



**WEST NOTTINGHAMSHIRE COLLEGE  
CORPORATION BOARD**

**Minutes of the Board meeting held on Thursday 22<sup>nd</sup> November 2018 at 5.05 pm**

**GOVERNORS**                      Nevil Croston, Chair  
**PRESENT:**                      Kate Allsop  
   Paul Frammingham  
   Jamie Fryatt  
   Malcolm Hall MBE  
   John Holford (from 5.25 pm)  
   Mary Mamik  
   Neil McDonald  
   Jon Mold  
   Martin Rigley MBE  
   Kate Truscott  
   Martin Sim, Interim Principal  
   Steve Sutton  
   Tony Westwater  
   Jane Hawksford  
   Robyn Hodgson, Student Governor  
   Cassidy England, Student Governor

**ALSO IN ATTENDANCE:**                      Maxine Bagshaw, Clerk to the Corporation  
   Tom Stevens, Deputy Principal Business Development  
   John Owen, Interim Finance Director  
   Louise Knott, Vice Principal Communications, Engagement and Student Experience  
   Amanda Jogela, Director Quality and Performance  
   Rachael Blythe, Head of HR (from 5.05-5.35pm)  
   Julian Smith, Director Learning and Innovation  
   Jane Peacock, ESFA Observer

ACTION by whom	DATE by when

- 1            **WELCOME, INTRODUCTIONS AND APOLOGIES FOR ABSENCE**  
  
 Apologies for absence were received from Ian Baggaley, Terry Dean, Rebecca Joyce, Lee Radford, Sardip Sandhu and Mark Williams.
  
- 2            **DECLARATION OF INTERESTS**  
  
 The Chair reminded everyone present to declare any interests that they may have at on matters to be discussed. No specific interests were declared and standing declarations were noted.

Signed : \_\_\_\_\_ Chair

Date:

### **3 MINUTES OF THE MEETING HELD ON 25<sup>TH</sup> OCTOBER 2018**

The minutes were reviewed and it was agreed that they were an accurate record of discussions.

AGREED: to approve the minutes of the meeting held on 25<sup>th</sup> October 2018.

There were no matters arising.

### **4 ACTION PROGRESS TABLE**

The Board were happy to note the content of the update provided.

### **5 PEOPLE REPORT – 2017/18 YEAR SUMMARY**

The Head of HR presented her written report and also summarised key aspects in a presentation. Matters noted were:

a) Background

- Each year a people report is produced and shared
- This allows for reflection on the previous 12 months and sets the priority areas for the next 12 months
- Regular KPI reports are produced during the year to track data and any areas of concern that need addressing and intervention.

b) Setting the scene

2017/18 has been a turbulent and challenging year:

- Changes within the Senior Management team
- A significant restructure including:
  - Schools of Learning alignment
  - Reduction from 7 to 5 schools
  - Decentralisation and reduction of English and maths teaching
  - Introduction of Progress Mentor role within Schools of Learning
  - Movement of some of the apprenticeship provision into the Schools of Learning
  - 15% cost reduction from support areas
  - Pay, non-pay costs and different ways of working to reduce staffing
  - Merger of estates and IT provision.

c) Staff turnover

- Decline in staff headcount each year over the last 3 years (-77)
- Decline in the number of new starters across all areas (170 recruited in 2017/18 v 239 in 2016/17)
  - termination of NCS project
  - large scale restructuring programme in March 2018

Signed : \_\_\_\_\_ Chair

Date:

- Staff recruitment spend £26.5k with cost per vacancy at £142
- Average number of applicants increased slightly from 6 to 6.7
- Challenges in recruitment within Construction and Engineering along with English and maths
- Newly created Progress Mentor role resulted in 87 external applicants
- College website attracts highest proportion of applicants (58%)
- Review of recruitment licences utilised to realise a saving, impact requires assessment in 2018/19
- Turnover slightly higher than 2016/17 at 23.1% (22.5% in 2016/17)
- 211 leavers in total (WNC and VBSS)
- Highest proportion (43%) are those with 5+ years' service (74 in total)
- Concern in VBSS with a high turnover rate of 44.9% (85 leavers, with employee numbers at 185)
- Number of dismissals reduced from 7 to 2
- Increase of 13 redundancies compared to 2016/17 – result of wide scale restructuring programme (an additional 53 leavers left due to restructure out of reporting period).

