



Minutes of the Meeting of the Corporation, held on Monday 15 June 2020, 11.00am via Microsoft Teams

Present:	Mark Farrar (Chair) Mark Bass (Vice Chair)
	Yvonne Kelly (Principal/CEO) Forhad Altafi (Staff Governor) Andrew Brown Evelyn Carpenter Lisa Dee Carole Ditty Sarkis Mazmanian Bal Panesar
	Doug Trengove (Staff Governor)
In attendance:	Wijay Pitumpe (Chief Finance & Enterprise Officer)
	Victoria Eastwood (Clerk to the Corporation) Andreas Galatoulas (Chief Technology & Innovation Officer) Veronica Anthony – David (Chief Transformation Officer) Joy Kettle - (Chief Operating Officer)

1. Welcome and apologies for absence

Apologies for absence were received from Stephen Mizen and Stuart Fraser.

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 20 May 2020 including Confidential Minute

The Minutes of the Previous Meeting held on Monday 20 May 2020 were agreed as a true and accurate record. The Confidential Minute of the same meeting was approved by those Governors who had been eligible to receive it (see Agenda Item 9).

4. Matters arising

An update on outstanding actions from the May meeting was provided:

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 Governors.	All	ASAP	Ongoing
C/f	Revised STAR subsidiary report to be presented when appropriate. Original business case to be included.	CFEO	ASAP	Included on the agenda for the July Corporation meeting

The Chair requested that Governors complete any outstanding mandatory training as soon as possible. The Chief Governance Officer (CGO) informed the Corporation that further GDPR

training would be issued and Governors would soon be asked to complete individual self-assessment questionnaires to inform the corporation training plan going forward. The CGO thanked those Governors who had completed the updated Safeguarding training and recognised that this was time consuming.

Headjogs Subsidiary Company

The Chair reported that a meeting of the Headjogs Subsidiary Board had taken place prior to this Corporation meeting and asked the Chair of the Headjogs Subsidiary Board, Andrew Brown, to update the Corporation. Andrew Brown advised that the Headjogs Board had reviewed the financial performance of Headjogs and the extent to which the company benefitted the College. Headjogs had made a deficit last year and alongside the impact of Covid-19, funding streams and impact had changed.

The Corporation were informed that the Subsidiary Board had considered in December 2019 whether to sell the company but this was not now viable. The Subsidiary Board had subsequently met in April 2020 to make a decision to furlough the staff and the meeting preceding the Corporation meeting had been to agree to wind the company down. Andrew Brown advised the Corporation of the Board's decision to fold the company based on the extent to which the company no longer meets the objectives for which it was created and its financial performance. The major impact would be five members of staff who would have to be made redundant.

In response to a query from the Chair, Andrew Brown confirmed that the College was the sole shareholder in Headjogs. The write off would be the balance of goodwill of £250K which was included in the financial projections received by the Corporation. There would be no impact on the financial forecast as the write off figure had already been included. Evelyn Carpenter questioned the sum of the redundancy costs. The Chief Finance & Enterprise Officer (CFEO) confirmed that this would be minimal as Headjogs staff did not have the same redundancy rights as College staff.

Carole Ditty advised that directors would be required to confirm that there were no outstanding liabilities assumed and asked whether there were any contractual arrangements that needed to be taken into account. The CFEO replied that Headjogs was a wholly owned subsidiary and there were no third party liabilities. The only contract was the leasing of the premises in the shopping centre which had a three month notice period, however, talks were in place to reduce this.

The Chair suggested that the decision to fold the company was put to a vote and asked if any Governor did not agreed with the folding of the company. No Governors voted against the folding of the company and therefore the Corporation unanimously agreed that the Headjogs Subsidiary company should be dissolved.

The Chair noted that as the principle of the company had changed this was the right decision in the current circumstances.

Approved: The Corporation unanimously approved to ratify the decision of the Headjogs Subsidiary Board that the Headjogs company should be dissolved.

5. Chair's Actions

There had been no Chair's actions undertaken.

6. Principal/CEO's Report

The CGO had received questions from Stuart Fraser who was unable to attend the meeting.

The Principal/CEO noted that these questions would be addressed in discussions.

The Principal/CEO reported that there were now no staff absent from College due to Covid-19 and all staff who had been unwell had returned. Work was continuing to take place to support remote learning and the Chief Finance & Enterprise Officer (CFEO) and Chief Transformation Officer (CTO) were progressing issuing chairs for staff and supporting eyes tests. The College had now exhausted its reserves of devices to provide to learners and a further seventy were being purchased to be issued to support learning. The College is tracking staff engagement and interaction through the weekly Q and A sessions and Word on the Street newsletter to inform how the Exec could be more responsive.

