward to a future meeting.

ED:CPE
Dir C&M

July 2013
May 2013

13.85 MID YEAR REVIEW OF COLLEGE STRATEGY AND PERFORMANCE

The Principal introduced this item and provided an update on the following areas.

1) The Sector In Year

- Apprenticeships – the Richard Review – this was covered by KPMG in detail in their presentation earlier, but involves a redefinition of apprenticeships.
- Hesselstine Review – this includes lobbying for a single pot for adult funding through LEPs and local authorities. Early indications are that there will not be a single pot, but this is still to be confirmed.

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- Funding changes for 16-18 year olds – significant changes expected in 2013/14.
- Ofsted with an agenda – there appears to be evidence to show that Ofsted are on a mission to reduce grades.
- City Deals – everything seems to stop in the ‘cities’, the College therefore has to work very very hard to influence.
- Employer ownership pilots.
- `A`Level reform.
- 16-18 minimum standards – anything below 40% is a red light alert and triggers close scrutiny.
- Pearson in Practice acquisition is good for the FE Sector and the College`s reputation, as it demonstrates that private sector providers are not always the most successful and ‘best’ option.
- 14 year olds in College – will this happen at WNC? It was acknowledged that the College is not currently ready to enrol 14 year olds direct, but this is an opportunity for the future.
- High level needs (ALS funding changes) – the College is in dialogue with the local authority and the challenge is to ensure that it is given its fair share.
- Traineeships.
- 24+ advanced learner loans.
- The FE Guild – this will be in place from April 2013.
- LSIS – cessation.
- Chartered status – this will be provided to recognise quality, local leadership and connectivity with the local area.
- College governance – the AoC has support for an enhanced role to support Governors and funding and projects will sit with the AoC Governance Council.

2) Teaching & Learning

74 lesson observations have been undertaken and whilst the results are not particularly inspiring, they are accurate. The College is fully aware of the issues and is working hard to address.

Grade profile, as at 31 January 2013 - College based provision:

- Grade 1 – 5%
- Grade 2 – 53%
- Grade 3 – 30%
- Grade 4 12%

Grade profile as at 31 January 2013 - partner provision:

- Grade 1 – 1%
- Grade 2 – 54%
- Grade 3 – 41%
- Grade 4 – 4%

It was agreed that monthly updates would be provided regarding the grading profile so that progress could easily be tracked.

Deputy
Principal

Monthly

Signed : _____ Chair

Date:

3) Retention – Learner Responsive Provision

Improvements are evident from the data table provided, this is an early indication that the College is on track to improve success rates. Retention as at 5 February 2013:

- 16-18 all qualifications 95%
- Adult all qualifications 95%
- HEFCE funded 90%

Members were reminded that it is too early in the year to know success rate data.

4) Partner Provision Success Rates (this is known to the College, as completions are on a monthly basis).

As at February 2013:

- Apprenticeship overall success 78%
- Apprenticeship timely success 48%
- Advanced apprenticeship overall success 77%
- Advanced apprenticeship timely success 49%
- NVQ's in the workplace overall success 97%
- NVQ's in the workplace timely success 54%

Members were advised that on average there is a 9% improvement at the mid point.

5) Quality

- Progress made against the quality improvement plan is evident.
- Key areas of concern remain as:
 - a) Consistency of teaching and learning (this is based upon lesson observations and the grades given).
 - b) Hair & Beauty provision – again concerns flow from lesson observation grades and also the percentage of teaching staff off sick. This being said, the new facilities will make a real difference to performance.

The Principal was able to provide results which show the following:

- A2 pass rate 6% improvement, A*B grades 11% improvement, A*C grades 11% improvement,
- AS pass rate is 8% improvement, A*B grades 19% improvement and A*C grades 18% improvement.

6) Financial Performance

Income is showing a positive variance against budget. Pay costs slightly higher than anticipated given expenditure to fill temporary posts following inspection. This has led to a slightly lower than anticipated surplus. Key influences in relation to financial performance are:

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- Shortfall in 16-18 apprenticeships but an increase in adult skills budget.
- Pressure on staffing costs through temporary appointments.
- Margin erosions through apprenticeship delivery challenges.
- Strong subsidiary performance supporting the group.

It was noted that the financial performance review, budget and forecast excludes the new Vision Workforce Skills business and that the contribution and costs in this area will need to be modelled.

Dir. Fin.

