



Minutes of the North East Surrey College of Technology Corporation Meeting held on Friday 27th March 2020 at 15.00 via Microsoft Teams.

Present:	In Attendance:
Professor Sam Luke (Chair) Mrs Lynn Reddick Mr Simon Enoch Ms Maureen Kilminster Ms Margaret Martin Mr Vince Romagnuolo Mr Peter Stamps Mrs Frances Rutter (Principal Group CEO) Mr Graeme Hodge (Support Staff Governor) Mr Jamie Roberts (Teaching Staff Governor) Attendance 77%	Ms Maria Vetrone – Deputy Principal (Finance and General Purposes). Mr Cliff Shaw – Deputy Principal (Curriculum). Mr Dario Stephens- Vice Principal, Planning and Information Systems. Ms Donna Patterson – Director of HR and Operations. Mrs Josephine Carr – Clerk to the Corporation

Meeting reference	Agenda Item
46.19	1. Chairs Welcome and Report
	<p>1. Welcome to the first virtual Corporation Board meeting and some guidance/protocols regarding the conduct of the meeting:</p> <ol style="list-style-type: none"> a. I will confirm that members expected are in attendance and that all attendees are able to hear if not see everyone. You will only be able to see up to 4 people on screen at any one time. b. When not speaking, attendees should mute their telephone/microphone to minimize background noise. c. Please address someone by name if you want them to respond so that members are clear who needs to answer something. d. Please try not to interrupt or speak over people. e. Agenda Item presenters will be as succinct as possible and will address the particular agenda item and not move around the agenda. f. It is presumed that members will have read the meeting papers in advance of the meeting. <p>2. In these unprecedented times, today's agenda has been reduced to include:</p> <ol style="list-style-type: none"> a) Business critical decisions. b) Monitoring the wellbeing and welfare of students, staff and key stakeholders. c) Monitoring how the College is continuing to provide for its students, in particular those who are vulnerable, with EHCP plans, whose parents are key workers, associated risks and issues arising from COVID-19. d) Remote working for staff. <p>3. I would like to keep the meeting to one hour if possible and the agenda has been structured accordingly.</p> <p>4. With regret, I must advise the Corporation that Liz Lawrence has resigned from the Board due to family and other commitments. On behalf of the Board, I will send Liz an e-card thanking her for her contribution. Shortly before this meeting, I heard that Lee Widdows has also resigned due to her personal circumstances. We continue to look for suitable new governors.</p> <p>5. 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.</p>
47.19	2. Apologies for absence
	Apologies were tendered by Chris Muller and Lee Widdows. No communication has been received from the Student Governors.

48.19	3. Declarations of Interest
<p>The Chair reminded Members to declare any interest they may have in any of the items on the agenda.</p> <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>Mrs Lynn Reddick</u> declared her interest as the Director of Learning at the Orpheus Centre, a specialist provider in Surrey.</p> <p><u>Ms Margaret Martin</u> declared her interest as a member of Ewell Rotary Club, a trustee of Age Concern and a member of Surrey Chamber of Commerce.</p> <p><u>Ms Maureen Kilminster</u> declared her former position as the Principal of a College in Surrey.</p>	
49.19	3. Ratification of the email vote regarding governor quoracy
<p>The Clerk advised the meeting that 75% of the Corporation had responded by email in favour of the proposal to reduce the number of external members required from 5 to 4 during the COVID-19 pandemic in the event of members becoming ill with the Coronavirus and unable to attend Corporation Meetings. The meeting agreed that this temporary arrangement would be reviewed at each Corporation meeting.</p> <p>The meeting ratified the email decision.</p>	
50.19	5. Minutes and Matters Arising
<p>The minutes of the meeting held on 25th February 2020 were approved as a correct record and the Chair confirmed that he would send the Clerk his electronic signature to add to the minutes.</p> <p>It was confirmed that the Deputy Principal (Finance and Resources) made the ESFA excel file available for Governors by email and posting on the Governor VLE. All other matters arising from the meeting of 25th February 2020 are included in the agenda.</p> <p>The Deputy Principal (Finance and Resources) advised the meeting that no questions had been raised by the ESFA following the submission of Nescot's four-year return.</p>	
51.19	6. Curriculum Update report
<p>The Deputy Principal (Curriculum and Quality) advised the meeting that his tabled report represents an overview of actions being taken including safeguarding. A plethora of technology and software is being used. It is critical during the first two weeks after the Nescot campus closure that the remote working replicates the College day and provides structure and momentum for the students.</p> <p>Eleven students have reported not having access to a computer at home. Arrangements have been made for each of these students to collect a College device from Reception in a safe manner.</p> <p>A slight overload of the College IT system occurred last night which has been resolved. High usage is a "good problem". Similarly, Nescot is currently the highest student user of CenturyTech in the UK. CenturyTech is the Maths and English software introduced this academic year. IT is also monitoring usage of WebLearn. Different departments are using technologies best suited to their programmes. ELT is heartened by the innovation and creativity which the vast majority of teachers have demonstrated this week.</p> <p>In response to a member question regarding students reported at risk at the February Corporation meeting, the Deputy Principal (Curriculum and Quality) assured the meeting that the Safeguarding team make daily contact either by telephone or email with all learners on the risk register. For those students who may be subject to parental abuse and are currently at home, the College has contacted Social Services. The College maintains a detailed log for each high-risk student.</p> <p>In response to a governor question, the Deputy Principal (Curriculum and Quality) assured the meeting that the Safeguarding team together with support from the Progress tutors currently have sufficient resources. The Teaching Staff Governor reported that the Progress tutors have been key in the whole</p>	

