



**MINUTES OF THE NORTH EAST SURREY
COLLEGE OF TECHNOLOGY FURTHER
EDUCATION CORPORATION HELD ON
FRIDAY 19 MAY 2017 AT 09.00, SKILLS
PARK BOARD ROOM**

PRESENT*	IN ATTENDANCE
Professor Sam Luke (Chair) Peter Stamps (Vice Chair) Dr Martin West Chris Muller Frances Rutter Lynn Reddick Catherine Biscoe Chris Shortt Gloria Ozolua Avril Lawrence Graeme Hodge (Support Staff Governor) Lance Finn (Teaching Staff Governor) Josh Spooner (FE Student Governor) Michael Inderbitzin-Stone (Support FE Student Governor) † Delores Appiah (Support FE Student Governor)	Carol Martin (Deputy Principal) Dario Stevens (Vice Principal, Planning and Information Services) Maria Vetrone (Deputy Principal, Finance & Resources) Donna Patterson (Director of HR) David Round (Clerk to the Corporation) Observer Jim Aleander (National Leaders of Governance)

* Attendance at the meeting = 88%

† Without voting powers

67.16	MATTERS FOR REPORT
<p>The Chair welcomed Frances Rutter to her first Board meeting as Chief Executive and Principal. Jim Aleander, a National Leader of Governance consultant and Excellence Adviser at the Education and Training Foundation was welcomed back as an observer at the meeting. Mr Aleander would be leading the second of the planned development workshops for Governors on teaching, learning and assessment later in the morning.</p> <p>Governors fed back on their recent curriculum link visits: -</p> <p>1. Lynn Reddick: visit to Information, Advice and Guidance (IAG)</p> <p>The visit focused on the College's careers advice service for current students and applicants based in the IAG team. The team was Matrix accredited and had two staff qualified to Level 6 in careers guidance. The team were delivering careers guidance sessions in local schools and this was a priority for further development. Suggested areas for development were (i) to strengthen the careers element in</p>	

new students' induction programmes and (ii) to develop closer links between IAG and the Employer Hub.

2. Dr Martin West visited the Computing department and highlighted

(i) the extremely positive feedback from students and staff for the mock interviews and advice sessions provided by members of Ewell Rotary Club. The students were very grateful to the Club for their valuable inputs which reinforced the soft skills development on their College programmes and the preparation of students for employment.

(ii) The news that a Computing student had been selected to represent the UK in the Worldskills competition in Abu Dhabi was a source of enormous pride for the department, the teaching team and the College. We should be maximising the impact of this story to promote the College as widely as possible.

(iii) There had been a significant change in the staffing team in the department in-year. Students were aware of the work of the team to manage the impact of these changes on the student experience and by and large these were positive. Nonetheless it was clear that the introduction of new team members who were highly qualified in their subject areas but who were new to FE-level teaching was not without its challenges.

(iv) In classroom visits there were opportunities to embed English and Mathematics that could have been more fully developed by teams.

3. Professor Luke's feedback from his visit to Motor Vehicle Engineering and Construction noted the high levels of satisfaction from discussions with motor vehicle engineering apprentices. One of the apprentices was employed by Ford which was excellent as Ford ran their own apprenticeship facility. Consideration could be given to obtaining hybrid fuel vehicles as this was an increasingly important feature in the automobile engineering industry.

68.16	APOLOGIES FOR ABSENCE
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Apologies for absence were received from Maureen Kilminster and Michael Broadbent.

69.16	DECLARATION OF INTERESTS
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The Chair reminded Members to declare any interest that they may have in any of the items on the agenda. Peter Stamps and Frances Rutter declared their interest as unremunerated directors of NCL and NBS. Professor Luke, Chris Muller and Avril Lawrence declared their interest as unremunerated directors of NBS.

70.16	MINUTES
<p>70.1 Minutes of the previous Meeting</p> <p>70.2 Confirmation of written resolution</p>	<p>The minutes of the meeting held on 31 March 2017 were approved as a correct record.</p> <p>The Corporation confirmed the following written resolution circulated and approved by email on 21 April 2017.</p> <p>Pursuant to Instrument 14(3), of the Instrument and Articles of Government approved by North East Surrey College of Technology (NESCOT) Corporation on 15 December 2014 the following written resolution(s) and supporting documents are presented to the Corporation for approval by email circulation.</p> <p>1. PURPOSE</p> <p>It is proposed that:</p> <p>(a) Highbury College Portsmouth ("Highbury") will acquire 30 per cent of the issued share capital of NESCOT Consortium Limited ("NCL") being 150 shares of 1,000 SAR each (the "Highbury Shares") from NESCOT Business Services Limited (the "Seller"); and</p> <p>(b) Burton and South Derbyshire College ("BSDC") will acquire 30 per cent of the issued share capital of NCL being 150 shares of 1,000 SAR each (the "BSDC Shares" and, together with the Highbury Shares, the "Sale Shares") from the Seller,</p> <p>((a) and (b) above, on the terms set out in the Share Purchase Agreement referred to below, together comprising the "Transaction").</p> <p>Further, Governors are invited to consider and, if thought fit, approve:</p> <p>1 NESCOT Consortium LIMITED (the "Company"), a Saudi Arabian limited liability company, licensed by the Saudi Arabian General Investment Authority under number 69340933171 on 22/09/1434H, and registered under commercial registration number 4030255268 and dated 13/11/1434H, with its Articles of Association notarized before the Notary Public under number (341392821) on 27/10/1434 H.</p> <p>2 Page</p> <p>(a) the entry by NESCOT into the Transaction; and</p>

(b) the entry by NESCOT into the Documents (as defined below).

2 DOCUMENTS

2.1 The documents shall comprise: -

(a) a share purchase agreement (the "Share Purchase Agreement") in agreed form between (i) the Continuing Shareholders as buyers, (iii) the Seller as Seller, (iv) NESCOT and (v) NCL; and

(b) a deed of release and waiver (the "Deed of Release and Waiver"), to be entered into between (i) Highbury, (ii) BSDC and (iii) NCL as continuing parties, (iv) NESCOT Business Services Limited and (v) NESCOT as exiting parties,

(together, the "Documents").

2.2 It is noted that NBS has been invited to give its assent to the Transaction and the documents to which it is a party at a meeting to take place on Monday 24 April 2017.

2.3 The Governors note that they had each had an opportunity to review each of the Documents, in particular the Share Purchase Agreement, the Share Sale Contract, the Deed of Release and Waiver and the Written Resolutions, and that they had each had the opportunity to raise any questions they may have in relation to any of the Documents.

3 RESOLUTIONS

5.1 After due and careful consideration of the Documents and the Transaction as a whole, including consideration of the duties of the Governors, IT WAS RESOLVED that:

(a) entry into the Transaction would promote the success of the institution for the benefit of the Corporation as a whole;

(b) the entry into the Documents would promote the success of the institution for the benefit of its members as a whole and each of the Documents be and are hereby approved for execution;

(c) as required, any one member of the Corporation, (and where any such document is a deed) any two members of the Corporation or one member of the Corporation in the presence of a witness (who attests the signature) be and are hereby

<p>70.3 Application of the Corporation Seal</p>	<p>authorised to sign, execute and deliver the Documents (or any documents in connection with the</p> <p>3 Page</p> <p>Transaction) for and on behalf of the institution with any amendments as such signatory may approve, together with any other documents incidental thereto;</p> <p>(d) NESCOL Business Services Limited, does hereby approve the sale and transfer of three hundred shares (300 shares) in the Saudi Company with all the rights and liability attached thereto by way of a transfer of 150 shares to Highbury College Portsmouth by NESCOL Business Services Limited and a transfer of 150 shares to Burton and South Derbyshire College by NESCOL Business Services Limited representing a total of 60% of the shares of the Saudi Company; and</p> <p>(e) any member of the Corporation be and is hereby authorised on behalf of the institution, with the power to bind the institution, to give any communication or take any other action or do all such things required under or in connection with or in furtherance of each of the Documents on behalf of the institution with power to bind the institution.</p> <p>Members of the Governing Body shall give their assent to this resolution in the form of an email to the Clerk of the Corporation to be received within 5 calendar days (Tuesday 25 April 2017) from the date of issue. Where no response has been received by this date, it shall be deemed that the Governor has given their assent.</p> <p>This resolution shall be confirmed at the next meeting of the Corporation and recorded in the official minutes of the meeting.</p> <p>The Clerk reported the application of the Corporation Seal to the following documents which was recorded in the official record of the use of the Seal on 25 April 2017:-</p> <p>(a) a share purchase agreement (the "Share Purchase Agreement") in agreed form between the Continuing Shareholders of NCL as buyers, the Seller as Seller, NESCOL and (v) NCL; and</p>
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	(b) a deed of release and waiver (the "Deed of Release and Waiver"), to be entered into between (i) Highbury, (ii) BSDC and (iii) NCL as continuing parties, (iv) NESCOL Business Services Limited and (v) NESCOL as exiting parties.
71.16	MATTERS ARISING
<p>The matters arising report (Appendix C) from the previous minutes and other items carried forward were received and noted. Other matters of report were: -</p> <p>60.1 The Principal's Report It was agreed to refer the matter of the responses to the staff survey to the Staff Consultative Committee for review (ACTION: FR).</p>	
72.16	STUDENT MATTERS
<p>Student governors raised the following matters: -</p> <ul style="list-style-type: none"> • Could the College provide a Cash Point facility in the Skills Park Reception? It was noted that the existing facility was not reliable. The Deputy Principal (Finance and Resources) undertook to investigate and report back (ACTION: MV). • Consideration should be given to establishing more clubs and societies to encourage greater student extra-curricular activity. It was reported that the College's application to Sports England for funding to support the engagement of a College Enrichment Officer had been unsuccessful. The matter was being considered as part of the budget-setting process currently underway. It was noted that the College was operating under considerable budgetary constraints (ACTION: MV). • Student Governors advocated the greater use of course Student 'Reps' to promote the College and its courses, particularly via Social Media. This suggestion was welcomed and would be followed-up (ACTION: CMa). • Student Governors commented positively on the campus-wide engagement of students in English and Mathematics skills development. 	
73.16	STAFF MATTERS
<p>There were no staff matters of report.</p>	
74.16	SAFEGUARDING, PREVENT AND HEALTH AND SAFETY¹
<p>The report on Safeguarding and the 'Prevent' duty was presented. It was noted that there had been a 75% increase in the number of reported safeguarding cases compared to the same time last year. The largest case categories were mental health, self-harm/suicide and looked after children.</p>	

