



**WEST NOTTINGHAMSHIRE COLLEGE
CORPORATION BOARD**

**Minutes of the Corporation Board meeting held in the Boardroom, Derby Road site on Thursday
12 September 2013**

GOVERNORS Ian Baggaley
PRESENT: Chris Bodger
 Tim Clarke
 Malcolm Hall
 Jean Hardy (Chair)
 John Holford
 Diana Meale
 Marie Oakton
 David Overton
 Hari Punchihewa
 John Robinson
 Colin Sawers
 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 Communications, Marketing & Learner Engagement
 Tracey Thompson, Director of HR

13.42 DECLARATION OF INTEREST

The Chair reminded those present to declare at the start of the meeting any interests in matters to be considered. Standing declarations of interest were noted, it was agreed that none of the declarations prohibited participation in discussion.

13.43 WELCOME, INTRODUCTIONS AND APOLOGIES FOR ABSENCE

Apologies for absence were received from Kate Allsop, Nevil Croston, Terry Dean, Asha Khemka, Mike McNamara and Graham Howe. The Clerk to the Corporation indicated that Adrian Harpharm, the Staff Governor, has tendered his resignation and, as a consequence, a memo has gone out to College staff inviting expressions of interest. She confirmed that a new Staff Governor should be in place for the October Board meeting.

13.44 MINUTES OF THE MEETING HELD ON 11 JULY 2013

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

ACTION by whom	DATE by when
Chair	12 Sept 2013

Signed : _____ Chair

Date:

13.45 **MATTERS ARISING AND ACTION PROGRESS REPORT**

There were no matters arising from the minutes. The Action Progress Report was noted.

13.46 **PRINCIPAL'S REPORT**

In the absence of the Principal, the Chair introduced this item and confirmed that, in her view, the report provided a comprehensive sector update and included information simply presented for noting. An updated data table regarding enrolment was reviewed and it was confirmed that this had been emailed out prior to the meeting.

In relation to the events/visits detailed at section 10 of the report, it was confirmed that the potential visit by the Minister of Skills, Matthew Hancock MP, may be on the third or fourth of October. It was agreed that the Director of Communications, Marketing & Learner Engagement would keep Governors fully informed. The Clerk to the Board of Governors took the opportunity to remind members that Governor links this year were to events rather than Schools of Learning. Governors were reminded of the email sent out by Helen Gyles and encouraged to respond on an individual basis so that a full Link Schedule could be progressed.

AGREED: to note the content of the report provided.

13.47 **PROPERTY STRATEGY UPDATE**

The Executive Director: Capital Projects & Estates introduced this item and drew members` attention to the following:

- Cladding of the six-storey tower and other buildings – LRC, Enviro Block, Sherwood Care Building (HE Centre) and No 19 are practically all complete, with some external lighting still to be installed.
- The Sherwood Care building is to be re-branded as the Higher Education Centre. Internally, some rooms will be used to create a Higher Education zone. Cladding is in place and new signage is expected shortly.
- No 19 has received a facelift externally. Internally, the former fine dining restaurant is to be used as a bistro for staff, with food prepared by students. The No 19 signage is to be removed and replaced with Relish, the name for the dining restaurant. No internal improvements have been made to this facility.
- Thoresby Street and Chesterfield Road – both Business and Early Years curriculum are to be accommodated here during refurbishment of the tower block. Members were advised that both of the buildings were now full.
- College Capital Investment Fund Round 2 (CCIFR2) Engineering Centre – the College has received notification from the Skills Funding Agency that the application for £1.9million grant funding to support the

Signed : _____Chair

Date:

£5.8million Engineering Centre has been successful. All agreed that this has been excellent news. It was noted that the successful receipt of the funding has slightly delayed sending out the tender documents as the project scope has been slightly increased given the additional funds available.