process, in particular ensuring students engage with online learning. A few departments have reported higher student attendance this week than pre COVID-19.

Currently there is some uncertainty regarding the awarding of GCSEs scheduled for examination in 2020 and how this may impact the progression of College students from Level 2 to Level 3. It is understood that GCSE grades will be determined by teacher assessment based upon work completed to date. However, given the Functional Skills Maths and English curriculum, this methodology may not be easily transposed. An announcement is expected next week from OFQAL regarding how vocational qualification will be assessed.

To date none of the College's direct provision apprentices have been laid off, but the College is monitoring the situation. There is a rumour that the Government may extend the end date for apprentices by six months, however this will not impact upon College planning or finances until formal confirmation is received. In response to a member question, the Deputy Principal (Curriculum and Quality) confirmed that apprentices are covered by the Government's Furloughing Scheme. However, they must not have a break in their learning (20% off-the job training). So, if apprentices are laid off or transferred to the Furloughing Scheme, they must continue with their learning during this time of not being at work. During such times Apprentices are able to compress some or all of the annual 20% requirement into this period (depending upon how long the current COVID-19 restrictions apply).

The Support Staff Governor advised the meeting that the LRC has been facilitating students accessing online teaching and resources, together with signing up to Office 365 and other software. Yesterday the LRC purchased an E-book of the play being studied by Performing Arts Students.

Going forward, the College is looking to roll out Google Classroom across all curriculum departments to develop and support existing resources.

The Chair summarised the discussion noting that the College move to online learning has been more successful than originally envisaged. From personal experience, schools do not appear to be engaging with Year 11 students given the recent cancellation of GCSE examinations 2020.

52.19 | **7. Coronavirus (COVID-19)**

The Principal advised the meeting that ELT had commenced operational planning with regard to COVID-19 at the beginning of March identifying key themes and possible first stages. The Disaster Recovery Team (DRT) have met daily since then. There is a written record of decisions ensuring a robust audit trail.

Focus changed during the week commencing 16th March when College closure became a likely occurrence. The emphasis changed to preparing for potential closure with increased provision/preparation for online learning and ensuring that College staff had the IT hardware they required to work from home. ELT undertook a staff analysis both in terms of their health status and readiness for online teaching and availability of suitable materials.

Since closure to students on Friday 20th March and the Government's restrictions instigated on Monday 23rd March a hierarchy of College meetings have been instigated:

- DRT meets daily.
- ELT meets weekly.
- The Deputy Principal (Curriculum and Quality) meets with Director of Faculties on a near daily basis.
- Directors of Faculties meet with Heads of Departments on a daily basis.
- Heads of Department meet with departmental teaching and support staff on a daily basis.
- Directors of Faculties are undertaking virtual learning walks and are reporting innovative and varied work which is engaging and challenging the students.

The College currently receives daily communications from the ESFA, Office for Students, QAA, DfE and the County and District Local Authorities which comprise a complex array of messages requesting information from the College and in turn, providing information regarding their specific areas of responsibility.

The principal means of the College communicating with the wider community is the Nescot website.

Every High Needs student has a designated LSA and tutor link; this group of students were slightly slower engaging with online learning and the Progress Tutors were instrumental in supporting the transition of these students to online learning. The College has received good feedback from the High Needs parents regarding both the transition process and online learning itself.

Group interviews for prospective students have been cancelled and it is imperative that both prospective and progressing students are "kept warm" and engage with College processes. Following the cancellation of Group interviews, all applicants will receive an unconditional offer for September 2020. It is understood that the GCSE results will be available at the end of July and Nescot is planning to bring forward its enrolment dates in order to maintain its competitive advantage. The meeting acknowledged that grades based upon teacher assessment are not always accurate and reliable and the College will need to ensure that students are in the correct groups and working at the right level in September. The Teaching Staff Governor expressed his concern that by offering all applicants an unconditional offer for September 2020 the College will be accepting students whose behaviour and attitude is not conducive to Nescot. The Principal and Staff Governor agreed to discuss this matter further outside of the meeting.

The Welcome and Induction day (24th June), the Summer Fair are currently in the diary and the College is planning for all eventualities.

College Staff receive daily emails from the Principal, who is also sharing useful feedback, examples of good practice and good news stories in order to maintain staff morale. Ever mindful of staff wellbeing, the Principal all-staff emails have included a reminder of the free counselling helpline; advice regarding working at home, in particular the need to take regular breaks and the need for social interaction.

The College IT has generally worked well. This week the new antivirus software was rolled out, albeit not as originally planned but an essential requirement with the current environment.

Student attendance to date has been really good with some areas recording higher than normal attendance. It is essential that teachers and tutors stay engaged with students over the Easter break. Teaching staff are focusing on the delivery of keep-warm activity over the Easter break and preparing online delivery for the beginning of next term as the current restrictions are likely to be extended for a further 3 weeks.

Since Tuesday 24th March, only skeleton Estate and Security Teams and Animal Care Unit staff have been on site. The Campus cannot close down completely as basic maintenance functions need to be undertaken to facilitate the re-opening when the current restrictions are lifted. It is lambing season in the animal care unit and all the animals require feeding and basic care on a daily basis.

After a challenging decision, Nestots has closed because it was uneconomic to remain open for one child and many of the remaining staff were not supportive of the nursery staying open. Epsom hospital has a day care nursery which is currently full. Epsom hospital has been designated as the COVID-19 hub in order to protect St Hellier's specialist services. The Principal advised the meeting that the Health Authority and Epsom & Ewell Borough Council have the power to request Nescot to re-open Nestots.

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The Nescot Campus is a community asset with good car parking facilities and the Principal has offered its facilities if needed, for use as a temporary mortuary or as a testing centre using the Osteopathy clinic.

The Deputy Principal (Finance and Resources) will address the assessment of financial risks and liquidity of the College in her update.

The Principal asked the governors if they were happy with level of communication they were receiving as she had not received any feedback from Governors to date. The Governors confirmed that they were satisfied with the level of communication and had not responded knowing how busy she is. However, they will respond if they need clarification or wish to record their perspective.

The Chair informed the meeting that he had attended a DRT meeting last week and that he was impressed by the response of staff at all levels within the College and the proactive approach of ELT and SMT. The Chair requested that the minutes recorded the Governors' thanks to staff. The Principal agreed to include the Governors' thanks in her next all-staff email.

The Chair suggested that going forward there should be a virtual meeting of all Governors every two weeks on Friday afternoons at 3pm. The meeting duration should alternate between thirty minutes and one hour. The Clerk to schedule fortnightly virtual governor meetings commencing Friday 3rd April.

The Clerk was requested to cancel the Governor Scrutiny day on Thursday 23rd April.

53.19 | **8. Strategy Reports**

At the Corporation meeting of 25th February, it was agreed that the Principal would table the Terms of Reference for the Cost Base and Curriculum Provision Review and the afternoon session of the Corporation Conference scheduled for 27th March had been set aside to discuss this. However, two weeks ago the College priorities changed and navigating COVID-19 became the key priority.

In addition to COVID-19, ELT are concentrating on ensuring the provision of existing students and their progression routes for 2020-21 alongside recruitment for September 2020. To date recruitment is ahead of March 2019, up by 16% for 16-18-year-olds and 10% for HE.

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The Principal has not developed the Terms of Reference any further since the Corporation meeting of 25th February but assured the meeting that the underlying principles of the Review will form part of future planning processes including the operating model.

54.19 | **9. Finance Matters**

The Deputy Principal (Finance and Resources) tabled the January management accounts and coversheet and reminded the meeting that the impact of COVID-19 on year-end forecasts will not be visible until the March Management Accounts.

The Deputy Principal agreed to circulate the February Management Accounts which had been agreed earlier in the week.

The January Management Accounts report a forecast operating deficit £851K against the best-case breakeven budget for 2019-20. This represents an improvement of £62K in the forecast operating deficit reported in the December Management Accounts of £913K. The principal reason for the reduced operating deficit is the receipt of an additional sum of money from ESFA for non-levy apprenticeships.

The February Management Accounts report a further reduction of the forecast operating deficit of £142K, to £709K. The principal reason for the February reduction is the conclusion of successful negotiations with Surrey LGPS following the triennial valuation published in September 2019. The College has agreed a re-classification of its risk rating from high to medium which decreases the employer contribution rates down from 26% to 21% with effect from 1st August.

The meeting noted that the January Management Accounts had been discussed at the March Finance and General Purposes meeting and had no further questions.

The March Management accounts are likely to be available in 3 weeks' time and will be crucial for an understanding of the impact of COVID-19 upon the 2019-20 finances. In the interim, the Deputy Principal has undertaken an assessment of the College's income and expenditure account, line by line, and estimates that by year-end the worst-case scenario regarding COVID-19 will add a further £2.3M to the operating deficit. This somewhat crude assessment is in line with the AoC forecasts for the FE sector to year end.

The February deficit of £709K and the financial impact of COVID-19 are likely to result in an operating deficit of more than £3M at the 31st July 2020. The College has £6.5M in the bank and the £1M invested in the medium-risk investment fund and so is able to absorb such a deficit. However, not all colleges will be able to absorb deficits incurred by COVID-19.

The College may need to delay some capital expenditure for the next 18 months and will undertake a review of capital projects in order to assess which may be deferred to reduce pressure on the College's cashflow.

The Deputy Principal has assumed that the salaries expenditure will be unaffected by COVID-19.

The Chair requested that the Deputy Principal share her assessment with Governors and advise the meeting which areas are likely to be most affected:

- Income from apprenticeships, estimated at £950K and at this stage the Deputy Principal may not guarantee being able to recover all of this income particularly if apprentices are made redundant.
- Income from full-cost courses which have been suspended or cancelled, estimated at £0.5M.
- Income from high needs students given that the College is closed estimated at £350K.
- Income from commercial activities, Innovation, the Sports Hall, Adrian Mann Theatre and Nestots, estimated at £300K.
- Expenditure re Caterlink Invoices.
- Expenditure non-pay cost savings of £100K in respect of student learning materials.
- Expenditure non-pay cost savings of £300K in respect of exam fees not incurred.
- Expenditure saving re maintenance contracts of £50K.
- Expenditure saving re subcontractors and delayed starts of £75K.

The Deputy Principal (Finance and Resources) agreed to circulate her financial assessment of COVID-19 impact on College Group finances 2019-20.

In response to a member question, the Deputy Principal confirmed that the College had no recourse from its insurance regarding recouping losses incurred by COVID-19.

The Chair of Finance and General Purposes asked whether any College staff were eligible for the Government's Furloughing Scheme. The Deputy Principal is investigating this now that guidance has changed and the AoC has decreed that FE Colleges are not public sector organisations. Nescot staff employed in some of the commercial areas of the College may be eligible for the Scheme. The Deputy Principal is seeking advice regarding the Caterlink contract, Caterlink monthly invoices to Nescot and furloughing of their staff.

The Deputy Principal confirmed that modelling is based upon the premise that the restrictions will have been lifted before the start of the new financial year.

The Chair of Finance and General Purposes suggested holding a meeting to discuss the March Management accounts. The Deputy Principal agreed to table the March Management Accounts at the most appropriate Friday Governor meeting.

There is no current indication how long the Government restrictions will apply and the AoC have requested Colleges submit both 3-month and 6-month risk analysis. The meeting agreed that the Deputy Principal (Finances and Resources) should prepare a separate COVID-19 Risk Register as the most logical way forward which will be tabled at each Friday Governor meeting.

55.19 | 10. Direct Delivery Partnership

The Deputy Principal (Finance and Resources) tabled two business case proposals with the Millennium Academy and Applied Business Academy which have been approved by ELT and SMT and require Governor approval to progress further.

Both proposals are based upon the ASTML established partnership model and will enable the College to diversify its reliance upon ASTML.

Both proposals relate to LEP priority subjects; digital skills and construction.

