



**Minutes of the Meeting of the Corporation, held on Monday 2 July 2018, 5.00pm in the Boardroom**

***The Corporation Meeting was preceded by a presentation from E-Share.***

**Present:** Mark Farrar (Chair)  
Mark Bass (Vice Chair)  
Yvonne Kelly (Principal)  
Andrew Brown  
Evelyn Carpenter  
Lisa Dee  
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)

Prior to commencement of the formal meeting, the Principal provided a presentation on the proposed vision, mission and strategic directions 2018-2023 for the College. This followed on from discussions held at the April Strategic Planning Event, the outcomes of which were considered.

Detailed discussion took place on the presentation provided and it was agreed that the Corporation would be forwarded the presentation to be able to consider the proposed mission and vision further.

Andrew Brown suggested the following:

**Mission:** *'to transform individual lives, communities and businesses through excellence and innovation in education and training.'*

**Strategic Directions:** *'Provider of first choice in education and training,'* to replace: *'education and training destination of first choice.'*

*'Impact and opportunity beyond the boundaries of East London,'* to replace: *'beyond the boundaries of the East London.'*

The Principal advised that the objective was to be able to progress to the next stage of consultation with staff.

**1. Welcome and apologies for absence**

Apologies for absence were received from Sarkis Mazmanian, Stuart Fraser, Forhad Altafi and Georgie Brind.

The Chair congratulated Doug Trengove and Forhad Altafi (in his absence) on their election as Staff Governors.

**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 – Thursday 18 April 2018**

The Minutes of the previous Meeting held on 18 April 2018 were agreed as a true and accurate record.

**4. Matters arising**

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

<b>Agenda Item</b>	<b>Action</b>	<b>Responsibility</b>	<b>Timescale</b>	<b>Update</b>
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 Governors.	All	ASAP	Ongoing
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 <sup>th</sup> 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

The Clerk reminded the Corporation of the importance of completing the Governor training that had been issued and asked for all certificates to be returned as soon as possible.

The Clerk referred to the notes from the PROCAT discussion held on 30 May 2018.

The Clerk reported that although discussions with PROCAT had ceased, the resolution passed at the PROCAT discussion held on Wednesday 30 May 2018 and subsequently approved by email, required formal approval/minuting:

The Corporation Chair stated that he was content to progress in principle but there was a need to ‘test as we go’ and the July Corporation Meeting would provide the opportunity for further updates. It was also noted that, should the College be chosen as the merger partner, the Corporation

approved the cost for due diligence to be undertaken. It was agreed by all present and in attendance to progress the submission in principle and, should the College be successful, approve commencement of the due diligence process.

This was formally approved by all present.

The Corporation had previously been provided with the notes from the discussion.

The Chair recorded his congratulations and thanks to the Executive Team for the presentation they provided at PROCAT and for how well the questioning was answered.

## **5. Chair's Actions**

There were no Chair's actions to report.

## **6. GDPR Update**

The Clerk provided an update on the College's current position with regards to GDPR. A lot of work had taken place particularly in HR and admissions and all relevant paperwork for forthcoming enrolments had been amended. Discussion ensued on actions that had already taken place and work that was still required.

Governors were informed that the College was doing well compared with other organisations and fared positively against the benchmarking report provided by RSM which had been provided.

**Agreed: That the current position be noted and further updates be provided at both the Audit and Corporation meetings.**

## **7. Annual Budget and 3 Year Financial Forecast**

The Chief Finance and Enterprise Officer (CFEO) clarified that the actual forecast was for one year. The budget was showing an operating surplus of £350K after allowing for a general contingency of £500K. The operating surplus was targeted in order to achieve and maintain the Financial Health grade as "outstanding" which it was confirmed would be achieved.

The Corporation were referred to the funding allocation table and advised that there had been a reduction of £1.1 million from the current year's allocations due to a variance in lagged funding for 16-18 year olds and non-levy apprenticeship funding reductions. In addition, the impact of the final allocations from the funding bodies and income review based on the current year's performance was an overall decrease in funding of £1.9 million.

Discussion took place on the following key areas:

- Other income lines
- Capacity delivery funding (T-levels)
- Strategies for savings
- Key developments in AEB devolution, impact for 2019/20 and preparation that was taking place
- Grant income
- Partnerships (gradual reduction in subcontracting)
- FE loans
- Pay contingencies
- Risk and sensitivity analysis
- AEB

Evelyn Carpenter questioned whether the staff affected at the TSA was an identified post. The Principal responded that this was a redefined post as the College was looking for a more strategic role that would oversee all the sites at Barking. The CFEO added that there was a clear course file to identify resource models.