April 2013

7) Indicative Allocation 2013/14

- 16-18 numbers allocation is 3057, target was 3198. It was noted that the College does not yet know the funding rates to be applied to these numbers.
- Potential funding impact of -£620k, this is against a total budget of £12.7million. It is clear that there will be an impact upon the bottom line.
- Adult skills £12.1million (allocation) plus £1.75million (learning loans). Budget £13.5million. All agreed that it was a massive challenge to convert to loan funded provision.
- HE numbers – the number of applications is not as high as the same point in the previous year, but the number of acceptances is higher. It is unclear at this stage what the final position will be.
- In summary, 2013/14 will be a tough year for the College.

8) Commercial Income

- New facilities came on stream during 2012/13.
- Budgeted income of £3.65million (£2.01million fees) largely HE provision.
- Forecast for the year of £3.49million which is slightly higher than anticipated.
- Commercial partnership agreement signed with Francesco Group for Hair Salon.
- Create Theatre developing a sustainable programme.
- Keen interest in the Sports Hall.
- Greater impact expected in the 2013/14 financial year.

9) bksb

- This company is critical to the College as it provides a financial cushion.
- Name change in year.
- Continued strong financial performance (£900k operating surplus and £2.6million turnover).
- International development in India – the Company has established a wholly owned subsidiary of bksb with a small Board and monthly reporting lines. Accounts will be distinct and will be reported separately. All acknowledged that international development was a risk and that the company could lose its investment if the strategy is unsuccessful. Members took the

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opportunity to discuss benefits, costs and risks in relation to the international strategy and it was acknowledged that the strategic plan requires Board support through devolved investment decisions. In addition, £50k is required to support the Indian subsidiary. It was confirmed that the bksb Board have, themselves considered the £50k investment and feel that it is entirely appropriate and that a good strategic plan is in place. Members of the College Board were happy to provide devolved authority generally to the bksb Board of Directors with reports back to the College Board through minutes, and any specific reports as and when required.

AGREED: In relation to International development in India to provide the bksb Board of Directors with devolved authority to make decisions generally. Reports to be provided through minutes of the meetings of the bksb Board of Directors and any specific reports to the College Board as and when required.

10) Vision Workforce Skills

Agreement signed on 21 February 2013 with the transfer of the majority of Pearson in Practice business. Transition period underway and will be finalised on 30 April 2013 and will include restructuring, a review of property commitments and funding discussions with the SFA.

Confidential information regarding the financial plan for the company were shared, key issues to consider are:

- The need to improve the company's trading position to ensure future success and viability.
- Staff capacity raised as an issue, Governors were assured that the College Senior Team are receiving strong external support.

11) Property Strategy

- Sports Hall and Car Parking - September 2012 opening for Teaching, December 2012 final accounts settled.
- New Teaching block and enclosed courtyard - 4 February practical completion achieved, 17 February Hair & Beauty relocated from Regent Street, 25 February open for teaching.
- 121 Canal Street Nottingham, Vision Workforce Skills Ltd – premises leased for use as employment agency and training centre. These premises will have a dual purpose and will support Vision Apprentices and Vision Workforce Skills Ltd.
- Visual Arts Trades Building – mezzanine refurbished as decant space during cladding contract from April 2013. To be converted to art studios for Visual Arts.
- Cladding six-storey tower and other buildings, order of work now agreed. LRC start date is 15 April 2013. It is envisaged that during the cladding work it will be possible to continue with

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teaching, and the challenge for the College is to minimise disruption.

- Engineering Innovation Centre – contracts to be exchanged for purchase of Unit C Gateway 28. Opportunity to bid for additional SFA funds to support refurbishment. 1 March 2013 SFA capital funds application submitted, outcome will be known on 26 April 2013. Members reviewed the detail of the financial costs of this project and the ERG 3 grant bid value made to the SFA. Members were wholly supportive of the application submitted.

AGREED: to support the ERG 3 grant application at a value of £1,905,372.

In general terms it was acknowledged that the purchase date for the building is not critical at this stage. The project can continue without ERG 3 grant funding, however, this funding is required from the SFA if the College is to achieve phase 1 and 2 together.

12) Facilities (IT)

- Enhancement of the print system.
- New server room.
- New core switching.
- Replacement storage area network (SAN).
- Back up and disaster recovery systems improved – the College has seen some significant improvements and is looking to have a one-hour fix.
- Substantial thin client and remote access systems made available.

13) Community

- Local inward investment.
- Shared regeneration service Mansfield and Ashfield – Invest in Mansfield & Ashfield. The Principal indicated that she had had some really useful meetings with the District Councils on this matter.
- ERDF funding to support.
- Agreed a range of actions including a College corporate prospectus, business directory and website and ambassadors programme and account management.
- Agreed use of College facilities for employers, College part of pitches to new business.
- Launch 26 March in Create.
- Developed a community scorecard.
- Opportunities within our global community – of particular note is the Principal's involvement with the AoC in India to boost vocational trading in India.

