



Minutes of the Meeting of the Corporation, held on Thursday 19 April 2018, 5.00pm at the London-east Conference Centre

The Corporation Meeting was preceded by the Strategic Planning Event – the key objectives were to update and discuss:

- ***Knowledge of the changing FE landscape***
- ***Strengths and weaknesses – where is the College at? Where does it need to be?***
- ***Long term Vision***
- ***Success measures***
- ***Governor accountability***

Present: Mark Farrar (Chair)
Mark Bass (Vice Chair)
Yvonne Kelly (Principal)
Andrew Brown
Evelyn Carpenter (Strategic Planning Event Only)
Lisa Dee
Stuart Fraser
Elaine James
Doug Trengove (Staff Governor)

In attendance: Wijay Pitumpe (Chief Finance & Enterprise Officer)
Janet Curtis-Broni (Executive Director – People & Organisational Development)
Caryn Swart (Chief Operating Officer)

Victoria Eastwood (Clerk to the Corporation)

The Principal presented the Corporation with the Creative Cultural Skills Award for the Training Provider of the Year and the TES Best Teaching & Learning Initiative Award recently awarded to the College. The Chair congratulated the College, adding the College was in a good place and the awards were testament to the hard work taking place. The focus now was to get the College into an even better position.

1. Welcome and apologies for absence

Apologies for absence were received from Sarkis Mazmanian, Bailey Stephenson-Dielhenn and Georgie Brind. Evelyn Carpenter's apologies were received for the formal Corporation Meeting.

2. Declarations of Interest

Governors were reminded of their responsibility to declare an interest in relation to specific items on the Agenda if appropriate. None were anticipated.

3. Minutes of the Previous Meeting – Monday 19 February 2018

The Minutes of the previous Meeting held on 19 February 2018 were agreed as a true and accurate record.

4. Matters arising

An update on outstanding actions from the February Meeting was provided:

Agenda Item	Action	Responsibility	Timescale	Update
7.	Detailed Apprenticeship report and updated position to be provided at the next P&R Committee.	Clerk	19/03/18	Apprenticeships discussed at March P&R Committee and further report presented at April Corporation Meeting.
11.	A paper detailing the legal and governance implications of the proposed IoT to be presented at the next meeting of the Policy & Resources Committee.	Clerk	19/03/18	IoT discussed at March P&R Meeting.
12.	The implementation of a document management system be considered.	CFEO/Clerk	ASAP	Ongoing as part of GDPR
13.	A detailed report on the covenants now required by the banks and the current position on procurement/professionals to be provided at the next meeting of the Policy & Resources Committee.	Clerk	19/03/18	Discussed at March P&R.
14.	That the management accounts reflect the delayed payment of the Apprenticeship Levy income payments from the employers' Digital account.	DOFE	ASAP	Complete
15.	Online training to be completed.	All	ASAP	Ongoing
15.	That the ACER Governance slides be circulated to all	Clerk	ASAP	Complete

	Governors.			
16.	That the Minutes of the July 2017 Corporation Meeting be amended and agenda Item 9 be minuted confidentially.	Clerk	ASAP	Complete
18.	Draft meetings schedule 2018/19 to be presented at the April Strategic Planning Event.	Clerk	19/04/18	Complete

The Clerk also reported that at the March Policy and Resources Meeting, it had been suggested that a Health and Safety Governor would be beneficial. The intention would not be for the Governor to have responsibility for Health and Safety as this was a Corporation responsibility but to be able to provide a link to this area and have a general oversight. The Chair of the Policy & Resources Committee had nominated the Committee's Vice Chair, Stuart Fraser, due to his background in this area and Mr Fraser had accepted subject to Corporation approval.

Approved: That Stuart Fraser take on the position of Health and Safety Governor.

5. Chair's Actions

As discussed as part of the Strategic Planning Event, the Chair reported that since the February Corporation Meeting discussions had taken place re a proposed merger with a training provider. The Chair advised he had spoken directly with the Chair of the organisation and the Principal/CEO had been involved in several meetings. An expression of interest would be submitted by the College and the Corporation would be provided with a copy of the final submission prior to being issued.

Action: Final submission to be provided to all Governors prior to issue.

