



**MINUTES OF THE NORTH EAST SURREY
COLLEGE OF TECHNOLOGY FURTHER
EDUCATION CORPORATION HELD ON
FRIDAY 07 OCTOBER 2016 AT 09.00 IN THE
SKILLS PARK BOARD ROOM (SP216)**

PRESENT*	IN ATTENDANCE
Professor Sam Luke (Chair) Peter Stamps (Vice Chair) Chris Muller Catherine Biscoe Cliff Hall Chris Shortt Joanna Lloyd (Support Staff Governor) Josh Spooner (Appointed FE Student Governor) Mike Broadbent (Appointed HE Governor) Michael Stone † (Support FE Student Governor)	Fred Carter (Vice Principal, Curriculum) Carol Martin (Deputy Principal) Dario Stevens (Vice Principal, Planning and Information Services) Maria Vetrone (Deputy Principal, Finance & Resources) Mark Hillman (Assistant Principal, Teaching, Learning and Maths and English) David Round (Clerk to the Corporation)

* Attendance at the meeting = 71%

† Without voting powers

01.16	MATTERS FOR REPORT
	<p>The Clerk confirmed that the meeting was quorate.</p> <p>As the newly-appointed Chair, Professor Luke made a number of introductory comments which focused on the Corporation's priorities going forward: -</p> <ul style="list-style-type: none"> • Strong finances • A drive to achieve excellence in everything that the College did, including achieving an Ofsted grade of 'Outstanding'. • Growing and diversifying income whether organically or by acquisition • Working for students, for employers and for all of the community. <p>The College was in a strong position following a good inspection outcome, a positive Area Review report and a major investment in the College estate. It had a strong balance sheet and cash flow which provided the foundation for an excellent future.</p>
02.16	APOLOGIES FOR ABSENCE
	<p>Apologies for absence were received from Avril Lawrence, Maureen Kilminster, Yasmeen Malik, Lynn Reddick, Lance Finn and Delores Appiah.</p>

03.16	DECLARATION OF INTERESTS
<p>The Chair reminded Members to declare any interest which they may have in any of the items on the agenda. Joanna Lloyd declared that she had a family connection with the Principal of Burton and South Derbyshire College who were shareholders in the Saudi Arabia project. Peter Stamps and Cliff Hall declared their interests as unremunerated directors of NCL.</p>	
04.16	MINUTES
<p>The minutes of the meeting held on 08 July 2016 were approved as a correct record.</p>	
05.16	MATTERS ARISING
<p>The matters arising report (Appendix B) from the previous minutes and other items carried forward were received and noted.</p> <p>The following update was reported: -</p> <p>228.6.15 Budget and Two year Forecast</p> <p>At the previous meeting the Board had asked the senior team to consider the feasibility of establishing a discrete area of the College for HE programmes. It was commented that this would be examined as part of future capital and estate planning.</p>	
06.16	STRATEGIC DEVELOPMENT
06.1 Principal's Report (Appendix D)	<p>The Principal's report noted: -</p> <ul style="list-style-type: none"> • Student recruitment had been successful this year and the EFA 16-19 student allocation had been exceeded. The census date was 17 October and the College was focusing on ensuring that it managed student withdrawals effectively over this period. There were 15 students identified as 'at risk'. • Higher education enrolments were on target. • The most recent Open Evening had been very successful with 1600 visitors. The College had received the largest number of applications ever for the first Open Evening of the year. There was lots of interest from prospective students and parents in the new facilities such as Motor Vehicle Engineering and Catering. Apprenticeships were particularly popular.

- Higher education was an area for development. Where there was strong provision in the technical and professional areas at Level 3 this fed into higher education provision including HNC/Ds and Foundation Degree programmes. However, whilst Osteopathy numbers were strong from EU students through the ICOM partnership, the recruitment of UK students was disappointing. The new clinic facilities would support further growth in this area.
- The results for English and Maths GCSEs were very disappointing. There was a three year pattern of decline in the number of students achieving grade A* to C. The number of students taking the qualification had increased significantly because of the governmental requirement that all 16-19 students who have failed to achieve English and Maths at C and above at school resit the exams at college. Nonetheless, this was not, of itself, a reason nor an excuse for the performance. Nationally the picture was one of decline in English and Maths performance in colleges.

Governors discussed this issue. The results were a cause for great concern and represented a clear threat to NESOT going forward. The views of student governors were canvassed and it was commented that not all of the questions that arose on the exam paper had been covered in classes. Issues of teaching methods, exam preparation and practice, revision, class management and student motivation were discussed. It was reported that many students seemed to have major gaps in their core knowledge and skills in mathematics which should have been mastered at Key Stage 2 and certainly by High School. All students had already covered the curriculum at school and the role of the College was to provide an intensive revision programme over a year to raise their grade achievement. Because students did not have mastery of core mathematical concepts and skills, their capacity to make sufficient progress was a challenge.

