

## NOTTINGHAM COLLEGE

### CORPORATION MEETING

#### Minutes of the meeting held on 22 July 2019

<b>Present:</b>	Carole Thorogood (Chair)	)	
	Mary Carswell	)	
	Philip Crompton	)	
	Andrew Dickinson	)	
	Richard Donovan	)	
	Michael Green	)	External governors
	Jonathan Hawley	)	
	Neghat Khan	)	
	Gill Lane	)	
	Melanie Pope	)	
	Andrew Unitt	)	
	Michael Wisher	)	
	John van de Laarschot	)	Chief Executive Officer
	Becki Pate	)	Staff governor
	Liam Perkins	)	Staff governor

<b>In attendance:</b>	Ian James	Clerk to the Corporation
	Philip Briscoe	Principal (Curriculum & Education)
	Jo Clifford	Principal (Finance)
	James Whybrow	VP Partnerships, Apprenticeships & Enterprise
	Tom Dick	Executive Director Curriculum Delivery & Development
	Emma Woods	Executive Director Academic, Adult & Quality
	Simon Kirby	Director of Marketing and Communications
	Jane Peacock	ESFA

#### PART 1

##### RETIREMENT OF GILL LANE

341 As this was Gill Lane's last meeting prior to her retirement, the Chair thanked her on behalf of the governors for her service on this Board and the previous Central College and South Nottingham boards for a period of over 16 years. The Chair thanked Gill in particular for her support during the merger process. Gill was presented with flowers and a gift created by the engineering students of the College.

##### RESIGNATION OF EMMA WOODS EXECUTIVE DIRECTOR ACADEMIC, ADULT & QUALITY

342 The Chair reported that Emma Woods would be leaving the College following her appointment to a post with Ofsted. She thanked Emma for her contribution to the work of this College and the previous New College Nottingham and wished her well for the future.

##### APOLOGIES FOR ABSENCE

343 Apologies were received from Anja Beriro and Zoe Butler.

##### DECLARATION OF INTERESTS

344 There were no declarations of interest in Part 1 items.

## MINUTES

345 **Resolved** that the minutes (Part 1) of the meeting held on 10 June 2019 be approved as a correct record and signed by the Chair

## AUDIT COMMITTEE

346 The Board received the minutes of the Committee meeting held on 3 June 2019. The Committee Chair drew attention to the forthcoming developments in the risk register which would be reported to the Board in due course.

## GOVERNANCE & SEARCH COMMITTEE

347 The Board received the minutes of the Governance & Search Committee held on 10 June 2019. Matters arising from these minutes had been dealt with at the previous Board meeting.

## POLICIES

348 The Board received the following policies for approval. Governors had been invited to submit comments on these policies in advance of the meeting and attention had been drawn to a number of minor corrections and inconsistency in terminology. The only material comment related to the need for a definition of "local area" to be included in the Bursary Policy and this point would be addressed.

- (a) Financial regulations
- (b) Procurement Policy
- (c) Expenses & Travel Policy
- (d) Information Security Policy
- (e) ICT Acceptable Use Policy
- (f) Business Continuity Policy & Plan
- (g) Residential Accommodation Policy
- (h) Bursary Policy
- (i) Supply Chain policy

349 **Resolved** that, subject to the clarification required in the Bursary Policy, the above policies be approved

## REPORT FROM GOVERNANCE TASK & FINISH GROUP

350 The Task & Finish Group had been asked to review the current governance arrangements operated by the Board and their report was now received. The Group had reviewed the sources of guidance available relating to governance models operated by FE colleges and had considered the advantages and disadvantages of the two main systems: the traditional model and the so-called Carver model. The detailed guidance reviewed was included as an appendix to the report.

351 The Group had discussed this matter in detail and had concluded that the current model best served the needs of the Board and the College at the current time.

352 The report drew attention to the FE Commissioner's preference for boards to have a finance committee and a governor queried the wisdom of disregarding this factor. The Chair explained that the Group's view was that it was preferable for all governors to be involved in the scrutiny of the College's financial position in order for them to discharge their responsibilities as governors and so that all governors heard the questions raised by those governors specialising in finance and accounts.

353 **Resolved** to continue the current governance model

## **APPOINTMENT OF GOVERNORS**

### **Teaching staff governor**

354 **Resolved** that, following her re-nomination by the teaching staff, Becki Pate be appointed as a governor in the staff category for a two year term with effect from 1 August 2019

### **Student governor**

355 The Board were advised that Shauna Hipkiss had been elected as Student Union President and was thus nominated as one of the student governors. The attendance and contribution of student governors was valued by the Board and a discussion ensued as to how this might be improved in future. Mary Carswell offered to maintain contact with the student governors in an effort to encourage their attendance and participation.

356 **Resolved** that Shauna Hipkiss be appointed as a governor in the student category for a one year term with effect from 1 August 2019

## **UPDATE ON INTERNATIONAL PROVISION**

357 Following a full review of the College's international provision, the Board received a report setting out the conclusions and future action. The intention was to cease the International Foundation/Access offer which would not continue into 2019/20 and to seek to grow the ETL 'summer school' type of provision which would run at two points in the year.

358 The governors asked about the future of the College's activities in China and were advised that the apparent delay in dealing with this issue had been caused by the need to engage consultants to assist with a feasibility study and to advise on the legal position. KPMG and Eversheds had been engaged for this purpose and a report would come to the Board in December. The governors asked that the recommendations emerging from the report be linked clearly to the College's overall strategy and they asked for an update on progress at the next meeting.