- A schedule for delivering the programme is being prepared. Short-listed contractors have been notified. Tender documentation was issued on 4 September 2013. Recommendations will be brought back to the Finance & Estates Committee on 14 November 2013 and Corporation Board on 21 November 2013.
- College Capital Investment Fund Round 3 (CCIFR3) – third round of CCIF announced by SFA on 29 July 2013. Colleges invited to submit an expression of interest for projects by 20 August 2013. Similar to previous CCIF rounds, the minimum project value will normally be £3million. Agency contribution would normally be one third of project value. An expression of interest was submitted on 20 August 2013 to comply with Agency guidelines and ensure that the College does not miss a potential opportunity for additional grant support. SFA confirmation of CCIFR3 applications is anticipated by 20 September 2013. If the College gets the go ahead, then it will be for the Board to make a determination regarding any future projects. Second deadline for submission of the detailed application for funding is 20 December 2013. Proposed project comprises of relocation of existing Learning Resource Centre (LRC to the Cafeteria), provision of additional teaching space in the former LRC, provision of a central food court, replacement of insufficient heating pipes in Derby Road. Project cost £3.4million. College contribution required £2.67million with an agency grant of £1.33million. Subject to a successful expression of interest application, consideration to be given to the feasibility of submitting a detailed application by 20 December 2013.
- Studio School Project – Secretary of State allocated a procurement budget for the project to a maximum of £1,339,088 inclusive of VAT plus professional project management and legal fees. In the main, the project will relate to IT and furniture. Contract award for contractors scheduled for 31 March 2014, with completion and handover on 26 August 2014. It was noted that this was a very tight overlap with the current use of Thoresby Street and Chesterfield Road as decant accommodation whilst the six-storey tower block is completed.

During discussions members were advised that the Studio School contract is to be tendered on the basis of a new framework and unfortunately no local contractors are on the list. All agreed that whilst this was disappointing, there was little they could do at the present time.

In relation to CCIFR3, members questioned whether there was a chance to revisit professional fees for the project. Governors felt that it was important to have an opportunity to market test professional appointments in this area. The Executive Director: Capital Projects & Estates confirmed that this step would be taken.

EDCP&E

Nov 2013

Signed : _____ Chair

Date:

In reviewing the update, members all agreed that there was significant work currently ongoing in terms of the property and estate and acknowledged the complexity of managing the number of project elements simultaneously.

AGREED:

- a) To note the content of the report.
- b) To approve the submission of an expression of interest for capital funding from the SFA to refurbish and relocate the LRC/Dining facilities and modernise the heating planned on the Derby Road campus.

In terms of the College Capital Investment Fund Round 3, members noted that it was not a design and build contract, but had a very different partner arrangement.

13.48 FINANCE REPORT – DRAFT END OF YEAR POSITION 2012/13

The Deputy Principal introduced this item and drew the following to members` attention:

- The report presented is still very much draft as the College is still finalising the ILR position. The expectation is that the end of year result will be slightly better (or less worse when viewing the core College performance) than set out in the written report.
- As reported to the Board during the year, the College in particular has struggled to deliver its budget and forecast with particular emphasis on the delivery of 16-18 apprenticeship volumes and the increased adult skills budget provided in year. Staff challenges in the first half of the year and the use of temporary and agency staff has pushed staffing costs higher than forecast, whilst the greater use of partner delivery and lower than forecast for work related training has damaged contribution levels.
- The result for the College as a result is significantly lower than expected with an anticipated operating loss, following interest and depreciation of about £200k. It will be increasingly important to deliver the budget for 2013/14 and monitor and tackle performance at the earliest opportunity should the result begin to fall short of the expected levels.
- Turnover for the College is slightly higher than forecast at £49.064million, although there was a missed opportunity to increase this by a further £2million following the creation of Vision Workforce Skills. The opportunity was missed as income for the Adult Skills budget amounted to £18.2million, compared with the in year contract of £20.2million.
- There are a number of additional areas to note, which have impacted upon the College`s performance during 2012/13 financial year. These are important to address in 2013/14:
 - a) Income from 16-18 apprenticeships is likely to be an out turn of £5.2million which is £800k lower than forecast and £2.3million

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Date:

