

**Minutes of the Meeting of the**

**BOARD**

**held on Wednesday 11 July 2018**

**at 3.45 pm**

**at Broad Lane, Tottenham Hale, N15 4AG**

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| **Present:** | Tom Ilube *[Chair]* | External Member *[from part 18/45b) – 18/49]* |
| Nick Wilcock *[Vice Chair]* | External Member |
| Kym Andrew | External Member |
| Kalina Bontcheva | External Member *[Items 18/42 – 18/54c)]* |
| Anna Douglas | External Member |
| Chris Payne | External Member *[Items 18/42 – 18/54c)]* |
| Mark Smith | CEO |
|  |  |  |
| **In attendance:** | Gill Winward | Clerk to the Board |
| Tom Fogden | Dean |
| Jayshree Shah | Finance Director |
|  | Adam Rogers | Principal *[Items 18/42 – 18/45a)]* |
|  | Sophie Runcorn | Programme and Performance Manager *[from Item 18/45]* |
|  | Amy Fowler | Head of External Relations *[Items 18/48 – 18/49]* |
|  | Beth Lackenby | Greater London Authority *[Items 18/42 – 18/49]* |
|  | Dame Zarine Kharas | Observing |
|  |  |  |
| *and by remote* | Andrew Butcher | External Member *[Items 18/42 – 18/49]* |
| *access:* | Steve Davies | External Member *[Items 18/42 – part 18/45d)]* |
|  | Rachel Jackson | External Member |
|  |  |  |
| **Apologies** | Sir Rod Aldridge | External Member |
|  | Jeni Tennison | External Member |
|  | Kevin Walsh | External Member |
|  |  |  |
| **Declarations of Interest:** | None stated | |

*As the Board Chair could only attend for part of the meeting, it was agreed that the Vice Chair should chair the meeting throughout.*