The ESFA simplified financial return required sign off by the Principal/CEO by the 31 July 2020 and it needed to be considered how the Board would see this in the relevant timeframe. The DfE would use the financial return to undertake an affordability assessment based on the updated financial information submitted as part of the T level capital application (E block). It was possible that they may allow up to a 100% waiver of match funding if the financial assessment supported this. The College was still awaiting an update from the GLA regarding a relaxation of the match funding for the Innovation Fund (F block capital developments).

The Principal/CEO advised that there had been little information from the Government or funding bodies regarding changes for next year. It was difficult to fully understand how the landscape will change, the level of support for FE, hence next year is going to be difficult due to unstable recruitment, impact of travel issues, social distancing measures and maintaining the safety of learners and staff. The College was looking at all funding lines, project funding opportunities, exploring the needs of the community and wider London and remodelling of subcontracting to develop a partnership approach. Further information would be available at the next Corporation meeting.

Evelyn Carpenter recorded her thanks and gratitude for all the hard work being undertaken by the College to keep learners in learning. She stated there was a lot of good practice including the digital self-assessment by teachers to adapt skills and questioned whether curriculum managers were observing the new digital learning taking place to ensure a more objective view of what was going on in the classroom. The Chief Operating Officer (COO) replied that digital walkthroughs had commenced a few months ago and provided some intelligence around which staff were doing it quite well and those who needed development. Curriculum team leaders and managers had been involved in the process and digital self-assessment would be live later that day.

The Chair asked whether there were still access issues for learners to broadband and PC's. The Principal/CEO responded that further support was required from Education Ministers and the Government. The College was encouraging those learners who were facing issues to attend College to be able to access the technology but there was more work to do. Different approaches were being used to adopt to the learner needs including access to specialist software via the college network, personalising lessons for learners who had been experiencing difficulties. Lots of adjustments were being made but it was acknowledged that some learners have fallen through the gap. The Principal/CEO added that she was liaising with the AoC on this matter.

The Corporation were informed that as part of curriculum and business planning, restructures and realignments would be required. Areas had been identified because the College was looking to remodel its approaches including greater emphasis on the use of technology, development of college specialisms, increased employer engagement and a bigger focus on co-delivery. The restructure process was underway and the College endeavoured to have as little or few redundancies (currently predicted redundancies was five) as possible and absorbing staff into other roles would be considered. The CTO added that a JCC meeting was taking place later that week with the unions. The Principal/CEO advised that the College was looking at its strategy and recovery plan going forward in terms of financial implication and 'the new normal' for the College. A key priority would be to use the agency staffing budget as a buffer to create efficiencies where targets could not be met. The use of technology to support teaching, learning and assessment would also contribute to a reduction in the use of agency staffing.

The Chair asked whether the restructuring would be completed by August and questioned whether, as most of the restructuring budgets would not be utilised, these funds could be released. The CFEO advised that unused (dependant on the age and pension costs of the staff involved) would be released. It was normally a cost of c£300K for the redundancy of fifteen staff and the College was expecting redundancy costs to be much less. The Chair stated that it was hoped that these funds would assist cashflow in terms of next year.

The Principal/CEO reported that some furloughed staff had been asked to return for key activities to assist with the transition plan and once these activities had been completed the staff would return to being furloughed. The CFEO added that the position was being considered in terms of the forecast.

The Principal/CEO advised that the meetings with the account manager for the IoT had been supportive. The account manager had previously attended the College site and seen the developments being made. There had been three colleges who had not signed their IoT licence until 2020 and the DfE had decided that these would have the current year discounted to start from 2020/21. This would potentially lead to a soft start for the College in 2020/21 and changes impacting on the KPI's would be recognised on a case by case basis. The KPI's would be amended accordingly and this would form part of the end of year annual review.

The Chair stated that there could be real challenge with the KPI's and the deferral needed to be discussed. The Principal/CEO responded that the starting point would be the impact of Covid-19 on delivery as the College would not be able to have students back as 'normal'. It was hoped to have practical sessions up and running and prioritise those learners on site who needed face to face contact. The College was exploring the curriculum offer to meet local needs including fast track courses and traineeships to encourage employers to invest in a 'try before you buy' approach and whilst the economy recovered.

