

## CAPITAL CITY COLLEGE GROUP BOARD: 30<sup>th</sup> OCTOBER 2020

<b>PARTICIPANTS</b>	Alastair Da Costa (Chair), Roy O'Shaughnessy (CEO), Amelia Sussman, Amanda Dickens, Mel Brookstone, Chris Hyams, Shane Chowen, Lisa Weaver-Lambert, Maarten Zuurmond, Sanna Jordansson, Colin Booth (as Advisor)
<b>IN ATTENDANCE</b>	Kurt Hintz (Executive Principal), Graham Drummond (Director of Governance), Pablo Lloyd (CEO, Visionnaires) [item 5.1], Simon Evans (Director of Financial Services) [items 4 and 6], Nick Carey (Chief Commercial Officer) [item 5.2], Amanda Cowley (Director of Human Resources and Organisational Development), Graham Cooper (Deputy Clerk)
<b>APOLOGIES</b>	Lord David Triesman, Anthony Smith, Sarah Ebanja, Anthony Impey, Sharon Saxton, Rachael White
<b>DECLARATIONS OF INTEREST</b>	None

### 1. MINUTES OF THE MEETINGS HELD ON 8<sup>th</sup> JULY 2020 AND 25<sup>th</sup> SEPTEMBER 2020

The minutes of the meetings of 8<sup>th</sup> July 2020 and 25<sup>th</sup> September 2020 were both approved and will be signed as an accurate record.

### 2. MATTERS ARISING

The Board noted the following:

- With respect to the meeting on 8<sup>th</sup> July 2020:
  - Item 5:
    - A pay and reward strategy is being developed and will be considered by the Remuneration Committee in due course. Amended terms of reference were included as part of item 9.2;
    - A working party consisting of members of the Search and Governance Committee and the Chair of the Remuneration Committee is considering the process for appointing an Executive Principal, as will be reported as part of the CEO's report;
    - With respect to the use of a loan facility provided by Reliance Bank, the Finance Oversight Group has decided that it should not be used at this time. The Board also noted that a retendering of bank services is due to be carried out in the first part of 2021;
  - Item 7: MacIntyre Hudson have been appointed as the Group's new external auditors, in accordance with the email sent to Board members on 17<sup>th</sup> July.

The Chair gave a verbal update from the Search and Governance Committee following a meeting which had taken place two days previously. Following the recommendation made by the FE Commissioner that the Board's membership would benefit from the addition of someone with senior FE expertise, it was recommended that Colin Booth, CEO of Luminare Education Group, be appointed as an advisor to the Board. This was approved by the Board. Colin joined the meeting and was welcomed by members. The Chair further reported that:

- With respect to appointing members from a BAME background, an advert for an additional Board member will be drafted. Board members will be encouraged to bring this opportunity to the attention of suitable individuals from their own networks.
- Six applications have been received for the student board member vacancy and interviews are to take place within the next two weeks.

Lastly, it was reported that the Committee had reviewed the role played by the College Education Boards. The Board agreed with the committee's view that their role has been superseded by the Quality Oversight Group. The Board recognised the important role played

by the education boards with respect to stake engagement and the oversight of curriculum, but agreed with the recommendation that this responsibility is an executive function and the outcomes are to be reported to the Board. It was agreed that the education boards would continue until the end of the calendar year, so that the college self-assessment reports could be signed off.

All other matters arising were included within the agenda.

### 3. **QUALITY OF TEACHING AND LEARNING**

A report was received and considered. The following was noted:

