



THE WKCIC GROUP BOARD: 19th OCTOBER 2017

MINUTES

- PRESENT** Catherine Boyd-Maunsell, Shane Chowen, Alastair Da Costa (Chair), Ruth Duston, Joel Featherman, Heather James, Mike Magras, Simon Pitkeathley, Amelia Sussman, Fiona Thompson, Professor Anthony Smith, Kay Willis, Andy Wilson, Mike Magras, Pamela Toluwa Esoimeme
- IN ATTENDANCE** Claire Collins (Group Director, HR and OD), Graham Drummond (Clerk), Paul Fegan (MD CCCT), Grant Glendinning (Interim Principal, City & Islington College), Caireen Mitchell (Group Director Planning and Performance), Marcus Holder (Interim Group Finance Director), Julie Ellis (Deputy Clerk), Nirmal Borkhataria (Designate Group Finance Director)
- APOLOGIES** Dr Leslie Brissett, Dame Martina Milburn, Kim Caplin (Principal, Westminster Kingsway College), Ozlem Top

INTRODUCTIONS

The Chair extended a welcome to Paul Fegan, the Managing Director of CCCT since 24th July 2017 and Pamela Toluwa Esoimeme, the recently-elected WKC student governor.

It was further noted that this was Shane Chowen's first Board meeting since becoming the chair of the Group's Curriculum and Performance Committee.

DECLARATIONS OF INTEREST:

- Simon Pitkeathley, is Chair of ESF funding at the Greater London Assembly, see item 15.

Section 1: Items for Discussion and/or Approval

- 1. MINUTES OF THE MEETING HELD ON 12th JULY 2017**
The minutes and confidential item of the Board's meeting on 12th July 2017 were **agreed** as an accurate record.

Section 2: Items for Discussion and/or Approval

- 2. MATTERS ARISING**
The Board noted that:
 - With respect to item 1 - Those governors who have not yet completed the online training modules on safeguarding and PREVENT provided by the Education and Training Foundation have been contacted with instructions on how to do so.
- 3. STUDENT REPORTS**
The CIC and WKC student reports were received and considered. The Board was pleased to note the many positive stories reported about the activities engaged in by students.
- 4. CEO'S UPDATE TO THE BOARD**
The Chief Executive presented an update to the Board. The Board noted:
 - Recruitment of 16-19 year olds remains strong, but the Group has fallen short of target in respect of apprenticeships, FE loans and HE; some courses have had to be withdrawn and others continue to be closely monitored;

- Higher Education and Access to Higher Education courses are recruiting poorly. HE recruitment within the sector has fallen over the last three years. The Group is currently reviewing its offer in areas such as general HE and level 3 adult provision with a view to focusing on niche provision in areas such as culinary arts, applied science and British Transport Police officer training;
- An expression of interest to become an Institute of Technology will be submitted to the Department of Education, with the purpose of enhancing the traditionally strong offer at CAS and other STEM related courses across the Group. The full prospectus for application is expected to be published in the near future;
- Apprenticeships are down 20%; this compares to the 61% reduction nationally since the levy was introduced. CONEL's apprenticeship offer continues to grow;
- The use of apprenticeships has been focused on existing staff rather than younger people and new entrants to the workforce. The degree-level MBA apprenticeships offered by Cranfield University appear to be an effective way for employers to use their levy allocation for existing staff.

5. **MANAGEMENT ACCOUNTS YEAR ENDING 2016/17**

The management accounts for the year ending 2016/17 were considered and received. The Board noted:

- While the Group remains in "outstanding" financial health according to the ESFA standard, it is on course to produce an operating deficit of £1.4m (after merger costs) for the year against a budgeted operating surplus of £2.5m, with total income down by £4.9m;
- The divergence between the budget and the year-end figures can be attributed to factors including the difficulties of harmonising different recording practices of the colleges in the first year post-merger, over-optimistic income targets and insufficient rigour in challenging forecasting;
- Income in respect of 16-18 students was strong. Subject to final reconciliation, the Group looks likely to exceed the 97% target required to avoid clawback of funds for the Adult Education Budget (AEB) but fell short of target in respect of apprenticeships, commercial income and FE loans;
- The Group will focus on forecasting and managing costs more closely to prevent a recurrence in future years. The audit committee meeting will focus on the controls in place at an early stage of the academic year at its November meeting.

6. **ENGLISH AND MATHS RESULTS**

A report on GCSE English and maths results was considered and received. The Board noted:

- Results declined from the previous year across the Group by 2% from 86% to 84% in English and remained static in maths at 80%. These figures are 3% above and 1% below the most recently available national benchmarks for English and maths respectively;
- There has been a considerable increase in the number of entrants for GCSE exams. The decline in the A*- C pass rate may in part be attributable to students who would have previously undertaken level 2 functional skills, being entered to improve their GCSE results;
- The Group has difficulty in retaining teachers throughout the year due to the general shortage of qualified teachers and the approximately £5K differential between school and college teacher salaries; in exceptional cases, the Group can and will offer higher salaries to attract the right candidates.

