

Agreed Minutes

MINUTES OF THE MEETING OF THE FE CORPORATION

Held on Friday 28th May 2021 at 3.15pm

Present: Professor Sam Luke (Chair), Peter Stamps, Vince Romagnuolo, John Willis, Chris Muller, Lamé Verre, Angela Cross Durrant, Asa'ah Nkohkwo, Martin Butterfield Frances Rutter (Principal/CEO), Jamie Roberts (Staff Academic Governor), Graeme Hodge (Staff Support Governor)

In Attendance: Maria Vetrone (Deputy Principal Finance & Resources), Donna Patterson (Director of HR), Cliff Shaw (Deputy Principal Curriculum & Quality), Dario Stevens (Vice Principal Information & Planning), Sandra Dessent (Clerk to the Corporation)

58.20	1.0 Apologies for Absence		
	Apologies for absence were received from Margaret Martin, Nick Vaughan-Barratt, Simon Enoch, Lynn Reddick and Ahmed Almeleh.		
59.20	Declarations of Interest		
	<p><u>Professor Luke</u>: unremunerated Director of NESCOT Enterprises Ltd, North East Surrey College of Technology Trust, NESCOT Holdings Ltd and Epsom Downs Business Centre Ltd.</p> <p><u>Mr Stamps</u>: unremunerated Director of NESCOT Enterprises Ltd.</p> <p><u>Mrs Rutter</u>: unremunerated Director of NESCOT Enterprises Ltd, North East Surrey College of Technology Trust, NESCOT Holdings Ltd and Epsom Downs Business Centre Ltd.</p> <p><u>Ms Margaret Martin</u>: declared her interest as a member of Ewell Rotary Club, and a trustee of Age Concern</p> <p><u>Mr. John Willis</u>: Governor of Meath School, Ottershaw and St. Johns School Leatherhead</p> <p><u>Ms Sandra Dessent</u>: Company Secretary NESCOT Enterprises Ltd</p>		
60.20	3.0 Minutes of the Previous Meeting and Matters Arising		
	<p>The minutes of the meetings held on Friday 12th March and Friday 26th March were agreed as a true record and signed electronically by the Chair.</p> <p>The matters arising were reported as follows:</p> <table border="1" style="width: 100%;"> <tr> <td> <p>Vice Principal to attach hyperlinks for key performance indicators to Strategic Plan for 2026</p> <p>Action completed</p> </td> </tr> <tr> <td> <p>Update on status and actions on EI (Everyone's Invited) campaign</p> </td> </tr> </table>	<p>Vice Principal to attach hyperlinks for key performance indicators to Strategic Plan for 2026</p> <p>Action completed</p>	<p>Update on status and actions on EI (Everyone's Invited) campaign</p>
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	<p>Action completed – see minute 21.20 update in Principals Report item 4.2</p> <p>Meeting to discuss Equality & Diversity policies</p> <p>Action completed – meeting took place in April, and reported to the Board – see minute 21.20</p>
61.20	Principal & Chair’s Update Report
	<p>Prior to the Chair’s update report the reviewer for the External Board Review, Heather Cross joined the meeting to introduce herself and explain the review process.</p> <p><u>4.1 Chair’s Update</u></p> <p>The Chair welcomed the new Governors, Angela Cross-Durrant, Asa’ah Nkohkwo and Martin Butterfield to the meeting and conveyed on behalf of the Board his thanks for joining the Governing Body and looked forward to working with them.</p> <p>Updates on future events were shared including a proposal for briefing evenings with an aim of providing opportunities for Governors to informally discuss new initiatives/updates on current project and express their ideas and views. The Clerk will be circulating further details in due course.</p> <p><u>4.2 Principals Update</u></p> <p>The Board watched a video – <i>Inclusion Starts with I</i> (by Accenture) and the Principal advised the Board that going forward ‘inclusiveness’ would be a focus at the beginning of each meeting. A report was shared with an update on the discussions and progress since the previous meeting and an outline of a proposal for the College to produce its own ‘inclusiveness’ video produced by students which could also be published on the website. It was agreed to set up a working group and report progress at the next meeting.</p> <p>The Chair, as an advocate of equality and diversity awareness thanked the Principal and suggested that going forward we should think about equality and diversity in terms of ‘diversity and inclusiveness’.</p>
62.20	5.0 Student Matters – Report from HE Governor
	<p>The Student Governor was absent from the meeting and the Clerk agreed to meet with him and discuss attendance at future meetings.</p>
63.20	6.0 Staff Governor Matters
	<p>It was announced that Jamie Roberts, Academic Staff Governor had been appointed to the role of Director of Professional and Service Industries. The Board congratulated him on his appointment.</p>
64.20	7.0 HR Update
	<p>The Director of HR provided an update with the following highlights:</p>

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	<ul style="list-style-type: none"> • Since the last meeting one member of staff had reported a positive Covid result taking the total to 47. • Around 400 staff have had self-testing kits for twice weekly testing which are being reported on the NHS site and also on SharePoint. • Staff have been advised not to travel abroad this summer due to the disruption it could cause with potential self-isolating requirements on return. • Approximately 25% of staff had reported having their first vaccine and 6% of staff second vaccines. • There had recently been 3 positive cases of students reported, hence the reinforcement of the importance that all staff and students continue to regularly test. <p>Staff mental health and wellbeing was discussed, and it was noted that CPD week would also include health and wellbeing sessions for staff. It was further noted that staff wellbeing and new initiatives to support staff was a continual focus, for example a working at home policy was being considered.</p> <p>It was noted that the Board were keen to have information on how the staff were dealing with Covid related stress issues and it was agreed to discuss the communication process for staff reporting their experiences to the Staff Governors and in turn how that is reported to the Board.</p> <p>The Chair thanked the Director of HR for a comprehensive update.</p>
65.20	8.0 Curriculum Matters
	<p>The Deputy Principal (Curriculum & Quality) presented an update to the Board on the following matters:</p> <ul style="list-style-type: none"> • Apprenticeships: Achievement continued to improve – the current position (direct and sub-contracted provision) was 58% compared to the final outturn for last year being 56%. There had been a particularly strong performance in level 3 carpentry and joinery 100%, IT 87.5%, digital marketer 79% and level 3 plumbing 75%, all of which were expected to increase achievement rates further. • Loss of testing opportunities due to lockdowns had created a significant challenge around functional skills achievement but a number of actions were reported to mitigate the challenges. • The staff and student comments from Governor Link Day were shared which collectively portrayed a very positive picture of staff and student commitment and adaptability in challenging times. • Safeguarding and PREVENT: A comprehensive update was presented and details and action plans for the 4 red cases (compared to 12 cases in July 202). There were no PREVENT disclosures or concerns to report.

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	<ul style="list-style-type: none"> Equality & Diversity: Monitoring details were provided and an update on the curriculum activities. 																														
66.20	9.0 KPIs																														
	The Vice Principal (Planning & Information) presented the KPIs for May 2021 and reported that the statistics had not changed significantly from the previous report with the exception of the achievement rate which was up, especially in comparison to same period last year.																														
67.20	10.0 Finance Reports																														
	<p><u>10.1 Management Accounts – April 2021</u></p> <p>The Deputy Principal (Finance & Resources) presented the highlights from the April 2021 Management Accounts.</p> <p>The headline numbers for the College group were presented as follows:</p> <table border="1"> <thead> <tr> <th>College Group</th> <th>Best case forecast (£000)</th> <th>Best case budget (£000)</th> <th>Variance (£000)</th> <th>Movement in forecast since January 2021 (£000)</th> </tr> </thead> <tbody> <tr> <td>Total income</td> <td>31,512</td> <td>30,121</td> <td>1,391</td> <td>↑ £1,089</td> </tr> <tr> <td>Total pay expenditure</td> <td>(17,602)</td> <td>(17,694)</td> <td>92</td> <td>↓ £10</td> </tr> <tr> <td>Total non pay expenditure</td> <td>(13,139)</td> <td>(12,409)</td> <td>(730)</td> <td>↑ £265</td> </tr> <tr> <td>Total expenditure</td> <td>(30,741)</td> <td>(30,103)</td> <td>(638)</td> <td>↑ £255</td> </tr> <tr> <td>Operating surplus/ (deficit)</td> <td>772</td> <td>18</td> <td>753</td> <td>↑ £834</td> </tr> </tbody> </table> <p>*Table contains some rounding error</p> <p>An operating surplus of £772k (operating deficit £62k January 2021; operating deficit £665k November 2020; operating deficit £276k October 2020) is forecast at year end against a budgeted operating surplus of £18k.</p> <p>The total income forecast had improved by £1,089k since the last report to Corporation mainly because of: (1) new ESFA NSF monies; (2) additional High Needs students attracting funding from local authorities; (3) increased apprenticeship numbers attracting funding; (4) increased full cost fees; and (5) additional loan funded student numbers through the College's direct delivery partnerships at NESCOL satellite centres and via subcontractors.</p> <p>The total pay expenditure forecast had improved by £10k since the last report to Corporation. The College has maintained strict control over pay costs through the review of teaching staff deployment and staffing justifications. With total income forecasts improving by £1,089k, this has driven an improvement in the forecast ESFA pay expenditure ratio, which is now 61.65%, ahead of the</p>	College Group	Best case forecast (£000)	Best case budget (£000)	Variance (£000)	Movement in forecast since January 2021 (£000)	Total income	31,512	30,121	1,391	↑ £1,089	Total pay expenditure	(17,602)	(17,694)	92	↓ £10	Total non pay expenditure	(13,139)	(12,409)	(730)	↑ £265	Total expenditure	(30,741)	(30,103)	(638)	↑ £255	Operating surplus/ (deficit)	772	18	753	↑ £834
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	<p>budget of 64.19% and ahead of the sector benchmark of 65.93%. The FE Commissioner benchmark is a maximum of 65%.</p> <p>The total non-pay expenditure forecast has deteriorated by £265k since the last report to Corporation, overall reflecting the additional costs of increased direct delivery at the College's satellite centres.</p> <p>It was noted that the Satellite centres were all performing well against budget - £1.4m operating surplus, £400k above target.</p> <p>It was concluded that the performance of the College Group as at 30 April 2021 forecast to year was favourable to the best case target and it was forecasted that an operating surplus of £622k would be the most likely outturn at year end.</p> <p>The detailed management accounts for the nine months to 30 April 2021 were also attached to the agenda.</p> <p><u>10.2 FE Capital Transformation Bid Update</u></p> <p>There was no news on the outcome of the College's first stage bid.</p>
68.20	11.0 Reports from Corporation Committees/Governance Matters
	<p><u>11.1 Chair's Report from the Search & Governance Committee on 19th May</u></p> <p>The Chair summarised the business of the Committee as follows:</p> <ul style="list-style-type: none"> • Board effectiveness: An outline proposal was discussed for a Governor training programme and induction for new members. The Clerk will be preparing a comprehensive proposal for Corporation in October incorporating all the comments from the meeting and the external board review. • Recruitment: The election process was underway for Staff Governors who would be in place by the end of July. An FE student governor had also been appointed. • The Committee reviewed the Annual Cycle of Business for Search & Governance and agreed the timetable for 2021/22 which was one of the key components in helping to ensure that the Committee effectively carries out its role. The items in the cycle feed into the Annual Corporation cycle. <p><u>11.2 Review of Standing Orders</u></p> <p>This item was deferred to the next meeting.</p> <p><u>11.3 Review of Terms of Reference for Search & Governance</u></p> <p>This item was deferred to the next meeting</p> <p><u>11.4 Draft Corporation Calendar 2021/22</u></p> <p>This item was deferred to the next meeting.</p> <p><i>Postscript: The draft calendar was circulated to Governors after the meeting for feedback/comments before final agreement at the July Corporation.</i></p>

