

## NOTTINGHAM COLLEGE

### CORPORATION MEETING

#### Minutes of the meeting held on 10 December 2018

<b>Present:</b>	Carole Thorogood (Chair)	)	
	Mary Carswell	)	
	Trevor Clay	)	External governors
	Richard Donovan	)	
	Gill Lane	)	
	Michael Wisher	)	
	John van de Laarschot	)	Chief Executive Officer
	Liam Perkins	)	Staff governor
	Eseose Okotako	)	Student governor
	Helen Hopkinson	)	Student governor

<b>In attendance:</b>	Ian James	Clerk to the Corporation
	Jo Clifford	VP Finance
	James Whybrow	VP Partnerships, Apprenticeships & Enterprise
	Tom Dick	Executive Director Curriculum Delivery & Development
	Emma Woods	Executive Director Academic, Adult & Quality
	Ffyon Baker	Director of OD and HR
	Zoe Butler	Director of Customer Experience
	Simon Kirby	Director of Marketing and Communications
	Matthew Varley	Director of Estates/Capital Projects
	Jane Peacock	ESFA

The meeting was preceded by a presentation from Jo Welham, Data Protection Officer, on progress with the implementation of the General Data Protection Regulation.

#### APOLOGIES FOR ABSENCE

120 Apologies were received from Anja Beriro, Andrew Dickinson, Neghat Khan, Becki Pate and Andrew Unitt.

#### DECLARATION OF INTERESTS

121 There were no declarations of interest.

#### MINUTES

122 **Resolved** that the minutes (Part 1) of the meeting held on 29 October 2018 and of the Special meeting held on 26 November 2018 be approved as correct records and signed by the Chair

#### AUDIT COMMITTEE MINUTES

123 The Committee Chair introduced the minutes of the meeting of the Committee held on 19 November 2018. The main items discussed by the Committee would be referred to later in the meeting.

## **SELF ASSESSMENT REPORT (SAR)**

### **College SAR**

124 The Board received the College Self-Assessment Report and the proposed grade for the academic year 2017/18 for the Board's consideration and approval.

The report identified key strengths and areas for improvement and proposed a self-assessment grade of 3 (requires improvement). Some of the governors had been directly involved in the SAR process which had also been subject to external validation. One of the governors commented favourably on the rigour of the process, the engagement of staff and the depth of the analysis of performance.

125 The Executive Director Academic, Adult & Quality provided an overview of each section of the report to explain the rationale behind the content of the self-assessment drawing attention to positive areas along with areas for improvement which would be addressed in the Quality Improvement Plan (QIP). It was proposed that a summary of the QIP would be submitted to the Board at alternate meetings in order for the Board to monitor progress.

126 The governors felt that grade 3 was a fair assessment of the College's current position and emphasised the need to communicate the rationale for the grading effectively to staff bearing in mind the potential impact on morale given that both of the re-merger colleges had been graded 2 by Ofsted. The Executive Director assured the Board that the SAR would be shared positively with managers and staff with an emphasis on improving consistency across the College. To assist the positive message, it was suggested that the SAR should include some of the College's key achievements and some success stories.

127 One governor queried the inclusion of good student behaviour amongst the strengths whereas it should perhaps be an expectation. The Executive Director explained that this had arisen from an observation made during the external validation that students displayed a mature approach. The governors asked for the wording to be changed to reflect this comment.

128 **Resolved** that, subject to the comments made by governors, the SAR and the self-assessed grade 3 be approved

### **Annual Self-Evaluation for NTU validated HE Courses**

129 The Board also received a separate report on this self-evaluation together with the associated action plan. The Board noted the decline in numbers on these courses and the steps proposed to modify and develop the HE provision.

130 Asked how the Board could monitor non-NTU HE activity, the Executive Director commented that this was taken into account in the action plan but perhaps needed highlighting. A review of the HE provision validated by Pearson would come later due to timing differences in the evaluation process.

131 A governor queried how the outcome of the NSS student survey was addressed and the Executive Director advised that the actions derived from that survey were included in the action plan. The governors asked for regular updates on retention rates on HE courses.

## **FINANCIAL STATEMENTS**

### **External auditor's report and Letter of Representation**

132 The VP Finance presented the external auditor's report on the 2017/18 financial statements and regularity audits together with the Letter of Representation. The Board were advised that the audit was substantially complete and that there were no significant audit findings or matters outstanding. Governors' attention was drawn to the auditor's comments relating to the need to finalise the Estates Strategy and to track the College's compliance with Bank covenants. The latter issue was now taken into account in the routine management accounts.

133 Regarding the Letter of Representation relating to the audit of the final accounts, the Board asked for the wording of the section relating to White Rose to be reviewed to ensure that it was appropriate.

### **Audit Committee's Annual Report for 2017/18**

134 The Chair of the Audit Committee presented the Committee's Annual Report which provided a positive view of the College's assurance arrangements with no significant audit recommendations.

### **Financial Statements 2017/18**

135 The VP Finance presented the financial statements for Nottingham College & subsidiaries for 2017/18. The Board noted that there had been an operating deficit of £2,754K for the year which, after accounting for restructuring costs, exceptional merger costs and FRS102 (pension costs) resulted in an adjusted trading surplus for the year of £4,979k. The accounts for the EMTEC subsidiary in China were not included as the year end was 31 December.