6. Tuition Fees Policy 2018/19

Stuart Fraser, Vice Chair of the Policy & Resources Committee, reported that the Tuition Fees Policy for 2018/19 had been discussed in detail at the March Policy & Resources Committee Meeting and clarified the main changes including the Apprenticeship Levy.

The Chief Financial Enterprise Officer (CFEO) advised that the Policy was broadly similar to the previous year and enough flexibility had been incorporated to accommodate late policy changes.

The Chair questioned whether any courses were targeted to achieve an increase in payback. The CFEO replied that funded courses provide c50% of the tariff and were charged at market rates. The Principal added that there was an increased focus on efficiencies.

The Chair queried whether levels of discount were monitored. The CFEO confirmed this.

Approved: That the recommendation of the Policy & Resources for the Corporation to approve the Tuition Fees Policy 2018/19 was unanimously agreed.

7. Capital Development

The CFEO reported that the capital development update including borrowings had been discussed at length at the Policy and Resources Committee.

The Corporation were advised that the capital development including borrowings had been discussed in length at the March Meeting of the Policy & Resources Committee when it had been

agreed to recommend to the Corporation to accept the Barclays tender with Option 1. Due to the nature of this discussion, the CFEO provided a further detailed report to the Corporation.

A detailed report was provided as to the progress of the project and procurement of the design team. The CFEO reported that the College was now using the 'Bloom' framework to appoint the architects. All other professional services are below the OJEU threshold and would be appointed through the College's own tendering process.

The CFEO informed Governors that the College currently had previously undertaken a loan with Barclays in 2012 for £5m. As at 31 July 2017, the balance of that loan was £4.3m and it was estimated to be £4m by the end of this financial year.

The Corporation were provided with the two borrowing options: Option 1 - Revolving Credit Facility and Option 2 – Term Loan Facility and the interest rate, arrangement fee and commitment fee for both was presented.

The CFEO advised that alongside the debt service cover and operational leverage covenants, there was a third covenant (all covenants applicable for both loans) that stipulated the property value should not be less than 140% of the indebtedness of the College. In addition the facility would be subject to a negative pledge and a fixed legal charge over land and buildings with a minimum market value of £10,100,000.

Andrew Brown questioned how the College borrowing compared with the sector. The CFEO replied that it was currently c12% against the ESFA benchmark of 40%.

After detailed discussion it was agreed that, as recommended, Option 1 was the preferred option as it provided more flexibility.

**Approved: That Barclays tender be accepted and Option 1, revolving credit facility be used.
That the Principal/CEO and the CFEO have the delegated authority to negotiate and implement the borrowings facility.**

8 Apprenticeship Report

The Principal advised that re-profiling had taken place since the February Corporation Meeting. The level of activity had not been as expected and there was a current shortfall of £1, 164,000 from the original target – mainly due to Levy Employers in the public sector.

The Corporation were informed that the following actions were being taken to minimise the shortfall:

- Tender released to increase apprenticeship delivery through Apprenticeship subcontracting.
- Two new possible partnership opportunities
- Review of staffing and non-pay expenditure underway
- Potential big contracts for 2018/19 but main issue to address shortfall.

Discussion took place on the groups at risk and the Principal provided clarification on the College's position as a Levy Payer. The Principal also advised that the College was working towards the best case scenario and had just received Approved Status for Project Management.

The Chair asked whether the cost savings were focussed on staffing. The Principal replied that all lines were being explored but that staffing was included. The CFEO added that currently every budget line was being scrutinised but there were some contingencies in the budgets.

Agreed: That the current position be noted.

9. English and Maths Update

The Chief Operating Officer (COO) updated the Corporation on the English and Maths Assessment Day that provided an opportunity for GCSE and Functional Skills learners (Levels 1 and 2) to undertake mock assessments under exam conditions. Students studying Functional Skills at Entry Level, where they had been assessed as being ready to take exams, were also given the opportunity to take full assessments. Attendance for GCSE's was lower than last year but significantly higher than Functional Skills. However, as attendance for Functional Skills was not completely mandatory, the attendance figure was not too disappointing. Governors were informed that 519 Functional Skills qualifications had already been achieved to date.

Further plans to improve attendance and achievement were discussed and it was noted that attendance was increasing slightly each week. Planning was underway for 2018/19 including how to embed English and Maths into vocational areas at Entry Level.

Agreed: That the current position be noted.

