



Minutes of the North East Surrey College of Technology Corporation Meeting held on Friday 3rd April 2020 at 15.00 via Zoom.

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 and Group CEO) Mr Graeme Hodge (Support Staff Governor) Mr Jamie Roberts (Teaching Staff Governor) Mr Ben Alway (HE Student Governor) 3.15 onwards Attendance 85%	Ms Maria Vetrone – Deputy Principal (Finance and Resources). Mr Cliff Shaw – Deputy Principal (Curriculum and Quality). Mr Dario Stephens- Vice Principal (Planning and Information Systems). Ms Donna Patterson – Director of HR and Organisational Development. Mrs Josephine Carr – Clerk to the Corporation.

Meeting reference	Agenda Item
60.19	1. Apologies for absence
No apologies for absence were received and the meeting was confirmed as quorate. The Clerk was requested to contact the FE Student Governor.	
61.19	2. Declarations of Interest
The Chair reminded Members to declare any interest they may have in any of the items on the agenda. <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. <u>Mr Stamps</u> : unremunerated Director of NESCOT Enterprises Ltd. <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. <u>Mrs Lynn Reddick</u> declared her interest as the Director of Learning at the Orpheus Centre, a specialist provider in Surrey. <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. <u>Ms Maureen Kilminster</u> declared her former position as the Principal of a College in Surrey.	
62.19	3. Minutes and Matters Arising from the meeting of 27th March 2020
The minutes of the meeting held on 27 th March 2020 were approved as a correct record and the Chair added his electronic signature to the minutes. With regard to matters arising not included in the meeting agenda: <ul style="list-style-type: none"> • The Chair confirmed that he had applied his electronic signature to the minutes. • Arrangements regarding unconditional 16-18 offers are ongoing. • The February Management accounts and the financial assessment of COVID-19 impact on College Group finances 2019-20 have been circulated amongst governors. All other matters arising from the meeting of 27 th March 2020 are included in the agenda. The Chair asked if any further issues with regard to students and IT had occurred since the meeting of	

27th March. The Principal advised that the College was lending 38 laptops to students who had reported being unable to access a computer at home. The Principal thanked the IT Team for their tremendous effort in preparing these laptops for safe collection from College yesterday and today.

63.19

4. Quoracy

Further to the decision of 27th March to reduce the Corporation meeting quoracy from five to four external members during the COVID-19 pandemic, the meeting confirmed that the quoracy should continue as four external members and would be reviewed at the next Corporation meeting of 17th April 2020.

64.19

5. Coronavirus (COVID-19)

5.1 Update on the Operational Implementation Plan

The Principal advised that the SMT meeting yesterday reported continued good and innovative staff engagement with students as evidenced by virtual learning walks. As at 2nd April, all but 3.85% of student population has engaged with online learning.

The Directors of Faculties (DoF's) reported yesterday that staff and student morale was reasonably good despite uncertainty regarding examinations and end of programmes assessments. SMT agreed that there should be defined access times for teaching staff and that is essential that they do not feel obliged to be available online 24/7. Students tend to contact teaching staff, regardless of the time of day.

Staff morale has been bolstered by good feedback shared this week; the father of an electrical apprentice has built him a practice bay in their garage.

Today teaching staff have been allowed limited access to the campus for collection of equipment and teaching materials –in anticipation of remote teaching after the Easter break. Some of the HR Team have worked in College today preparing the furloughing scheme paperwork.

Daily DRT meetings continue but are becoming shorter as more information becomes available.

The Principal's daily updates continue to generate good staff feedback and staff appear to welcome the contact.

The Chair thanked ELT for their efforts during these challenging times.

The Support Staff Governor reported that at a JISC webinar earlier this week with some 100 colleges attending, it became apparent that many colleges do not have as robust an IT infrastructure as Nescot and have not been able to introduce the quantity or quality of online learning as Nescot to date.

A member asked if any staff have reported having COVID-19. The Principal advised that no staff members had been tested positive to date; one member of staff was admitted to hospital with COVID-19-like symptoms, but the test result proved negative. The College is not aware of any students with the virus.

5.2 Financial impact including plans for furloughing staff

The Deputy Principal (Finance and Resources) tabled the financial impact of COVID-19 paper and reiterated that the paper presented the worst-case scenario as at 3rd April 2020; a forecast operating deficit of £3.34M at 31st July 2020 (£2.235M COVID-19 effect and February forecast operating deficit of £709K).

In response to a member question, the Deputy Principal (Finance and Resources) confirmed that the Adult Education (AEB) predicted loss of income of £580K worst case loss of funding (line7). The GLA have confirmed that they will honour their allocation and so this figure will reduce. Currently there is uncertainty regarding whether the ESFA will clawback AEB allocation and the College awaits confirmation.

The Deputy Principal anticipates that Local Authorities will honour their agreements for High Needs funding despite the closure of the College (Line 11, £350K).

The wages line (119) reflecting no impact is also the worst-case scenario. The College is looking to furlough staff within the commercial areas. There will be some savings to be added dependent upon the actual number of staff who are furloughed.

The Finance Team are working on the March management accounts which will provide a first visibility of the impact of COVID-19 upon 2019/20 finances. Maintaining cashflow is imperative. The Deputy Principal is reviewing each capital project to establish whether they may be deferred in order to maintain the College cashflow.

The Principal agreed that it was absolutely correct that the financial impact statement identifies with the worst-case scenario. The Principal is confident that the forecast deficit will reduce as more information becomes available.

In response to a Governor question, the Principal advised that the one child attending Nestots before the decision to close the facility is now being cared for at home. The College has offered to provide childcare for health workers' children if the Epsom hospital nursery is full, but no response has been received to date. There is a concern that Surrey CC will ask to the College to reopen Nestots. Yesterday, the Nursery staff were contacted formally regarding the furloughing scheme. Therefore, Nestots will remain closed for the Easter holidays but could potentially open for the new term if required.

The Chair of Audit asked whether the Deputy Principal might RAG rate the COVID-19 financial elements or rate the likelihood of each line occurring on a 1-5 basis. The Deputy Principal (Finance and Resources) agreed to RAG rate each element of the COVID-19 financial impact paper.

The Teaching Staff Governor enquired whether the money invested in the medium risk investment fund would be used to balance the operating deficit. The Deputy Principal (Finance and Resources) advised the meeting that the operating deficit will be absorbed from cash reserves although she stressed that the College must maintain a minimum of c£2M in the bank to support day to day operations. The College has been careful to protect cash reserves but this will be significantly reduced down at year end and must not fall below £2m to ensure continued day to day business of the College. The March Finance and General Purposes Committee had agreed to leave the £1M in the investment fund given the fund managers' recommendation that the value will rebound within the next 12 months. The Deputy Principal (Finance and Resources) is awaiting a formal valuation of the fund as at 31st March 2020, which is expected to be c£800K.

The Deputy Principal (Finance and Resources) advised that she is currently unable to identify which of the 20+ elements of the financial impact of COVID-19 paper will generate the best return/improvement and those with less likelihood of return (i.e. their sensitivity) until the March Management accounts have been finalised. The March Management accounts will include the detail to allow the College to make important decisions regarding activity and affordability to year end. The Deputy Principal hopes to table the forecasts generated by the March figures at the 17th April meeting but cannot guarantee these at this juncture as the March financial ledgers have only just been closed.

The HR Team contacted 42 members of staff by telephone yesterday advising them that the College was placing them on the Government's Furloughing Scheme. Letters confirming this have been sent today. The Deputy Principal (Finance and Resources) confirmed that staff working within the commercial areas of the College, and those working in areas where activity does not attract government funding, are the only staff currently eligible for the scheme. Colleges are government funded and cannot furlough most teaching staff as their activity is funded. The Furloughing scheme is not available to staff who are sick, pregnant or started working at the College after 28th February. The College will be able to claim 80% of the staff's salaries back from the HMRC via an employer

portal. The College will pay 100% of the staff salaries via the payroll system and claim 80% back from the Government. The College will fund the 20% difference. The Director of HR reported that most staff accepted being furloughed especially when advised that they would be receiving 100% of their usual salary.