d) Safeguarding and EandD

- All equality and diversity indicators have remained consistent over the last 3 years;
- Staff male: female ratio 37:63
- Percentage of LGBT employees 2.2%
- Percentage of staff from BAME backgrounds 6.6%
- Percentage of staff declaring a disability 31%
- Safeguarding training has focussed on general awareness raising together with staff conduct to address concerns and issues from previous year
- Changes in Safeguarding resources – additional Safeguarding officer role
- 2017/18 has seen a considerable increase in number of Safeguarding referrals to 1762 (from 742 in 2016/17).

e) Absence and wellbeing

- 2017/18 reports a 3.4% absence rate – lowest in 3 years
- Challenging time for all staff and managers – staff resilience is low
- Data relating to mental health absence consistent, however 2017/18 has seen an increase in the number of absences relating to mental health
- Focus to drive mental health awareness training
- The split between long and short-term absence remains consistent with previous years
- Robust and effective absence management procedure in place.

Signed : \_\_\_\_\_ Chair

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- f) People management
- Launch of new induction for managers
  - Challenges of 2017/18 led to dip in appraisal completion rates (83% this year compared to 94% in 2016/17)
  - Reduction in training spend made to support cost efficiencies required across college (£85,625 in 2017/18 compared to £108,815)
  - Significant reduction of CPD hours, specifically in qualifications and personally logged CPD
  - 25 staff undertaking an apprenticeship qualification
  - Slight decline in mandatory training completion rates – attributed to turbulent year.
- g) Performance management
- Less staff being managed through performance management procedures
  - 2017/18 has seen a decrease in the number of disciplinary cases.
  - The issues that arose in 2016/17 have not been mirrored in 2017/18. This was specifically in relation to professional boundaries. It is noted the focus of the annual safeguarding refresher training was to reinforce, which had an impact.
  - 2017/18 has seen no Anti-harassment, anti-bullying and dignity cases.
- h) Key challenges in 17/18
- Financial challenges
  - Changes within the Senior Management team
  - Impact of the restructure in terms of staff engagement and trust
  - Establishment of new teams following the changes
  - Continued 'hard to fill' roles
  - Apprenticeship changes from an employer perspective
  - Completion rates for mandatory training and appraisal have declined.
- i) Looking forward to 18/19
- Deliver the actions from the financial recovery plan in respect of staffing reductions
  - Engagement with the College's recognised unions in order to achieve organisational goals, specifically effective consultation
  - Review impact of Progress Mentor, Cover Supervisor and English and Maths roles
  - Effective reporting and data relating to staff utilisation
  - Review the revised structures of the following;
    - Movement of some of the apprenticeship provision into Schools of Learning
    - Merger of Estates and IT provision
  - Review of workforce planning approach – including succession planning
  - Programme to support Apprentices to develop, share practice, retain and to support 20% off the job

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- Effective performance management of staff is a key priority, development of online appraisals and development plans, focussing on timely completion
- Digital approach for new starters
- Focus on innovative ways for internal development of all staff
- Utilise Apprenticeship Levy to provide training opportunities for teachers and management development
- Leadership programme to enhance skills, encourage collaborative working and driving change
- Commence a programme to re-engage with staff – rebuild trust and confidence in Leadership team and decisions that are made to achieve its targets
- Clear and concise communication.

The Board when considering the E&D data asked who the College benchmarks itself with. The Head of HR indicated that previous AoC SAR submissions have been used as this gives a sector position. The intention is to continue to use this data for as long as it is available in future years.

The Board asked why the turnover rate for VBSS employed staff was so high (at 44.9%). The Head of HR indicated that separate VBSS data is collated and reported to the subsidiary company Board of Directors. Over the reporting period there have been 87 leavers and over half of these were in the Vision Business apprenticeship team which was subject to restructure. She confirmed that the restructure was a significant event and did impact on the 17/18 statistics. That being said, it is an area to closely monitor.

The Board asked whether exit interviews are conducted. It was confirmed that they are and that they are completed centrally and anonymously.

