

THE CORPORATION OF WALTHAM FOREST COLLEGE

MINUTES OF THE MEETING HELD ON 4 FEBRUARY 2020

MEMBERS OF THE CORPORATION

Youness Abidou	present	Member
Nadia Ahmed	present	Member
Paul Butler	present	Member, Chair of the Corporation and Safeguarding Champion
Joy Kettle	present	Member, Principal and Chief Executive
Alison Morris	present	Member, Careers Champion
Priscile Mbuka	<i>apologies</i>	Student Governor
Renatta Nzomono	present	Member
Lutfiya Othman	present	Student Governor
Frank Royle	present	Staff Member
Tim Strong	present	Member, Chair of Search Committee & Remuneration Committee
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	present	Clerk to the Corporation
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IN ATTENDANCE

Stella McManus	present	Deputy Principal Curriculum & Quality (DPC&Q)
Abena Rodman-Tay	present	Director of Finance & Estates

1.20 CORPORATION MEMBERSHIP

The Clerk informed the Corporation that the term of office for Kalim Uddin, Support Staff Governor, had come to an end on 25 January 2020.

Nominations were duly sought from support staff for this position and two staff were proposed.

As a result, an election was held and Kalim Uddin received the most votes.

The Corporation ratified the appointment of Kalim Uddin as the Support Staff Governor for a term of four years to 3 February 2024.

The Chair of the Search Committee reminded the Corporation that there are currently two vacancies for 'independent' members and referred Governors to an application for Corporation membership from Gary Davies. Reference was made to the CV and skills, educational expertise and knowledge of this applicant and that the Search Committee recommended his appointment as a Governor.

The Corporation approved the appointment of Gary Davies as a Governor for an initial term of 12 months effective from 5 February 2020.

2.20 APOLOGIES FOR ABSENCE

Apologies had been received and accepted from:

- Priscile Mbuka- previous commitment

3.20 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.

4.20 MINUTES OF THE MEETINGS OF THE CORPORATION ON 10 DECEMBER 2020 AND 19 DECEMBER 2020

The Minutes of the Corporation meetings held on 10 December 2020 and 19 December 2020 were approved by the Corporation and signed by the Chair of the Corporation as being a correct record.

5.20 MATTERS ARISING

There were no matters arising.

The Corporation agreed to move to agenda item 8.

6.20 INCOME AND EXPENDITURE 2019-20- MONTHLY MANAGEMENT ACCOUNTS TO 31 DECEMBER 2020

The Director of Finance & Estates (DF&E) reported on the above.

In December 2019, the College reviewed the forecast undertaken in October, and has reduced the expected year-end out-turn from £377k to £50k. The expected year-end out-turn as per the original budget was £137k.

Year to date income achieved is £78k higher than budget year to date, mainly due to a payment of £101k received in December 2019 for 24+ Advanced Learner Loans relating to 2018/19.

Pay costs are £65k higher than the year to date budget and Governors were assured that individual departments' pay costs are being reviewed in detail and actions are in place to mitigate some of these costs.

Non-pay operating expenditure is £198k higher than expected which is due in part to increases in learning support costs of £92k and staff recruitment and advertising cost of £100k.

In order to preserve cash, the Capital Expenditure budget has been reduced by £350k with only essential capital items being approved.

The cash flow forecasts - using the ESFA template - for 2019/20 and 2020/21 were noted.

Governors then discussed the accounts in more detail and the following was noted in particular:

- The October 2019 surplus forecast is £377k but in December is now £50k, therefore how close to the 'margin' of good is the College. Management assured Governors that budgets continue to be very closely scrutinised and reforecast where necessary and that they are confident that there is no expectation of any negative impact on what has been budgeted for.
- With regard to the AEB allocation and the Learner Support fund budget, assurance was given that no learners have been disadvantaged due to lack of support and that front-line student services support is protected with commitments being honoured whilst costs are closely managed. In addition, it was confirmed that the offer for learners had not had to be re-visited due to changes in financial criteria with the Learner support allocation now correctly identified as a budget line. The Corporation accepted from management the assurance that the issues around this funding had been identified, corrected, no learner support had been impacted and that it was important to now recognise the current position.
- Governors sought, and were provided with, assurance and confirmation that the finances had been scrutinised in detail, line by line, and are now correct as there was a necessity not to have a repeat of some previous months during last year when figures fluctuated.

- The finance system was updated in January 2020 and this has helped with obtaining accurate information.

The Corporation noted Management Accounts as at 31 December 2019 and the key financial risks being managed and the mitigating actions being taken by the College.

7.20 ESFA INTEGRATED FINANCIAL MODEL FOR COLLEGES - IFMC

The Principal informed Governors that work is ongoing regarding the detail to be included in the IFMC 4 year forecast which is to be submitted to the Corporation for approval on 25 February 2020 and then to the ESFA by 29 February 2020.

It was noted that this plan is to provide rigour and assist the ESFA in monitoring all colleges' finances. The Principal confirmed that she is accountable for the IFMC being completed.

8.20 SWIMMING POOL

The Corporation noted that after 10 years of operation as a community organisation, the Community Pool in Waltham Forest College closed its doors on 31st January 2020.

The Principal then outlined the sequence of events leading to this decision, the implications and risks for the College arising from the pool closure and the community and press interest the closure has attracted, along with a fact sheet issued by the College highlighting that it was not the College's decision to close the pool.

The financial considerations associated with the pool closure were then outlined including outstanding VAT and utilities charges.

The Principal indicated that two parties have expressed an initial interest in re-opening the pool, but a formal process will have to be gone through if they wish to pursue this further. Meantime the pool is to be drained.

Governors then questioned management closely and expressed concerns on the reasons for this closure and associated press coverage, reputational damage to the College, issues regarding the lease and potential change in the CIC structure relating back to July 2019, the College being left to deal with a debt and why this was all not identified as a risk much earlier.

Assurance was given by the Principal that legal advice has been sought regarding the provisions in the lease in particular and that there is now a change to the way risk management is approached by management following external advice and subsequent training on risk for managers.

In response to a Governor's question regarding credit control, it was reported that this is carried out rigorously on a monthly basis and that there are no other large debtors. The Corporation requested that it be provided with further details of debtors.

The Corporation requested a report from the Senior Team on the headlines of lessons learnt from this event and what is now being done differently as a result.

The Corporation noted the update on the closure of the swimming pool, the actions taken and the proposed next steps.

20:15 LO & AR-T left the meeting

9.20 COLLEGE REPORT

The Corporation received an update on the College from the Principal with the following being highlighted.

The Interim Deputy Principal Corporate Resources, (IDPCR) Alastair Milloy, has secured a permanent position and, therefore, Andrew Haddon has been appointed by a Management as his interim replacement. Interviews for a permanent DPCR will take place on 25 February 2020.

Representatives from the ESFA visited the College on 30 January 2020 with the agenda including early intervention, recovery actions and financial implications going forwards, the FE Commissioner Diagnostic Assessment and updates on College recruitment, performance and the latest monthly Management Accounts.

Governors were informed that the ESFA focus on Cash Days indicated that 15+ days was just acceptable, although 20 days provided more comfort with 25/30 days seen as preferable. The College is currently working to increase its cash days and reforecasting monthly budgets.

Due to the concern around the College's cash days, the College has now received a formal letter from the FE Commissioner instigating a diagnostic assessment which is to take place on 2-3 April 2020. This will be an agenda item for further discussion at the Corporation meeting on 24 March 2020.

The DP Curriculum then updated Governors on the following curriculum issues is particular:

- Attendance continues to be a risk and remains under close scrutiny with the Scorecard indicating current data.
- Given the College's trend of poor progression, actions have been implemented to further address this.
- Overall forecast 16-18 achievement for the College is 88% and the new key performance indicator dashboard now allows for closer monitoring and transparency.
 - o Key areas of risk are Automotive, Construction and Electrical (ACE) and Leyton Orient Sport and actions are in place to mitigate the risks
- The schedule for each area's Curriculum Planning, which is taking place from 24-27 February, was noted and Governors were invited to join one or more of these sessions which will reference the planning of the content of the future offer and its design to aid progression.

Governors then discussed the RAG rating for progress and attendance and questioned what the mitigating actions being taken were. The DP Curriculum outlined the 'red flag' meetings, interventions and actions and the assessments which can be undertaken learner by learner to ensure better accuracy of forecasting achievement. Where progress is not being made, then performance management and formal intervention is taken.

A Governor then queried a risk indicated by the Principal with regard to motivating staff in uncertain times and how to ensure key staff do not leave. The Principal reported that there has been a review of pay anomalies and a report is to be presented to Corporation on 25 February. It was noted that at the Corporation Strategy Day staff salaries were a matter for discussion with Management strongly advising that it be addressed this year. It was also noted and acknowledged that in addition to salaries, the sentiment, college culture, sense of achievement etc all also impact on staff morale.

A Governor then questioned the amount and impact of the initiatives introduced following the staff survey findings last year. The strategies which have been put in place were noted and Governors concurred to engage with staff more in order to be better informed to establish any progress being made including with regard to culture and values.

It was noted that the next staff survey is due before Easter. Governors requested an update report on the initiatives which are now in place, for review at the Corporation meeting on 24 March 2020.

The Corporation approved the Safeguarding Policy.

The Corporation approved the Freedom of Information Act Policy.

The Corporation noted the Principal's report for February 2020.

10.20 GOVERNANCE UPDATES

The Corporation held a Strategy day on 25 January 2020 and agreed to re-establish the Strategy Group and to also set up Finance Working Group.

The Terms of Reference (both have no delegated powers) and membership of both groups were approved.

At the Strategy Day, the Corporation received presentations from:

- o Mary-Vine Morris (AoC), with a focus on the regional context, London scene, trends and challenges for the sector and horizon scanning.
- o LBWF context by Rebecca Davey (LBWF Director Employment & Skills) including changes, challenges, horizon scanning
- o WFC context by Joy Kettyle with a focus on College priority areas related to the 2019-22 Strategic Plan
- o A question and answer session followed with a focus on the expectations and areas for WFC to consider in the next 3-5 years

The recently publish DfE Insolvency guidance – January 2020 - was noted and that the Audit Committee will review this in further detail.

The recruitment timeline and selection panel for the appointment of a Deputy Principal Corporate Resources was confirmed.

The Corporation noted the additional Corporation meeting to be held on Tuesday 25 February 2020 at 7pm.

Governors were requested to complete the Self-Assessment of Governance for an Action Plan to be presented on 25 February.

The unconfirmed Audit Committee Minutes from the meetings held on 21 November 2019 and December 2019 were noted.

11.20 BOARD ASSURANCE REPORT

The Corporation noted the update on the recommendations arising from the recent Corporation commissioned external Board Assurance Report including:

- o Support has now been found to assist in the completion of the Integrated Financial Model for Colleges.
- o Up to date proprietary software for Finance, HR and MIS should be commissioned as soon as possible to ensure appropriate and accurate management information, however, this remains dependent upon available funds.
- o A Finance Working Group has been set up and will identify, with the SLT, and appropriate external advice as necessary, an updated, robust budget for 2019/20 and produce the required Integrated Financial Model, as referenced above, to provide Governors with confidence in and ownership of the exact position with regard to the college's finances.
- o Performance reviews of senior postholders with re-focused objectives for the remainder of the 2019/20 year and monthly monitoring. Update on targets have been requested and the Chair is to meet with SPH's to review and report back to Remuneration Committee.
- o It is likely that middle managers will need clear messages and support in implementing any programme of change which Governors decide to implement and this is to be part of a wider and imaginative development programme for all staff supporting a change in direction for the college, also addressing the issues raised in the Staff Survey earlier this year.
- o The Principal's reports to the Board are being reviewed for content and relevant focus with the Principal providing overall judgements of college performance, direction and risk in the key areas of finance, curriculum and quality.

21:10 JK/KU/FR/SM left the meeting

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

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SIGNED

The meeting closed at 22:00

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DATE

ACTION POINTS ARISING FROM MEETINGS OF THE CORPORATION

Minute No.	Issue and Action	Target Date	Achievement Date
44.19	<p>OPERATING PLAN</p> <p>Updated at each half term – to Corporation termly- include milestones</p>	Spring term 2020	
82.19	<p>COLLEGE REPORT</p> <p>Risk Register to be reviewed for comment by Audit Committee, then to Corporation</p>	10 March	
8.20	<p>SWIMMING POOL</p> <ul style="list-style-type: none"> • The Corporation requested further details of debtors • The Corporation requested a report from the Senior team on the headlines of lessons learnt for the swimming pool closure 	<p>24 March</p> <p>24 March</p>	
9.20	<p>COLLEGE REPORT</p> <ul style="list-style-type: none"> • FE Commissioner Diagnostic Assessment visit 2-3 April, to be an agenda item for 24 March Corporation meeting • Curriculum planning meetings – Governors invited to attend • Staff survey – update report on the initiatives in place 	<p>24 March</p> <p>w/c 24 February</p> <p>24 March</p>	
10.20	<p>GOVERNANCE UPDATES</p> <ul style="list-style-type: none"> • Strategy Group to meet • Finance Working Group to meet • Self- Assessment of Governance to be completed 	<p>February</p> <p>February</p> <p>25 February</p>	