The SMT had undertaken a detailed and critical review of the area including examining results by teacher. There was considerable variability in outcomes. The College could request a remark of papers if the results were below those predicted but there was a cost to this. It was thought that the scale of the under-achievement in the area suggested that teacher

<p>06.2 Key Performance Indicators, July 2016 (Appendix E)</p> <p>06.3 Management Accounts, July 2016 (Appendix F)</p>	<p>assessments of performance were unreliable and therefore remarking would not change the outcome significantly. Some colleges were performing better in this area and the College needed to identify those successful departments elsewhere and understand the reasons for their success. Although the most of the other Surrey GFE colleges were also struggling in this area, Brooklands College had increased its A* to C grades in English to 60%. A link visit would be arranged to identify the strategies that had worked there.</p> <p>The Chair stressed that this had to be the number one priority for the College. External consultancy support would be obtained. The Chair of Curriculum and Quality Committee would join the English and Maths review group (ACTION: CMu/CH). There would be an in-depth report and action plan considered at the Curriculum and Quality Committee in November. The Chair requested that all Governors be kept advised about the plan (ACTION: CH).</p> <p>Achievements for technical and professional programmes were in the final stages of verification, particularly for 19+ programmes and therefore not yet finalised. They would be reported to C&Q Committee and to the Board at the next meeting and incorporated into the published KPI balanced scorecard.</p> <p>Governors noted the changes to the management structure and received a summary paper about the Sainsbury review of Technical and Professional Education.</p> <p>The July KPIs were presented. The below target attendance rate for English and Maths was highlighted. Red flagged items were 16-18 student recruitment, HE income and FE Average Class Size.</p> <p>The Management Accounts for July 2016 were presented to the Board following review by the Finance and General Purposes Committee. The accounts were subject to external audit which would be commencing soon. A final operating surplus of £288k was forecast, compared to a balanced budget. Governors were advised that there was a major risk to this final position which was the actuarial calculation of FRS102 pension liabilities. This has been provisionally determined as £198k but an external review of the actuarial determination was being undertaken which it was hoped would</p>
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<p>06.6 International College of Osteopathic Medicine (ICOM) Italy</p>	<p>forward to create a capital budget of £3m for 2016/17 which focused on refurbishment projects for those areas that were not covered by the recent major capital investment project.</p> <p>The landscaping/car park project had been deferred because the submitted costs were not considered to represent value for money. The work package would be re-tendered with a view for the work to be completed between May and August 2017. The Local Authority had been asked to agree to an extension to the planning consent.</p> <p>The Property Strategy report was received.</p> <p>Signor Alfonso Mandara, Director of ICOM, joined the meeting at this point to deliver a presentation about the growing partnership between ICOM and NESCOL. The Board heard about the exciting developments in the work between the partners and the opportunities for growth in student recruitment and staff exchanges. ICOM had contributed towards the capital costs of the new Osteopathy clinic at NESCOL. The facilities at ICOM in Italy were very impressive.</p> <p>The Chair underlined the NESCOL Board's strong commitment to the partnership with their friends at ICOM and it looked forward to the further strengthening of the relationship in the future. Thanks were expressed to Signor Mandara for his attendance at the meeting and his excellent presentation.</p>
<p>GOVERNOR DEVELOPMENT</p>	
<p>Governors joined Signor Mandara on a tour of the new Osteopathy clinic where they met students and staff, saw teaching taking place and viewed the new facilities. Governors were impressed with the transformation of the area. A visit to the new Motor Vehicle Engineering block also took place.</p>	
<p>07.16</p>	<p>MONITORING</p>
<p>07.01 College Operating Plan 2015/16 Report (Appendix I)</p>	<p>The Board received a RAG-rated summary report and supporting detailed analysis reviewing the College's performance in 2015/16 against the Strategic Plan and the agreed Key Performance Indicators. The areas of the greatest under-performance and risk were highlighted: EFA recruitment and English and Maths GCSEs.</p> <p>Governors discussed the action plans. They reiterated the priority of improving performance in GCSE English and Maths. Radical options might need to be considered such as offering</p>

	higher salaries to recruit the best teachers, providing financial incentives etc.
08.16	FINANCE AND GENERAL PURPOSES COMMITTEE
The minutes of the meeting of the Finance and General Purposes Committee held on 16 September 2016 were received.	
09.16	NESCOT BUSINESS SERVICES LTD
09.1 Report of the NBS Vice-Chair	The NBS Vice Chair reported on recent meetings of the NBS Board commenting that the Board remained concerned about the quality and granularity of the financial reporting by NCL. The agreed strategy was to divest of NESCOT's interest in NCL as soon as possible and was trying to convene a Shareholders' meeting. NBS hoped that the matter would be resolved by the end of 2016 calendar year.
09.2 NBS Minutes	The minutes of meetings of the NBS Board held on 20 July 2016 and 23 August 2016 were received. An oral report of the Board meeting held earlier that day was given.
09.3 NCL Audit Matters	Noting the recommendations of the College's external auditors regarding the problems in obtaining accurate and timely information from NCL in 2014/15, the Corporation was advised about the progress of the closer collaboration with the NCL auditors and overview of the NCL audit process by the College's external auditors. The Deputy Principal, Finance and Resources was requested to keep Governors updated about this matter (ACTION: MV) .
10.16	SENIOR STAFF PERFORMANCE AND REMUNERATION COMMITTEE
10.1 New CEO & Principal Recruitment (Appendix O)	The Board noted the report regarding the appointment process for the recruitment of the new CEO and Principal. The closing date for applications was 24 October; shortlisting would take place on 31 October; interviews would take place on 08 and 09 November. The panel membership was noted.
10.2 Minutes of the meeting held on 08 July 2016 (Appendix P)	The minutes of the meeting of SSPRC held on 08 July 2016 were received.

