

Draft minutes prepared from contemporaneous notes approved by the Chair via email on xx March 2018

Approved by the Corporation: C. Durrant
Signed by the Chair

28/3/2018
Date

MINUTES OF THE MEETING OF THE CORPORATION HELD: Thursday 14 December 2017 Goldsworthy Room, Lister Building

<u>Present:</u>		<u>In Attendance:</u>	
Cath Orange (Chair)	Governor	Geraint Evans	Observer (to 6.7)
Richard Dunbar	Governor	Joanna Green	Clerk to the Corporation
June Durrant	Governor	David Harwood	Principal
Eve Gregory	Governor	Anita Lall	Asst Ppl Academic College & 6th Form
Robert Holden	Governor (Staff)	Dawn Leak	Director of Employer Responsiveness
Judy Hooton	Governor	Chris Malish	Director of Finance & Corp Services
Ann Kendal	Governor	Alison Middleton	Observer (to 6.7)
Karl Oxford	Governor	Adele Moss (mins)	PA to Clerk and DPO
Debbie Rolls	Governor (Staff)	Jacqueline Olson	Asst Ppl Quality & Standards
Waseem Siddique	Governor (Student)	Huw Roberts	People Services Director
Ramindar Singh	Governor	Naomi Sharples	Deputy Provost
Andy Welsh	Governor (Exec)	Richard Thomas	Provost
Richard Wightman	Governor	Chris Webb	Observer (to 6.7)
		<u>Apologies:</u>	
		Paul Ashton	Governor
		Dave Mann	Governor
		Dale Smith	Governor
		Ralph Berry	Governor

L/J Denotes the time a Governor left/joined the meeting. Where the individual is not named in the minutes, a record is held separately and is available on request.

Item		Action
1.	Introductions, Apologies for Absence and Disclosures of Interest	
1.1	The Chair welcomed representatives of the trade union UCU, who she had invited to observe the first part of the meeting. She thanked them for attending and explained the business of the meeting and the confidentiality of much of it.	
2.	Minutes of the meeting of 19th October 2017 and 29th November 2017	
2.1	Draft minutes were distributed. It was agreed that approval should be deferred due to the later receipt.	
3.	Matters Arising	
3.1	Due to limited capacity in the Clerk's team there was no Matters Arising report. Action: The Clerk and Chair will review all outstanding action points before the next meeting, with a view to rationalising the list.	Chair/Clerk
3.2	GCEO said a draft of the letter outlining the recommendations of the Further Education Commissioner ("FEC") has arrived for fact checking. He said the recommendations seem not to have changed since the feedback meeting but	

	the letter has just arrived and a reconciliation exercise is in progress. Both the incoming and outgoing Chairs will input into the response. The FEC Intervention Report will be published online early next year.	
4.	Governors Attendance	
4.1	An attendance report had been shared for information and this was received.	
5.	Report on Chair's Actions	
5.1	There were none to report.	
6.	FE Commissioner Recommendations and Associated Action	
6.1	The Director of Finance and Corporate Services, Chris Malish ("DFCS"), reminded Governors that the College has applied for exceptional finance support ("EFS") from the Education and Skills Funding Agency ("ESFA") due to cash flow issues; as such it is assessed as financially inadequate. This triggered a formal Notice to Improve and a referral to the Further Education Commissioner ("FEC"), who has since made a number of recommendations, including that the College should develop and implement a robust recovery plan that integrates financial recovery with a post-inspection action plan.	
6.2	DFCS said some EFS has already been provided in line with cash flow requirements, hence there are no current liquidity issues. The next step is to submit a Restructure Facility application to safeguard the provision. A strategic recovery plan is needed to support that application, along with a three year financial plan - which the ESFA has asked to receive by 22 December 2017.	
6.3	With the Chair's consent, DFCS tabled a draft strategic recovery plan, asking Governors to read it ahead of the Strategic Away Day on 20 January. He said the intention is to produce one strategic recovery plan which accords with the FEC recommendation and also meets the ESFA's requirements, including the inclusion of financial forecasts. It will be sent to the ESFA for comments and then brought to Governors for approval.	
6.4	DFCS said the draft strategic recovery plan includes a number of savings proposals that will need to be fully validated. As part of the Restructure Facility application, a financial model will be put together and will be updated quarterly.	
6.5	In response to a question, DFCS said the Restructure Facility application will be ready to submit in nine months' time and the approvals process will take a further three months, so the outcome will be known about this time next year. The application will be assessed by a Transaction Unit.	
6.6	A Governor asked if the three year financial plan is available to view and DFCS said it will be presented at the February Corporation meeting once it has been discussed by the Finance Committee.	
6.7	There was discussion about the timing of decision-making and communication with the wider staff team. The Chair said staff, students and other stakeholders will receive more information about the development and implementation of the strategic recovery plan in due course. She thanked the UCU representatives for their interest in the business of the meeting and said their co-operation in terms of the confidential items was much appreciated. She said the UCU motion and representations would be considered towards the end of the meeting as an item of other business.	