7. **BOARD ORGANISATIONAL BUSINESS**

Reports on membership update, the Governance Review: College Boards, Board Member Engagement and the Governance Self-Assessment Report were considered and received. The Board noted:

Membership update:

- Assuming that the merger with CONEL goes ahead a number of membership appointments were recommended (see minute for item 17). CVs for these candidates were attached. The Chair has met or will be meeting with the new members;
- The co-opted audit vacancy has been advertised and circulated, but has not yielded any applications and the CONEL incumbent will not be seeking election. All present were asked to distribute the details of the vacancy to their networks and its advertisement will be renewed

The Board agreed with the recommendation that Anthony Tomei is to join the CIC College Board and step down from the CCCT Board.

Governance review: College Boards:

- The Governance review was approved at the Board meeting of 12th July. Phase 1 has commenced with the re-drafting of advisory board terms of reference, which have been reviewed and recommended by the Chairs' Group;
- The new terms of reference will operate on a pilot basis for this academic year. Boards will be known as college rather than advisory boards. Oversight of academic achievement and the student experience will be delegated to the college boards to ensure that the governance structure provides sufficient challenge. The self-assessment report and oversight of the risk college register will transfer to college level.

The recommendation of the Chairs' Group to adopt the terms of reference for the academic year was **APPROVED**.

Board member engagement:

A report designating responsibility to board members for particular areas or concerns of the Group outside of meeting times was received and considered. It was noted:

- The purpose of this was to ensure that board members engaged in activities outside of meeting times to improve their knowledge of the Group. Board members would have more expertise and empirical evidence to call upon when feeding back at meetings. Governors have been allocated to areas with which they are already familiar.

Governance Self-Assessment Report:

A summary analysis of the responses from the survey, conducted online through Survey Monkey, was presented. From the responses so far received, it was noted:

- Many high individual scores were given in respect of Board and committee leadership and monitoring student performance. The question concerning the relationship between the Executive and the Board attracted divergent scores;
- The results will be referred to in the college self-assessment and must appear in the financial statement. It was suggested that a KPI could be formed around the completion rate for this survey.

8. NORTH LONDON MENTOR TRUST

A report was presented on bank accounts held by City and Islington College in the name of The Mentor Trust. The Board noted:

- In around 2001, CIC received a capital grant from the Millennium Fund to construct a leadership centre at the Camden Road site to mentor ethnic minority students. Initially the new building was leased to a third party, the Millennium Commission, to operate the centre, but by the mid-2000s, CIC had taken over responsibility, and bank accounts in the name of "The Mentor Trust" had been inherited;
- CIC wrote to the Millennium Commission to confirm what, if any, were its obligations under the scheme, with no response. CIC rebranded the centre as a Higher Education hub. The bank accounts with funds of £60,000 have remained unused for years; the Group wishes to obtain assurance that these funds can be used;
- Barclays Bank are seeking an indemnity against financial loss if a third party subsequently lays claim to the funds before it allows the Group to secure ownership. It has asked that one or more named individuals be authorised by the Group to sign an indemnity in the event it were needed;
- At its meeting of 3rd October 2017, the Finance and Resources Committee agreed to recommend to the Board that Andy Wilson and Nirmal Borkhataria be authorised to do so.

It was **RESOLVED** that Andy Wilson and Nirmal Borkhataria are, in respect of these funds, individually authorised to sign, on behalf of The WKCIC Group Corporation, any document relating to the operation of the organisation's bank accounts and two indemnities for the release of funds with Barclays Bank PLC.

Section 2: Items for noting and questions

9. STUDENT SATISFACTION

The results from a series of student satisfaction surveys and the summary report for student complaints were considered and received. The Board noted:

- The results were considered to be largely self-explanatory. CONEL has been identified as the FE college with the highest satisfaction rate in England.
- Student satisfaction results at CIC have been disappointing and an action plan has been implemented by the College's management team to address concerns identified as part of this survey.

10. HUMAN RESOURCES

A report on the results of the 2017 staff survey with an action plan and a pay award update were considered and received. The Board noted:

- The response rate was 48% which is higher than previous participation levels from either college;
- Employees are generally content about the nature of their work, though many regard salaries as low and the organisation as understaffed. They tend to be more positive about what is personal to them, such as relationships with immediate managers than matters they perceive to be outside their control, such as vision or leadership and the evolving organisational structure;
- Some staff feel remote from senior managers; communication generally is an area requiring improvement;
- The action plan addresses areas of concern raised by staff, proposes a specific response and allocates responsibility for implementation with a timeline. There will be specific communication with respect to the survey results;
- The AoC recommended a pay rise of 1% or £250, whichever is higher.

The Board **adopted** the AoC's recommendation on staff pay.

11. ENROLMENT UPDATE

An enrolment update was received and noted, as the issues addressed were covered by the CEO in his update to the Board (item 4, supra).

12. ANNUAL SAFEGUARDING REPORT

A report on safeguarding with the annual reports of City and Islington and Westminster Kingsway Colleges attached were considered and received. The Board noted:

- The reports had been subject to scrutiny by the Curriculum and Performance Committee at its meeting of 4th October 2017;
- Extra focus is being given to the issue of mental health, as a high rate of referrals relate to mental health problems.