The Board asked what the College is currently doing in terms of people planning for the future and assessing how to retain the best talent. The Head of HR confirmed that this is an area for development as activity is quite limited at the moment and in fact the College is restricted in what it can do because of the pay policy. The interim Principal expressed the opinion that talent spotting is something to improve within the College. In his experience it is important to look at who to build the College around. He is currently assessing the calibre of staff but believes that there is a body of work to do first, in terms of building confidence with staff so that an open dialogue can take place. He indicated that once the College is financially stable then it could look at introducing 'golden handcuffs'.

An observation made by one member of the Board was that performance management looks to have slipped with the turbulence seen in 17/18. They asked whether, with more turbulence expected, there was an increasing risk in this area. It was acknowledged by all that this is the case, particularly as there will be management staff changes.

Signed : \_\_\_\_\_ Chair

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This is clearly an aspect to monitor and is a key area of concern for the HR team. The Principal expressed the view that, in relation to performance management, there needs to a review undertaken regarding the quality of key goals and the impact measures. He wants to see the College move away from 'tick box exercises' and move to more critical appraisals.

(Jon Holford joined the meeting at 5.25 pm)

The Board questioned what the College does in terms of a leadership programme and asked what opportunities staff have to work with others and tap in to external resources. The interim Principal advised that the College has successfully applied to the Strategic Improvement Fund and has been granted the opportunity to work with Leicester College, part and parcel of this will be sharing good practice. The interim Principal indicated that it was also possible to look at other initiatives, for example Promoting Excellence, this is the use of an external professional company. He indicated that there were also opportunities for internal mentoring if appropriate.

Head of HR 13.12.18

The Board asked for clarification on the use of the levy paid, they asked for information on the number of apprentices accessing the levy funding and values. The Head of HR was unable to provide this information at the meeting and it was therefore agreed that a short report would be provided in December. The Board were advised that there are 25 apprentices in varying areas and assurance was given that information on this will be provided to the next meeting.

The Board discussed the reference to 'digital activity' in the report. It was explained that this is more to do with HR system approaches and streamlining rather than the use of digital technology instead of staff. It was confirmed that the College uses the i-trent system. Governors indicated that they would find it useful to know the cost per user of this system. It was agreed that the Head of HR would provide this information outside the meeting.

Head of HR 13.12.18

Head of HR Feb 2018

The Head of HR confirmed that work is currently underway to update the HR strategy which will cover the period 2018 to 2022. She confirmed that this would be presented at a future meeting.

AGREED: to note the content of the report provided.

(Rachael Blythe left the meeting at 5.35 pm)

## 6 INTERIM PRINCIPAL'S UPDATE

The interim Principal presented his written report and provided an update in a number of areas.

Signed : \_\_\_\_\_ Chair

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- 1) General update – the Interim Principal wished to express his appreciation and thanks to all staff who have been superb in terms of their openness and their willingness to talk. He has found students to be fantastic and well behaved. He confirmed that he met with the trade unions on Tuesday morning and that TU colleagues whilst not ‘pleased’ to hear of the challenges facing the College, they are supported and committed to working with the senior team and Governors. Weekly ‘keep in touch meetings’ are scheduled.

A restructure exercise is necessary and consultation on this will start on Monday the 26<sup>th</sup> November and will run for 45 days ending on 31<sup>st</sup> January 2019. This was communicated to all staff at a meeting on Tuesday evening. There were a lot of questions during the meeting and nothing was hidden in terms of the College’s current challenges. Staff feedback was positive in terms of an understanding and commitment to working through things. HR surgeries will be made available and the interim Principal will continue to provide staff briefings. In terms of the restructure required the process is now underway.

- 2) University partners and stakeholder update

The Interim Principal confirmed that he plans to meet with College stakeholders and attended the Mansfield 2020 group meeting this morning. He described this an opportunity to give the clear message that it is business as usual for the College.

It is likely that the OfS will be monitoring the College’s position following the FNOC, however at present there is no indication of an intended review.

He advised that the message to stakeholders and employers is the intention of the College to root itself in the local community. The College has positive feedback in terms of its learner support activities, however there is some negative employer perception regarding the local offer. It is the intention of the senior team to review what has gone wrong and what can be done to improve perceptions.