136 **Resolved** that the Financial Statements for 2017/18 and, subject to the wording review requested, the external auditor's Letter of Representation be approved

### **Outcome of ESFA Assurance Review**

137 The VP Finance presented the final outcome of the ESFA funding audit which contained a number of recommendations but had no significant implications for the College's funding. Overall, the outcome was positive.

### **CURRICULUM & QUALITY UPDATE**

138 The Executive Director Academic, Adult & Quality presented the routine update on curriculum and quality issues drawing particular attention to the following –

- attendance was broadly in line with last year and there would be increased focus on this in the New Year
- observation of teaching and learning was well ahead of last year with 70% of teaching staff expected to be observed by the end of term
- peer review has provided useful feedback with actions arising incorporated into improvement plans
- a new Ofsted 'Education Inspection Framework' was expected to be introduced in September 2019

139 The governors remained concerned about the difficulties with English and maths and the view was expressed that a new approach was needed to address the poor performance in these subjects. The Board was informed that the College was a partner in an innovation project with other colleges to explore this issue. The governors were also reminded that Nottingham schools generally performed poorly in these subjects, especially maths.

140 With regard to enrolments, the governors had previously asked for data on students who had enrolled on courses but never attended and on the drop-out rate early in the academic year. They were now advised that there had been 365 enrolments where the student had never attended, 478 withdrawals during the census period and a further 75 after the end of the period. Currently, the College's numbers for 16-18 enrolments were 318 short of the funding target. Enrolments to apprenticeships were reasonably healthy at this stage and new contracts for training of apprentices had commenced with Tesla and Halfords.

141 The report contained an appendix (Appendix 1) setting out data on enrolments and the Board asked for an additional column to be added showing the active enrolments as a percentage of the curriculum plan.

The low numbers in the creative, access, HE and employability area were queried and the Board was advised that the numbers had been transferred to more lucrative areas.

## **MANAGEMENT ACCOUNTS**

142 The VP Finance submitted a detailed report on the management accounts for the period to 31 October 2018. The accounts showed that the College's income was below budget, but this was offset by lower than budgeted pay and non-pay expenditure. The overall operating position was a positive variance to budget of £11K and, at EBITDA level, was a positive variance to budget of £51k. There were no issues at present giving rise to concern over Bank covenants.

## **SCORECARD & KPI'S REPORT**

143 The Executive Director Academic, Adult & Quality introduced the latest scorecard & KPI's report commenting that there was now greater focus on measuring progress in-year. A governor drew attention to apparent inconsistency in the assessment of red/amber/green ratings and the VP Finance advised that parameters for these assessments were to be set so as to avoid anomalies.

144 The governors once again questioned the capturing of data during the enrolment process to analyse the reasons for students applying and not subsequently enrolling. The Director of Customer Experience assured the governors that the application process was being developed so that this data could be gathered. Plans were also in place to communicate more regularly with applicants in the pre-enrolment period to encourage them to join their courses at the College.

145 The Director of OD and HR was asked about year on year trends in staff sickness absence and, whilst she would provide this data, she could not guarantee its accuracy in relation to the previous year due to the merger.

146 The report also updated the Board on the current position with the completion of mandatory training by staff and the Clerk notified the governors that they would also be requested to complete this training on-line (modules on GDPR, safeguarding, EDI, fire safety and PREVENT).

## **RISK MANAGEMENT**

147 The Board received the Annual Risk Management Report noting the approaches in place to underpin the management of risk across the College. They also reviewed those risks rated as 'red' on the Risk Register for 2018/19 many of which were discussed elsewhere on the agenda.

## **ESTATE AND CITY HUB UPDATE**

148 The Director of Estates/Capital Projects provided a presentation on the current progress with the City Hub project and the Board were pleased that the building was now above ground level with the steelwork being erected. Ground remediation work had absorbed a significant amount of the financial contingency within the project and put pressure on the timetable for the build. The project plan was under review to identify opportunities for regaining lost time and value engineering work was under way to identify areas where costs could be reduced in order to replenish the contingency.

149 The Director also updated the governors on the current position regarding the disposal of the sites at Beeston, Clarendon and Clifton.

150 The Board was advised that the College had been successful in a bid worth £989,018 with a range of other partners for funding from the CITB Construction Skills Fund. This would provide a construction skills hub on the City Hub site designed to deliver skills training in line with the Government's National Retraining Scheme and address the identified shortfall in skilled workers in the housing sector. Discussions were under way with the City planners regarding the buildings to be placed on the site.

151 The governors were keen to see this highly desirable project implemented but were concerned over any exposure that the College might have in the event that it did not proceed. The College's maximum financial exposure was £170k although the reputational issues were also significant. There was uncertainty over the planning question at present and the Board acknowledged that speedy decisions on this matter would be needed in the next few weeks.

152 **Resolved** that the Chair and the Chief Executive Officer be authorised to take decisions on behalf of the Board in relation to the implementation of this project

## **ANY OTHER BUSINESS**

### **Insolvency Regime**

153 The Clerk advised that the Board would receive a presentation from Eversheds at the next meeting on the insolvency regime being introduced by the Government in the FE sector.

### **Trevor Clay**

154 As this was Trevor Clay's last meeting before his retirement as a governor, the Chair thanked him on behalf of the Board for his service and very valuable contribution to the work of this Board and to the previous New College Board. Mr Clay was presented with a piece of artwork by a College student as a retirement gift.

## **DATE OF NEXT MEETING**

155 Monday, 21 January 2018