- The Group had made a decision to provide learners and teachers with support for online learning two weeks ahead of the March Covid-19 lockdown starting. This had included support relating to the use of MS Teams and Google Classroom delivery platforms, some digital skills that are required to run classroom sessions and ensuring that learners and teachers are able to access networks from home.
- Following lockdown, a Blended Learning Group was set up to address the challenges being faced, to ensure that learners and teachers are well supported and to provide protocols to safeguard staff and students;
- Despite the Group's best efforts to support home learning by providing laptops through bursary schemes and on a loan basis, around 30% of learners were using mobile phones to access online lessons.
- Although learners have responded well to online learning, feedback suggests that the majority of students prefer face to face lessons. Whilst a blended approach to learning is being used, robust operational arrangements have been put in place to ensure that face to face teaching is provided in a safe and socially distanced manner. The Group is complying with the DfE and GLA guidance, with c. 65% of learning across the group being delivered face to face.
- Attendance is currently c. 78% across the Group, significant below the 90% which should be expected. Data emerging from other colleges and sixth forms is that this is not uncommon, but as attendance is a significant driver of achievement, this will need to be addressed, if necessary by returning to a higher proportion of face to face lessons. It is not yet possible to assess learner progress through online lessons compared with face to face lessons, but comparative data will be available shortly and will be reported to the Board.
- A new Teaching and Learning and Assessment (TLA) policy has been developed based on the OKSAR coaching model. The new policy will decouple raising the quality of teaching and learning from the staff capability policy. It is expected that following consultation, the new policy will be implemented from December.
- There is a significant amount of staff CPD taking place. A whole staff training day took place during July and a second day is scheduled for 23<sup>rd</sup> October, partly focused on the coaching methodology of the new TLA policy.
- A two-day Ofsted visit has recently taken place, with a good dialogue on the key areas reviewed and strong feedback. The visit was part of Ofsted research into how colleges are coping with Covid restrictions. A report is expected within a month.

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The Board asked for further detail about steps being taken to equip disadvantaged students with laptops for use at home. The Executive Principal explained how the Group is rolling out 2,000 refurbished laptops to students under bursary schemes, and is making a further 2,000 available on a loan basis, but that this was far from sufficient, given the scale of the issue. Ongoing efforts were being made to secure grants from private sector businesses and educational trusts, but with c 25-30% of students still accessing online learning through the use of mobile phones; concerns remain as to the impact on those learners, particularly in the event of a further lockdown.

The Board also discussed ways in which the Group is able to play a role in helping to support the significant number of people who are expected to become unemployed over the next 6 months, along with many 16-18s who are at risk of becoming not in education, employments or training (NEETs). The Executive Principal explained the Group's plans, which include the use of the Group's dormant Apprenticeship Training Agency as an employer under the

Government's Kickstart scheme with a minimum of 30 jobs or to act as a representative for employers.

Shane Chowen, as Chair of the Quality Oversight Group reemphasised the level of scrutiny that is now being applied to quality and that its members are keen to support a consistent approach to raising the standard of teaching and learning across the Group. This includes monitoring the approach being taken to face the challenges of the pandemic and ensure that all students are being supported, including those who are vulnerable or disadvantaged.

#### **4. FINANCIAL OVERSIGHT**

##### **4.1 FINANCIAL PERFORMANCE REPORT**

The Board received and considered the Finance update. The following was noted:

- Management Accounts for the two months to 30<sup>th</sup> September 2020 showed a Group operating deficit of £1.8m. This is a positive variance of £1.4m to the budget deficit of £3.2m for the period, although a number of income lines are still estimated as the first ILR is not due until the end of November at which stage the numbers will be confirmed and adjusted as necessary.
- Analysis within the report indicates that all colleges in the Group are below budget in relation to income, but have managed expenditure well, resulting in the positive variance in the operating deficit.
- Key financial risks and uncertainties to achieving the 2021 budget have been identified and mitigation plans are in place. At the present time, the Group still expects to achieve budget, resulting in a Good Financial Health as rated by the ESFA, although there remain uncertainties regarding the ongoing impact of the Covid-19 pandemic.
- The current position is an improvement on prior year, not only in terms of financial performance, but also with respect to the quality of financial information being reported to the Board.
- A timeline for the full reforecast post RO4 ILR at the end of November was outlined.
- With respect to the 2019-20 financial year, the audit is being concluded, with the close-out meeting with the auditors scheduled for 3<sup>rd</sup> November, to agree any final adjustments. In the absence of any material adjustments, the Group is expecting to report an operating deficit of c. £4.3m before the FRS 102 pension adjustment.

The Board queried whether the EBITDA calculation in the financial reports was education specific, as would be used by Ofsted for comparative benchmarking with other colleges. It was noted that the impact of restating this on a purely education specific basis would be to reduce the figure by c. £400k.