- 3) KPI update

The data provided within the written report was noted. As an overview he confirmed that the college has seen good student numbers. It was acknowledged that the Board Sub-Committees have already reviewed a number of the KPIs in detail.

- 4) Exception report

The Interim Principal confirmed that there was nothing new to be reported since the detailed information was provided to the Standards Committee.

Signed : \_\_\_\_\_ Chair

Date:

#### 5) Enrolment update

The Interim Principal drew Governors' attention to the data included within his written report and, as an overview, confirmed that it was all good news so far save for apprenticeships. In terms of applications for the 19/20 academic year the College is currently slightly down on the prior year position for 16-18 year olds, however it was noted that the College open evening is later this year i.e. November and therefore the expectation is that following this event the College position will be, as a minimum, equal to the prior year or improved. In terms of 19+ numbers the position is similar to the prior year. In relation to HE the College is currently 19 up on the same point last year.

An observation made by the Board was that a real challenge going forward is the marketing message and communication with employers. The Interim Principal indicated that staff are currently exploring the option of using the AEB budget to support local employability programmes through evening provision. It was agreed by all that this would improve the local profile.

#### 6) Success rates for 2017/18

The data provided within the written report was noted. A question from one Governor was whether, in relation to achievement rates for apprenticeships, it is 65 or 62%. She asked for clarification as to whether the college position is above minimum levels of performance. The interim Principal confirmed that the RO14 data is fixed and submitted and places the College above MLP. He confirmed that a number of areas of apprenticeship delivery are being investigated and depending on the outcomes there could be a negative impact in terms of success rates for 17/18 and maybe 16/17. This position will not appear on the RO14 return but could impact on 18/19 success rates. He indicated that in January 2019 the College will be able to predict the maximum likely apprenticeship success rates for 18/19. The expectation is that there will be a dip and will place the college well below MLPs. He explained that staff are currently 'bottoming out' the data and once the position is clarified the team will focus on improving the position and ensuring that robust management processes are in place. A challenge from the Board was to make sure that any potential impact of this review is clearly noted on the risk register. Governors asked that the Interim Principal regularly report on the evolving position.

The Interim Principal explained that he was currently facing a challenge in terms of the quality of internal data reporting and sometimes there is a data mismatch. In financial terms he gave assurance that the team are looking at the worst case scenario and it is therefore hoped that the actual will be an improved position. He confirmed that the target date for completion of the data cleansing exercise is RO4, which is December 2018.

Interim  
Principal

Each  
meeting

Signed : \_\_\_\_\_ Chair

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The Board raised a concern regarding the quality of data available internally. They asked that the use of mandatory systems to be more closely linked to performance management. It was acknowledged by all that there is a need to improve compliance, which will involve a culture change for some staff. The Board asked for an example of an area where compliance improvement is required. The interim Principal indicated that the completion of registers is an area for improvement. Currently there is mixed use of electronic systems, paper based systems or no registers at all. He stated that this simply should not happen. He confirmed that compliance is monitored but that there are no punitive measures for non-compliance and therefore no real consequences. A challenge from the Board is that they want to see more members of staff challenged on the ground. The Interim Principal expressed the view that managers do challenge and this can lead to disciplines, however to strengthen the process staff need to be confident that decisions they make will not be overturned.

The Board asked where internal auditors fit in to the assurance process. It was confirmed that a review of register compliance was undertaken approximately two and a half years ago. In addition to this, a funding audit is completed on an annual basis and this does look at registers. The Board were given assurance that the risk to funding is mitigated by the internal audits undertaken. All agreed that there needed to be improvements in this area as the taking of registers is the first stage of preventing student drop out. Because of concerns in this area it was agreed that a number of reports would be presented to the next meeting. These include

- Register/attendance completion report
- Room utilisation data
- Staff utilisation data.

#### (7) HR policy and procedure update

The Interim Principal advised that a number of HR policies and procedures have been updated since the last report to Board in May 2017. The schedule of these were noted. It was confirmed that all policies and procedures updated are available on the portal with track changes where applicable. Members' attention was specifically drawn to the Essential Health and Safety Training guidance which was updated in October 2018. The Board were happy to note the content of the update provided and ratify the policy and procedure changes as presented.