10. Draft Corporation Meetings Schedule 2018/19

The Clerk presented the Draft Corporation Meetings Schedule for 2018/19. Governors were asked to consider this and advise the Clerk of any potential conflicts or issues with any of the proposed dates by Friday 27 April 2018.

Action: Governors to advise the Clerk of any issues with the Draft Corporation Meetings Schedule for 2018/19 by Friday 27 April 2018.

11. Governor Curriculum Links

The Clerk recorded her thanks to the Vice-Chair for his time and work on the proposed curriculum links policy. All Governors agreed that they were happy with the proposal and the suggested link areas and the Clerk agreed to contact Governors individually to take this forward.

The Staff Governor asked whether there should be a curriculum link for English and Maths. The Principal advised that English and Maths would be addressed in each area but it an Employer link could be beneficial.

Action: Clerk to contact Governors individually to commence Governor Curriculum Links scheme.

12. Financial Statements 2016/17 – Confirmation of Financial Health

The CFEO advised that the report provided confirmation from the ESFA of their agreement that the College's financial health is 'Outstanding.'

The Chair congratulated the CFEO and Executive Team on the position.

Agreed: That the position be noted.

13. Management Accounts to end February 2018

The CFEO reported that as at February 2018 an additional £600K contingency savings had been built into the budget. The College was expected to achieve its projected full year operating forecast surplus budget of £350K.

In response to a question from Stuart Fraser, the CFEO confirmed that the figures as at the end of March 2018 were not yet available but this report would be emailed to Governors as soon as possible.

Stuart Fraser queried whether the position had deteriorated for March 2018. The CFEO confirmed

that this was the case but the March management accounts would provide an update on how savings were being made.

Action: That the Management Accounts as at the end of March 2018 be emailed to Governors as soon as the figures were complete.

14. Draft Minutes – Performance & Standards Committee – 12.03.18 and Verbal Update

Stuart Fraser reported that the Committee had focussed on the priorities for the year with detailed focus on Higher Level Skills including HE Strategy, HE Self-Evaluation Document and Action Plan and the Office for Students.

Agreed: The current position be noted.

15. Draft Minutes – Policy & Resources Committee – 19.03.18 and Verbal Update

The Clerk advised that the main topics of the meeting had been discussed earlier in the agenda. The Committee had also focussed on HR, debt write-off and partnerships.

Agreed: That the position be noted.

16. Draft Minutes – Audit Committee – 12.03.18 and Verbal Update

The Vice-Chair reported that the Committee focussed on the internal audit recommendations and the risk register. The Clerk clarified that the Financial Statements Auditors had not been in attendance as they had asked to give their apologies as there were no matters specifically requiring their attention.

Agreed: That the position be noted.

17. AoB

The Executive Director – People & Organisational Development clarified that the IIP award had been discussed at the Policy and Resources Committee and advised that the College would be re-assessed on five issues to maintain Gold standard.

The Principal reported that two students had won a global contest through Huawei and an Outstanding lecturer award had been won by Henry Quarshie for outstanding performance on the Huawei ICT academy programme. In addition, the Principal advised that the AoC were collaborating with ITN on raising the profile of Colleges. The College had been approached to be involved and it was anticipated that some involvement would be required from the Corporation. More details would follow in due course.

18. Date and time of next meeting – Monday 2 July 2018 – First part of meeting to revisit College Vision, Mission and Values.

The Chair thanked all those in attendance for their contributions and the meeting closed at 6.10pm.

Agenda Item	Action	Responsibility	Timescale	Update
C/f	The implementation of a document management system be considered.	CFEO/Clerk	ASAP	Ongoing as part of GDPR
C/f	Online training to be completed by all	All	ASAP	Ongoing

	Governors.			
5.	Final submission to be provided to all Governors prior to issue.	Principal/Clerk	ASAP	Complete
10.	Clerk to be advised of any issues with the Draft Corporation Meetings Schedule for 2018/19 by Friday 27 April 2018.	All	27 th April 2018.	Complete
11.	Clerk to contact Governors individually to commence Governor Curriculum Links scheme.	Clerk	ASAP	Ongoing
13.	That the Management Accounts as at the end of March 2018 be emailed to Governors as soon as the figures were complete.	CFEO	ASAP	Complete

Signed.....

Date.....

Mark Farrar (Chair)