|  |  | **Action** |
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| **18/42** | **MINUTES OF THE PREVIOUS MEETING**  The minutes of the meeting held on 16 May 2018 were **APPROVED** to be signed by the Chair as an accurate record, subject to clarifying in 18/31a) that some students who may not return next year were leaving of their own choosing, not college action. |  |
| **18/43** | **MATTERS ARISING**  The actions from the previous meeting were reviewed, with the following particularly highlighted:   1. *Item 31a) – 6th Form*: The summer results would go out after August 2. *Item 31c)* – Ofsted Readiness Process Overview: it was acknowledged that the request to adjust this from ‘red’ to ‘amber’ in the Risk register had not yet been actioned. This led to a further discussion and the CEO informed the Board that actions were all on track but there was still much work to do. It was hoped that much further progress would be made by the date of the September Board meeting. 3. *Item 18/34b)* – Real Estate, space for October 18: no feedback had been received from the Board but a further update would be provided later in the meeting. | **SR** |
| **18/43** | **2017/18 PERFORMANCE MONITORING - OPERATIONAL DELIVERY**   1. **6th form – progression pathways**   The Principal presented the report and highlighted key data within. This included positive outcomes on destinations and others without any confirmed offers.  Some questions were raised, including on the improved role of the university placement ‘clearing’ system in the present day. The Principal responded to one particular question, confirming that the overall picture was in line with expectations. The Board noted that ‘A’ Level results day was on 16 August.   1. **Apprenticeships – outcomes of review**   The Dean updated the Board that 3 cohorts were now progressing through the system.  The results of a consultancy report, reviewing the programmes and approach, were also presented. Feedback from the report would be used to help further build and refine the Quality Assurance document and arrangements. It was noted that ‘scaling up’ was the main challenge for the autumn.  Discussion moved on to the redesign of the 8 week launchpad and the Board heard that revisions had delivered improvements. This included a switch to JavaScript as the programming language. In response to questions, the Dean explained the developments with industry partners providing support. It was acknowledged that this would become more difficult in the autumn with the volume of participants expected.  The updates were **NOTED** |  |
| **18/44** | **2017/18 PERFORMANCE MONITORING - FINANCIAL REPORTS**   1. **P10 management accounts**   *This item was confidential*   1. **Financial Health**   *This was discussed later in the meeting under the 2018/19 budget item*  *Ms Runcorn joined the meeting* |  |
| **18/45** | **2017/18 PERFORMANCE MONITORING – ORGANISATIONAL PERFORMANCE**   1. **Annual Safeguarding Report**   The Principal presented the report and gave an overview of the data relating to ‘concerns raised’. The new monitoring software was described and also staff training in how this should be used.  The Principal also highlighted plans and actions for next year and upcoming training and development activities for staff. It was further noted that the Safeguarding Policy was being reviewed in light of new statutory guidance to be issued in September.  Following a question on how similar robust approaches could be ensured on the Apprenticeships programmes as in the 6th Form, the Board were informed that the Principal had an overview of all areas on this topic, being the organisation’s Lead for Safeguarding. It was confirmed that all staff in all areas had access to the same training, especially on Prevent. The CEO emphasised that the recognition of the importance of Prevent measures with the Apprentices groups had been fully noted.  The Board:  [i] **NOTED** the report and  [ii] **REQUESTED** that future statistics distinguish between the number of concerns raised and the number of students to whom these related.  *Mr Rogers left the meeting*   1. **Updated Continuous Improvement Plan**   The Dean updated the Board on the present position. Actions had been analysed by priority and tackled in that way. These had been organised into ‘sprint’ periods to provide key themes and focus each time. It was stressed that, as a result, the CIP document was very much a ‘live’ animal and changed regularly.  The CEO reinforced that this was an approach often seen in the private sector, where a strong focus was given over an intense, but shorter, period.  The Board heard that consideration was being given to moving the staff performance management approach over to a similar model. Staff feedback had been that using annual targets alone was less useful than shorter period targets. In response to a question, it was confirmed that senior managers’ targets may be handled a similar way.  *Mr Ilube joined the meeting*  Discussion then moved to a debate on how Ofsted might view the process of using the CIP as described. It was noted that the process itself was less important than being able to satisfy inspectors that improvement actions were having an impact and to be able to demonstrate such.  The suggestion was made that the document may have too many areas of activity listed and that it could be better to refine it. Additional statistics were also thought to be helpful. The CEO acknowledged that the detailed CIP was perhaps more suitable for management use but it was important for the Board to have an overview. A refined report, pulling out key issues, would be produced in future, and separate access to the main document provided for interrogation if desired.  