##### **4.2 ENROLMENTS AND FUNDING 2020-2021**

The Board received and considered a report and noted:

- With respect to 16-18 learners, the Group's funding for 2020-21 is guaranteed based on 2019-20 enrolments, but current year enrolments will determine funding for 2021-22. The enrolment period has been extended until November which has had a limited impact. The latest estimate is that 16-18 learners will be down by 324 from 2019-20, which will mean a reduction in funding of £1,865k for 2021-22 compared to the current year. Given the one-off reduction, attributed to the impact of Covid-19, the Group is making strong representations to the ESFA for some protection of funding.
- With respect to Adult Education Budget (AEB) enrolments and funding, enrolments are 5.4% down on 2019-20, and are estimated to be similarly down for the full year. The Group is expecting to deliver 96% of AEB provision, which is above the 90% threshold already announced by the GLA, meaning that it is not expected that funding will be impacted.
- For adult learner loans, a shortfall of £272k is estimated for the year.
- For HE learner loans, there is a shortfall of £311k against target.
- Programme funding for carry-over apprenticeships from last year is higher than plan by £291k.
- For international, commercial and full cost recovery courses, the estimated shortfall is £176k.

The net impact on current year income is -£468k, although there is a long way to go to deliver the provision related to these forecasts. The risk of a further Covid-19 lockdown

remains significant and therefore the potential for under-performance remains high. Additionally, for 2021/22, based on the lagged learner methodology for 16-18s, the current forecast is a reduction in grant funding by £1,865k.

## 5. CEO AND GLT REPORTS

The CEO provided a general verbal update, in addition to the item-specific reports on the agenda. The Board noted:

- With respect to the recruitment of an Executive Principal on a permanent basis, a Job description has been drawn up and is to be considered by the Search and Governance Committee. Colin Booth will also be asked to review the job description and to provide any observations.

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### 5.1 VISIONNAIRES

This item is the subject of a separate confidential minute.

### 5.2 STRATEGIC PLAN

The Board received a consultation paper relating to the Group's strategic plan and noted:

- The current CCCG plan comes to an end in 2020. The paper included a summary of research undertaken to date and an outline of the key challenges that the new strategic plan needs to address to deliver on the ambition of the merger.
- The GLT believes that CCCG's existing vision and mission statements are still pertinent and relevant for period to be covered by the new strategic plan.
- Five strategic priorities are proposed for 2020-23, all relating back to how the Group can improve its learners' experience and journey:
  1. For the Group's learners to experience at least consistently good education
  2. For the Group's learners to have an excellent education experience and gain the skills to compete in London's workplace
  3. To be a financially and environmentally sustainable College group
  4. To be one cohesive organisation with effective, integrated and efficient systems
  5. To have an engaged high performing and skilled staff team

Each of these strategic priorities is underpinned by a number of specific strategic objectives.

- Significant research has taken place on the Group's values, both through a values survey 18 months ago and a broader more recent piece of research with internal and external stakeholders. Further work will take place to turn these values into behaviours which will help learners to excel and for staff to fulfil their roles successfully.
- Based upon this work, consultation is now proposed, including with a range of key stakeholders, in order to:
  - reaffirm that the existing vision and mission statements are still relevant and fit for purpose.
  - confirm that the strategic priorities and actions are appropriate and capture all relevant major issues.
  - reaffirm that the values are fit for purpose.

and in relation to each of these, to consult further on the level of agreement regarding any changes.

The Board discussed the best approach to enabling Board members to participate in the consultation. It was agreed that small discussion groups will be set up comprising Board members and also internal and external stakeholders, with the feedback to come back to the Board in December. The time previously scheduled for a Board workshop on 13<sup>th</sup> November will be repurposed. The Board asked that demographic data and information on current trends in the labour market in the boroughs that the Group serves is provided to support discussions, and also emphasised the need for due regard to ED&I issues in the consultation process. The Director of Governance and the Chief Commercial Officer will liaise with Board members with respect to the groupings and timetable for consultation discussions and on the information to support these.

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### 5.3 COLLABORATION WITH OTHER COLLEGES AND PARTNERS

The CEO apprised the Board of discussions on potential collaborations. He advised that he had met with Colin Booth (CEO of Luminare Education Group), who had now agreed to act

as advisor to the Group Board, Liz Bromley (CEO of NCG) and John Thornhill of the LTE Group. These discussions were useful opportunities to share ideas, consider innovation and to look at systematic approaches to steering the activities of large college groups. Other discussions are planned with other colleges, including with Sally Dicketts (Group Chief Executive of Activate Learning and President of the AoC). Opportunities for close collaboration with local authorities, including with Islington, Westminster and Camden Councils are also being pursued.

#### **5.4 REGENTS PARK UPDATE**

A verbal update was provided and the Board noted:

- The Group's architects had continued to work on the design of the proposed new Regents Park building, including holding discussions with planners, so that the strategic importance of the development is understood prior to a pre-planning submission.
- A first meeting of the working group comprising members of the Board had been held and work would be progressed leading to an options appraisal to include alternative strategies with regard to development or disposal of the site (potentially with planning permission) and a possible joint venture approach.

