



FURTHER EDUCATION CORPORATION MEETINGS 2017/18

MINUTES OF THE FURTHER EDUCATION CORPORATION MEETING

Held at 5pm on Monday 2nd October 2017

Held at Northlight (BB9 5NH)

Members present: Rob Pheasey (Vice Chair), Amanda Melton (Principal), Mike Phelan, Nadeem Rashid, Phil Wilkinson, Jane Cleaver, Cllr Mohammed Iqbal, Azhar Siddique, Zoe Ogden, Helen Khan

In attendance: Alison Rushton (Vice Principal Pre-Advanced Programmes and Apprenticeships)
Anita Ghidotti (Executive Director – Human Resources)
David Rothwell (Deputy Principal)
Debbie Corcoran (Clerk to the Corporation)
Samantha Mercer (Executive Director of Corporate Planning)
Tracey Baron (Associate Principal Quality/Lancashire Adult Learning)

CORPORATION SELF-ASSESSMENT EXERCISE (5pm-5.45pm)

The Corporation completed an annual Self-Assessment exercise in a development session prior to the start of the full Corporation Meeting this evening, with attendance as above. The Clerk to the Corporation will update on the outcome at the 11th December 2017 Corporation Meeting as required.

MAIN CORPORATION MEETING (5.45pm-7pm)

Item 1. Apologies for Absence

Apologies for absence were received and accepted from Stephen Barnes (Chair), Paul Britton, David Whatley, Claire Pye and Kevin Moynes. The Corporation's Vice Chair, Rob Pheasey, was confirmed as Chair for this meeting in Stephen Barnes absence.

Item 2. Declarations of Interest

Members noted the requirement when discussing item 5.1 and 5.2 concerning the re-appointment of Member/s and the Chair and Vice Chair of the Corporation, the need for parties with a direct interest to leave the Board meeting for these discussions.

Other than this, Members and officers present declared that they had no interests, personal, fiduciary, or otherwise in any item on the open agenda for the meeting.

Item 3. Minutes of Previous Meeting (3rd July 2017)

Submitted: 'Minutes of the Board of Corporation Meeting held on 3rd July 2017' (circulated in Board papers)

The Minutes of the Board of Corporation Meeting held on 3rd July 2017 were agreed as an accurate record, subject to an amendment under item 7.2 requested by David Rothwell (Deputy Principal), which was agreed by the Board.

Item 4. Matters Arising

There were no matters arising.

Item 5. Governance Report

Submitted: 'Governance Report' (circulated with Board papers)

The Clerk presented the Governance Report, which covered the following areas:

5.1 Appointment of the Chair and Vice Chair of the Corporation

Mr Pheasey left the Corporation meeting at this point, for this item.

The Clerk explained that to maintain good practice, and comply with the AOC Governor Council Code of Good Governance for English Colleges, the appointment of the Corporation's Chair and Vice Chair was being included as an agenda item at the first meeting of the Corporation in this new academic year.

Following due consideration of the contribution of the current Chair (Stephen Barnes) and Vice Chair (Rob Pheasey), the Corporation agreed their re-appointment for the 2017/18 academic year.

Resolved CG 17/59: To receive the 'Governance Report' and approve Stephen Barnes as the Corporation's Chair, and Rob Pheasey as Vice Chair, for 2017/18.

Mr Pheasey re-joined the meeting, and was thanked for his contribution and support for the Board, and the outcome of the discussion was confirmed.

5.2 Re-appointment of Corporation Members

Mr Siddique left the Corporation meeting at this point, for this item.

As Azhar Siddique's current term of membership of the Corporation ends in October 2017, the Board considered his re-appointment for an additional term.

Resolved CG 17/60: To receive the 'Governance Report' and re-appoint Azhar Siddique to the Corporation, for an additional 4 year term ending 3 October 2021.

Mr Siddique re-joined the meeting, and was thanked for his contribution and support for the Board, and the outcome of the discussion was confirmed.