13. OPERATIONAL PLAN

- The Board received and noted a draft report, which focusses on objectives for year one of the new three-year Strategic Plan.

14. AUDIT PLANS

The internal and external audit plans were considered and received. The Board noted that:

- The plans were adopted by the Audit Committee at its extraordinary meeting by way of telephone conference of 27th September. The Board would have benefited from a brief cover paper on the reports;
- The audit committee had agreed that the focus of the internal audit in the first term would be budgeting and early in the second it would be forecasting;
- The implementation of the EU Directive on the General Data Protection Regulation into domestic law in May 2018 is an area that requires considerable focus in terms of risk. The Group will have to justify and obtain explicit consent for the retention of data and self-report certain breaches, at the risk of significant fines if found to be in default.

15. CAPITAL PROJECTS AND IT

An update on capital projects and IT was considered and received. The Board noted:

- CONEL's unsuccessful bid for funding from the Mayor of London's capital fund to support the costs of the Tottenham site re-development would not result in the Group using its reserves to fund the works. The Group are confident that a renewed application, project managed by JLL, will be more likely to succeed.

16. DEVELOPMENT AND INNOVATION FUND

A report on the Group's Development and Innovation Fund was noted and received. Applications for funding, many of which related to IT and technology, appear to be appropriate and well considered.

Section 3: Substantive item – for discussion and approval

17. COLLEGE OF HARINGEY, ENFIELD AND NORTH EAST LONDON

The following reports were considered and received:

- A cover report which provided an update on the legal and financial due diligence carried out on CONEL along with details of the proposed resolutions for this agenda item;
- A Key Performance Indicator (KPI) analysis of CONEL and CCCG;
- A Transfer Deed.

The Board noted the following:

- The publication of the results of the statutory consultation exercise undertaken by the Corporation of The College of Haringey, Enfield and North East London (as required under The Further Education Corporations (Publication of Proposals) (England) Regulations 2012);
- The carrying out of legal and financial due diligence exercises in respect of the Corporation of The College of Haringey, Enfield and North East London;
- The publication of the draft resolution of the Corporation of The College of Haringey, Enfield and North East London to dissolve and provide for the transfer of its assets, rights and liabilities.

The Board RESOLVED unconditionally:

- To merge with the Corporation of the College of Haringey, Enfield and North East London with effect from 1st November 2017, with the Corporation of The College of Haringey, Enfield and North East London dissolving at one minute past midnight on 1st November 2017 and its assets, rights and liabilities transferring immediately before that time to The WKIC Group;
- That after due consideration of the Transfer Deed and ancillary documents, that Alastair Da Costa (Chair) and Andrew Wilson (CEO) be authorised to sign the attached Transfer Deed and to take or authorise any further or additional steps related to the proposed merger which may not have been otherwise covered by the above resolution, including but not limited to the execution and approving the terms of associated documents and contracts.

The Board also approved the following appointments as of the 1st November 2017, as detailed within item 7 of this meeting:

- Sarah Ebanja to join the Board and to chair CONEL College Board and to join CCCG's Chairs' Group;
- Maarten Zuurmond to join the Board and the Audit Committee;
- David Triesman to join the Board;
- Keith Brown to join the Board and the Finance & Resources Committee;
- Pirandeep Dhillon-Starkings to join the Curriculum and Performance Committee and the Remuneration Committee on a co-opted basis;
- David Wyatt to join the Training Board on a co-opted basis.

These appointments are made until 1st August 2018, at which point they will be subject to review.

The Board noted that Andy Forbes would continue as the College Principal of the College of Haringey, Enfield and North East London and on an interim basis, would also become the College Principal of City and Islington College until such time as a permanent appointment is made. The Board approved his appointment as a senior postholder.

The Board further agreed that all policies and procedures of the College of Haringey, Enfield and North East London at the date of transfer are to continue to apply to the College of Haringey, Enfield and North East London's staff, students and operations until 31st July 2018, unless amended earlier, with the exception of the College of Haringey, Enfield and North East London's Financial Regulations, Safeguarding and Promoting the Welfare of Children and Vulnerable Adults Policy and Health and Safety Policy Statement which will each be replaced on the date of transfer by the relevant policy of The WKCIC Group. With respect to the CCCG financial regulations CONEL's signatory arrangements for amounts not requiring governor approval would remain in place until such time as the staffing arrangements within the respective finance teams have been harmonised.

This will be the penultimate and the last Board meetings for Grant Glendinning and Marcus Holder respectively.

Grant Glendinning, Interim Principal of City and Islington College, will be leaving at the end of this year to take up the post of Principal of Carlisle College. The Chair congratulated him on this appointment and thanked him for his long and invaluable association with the College and contribution to its success.

Marcus Holder, Interim Director of Finance, will be leaving the Group at the beginning of November. He was thanked for his endeavours and good humour in assisting the Group.

The next meeting will be on Wednesday 13th December 2017 at 6pm, venue to be confirmed.

Signed as a correct record: _____

Alastair Da Costa, Chair of the Board