The Millennium Academy is located in Barking and Dagenham next to the railway station which makes it

easily accessible for students. The Millennium Academy lost its direct funding from the ESFA following a poor OFSTED report in 2017, principally due to some Health and Safety concerns. Its achievement rates were high. Nescot would provide the quality processes, Health and Safety and teaching staff for this venture with funding AEB provided by GLA allocation and advanced learner loans facility from the ESFA.

The Applied Business Academy (ABA) is based in Canary Wharf and the College has been working with ABA delivering Level 2 IT and Level 3 Apprenticeship Standards in Digital Marketers. The Proposal looks to extend the provision on a partnership basis to include commercial courses relating to IT academies, for example, CISCO, Microsoft, Cyber et al.

ABA received good reports from OFSTED and QAA. The perceived benefit of working with Nescot is a direct partnership with a College and an HE progression route. The Partnership enables Nescot to increase its activity within the GLA.

The Deputy Principal (Finance and Resources) confirmed that Level 3 advanced learner loans are available to adults to enable them to access training.

Both proposals align with the College's strategic objectives, in particular widening participation.

A discussion regarding the proposals ensued, with specific points including:

- Income projections and the impact of COVID-19.
- TUPE – Nescot HR is looking into this.

The meeting agreed in principle to both the Millennium and Applied Business Academy business case proposals.

56.19	11. Governor Calendar 2020/21
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The Chair reminded the meeting, that the calendar had been available and circulated for some time. The meeting approved the 2010/21 calendar of meetings.

57.19	12. Meeting Evaluation
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Everyone recognised that there are unprecedented times.

All members confirmed that the meeting had been useful, in particular the updates.

The majority of members prefer Zoom which enables all attendees to be viewed at any given time, compared to Microsoft Teams. Whatever medium is used there may be broadband usage issues. The Principal agreed to discuss the possibility of purchasing the professional version of Zoom with the Director of IT.

Some members of ELT are challenged working from home but believe that the ELT works well supporting each other and the College is developing as an organisation in these challenging times.

The Teaching Staff Governor reported that the College support at all levels from ELT downwards, in particular from the Finance Team, was amazing.

The Principal noted that the current restrictions provide an opportunity for Nescot; the majority of College staff have rolled up their sleeves and adapted to the new circumstances with only a minority of staff complaining. This has ensured that Nescot is better prepared than many other Colleges and ELT and SMT wish to maintain this competitive advantage.

The use of virtual governor meetings in the future may assist in the recruitment of new governors.

The Clerk reported that the JISC Clerks Network had met the day before and discussed governance issues, including quoracy, during COVID-19. It is essential that good governance is maintained and evidenced during the pandemic.

The Chair thanked ELT for their strong leadership in these challenging circumstances. The Chair reminded everyone to look after themselves and their families.

58.19	DATE OF NEXT MEETING
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Corporation Meeting Friday 3rd April at 3pm.

59.19	ANY OTHER BUSINESS
There was no further business and the meeting closed at 16.26	

Decisions made:

1. The Corporation ratified the email decision to reduce the Corporation meeting quoracy from five to four external members during the COVID-19 pandemic and to review this at each Corporation meeting.
2. The meeting agreed in principle to both the Millennium and Applied Business Academy business case proposals.
3. The meeting approved the 2010/21 calendar of meetings

Action agreed:

1. The Chair agreed to send his electronic signature to be added to the minutes of 25th February 2020.
2. The Principal and Staff Governor agreed to discuss unconditional offers and student behaviours and attitudes further outside of the meeting.
3. The Chair suggested that going forward there should be a virtual meeting of all Governors every two weeks on Friday afternoons at 3pm.
4. The Deputy Principal (Finance and Resources) agreed to circulate the February Management Accounts which had been agreed earlier in the week.
5. The Deputy Principal (Finance and Resources) agreed to circulate her financial assessment of COVID-19 impact on College Group finances 2019-20.
6. The Deputy Principal (Finances and Resources) to prepare a separate COVID-19 Risk Register which will be tabled at each Friday Governor meeting.
7. The Clerk to cancel the Governor Scrutiny Day on 23rd April.
8. The Principal to investigate the use of Zoom with the Director of IT.

Executive Summary:

1. The College move to online learning with effect from Monday 23rd March has been more successful than originally envisaged. Student and staff engagement to date has been good.
2. The Deputy Principal estimates that COVID-19 will add a further £2.3M to the February forecast operating deficit of £709K. Resulting in more than £3M at 31st July 2020. The College is fortunate that it has sufficient cash reserves to cover this whilst the majority of FE Colleges do not.

Sam LWA
2/4/2020