

THE CORPORATION OF WALTHAM FOREST COLLEGE

MINUTES OF THE MEETING HELD ON 4 DECEMBER 2018

MEMBERS OF THE CORPORATION

Youness Abidou	present	Member
Steve Besley	<i>apologies</i>	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
Kalim Uddin	present	Staff Member
Kapil Wadhvani	present	Member, Health & Safety Champion
Graham Woolnough	<i>apologies</i>	Member, Vice Chair of the Corporation, Chair of Audit Committee

CLERK TO THE CORPORATION

Val Bartlett Clerk to the Corporation

IN ATTENDANCE

Lynda Croft	Interim Deputy Principal Corporate Resources
Stella McManus	Deputy Principal Curriculum & Quality
Nadeem Khalifa	Director BIDU

83.18 APOLOGIES FOR ABSENCE

Apologies had been received and accepted from:

Graham Woolnough – family commitment
Steve Besley – work commitment
Cirielle Mukondolo – sickness

There were no other apologies for absence.

84.18 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.

85.18 MINUTES OF THE MEETING OF THE CORPORATION HELD ON 6 NOVEMBER 2018

The Minutes of the Corporation meeting held on 6 November 2018 were approved by the Corporation and signed by the Chair as a correct record.

86.18 MATTERS ARISING

There were none.

87.18 COLLEGE SELF-ASSESSMENT REPORT 2017-18

The Corporation was informed that the draft College Self-Assessment Report (SAR) for 2017-18 had been received and considered by the Curriculum and Standards Working Group which met on 26 November 2018. This Working Group comprised some Governors, two external advisors (one from H.E. and one from schools) and some members of the Executive Team. The key judgements, provision types, key strengths and areas for improvement were discussed in detail.

It was noted that one of the main challenges and risks is around the manual systems to track learner progress and, therefore, this is part of the quality improvement plan. It was noted that the tracking systems will use ProMonitor once it is fully implemented by September 2019.

Governors were informed that some of the areas for improvement include a concerted focus on high expectations, attendance for Study Programme in particular, independent learning and study skills linking to the achievement of stretched targets and high grades, and the achievement levels for learners on Level 1 and Level 2 programmes in Construction and Motor Vehicles.

A Governor queried the actions being taken to address the areas for improvement and assurance was provided that these are actively monitored through activities such as progress tracking, the Learning Area Reviews process, Learning Walks/drop-ins and that the newly appointed Head of Quality is to review teaching, learning and assessment and staff development and training.

A discussion on attendance then followed including the marking of students who are late to class, unauthorised absence, students who may be working from home due to family issues and the recording of independent on-line learning. The Deputy Principal Curriculum and Quality is to undertake a review of the attendance policy including barriers to learning, particularly for adult learners whose attendance is currently at 84%. Blended Learning, streaming lectures etc are areas for further consideration by the Executive Team.

Governors were invited to contact the Deputy Principal if they had any further queries or wished to discuss the SAR in further detail.

The Corporation approved the College Self-Assessment Report for 2017-18 and the Further Education/Higher Education Self- Assessment submission to the regulatory bodies.

88.18 PRINCIPAL'S REPORT

The Corporation received an update from the Principal and the following points were highlighted in particular:

- Attendance remains a key issue and there is a relentless and continuous focus being placed on this including additional new incentives.
- Higher Education attendance remains an issue and there is to be a 'deep dive' review at the next Curriculum & Standards Working Group meeting.
- The Performance Board process began on 29 October 2018.
- A well-attended Student Conference was held on 22 November where the learner voice was captured on the new Strategic Plan, Mission and values of the College. Actions arising from this conference have been discussed by the Executive Team.
- The updated Operating Plan Scorecard was reviewed including an explanation to Governors around the calculation of the rolling average of the current performance regarding Apprenticeships. It was agreed that in order to afford more clarity, Apprenticeships now be reported as an annex to the Principal's report.

- It was noted that there is ongoing investment in the BDU team to provide additional capacity thereby enabling more support for in-house delivery.
- The first College Open Day took place on 7 November with an increase of 86% on last year regarding the number of visitors.
- Safer Learner Week 12-16 November was themed to raise awareness around welfare and wellbeing.
- Risk Management scores for Teaching, Learning and Assessment (TLA), attendance and retention were reviewed at the Curriculum & Standards meeting with the score for TLA impact being moved upwards from 2 to 3.

A Governor queried the absence of the previous year's focus on Intensive Care Courses and was informed that the focus is now on Intensive Care Areas. Feedback from Learning Area Reviews will be provided to the Corporation at a top-level with more in-depth scrutiny at the Curriculum & Standards Working Group meeting.

Further engagement by Governors in TLA was then discussed and that this may include continuing to take part in informal learning walks, Governors being assigned to specific areas and Governors having an increased presence and visibility in the College.

A full consultation of the proposed new Education Inspection Framework will commence in January 2019 and it was agreed that the Principal provide an update at a future Corporation meeting.

The Chair, Principal and Deputy Principal Curriculum & Quality had attended the AoC Conference on 20-21st November where Ofsted's Chief Inspector, Amanda Spielman, had praised the College, amongst others, for moving from an extended period of 'Requires Improvement' to 'Good'.

The Corporation noted the Principal's report including the Scorecard.

89.18 COLLEGE STRATEGIC PLAN 2019-2022

The Principal updated Governors on the consultation and progress to date regarding the new College Strategic Plan and the proposed strategic mission, vision, values and priorities.

Consultation has been held with staff, students, and external stakeholders including community representatives, employers, the Borough and Leyton Orient trust.

To date, there has been universal support for the mission, priorities and direction of travel.

A Governor requested that reference to community needs be included and also the exploration of business options to support our growth strategy.

The Principal informed Governors that the Strategic Plan will be finalised and ready for Corporation approval by the end of March 2019 and this will tie in with the Curriculum planning sign off by Easter.

Governors were requested to contact the Principal within the next two weeks if they had any further comments on the Strategic Plan.

The Corporation noted the update on the consultation and progress of the new Strategic Plan.

90.18 AUDIT COMMITTEE MEETING 14 NOVEMBER 2018, THE ANNUAL REPORT OF THE AUDIT COMMITTEE FOR 2017-18 AND THE FINANCIAL STATEMENTS 2017-18

The Corporation received a verbal update from the Vice Chair of the Audit Committee regarding the Audit Committee meeting held on 14 November 2018.

The Corporation ratified the appointments of Graham Woolnough as Chair of the Audit Committee and Youness Abidou as Vice Chair of the Audit Committee for 2018-19.

The Corporation noted the Post-16 Audit Code of Practice and associated changes to the Audit Committee Terms of Reference for 2018-19 including oversight of the policies and processes around fraud, irregularity, impropriety and whistleblowing and that Staff Governors are not eligible to be Committee members

The Corporation approved the Audit Committee Terms of Reference for 2018-19.

The Vice Chair then updated Governors on the Health and Safety Annual Report and the good progress which has been made regarding the internal audit recommendations.

The Corporation received and considered the Annual Report of the Audit Committee for 2017-18. It was noted that there were no specific comments from the Audit Committee meeting held on 14 November 2018 where the draft Financial Statements, the report prepared by Grant Thornton and the Letter of Representation had all been received and considered. The Audit Committee had agreed to recommend the Financial Statements to the Corporation.

It was noted that 'Going Concern' had been discussed in detail by the Audit Committee and how this differs from longer term sustainability.

Attention was then drawn to page 7 of the Financial Statements which set out the reasons why the College considers that it remains a going concern for the forthcoming 12-month period, from the signing of the accounts to 31 December 2019 and for the foreseeable future beyond.

The three-year financial plan submitted to the ESFA in July 2018 sets out the forecasts for 2018-19 and 2019-20 whereby the College retains 'good' financial health and its underlying financial position continues to improve steadily. The Corporation takes this view for the following reasons that during the next two-year period:

- There are no material uncertainties
- "Good" financial health as at 31 July 2018
- Increase in 16-18 learners translating into additional income of £600k in 2018-19
- Robust financial forecasting and planning models and sensitivity analysis
- Cash flow estimates are sufficient
- Commitments and obligations and to be able to undertake capital investment to maintain the current volumes and quality of facilities and equipment

The underlying operating surplus is £103k and taking into account the £499k adjustment for the Local Government Pension Scheme, the Financial Statements show that the College incurred a deficit of £0.463million in 2017-18 on a turnover of £20,369 million.

Discussion was then held around the positive but 'slim' underlying operating position, the Balance Sheet and the Local Government Pension Scheme contributions which are outside the control of the College.

It was also noted that the employers' contributions into the Teachers' Pension Scheme will increase as from September 2019 and that this may be up to c.23% which is an additional £180k p.a. for the College. It was agreed to have a future agenda item on pensions for discussion.

The Corporation noted the ESFA Finance Record for the College which the Principal is to sign.

The Corporation:

1. Received and considered the Financial Statements for 2017-18 and the associated Audit Findings report prepared by Grant Thornton;
2. Noted the projected out-turn of a £0.103million operating surplus and a deficit for the year of £0.499million after taking into account the adjustment for support staff pensions;
3. Confirmed the College's Going Concern status;
4. Received and noted the Regularity Audit;
5. Received and noted the Annual Internal Audit Report for 2017-18 from Scrutton Bland;
6. Received and noted the 2017-18 Annual Report of the Audit Committee to the Corporation;
7. Received and noted the latest report on Risk Management and the Risk Register
8. Agreed the Letter of Representation; and
- 9. Approved the College's audited Financial Statements for 2017-18 and authorised the Chair of the Corporation and the Principal to sign the Financial Statements for 2017-18, the Letter of Representation and the Regularity Audit.**

91.18 INCOME AND EXPENDITURE 2018-19 - MONTHLY MANAGEMENT ACCOUNTS FOR 31 OCTOBER 2018

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

The College has achieved a year to date actual operating deficit of £961k, compared with the budgeted operating deficit of £901k. This year is following the usual FE sector pattern profile including minimal operational activity being delivered in August 2018 and the associated costs of setting up the curriculum at the start of the 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.

The College has been successful in a bid for an increase of £639k for its Adult Learner Loans funding allocation and thanks was given particularly to Nadeem Khalifa and his Team.

The budgeted operating surplus for 2018-19 is £131k, with the current forecast indicating £189k, an improvement of £58k.

However, income is currently down by £60k on the full year budget of £21,589k. This is due, in part, to a change in the accounting treatment- recommended by Grant Thornton - for the recharges of the operating expenditure to the Swimming Pool CIC totalling £131k.

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

20:15 OK left the meeting

Governors then discussed the accounts in further detail. Clarification was sought regarding agency fees which are currently £115k above budget. This figure includes cover for vacant posts and also for some senior interim staff positions.

The Financial Key Performance Indicators and key risks were noted.

An analysis of ESFA Adult Education Budget (AEB) income year to date highlighted a current pipeline still needed of £4,290k. The target for subcontracting in 2018-19 is 24-25% and if additional

subcontracting is required it will be as a 'last resort' as staff are tasked to see what spare capacity they have to deliver to adults in-house. Staff utilisation is currently being reviewed and a Governor requested a summary of class and average group sizes for information purposes only.

The Deputy Principal reported that staff are being empowered with sufficient basic knowledge and understanding to ensure there is a business approach. The point was made by a Governor that there is a balance to be struck between being a service provider and being a profitable cost centre and income generator and that this needs to be undertaken through a supportive approach.

The Corporation:

1. Received and noted the Management Accounts to 31 October 2018;
2. Noted the key financial risks being managed and the mitigating actions being taken by the College.

92.18 GOVERNANCE ISSUES

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

- The Self- Assessment of Governance Action Plan is to be presented at the next Corporation meeting
- A proposed 'informal' meeting in January is to be the subject of further discussion by the Chair, Principal and Clerk;
- The College response to the AoC consultation on the introduction of a College Senior Staff Remuneration Code.
- The updated AoC College Governance Guide
- An update on the Insolvency Act
- Governor training and attendance at events

93.18 VOCATIONAL TRAINING AND SEND CENTRE – COLLABORATION WITH LBWF

In advance of the Corporation meeting, Governors had received a due diligence presentation from the audit firm, Grant Thornton, regarding the proposed delivery structure, headline risks and potential mitigations, options and advantages and disadvantages of the proposed capital project.

Following an in-depth discussion on the capital project, it was agreed that the Principal follow up the queries arising from these discussions and the external report and update the Corporation in due course.

20:50 KU/FR/SM left the meeting

94.18 CONFIDENTIAL ITEM - REPORT FROM REMUNERATION COMMITTEE – SENIOR POST HOLDERS

95.18 ANY OTHER BUSINESS

The Chair wished all a Happy Christmas.

The meeting closed at 21:20

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
46.18 And 89.18	COLLEGE STRATEGIC PLAN The Corporation Strategy Working Group is to meet again 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.	March 2019	
66.18	INCOME AND EXPENDTURE BUDGET The use of agency staff for sickness cover was also queried and data on long-term and short term sickness and by department is to be provided.	February 2019	
70.18 And 76.18 And 92.18	SELF-ASSESSMENT OF GOVERNANCE The Corporation agreed that Governors complete the self-assessment proforma and return it to the Clerk by 5 October 2018. The feedback will then be collated by the Clerk and an Action Plan for 2018-19 drafted for consideration by the Corporation,	February 2019	
88.18	PRINCIPAL'S REPORT It was agreed that in order to afford more clarity, Apprenticeships now be reported as an annexe to the Principal's report.	February 2019	
88.18	PRINCIPAL'S REPORT It was agreed that the Principal provide an update on the Ofsted framework at a future Corporation meeting.	7 May 2019	
90.18	FINANCE It was agreed to have a future agenda item for discussion on pensions.	26 March 2019	
91.18	MANAGEMENT ACCOUNTS Staff utilisation is currently being reviewed and a Governor requested a summary of class and average group sizes for information purposes only.	February 2019	
94.18	DEPUTY PRINCIPAL CORPORATE RESOURCES 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.	September 2019	
	ACRONYMS Updated list of acronyms to be provided with meeting papers	February 2019	