- lower than the original budget. This is an issue that the College has seen for a number of years.
- b) HE income of £2.4million is around £150k lower than forecast due to the recoverability of some tuition fees.
 - c) Vocational tuition fees of £427k are £58k better than forecast, but still short of the original budget of £591k.
 - d) Education contracts income including ESF programmes of £678k, some £123k ahead of forecast, but still substantially short of the £1,083k budget.
 - e) Teaching staff costs of £64k greater than forecast – post inspection action taken.
 - f) Teaching support costs £158k greater than forecast, predominantly through Learning Support (£122k) and Music & Performing Arts (£63k).
 - g) Premises staffing costs of £1,280k more than £100k overspent in a combination of an increase in cleaning costs and premises overtime.
 - h) Temporary staffing costs of £286k compared to an original budget of £0 and a mid year forecast of £216k, with costs across the Executive £70k, Hair & Beauty £57k and Care & Education £47k.
 - i) Staff restructuring costs of £213k, which is some £113k higher than anticipated at the mid year point, as a result of addressing some minor restructuring.
 - j) Non pay teaching resources spending of £287k more than forecast including Engineering £66k, Hair & Beauty £69k, Work Related Training & Construction £44k and Work Related Training Central £39k.
 - k) Non pay administration costs over spent by £469k including age grants of £123k (although matched by additional income), bad and doubtful debts £59k, insurance £35k for WIP & Buildings values, Directorate £60k for consultancy, hospitality and travel, Human Resources £57k through staff recruitment, counselling and welfare and Employer Engagement £63k through travel, training, subscriptions, software and hospitality.
 - l) Examination & Registration costs of £100k higher than forecast.

Governors, when reviewing the reconciliation and the variances described here, all agreed that it would be useful to see the actual figures compared with original budget, rather than simply a summary of changes. The Deputy Principal confirmed that the end of year financial accounts would also include a detailed reconciliation report, and that this information would be provided in much more detail then.

Deputy
Principal

Nov/Dec
2013

- The College Group has effectively been supported by the performance of the subsidiary companies although it is not relevant to count Safety Plus Training & Consultancy as outside of the College for the performance recorded this year. The £305k surplus should be offset against College due to the mid year transfer of all staff and non-pay costs, whilst residual income has remained within the company.

Signed : _____Chair

Date:

- BKSB has delivered another record year with an operating surplus of £1.175million on record turnover of £2.6million. As the company goes from strength to strength, the College must ensure that the returns provided are simply not used to support the College`s trading position.
- Vision Workforce Skills has delivered an overall surplus of £541k on income of £14.5million. It is important to note that the underlying trading position of the company is currently loss making and will need to be closely monitored during the first half of 2013/14.
- Vision Apprentices delivered another small surplus supporting the College and VWS. Apprenticeship programmes, in year, adopted a number of new employees through the Pearson in Practice ATA, as part of the VWS agreement. Safety Plus Construction has achieved a small operating loss in its final year of trading and will be wound down into the next financial year.
- The combined Group operating surplus of circa £1.7million before depreciation, interest and FRS17 is not as strong as the prior year 2011/12, despite the Group income reaching over £64million. This translates to a small surplus for the Group after depreciation and interest payments of £107k and is around £790k below the forecast result for the year. Governors all agreed that this was not something that could be repeated going forward.
- The College and Group balance sheet are in the process of final reconciliation but will remain very strong with good liquidity following the in year payments associated with VWS and payments made by the Skills Funding Agency for the adult skills budget. These payments will be recovered in the late autumn.
- Group borrowing at the balance sheet date will be £8.5million, representing the whole of the first half of the agreed borrowing facility, with the remainder drawn down from August 2013. Capital programmes are on course with sufficient funds available to meet the cash flows.
- The FRS17 pension deficit will improve on the balance sheet as at 31 July 2013 from a deficit of £12.17million at the end of the last financial year to £9.74million at the end of this year. A service cost and interest charge of £1.317million will be passed through the profit and loss account with a gain of £3.174million passed through the statement of total recognised gains and losses. The impact of FRS17 is generally ignored for financial health and bank covenant purposes.