L16.20 The UCU representatives left the meeting.

6.8	Action: It was agreed that the Clerk will send copies of the draft strategic recovery plan to the Governors not present at the meeting.	Clerk
6.9	It was noted that the first of a series of ESFA case conferences will take place on Tuesday next week (19 th December 2017). The Chair and Vice Chair will attend, along with DFCS and the Clerk.	
7.	Student Union Report (to defer)	
7.1	It was agreed that this report should be deferred.	To fix
8.	Strategic Recovery Plan	
8.1	DFCS gave an overview of the strategic recovery plan, saying the draft highlights the direction of travel but it will take time to develop and refine it. He said there is a need to focus on the quality of the student experience and on better utilisation of space, as well as reducing the size of the estate and the workforce; becoming smaller but more efficient.	
8.2	DFCS touched on a number of strategies, observing that the IT strategy is in development. He said in terms of financial performance, the Corporation should aim to achieve an EBITDA ¹ of 10-12%. Referring to the governance arrangements for monitoring the recovery plan, he said an option is to assign a Governor to each of the proposed savings streams.	
8.3	Action: the Finance & General Purposes Committee should be asked to advise on the governance arrangements for monitoring the strategic recovery plan.	Finance & GP Committee
8.4	There was agreement that the forthcoming Away Day should be dedicated to discussion about recovery and long-term strategic ambitions. It was noted that this is a key recommendation of the People and Equalities Task & Finish Group, which will report later in the meeting. A member of the Group said the Board must not lose sight of the bigger picture; in particular the regional agenda and Ofsted's recognition of the strength of the College in terms of meeting the needs of local communities. Action: At the Corporation Away Day in January 2018, Governors' ambitions for the College must be discussed and clearly articulated, to ensure that the strategic recovery plan is aligned with them.	Away Day Agenda
	<u>Further Education Post Inspection Action Plan</u>	
8.5	Assistant Principal Quality & Standards Jacqueline Olson ("JO") presented the draft Post Inspection Action Plan ("PIAP"), explaining that it is mapped to the Ofsted recommendations. In response to a question, she said all Further Education ("FE") departments have their own quality improvement plans which sit underneath the PIAP and inform it.	
8.6	In terms of the Ofsted recommendation around access to work experience (recommendation 1), JO said there have been key improvements in this area,	

¹ Earnings before interest, tax, depreciation and amortisation (EBITDA) is a measure of a business's operating performance which is used by the College in its financial planning and reporting.

