

THE CORPORATION OF WALTHAM FOREST COLLEGE

MINUTES OF THE MEETING HELD ON 10 JULY 2018

MEMBERS OF THE CORPORATION

Youness Abidou	present	Member
Steve Besley	present	Member
Paul Butler	<i>apologies</i>	Member, Chair of the Corporation and Safeguarding Champion
Joy Kettle	present	Member, Principal and Chief Executive
Alison Morris	present	Member
Renatta Nzomono	present	Member
Frank Royle	present	Staff Member
Anxhela Sejdini	<i>apologies</i>	Student Member
Jacqueline Sheehy	present	Member and Safeguarding Champion
Terri Stacey-White	<i>apologies</i>	Student Member
Tim Strong	present	Member
Kalim Uddin	<i>apologies</i>	Staff Member
Kapil Wadhvani	<i>apologies</i>	Member
Terry Wheeler	present	Member
Graham Woolnough	present	Member and Vice Chair of the Corporation

CLERK TO THE CORPORATION

Val Bartlett Clerk to the Corporation

IN ATTENDANCE

Lynda Croft	Interim Deputy Principal Corporate Resources
Amir Ahmed	Director of Services for Students
Stella Fleming	Assistant Principal Learning & Quality
Nadeem Khalifa	Director of Business Development Unit (BDU)
Peter Stone	Assistant Principal Curriculum & Innovation
Aylin Ersin	Curriculum Manager ESOL

Due to the absence of the Chair of the Corporation, the Vice Chair chaired this meeting.

41.18 **APOLOGIES FOR ABSENCE**

Apologies had been received and accepted from:

Paul Butler	- family emergency
Anxhela Sejdini	- holiday
Terri Stacey- White	- holiday
Kalim Uddin	- annual leave
Kapil Wadhvani	- holiday

42.18 **DECLARATION OF INTERESTS**

The Members of the Corporation confirmed that there were no items on the agenda for the meeting in which they had a personal interest.

43.18 MINUTES OF THE MEETING OF THE CORPORATION HELD ON 22 MAY 2018

The Minutes of the Corporation meeting held on 22 May 2018 were approved by the Corporation and signed by the Chair as a correct record.

44.18 MATTERS ARISING

There were no matters arising which were not already on the Agenda.

45.18 PRINCIPAL'S REPORT

The Corporation received a presentation from the Curriculum Manager: ESOL regarding Looked After Children (LAC).

A question and answer session followed and discussion included issues regarding the amount of support LAC learners receive both inside and outside College, staff training which is required, associated risks and liabilities, ensuring the correct boundaries are adhered to and assurances that the Safeguarding Policy and the Looked After Children Policy and associated procedures are clearly understood.

The Corporation thanked Aylin for her informative presentation.

19:35 AE left the meeting

The Principal then updated Governors on her report and the following points were highlighted in particular:

- Retention overall is currently 1% above target but for 16-18 year old learners it is down by 0.3% on target.
- Strategies to bridge the gap for those learners not yet ready for College are being introduced for 2018-19
- A detailed discussion was held regarding low attendance and the strategies being put in place for 2018-19. A Governor queried why attendance was down this year and if it was related to choice of course. By way of response it was noted that motivation, high expectations, reinforcing employability skills and making learning exciting all contribute to the attendance and retention of learners and this will be a primary focus as from September. In addition, it was noted that there are attendance issues in primary and secondary schools in the Borough which leads to an inherent pattern of behaviour and this may then be carried forward to attendance at the College.

Governors were then updated on staffing and the revised reporting structure. It was noted in particular that the Director of BDU will report to the Principal which will facilitate more effective strategic linkages between curriculum and resources. More investment is currently being made in this area to provide additional capacity to ensure the highest quality services and to grow more diverse income streams in 2018-19. Similarly, HR will report to the Principal so that a more explicit and strategic view of staffing, succession planning, talent management and organisational development are retained and supported at every level. Governors discussed salaries and the competition to attract and retain staff and noted the focus on developing talent internally.