In general discussion, members all acknowledged that the core College delivery/profit had been an issue throughout the entirety of the year, in essence, the higher than anticipated costs in the year have had a significant impact. The Deputy Principal explained that the College has had to use partners more than own College staff to deliver and has therefore led to inefficient College staff ratios, with over capacity/case loads. Going forward, the Group either has to use partners less or address the College staff base. The Deputy Principal confirmed that, at this stage, the Executive are reviewing the issue and will then present a report to the Board setting out the strategy/decisions recommended to

Signed : _____Chair

Date:

address the problems seen. In terms of student numbers for VWS, the challenge is to sell and recruit to match the resources available.

Deputy
Principal

2013

The Deputy Principal acknowledged that budgetary control in 2012/13 had not been as good as it should have been, and he confirmed that a strong message had already gone out to staff that this cannot be repeated in the new academic year. He assured the Board that control mechanisms were in place to prevent unplanned expenditure.

All agreed that subsidiary company performance was quite good this year with BKSB having an exceptional year. Governors identified a key challenge as 16-19 apprenticeship recruitment. All acknowledged that this was a big problem for the College, for Vision Apprentices and for Vision Workforce Skills, albeit that the most significant risk was in relation to Vision Workforce Skills performance. Governors raised VWS as an area of high concern and high risk. Governors felt that the College Board needed to see some assurance from the VWS team and Board that steps had been taken to address the concerns noted and consistently reported through the minutes.

Given the negative performance, College Governors felt that it was key to see that in all finance reports where and why there were variations. Members were reassured that much more detail was given to the Finance & Estates Committee in their finance reports, and this will then also be provided to the Board.

Deputy
Principal

2013/14

AGREED: to note the content of the report provided.

13.49 INTERIM COLLEGE ENROLEMENT REPORT FOR 2013/14

The Deputy Principal introduced this item and cross referenced the data with the Principal's updating report provided earlier in the meeting, the following specific statistics were noted:

- Full time YPLA 16-18 learners. The College is now 103% of full time plan.
- Full time SFA 19+ learners. The College is now 117% of plan.
- New full time student targets for HE are 165 - target has been met today. The full time equivalent HE target is 473. The expectation at the current time is that the College will get to approximately 440.

Members were advised that the College has seen very good recruitment, but were reminded that there will be no impact on the 2013/14 funding because of the Lagged Learner funding system, but there will be impact on 2014/15 allocation. All acknowledged that this would increase cost pressures in 2013/14 but were necessary if the College were to secure an increased allocation going forward. It was confirmed that the budget for the 2013/14 year has been set on the basis of the allocation/income known and therefore the challenge will be to manage the additional costs relating to over recruitment.

Signed : _____Chair

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Members noted that the College has been short-listed for a Beacon Award. All agreed that this was a very positive position and a real credit to the Media team who have worked very hard to make this visionary project a reality.

In terms of general discussion, members raised an issue regarding the College's successful engagement with employers and questioned whether or not there was more that can be done or more effective working. It was agreed that there ought to be a separate conversation outside the meeting to discuss engagement with employers and matching/meeting the employer needs. This is to link in with work readiness of young people, which is also identified as an issue. A number of Governors present felt that there were lessons to be learned from their own specific experiences. It was therefore agreed that a meeting would be set up for Malcolm Hall, David Overton, Andrew Martin and Graham Howe.

Andrew
Martin/
Graham
Howe

Sept 2013

AGREED: to note the content of the report presented.

13.50 PARTNER AND ERU REPORT

The Deputy Principal introduced this item in Graham Howe's absence and drew members' attention to the table at paragraph 1.1, which illustrates the performance for the 2012/13 year. He confirmed that the College started the year with an allocation of £14million for the Adult Skills budget. This was increased to £15million due to the additional learner support from the demise of Real Time Training, and a further increase to £20million as a result of the acquisition of Pearson in Practice.