## **FINANCE**

### **Management Accounts**

359 The Principal (Finance) submitted the usual detailed report on the management accounts, for the period to 31 May 2019 (period 10). The accounts showed that the financial position had improved slightly from the previous report due to additional income recovery while both pay and non-pay expenditure remained below budget. There was no change to the current forecast and the Principal (Finance) confirmed that there were no concerns regarding the Bank covenants.

360 Attention was drawn to the apparent cost of commercial activities and the governors asked whether these areas were under review for next year. The Principal (Finance) reminded the governors that there had been an error of £100k in the catering budget although this activity was receiving particular attention to identify efficiencies: the campus rationalisation would assist in this effort. The Board was also advised that discussions were under way with the Chamber of Commerce with the prospect that they would rent accommodation at NSEC for use as incubation units.

361 It was also intended to extend the opening of the Brasserie to generate additional income as well as providing more opportunities for students studying in that area.

## 2019/20 Budget and Financial Plan

362 The Principal (Finance) introduced the 2019/20 Budget and Financial Plan detailing the issues that would impact on the budget during the year and explaining the assumptions underlying the income and expenditure projections. Overall, the forecast demonstrated a financially viable and sustainable College delivering adequate operating surpluses and improved EBITDA to generate cash to support the long term estates and investment strategy. The plans were in line with the Transaction Unit financial model which formed the basis of the financial covenants set by College funders.

363 Commenting on the overall picture, the governors felt comfortable with the budget as the income projections were prudent in view of the uncertainty at this time of year over the achievement of recruitment targets. The CEO commented that the College was in the midst of dealing with some challenging issues and that an Ofsted inspection was likely and would also cause a distraction. However, there was scope for the financial position to improve during the year if the College hit its targets.

364 A number of new initiatives were being supported and the governors asked to be kept in touch with progress of these activities during the year.

365 The College's financial health grade for 2018/19 was calculated as 'good' although this would decline to 'requires improvement' in 2019/20 and 2020/21 due to the extent of the College's borrowings. Asked about the College's exposure to interest rate changes, the Principal (Finance) advised that the only substantial risk related to the Barclays Bank loan.

366 The governors commented favourably on the quality of the document itself although the final version would benefit from proof-reading.

367 **Resolved** that the Budget for 2019/18 and Financial Plan be approved

## CURRICULUM & QUALITY REPORT

368 The Board received a report advising of the outcome of term 3 student surveys and the governors noted key issues:

- in the ESFA Learner Choices Survey, overall likelihood of recommending the College to a friend had improved by 0.5% to 78.5% but was still too low although satisfaction levels among apprentices had improved significantly
- in the term 3 internal survey, most indicators were above 90% although the response rate was poor thus calling into question the validity of the results
- in the National Student Survey of HE students, overall satisfaction rates had increased from 66% to 82%
- in the ESFA Employer Survey, overall satisfaction had increased from 70% to 77%

369 Commenting on the low response rate in the internal survey, the Principal (Curriculum & Education) advised that this was a key area for attention as the learner voice was not being properly heard. In future, this would be included as a performance management issue for staff although some governors queried how managers could be held to account for students not completing the survey when this was on-line and not paper-based.

370 The governors were pleased to note that the efforts expended on HE provision had borne fruit as evidenced by the improved student satisfaction in that area.

371 Asked whether action resulted from the surveys, the Executive Director Academic, Adult & Quality assured the governors that action plans were in place down to course level to address concerns raised by students. Outcomes and actions were also reported back through Student Council meetings.

## **KEY STRATEGIC RISKS UPDATE**

372 The Board received the report on key strategic risks noting the proposed improvements to the risk register planned by the Audit Committee for 2019/20.

## **CUSTOMER EXPERIENCE UPDATE**

373 The governors received a report updating them on the latest recruitment numbers for 2019/20 and including information on enrichment & wellbeing activities and safeguarding referrals.

375 New 16-18 applications stood at 4672 compared to 3988 at the same point last year and much activity was now being directed at ensuring that these applications turned into enrolments. Progressing student numbers were down slightly with 1755 applications compared to 1793 last year. There were 750 students eligible to progress to other College courses but not doing so and the governors asked about the potential for recruiting some of these students. They were assured that the College analysed the reasons for students not progressing within the College, for example, those making positive moves such as going into employment.

376 On the figures for safeguarding referrals, the governors were interested in the apparently high numbers at Clarendon and were advised that, following a focus group on this topic, no underlying reasons were identified.

## **ESTATES/CITY HUB UPDATE**

377 The governors received a report updating them on progress with the City hub project and the strategy for the retained estate.

378 The City hub project was subject to a small delay at this stage and plans were being made for an integrated approach with Waites to the handover and commissioning of the building which should be more efficient for both the contractor and the College staff.

379 A large number of projects were planned for the retained estate varying significantly in scope and complexity. Timescales were tight for the delivery of some of these projects during the summer although the programme was under control.

## **CEO's REPORT INCLUDING SCORECARD & KPI'S**

380 The Board received the CEO's routine report enabling the governors to monitor performance against KPI's and to take note of a number of 'good news' stories from the activities of students and staff.

## **REVIEW OF FEC REPORTS ON FAILING COLLEGES**

381 The Board received a report reviewing the FE Commissioner's intervention reports in the previous six months in order to identify any important themes of which governors should be aware. The governors also received a copy of a letter to all chairs of FE colleges from the Chief Executive of the ESFA concerning an investigation at Bourneville College which had uncovered serious failings in governance.

**DATE OF NEXT MEETING** - Monday, 16 September 2019

*Jane Peacock (ESFA) left the meeting at this point*