#### **5.5 KIER UPDATE**

A verbal update was provided and the Board noted that work was ongoing on a strategy for bringing together the Group's various external contracts in-house in a separate commercial entity, which would include the major facilities management contract with Kier. The Board would be apprised of developments as the work progresses.

#### **5.6 FE COMMISSIONER**

The Board received and noted a schedule of responses and actions to address recommendations made by the FE Commissioner. Four commissioners are due to undertake a further visit on 5<sup>th</sup> and 6<sup>th</sup> November. All information requested in advance for the visit has been submitted online as required, a preparatory meeting has been held with all college managers and a meeting of members of the Board and GLT is scheduled. The CEO advised that he considers that he, the GLT and the Board are now well prepared for the visit.

### **6. LEGAL CHARGE ON THE CENTRE FOR BUSINESS ARTS AND TECHNOLOGY (CBAT)**

A report was received and considered:

- The Board was asked to approve the granting of a legal charge in favour of the London Pension Fund Authority (LPFA) on the CBAT premises, the purpose of which is to support the Group's obligations with respect to the pension fund. The request had originally been considered and approved by the Board on the recommendation of the Finance and Resources Committee in 2017, but there had been delays and due diligence had only just been completed. Given the passing of time since the original agreement, it was considered that the Board should be asked to reaffirm its original decision. The current proposal had been reviewed in depth by the Financial Oversight Group, which had recommended final approval by the Board to proceed.
- The rationale for granting the legal charge was a saving of £750k in annual contributions by the Group to the LGPS pension scheme. Since 2012, the amount of annual contributions by employers had been set according to LPFA's categorisation of each employer. The Group would be able to retain its category A status by granting security, typically in the form of a charge over buildings, to cover 70% of cessation liabilities. Previous arrangements had ceased to be adequate following CONEL joining the Group. Recently, the Group had achieved some success in getting the LPFA to reduce its estimate of the Group's cessation liability, and granting a legal charge to the LPFA on the CBAT building would now adequately meet the requirements to secure the £750k annual saving in contributions. The CBAT building had been identified as the most appropriate site for this purpose as there are no current plans for any significant development of the site. The LPFA were unwilling to amend the wording of the legal charge to include an option to replace the CBAT building with another site if plans change, but the Financial Oversight Group recommended that at least a side letter to that effect should be sought, in order to provide some comfort.

The Board confirmed its full understanding of the effect and implications for the Group of the legal charge.

The Board **APPROVED** the granting of a legal charge over the CBAT site in favour of the LPFA and authorised the Chair and the CEO to execute this charge as a deed. The following further resolutions were further approved:

- That the authorisation of the associated certificate be delegated to the Chair and the CEO, and that this certificate be issued by Michelmores LLP;
- The legal charge is to be registered against the registered titles in respect of the CBAT property.

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It was further agreed that the best efforts should be pursued to obtain a side letter from the LPFA granting the College with the option to substitute the charge over the CBAT site with a charge over an alternative site, so as to provide the Group with flexibility in the event of a change to its property strategy. The Board agreed, however, that the Group should proceed with the legal charge notwithstanding that the request for such a side letter is declined by the LPFA.

Lastly it was agreed that a working group should be established to develop a strategic approach with respect to the pension issues faced by the Group.

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## 7. ANNUAL SAFEGUARDING REPORT

The Annual Safeguarding report was received and the Board noted:

- Each of the Group's College Education Boards had received and reviewed a college-specific annual report. A major area of focus during 2019-20 had been safeguarding in relation to online delivery. The Group's Safeguarding and Child Protection Policy has been updated to take account of recent changes to the Keeping Children Safe in Education Act 2020, and now includes a statement on COVID-19.
- All new staff have been required to undertake a mandatory Safeguarding and Prevent training module before they commence their roles and all existing staff are required to complete an annual refresher module on-line.
- At the Ofsted inspection in January 2020, safeguarding was classified as "Effective".
- There has been an increasing incidence of mental health concerns. All three colleges have accessed, where required, external professional agencies such as the Child and Adolescent Mental Health Services. WKC and CONEL have both received commendations with respect to the AoC/NOCN Beacon Award for Mental Health.
- There has been one Prevent referral by the Group during 2019/20, at City and Islington College.
- A risk register specifically related to safeguarding is maintained, regularly updated, and is monitored by the Group's Safeguarding Strategy Board.