In response to a question from Evelyn Carpenter, the CFEO confirmed that FE loans would be

cancelled for Access students who progressed to HE. It was advised that this had been included in the College's marketing material and the College is developing more Access Courses.

After further discussion, the CFEO asked the Corporation to endorse/approve the financial objectives, forecast for 2019/20 and revenue and capital budgets for the financial year 2018/2019.

The Chair confirmed that the report had also been discussed in detail at the Policy and Resources Committee and they recommended approval of the above. Andrew Brown advised that the Policy and Resources Committee had found the report to be a realistic projection and cautious in the right areas.

The Chair suggested that the percentage of movements/ratios be included in the report next year to provide context and questioned whether the forecast also include contingency. The CFEO replied that this would be taken in to account in the final accounts.

The CFEO advised that the Policy and Resources Committee had discussed and recommended to the Corporation that the College engage with Nationwide Building Society as one of its financial institutions in which to invest college cash. This recommendation was ratified by the Corporation. The Minutes of the Meeting would be emailed to Members asap.

In response to a query from the Chair, the CFEO stated that he had contacted the actuaries but they could not provide any information on pensions at this point. It was anticipated that the report would be received by the end of August 2018.

The Chair asked whether Apprenticeship growth was prudent in the forecast. The CFEO replied that it would not have been included in the budget unless there was some certainty and the levy income target has been amended based on the current year's performance.

**Approved: The revenue and capital budgets for the financial year 2018/2019; financial objectives and the forecast for 2019/20 were unanimously approved by the Corporation.**  
**Approved: That the College engage with Nationwide Building Society as one of its financial institutions in which to invest college cash.**

## **8 Financial Regulations - Annual Review**

The Director of Finance and Estates (DoFE) reported that the College was required to review and update its Financial Regulations on a regular basis and these had been approved to recommend to the Corporation for formal approval by the Policy and Resources Committee.

The two changes to Tenders and Quotations were highlighted to the Corporations; the rest of the document remained unchanged.

In response to a query from the Chair, the DoFE advised that the changes complied with EU Directives and provided the budget holder limits as follows:

- Budget Holders- up to £3K
- Directors – up to £10K
- Principal/CFEO – up to £50K
- Corporation – above £50K

**Approved: The Financial Regulations were approved by all Corporation members.**

## **9. Capital Development – 'D' Block/CAT Update**

The CFEO provided Governors with a further update on the D Block project and the current decanting arrangements taking place.

Evelyn Carpenter questioned whether staff had been involved in the design. The CFEO replied, that a survey has been conducted for all staff & students and that surgeries will be held to look at the detail of the specifications required with the relevant staff and the CAT design team. The

process would be as interactive as possible.

Lisa Dee asked whether students would be involved in the process. The Principal responded that students would be involved and this will be built into the tender.

The CFEO explained that the College had an agreed total budget for the project of £9,995K but the current QS cost estimates were c£10,532K. As the College needed to ensure that the total budget did not exceed the agreed sum, the Architects were being advised to value engineer the design to ensure the total cost was within budget.

The Corporation were advised that a total of thirty Portacabins would need to be hired during the period of the works but the College was kitting out none IT classrooms as IT classrooms to reduce some costs. It was proposed that decanting costs were charged to the annual capital budget for 2018/19 to relieve financial pressures on the project. After further discussion on risk and implications this was approved.

**Approved: That decanting costs be charged to the capital budget for 2018/19.**

#### **10. Curriculum Offer 2018/19**

The Chief Operating Officer (COO) presented the Curriculum Offer for 2018/19 advising that this had been discussed at the Performance and Standards Meeting earlier in the year.

The Corporation were provided with a detailed summary on the following:

- Planning approach
- Key objectives
- Criteria
- Growth areas to align to strategic priority areas
- New programmes for 2018/19

The Chair asked for clarification on the funding available. The COO responded that the majority of funding was through the ESFA and some through employers for 19+ learners. The College was continuing to review its offer during enrolment and would offer flexibility throughout.

The Vice-Chair asked whether any courses were discontinued to allow for new courses. The COO advised provision where quality was an issue or the job demand was no longer viable had been identified. This included Motor Sport and Floristry.

In response to a question from Evelyn Carpenter, the COO stated that multiple entry points through the year were in September/October and full January programmes were available. The 16-18 ESOL cohort continued to grow at the TSA and this continued throughout the year.