¹ Standing item

In a wide-ranging discussion, Governors commented that based on experience from other education institutions it was likely that the number of mental health cases was under-reported. There was one full time equivalent trained counsellor for 1700 full time 16-19 students although there were also safeguarding mentors employed in the central Safeguarding team. Prevention was clearly the best strategy and courses on mindfulness were being considered.

The increase in referrals also reflected the increased in High Needs student enrolments and students with EHCPs.

Governors requested a review of the following to support the development of future strategies to safeguard students: -

- A **scrutiny report** be presented to the next meeting focusing on the categories of safeguarding with the largest number of referrals (**ACTION: CMA**); and
- Further details be given on the 'Safeguarding other' category in the report.

The Health and Safety Focus report was received from Dario Stevens, Vice Principal which discussed the impact of the transport infrastructure on staff and student attendance and performance. The considerable commitment of staff and students who often travelled large distances to be part of the NESCOL community was commended.

75.16	STRATEGIC REPORTS
<p>75.1 The Principal's Report</p>	<p>The Principal reported to the Board, reflecting upon her experience as the newly-appointed incumbent after six weeks in the role. She drew attention to: -</p> <ul style="list-style-type: none"> • The warm and positive response she had received from all NESCOL staff. • The College was well-resourced and overall in a good place in terms of quality and impact. • There had been a very significant capital investment in the campus infrastructure in recent years and clearly this was coming to a conclusion. The attention now had to turn to realise the value of these investments both in terms of the student experience and commercial opportunities. • The College needed to develop a longer-term estates plan to be discussed with the local planning authority, • There should be a focus on marketing and this was an area for immediate review.

75.2 Capital Works Summer 2017

- In terms of Surrey GFE engagement we needed to be aware of the impact of recent Ofsted inspection reports but it was also very positive to note that NESCOL and Brooklands had exchanged a number of very productive piece of peer review reports.
- NESCOL had agreed to sponsor an Epsom and Ewell Enterprise Award which would encourage engagement with the local business community,
- Additional engagement events included NESCOL hosting a further Business Leaders' Breakfast.

The Director of Estates and the Finance Department Project Manager attended for this item. Details of the planned summer buildings-related work were outlined. These includes the significant capital investment in the student refectory and other catering facilities, car park and campus landscaping etc. Governors noted the following: -

- Capital bids to C2C were focused now on the development of STEM laboratory facilities etc
- The new car park and landscaping plans were eco-aligned and included car charging stations.
- CCTV arrangements should be sufficiently robust in relation to public access to the motor vehicle, High Ropes and other facilities to ensure appropriate safeguarding provision.
- With the development of new commercial facilities at the College, estate infrastructure facilities such as Reception and Catering were required out of traditional office hours.

The Board noted the report on campus estate development.