A question was also raised about the interpretation of the report and whether it was correct that there were 4 areas that were ‘red’ rated. The CEO clarified that there was not a direct read across from the CIP to the Organisational Risk Register. The former was more of a status update and about short term monitoring and was different to the organisational level Register.  The Board:  [i] **NOTED** the report  [ii] **NOTED** that a Board-level version of the CIP would be produced for future monitoring and that on-line access to the full document would be provided   1. **Organisational Goals/Top KPIs – Quarterly report**   The Programme and Performance Manager presented the report and noted that the ‘red’ areas had changed little since the previous discussions.  The CEO drew attention to 6th Form attendance and noted that this was connected to the exam periods. Given this was a small college with small learner numbers, just a handful of individual students could make a huge difference to the % figures. He reassured the Board of the measures put in place to follow up on the absences. In response to a question, the CEO gave an indication of the various reasons behind the figures.  Other aspects of the debate included:   * Acknowledgment that more detail on attendance issues would be useful * Highlighted the importance of being clear if the College Policy stated that attendance in college during study/revision periods was genuinely optional or not: if optional, then home working should not be recorded as an absence in the statistics, otherwise would mislead * Benchmarking information also identified as being a helpful addition if possible (if appropriate comparators)   Discussion moved on to achievement data and the Dean gave a more detailed explanation behind the figures, including emphasising that much was based on predictions.  The report and debate was **NOTED.**   1. **Risk Register 17/18**   The Programme and Performance Manager explained that the Register had been updated, with 2 new risks included and also some ratings changed. The point made earlier in the meeting was repeated, that the colour coding against the ‘Ofsted’ entry should be amber and not red.  *Mr Davies went off-line*  Members were also informed that, arising from the Audit Committee meeting, it had been suggested that a separate small group (comprising management and Audit Members) should meet in August to look at how risk management matters lined up between the Board and the Audit Committee. This would also affect the Policy document that was being written.  Education Committee Members invited the Dean to describe to the Board some information that had been shared with them at a recent Committee meeting. This related to two data inputting errors at the start of the year, which could not be corrected and which made the performance levels appear to be below national levels, which was not the true position.  Responding to a further question, management confirmed that the information showing on finances and fundraising was reflective of the position before the recent additional monies had been promised.  The report was **NOTED.** | **AR**  **TF**  **TF**  **TF/AR**  **TF/AR**  **TF/AR**  **NW/MS** |
| **18/46** | **FINANCIAL PLANNING - 2018/19 BUDGET AND 2 YEAR FORECAST**  The Finance Director reminded the Board that the plan being presented was based on suggestions and feedback made at the last meeting.  The key foundations were:   * growth in student numbers * associated growth in costs and staffing   The 2-year budget had been prepared to meet sector requirements and showed a small surplus for both years.  The Finance Director then drew Members’ attention to a separate paper that had been circulated on ‘Financial Health’. This used sector software and gave an outcome of ‘inadequate’ for 18/19 but ‘good’ for 19/20, based on the projected figures in the budgets. The Finance Director explained some of the ratios involved in the calculations and the small changes to figures that could result in different outcome ratings, such as additional income or a reduced amount of working capital.  An extensive discussion then began, firstly on the details of the budget. The CEO gave his overview on student numbers, both 6th Form and Apprentices, and on increasing income through additional sources such as fundraising. He expressed confidence that a higher fundraising target was both realistic and appropriate.  Some questions and debate then took place on Apprenticeships, both learner numbers and figures. The CEO reminded Members that payment for delivery took place via a lump sum payable when the apprentices completed their programme and the first 13 of those completers were due next year. Growth numbers for 18/19 were also realistic.  The Finance Director responded to a question on corrective actions that could be taken on staffing numbers and costs if learner numbers did not transpire as planned. The CEO informed that it was more difficult to ‘flex’ staffing on the 16-19 work than apprenticeships, as a different staffing model was in place.  Members also asked about ‘keeping warm’ activities over the summer, for potential learners who had expressed an interest in the college but not yet formally enrolled. The CEO described a recent induction day that had taken place but noted the importance of good communications over the summer.  