Signed : _____ Chair

Date:

14) Future Developments

- Bay 6 – learner volumes 27 learners, financial cost – loss of £13.7k each year, proposal to deliver revised curriculum at Derby Road together with closure and disposal of Woodhouse site.
- Studio School
 - 1) 300 places for 14-19 school for Mansfield
 - 2) Specialising in Engineering and Care Occupations
 - 3) Short listed for interview which took place today. The initial feeling is that the interview went well.
 - 4) Outcome in May and if successful, the School will open in September 2014
 - 5) Proposed site is Chesterfield Road (to be confirmed by DfE)
 - 6) Operates independently of the College.
- Nottingham office will now be a dual centre for Vision Apprentices and Vision Workforce Skills. Focus will be on employability, IT apprenticeships, Creative and Media apprenticeships and professional courses. Acquisition of Pearson in Practice has given access to creative digital media programmes. Operational from 15 April 2013, with official launch date on 24 May 2013. The Principal confirmed that she would circulate an invite to the official launch to all Governors.

Principal

March
2013

Members` attention was also drawn to the detailed briefing notes, which accompanied each item of the presentation. In general terms, members all agreed that the College, yet again, was moving in the right direction and worked hard to capture all opportunities as and when they arise. The focus now needs to be on improving quality in the areas for concern, particularly with re-inspection of Hair and Beauty anticipated imminently.

Members all thanked the Principal for her focussed and clear presentation. She did indicate that some teaching and learning improvements are required, particularly in relation to embedding Equality and Diversity in relation to work-based learning, there is also a need to improve healthy lifestyle knowledge. In relation to Hair & Beauty there is still work to do, but there is clear evidence that professional practice has been improved. College wide, the standards of marking have improved, but there needs to be a focus on maths, English, grammar, punctuation etc.

AGREED: to note the mid year review of College strategy and performance.

13.86 11TH EDITION OF THE CODE OF CONDUCT

The Clerk to the Corporation introduced this item and confirmed that the Board, and each Governor on appointment agrees to abide by the terms of code of conduct approved and regularly reviewed. The code in place at the current time is the 10th edition and is a document prepared by Eversheds, and is widely adopted by the sector. She confirmed that

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Eversheds have issued an updated version of the code, the 11th edition, which includes relatively minor changes. Members` attention was drawn to the annotated document with track changes clearly evident in red. Members all agreed that the changes proposed were self explanatory and appropriate.

AGREED: to approve and adopt the 11th edition of the Code of Conduct.

(Chris Winterton stepped out of the meeting for five minutes.)

13.87 GOVERNOR APPOINTMENTS/RE-APPOINTMENTS

The Clerk to the Corporation introduced this item and confirmed that the Search Committee which met on 4 February 2013 had considered the anticipated completion of the current term of office for Chris Winterton. It is the recommendation of the Search Committee, in recognition of the contribution made by him to the Board, that he be offered a further term of office.

She confirmed that she had spoken to Chris Winterton regarding the recommendation from the Search Committee, and he has indicated that he would be delighted to accept a further term of office, if this is the decision of the Board.

AGREED: to approve the re-appointment of Chris Winterton as an Independent Governor from 7 March 2013 to 7 March 2017.

13.88 MINUTES OF THE STANDARDS COMMITTEE MEETING HELD ON 17 JANUARY 2013

A minor error was noted on page 5 of the minutes, the penultimate bullet point should read 7% and not 70%.

AGREED: to note the content of the minutes.

13.89 MINUTES OF THE AUDIT COMMITTEE MEETING HELD ON 14 FEBRUARY 2013

AGREED: to note the content of the minutes.

13.90 MINUTES OF THE SEARCH COMMITTEE MEETING HELD ON 14 MARCH 2013

AGREED: to note the content of the minutes.

13.91 MINUTES OF THE FINANCE AND ESTATES COMMITTEE MEETING HELD ON 28 FEBRUARY 2013

Signed : _____ Chair

Date:

AGREED: to note the content of the minutes.

13.92 **AOB**

There were no items of additional business.

13.93 **DATE OF NEXT MEETING**

The Clerk to the Corporation reminded members that the next meeting was scheduled for 25 April 2013.

Staff and Student Governors left the meeting at 7.00 pm.

13.94 **CONFIDENTIAL ITEMS**

It was agreed that confidential items would be recorded separately.

Signed : _____Chair

Date: