



**MINUTES OF THE NORTH EAST SURREY  
COLLEGE OF TECHNOLOGY FURTHER  
EDUCATION CORPORATION HELD ON  
Friday 11<sup>th</sup> October 2019 AT 11.00,  
SKILLS PARK BOARD ROOM**

<b>PRESENT*</b>	<b>IN ATTENDANCE</b>
Professor Sam Luke (Chair) Mr Peter Stamps (Vice Chair) Mrs Frances Rutter (CEO & Principal) Mr Graeme Hodge (Support Staff Governor) Mr Jamie Roberts (Teaching Staff Governor) Mr Simon Enoch Ms Liz Lawrence Ms Lynn Reddick Mr Vince Romagnuolo Mr Daksin Chandrasekera (FE Student Governor)	Cliff Shaw (Deputy Principal, Curriculum) Maria Vetrone (Deputy Principal, Finance & Resources) Dario Stevens (Vice Principal, Planning and Information Systems) Donna Patterson (HR Director)  Josephine Carr (Clerk to the Corporation)

\* Attendance at the meeting = 71%

<b>01.19</b>	<b>Apologies for Absence</b>
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Apologies for absence were received from the following governors: Maureen Kilminster, Margaret Martin, Sally Pritchett and Chris Muller. The Clerk confirmed that the meeting was quorate.

<b>02.19</b>	<b>Declaration of Interests</b>
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The Chair reminded Members to declare any interest they may have in any of the items on the agenda. Professor Luke, Peter Stamps and Frances Rutter declared their interest as unremunerated directors of NESCOT Enterprises Ltd, which is a wholly owned College subsidiary company.

<b>03.19</b>	<b>Appointment of Corporation Chair and Vice Chair 2019/20</b>
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The Chair advised the meeting that he wished to continue as Chair of the Governors for 2019/20 provided that the members agreed.

The Chair informed the meeting that Peter Stamps has been both Vice Chair of Governors and Chair of the Finance and General Purposes Committee since Martin West left NESCOT last autumn. Peter no longer wishes to continue with both roles and has resigned from his post of Vice Chair of Governors today. The Chair thanked Peter for his considerable contribution to the Corporation.

The Chair, Principal and Clerk will be reviewing the College Instrument and Articles and Standing Orders to ensure that they remain fit for purpose and will present these at the December Corporation meeting. At each Committee, meeting this term the roles of Chair and Vice Chair of Committees will be discussed, agreed, and ratified at the December Corporation meeting. In the interim, Lynn Reddick has kindly agreed to act as Vice Chair of the Governors. Lynn knows and loves the College and will bring a new perspective to the role. Lynn Reddick thanked the meeting for the opportunity and their support.

<b>04.19</b>	<b>MATTERS FOR REPORT</b>
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The Chair reported on the following matters: -

1. The principal focus for this Board meeting is to review the management of the delivery of the College 2019-20 budget as assessed by the budget risk register and mitigating actions. The College

September Management Accounts will be available later this month and will be circulated amongst the Governing Body.

2. As reported at the recent Growth and Finance & General Purposes Committees together with Governor Updates, the 2019/20 September enrolment generated a net increase of 12% total students. However, the next challenge is to ensure that these students engage with their studies and remain in College post the six-week census date (14<sup>th</sup> October). Furthermore, the funding for the additional 16-18 year-old students is lagged and so will not be received by the College until 2020/21.
3. As evidenced in recent press reports together with recent letters and directives from both the ESFA and the FE Commissioner, this is an inordinately challenging time for Colleges both financially and with increasing regulatory control by central government. It is more important than ever, that Governors ensure that they fulfill their role as critical friends of the College, holding the Executive to account and forensically examining data presented to Governors. Members should be ever mindful of the collective responsibility of the Board in these challenging times.
4. As is our custom, we will spend a few minutes at the end of the meeting reviewing our effectiveness as governors, the quality of the debate and how effectively we have scrutinized the College and held Senior Managers to account.

**05.19** **Principal's Update**

On 25<sup>th</sup> September, the College held its first open evening for students looking to start college in September 2020 and welcomed 1,682 attendees. This represented a 22% increase compared to September 2018 and is the largest number of attendees ever to the September event.

124 applications were submitted during the evening, which represented a 77% increase compared to September 2018.

**FE Choices Learner Satisfaction Survey** This annual survey captures learners' experiences of their college or training organisation through a series of questions which asks learners to rate their providers on training delivered in 2018 to 2019.

The purpose of FE Choices is to provide consistent and comparable information for learners and employers, to help them make informed choices about publicly funded education and training, as well as providing consistent management information on key performance indicators. The high-level results showing Nescot and our nearest neighbours are set out in the table below.

College	18/19	17/18
NESCOT	81.4	85.1
East Surrey College	80.9	82.4
Croydon College	75.9	-
Guildford College	73.7	83.3
South Thames Group	70.2	80.7
Brooklands College	66.8	70.7
Chichester College Group	83.6	84.2
GFE Average	81.0	81.0

The Chair noted that Chichester college's numbers had held up well and that we should have a discussion with them about what they were doing and if we could share experiences and best practice between us.

Nescot Student and Staff Competition Success Nine students from Nescot have qualified for the World Skills UK National Finals in November. If successful in November, the students will be eligible for Squad UK to compete in Shanghai 2021.

Nescot Student Enrichment Programme We have for some while now identified the need for a more comprehensive enrichment programme that enhances the learner experience, and which is accessible to all students, with a balance between activity that is enjoyable and adds value to learners skills sets . Following the re-timetabling of Wednesday afternoons, which are now available for student enrichment activities, Daniel Olliverre has been appointed as the new Enrichment Officer at Nescot. Dan has a First-Class Honours BA Sports Coaching Practice and PGCE in Secondary Physical Education, plus numerous recognised coaching qualifications and is experienced working with a wide range of young people.

The Enrichment programme 2019/20 was launched last week and increased attendance at all the lunchtime sessions has been reported. Sessions available range from chess to basketball including anime, futsal and fund raising.

CenturyTech English and Maths Artificial Intelligence software: the College has purchased this software that intuitively supports students enabling them to improve their English and maths skills as part of the GCSE studies. It is envisaged that this software will engage students and further improve the higher-grade achievement rates as reflected in the achievement rates at Basingstoke College. The College has contracted the software for 3 years at a cost of £15,000+vat per annum.

The Saturday academies for 13-16 year olds 2019: Following the successful launch of the Saturday Academies in the Spring of this year, the next round of Academies are being held on 4 consecutive Saturdays, 9-30 November between 10.00-13.00. We have increased the range of activities, which culminate in a project, to include Creative Computing, E-sports (gaming), Beauty, Cyber Security, Motor Vehicles, Cooking Academy, Media Make-up, Art & Design, Sing-Dance-Act and Carpentry and Joinery. The academy fee is £90 inclusive of materials.

Rasika Restaurant as reported to the September Growth and Finance and General Purposes Committees, the Rasika Indian Restaurant was closed in August. Whilst the College considers the longer-term options for the restaurant, the facility will be open on Monday lunchtimes run by the catering students and on Friday lunchtimes by the Foundation Students. The options currently being considered are:

1. Maintain as an Indian restaurant. The College must allow a 3-month gap before going out to market/ tender (any proposal must include a curriculum element);
2. Engage a national food outlet operator. Subject to meeting local authority planning requirements.
3. An entirely student-run enterprise.

QAA on behalf of the Office for Students: The Quality Assurance Agency undertook an audit of aspects of the college's Higher Education offer the week being 30 September. Nicki Adams, Director of HE and Cliff Shaw facilitated the auditors visit, collating all the information in advance of the visit and providing responses to supplementary questions during the actual audit. The draft report is expected in the next 2-3 weeks and will be discussed at the November Curriculum and Quality meeting.

Brexit: The government has encouraged all organisations to prepare contingency plans for a no-deal Brexit. The Association of Colleges (AoC) is providing information for colleges to help us prepare for Brexit,

supported by the government's Business Readiness Fund. Many of the issues will be common across all ESFA funded providers.

[AoC's No Deal College Readiness Pack](#) has been produced to help those in leadership positions at colleges work through the issues for their staff, students and institutions. SMT will also shortly be taking part in an AoC webinar on the topic.

As the deadline for Brexit of 31<sup>st</sup> October approaches, our HR team are engaging with the 45 EU or EEA citizens currently employed by the College providing advice regarding "settled" and "pre-settled" status and how to apply for this. Currently EU and EEA citizens represent 7.5% of the College workforce.

Apprenticeships restructure: Governors will recall a restructure of the delivery of apprenticeship was agreed at the end of the last academic year. The Head of Apprenticeships post has been removed and the administration of Apprenticeships now takes place largely within the relevant faculty areas. The Apprenticeship Quality Manager post remains in place reporting to the Deputy Principal, Cliff Shaw with administrative support. A transition group of all affected stakeholders will ensure the change is effected as smoothly as possible and implements required process efficiencies and improvements to the service.

College Management Structures: As reported last term, in response to the SMT 360 appraisals, SMT team-building work with ILM and feedback from the staff survey, the Senior Leadership Group (SLG) comprising of Heads of Faculties and Directors has merged with the five Executive Officers (previously SMT) to create a larger, more encompassing SMT, which meets fortnightly. There are many perceived benefits for this new format including succession planning, better communication, greater ownership of College decisions and staff development. The five Executive Officers, now known as Executive Leadership Team (ELT) meet fortnightly to consider the strategic management of the College as directed by the Corporation.

The new College Sales Strategy was presented to the September Growth Committee by the Head of Sales, Stephanie Burlison. Stephanie's PowerPoint Presentation may be viewed on the September Growth Committee's papers on the Governors VLE. The Growth Committee was most impressed by this innovative and structured approach and look forward to its full implementation and resultant benefits.

Coast to Capital Local Enterprise Partnership representation: As a newly appointed Board member to C2C I have attended one main board meeting and chaired a Gatwick 360 Skills Board panel, primarily focussing on the Labour Market and Skills Gap analysis of the LEP area commissioned from Hatch Regeneris and which contributes to the evidence base for the LEP's Local Industrial Strategy. The evidence base, which is currently out to consultation, is a useful analysis of skills gaps in the area, which Nescot should take notice of in designing future curriculum strategy. Gatwick is inevitably going to expand; it has an emergency runway, which is permitted to enable a maximum of 15 flights taking off per hour. The Secretary of State has been formally requested to approve a fully operating second runway at Gatwick. This will take time, but is likely to be ultimately agreed. Nescot must be well positioned to provide for the increased skills and employment opportunities that a second runway will create.

East Surrey Poverty Truth Commission: As an East Surrey Poverty Truth Commissioner, the Principal has encouraged a closer working relationship between the college and the local food bank. Foundation students have taken responsibility for the food bank collection point within college and the college will be enabled to issue food bank tokens to students or their families in need. The food bank will also offer opportunities for students to volunteer and for work experience and encourage a wider understanding of

the needs of society as a whole, contributing to the wider enrichment approach. A launch event, along the lines of Harvest Festival will take place at the college in the Autumn.

The Deputy Principal (Finances and Resources) added that the success of the open events during the year represented a culmination of College developments, ranging from a more robust approach to sales, targeted digital marketing, improved application turnaround times, and more professional and corporate event management including more showcasing of students and activities.

<b>06.19</b>	<b>Item 10.4 Student Recruitment as at 7<sup>th</sup> October 2019</b>
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The Vice Principal (Planning and Information Systems) presented the enrolment figures as at 7<sup>th</sup> October 2019, which represents a 10% increase compared to October 2018. This represents 260 students more than the 16-18 year-old 2019/20 allocation. Inevitably, some of these students will not continue with their studies in 2019-20. The six-week census date is Monday 14<sup>th</sup> October. An estimate of these students may be made using the last two-week attendance register where the non-attendance rate is 6.1% (compared with 9.3% in October 2018).

The conversion rate of application to enrolment has increased to 65%, which is a direct result of the “keeping warm” activities over the summer and individual courtesy telephone calls before enrolment commenced. The internal progression has increased by 2% compared with last year, which indicates that more students enjoyed their time at Nescot and want to stay for a further year.

Similarly, the number of “walk-ins” also increased in 2019. These are students who have not formally applied to the College prior to the Enrolment process. These students have probably changed their mind post school examination results or who were undecided regarding their future over the summer.

The College has increased recruitment of students living in Sutton. The College has worked closely with Carshalton Boys School in 2018/19 with teaching staff giving demonstrations at the school throughout the year. There has been a small drop in the number of students recruited from the Epsom and Ewell area, in particular Ruxley. The principal secondary school being Epsom and Ewell High School, now an Academy Trust, which the College has little communication with.

HE enrolment achieved 98% of its target with some courses not being held due to insufficient numbers. However, HE recruitment is better than that of 2018/19.

Apprenticeship recruitment is currently below target but enrolments will continue throughout the year. As discussed as part of the sales strategy, the contractual element of new apprenticeships is currently cumbersome and time-consuming.

For the first time, the College actively managed its waiting lists.

The Chair thanked the team for the great work in achieving this result and to build on this going forward.

<b>07.19</b>	<b>MINUTES</b>
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The minutes of the meeting held on 19<sup>th</sup> July 2019 were approved as a correct record and duly signed by the Chair.

<b>08.19</b>	<b>MATTERS ARISING</b>
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There were no matters arising from the July minutes which were not included in the meeting agenda.