5.3. Use of College Seal – 2016/17 and 2017/18 to-date

The Clerk to the Corporation confirmed that in the 2016/17 academic year, the College Seal was used once, when it was applied to the College's contract with Nelson Joinery to complete a package of summer 2017 refurbishment works (tender report was tabled as item 7.1 at the 3rd July 2017 Corporation Meeting). In the 2017/18 academic year to-date, the College Seal has been applied to the lease for Northlight.

Resolved CG 17/61: To receive the report and note the use of the College Seal in the 2016/17 academic year, and in the 2017/18 year to date

5.4. Member attendance 2016/17

Members reviewed the annual update on Member attendance at Board and Committees during 2016/17 within the Governance Report, noting that the average attendance at Board was 79% and 80% for Board and Committees combined together. This attendance is in line with the benchmark/sector average for 2016/17 and is an increase from the College's Corporation attendance rate in 2015/16. Strategies were discussed to support full engagement and attendance at Board and Committees.

Resolved CG 17/62: To receive the report and note the attendance rates of Members at the College's Board and Committees in 2016/17

5.5. Committee Membership and 5.6 Governor Links 2017/18

Members reviewed the membership of Corporation Committees and the Governor Links in place.

The quoracy of Quality and Curriculum Committee was discussed and agreed to reduce from 4 Members to 2 Members to bring it in line with other Committees. Membership would remain as 6 Members to ensure strong Governor representation and input.

Lancashire County Council's (LCC) proposed change of representatives for their 2 co-opted places on the Lancashire Adult Learning (LAL) Committee was considered, and the appointment of Cllr Graham Gooch and Ajay Sethi agreed by the Board.

The following changes to Committee membership were agreed for the 2017/18 academic year: -

- Mike Phelan was agreed as the Chair of Quality and Curriculum (Q&C) and Vice Chair of LAL Q&C
- Phil Wilkinson was agreed as the Chair of LAL Q&C and Link Governor for LAL
- Rob Pheasey would no longer be a Member of Q&C, or Helen Khan Governor Link for Safeguarding/Prevent

A new Governor Link will be sought for Safeguarding/Prevent, and for Science, Maths and Computing due to the changes and the Clerk invited Governors to contact her to express an interest in these roles. Governors also welcomed extending the existing Governor Link approach to cover non-curriculum areas such as Health and Safety.

Resolved CG 17/63: To amend the quoracy of the Quality and Curriculum (Q&C) Committee from 4 to 2 Members

Resolved CG 17/64: To agree the appointment of Cllr Graham Gooch and Ajay Sethi from LCC as co-opted Members of the LAL Q&C Committee

Resolved CG 17/65: To agree Mike Phelan as Chair of Q&C Committee and Vice Chair of LAL Q&C – and Phil Wilkinson as Chair of LAL Q&C and Link Governor for LAL

Item 6. Strategic Updates

Cllr Iqbal left the Corporation meeting at this point.

6.1 Principal's Update

Submitted: 'Principal's Report' (circulated with Board papers)

Amanda Melton (Principal) presented her report, which included updates and information in key areas such as strategic planning, partnership developments, results, progress and student achievements, recruitment, curriculum, staff news, estate improvements and important forthcoming events. Key headlines included:

- The planned refresh of the College's Purpose, Vision and Values during the academic year
- An update on the 'Pennine Lancashire Skills Group', and implementation of the outcomes and structural change agreed in the Lancashire Area Review
- The opportunities presented through the launch of Institutes of Technology (IoT) and the College's work with partners to develop a local approach and strategy
- Progress and achievements in relation to A2 success rates, the vocational achievement rates and GCSE results including Maths and English – with further review and scrutiny planned through the College's Quality and Curriculum Committee
- 2017/18 recruitment, trends and comparison to previous years
- Curriculum updates, including an update from Alison Rushton (Vice Principal Pre-Advanced Programmes and Apprenticeships) on the College successfully being selected to deliver Apprenticeships through the Levy to LCC in 5 key areas/lots
- Successful move of LAL into Northlight, with excellent support from the College's teams to support a smooth move
- The estates improvement completed over the summer – and the planned refresh of the College's Property Strategy in 2017/18

Member's discussed the report, their questions were answered and clarification provided as necessary.

Resolved CG 17/66: To receive the 'Principal's Report' and note its content

6.2 2016/17 Key Performance Indicator (KPI) Out-turn

Submitted: 'KPI Dashboard July 2017 Board Meeting' (circulated with Board papers)

Samantha Mercer (Executive Director – Corporate Planning) presented the paper which provided the out-turn position against the College's 2016/17 Key Performance Indicators (KPIs) agreed by the Board. It was recognised that some KPIs can only show a predicted out-turn at this stage, and a small number require surveys so a predicted or final position was not possible for these.

Following a review of the out-turn positions, the Board asked that the relevant Corporation Committees scrutinise any areas where performance would be below the target KPI agreed, understand the reasons why and consider if there were implications for the targets agreed for 2017/18 or additional action needed to ensure Board assurance of the delivery of the 2017/18 KPIs.

Resolved CG 17/67: To receive the '2016/17 KPI Out-turn' report and note its content

6.3 Nelson and Colne College Strategic Plan 2017/20

Submitted: 'Strategic Plan 2017-20'

Amanda Melton (Principal) presented the paper which shared a draft 2017/20 Strategic Plan for the College. The Strategic Plan had been shaped by Governors through their 2016/17 strategic away day, previous discussions at Corporation meetings and additional opportunities taken by Governors to input to the Strategic Plan.

Governor's welcomed the Strategic Plan and the inclusion of key actions in Appendix A against the College's updated Strategic Priorities, delivery of which is being performance managed and led by the Senior Leadership Team (SLT). It was confirmed that regular updates would be provided for Governors through Corporation meetings, and progress against the supporting KPIs for 2017/18, with areas of risk captured within the Colleges Risk Register. It was recognised that the Plan will be a dynamic document, which may flex and change throughout the year as new opportunities, challenges or policies present.

Resolved CG 17/68: To receive and approve the 'Nelson and Colne College Strategic Plan 2017/20'

Item 7. Annual Human Resources (HR) Report

Submitted: 'Annual HR Monitoring Report' (circulated with Board papers)

Anita Ghidotti (Executive Director – Human Resources) presented the report, which updated Governors on the 2016/17 academic year in relation to key areas of HR such as: the establishment, recruitment, absence, discipline and grievance, performance management. The report was to give assurance in areas where the Board has a statutory responsibility or oversight. Statistics within the report were a snapshot as at 31 July 2017, and it was recognised that this is the first full academic year where the position includes and reflects the TUPE transfer of staff from LCC to the College through LAL.

Member's discussed the report, their questions were answered and clarification provided as necessary. Members were concerned that the ethnicity of 59.4% of staff transferring from LAL to the College was unknown, due to incomplete legacy data, and the Executive Director – Human Resources confirmed an equality data audit for

all College staff was scheduled for 2017/18 to ensure an accurate position moving forward.

The Executive Director – Human Resources welcomed linking with Helen Khan (Governor), to understand developing good practice approaches in the private sector with organisations such as Stonewall, when considering the College’s approach in relation to the protected characteristics of gender re-assignment and sexual orientation.

Governors welcomed that staff retention remained significantly above AoC national averages, given the significant programme of change recently. There was concern that the annual absence rate has increased from the 2015/16 position however, and the Executive Director – Human Resources explained and gave assurance on the College’s approach to absence management.