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69.20	12.0 Meeting Evaluation
	<p>The Chair invited the Corporation to evaluate the meeting and the following comments were made:</p> <ul style="list-style-type: none"> • Looking forward to the follow up from the HE strategy review, it's important that we know how we are going to take our discussions forward. It would be good to have a networking session with the Directors to help take this forward. • Good meeting – particularly the HE Review presentation. We have been having discussions about the review for 18 months and the HE presentation brought our attention back to what we really need to focus on. • With the consultant's work and the IoT bid it is starting to feel that we are building something special, and if we are successful with the IoT bid we can start to compete with the big universities in terms of kit and technology. • Good to have time and space to discuss the way forward, all very positive. • We had a really good conversation around partnerships – we now have a common understanding around risk and reward – I really liked the comment about us tracking ahead of the regulator which was spot on. • I appreciated the conversations around satellites and where they are placed in the organisation and the rationale of why we work with them. I hope it gave the Board confidence to know that we are not complacent in those relationships, and we know they will evolve as we go forward. • As a new member I think there was a good mix of strategy and operational and what I take away is assurance that the finances are also good. • I enjoyed the day I learnt a lot about where the College is now and where it wants to be. The presentations and discussions were thought provoking. • It has been quite an eye opener! • It was a good meeting and made a real difference having people onsite – it had a whole different feel to it and I think we moved a long way forward in one day. • I agree with all the comments. I was really pleased to have such a focus on safeguarding, and that is important to us as Governors. • I found the whole meeting very valuable. I work very closely with the Satellites and it was good for the Corporation to get an overview, I think that was important. What I do want to stress is the work this end, we have a lot of input into the operations.

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	<ul style="list-style-type: none"> • Great news about the finances. • I reiterate the comments about safeguarding. This has been a very challenging two years for young people who aren't used to isolation. The fact that there's been so few cases across the College speaks volumes for the back up systems we have in place. <p>The Principal responded: A great day and a lot to take in especially for new Governors. This is the Clerk's first conference and I just want to say thank you. There was a lot of background work getting this off the ground and lots of planning.</p> <p>As for the meeting itself – fantastic – I feel we all understand where we are with the Satellites and we have a plan to go forward.</p> <p>Great to know that financially we are in a good place as well and that is so different to most of the rest of the sector who are struggling, so thank you.</p> <p>The Chair summed up: My thanks to everybody, great team, great brand, great finances, and great future – let's keep trucking!</p>														
70.20	13.0 Any other Business														
	There being no other business the meeting concluded at 16.30pm														
71.20	14.0 Date and Time of the Next Meeting: Friday 23rd July 2021 at 9.30am														
72.20	15.0 Meetings and Events														
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Actions:

1. Set up an 'Inclusivity' Working group to look at producing a NESCOT inclusiveness video.
2. Clerk to meet with HE Governor to discuss participation in future meetings
3. Review of Standing Orders deferred to the next meeting.
4. Review of Terms of Reference for Search & Governance Committee to be deferred to the next meeting.

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5. Draft Corporation Calendar approval deferred to the next meeting.

Signed 

Date...23rd July 2021...

Professor Sam Luke, Chair of the Corporation