<b>09.19</b>	<b>STUDENT MATTERS</b>
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The FE Student Governor gave his presentation which considered the following items:

- What students like about the College ranging from enrichment, good facilities and friendly staff.
- Negative aspects of the College, such as the cost of on-site food compared to Tesco, and the timetabling of English and Maths.

A discussion ensued regarding the cost of food purchased on site together with its quality. The Deputy Principal (Finance and Resources) agreed to raise this matter with the contractors, Caterlink who are currently mid-contract with two years of their contract remaining.

The timetabling of English and Maths is problematic due to the lack of definitive class groups and sizes until enrolment has been completed. The meeting was advised that some departmental staff had not used the timetabling slots provided to their respective departments. This will be reviewed to ensure compliance and consistency.

- FE and HE student governors' pages on WebLearn/Moodle where students may post questions and/or comments. The generic email addresses of [HEStudentGovernor@nescot.ac.uk](mailto:HEStudentGovernor@nescot.ac.uk) and [FEStudentGovernor@nescot.ac.uk](mailto:FEStudentGovernor@nescot.ac.uk) have been created and the Deputy Principal (Curriculum) will monitor both the Moodle and generic email accounts. The precise information to be included on the Moodle pages has yet to be agreed. The Deputy Principal and/or the respective Directors of Faculties will provide support and guidance for the Student Governors.

<b>10.19</b>	<b>STAFF MATTERS</b>
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The Staff Governors, mindful of the time constraints, had nothing to report.

<b>11.19</b>	<b>Deputy Principal's Curriculum Report including Safeguarding, Prevent and Health &amp; Safety</b>
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The Deputy Principal (Curriculum & Quality) highlighted the overall achievement rate improvement of 2% with a number of achievements yet to be added to the system. For 16-18 year olds and adults, the overall increase in achievement rates is 3%. Whilst achievement rates for GCSEs in English and maths in all grades have improved from 80% to 85.5%. High-grade GCSE results have improved and remain above the national average.

ASTM teaching staff are being trained to L2 Safeguarding in order that they may contribute towards the provision of safeguarding teaching within their centres and contribute with their knowledge of the local area, which visiting lectures and generic online courses are unable to do.

The zero drug tolerance message continues to be shared with both students and parents at induction and tutor meetings. A recent spot check with Police drug dogs resulted in no illegal substances being found. However, 40 students were spoken to having been identified as potentially being in contact with illicit substances and 4 students were sent home for being under the influence of alcohol.

“My Concern”, the new safeguarding software is now fully operational and a pie-chart of students’ concerns is listed in the report. The Deputy Principal (Curriculum & Quality) assured the meeting that there were daily activities being held in College during the upcoming Mental Health Week.

**12.19 STRATEGIC REPORTS**

**12.1 Strategic Plan Scorecard**  
 12.2 Corporation KPIs July 2019

The Vice Principal confirmed that there are a number of achievement data to be added to the system. 16-18 year old achievement rates have increased but remain marginally below the national average.

The September 2019 KPI’s will provide a more accurate and timely update for Governors.

**13.19 FINANCE REPORTS**

**13.1 Management Accounts July 2019**

The Deputy Principal (Finance and Resources) presented her Finance PowerPoint presentation advising the meeting that the year-end forecast outturn for 31<sup>st</sup> July 2019 was slightly ahead of budget with a forecast surplus of £86K. This forecast being generated by savings in budgeted expenditure of £210K offset by under-generation of budgeted income of £124K. These forecasts were still estimates at this point in the year although the Deputy Principal (Finance & Resources) expressed high confidence in the year-end results being positive.

The Deputy Principal (Finances and Resources) reminded the meeting of the 2 pressure points for the 2018/19 budget:

1. Under enrolment against curriculum plans to the value of £1.44m relating predominantly to apprentices and self-funded learners.
2. Additional pension liabilities at year-end of £522,000 arising from an actuarial valuation received in September 2018 after the 2018/19 budget had been set.

The College 2018/19 budget included two inherent risks:

1. Apprenticeship provision and the lack of non-levy funding from the ESFA. A growth bid of £1m was unsuccessful.
2. The joint venture with ASTM, which is contributing a significant net surplus to the College but is not without accompanying operational and reputational risks.

The 14-point mitigating delivery plan was agreed and implemented in January 2019 to ensure that the budget would be successfully delivered as planned.

**13.2 Finance KPIs July 2019**

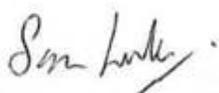
The Deputy Principal (Finances and Resources) presented the finance KPIs for July 2019.

Cash days in hand: forecast out-turn at year end is 75 days compared to the budgeted 92 and RAG rated as amber but is still higher than the sector average of 60 days. Members were reminded that £1m of the College’s cash reserves had been transferred to a medium risk investment fund in January 2019.

	<p><u>Current ratio:</u> The year-end forecast out-turn of 2.61 compared with a budget of 3.16. The meeting was reminded of the impact of moving £1m cash to a medium risk investment fund upon the current ratio. The FE sector average is 1.4 whilst financial health guidance warns that the ratio should not fall any lower than 1.5.</p> <p><u>EBITDA as a percentage of income:</u> The year-end forecast out-turn of 10.62% compared to a budget of 8.37%. The FE sector average is 5%. The ESFA grade anything over 10% as outstanding.</p> <p>The Deputy Principal (Finance &amp; Resources) confirmed that the forecast outturn for 2018/19 meets the criteria to be adjudged outstanding financial health by the ESFA. However, the College must continue to be prudent in order to maintain this grade going forward.</p> <p>13.05: The Clerk left the meeting to meet the visiting Governors</p>
<b>14.19</b>	<b>Finance: 2019-20 Budget update</b>
<b>Budget 2019-20</b>	<p>The Deputy Principal (Finance &amp; Resources) reminded the meeting that the 2019-20 Budget was a significant challenge to balance this year given the reduction in funding of £4m and increased costs in a number of areas that were not in the College's control. The 2019-20 Budget is a best case balanced budget with significant inherent risks. The Deputy Principal (Finance &amp; Resources) confirmed that she had taken a risk management approach to ensuring that the budget could be delivered and to demonstrate transparency in the financial risk assessments and mitigating actions.</p> <p>The Deputy Principal (Finance &amp; Resources) referred the meeting to the Budget 2019-20 risk register and action plan. The Cover Sheet explains how this risk register aligns with the College's risk management framework and its position within it as well as ownership, which belongs to the SMT. The risk register includes a number of defined risks that could prevent the successful delivery of the 2019-20 Budget, which have been assessed with associated mitigations. The most significant risk is associated with the delivery of the target pay costs savings of £660k. Other risk areas include the delivery of the ASTM budget and associated profit share, and the achievement of full cost and levy apprenticeship targets. The Deputy Principal explained that the action plan also served as a tracker of financial performance against each of the financial targets in the risk register. The risk register and action plan is updated bi-weekly by SMT and will be presented to the F&amp;GP Committee and Corporation at each meeting.</p> <p>It was stressed by the Board that the overall cost base was still very high and the Exec team need to continue to review this to make the college as efficient as possible, as this is not sustainable in the medium to long term. The Chair also requested that the detailed action plan be shared with governors on a monthly basis.</p>
<b>15.19</b>	<b>REPORTS FROM CORPORATION COMMITTEES REPORT</b>
15.1	<b>Growth Committee 9<sup>th</sup> September</b>

	<p>The Head of Sales presented the draft College Sales Strategy at the September meeting. Stefanie's PowerPoint presentation may be accessed on the Governors VLE (WebLearn) in the Growth Committee file dated 9<sup>th</sup> September. The strategy looks to a College-wide approach of engaging with the College's employers. The Strategy also requires better management of sales related data and the prioritisation, in terms of sales volume, of employers. I commend Stefanie's presentation to all governors.</p> <p>The meeting also considered the financial performance and budgets of the College's commercial activities, which are updated for each meeting. At year-end, the commercial activities made a small surplus of £18,149 representing 1.91% of turnover. However, many of these activities are not yet reporting on a full-cost basis as they generate non-financial benefits including educational, community and marketing benefits.</p>
<b>16.19</b>	<b>REPORTS FOR APPROVAL</b>
16.1	<p><b>Settlement Payments (Part A)</b></p> <p>The Director of HR advised the meeting that there were no significant changes since the last Corporation meeting of 19<sup>th</sup> July.</p>
<b>17.19</b>	<b>CORPORATION MEETING EVALUATION</b>
	<p>The Chair apologised for not being able to carry out this activity as we were hosting an insolvency Worksop that involved governors from other colleges, and asked governors to send any comments by email.</p>
<b>18.19</b>	<b>DATE OF NEXT MEETING</b>
	<p>The next meeting of the board will take place on 12<sup>th</sup> December at 09.00</p>
<b>19.19</b>	<b>ANY OTHER BUSINESS</b>
	<p>There was no further business and the meeting closed at 13.10</p>

Signed



Date ...12<sup>th</sup> December 2019...

**Professor Sam Luke, Chair of the Corporation**

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Title	NESCOT Corporation Minutes 11 <sup>th</sup> October 2019
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