The Board recognised the importance of supporting the mental wellbeing of learners, and encouraged an approach that includes collaboration with other colleges. The Board also noted the need for caution given the scale of this important issue, and advised that care was needed to ensure that the support provided does not lead colleges to becoming a replacement for external agencies.

The Board sought clarification about arrangements for the provision of Free School Meals, given that the student canteens at the Group's colleges are closed due to Covid-19 restrictions. The Executive Principal advised that the process is for payments to be made direct into qualifying learners' bank accounts, so as to ensure that they are provided with the means to purchase meals whether they are attending college or not.

## 8. EQUALITY, DIVERSITY AND INCLUSION

A report was received and considered. The following was noted:

- At its June 2020 meeting, the Board had received a presentation on action taken within the Group specific to the Black Lives movement. The Search and Governance Committee had subsequently been provided with a report on action taken since then as

well as plans around the wider aspects of Equality, Diversity and Inclusion (ED&I) looking forward into the current academic year.

- In June, the Group's ED&I Board had been reinstated, comprising Leads from the three colleges, CCCT and Corporate Services. The Board is chaired by the HR Director. Each of the College Leads also chairs their own local ED&I Committee and there is a commitment to create a strong flow between the Board and the committees.
- Sarah Ebanja had agreed to act as the Board's lead on ED&I issues and will be invited to attend the Group's ED&I Board, and will assist in pursuing ways in which CCCG can become a leader with respect to ED&I.
- The Search and Governance Committee had also sought to increase BAME representation on the Board, as had already been discussed.
- The Annual ED&I report for 2019/20 and objectives looking ahead to 2021/22 will be presented to the Board in January.

The Board emphasised the need also for the curriculum to be reflective of ED&I issues.

## **9. BOARD ORGANISATION**

### **9.1 GOVERNANCE SELF-ASSESSMENT**

The Board received a report on its recent governance self-assessment. The Board noted the areas of strength and the areas for improvement and actions that were already being taken to address these. This included responding to the Board members' appetite for more workshop style meetings.

### **9.2 REMUNERATION COMMITTEE: TERMS OF REFERENCE**

The Board received draft revised terms of reference for the Remuneration Committee, noting that the main change proposed was to broaden the Committee's responsibilities beyond senior pay to include consideration of remuneration issues affecting all staff, including annual pay awards. The Board **APPROVED** the revised terms of reference.

### **9.3 AMENDMENT TO STANDING ORDERS**

On the recommendation of the Search and Governance Committee, the Board **APPROVED** changes to the Standing Orders, specifically relating to the procedures and criteria for the re-appointment of longstanding independent members.

## **10. SUMMARY OF STUDENT SURVEYS**

The Board received and noted a report on recent student surveys which provided feedback from students, in particular with respect to their online learning experience.

## **11. KEY PERFORMANCE INDICATORS**

The Board received and noted the Group Dashboard as at October 2020 which included the draft/estimated outcome of KPIs for 2019/20 including a detailed breakdown of Achievement and Retention.

## **12. CENTRE ASSESSED GRADES**

The Board received and noted a report on Centre Assessed Grades and General Qualification Results across the Group, which had been reviewed in depth at the meeting of Quality Oversight Group held on 8<sup>th</sup> October. The data relevant to each college had also been reported to and scrutinised at the recent meetings of each of the College Education Boards.

## **13. MINUTES**

The Board received and noted the draft minutes of the following meetings:

- Audit Committee meeting of 5<sup>th</sup> October 2020
- Quality Oversight Group meeting of 8<sup>th</sup> October 2020
- Finance Oversight Group telephone conference of 22<sup>nd</sup> October 2020

## **14. BLACK LIVES MATTER - STAFF GUIDE**

A staff guide on Black Lives Matter was received and noted.

*There will be no workshop on Friday 13<sup>th</sup> November.*

*The dates of next meetings are:*

*Tuesday 15<sup>th</sup> December 2020 4:00pm*

*Thursday 21<sup>st</sup> January 2021 4:00pm*

*Friday 12<sup>th</sup> February 2021 9:30am*

*Wednesday 31<sup>st</sup> March 2021 4:00pm*

*Friday 28<sup>th</sup> May 2021 9:30am*

*Wednesday 7<sup>th</sup> July 2021 9:30am*

Signed as a correct record: \_\_\_\_\_

Alastair Da Costa, Chair of the Board