In a response to a member question the Deputy Principal (Finance and Resources) advised that the 80% government funding includes a 3% pension contribution but not the full LGPS employer contribution. To date it appears that only one FE college is not paying 20% of furloughed staff salaries on the basis that staff are not incurring ~~and~~ costs travelling to work. None of the 42 Nescot staff on the furlough scheme earn more than £30K per annum and so the College may claim back 80% of their salaries.

Some staff, who are not eligible for the scheme, have asked to be furloughed. Most of the staff who are not eligible for the scheme are not resentful of those staff who are eligible as they understand the Principal's message that the Furlough scheme aims to protect employment during the pandemic.

In response to a members questions the Principal advised that the College is not restricting the timing of staff holidays. However, staff must use all of their holiday entitlement by the end of the academic year as they will not be allowed to carry forward any unused leave. This will be re-iterated in Principal's report today.

The Teaching Staff Governor asked what would happen to curriculum staff holidays if enrolment was brought forward to early August because of the early release of the GCSE results? The Principal replied that because the College needs good enrolment numbers to ensure continued employment, it will be asking for some flexibility from staff. The Vice Principal advised the meeting that his team is currently planning for the usual enrolment period but is also in discussion with Tribal systems regarding a digital enrolment portal. Curriculum staff will be required to support student programme choices is a digital platform is used.

The meeting confirmed that the governors trust the Principal with sending out these difficult HR messages within her daily briefings.

The Chair thanked the Finance and HR Teams.

5.3 COVID-19 Risk Register

The Deputy Principal (Finance and Resources) tabled the COVID-19 Risk Register and advised the meeting that the COVID-19 Risk Register had been discussed at ELT and with the Internal Auditors.

In response to a member question regarding whether ASTML undertake virtual teaching walks, the Deputy Principal (Finance and Resources) confirmed that the Director of Partnerships reports on ASTML activity to both SMT and the ASTML Board.

The meeting noted the contents of the COVID-19 Risk Register

5.4 Curriculum update including safeguarding

The Deputy Principal (Curriculum and Quality) presented his report and emphasised :

- The College is sharing good online teaching practice via a weekly email.
- The students who have yet to engage with online learning tend to be students with poor attendance when the College was open.
- The laptops provided to 38 students are on loan and students have signed an agreement before taking the laptops away.
- A concentrated effort has been made this week to promote student engagement with online English and maths work.

Ofqual have announced this afternoon the basis of grading for GSCEs 2020. This will be on the basis of teacher assessment and Ofqual applying an algorithm of previous years' results. As the proportion

of Nescot high grades increased in 2019, the Deputy Principal (Curriculum and Quality) is hoping for a further increase in 2020. However, optimism bias, where schools overestimate grades may make the November resits harder than usual.

The Deputy Principal (Curriculum and Quality) confirmed that he will moderate the teachers' grades. The College must submit its estimated GCSE grades no later than 29th May.

Details from other awarding bodies are awaited.

Apprenticeships: Some 80% of Nescot apprentices are currently not in work and about 70% have been furloughed. The College is working with these apprentices to ensure that they undertake the required 20% off the job training requirement. This training is logged by both the apprentices and their assessors. Whilst assessors are setting all apprentices online work; the input assessments require an assessment of the apprentice's practical skills and this is not best suited to online assessment.

Unfortunately, the College is aware of four apprentices who have lost their current jobs and they have only 30 days to find a new employer to ensure the continuation of their apprenticeship. One of the four apprentices has only six months of their apprenticeship to finish.

The College is in regular dialogue with its subcontractors, all of whom have implemented remote learning systems. There is a lack of clarity regarding the mandatory work experience element of the 19+ traineeships (pre-apprenticeships) which the trainees are currently unable to complete. This may impact upon the College's achievement data. There are currently some 40 trainees working towards completion of the theory element of their programme and awaiting guidance from the ESFA regarding the work experience (practical element) of their programme. The College has suspended trainee enrolments until further guidance regarding work experience is available.

The Safeguarding Team has a rota for the Easter holidays.