#### (8) Association of Colleges' membership

The Interim Principal advised that membership has been reinstated and he explained the importance of membership in terms of:

- a) Advice and resources particularly in the areas of HR, Legal and Freedom of Information requests
- b) Sector lobbying

Exec

13.12.18

Signed : \_\_\_\_\_ Chair

Date:

- c) Support groups – for example apprenticeships.

AGREED: to note the content of the report provided.

## **7 VISION BUSINESS/APPRENTICESHIPS UPDATE**

The Deputy Principal introduced this item and confirmed that the report presented was 'at a point in time'. He explained that the position will continue to move on and will be included as part of the BDO review plus internal investigations. He drew Governors attention to the report and explained:

- Government policy – the history and context for the current position
- Levy impact
- The review of bandings

In relation to the latter he advised that the review of the leadership and management apprenticeship standard has an important impact for the college in that the current funding band of £9k for operations/departmental manager of £9k will reduce to £7k. This is a funding reduction that will need to be factored in to future forecasts.

As an overview he confirmed that the College's approach to apprenticeship delivery is going to be much more local and the College's own direct delivery needs to be considered as part of the financial recovery plan, particularly what is and isn't realistic in terms of assumptions. In terms of the 18-19 current position the number of apprenticeships is down against plan, however the financials are in line with forecast. He confirmed that the future of apprenticeship delivery is very dependent upon employer engagement and plans being developed internally.

Key matters noted were:

- Current profiles are on plan – appendix 1. This includes data regarding both progression and new students.
- Key accounts are a separate line of reporting and the income projections have been downgraded
- The subcontracted element of provision is summarised in appendix 3. The forecast has been further revised downward as part of the recovery plan.
- AEB – there are regular reports to the Board regarding contract variances. Delivery includes a significant use of subcontractors. The Deputy Principal advised that, even with regular reports to the Board, in July 2018 there were eight contracts which were over the approved contract values. He explained that these increases should have been reported in advance but that this was not the case because of staff changes. He explained that this was simply something that was missed and therefore he was asking the Board today to retrospectively improve the increases.

Signed : \_\_\_\_\_ Chair

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He also reminded the Board that for 18/19 there are restrictions upon apprenticeship activity because of the colleges financial position i.e. there can be no contract increases and/or variations. The College is currently awaiting advice from the ESFA regarding the extent to which the college can use its 18/19 allocation. The college needs clarity in terms of what it can and can't do and this is awaited from the ESFA.

The Deputy Principal indicated that looking forward the potential impact of devolution has to be considered. It is known that the Sheffield area will have delegated authority regarding the AEB budget from 2021, this could place £1.6 million of college income at risk, of which 30% is a contribution to the college. In addition, the college directly delivers at the Sheffield Construction/Employability Centre which will need to be considered. The Board questioned whether the Sheffield local authority have to spend within the region or can they continue to contract with the college. The Deputy Principal expressed the view that potentially the Centre could continue and it may be possible for the College to operate as a subcontractor, however the position is uncertain at this point in time. That being said, the Sheffield Centre does have credibility within the area. It is likely that the local authority will make a strategic decision on the centre in the future and the onus is on the College to negotiate its position.

In relation to the eight contracts over the approved contract value at July 2018 it was explained that retrospective approval for the £93k financial impact is sought. Assurance was given by the Deputy Principal that the College has not breached any rules in relation to this and that it was simply an internal approval requirement that had been missed. A challenge from the Board was how they can have confidence in the figures, systems and processes if this can be 'missed'.

It was explained that contract figures are obtained directly from the finance office and are reviewed in line with contract values. Assurance was given that franchise records from subcontractors go through the MIS processes and are audited and they then go through the ILR for validation. The software calculates the values and therefore the likelihood of errors are minimal. The Board asked whether the Deputy Principal has confidence in the new processes and is satisfied that there will be no further errors. The Deputy Principal confirmed that he was assured in terms of the processes and explained that this has never happened before and it was as a consequence of staff changes rather than systematic deficiencies.

Governors' attention was drawn to appendix 4 which shows how the £93k is made up. The Deputy Principal confirmed that funds have already been paid to the subcontractors but that this should not have been the case until Board approval, however the contract stop process did not operate effectively on this occasion.