Overall, the College delivered £18.1million against a final allocation of £20million. This shortfall is mainly attributed to an underperformance on the NVQ line on the Adult Skills budget. The College was able to secure additional adult apprenticeship and classroom delivery (ALR) against increased allocation, but not for NVQ's.

In reviewing the table at paragraph 1.6, it was noted that for 19+ apprentices, only 34% of new activity is required to hit the 2013/14 targets. It was explained that this is due to a significant element of roll over in terms of student numbers.

Members reviewed paragraph 1.9 and the performance reported for the single business unit against KPI's. All agreed that caseload efficiency at 62% was not good enough and was an issue to tackle. All acknowledged that the College cannot continue to carry capacity that is not utilised.

Members also reviewed the partner supply chain fees and charges policy and were happy to approve the content utilised.

AGREED:

- a) To note the update provided.
- b) To approve the partner supply chain fees and charges policy.

Signed : _____ Chair

Date:

13.51 **STUDIO SCHOOL UPDATE**

The Deputy Principal introduced this item and confirmed that the report provides an update on the current progress made against the agreed project plan presented to the Vision Studio School Steering Group (PSG) to deliver the opening stage of the Studio School development. She explained that the project plan is a dynamic document and will be owned by the designated Project Manager for the Studio School and populated by the theme owners. The PSG includes representatives from the College who are supporting the main implementation themes and includes the external Project Management support (Gail Khan Associates), the Principal designate and representatives from the DfE & Studio Schools Trust.

He confirmed that the Studio School was now in the formal consultation process and that an updating report would be provided at the November meeting following the end of consultation.

Deputy Principal Nov 2013

Governors indicated that they would find it useful to receive full details of who sits on the PSG Group. It was confirmed that the Clerk to the Corporation would obtain this information and then circulate to Governors.

Clerk Sept 2013

Members specifically reviewed the capacity arrangements for managing the Project Development Grant (PDG) and were advised that the Trust has received the first payment from the Department of the PDG of £90k and has approved a working budget setting out the resource plans covering the period up to opening. At the current position (end of August 2013), there has been expenditure of £26,217 including VAT. This represents an under spend of £28,081, against the agreed phased budget following lower than anticipated expenditure on project management and staffing recruitment costs. The under spend on project management is not expected to continue and will catch up following confirmation of project management and education advice support. Under spend in staff recruitment will be maintained following the Principal Designate appointment.

AGREED: to note the content of the update provided.

13.52 **EXCEPTION REPORT – SAFEGUARDING, EQUALITY & DIVERSITY**

The Deputy Principal introduced this item and confirmed the following:

- There were no incidents of safeguarding regarding College provision reported during June, July or August 2013.
- The allegation of misconduct against a member of staff and student investigations were reported at the last three meetings of the Corporation Board. The outcome of the Disciplinary Panel was that a final written warning be issued. An action plan for the member of

Signed : _____Chair

Date:

staff has been drawn up which includes further training. Progress against the action plan will be monitored by the Director of Human Resources.

- Safeguarding Partner Provision – there were no reported incidents in June 2013.
- In July 2013 there were three reported incidents within Vision Workforce Skills, all learners are over 18 and have all been dealt with satisfactorily.
- Equality & Diversity College provision – there were no incidents in June 2013. In July 2013, a complaint from a member of staff was investigated under the Harassment & Bullying Policy - there was no evidence to support the allegations. In August, the College received a tribunal claim from an employee (support staff) whose employment ended on 31 August 2013 - the claim is Disability discrimination.
- Equality & Diversity Partner provision – there were no reported incidents in June or July 2013.

AGREED: to note the content of the update provided.

13.53 SAFEGUARDING ANNUAL REPORT 2012/13

The Deputy Principal introduced this item and confirmed that the Safeguarding Steering Group met termly in 2012/13. The Group monitors progress against the Safeguarding Development Plan and seeks to enhance all aspects of safeguarding related work both on campus and partner providers. It was noted that Diana Meale was the Link Governor for Safeguarding.