The DfE have indicated that OFSTED should not take 2020 GCSE outcomes into consideration for inspections and the Deputy Principal (Curriculum and Quality) expects that this will also apply to other programmes. It is anticipated that OFSTED will look Teaching and Learning and Enrichment in greater detail during 2020/21 inspections.

In response to a member question the Deputy Principal (Curriculum and Quality) advised that the cost of using Google classroom is relatively low.

The meeting thanked the Deputy Principal for his report.

65.19

6. Update Reports

6.1 Mental Health, sickness and wellbeing.

The Director of HR advised the meeting that the HR Team are developing a wellbeing resource alongside promoting the free employee helpline and other activities including, desktop yoga.

The HR Team are sending out well-being checks for managers.

Currently there are no College staff on sick leave with mental issues relating to COVID-19. There are a number of staff on sick leave with various ailments but none with COVID-19 although a number of staff have elected to go into self-isolation and 45 members of staff were shielding before the College closed on 20th March.

6.2 Applications for 2020/21 update.

The Vice Principal tabled the summary applications data as at 23rd March 2020. He advised the meeting that the data appears to suggest that the recruitment of apprentices has dropped. This is the result of a change in categorisation where apprentices must have an employer before applying and

enrolling on a course. If they do not have an employer, then they are required to enrol on a full-time course.

In response to a member question, the Vice Principal advised that the FE 19+ applications had reduced from 380 to 329 because the adult plumbing and electrical provision had moved to full-cost programmes as these programmes are no longer funded by the ESFA.

The College is working hard to keep current applicants warm via a range of social media including WhatsApp and Purlos which is recording an 84% engagement rate. If the current restrictions are still in place in June, the College is planning to hold a virtual welcome event for prospective students.

66.19 | **7. Meetings**

7.1 Meeting Evaluation

The meeting confirmed that they were happy using Zoom and that Zoom would be used for the next meeting of 17th April.

The meeting is particularly interested to learn how students are engaging after Easter and student recruitment for 2020/21.

The Chair thanked everyone for their hard work and assurance that the College was working hard to maintain ongoing business and the welfare of its students and staff and wished everyone a peaceful safe and healthy Easter. .

7.2 Date and time of next meeting:

Friday 17th April at 3pm.

7.3 Future meetings and events:

Corporation 17th April at 3pm

Corporation Friday 1st May at 3pm

C&Q Committee Wednesday 6th May at 6.00pm

Search and Governance Committee Thursday 7th May at 6.00pm

Corporation Friday 15th May at 3pm

Audit Committee Monday 13th July at 2.00pm

F&GP Committee Friday 17th July at 9.00am

Senior Staff and Remuneration Committee Friday 24th July at 8.00am

FE Corporation Friday 24th July at 9.00am

67.19 | **8. Any other business**

There being no other business the meeting closed at 4.05pm.

Decisions made:

1. The meeting agreed that the temporary Corporation quoracy of four external members should continue and be reviewed at the next meeting of 17th April.
2. The governors trust the Principal with sending out these difficult HR messages within her daily briefings.

Action agreed:

1. The Clerk to contact the FE Student Governor.
2. The Deputy Principal (Finance and Resources) agreed to RAG rate each element of the COVID-19 financial impact paper.

Executive Summary:

1. The College has lent 38 students College laptops in order to access online teaching. As at 2nd April only 3.85% of Nescot Students had not engaged with online learning.

2. The financial impact of COVID-19 paper presented the worst-case scenario as at 3rd April 2020; a forecast operating deficit of £3.34M at 31st July 2020 (£2.235M COVID-19 effect and February forecast operating deficit of £709K).
3. Forty-two staff engaged in the commercial areas and other areas that are not government funded have been furloughed. The College is paying the 20% of their salaries not covered by the Scheme.
4. Some 80% of Nescot apprentices are not currently working; 70% have been furloughed and four have been made unemployed.
5. Ofqual have announced GSCE grading for 2020. Announcements from other awarding bodies are awaited. OFSTED will not use 2020 GSCE achievements as part of their 2020/21 inspections.

Sam Lamb

17th April 2020