It was noted that in terms of 2017-18, the Human Resources workplan includes:

- the harmonisation of terms and conditions across all staff following the TUPE transfer and re-location of LAL staff in the previous year
- the development and introduction of a new HR Management Information System
- updated and refreshed Equality and Diversity Plans, which will come to the May 2018 Board meeting
- recognition of recent legal changes in relation to the removal of tribunal fees

Finally, it was noted that there is yet to be an agreement between the AoC and recognised Trade Unions in relation to a pay award for this year. The Board would be updated as appropriate to support its decision-making, and recognised there may be a need for Colleges to make local arrangements in the absence of a national recommendation.

The Executive Director – Human Resources was thanked for her comprehensive report, and the Board were assured.

Resolved CG 17/69: To receive and note the ‘Annual HR Report 2016/17’

Item 8. Finance Report

Submitted: ‘Finance Report’ (circulated with Board papers)

David Rothwell (Deputy Principal) presented his report, which updated the Board on the 2017-18 financial forecast and budget, and the draft out-turn for 2016-17. The Deputy Principal used a powerpoint presentation to highlight key aspects in the meeting, and it was shared subsequently with the Board.

The report highlighted that in terms of draft out-turn for 2016/17:

- The financial health grading remains ‘outstanding’ as expected
- The draft outturn for 2016/17 is a headline operating surplus of £1,624k
- The College’s net pension liability has increased modestly by 5% from £5,736k to £6,045k
- Draft actual pay costs at £12,688k are a slightly lower overall cost than expected, with a saving against part time teaching costs a primary driver
- Operating expenses show a modest positive variance (1%) and depreciation similarly (2%)
- Current ratio stands at 3.0
- The College’s year end closing fixed assets book value is c£24.5mn as expected

- The closing cash / investment balance is £6,468k (representing 120 cash days)
- Within current liabilities, the level of other creditors at £2.2mn is £300k greater than projected and more than £1mn greater than the equivalent balance twelve months ago, reflecting the changing nature and make-up of the college's business (e.g. HEFCE grant)
- The indicated outturn staff cost / income ratio is 65.7% (marginally down on the July 2017 projection)

Members discussed the relationship between the 2016-17 out-turn, the Financial Plan for 2017-18, and the ambition and strategy within the 'Strategic Plan 2017-20' tabled and discussed earlier. There was assurance on the rigour of financial and strategic planning under-taken and that a range of scenarios around income had been modelled and tested to ensure the Financial Planning assumptions were appropriate.

Resolved CG 17/70: To receive the 'Finance Report' and note the College's current financial position and performance in 2017-18 and out-turn position for 2016-17

Item 9. Sub-Contracting 2017/18 Update

Submitted: 'Sub-contracting 2017/18 Update' report (circulated with Board papers)

Samantha Mercer (Executive Director – Corporate Planning) presented the paper which assured the Board on the due-diligence and approach taken to sub-contracting in 2017/18. The College will sub-contract with 7 organisations in 2017/18, with a planned value of £357,909.

It was noted that the College's recent success in winning LCC Apprenticeships Levy lots/activity may necessitate new sub-contracting arrangements, and if so, the Board would be updated and appraised.

Resolved CG 17/71: To receive the 'Sub-contracting 2017/18 Update' and note the due-diligence taken in agreeing sub-contractors and the delivery planned for the year

Item 10. Unapproved minutes from Committees

- Curriculum and Quality (29 June 2017)

Submitted: 'Unapproved Minutes of the Quality and Curriculum Committee on 29 June 2017'

Mike Phelan, Chair of the meeting, summarised the unapproved Minutes, key discussions and recommendations.

Resolved CG 17/72: That the unapproved minutes from the Quality and Curriculum meeting (29 June 2017) be received and noted

Item 11. Any Other Business

The Clerk drew attention to her email request to Members for a completed annual gifts and hospitality return 2016/17.

The date of next Corporation meeting was confirmed as ***Monday 11th December 2017, 5pm-7pm at the Fencegate (BB12 9EE)***

The Chair thanked staff for their input this evening, and Members for their contributions, and the Corporation Meeting was closed

**Debbie Corcoran
Clerk to the Corporation**

Signed as an accurate record:.....(Chair of Corporation)

Date:.....