

CAPITAL CITY COLLEGE GROUP BOARD: 9th FEBRUARY 2024

MINUTES OF A MEETING HELD VIA MICROSOFT TEAMS

PARTICIPANTS	Alastair Da Costa (Chair), Amelia Sussman, Anthony Smith, Chris Hyams, Sanna Jordansson, Sharon Saxton, Toyin Odutayo, Angela Herbert (for items 1-3), Nicole Morgan, Weiye Kou, Michael Davis, Mary Stiasny, Praful Nargund, Sarah-Jane Eglén, Angela Joyce (CEO)
IN ATTENDANCE	Rachael White, Kurt Hintz, Graham Drummond (Clerk)
APOLOGIES	Asfa Sohail, Nana Brew, Vincent Egunlae, Rowda Ali, Jamal Mahamud
DECLARATIONS OF INTEREST	None

Mary Stiasny, Sarah-Jane Eglén, Praful Nargund and Michael Davis were welcomed to their first meeting.

1. MINUTES OF PREVIOUS MEETING

The minutes of the meeting of held on 14th December 2023 were approved as an accurate record.

2. MATTERS ARISING

It was noted that the signed accounts for 2022/23 had been signed and submitted to the Education Skills and Funding Agency (ESFA) prior to Christmas. There were no other matters arising.

3. CEO REPORTS

A short summary report was considered and received. It was recognised that the CEO had been in post for one month and therefore the contents of the report were early observations and reflections. The following was noted:

- The industrial dispute with UCU has been resolved. Three days of strike took place in the week commencing 15th January however on the Friday of that week it was agreed that the further planned strike action would be suspended to enable a dispute resolution meeting to take place. The dispute was resolved on 24th January. It was further noted that unlike the strike that had taken place in November 23 this dispute had been unique to CCCG and not part of a national dispute. There had been some press coverage in FE Week and local newspapers.

A question was asked about CCCG being one of the highest remunerators of staff within the sector, but yet staff surveys suggest a low satisfaction rate. This was acknowledged as an issue and the CEO recognised that there should be a focus on improving the culture of the organisation, particularly around issues of accountability and trust. It was further recognised that changing the culture would occur over a period of time and it was something that needed to be continually worked on.

With respect to external stakeholder engagement, it was noted that letters of introduction have been sent to key stakeholders, including MPs who have CCCG sites within their constituencies. There has been a disappointing response and for one MP a reply has been received which indicated no knowledge that two sites were located within the constituency for which she was the MP. It was further noted that:

- There is further work to be done to improve the Group's external stakeholder relationships and that a plan is needed to this effect. The Group has relationships with a wide range of organisations at an operational level, upon which a strategic relationship at CEO level should be built;
- A view was expressed that an issue-based approach has a better chance of success with respect to engagement with key stakeholders;
- The Group's approach to stakeholder engagement will include the third sector. It was further noted that FE colleges are at the heart of local communities and within London; this includes the black community from which many students emanate. The stakeholder engagement plan is to be mindful of this.

A paper on the future of Visionnaires and its associated subsidiary company, VSPARK CIC was considered and received. It was noted that Newcastle College Group (NCG) and United Colleges Group (UCG) have indicated their intention to stand down as partners of Visionnaires and therefore from 1st August 2024 VSPARKS CIC will be wholly owned by CCCG. It was further noted that:

- Three members of staff will continue to support the services provided by Visionnaires, and will report into the management structure of CCCG;
- Amanda Dickens, the current CEO will be standing down from 1st August onwards, however she will continue as a mentor of aspiring entrepreneurs;
- One of the reasons to maintain VSPARKS is to take advantage of its status as a Community Interest Company (CIC) as there may be opportunities for this type of company that may not exist for CCCG as an FE Corporation.

A further comment was made in relation to whether there might be lessons learnt from the Visionnaires' relationship with external partners as there may also be with 01 Founders. This was acknowledged, however it was noted that the expectations of the partners involved in the two ventures have been different and therefore the lessons learnt are not the same.

It was further noted that 01 Founders had won the Positive Impact Award at the London Chamber of Commerce and Skills SME Awards which had taken place the night before. The Board passed on their congratulations to the 01 Founders team on a fantastic achievement.

The Board were in agreement with the way forward with respect to Visionnaires and acknowledged the considerable contribution that Amanda Dickens has made to its success. The Board were also of the view that the senior executive team and members of the Board should continue to support Visionnaires so that an environment can be created for entrepreneurial talent to flourish.

4. QUALITY AND CURRICULUM UPDATE

A quality and curriculum report that had been considered by the Quality Oversight Committee considered and received. The following was noted:

- Key Performance Indicators are mostly in line with expectations and in line with previous years. Retention is at 98.3% and overall attendance is 89.5% which 1.6% higher than the previous year. It was further noted that the data contained within the report was based on a RO5 return and an RO6 has recently been submitted for which data is just as strong, if not marginally improved;
- Included within the report was analysis of applications and offers for the 2024/25 academic year. The position, particularly for adult courses is strong. Overall offers are up by 535 as compared to the same time in the previous year;
- There has been a decline in applications for the Sixth Form College – however interview bookings and offers are better than the same time last year;
- CCCG is excelling at sports and is 1st in the AoC London Region, and has won the regional championship in six sports including Women's netball and Men's football. This was commended;
- Also included within the report was an analysis of how the group's Accountability statement aligns with the London Skills' priorities and that for all 15 priority sectors CCCG has appointed a senior member of staff to coordinate and lead its development to meet the specific needs of each area.

Included within the report was analysis of a student survey which had taken place during the Autumn. It was recognised that industrial action had taken place during the timing of the survey. It was further noted that one of the areas that received the poorest feedback was with respect to students knowing what to do at the end of their course. This is being reviewed by senior leaders and it was agreed that further analysis would be provided to the Board.

KH

A question was asked about how apprenticeship enrolment was performing against target and previous years. It was noted that apprenticeship enrolment takes place throughout the year and therefore does not conform to the cycle of mainstream provision. It was further noted that apprenticeship enrolment is behind target and it was agreed that future reports would give analysis which provides greater clarity in this regard.

KH

With respect to the decline in applications for the Sixth Form College, whilst it was noted that there has been increased competition with respect to local schools establishing sixth forms and therefore retaining student progressing from year 11 to year 12, it was recognised that the traditional model of providing 3 A levels may need to be reviewed going forward.

5. FINANCE UPDATE

A finance report as of the end of December 23, including the outcomes of a Q1 reforecast was considered and received. The following was noted:

- Year to date income is £46m versus £44.8m which is a positive variance of £1.2m. This is mainly due to Adult Education Budget (AEB) income being £696k higher than forecast. Apprenticeship income is also £70k ahead of forecast;
- Pay costs are £32.1m year to date against a forecast of £32.5m (positive variance of £391k), however agency costs are higher than planned mainly due to timing in filling vacancies by £192k. Savings in staff costs of £614k has offset the agency staffing used to fill the vacancy gap;
- Non pay costs year to date are broadly inline with forecast at £14.1m with a small positive variance of £39k;
- The year-to-date educational EBITDA is a deficit of £871k versus a deficit forecast of £2.5m (positive variance of £1.6m);
- The year-to-date operating position is a deficit of £4m which is a positive variance of £1.7m
- The end of year forecast operating position is a deficit of £6.8m. This position may improve once the Q2 reforecast has been completed;
- The cash balance (including investments) is £27m which represents 82 days. This will decrease to 74 days by year end as the group uses reserves to co-fund the transformation capital projects. The report included further analysis of capital expenditure which was welcomed by the Board. It was further noted that total capital cash expenditure will be £18m of which £7.5m will be from reserves and £10.5m will be from government capital grant income.

A question was asked about the pay to income ratio as detailed within the cover sheet and it was noted that this was at 70% to date. It was further noted that this was due to timing issues and that it is anticipated that the budget of 65% or below will be achieved at year end, in line with target.

It was noted that the executive team has been reviewing its policy with respect to class sizes as this was a key lever to improve the group's financial sustainability. It was further noted that a decision has been made to set a minimum class size of 14 (for mainstream provision) in the expectation that this will help with increasing the overall average class size, as there is a high proportion of classes with a class size below this level.

5. KEY PERFORMANCE INDICATORS

KPI reports were considered, noted and received.

DATES OF FUTURE MEETINGS

Wednesday 6th March 2024 – 2:00pm (Workshop)

Wednesday 27th March 2024 – 4:00pm

Thursday 23rd May 2024 – 9:30am

Wednesday 12th June 2024 – 2pm (Workshop)

Wednesday 3rd July 2024 – 4pm