Signed : \_\_\_\_\_ Chair

Date:

He indicated that to prevent something similar happening in the future he would wish to put forward that a 5% variance to contract sums up to a maximum value of £10k is approved for future AEB contracts. He confirmed that any actions or additional recommendations with regard to the AEB allocation for 18/19 will be brought to the attention of the Board for consideration when made available. He confirmed that the 5% tolerance level was in relation to small variances only and gave assurance that anything significant would be brought back to the Board i.e. anything more than £10k. A challenge from the Board was that they would not wish to see regular use of the 5% flexibility and they asked for some assurances regarding the measures that would be put in place to prevent overuse. It was confirmed that any variance would require senior post holder sign off and that there will be a monthly report to the Board. With this assurance provided the Board were happy to agree delegated authority to SPH's regarding a 5% variation, however it must be the case that the variation is always within the agreed budget. The Deputy Principal confirmed that the £93k was already included within the 17/18 outturn report.

The Board asked that regular income updates be provided at each meeting and that the information should split out future reporting for all income streams, but particularly apprenticeships and AEB. It was noted that there is a large amount of AEB delivered out of the area and therefore the College will need to consider a strategy on this as there are significant risks and as a consequence the development of a local strategy needs to be advanced and accelerated.

Exec

Each meeting

AGREED:

- a) to note the content of the update provided,
- b) retrospectively approve the contract variations for 17/18 as set out on appendix 4,
- c) agree delegated authority to SPH's to agree a 5% variance for contract sums up to a maximum of £10k for future AEB contracts,
- d) receive an income update report at each meeting.

8

## **GOVERNANCE**

The Clerk introduced this item and drew attention to the updated Governor membership table. She confirmed that following recruitment of new Governors there are proposals to increase committee membership to maximise the new skills available on the Board. The Board discussed membership proposals and were happy to agree updated membership as follows:

- a) Audit Committee – membership to be; Jamie Fryatt, Lee Radford, Darren Wilkinson, Neil McDonald, Rebecca Joyce, Sardip Sandhu.
- b) Finance Resources and Estates Committee – membership to be; Terry Dean, Malcolm Hall, Martin Rigley, Kate Truscott, Tony Westwater, Paul Frammingham and Martin Sim.

Signed : \_\_\_\_\_ Chair

Date:

- c) Standards Committee – membership to be; John Holford, Mary Mamik, Mark Williams, Jane Hawksford, Robyn Hodgson, Cassidy England, Andrea Morrisey, Steve Sutton and Martin Sim.
- d) Remuneration Committee – membership to be; Nevil Croston, Kate Alsop, Lee Radford and Kate Truscott.

The Clerk indicated that, given concerns regarding the colleges apprenticeship position, both financially and in quality terms, it has been suggested that a small group of governors make up a task and finish group to have more detailed oversight on behalf of the Board. Volunteers for this group were invited and it was agreed that they would be Steve Sutton, Mary Mamik and Kate Truscott.

It was noted that BKS B is seeking to recruit a new Director with financial experience and/or qualifications. The Clerk explained that a recommendation on this has been made to BKS B Directors and an update will be reported at the next meeting.

Clerk

Dec. 2018

**9 MINUTES OF THE FR&E COMMITTEE MEETING HELD ON 8<sup>TH</sup> NOVEMBER 2018**

The Board were happy to note the content of the minutes provided.

**10 MANAGEMENT ACCOUNTS TO 30<sup>TH</sup> SEPTEMBER 2018**

The Board were happy to note the content of the accounts presented. It was confirmed that the October accounts will be reviewed by the Financial Recovery Task and Finish Group when it next meets on 28<sup>th</sup> November and the minutes of this meeting will be shared with Governors.

**11 MINUTES OF THE VBSS BOARD OF DIRECTORS MEETING ON 8<sup>TH</sup> NOVEMBER 2018**

The Board were happy to note the content of the minutes provided.

**12 CONFIDENTIAL ITEMS**

It was agreed that confidential items would be reported separately.

(Staff and Students left the meeting at 6.50pm)

Meeting closed at 8.45pm

Signed : \_\_\_\_\_ Chair

Date: