

THE CORPORATION OF WALTHAM FOREST COLLEGE

MINUTES OF THE MEETING HELD ON 26 MARCH 2019

MEMBERS OF THE CORPORATION

Youness Abidou	present	Member
Nadia Ahmed	present	Member
Steve Besley	present	Member, H.E. Champion
Paul Butler	present	Member, Chair of the Corporation and Safeguarding Champion
Joy Kettle	present	Member, Principal and Chief Executive
Oluwatosin Kuforiji	present	Student Member
Alison Morris	present	Member, Careers Champion
Cirielle Mukondolo	<i>apologies</i>	Student Member
Renatta Nzomono	present	Member
Frank Royle	present	Staff Member
Tim Strong	present	Member
Neil Taylor	present	Member
Kalim Uddin	present	Staff Member
Kapil Wadhvani	present	Member, Health & Safety Champion
Graham Woolnough	present	Member, Vice Chair of the Corporation, Chair of Audit Committee

CLERK TO THE CORPORATION

Val Bartlett Clerk to the Corporation

IN ATTENDANCE

Lynda Croft	Deputy Principal Corporate Resources
Stella McManus	Deputy Principal Curriculum & Quality
Amir Ahmed	Director of Services for Students

1.19 REPORT FROM SEARCH COMMITTEE

The Chair of the Search Committee reported on the meeting of the Search Committee held on 22 January 2019 and referred Governors to the draft Minutes which had been included with the meeting papers.

Governors were reminded that there are currently three vacancies on the Board.

The Search Committee had undertaken interviews with some prospective candidates and having also taken account of the results of the most recent skill audit, wished to recommend to the Board the appointments of two new Governors, namely Nadia Ahmed and Neil Taylor, for an initial one-year term. The CV's, experience and skills of both applicants were then discussed.

The Corporation approved the appointments of Nadia Ahmed and Neil Taylor as Corporation members effective from 26 March 2019 and for an initial term of one (1) year.

Nadia Ahmed and Neil Taylor then joined the meeting and the Chair welcomed both to the Corporation.

2.19 APOLOGIES FOR ABSENCE

Apologies had been received and accepted from:
Cirielle Mukondolo – work experience commitment

There were no other apologies for absence.

3.19 DECLARATION OF INTERESTS

Neil Taylor informed the Corporation of his links with Leyton Orient Trust.

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

4.19 MINUTES OF THE MEETING OF THE CORPORATION HELD ON 4 DECEMBER 2018

It was noted that the Corporation meeting scheduled for 12 February 2019 had been cancelled due to a health and safety issue (burst water mains) in the local area for which the College had to close.

The Minutes of the Corporation meeting held on 4 December 2018 were approved by the Corporation and signed by the Chair as a correct record.

5.19 MATTERS ARISING

There were none.

6.19 SAFEGUARDING BRIEFING

It was noted that Governors have completed the mandatory Safeguarding update training for 2018-19 which includes the College Safeguarding Policy and Procedures (including Prevent) and Keeping Children Safe in Education part 1.

The Corporation then received a training session and update on Safeguarding and the role of Governors.

Reference was made to the statutory guidance 'Keeping Children Safe in Education 2018', the role and responsibilities of Governing Bodies, the College's commitment to safeguarding including an update from the recent Safeguarding Board meeting (which was attended by the Chair), the BeSafe Team and data on safeguarding referrals. Further details from the Safeguarding Board will be shared at the next Corporation meeting.

Governors sought, and were provided with, reassurance that the Safeguarding Team has sufficient resources and training to support students and that the absolute priority is that all are safe within the College estate.

The Corporation emphasised its strong commitment to continue to support the Safeguarding Team, acknowledged the excellent work the Team is undertaking and thanked the Director of Services for Students for his informative briefing.

19:40 AA left the meeting

7.19 COLLEGE REPORT

The Corporation received an update on the College from the Principal and the two Deputy Principals

The following points were highlighted in particular.

The College had submitted its formal application to the Greater London Authority (GLA) on 21 January 2019 to bid for £9.97m of capital grant funding monies. The grant, if awarded, would significantly contribute to developing Phases 1 and 2 of the Priority Skills and SEND Centre of Excellence with the College working in partnership with the LBWF.

Having reviewed the inter-dependencies and associated risks, the College proposed to LBWF that it could consider taking the lead role in the whole project across both phases. This was explained in the bid submission, and that it was still under consideration by the LBWF.

Subsequently, the LBWF has confirmed it is unable to increase its share of the risk. The College has, therefore, advised GLA that it is withdrawing its application and on 19 March, JK & LC, along with Joe Garrod, Director of Capital Delivery (from the London Borough of Waltham Forest (LBWF)) met with Managers from the GLA to discuss how the project, or associated shelf-ready projects, may be made viable in the future.

It was noted that the net cost to the College for this project was £150k of which £58k has been received to date.

Communication to all interested parties is to now be made. It was noted that one of the biggest disappointments is now not progressing the SEND Centre.

In response to a Governor's question, it was confirmed that the Capital Strategy for the College will include these shelf-ready projects and that, in particular, there is an urgent need for repairs and refurbishment to the West Wing of the College. Meanwhile, there is to be a meeting with LBWF regarding the shared access road.

The Corporation then received a brief financial update noting that there was a specific agenda item on the February 2019 Management Accounts where further in-depth discussion would be as held. The current income forecast of £20,780,000 indicates an adverse variance from budget of (£809,000) of which £200k relates to the revised accounting treatment of recharged costs to the Community Interest Company (CIC) swimming pool. Pay costs variance from budget are (£385k) adverse, with non-pay costs showing a favourable variance of £1,129k. The full year 2018-19 operating surplus is currently forecast to be £66k which would be £65k lower than budget. This would retain the ESFA financial 'good' health grade, however, the headroom remains limited.

It was noted that the Corporation Curriculum and Standards Working Group met on 7 March 2019, and that the Strategy Working Group and the Audit Committee met on 12 March 2019.

A curriculum update was then provided and the following was noted in particular:

- Attendance remains a key issue and there is a tight, relentless and continuous focus being placed on this. Data indicates that overall, attendance is similar to last year. There is to be a review of the Attendance Policy, including barriers to learning.
- Blended learning is under review and the Health & Social Care Area is a pilot area for raising expectations by providing pass criteria learning online for independent study and focusing classroom teaching on merit and distinction levels.
- The national average attendance rate of 90% was noted and how this compares favourably to the attendance rates of some London Colleges and the possible reasons why. The point was also made regarding the Princes Trust and the pilot Dragons' Pen, where, whilst attendance is low, they provide an opportunity for some learners not to become 'NEET' and offer learners a chance to subsequently move on to other programmes.
- The first snapshot of predicted achievement for Study Programmes was noted. A Governor questioned if there was a guidance framework in place for this assessment. By way of response it was noted that the predictions are rag rated for 'achieve' (green) or 'at risk of not achieving' (red), teachers know their learners and are ensuring the right interventions are in place including additional workshops and catch up on course work sessions. It was also noted that the accuracy of predictions for last year was actually out by a c.4% drop.
- The College has made sufficient progress regarding T level industry placements, which indicates its likely eligibility to receive further funding for 2019-20, subsequent to a final check on progress in June 2019. The College has applied to offer T level pathways in Nursing and Childcare.
- The Corporation was informed that the DfE is seeking views on the principles that should guide their review of post-16 qualifications at level 3 and below.

- The Business Development Unit (BDU) is expected to achieve its apprenticeship allocation
- Information on marketing and communications and Student Services, including the Open Day, study application numbers for 2019-20 and 'Protect Your Mate' week and Student 'Good News Stories' were noted.

The Corporation requested that there be a clearer comparative analysis provided in the College report, with both College and national data trends, to enable Governors to compare outcomes for learners with external benchmarks and to be able to probe deeper.

The Corporation noted the College report including the Scorecard.

8.19 COLLEGE STRATEGIC PLAN 2019-2022

The Principal updated Governors on the College's new Strategic Plan.

The College's mission, vision, values and key priorities and objectives for 2019-22 have now been redrafted in line with feedback from stakeholders during consultation and refined from comments received from staff and Governors.

The Corporation Strategy Group had met on 12 March 2019 to review the draft Strategic Plan.

The 5 strategic priorities and aims are:

- Excellence and innovation
- People and culture
- Employability and future careers
- Growth and sustainability (including viability)
- Estate and facilities for 21st Century learning.

The curriculum planning process is well underway and will be completed by 12 April 2019.

It was acknowledged that the headline strategy document indicates the direction of travel for the College, highlighting broadly how this will be achieved and what the key indicators of success are.

The College Operational Plan will underpin this providing detailed actions and specific measures and targets for each of the key priorities.

Included, as part of the Operational Plan, will be an outline of the strategic alliances and partnerships that the College will pursue over the next 3 years to build a more resilient and sustainable organisation for the future.

The Draft Operational Plan will be presented to Corporation on 11 June 2019.

The Corporation approved the College Strategic Plan for 2019-2022.

9.19 INCOME AND EXPENDITURE 2018-19 - MONTHLY MANAGEMENT ACCOUNTS FOR 7 MONTHS ENDED 28 FEBRUARY 2019

The Deputy Principal Corporate Resources provided the Corporation with a position statement on the financial performance of the College up to 28 February 2019.

The College has achieved a year to date actual operating deficit of £621k, compared with the budgeted operating deficit of £580k. This year is following the usual FE sector pattern profile with the majority of the full year contribution forecast to be achieved in the second half of the financial year.