The Board then turned their attention back to the provisional Financial Health rating that had been calculated and the implications of these. The CEO added information of a recent visit from the relevant ESFA team and discussions held that day. Under normal circumstances an ‘inadequate’ financial health rating would result in intervention measures in the sector but it was acknowledged that the National Colleges were in a unique position during start-up. This was recognised nationally and had been confirmed by DfE officials.  The Board asked what differences would need to be in place to achieve a ‘good’ financial health rating and thought it would be useful if the Finance Director could provide such an analysis.  The Board:  [i] **APPROVED** the budgets and forecasts for 2018/19 and 2019/20, subject to the budgeted figure for fundraising in 18/19 being increased by a further £25k  [ii] **REQUESTED** the Finance Director provide an analysis on what features would need to be present to achieve a ‘good’ financial health rating | **JS**  **JS** |
| **18/47** | **ORGANISATIONAL PLANNING 2018/19: TARGETS & KPIS**  The Programme and Performance Manager presented the proposals and explained that there was now a 2 year track record of information and performance to base these on. A similar format was being proposed and the development process that had been adopted to populate the proposed content was described.  The Programme and Performance Manager then ran through the proposed targets. Key points of the discussion were:   * Apprentices: it was noted that apprenticeships recruitment was not entirely within the College’s gift, resting with employers, though the College had an influence and thus should monitor numbers. However, as a result, it was not included as a headline KPI * Finances * Student attendance: suggestion made that this should be elevated from a lower-level listing to the top line, and separate out figures for the 6th Form and Apprentices. * Parent Surveys: should be a part of the Ofsted preparation * Staff turnover: should have a target   The Board **APPROVED** the 2018/19 targets and KPIs, subject to the requested amendments  *Ms Fowler joined the meeting* | **TF**  **SR** |
| **18/48** | **ASHLEY ROAD DEVELOPMENT PROJECT: UPDATE**  The Chair reminded the Board that there was now a new Board Committee in place to monitor this at a detailed level.  The Programme and Performance Manager highlighted that the project was coming into a challenging period and she explained the key reasons for this. It included the need to consider options for reducing related projected costs back down to the budgeted level.  Questions and discussion followed on planning permission issues with the developer and possible charges issues. It was noted that any payment required would likely make the project unaffordable.  Discussion then returned to the value engineering options. The Vice Chair suggested that although the Capital Programme Committee was discussing this, it would be important for the whole Board to be signed up to the final decision. It was noted that this could involve the need for a decision to be taken in between scheduled Board meetings.  Responding to a question, the Finance Director confirmed that VAT analysis had been carried out with Deloitte.  The Programme and Performance Manager then described ‘enabling works’ that would be needed and would be a ‘risk’ cost.  The report and considerations were **NOTED.** |  |
| **18/49** | **FUNDRAISING STRATEGY**  The Head of External Relations introduced the item by describing the reasons why this initiative was needed and when government funding was received by the College.  Key points from the Strategy were that:   * An Individual Giving programme was to be started * Corporate Partners, including Foundation Partners, would participate within a more structured approach, with 3 different levels of Corporate Giving.   The CEO described the potential changes to the current Industry Advisory Group, to support 3 new groupings, one of which would be fundraising.  Views were sought on the various suggestions. There was general support for the idea of a Fundraising Committee. The ‘labelling’ of the Corporate Giving levels generated much discussion, however, with the feedback that if the terms needed explanation, then they did not serve a helpful purpose and that a simple ‘Bronze, Silver, Gold’ approach could be better.  Other suggestions offered included that the nature of being a National College should be emphasised.  *Ms Lackenby left the meeting*  *The meeting was paused at that point, to allow a presentation and commendation to be made to Tom Ilube, who was stepping down as Chair after 2 years in the role and during the crucial start-up period. He was also congratulated on the recent news of the award of a CBE in the Queen’s birthday honours list.*  *Mr Ilube and Ms Fowler left the meeting and Mr Butcher went off-line* |  |
| **18/50** | **COLLEGE POLICIES**  A number of updated Policy documents had recently been considered in detail by the Audit Committee and were being recommended for approval by the Board.  The Board **APPROVED** the updated Policies on :   1. Financial Regulations 2. Whistleblowing 3. Anti Bribery and Corruption   It was noted that a Treasury Management Policy was also being developed, possibly as an Appendix to the Financial Regulations. | **JS** |
| **18/51** | **CHIEF EXECUTIVE’S REPORT**  There was nothing to add to the reports and papers as circulated. |  |