Andrew Brown stated that online education was borderless and allowed anyone to offer provision anywhere. Some colleges in other countries had taken substantial amounts of business away from providers and the College needed to consider how it could be placed in a good position to be one of the colleges that benefitted rather than suffered. The Principal/CEO replied it would maximise this opportunity i.e. Coursera pilot, but would continue to promote a unique practical experience onsite experience in the workshops and

new labs in ELIOT. The College would place itself in a position to deliver much needed technical skills. Andrew Brown added that the College needed to look outside normal business to advise and develop the expertise, then build on that and maintain the markets.

The Principal/CEO advised that the College was looking at partnerships with wider local London to support the College and businesses in the Borough. A new development was the establishment of the immersive classroom to engage with employers and other providers locally, nationally and potentially internationally. The College was currently extending the digital suite to increase engagement with learners by working with JISC on its strategic planning.

Summer grading continues to be a huge task and the Principal/CEO recorded her thanks to all involved. A few awarding bodies had changed their mind at the last minute with some practical assessments now being based on an evidence-based approach resulting in a reduction in the number of learners attending the College site. The COO added that the College was hoping to complete most of the assessments before the end of July, the only delays would be teaching assistant and early years as this was dependant on schools reopening.

The Principal/CEO thanked the Executive Team, Curriculum Managers, Estates Team and Health & Safety Team for the work undertaken to ensure safe access to the site for learners. The risk assessment had been shared with the unions and their feedback would inform some immediate actions as well as the work to be undertaken for September to re-opening the College including areas which are currently closed.

Evelyn Carpenter asked when the TSA would be reopening. The Principal/CEO responded that this being informed by planning for September and other factors which may influence recruitment such as learner behaviour regarding travel. The practical areas and learners who required access to PC's and some face to face teaching and support would need to be a priority. A further update would be included in the report to the Board in July.

The Chair noted that at a recent AoC webinar he had attended the emphasis had been on how Colleges could be assured that any true learning was taking place. The Principal/CEO advised that a lot of staff were using video or chat facilities and other various tools to support learners which had helped attendance. Learners were given set work and all feedback was personalised. Some outstanding lessons were taking place using a blended approach and learning walks were underway to look at those lessons which were not as positive.

The Chair questioned whether, although the College was concentrating on the here and now, consideration was being given to the autumn period and bottle necks etc. The Principal/CEO responded that planning was underway and would be considering all eventualities.

The COO suggested that a short report to help understated the position re remote learning and put it this into context should be provided at the July meeting. This was agreed.

The Chair congratulated the College on the work undertaken so far and encouraged staff to keep going. The Principal/CEO added that there had been a great effort from staff going

above and beyond with the learners at the centre of the approach.

Agreed: That the current position be noted.

Action: Short report providing the position and context of remote learning to be provided at the next meeting.

7. Financial Sustainability in the months ahead

The CFEO reported that there was a £106K increased deficit between this and the last forecast. It was noted that the AEB income was now unlikely to be clawed back.

The Corporation were informed that the bad debt provision was prudent. In addition to the bad debt to date, there were few learners asking for refunds which would affect the bottom line. Agency expenditure was dependant on the position of the exam bodies regarding grading and assessment.

The CFEO stated that, as Governors were aware, the College had utilised its own cash reserves until January 2020. In February and March, it had been necessary to utilise the facility drawing £1m in February and £1 m in March respectively. £1m of the drawdown would be re-paid when it matured on 18 June 2020. This was included in the cash flow forecast. A detailed budget would be brought to the July Corporation meeting for approval.

The Corporation were informed that discussions had taken place with the College's relationship manager regarding the banking covenants and the view was that the bank would consider the pre-COVID position of the College which showed the College would adhere to the covenants. However, this has not been confirmed by the bank in writing.

Evelyn Carpenter referred to the year-end forecast 2019/20 and questioned what the £962K 'other' expense category covered. The CFEO replied that this was non-pay expenditure, offset for expenditure for projects. The projects were continuing and any expenditure already incurred had been included.

The Chair questioned whether the expenditure related to the 'other income' category. The CFEO confirmed most of the expenditure related to projects and the College was going through orders to ascertain whether any unused orders could be released to make savings. The CFEO advised that more detail could be provided in the next report. This was agreed.

Bal Panesar referred to the 'other income' and 'other expenditure' and asked if there was a timing issue. The CFEO replied that this was lost income. In response to a query from Evelyn Carpenter, the CFEO advised that the income was in different lines and not specifically matched expenditure lines.

The Chair noted that being able to see the faculty areas made the figures easier to read.