Governors were informed that the actual operating position and the forecast for the full year out-turn for 2018-19 would retain the College's 'Good' Financial health grade which is a key priority. Governors questioned the headroom and position of the current health score of 180 which is at the lower end of the 'good' range of 180 and 231 points. Management response was that they are very aware of the balance sheet, cash and working capital and the importance of the good financial health

rating and that they continue to be pro-active in managing the I&E, working capital and gearing, to protect this 'good' grade.

Year to date pay costs, before restructuring costs, were £235k higher than budgeted, however, the adverse variance is forecast to reduce during the second half of the year.

Restructure costs are expected to be £150k higher than originally budgeted for as the College realigns its staff resourcing and pay costs to meet its planned business needs.

A Governor requested that the Corporation has sight of the restructuring proposal plan including costs and benefits. The Principal reported that the curriculum planning and business planning processes are being finalised and that detailed information, including delivery and resources, will be brought to Governors in due course. A Governor questioned if there were any deep-rooted issues within this process and if so that they be explained to the Corporation including how they may affect the College.

Non-pay operating expenditure was substantially better at £734k lower than budgeted.

In response to a query from a Governor enquiring about a reasonable surplus for an FE college the DP Corporate Resources explained that c.3.0% of income would be expected, which for this college would be c.£700k, however, it was recognised that the current surplus of £66k is very lean.

The Deputy Principal Corporate Resources indicated that currently some senior staff were undertaking very detailed levels of work and that recruitment for the post of Head of Financial Reporting and the post of Director of Finance and Estates will be advertised in the near future.

The Corporation was then informed of the current challenging position regarding cashflow. The College has a revolving credit facility which was accessed on 18 March 2019 for overdraft purposes of £14k (now down to £10k as at 26 March). It was reported that the College is owed a substantial amount from High Needs Fees and capital grant monies. The Deputy Principal Corporate Resources assured Governors that this was a timing issue as along with many other colleges, there is a severe reduction in ESFA funding receipts for the period between February and mid-April each year.

Governors then discussed in further detail, subcontracting, apprenticeship income, pay costs and agency costs.

A Governor commented on a number of fundamental concerns including that the College finances were extremely tight, the way finance is currently being micro- managed and that a more strategic focus is required.

The Corporation concurred that an additional meeting be held - and before the scheduled meeting on 7 May 2019 - in order to explore and hold a wider detailed discussion as to what these key curriculum and financial issues may be, including a strategic approach to income streams.

A report was requested to include a summary of the findings to provide a sense of the issues and next steps i.e. providing a 'deep dive' in order to build comfort for the Corporation in the processes and progress regarding these key issues.

The Corporation:

1. Received and noted the Management Accounts to 28 February 2019;
2. Noted the key financial risks being managed and the mitigating actions being taken by the College.
3. Agreed to receive and consider an update on pensions issues for colleges at the Corporation meeting to be held on 7 May 2019.

10.19 GOVERNANCE ISSUES

The Corporation received an update from the Clerk on a number of governance related issues and noted the following:

- 1. The Corporation approved the Self- Assessment of Governance Action Plan 2018-19.**
- 2. The Corporation approved the adoption of the amendment to the Remuneration Code contained in the Code of Good Governance for English Colleges.**
3. The updated AoC College Governance Guide.
4. An update on the Insolvency Act, Governors' responsibilities including the importance of scrutiny and monitoring of cash flow in particular;
5. An update from the Audit Committee meeting held on 12 March 2019;
- 6. Approved the continuation of audit services provided by Scrutton Bland and Grant Thornton for further 12 months to 31 July 2020, and that a tender exercise then be undertaken to test the market to ensure value for money;**
7. Noted the recent ESFA publications for the Post-16 Audit Code of Practice and the College Accounts Direction 2018-19;
8. Agreed to undertake a review of Governance structures at a later date and that an internal audit of this area is to be undertaken next week which will help inform this review and any associated recommendations;
- 9. Approved the change of the Corporation meeting date to now be held on Tuesday 9 July 2019 at 7:00pm.**
10. Noted Governor training and attendance at events.

11.19 ANY OTHER BUSINESS

There was none

12.19 CONFIDENTIAL ITEM

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
88.18	<p>PRINCIPAL'S REPORT</p> <p>It was agreed that the Principal provide an update on the Ofsted framework consultation at a future Corporation meeting.</p>	7 May 2019	
90.18	<p>FINANCE</p> <p>It was agreed to have a future agenda item for discussion on pensions.</p>	<p>26 March 2019 Now 7 May 2019</p>	
94.18	<p>DEPUTY PRINCIPAL CORPORATE RESOURCES</p> <p>Review of this position to be undertaken by the Remuneration Committee in September 2019 in order to provide a report to the Corporation in December 2019.</p>	September 2019	
	<p>ACRONYMS</p> <p>Updated list of acronyms to be provided with meeting papers</p>	7 May 2019	