The Deputy Principal Corporate Resources informed the Corporation that the College Risk Management Board had met earlier today and had agreed its terms of reference and its revised membership. All risks had then been reviewed including risk ratings and how new risks may be identified. Subsequent meetings for 2018-19 will dovetail with Audit Committee and Corporation meetings.

The Assistant Principals then provided an update on all Curriculum Areas with particular highlights including:

- A successful Erasmus bid which will allow 160 students to visit Portugal or Spain for 4 week work placements
- Mayor's Construction Award – this is very prestigious for the College and further stages may follow
- Strengthening relationships with the Borough
- Visit from Ofsted to see what the College is proactively doing to tackle youth violence and the associated Evening Standard press article highlighting our good practice
- Meeting being held with the Mayors' Office for Policing and Crime
- Successful Welcome and Taster Day
- Demonstration of a 'walk through' video of the College and also the new College website

A discussion was then held on the data regarding current applications for 2018-19 Study Programmes to date and the additional marketing campaigns and activities being held over the summer to help increase these figures. It was noted that it may take a year for the Ofsted 'Good' grading to filter through to increased applications and that marketing is actively using the 'Good' grading to help raise the College profile.

Governors then discussed the potential implications if application numbers and subsequent enrolments do not reach the targets. Both the financial risk (including lagged funding) and the risk as a standalone College amongst larger group structures were highlighted.

The Corporation noted the Principal's report.

46.18 COLLEGE STRATEGIC PLAN 2019-2022

It was acknowledged that the Corporation had held a strategy meeting on Tuesday 12 June 2018 with external input from Mary Vine-Morris (AoC London: Area Director) regarding the college landscape in London and Rebecca Davey (LBWF: Head of Business Growth Investment and Employment) on the London Borough of Waltham Forest and its 'Ambitions for growth'.

A question and answer session had then followed including a focus on the London Mayor's agenda, social mobility and housing, collaboration and competition, Skills Plan and employment framework, Brexit, alignment, culture, partnerships, soft federations, construction/creative/digital/health & social care, priorities for AEB, being ambitious for learners, growth including capacity for growth, micro businesses, flexible delivery models and risk appetite.

The Executive Team is now in the process of discussing the emerging themes which will, in part, contribute towards the drafting of the College Operational Plan 2018-19 and associated targets which will be presented to Corporation in September 2018 for further discussion.

The Strategic Plan 2019-22 will be drafted over the coming months in order to be presented to Corporation for final approval at its meeting on 4 December 2018.

The Corporation Strategy Working Group is to meet in September to further review the current status of the new Strategic Plan and the Principal is to continue the consultation process with staff, students and stakeholders.

The Corporation noted the update on the progress of the College Strategic Plan for 2019-2022.

47.18 QUALITY IMPROVEMENT POLICY AND QUALITY IMPROVEMENT STRATEGY 2018-19

Governors were informed that the Quality Improvement Policy (QIP) will form part of the College Operating Plan including clear targets and KPI's and the minor changes to the QIP for 2018-19 were acknowledged.

The Corporation approved the Quality Improvement Policy and Quality Improvement Strategy for 2018-19.

48.18 INCOME AND EXPENDITURE 2017-18 - MONTHLY MANAGEMENT ACCOUNTS 31 MAY 2018

The Deputy Principal Corporate Resources provided the Corporation with a position statement on the financial performance of the College up to 31 May 2018.

The College is continuing to forecast an operating surplus of £84k for 2017-18 against a budgeted deficit of £175k. All income streams, pay and non-pay expenditure have been reviewed and several changes have been made to individual expenditure items, however, the forecast operating surplus remains unchanged at £84k.

The College submitted a second growth application to the ESFA on 2 May 2018, requesting an increase in its AEB funding allocation for 2017-18 of £600k. This bid was unsuccessful and the monies had not been anticipated in the forecast out-turn for 2017-18. In response to a Governor's question as to why this bid was unsuccessful, it was noted that no feedback was provided and that many other colleges were unsuccessful too.