75.3 Growth Committee

The Board received a paper setting out the case to establish a Growth Committee which would be formally constituted as a sub-committee of Finance and General Purposes Committee. The objectives and terms of reference were described:-

- To grow the financial base of the NESCOL Group consistent with the maintenance and further improvement of academic quality and the effective management of risk
- To provide the highest quality facilities for use by current and future students and by the local community

	<ul style="list-style-type: none"> To diversify sources of funding and to reduce the proportion of the College's income that is government funded <p>The proposed membership of the Committee, which would comprise 4 members of the Corporation including the Chair, would also include up to 3 co-optees with relevant expertise and experience.</p> <p>RESOLVED: that a Growth Committee be established with reporting to the Board through Finance and General Purposes Committee.</p>
76.16	MONITORING REPORTS
<p>76.1 Management Accounts (March 2017)</p>	<p>The management accounts for the year to March 2017 were received. It was noted that: -</p> <ul style="list-style-type: none"> The year-end outturn had moved from a surplus of £12k to £11k in the past month compared to a budget of £41k. This was the likely case with a best/worst case range from £136k to (-£164k). Income was £1.49m ahead of budget; expenditure was £1.52m above the planned budget. The College was awaiting confirmation of additional advance learning loans for new enrolments via a partner. At the time of putting together the accounts final confirmation from the ESFA was awaited and therefore there was a risk that the budget could fall into deficit if the allocation was not forthcoming. The College had just been advised that the allocation had been approved and this would be reflected in next month's accounts. The College had managed under-recruitment of adult learners against the curriculum plan in part through increased sub-contracting with established partners and reductions in staffing expenditure. The College had no more capacity to absorb further reductions in commercial and full-cost income or increases in the cost base. The budget was being monitored very closely as the College approached year-end. All key financial ratios remained positive and the Balance Sheet was strong. The College had maintained its 'outstanding' financial health status for the year to date and it was forecast to remain so until year-end.

<p>76.2 Key Performance Indicators (March 2017)</p>	<ul style="list-style-type: none"> • Overall budget performance was significant behind the Finance Strategy and the College had not generated the level of surplus recommended by the FE Commissioner. • Receipts received from the Saudi project were not included in the accounts. <p>The Deputy Principal (Finance and Resources) commented that she had recently attended the Colleges' FD Conference and many College were setting deficit budgets.</p> <p>Governors discussed the circumstances that gave rise to the unbudgeted expenditure on payments to a university partner in respect of student registration fees. It was explained that the University had not invoiced for the past three years and there had been a failure three years ago in the contract management arrangements. The College had tightened the procedures and all contracts were now signed by the Deputy Principal (Finance and Resources).</p> <p>Governors noted their concern that 25% of teachers were new to the College which created significant challenges for the maintenance and improvement of quality standards.</p> <p>In response to questions the Deputy Principal (Finance and Resources) confirmed that she believed the outturn position would remain positive. Staff Governors commented that College staff were much more aware of the College budgetary situation than previously and the increased transparency was welcomed.</p> <p>The KPIs for March 2017 were noted.</p>
<p>77.16</p>	<p>COMMITTEE REPORTS</p>
<p>77.1 NESCOL Business Services Ltd</p> <p>77.2 Curriculum and Quality Committee</p>	<p>The minutes of the NBS Board meeting held on 14 April 2017 were received and noted.</p> <p>The minutes of the meeting of the Curriculum and Quality Committee held on 03 May 2017 were received and noted. The Chair advised the Board about the discussions of the Committee about English and Maths at the College. He further commented that students next year would be faced with even greater challenges repeating the new 9-1 GCSE qualification as would NESCOL staff who would be teaching the syllabus for</p>

77.3 Search and Governance Committee	<p>the first time. It was suggested that links be made with teachers in schools who have taught the new qualifications this year (ACTION: CMA).</p> <p>The minutes of the meeting of the Search and Governance Committee held on 04 May 2017 were received and noted. The Clerk advised the meeting that the board effectiveness review would start later in the term.</p>
78.16	DATE AND TIME OF THE NEXT MEETING
Friday 07 July 2017 at 09.00.	
79.16	MEETINGS AND EVENTS
The dates of future meetings and events were noted. The draft schedule of meetings for 2017/18 were noted.	
80.16	ANY OTHER BUSINESS
There was no further business and the meeting ended at 10.55.	
81.16	CONFIDENTIAL ITEMS
College staff and Staff and Student Governors withdrew for the confidential items.	

Signed Date

Professor Sam Luke, Chair of the Corporation

Author	David Round
Title	NESCOT Corporation Minutes 19 May 2017
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