| **18/52** | **ANNUAL APPOINTMENT OF EXTERNAL AUDITORS**  The Audit Committee had considered the matter of the appointment of the external auditors and the associated plan for conduct of the annual statutory and regularity audit work.  Based on the Committee’s recommendation, the Board **APPROVED** the appointment of Buzzacott LLP as the Financial Statements and Regularity Auditors for the 2017/18 work, for the fees as quoted |  |
| **18/53** | **COMMITTEES: FEEDBACK**   1. **Capital Project Committee – 26 June Meeting**   The key matters had already been reported on under the item on the Ashley Road Development Project.   1. **Audit Committee – 21 June Meeting**   The Chair of the Committee gave the Board an overview of the topics covered in the meeting.   1. **Education Committee – 3 July meeting**   Feedback from this meeting included mention of the preparations for Ofsted inspection and staff changes.   1. **Search Committee – 3 July meeting**   This meeting had considered a range of topics relating to memberships (renewals and new appointments) but had primarily focussed on the search for a new Chair and associated proposals. These would be covered in more detail in the next agenda items. |  |
| **18/54** | **BOARD OPERATION**   1. **Appointment of Chair – update and recommendation**   The Board were informed of the recent interview activity to select a new Chair of the Board. Responding to a question, the CEO explained why one candidate had withdrawn at short notice.  As no suitable candidate had been identified to assume the role at the present time, a short term solution was being proposed and this was outlined by the Clerk. The Board **APPROVED** the proposals and thus:  [i] that Nick Wilcock, currently Vice Chair, be appointed as Chair from 12 July, until such time as the Board had identified a longer term successor;  [ii] that at the end of this period Mr Wilcock would step down to resume his role as Vice-Chair and/or Board Member;  [iii] that 2 Vice Chair positions would be created to ensure sufficient support for the Chair during the upcoming very busy period and that the Instrument and Articles of Government be amended to provide for this   1. **Membership appointments**   The Search Committee had alsomet to discuss the upcoming ends of terms of office of 3 current membersand, following due consideration of associated factors, were recommending reappointments.  The external activity to recruit a new Board Chair had produced the by-product of identifying 2 individuals who would be very suitable as Board Members. The proposal was being made that 2 additional positions be created, so that these candidates could potentially be appointed immediately rather than wait for further vacancies to arise.  Following an internal invitation to express interest in the Staff Member vacancy, a candidate had come forwards whose application was vetted and supported by the Search Committee.    The Board **APPROVED:**  [i] the re-appointment of Kevin Walsh, Rachel Jackson and Andrew Butcher as Board Members for 4 year terms of office from 9 August;  [ii] an adjustment to the determined number of Members under the Instrument and Articles of Government to 17, to permit the recruitment of an additional two external Board Members;  [iii] the appointment of Olga Bonney-Glazik as the Staff Member for a 1 year term of office, from 1 August.   1. **Annual Review of Committees**   The Clerk explained that the Committees had each undertaken a brief self assessment at their final meetings of the year. The outputs would inform adjustments to approaches for 18/19 and would also feed into the ‘Leadership and Management’ section of the 17/18 college SAR in due course.  As part of the Committee reflections, the Terms of Reference for each had been reviewed and the ones relating to the Audit Committee were being put forwards for Board re-approval. The updating was necessary in order to comply with changes to the sector Audit Code of Practice which had been revised earlier in the year.  The Audit Committee had also again raised the subject of the possible creation of a separate Finance Committee and had asked the Board to reconsider this. As several Members were missing, who would wish to be involved in that debate, the Vice Chair suggested the topic be deferred until the next meeting.  The Search Committee had reviewed the list of Committee Memberships. Jeni Tennison wished to stand down from her Committee roles, thus associated adjustments were being recommended.  The Board **APPROVED:**  [i] the updated Terms of Reference for the Audit Committee  [ii] that Mark Smith be appointed to the vacancy on the Search Committee  [iii] that the number of Members on the Education Committee be reduced back down to 5 (the original number)  *Mr Payne and Ms Bontcheva left the meeting*   1. **Board and Committees: 2018/19 Business Planning**   As the meeting was no longer quorate at this point, the Vice Chair suggested that the proposed plan of business for Board meetings in 18/19 be noted and followed for the time being, particularly as it largely represented a repeat of the 17/18 approved plan.  Regarding meeting dates for 18/19, the Clerk was requested to clarify any outstanding points by email. | **Clerk**  **Clerk**  **Clerk**  **Clerk**  **Clerk**  **Clerk**  **Clerk** |
| **18/55** | **ANY OTHER URGENT BUSINESS**  There was no further business. |  |
|  | **Declaration of any further items to be treated as confidential:** There were no items to be so declared |  |
|  | **Date of Next Meeting:** Scheduled for 26 September 2018 at 3.45pm  *The meeting closed at 6.25pm* |  |

**Confirmed as an accurate record:**

**Signed…………………………………………………………………………………..**

*(Chair)*

**Date………………………………………………………………………………………**