	<p>particularly from the point of view of high needs learners. A Governor asked how the quality and suitability of placements is assessed and JO explained the risk assessment process, which ensures that students are not sent into unsuitable placements. She said barriers to take up of work experience include distance to travel and anxiety about new environments; the College seeks to counter these by arranging visits and employer talks and providing support through progress coaches. An application for (Government) Work Placement Capacity and Delivery Funding has been submitted, which the College will use to provide additional support in the workplace.</p>	
8.7	<p>JO said, as at November 2017, 89% of students requesting work placements have been placed. Management will report regularly on progress against the Work Experience and Placement Plan. Action: Reports on progress against the Work Experience and Placement Plan shall go to the Quality & Standards Committee.</p>	Q&S Committee
8.8	<p>There was discussion about the possibility of applying to the Strategic College Improvement Fund². GCEO fed back from a meeting with the FEC that the College should concentrate on developing its strategic recovery plan. GCEO will discuss this further with the FEC next week.</p>	
8.9	<p>JO referred to recommendation 4: "Teachers to pay close attention to the needs of individual learners in the planning and delivery of teaching and in the assessment of leaning". She said English and maths and Additional Learning Support learning walks identified that not all teachers are marking or highlighting errors in spelling, punctuation and grammar in accordance with the guidance. This is now being addressed.</p>	
8.10	<p>In terms of attendance (recommendation 5), the Principal said overall attendance is at 87% against an aspirational target of 100%; a number of measures are in place to improve that figure, as identified in the PIAP. Governors highlighted that 100% overall attendance is unachievable, saying the best primaries achieve 97%-98%. It was agreed that 95% should be substituted.</p> <p><u>RESOLVED:</u></p>	
8.11	<p>The aspirational target for overall attendance shall be 95%. The Principal shall amend the FE data dashboard to reflect this change.</p>	Principal
8.12	<p>The Principal observed that Grimsby College, currently rated 'Ofsted Outstanding', is reporting attendance rates in English (78%) and maths (81%) which are similar to Bradford College (81%). Governors said nonetheless, low attendance can result in poor outcomes and low achievement rates, so Bradford students must be strongly encouraged to attend in order to learn.</p>	
8.13	<p>Governors discussed the PIAP, commenting on the need to maintain focus on impact, rather than on process. It was agreed that the PIAP should be adopted as a working document to be refined over the course of future meetings. The Chair thanked the Principal and his team for their work to date on recovery.</p>	

² The Strategic College Improvement Fund will provide grants to colleges that need to improve the quality of their provision of education and training.

	<p><u>RESOLVED:</u></p> <p>8.14 The Post Inspection Action Plan shall be and is approved as a working document. It shall be reviewed and refined as the year progresses.</p> <p><u>FE Key Performance Indicators ("KPI") Data Dashboard</u></p> <p>8.15 The Principal gave an overview, highlighting that retention is good, whereas there is still progress to be made on improving attendance. He said an attendance strategy is in development and it will be shared with the Corporation via the Quality & Standards Committee. Action: the FE Attendance Strategy shall go to the Quality & Standards Committee for review and recommendations.</p> <p>8.16 There was agreement that the Executive summary report which accompanied the dashboard was very good. Attention was drawn to additional KPIs that are to be added to the Dashboard in January, being:</p> <ul style="list-style-type: none"> • Progress in Learning (indicating the number of students at risk of not achieving their initial target grade); • A number of qualification types (to indicate performance within the study programmes across the College); and • A Teaching, Learning and Assessment summary page. <p>8.17 The Chair asked the Provost if there was anything to report in relation to Higher Education ("HE"). He said at the annual provider review, the College was deemed to meet requirements with an action plan. He referred to a briefing on the Ofsted outcome for the College's Initial Teacher Education partnership in Primary Education, which was circulated by email at the end of November and said a recovery plan is being developed; he will report further next year.</p>	
<p><i>L 1710 Anita Lall and Jacqueline Olson left the meeting.</i></p>	<p><u>Financial Matters</u></p> <p>8.18 DFCS highlighted that the budget being reported against is as per the financial return provided to the ESFA in July, i.e. it is the budget agreed by the Corporation in Summer 2017. He said against that budget, income is down due to lower-than-expected HE enrolment and apprenticeships cash flow issues. This was the primary driver for the deficit reported at the end of October.</p> <p>8.19 DFCS reminded Governors that at the end of November, the ESFA asked the College to apply for EFS. He said this was done on a worst-case scenario basis, with provision for a large contingency and strategic recovery plan support costs. He said £3m EFS has been approved and will be paid in two instalments: £1.5m tomorrow and a further £1.5m on 28 December.</p> <p>8.20 DFCS said the current forecast deficit this year after restructuring costs is £7.5m, but that figure is still subject to change. He said he has not yet accounted for everything; there are still some unknowns.</p> <p>8.21 The Chair thanked DFCS for his work. He said it was very much a team effort.</p> <p>8.22 Director of Employer Responsiveness Dawn Leak was invited to comment on apprenticeships. She referred to the cash flow issues, which are being</p>	<p>Q&S Committee</p>

experienced across the sector due to the slow implementation of the levy procurement process. She said an additional issue is that although the College was successful in the non-levy tender, it has been incorrectly classified, resulting in a reduction in allocation. She will be appealing that decision.