The forecast is for the financial health score to retain the 'good' banding.

The continuing close management of several key risks, including expenditure, was noted.

Governors discussed the accounts in further detail including pay and non-pay costs in particular and were informed that for 2018-19 these costs will have more KPI's and ratio statistics provided in order to better measure performance.

A concern was raised regarding a potential drop in income if student numbers do not reach target, whilst expenditure may continue to increase. It was noted that there is an ongoing and relentless focus on costs including those for staffing, staff utilisation, agency costs, and subcontracting and that Apprenticeships has been identified as a growth area for the College.

Governors then discussed staff recruitment including salary levels, and the Principal highlighted that there is a need to develop and grow our own staff internally which may, in part, help to overcome this issue.

The Corporation:

1. Received and noted the Management Accounts relating to the financial performance of the College in 2017-18 as at 31 May;
2. Noted the key financial risks being managed by the College.

49.18 INCOME AND EXPENDITURE BUDGET 2018-2019

The Corporation was presented with a draft Income and Expenditure budget for 2018-19.

The proposed 2018-19 budget would ensure that the College continues to be in "good" financial health and this will continue to be rigorously managed through the regular monitoring of risks, and the assessment of opportunities.

A prudent approach has been taken regarding income generation in 2018-19.

The proposed growth in income is from £19,855,000 (actual in 2016-17) to £20,390,000 (forecast for 2017-18) and to £21,589,000 (proposed for 2018-19).

The operating surplus forecast for 2017-18 is £84k and £131k forecast for 2018-19.

It was noted that as the College recruited more 16-18 year old students in 2017-18, this lagged funding has increased the ESFA allocation for 2018-19 and this, coupled with progressing existing students and data regarding new applications, provides an expectation that a further increase in ESFA funding income for 2019-20 can be secured too.

The Corporation then discussed the draft budget in greater detail.

A Governor queried the 'thin' margin of £47k as indicated in the comparison between the income, pay, non-pay and operating surplus figures for 2017-18 forecast and 2018-19 draft budget. It was noted that a sensitivity analysis is to be performed regarding securing the c. £1.2m of additional income to identify what elements may be at risk.

It was confirmed that the costs regarding a revised management structure have been included in this budget, however, it may take some months for recruitment and appointments to conclude. This is in line with the Corporation discussions regarding the new Strategic Plan and building capacity.

It was noted that the 17 Financial KPI's are to remain in place for 2018-19.

The Corporation was informed that the College is in the early stages of developing a Memorandum of Understanding (MoU) with the Borough to jointly develop a two-phase capital project to deliver vocational training and SEND Centre along with affordable housing development with the Council during the next 2-3 years. Once the plans have been developed further, a separate financial plan will be prepared for the capital project, which will be consolidated with the College's 3-year operating plan to ensure the College retains its 'Good' financial health grade.

Attention was then drawn to the forecast that subcontractors will deliver c.20% of the College's funding body allocation in 2018-19, which is broadly in line with that achieved in 2017-18. The College remains heavily reliant on subcontractors to achieve its Apprenticeship allocations. It was acknowledged that this needs a strong focus and in-roads are being made to deliver more in-house.

The Corporation was then informed that there is currently a £2m banking facility with Barclays Bank which is due for renewal imminently. Retaining this facility will strengthen the Balance Sheet and offer a long-term liability for the College.

The Corporation approved the renewal of the £2m banking facility with Barclays Bank and delegate authority to the Principal to sign the relevant documents.

The Corporation:

1. **Approved** the College's Income and Expenditure budget for 2018/19;
2. **Approved** the College's capital budget for 2018/19;
3. **Approved** the financial performance indicators for 2018/19;
4. Noted the forecast Balance Sheet as at 31 July 2019 and monthly cash flow for 2018/19; and

50.18 THREE YEAR FINANCIAL PLAN 2017-18 TO 2019-20

The Corporation was informed that the proposed Three Year Financial Plan is set within the context of the College remaining a stand-alone entity.