Evelyn Carpenter asked how realistic it was for the income to increase by 10% at the Broadway Theatre. The Principal replied that a new Creative Learning Manager had been employed to bring the community into Broadway and work to draw in project funding and a potential roundtable with CC Skills was taking place.

The Vice-Chair stated that the Broadway Subsidiary Meeting had taken place earlier that evening and the budget reforecast had been reviewed.

Agreed: That the curriculum offer be noted.

#### **11. Principal's Presentation**

The Principal reported an unstable external environment, Government reforms and funding pressures continued to bring a lot of work, scrutiny and oversight on colleges at present. A number of developments were taking place and these were discussed by the Corporation:

- Apprenticeship Reforms
- T-Levels: College had submitted a tender for construction and was awaiting a response.

- Adult Education Budget (AEB) and devolution: The GLA will be issuing a draft framework detailing how the Mayor will capitalise on the opportunities presented by the devolution of the AEB.
- Post 18 education and funding review – widening participation was a big issue.
- College finances and mergers including the insolvency regime
- GDPR

The Corporation were advised that this had been an exceptional year for success and further opportunities to engage in national and regional initiatives as well as key industry partners. The following key highlights were reported:

- Student success at World Skills and Amazon competition
- Developing skills: Mayor's Construction Quality Mark
- Partnership discussions: LBBD to create a Mayor's Construction Hub; TfL to create a pan London Construction Hub with the College as the main provider of Construction for training TfL
- 248 students undertaken the Erasmus programme
- Disability Confident Employer accreditation
- Developing strategic alliances: Employment and Skills Academies under development
- Developing sites and sustainability
- College inclusion in ITN Productions for an online news and current affairs-style programme exploring how vital colleges are to the future of the British economy and how important it is for the Government to invest in FE.

In response to a question from Evelyn Carpenter, the Executive Director of People and Organisational Development (EDPO) explained that the rising stars initiative was aimed mainly at staff who had been promoted. The purpose was to identify and develop talent and to retain staff – this included apprentices.

A full presentation on College and student success would be emailed to the Corporation.

**Agreed: That the position be noted and new initiatives and developments be monitored.**

## 12. Learner Voice Update

The COO reported that there had been a delay with the FE Choices Survey and this would therefore be reported at the October Corporation Meeting.

The Corporation were provided with a snapshot of the surveys undertaken and discussed:

- Mid-year survey and results
- Curriculum Surveyor surveys followed up with focus groups

The Chair thanked the COO for a useful and timely report.

**Agreed: That the position be noted.**

**Action: The outcomes of the FE Choices survey be reported at the October Corporation Meeting.**

## 13. Management Accounts to end May 2018

The DOFE presented the management accounts to 30 May 2018. The Corporation discussed the context of the report against the annual budget paper previously presented.

**Agreed: That the current position be noted.**

## 14. Subcontracting Overview Report

The Principal provided an overview of the College's 2017-18 subcontracted delivery, including performance to date, expected outturn and an update on the tender exercise for the subcontracted

provision of AEB for 2018/19.

**Agreed: That the performance of the 2017/18 subcontracted provision and the 2018-19 tender process be noted.**

**15. Subsidiaries Performance Report**

The DOFE summarised the business of the last board meetings in May 2018 for the subsidiary companies and February 2018 for Broadway.

**Agreed: That the position be noted.**

**16. Draft Minutes – Audit Committee – 18.06.18 and Verbal Update**

The Chair of the Audit Committee summarised the discussion of the Committee, highlighting the following:

- GDPR was discussed
- Substantial assurance for all internal audit reports with some low priority actions
- Need to ensure out of date policies do not slip through the net
- One high risk recommendation re system failure – this had already been actioned

The Clerk added that the Joint Audit Code of Practice no longer permitted Staff Governors to remain members of the Audit Committee and thanks were recorded to Doug Trengove for his previous service to the Committee.

**Agreed: That the position be noted.**

**17. AOB**

**For Information Only – FE Commissioners Termly Letter – June 2018**

**18. Date and time of next meeting – Monday 15 October 2018, 6pm.**

The Chair thanked all those in attendance for their contributions and the meeting closed at 7.50pm.

<b>Agenda Item</b>	<b>Action</b>	<b>Responsibility</b>	<b>Timescale</b>	<b>Update</b>
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 Governors.	All	ASAP	Ongoing
11.	A full presentation on College and student success to be emailed to the Corporation.	Clerk	ASAP	Complete.
12.	The outcomes of the FE Choices survey be reported at the October Corporation Meeting.	COO	October 2018	Verbal Item on Agenda

Signed.....

Date.....

Mark Farrar (Chair)