Away Day

8.23 **Action: The Strategic Recovery Plan shall be approved for now as a working document and shall be discussed in more detail at the forthcoming Away Day and again at the 8 February Corporation meeting.**

9. Reports from Corporation Committees

Audit Committee 23 November 2017

9.1 The Chair noted that no one was present from the Audit Committee and the minutes were not yet available from the 23 November 2017 meeting. She asked DFCS to report.

9.2 DFCS said the Audit Committee reviewed the draft Financial Statements for 2016-17 and took advice from PricewaterhouseCooper (the financial statements auditor). The advice was that the Corporation should not approve the sign-off of the Financial Statements until it receives a firm assurance from Lloyds Bank that it will not take action in response to the breach of the loan covenant and a stronger commitment from the ESFA in terms of emergency funding. PricewaterhouseCooper reminded the Audit Committee of Governors' fiduciary duties and advised that the Corporation is not currently in a position to assert that it is a going concern and can meet its liabilities as they fall due.

9.3 DFCS said he is seeking advice from the ESFA and has been speaking to other colleges about how they dealt with the same situation. The Clerk said external legal advice is also being sought to safeguard Governors. DFCS said failing to sign off the accounts may damage the College's apprenticeships business. He said hopefully the Financial Statements will be approved for signature at the 8 February Corporation meeting. It was noted that the Statement of Corporate Governance and Internal control is still to be agreed.

9.4 Governors referred to the Annual Internal Audit Report and Opinion ("the Report") and noted that the Head of Internal Audit Opinion for the 12 months ended 31 July 2017 was as follows: "*The organisation has an adequate and effective framework for risk management, governance and internal control; However further improvements are needed to ensure that it remains adequate and effective*". It was acknowledged that the Corporation target of achieving a "grade 2" internal audit opinion in 2016-17 had been met.

9.5 Attention was drawn to Appendix B of the Report and it was noted that RSM had given a "substantial assurance" opinion in respect of budget monitoring and forecasting. The Clerk said RSM has been asked to explain how it was that in a period when there were clearly significant failings in budget monitoring and reporting, the Internal Audit service gave substantial assurance in that area.

9.6 The Clerk passed on the Audit Committee's advice that the College is still on a journey of improvement in terms of risk management but good progress has been made. The Chair suggested that some follow-up training should be

	<p>arranged for Governors on the back of the session the Audit Committee attended at Kelda Group. This was agreed. Action: Risk training shall be arranged for the Corporation.</p> <p><u>Remuneration Committee 29 November 2017</u></p>	Clerk
9.7	<p>The Committee reported at the 29 November 2017 Corporation meeting. The minutes will be brought to Corporation with the minutes of 23 January 2018.</p> <p><u>Finance & General Purposes Committee 30 November 2017</u></p>	
9.8	<p>Independent Governor Cath Orange ("CO"), who had chaired the Finance & General Purposes Committee ("F&GP") meeting, reported on its activities, saying it received a similar report to that given by DFCS to this meeting and went through it in fine detail; in particular it noted the need to approve a revised 2017-18 budget and anticipates that it will play a key role in this regard at its next meeting.</p>	
9.9	<p>There was discussion about the data that is needed to inform financial planning and agreement that details such as gross margin per course and estate utilisation should be provided to the F&GP Committee, to ensure it is able to give a good steer to the Board on the proposed budget. CO said she is hopeful not to continue as chair of the F&GP Committee for much longer, as it is not ideal for her to be both Corporation Chair and also chair the committee.</p>	
9.10	<p>CO reported that the F&GP Committee had resolved to advise the Corporation that "Student: Staff ratios" should be added to one or more of the monitoring Dashboards. This was agreed. Action: the Executive will add "Student: Staff ratios" to the appropriate Data Dashboard.</p> <p><u>Appointments Committee 29 November 2017</u></p>	Executive
9.11	<p>As per the Remuneration Committee, this Committee reported at the 29 November 2017 Corporation meeting. The Chair thanked everyone for their contributions and said the Board was successful in making an appointment;</p> <p><u>People and Equalities Task & Finish Group 7 December 2017</u></p>	
9.12	<p>Independent Governor Karl Oxford ("KO"), who had chaired the Task & Finish Group ("the Group"), presented the minutes; the contents were noted. The Clerk reminded the meeting that the Group was set up to pick up some items from the Corporation's over-busy agenda. There was discussion about whether the Corporation's Equality and Diversity sub-committee should be reinstated.</p>	
9.13	<p>As the Group had not raised any concerns about the content of the Equality and Diversity Monitoring Report it was agreed that the report should be approved for inclusion by reference in the Financial Statements.</p>	
9.14	<p>Attention was drawn to the Group's recommendations around governance training, as well as Equalities Act training in light of the recent activity around litigation. It was agreed that such training would be useful. Action: Training shall be arranged for the Corporation on governance and trustees' duties and the Board's responsibilities under the Equality Act 2010.</p>	Clerk