The Chair stated that it would be beneficial to return to the financial year beyond the current year. There were underpins of funding coming through and the erosion of income would be visible from next year. It was envisaged, when the time came to sign off the annual accounts, the auditors would be requiring 12 month projections and assumptions therefore such detail would need to be provided to the end of the calendar year. The CFEO advised that the ESFA was publishing another cash flow forecast and had changed the financial health criteria.

Based on this the College would need to produce a budget for next year. The Principal/CEO added that the position needed to be better articulated including mitigating actions.

The Chair commented that it was great to see that the College had secured outstanding financial health classification from the ESFA.

	<p>The Chair referred to subcontracting and asked how assured the College was that the learning and teaching was secure in terms of checks and controls in place. The Principal/CEO replied that the team was working on data on engagement and a full report would be brought to the Board in July. Discussions were taking place with one of the private training providers on delivery only and one partner was looking into face to face delivery. There was a lot of work taking place and focus was on the strategy going forward. The Chair asked if there had been any news regarding the judicial review against the OfS. The Principal/CEO replied that Bloomsbury were seeking an appeal and advised she would issue a copy of the article. Andrew Brown provided a link to the article during the meeting. The Chair thanked the CFEO for his report and advised that the report needed to look further forward next time. It was noted that the budget would be presented at the next meeting.</p> <p>Action: The next report to feature detail beyond the current financial year and additional detail on project expenditure.</p> <p>Action: Full report on Subcontracting to be presented at the July Corporation Meeting.</p>
8.	<p>Report from the Meeting of the Audit Committee, held on Monday 1 June 2020</p> <p>The Chair of the Audit Committee reported that the majority of the work undertaken had been good and risk management was going well. The board effectiveness review had previously been deferred to Spring 2020 but as a remote review was not a good way of assessing board effectiveness, it had been moved to 2020/21. The Internal Auditors were currently working with the team to arrange how to undertake the learner numbers audit remotely. The IT internal audit had noted lots of positives, but the main recommendation had been that there was no physical copy of the disaster recovery plan available – this had now been rectified. There had only been low level recommendations for the financial controls audit.</p> <p>The Audit Committee Chair advised that the progress against internal audit recommendations was mixed. Lots of work had been undertaken and recommendations cleared, however, there were a couple of recommendations rolled over for two years before the issues could be resolved. A follow up meeting of the Audit Committee was now scheduled for July 2020 to consider whether these issues could be resolved earlier. The main concern from the internal audit progress report was the delay in the recording of DBS checks. Due to changes in staff within HR, these issues had not been remedied. Forty staff had not had a DBS check recorded and this was poor for safeguarding. The Principal/CEO stated that there it was unclear why the documents were not available as some of the staff involved were long standing members of staff. The issue was with logging and tracking. The CTO was now picking up this action to ensure the correct processes were in place and robust. The Chair stated that this was a serious issue and new staff should not start without a DBS record. The College also needed to ensure processes were in place to record details with regard to right to work etc. The CTO stated that the staff involved had been DBS checked but had not provided evidence of this to be recorded. A new system would be in place for September 2020 to ensure an integrated approach.</p> <p>Bal Panesar reinforced the comments of the Audit Committee Chair and advised that, notwithstanding the new processes to be implemented, a complete spreadsheet of DBS records should always be available. Audit recommendations were the responsibility of the manager and commitments to achievable dates and times were important.</p> <p>The Audit Committee Chair advised that evidence columns had been introduced within the audit progress recommendations reports to ensure a more robust process going forward. All other recommendations were in hand.</p> <p>The Chair thanked the Chair of the Audit Committee for a comprehensive report and the key points to note.</p> <p>Agreed: That the current position be noted.</p> <p><i>The Principal/CEO, Executive Team and Staff Governors withdrew from the meeting.</i></p>
9.	<p>AoB</p> <p>The Chair referred to the confidential minute taken at the last meeting of the Corporation</p>

1	and asked if there were any issues or amendments. All Governors agreed that the Confidential Minute provided a true and accurate record.
0.	Date and time of next meeting – Tuesday 7 July 2020, 2pm
	The Chair thanked all those in attendance for their contributions and the meeting closed at 12.30pm.

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 Governors.	All	ASAP	Ongoing
6.	Short report to help understated the position re remote learning and put it this into context should be provided at the July meeting.	COO	7 July 2020	
7.	The next report to feature detail beyond the current financial year and additional detail on project expenditure.	CFEO	7 July 2020	
7.	Full report on Subcontracting to be presented at the July Corporation Meeting.	Principal/CEO	7 July 2020	

Signed.....

Date.....

Mark Farrar (Chair)