The Safeguarding Action Plan for 2012/13 was developed under the strands of:

- Partners
- E-Safety
- Responsibility
- Safe environment
- Safe recruitment
- Protecting young people and vulnerable adults
- Governance and reporting

She confirmed that very good progress had been made against all aspects of the Development Plan. She confirmed that the Safeguarding Action Plan for 2013/14 would go to the October meeting of the Standards Committee.

Members were advised that the key progress during 2012/13 has been the identification and provision of support for groups of students who are potentially more vulnerable, these include a) looked after children, b) young carer/young parent, and c) those with police cautions, reprimands or convictions – these are a really challenging group of individuals to support. It was noted that of the potentially at risk and vulnerable

Deputy
Principal

Oct 2013

Signed : _____Chair

Date:

students, there were 306 students in College identified as falling within this group.

AGREED: to note the content of the Safeguarding Annual Report 2012/13.

13.54 EMPLOYEE ENGAGEMENT 2013/14

The Director of HR introduced this item and confirmed that the report had originally been planned for the July Board meeting but had been postponed due to a significant agenda at that meeting. She explained that this has given the team a further opportunity to analyse the data and also carry out the well-being survey. She indicated that the next step for the team would be to incorporate both survey results and, as a consequence, it was her intention to come back to the next Board meeting in October with an updated report which could be talked through in more detail.

Director
HR

October
2013

AGREED:

- a) To note the content of the report provided.
- b) To receive an updated report at the next meeting.

13.55 GOVERNANCE

1) Register of Interest Summary

The Clerk to the Corporation introduced this item and drew members' attention to pages 75 to 78, which details disclosures made by Governors on the updated annual registers of interest. She confirmed that the summary was useful for Governors both in terms of monitoring and transparency, but also gave Governors the opportunity to see the breadth of experience and connections available to the Board.

AGREED: to note the update provided.

2) Standards Committee Terms of Reference 2013/14

The Clerk to the Corporation reminded Governors that at the July Board meeting the Standards Committee had not yet had an opportunity to review the Terms of Reference in detail, and it was therefore agreed to defer determination of this until the Committee had had a chance to review. She drew members' attention to page 79 of the pack, and members were happy to approve the recommended changes.

AGREED: to approve Standards Committee Terms of Reference for 2013/14.

3) Vision Workforce Skills Terms of Reference

The Clerk to the Corporation introduced this item and confirmed that the Board of Directors for VWS had met recently and had reviewed the Terms

Signed : _____Chair

Date:

of Reference. She confirmed that they were in line with those in place for subsidiary companies. Members took the opportunity to debate membership of the Vision Workforce Skills Board and questioned whether quorum for meetings should be more than two Directors (which does represent 40% and is in line with the College's Instrument and Articles of Government), and whether more than one Director should be a Governor. Members questioned whether at least two Governors should sit on the Board with quoracy being higher. It was agreed that the Search Committee would review membership and put forward recommendations.

AGREED: to note the update provided.

4) VWS Director Review/Appointments

The Clerk to the Corporation introduced this item and explained that at the last meeting it had been the hope of the Board of Directors to put forward recommendations for appointment but they had not yet got to that stage, but hoped to do so shortly.

13.56 MINUTES OF THE MEETING OF THE STANDARDS COMMITTEE HELD ON 11 SEPTEMBER 2013

AGREED: to note the content of the minutes.

Governors noted that completion of registers were still a problem and raised whether or not it was possible to link pay with compliance/ completion of the registry. The Deputy Principal indicated that it was not always staff error or failure which led to incomplete registers, but that this was something that she would discuss with HR as a possibility.

Deputy
Principal

2013/14

13.57 AOB

There were no items of additional business.

13.58 DATE OF NEXT MEETING

The Clerk to the Corporation confirmed that the date of the next meeting was scheduled for 10 October 2013 at 5.00 pm.

13.59 CONFIDENTIAL ITEMS

It was agreed that confidential items would be recorded separately.

Students and staff left the meeting at 6.00 pm.

Meeting closed at 6.15 pm.

Signed : _____Chair

Date: