

THE CORPORATION OF WALTHAM FOREST COLLEGE

MINUTES OF THE MEETING HELD ON 7 MAY 2019

MEMBERS OF THE CORPORATION

Youness Abidou	<i>apologies</i>	Member
Nadia Ahmed	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	<i>apologies</i>	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	<i>apologies</i>	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 present Clerk to the Corporation

IN ATTENDANCE

Lynda Croft present Deputy Principal Corporate Resources
Stella McManus *apologies* Deputy Principal Curriculum & Quality

13.19 APOLOGIES FOR ABSENCE

Apologies had been received and accepted from:

Youness Abidou- prior commitment
Steve Besley – work commitment
Oluwatosin Kuforiji- personal commitment
Tim Strong – holiday

There were no other apologies for absence.

14.19 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.

15.19 MINUTES OF THE MEETING OF THE CORPORATION HELD ON 26 MARCH 2019

The Minutes of the Corporation meeting held on 26 March 2019 were approved by the Corporation and signed by the Chair as a correct record.

16.19 ROUND TABLE MEETING HELD ON 26 APRIL 2019

The Chair reminded Governors that a Round Table meeting had been called in order to enable wider and more detailed discussions regarding key curriculum and financial issues and concerns, including a strategic approach to income streams.

The Principal then summarised the actions arising from this meeting, which had also included a separate finance related session for the Audit Committee members and the Chair of the Corporation, including:

- A review of the approaches to the introduction and implementation of significant new processes, software and procedures with UnitE moving to ProSolution and use of additional ProSuite packages
- Production of a formalised project plan, including a Gantt chart, to detail a phased approach which will form part of the Operational Plan
- Building in-house capacity for improving teaching, learning and assessment including developing a College professional learning mentor team

It was confirmed that the current and future systems are GDPR compliant.

The Corporation noted the actions being taken as a result of the Round Table discussions.

17.19 MATTERS ARISING

There were none.

18.19 COLLEGE REPORT

The Corporation received an update on the College from the Principal and the following points were highlighted in particular.

The College has implemented the statutory minimum 'national living wage'. The London living wage however, is not mandatory, and management indicated that after careful consideration, it was regrettably concluded that it could not be implemented at this time due to the initial cost impact (c.£35k per year) and the subsequent cost impact overall on the College when the knock-on costs related to other pay scale changes were factored in. on the College. Following discussion, the Corporation recommended that management re-consider this decision as a point of principle, and seek to find a way to build this additional cost regarding the London Living Wage, into the budget.

The College is currently listed on the Register of Apprenticeship Training Providers (RoATP) and has been invited to re-apply through the new ESFA application process. The Principal indicated that the College is performing well in this area, therefore the risk of being unsuccessful is not thought to be high and that the College should remain on the RoATP and access to apprenticeship funding will be uninterrupted.

Attendance continues to be a concern for the College with the analysis continuing to show a declining trend. This will be reflected upon and fully evaluated in the self-assessment process including any impact of interventions in-year. The Principal is to provide further detailed trend analysis in the next College report.

The apprenticeship update indicated that the College is on track to meet its allocation. There is a move towards direct delivery of apprenticeships which is a priority over the life of the new Strategic Plan and beyond. In response to a Governor's question, the Principal indicated that the current proportions of 80% subcontracting and 20% direct delivery are anticipated to be 50:50 in 3 years' time. The move towards the 20% target of direct delivery of the Adult Education Budget (AEB) in 2018/19 is currently indicating 19.69%.

The financial operating performance of the College as benchmarked against neighbouring London Colleges and Greater London Colleges indicated the following comparisons:

- WFC income is much smaller relatively
- WFC's lower than average cash balances
- WFC's much higher pay cost/income ratio
- A relatively high WFC pension deficit
- WFC's borrowings are much lower as a % of income.

Ofsted inspection results for September 2018 to 31 March 2019 were duly noted. In response to a Governor's question, it was noted that under the new Ofsted framework, a 'Good' College may not be inspected again for up to 5 years if the related annual risk assessments remain positive.

The College report included data from the Qualification Achievement Rates (QAR) and minimum standards which were published in April 2019, and allow the College to set benchmarks for achievement and provide comparisons with other providers.

The following comparative performance of the College highlighted in particular:

- The 3-year achievement rates trend shows a spiky profile
- Overall functional skills achievement is significantly above the national average due to the excellent adult achievement, whilst 16-18 is in line with the national average
- GCSE (high grades 9-4) – adult learners performed significantly better than 16-18's
- GCSE maths grades 9-4 are significantly higher than the national average
- Overall Apprenticeships achievement is above the sector average.

A Governor requested that the data also indicate courses.

The number of teaching, learning and assessment staff reviews completed to date was noted and their outcomes and priorities have highlighted use of technology, stretch and challenge and embedding maths as key areas for development.

Curriculum planning has been ongoing since January 2019 and the process and key changes were noted including re-introducing in 2019/20 full cost recovery and adult funded courses in a number of areas including construction, catering and hair and beauty.

The current data on applications is very positive compared to a similar time last year and attendance at Open Day events has increased significantly too.

Good news stories regarding students and staff were noted with the Principal drawing attention in particular to Shuaib Ahmed who won the "Staff Hero" award (from London Metropolitan University) in recognition of the support he has given learners, in the Big Ideas Competition for the past 4 years.

The Corporation then reviewed the RAG rated scorecard which identified 'red' for:

- 16-18 year old attendance
- Cash days in hand
- Long-term staff sickness absence with the question asked if this may impact on students. A breakdown is to be provided re sickness and include areas
- Academic performance in 3 areas is 'red' and targeted actions are in place.

An update on progress in apprenticeships is to be provided for the next Corporation meeting.

The College Report also included sector updates including the new intervention regime, announcement of the 12 Institutes of Technology and the launch of an independent Commission on the College of the future.

The Corporation noted the College report including the Scorecard.

19.19 COLLEGE OPERATIONAL PLAN 2019-2022

The Principal had provided Governors with an initial draft of indicative targets against measures for each of the five Strategic Objectives which are:

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

It was noted that the first draft of the Operational Plan will be presented at the Corporation meeting on 11 June 2019 for comment. Meanwhile, Governors were asked to send any further comments on targets and indicative measures to the Principal.

In response to a Governor's question regarding blended learning, it was noted that this is not intended to replace learning, rather to enhance more independent learning and offer flexibility.

Discussion was held as to how the draft numerical targets had been arrived at with the point being made that whilst being aspirational, they must also be achievable.

With regard to the 'People and Culture' objective, it was acknowledged that the results from the very recent staff survey will help inform the relevant success measures.

It was agreed that 'Employability and future careers' is to be brought back to the next Corporation meeting for further debate in particular on collaborative partnerships, future models and different ways of working. More thought may then be given as to meaningful partnerships and adding value moving forwards which will run in parallel with any numerical targets.

Growth and sustainability includes a reduction in subcontracting by 10% per year to at least 50% over the life of the 3-year strategic plan.

The Estates strategy includes developing 'shelf ready' projects and it was highlighted in particular that there is an urgent need to address the roof repairs and also the accommodation for the construction provision.

The Corporation noted the Strategic Priorities and the associated draft indicative measures and targets 2019-2022.

21.19 ALL STAFF SURVEY

In response to a request from the Corporation, an all staff survey had been undertaken immediately after the Easter break. QDP was used to enable the same questions and approach as previous staff surveys and therefore provide college comparisons and sector benchmarking since 2015.

The results from the survey had only just been received and, therefore, the Principal was only able to provide Governors with headlines at this stage with 5 key perturbing themes emerging:

- Pay discontent
- Teaching staff workload
- Senior Managers not providing clear direction and leadership
- Agency and interims costs
- Communications

Local line management has improved.

A more fulsome analysis including actions, is to now be undertaken and a detailed report will be presented to the Corporation at its meeting on 11 June 2019. Meanwhile, the survey findings are to be placed on the Corporation Sharepoint for Governors to forward any comments on to the Principal.

The Corporation noted the update on the staff survey.

22.19 INCOME AND EXPENDITURE 2018-19 - MONTHLY MANAGEMENT ACCOUNTS FOR 8 MONTHS ENDED 31 MARCH 2019

The Deputy Principal Corporate Resources provided the Corporation with a position statement on the financial performance of the College up to 31 March 2019.

At its meeting in July 2018 the Corporation agreed the budget for 2018/19 to generate an operating surplus of £131k from income totalling £21,589k. The full year forecast operating surplus is now c.£66k.

The College has achieved a year to date actual operating deficit of £571k, compared with the budgeted operating deficit of £613k.

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 'Good' financial health ranges between 180 and 231 points and in 2018-19 the College forecasts it will achieve a draft score of 180 points. The very narrow headroom was acknowledged.

Income was 2.2% lower than budgeted and all ESFA income including AEB and apprenticeship delivery is being closely monitored to ensure the College's funding allocations are delivered and achieved.

Year to date pay costs, before restructuring costs, were £159k higher than budgeted, however, the adverse variance is forecast to reduce during the remaining months of the year.

Non-pay operating expenditure was substantially better at £545k lower than budgeted.

The Corporation was then informed of the challenging cashflow position during March 2019 and noted the explanation for this. Cash flow has now reverted to its normal profile, however, the cash flow constraints remain under close review. Reference was then made to a recent ESFA publication providing guidance on intervention and Governors' responsibilities which were acknowledged.

A Governor queried the restructure costs of £250k, being £150k higher than originally budgeted. The Deputy Principal indicated that it is anticipated these costs will be contained within the £250k.

The Corporation noted the withdrawal of the bid to the GLA for capital grant monies and was informed that the GLA is planning another capital bid round for smaller projects of c £200k, expected in the Autumn of 2019.

As part of the Estates strategy, the College is developing 'shelf ready' projects including the refurbishment of the West Wing and the Construction area.

Discussion was then held on pay cost ratios which show a month on month improvement but there is still work to do regarding own delivery, increasing group sizes, staff utilisation and growing income streams.

The Corporation:

1. Received and noted the Management Accounts to 31 March 2019;
2. Noted the key financial risks being managed and the mitigating actions being taken by the College.

22.19 PENSIONS ISSUES FOR COLLEGES

The Deputy Principal Corporate Resources provided the Corporation with a presentation on pensions including the Teachers' Pension Scheme (TPS), the Local Government Pension Scheme (LGPS) and pension regulations.

Governors were informed that the TPS employer contribution rate is set to increase from 16.4% to 23.5% which is an additional cost of c.£2k per teacher and c.£240k pa cost to the College.

The Government has indicated that it will cover this increase in costs for all colleges for the first year, until July 2020, but there is no certainty regarding funding thereafter and this will need to be factored into future budget planning.

For the LGPS, and the College in particular, there are fewer active members, College insolvency has increased the risk and colleges are under pressure to pay back deficits faster and to make cash payments or pledge assets as security against their pension liability.

The Corporation noted the update on pensions.

23.19 GOVERNANCE ISSUES

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

1. A verbal update from the Remuneration Committee meeting held on 2 April 2019 which discussed:
 - Senior Post Holders – probationary review and also progress against targets
 - AoC Code of Governance - Senior Staff Remuneration Code and guidance
 - Remuneration Committee Terms of Reference
 - AoC Model Grievance and Disciplinary procedures and guidance for Senior Post Holders which had been circulated to the Senior Post Holders and Clerk for consultation
2. **The Corporation approved the revised Terms of Reference for the Remuneration Committee for immediate application;**
3. **The Corporation approved the Grievance Procedure and the Disciplinary Procedures for Senior Post Holders;**
4. The Corporation received and noted the unconfirmed Minutes of the Audit Committee meeting held on 12 March 2019;
5. **The Corporation approved the schedule of Corporation meetings, schedule of business and committee membership for 2019-20.**
6. Noted the training undertaken by Governors and their attendance at meeting and events during 2018-19.

24. 19 ANY OTHER BUSINESS

There was none

21:00 LC left the meeting

25.19 CONFIDENTIAL STAFFING ITEM

The meeting closed at 21:15

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	PRINCIPAL'S REPORT It was agreed that the Principal provide an update on the Ofsted framework consultation at a future Corporation meeting.	7 May 2019 Now Sept 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	
16.19	ROUND TABLE MEETING Principal to provide a detailed update of the actions being taken arising from this meeting	June 2019	
18.19	COLLEGE REPORT - LONDON LIVING WAGE Following discussion, the Corporation recommended that management re-consider this decision as a point of principle, and seek to find a way to build this additional cost regarding the London Living Wage, into the budget.	June/July 2019	
18.19	COLLEGE REPORT – ATTENDANCE Detailed trend attendance analysis requested	June 2019	
18.19	COLLEGE REPORT – STAFF SICKNESS ABSENCE Long-term staff sickness absence with the question asked if this may impact on students. A breakdown is to be provided re sickness and include areas.	June 2019	
18.19	COLLEGE REPORT Update on Apprenticeships	June 2019	
19.19	COLLEGE OPERATIONAL PLAN It was agreed that 'Employability and future careers' is to be brought back to the next Corporation meeting for further debate in particular on collaborative partnerships, future models and different ways of working. More thought may then be given as to meaningful partnerships and adding value moving forwards which will run in parallel with any numerical targets.	June 2019	
21.19	ALL STAFF SURVEY Detailed analysis and action plans.	June 2019	