<p>10.</p> <p>10.1</p> <p>10.2</p> <p>10.3</p> <p>10.4</p> <p>10.5</p>	<p>Any Other Business</p> <p><u>Student and Staff Petitions</u></p> <p>Deputy Provost, Naomi Sharples explained that two petitions had been received regarding the use of the 4th floor of the David Hockney Building. She said there was strong support from staff and over 300 HE students for the 4th floor to be designated "HE only". The petitions were presented for examination, Governors having already received copies of the front pages and accompanying letters.</p> <p>There was a firm recognition that the students and staff were raising a serious concern. Student Governor Waseem Siddique highlighted the risks of failing to provide a designated social space for HE students, given the competition in the market and the complaints students have made about intimidation and abuse and their inability to focus on their studies. Governors responded with concern to this, asserting that management must get to the bottom of those complaints. Action: The Provost will investigate the complaints contained in the students' petition about the threat of intimidation and abuse and being unable to focus on their studies in peace.</p> <p>GCEO said the Executive has been looking at the Estates Strategy for some time and the arrangements for accommodating the FE and HE provision are under review. He said it is likely that as part of the Strategic Recovery Plan, a FE/HE split will be recommended, reversing the long-standing policy that FE and HE students should occupy the same spaces. The Board gave an indication that such a recommendation would be supported and GCEO said it will come early in the new year.</p> <p>The Provost said he has prepared a draft response to the petitions and is meeting with students tomorrow morning (Friday 15th December 2017). Governors welcomed this and requested that he let the students know that the Corporation has been made aware of their concerns and takes them very seriously, in particular the complaints about intimidation and abuse, which no student should have to suffer. The Provost said the complaints will be discussed at the meeting.</p> <p><u>Trade Union Motion</u></p> <p>A motion passed by recognised trade union the UCU was received. Governors agreed that they will give it due attention in their consideration of strategic plan.</p>	<p>Provost</p>
<p><i>L 1800 Richard Thomas, Naomi Sharples, Chris Malish, David Harwood and Dawn Leak left the meeting.</i></p>		
<p>9. cont</p> <p>9.15</p>	<p>Committee Reports (continued)</p> <p><u>Appointments Committee (continued)</u></p> <p>As agreed at the 29 November 2018 meeting, interviews took place with the shortlisted applicants for the interim Chief Executive Officer post and Chris Jones is recommended for appointment. He has strong experience as a chief executive, as well as in a consultancy role with the FEC. Subject to Corporation approval, he can start on 3 January 2018. The appointment will be for twelve months initially. GCEO will be available for handover.</p>	

9.16	<p>Governors unanimously agreed that they were satisfied with the recommendations of the Appointments Committee and minded to accept them. The Chair thanked the Appointments Committee members, especially those who had volunteered for shortlisting and interviews, as well as Director of People Services, Huw Roberts ("DPS")</p> <p><u>RESOLVED:</u></p>	
9.17	<p>The recommendations of the Appointments Committee as articulated above are accepted and the interim appointment of Chris Jones is approved, subject to satisfactory references and agreement on terms and conditions.</p>	
9.18	<p>DPS said Staff and other stakeholders will be informed tomorrow (Friday 15th December 2017) and a press release will be completed tomorrow afternoon to be released on Monday morning (18th December 2017).</p>	
9.19	<p>The Chair thanked GCEO and Richard Wightman for all their efforts in support of the College and wished them well in the future. She also thanked all the Governors for their fantastic contribution during the year.</p>	
9.20	<p>There being no other business, the meeting closed.</p>	