The plan reflects the Corporation's financial objectives of ensuring the College maintains a "good" financial health rating and remains a going concern.

The Corporation:

1. Assessed the College's financial health rating as being "good" for each of the three plan years;
2. **Approved** the 2017/18 to 2019/20 Financial Forecast for submission to the Education and Skills Funding Agency by 31 July 2018.

51.18 AUDIT COMMITTEE MEETING – 28 JUNE 2018

The Chair of the Audit Committee updated the Corporation on the following:

- Internal Audit reports for 2017-18 and associated findings
- Internal Audit Assurance Strategy and Annual Plan 2018-19
- Financial statements 2017-18 audit arrangements
- Risk Register update
- Re-Appointment of audit services

The Corporation **approved** the re-appointments of the Internal Auditors, Scrutton Bland, and the Financial Statements auditors, Grant Thornton and that their respective contracts be rolled over for a further year.

The Corporation **approved** the Internal Audit Plan for 2018/19.

52.18 HEALTH AND SAFETY POLICY

The Corporation approved the College Health and Safety Policy for 2018-19.

53.18 GOVERNANCE ISSUES

The Corporation received and noted an update on the status of the appointment process for two Senior Post Holder positions.

It was agreed that an additional Corporation meeting be held on Thursday 19 July at 18:00 in order to receive feedback and a recommendation from the Selection Panel regarding the appointment of a Deputy Principal Curriculum and Quality.

It was noted that the term of office for Terry Wheeler (Governor), Terri Stacey- White (Student Governor) and Anxhela Sejdini (Student Governor) will come to an end on 31 July 2018.

The Corporation received and accepted the resignation of Jacqueline Sheehy (Governor) with effect from 11 July 2018.

The membership of the Strategy Working Group and the Curriculum and Quality Working Group was noted.

The Corporation was informed that Governor Champions for Careers, Health and Safety, Mental Health and Safeguarding are required. The Clerk is to contact all Governors to progress this further.

54.18 REMUNERATION COMMITTEE MEETING – 10 JULY 2018 – VERBAL UPDATE

The Vice Chair of the Remuneration Committee updated the Corporation on this meeting which had taken place immediately prior to the Corporation meeting.

The Committee had agreed the targets set for the Principal for 2018-19.

The Remuneration Committee then updated the Corporation on recent discussions regarding the advertising and recruitment process for the post of Deputy Principal Corporate Resources.

The Corporation agreed to postpone this process until the next Corporation meeting in order to enable further discussions to be held with relevant parties over the summer period.

55.18 THANKYOU TO GOVERNORS WHO ARE STEPPING DOWN

The Corporation thanked both Terry Wheeler and Jacqueline Sheehy for their many years of valuable service to the College. A small reception was then held and both were presented with a gift.

56.18 ANY OTHER BUSINESS

There was none.

The meeting closed at 21:30

These minutes have been approved by the Corporation and signed by the Chair as a correct record

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SIGNED

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DATE

ACTION POINTS ARISING FROM MEETINGS OF THE CORPORATION

Minute No.	Issue and Action	Target Date	Achievement Date
6.18	<p>LBWF – TOWN HALL CAMPUS REDEVELOPMENT</p> <p>The Chair thanked Aiden McManus for this presentation and that in order to ensure continuity, invited the LBWF to come back with a further update in April or May 2018.</p>	May 2018	
46.18	<p>COLLEGE STRATEGIC PLAN</p> <p>The Corporation Strategy Working Group is to meet in September to further review the current status of the new Strategic Plan and the Principal is to continue the consultation process with staff, students and stakeholders.</p>	Sept 2018	
53.18	<p>GOVERNOR CHAMPIONS</p> <p>The Corporation was informed that Governor Champions for Careers, Health and Safety, Mental Health and Safeguarding are required. The Clerk is to contact all Governors to progress this further.</p>	Sept 2018	