<p>11.16</p>	<p>GOVERNANCE AND COMPLIANCE MATTERS</p>												
<p>11.1 Financial Regulations (Appendix Q)</p>	<p>Following receipt of recommendations from the College internal auditors a review of the procurement procedures set-out in the College Financial Regulations had been undertaken. It was recommended that the regulations be amended as follows:-</p> <p>3.9.4 Tenders and quotations</p> <table border="1" data-bbox="491 533 1390 1167"> <thead> <tr> <th data-bbox="491 533 831 638">Order/Contract Amount</th> <th data-bbox="831 533 1390 638">Requirement</th> </tr> </thead> <tbody> <tr> <td data-bbox="491 638 831 703">£0 - £1,999</td> <td data-bbox="831 638 1390 703">Two oral quotations* Form FINEXP07</td> </tr> <tr> <td data-bbox="491 703 831 768">£2,000 - £2,999</td> <td data-bbox="831 703 1390 768">Two written quotations* Form FINEXP08</td> </tr> <tr> <td data-bbox="491 768 831 875">£3,000 - £24,999</td> <td data-bbox="831 768 1390 875">Three written quotations* Form FINEXP08</td> </tr> <tr> <td data-bbox="491 875 831 1059">£25,000 - OJEU¹ threshold</td> <td data-bbox="831 875 1390 1059">Member of Senior Management Team invites tenders provided expenditure is within the College's approved budget. Form FINEXP10</td> </tr> <tr> <td data-bbox="491 1059 831 1167">Above OJEU threshold</td> <td data-bbox="831 1059 1390 1167">The Corporation invite tender. Form FINEXP14</td> </tr> </tbody> </table> <p>The College is a member of a number of procurement consortia. As much procurement as possible should be carried out through consortia arrangements to achieve best possible value for money. The College is expected to comply with consortia procurement requirements.</p> <p>If the budget holder does not wish to place an order with the organisation offering the lowest price, a written statement of the reasons should be given.</p> <p>Members of the Senior Management Team or the Corporation may invite tender in one of two ways:-</p> <ol style="list-style-type: none"> 1. By invitation to at least three organisations from a list of approved contractors. 2. By invitation to at least five organisations under restricted procedure responding to a prior contract notice, where the OJEU threshold applies. 	Order/Contract Amount	Requirement	£0 - £1,999	Two oral quotations* Form FINEXP07	£2,000 - £2,999	Two written quotations* Form FINEXP08	£3,000 - £24,999	Three written quotations* Form FINEXP08	£25,000 - OJEU ¹ threshold	Member of Senior Management Team invites tenders provided expenditure is within the College's approved budget. Form FINEXP10	Above OJEU threshold	The Corporation invite tender. Form FINEXP14
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¹ Official Journal of the European Union

<p>11.2 Search and Governance Committee (Appendix R)</p> <p>11.3 Membership Matters (Appendix S)</p> <p>11.4 Whistleblowing Policy (Appendix T)</p>	<p>It was reported that a wider update of the Financial Regulations would be undertaken this year and presented for approval to the Corporation.</p> <p>RESOLVED: that the Financial Regulations be approved as amended.</p> <p>The minutes of the Search and Governance Committee held on 15 September 2016 were received.</p> <p>The Search and Governance Committee recommended that Dr Martin West be appointed to the Corporation. The Committee met Dr West and noted that his skills and knowledge met the agreed priorities agreed by the Board including finance, property/estates, asset management, audit and governance, business development and private and public sector experience. Dr West lived locally and had knowledge of the College.</p> <p>RESOLVED: that Dr Martin West be appointed as a Governor of the College for an initial term of two years.</p> <p>The Clerk reported that there was a current vacancy on the Audit Committee. Ms Maureen Kilminster had agreed to serve on the Committee.</p> <p>RESOLVED: that Ms Maureen Kilminster be appointed to the Audit Committee.</p> <p>The Chair outlined his thoughts about a number of proposed changes to Committee membership to strengthen the robustness of the governance arrangements. He would step down from F&GP Committee to be replaced by Dr West in due course. There was also need to seek new Governors with skills and knowledge in the areas of legal, HR, business development and marketing. The Clerk was undertaking a search of suitable candidates.</p> <p>The Chair also advised the Board that he had invited the Director of HR to attend meetings of the Corporation.</p> <p>An updated The Public Interest Disclosure Act (PIDA) 1998 policy and procedure ('Whistleblowing') was presented to the</p>
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<p>11.5 Board Decisions 2015/16</p> <p>11.7 Area Based Review</p>	<p>Board for review and approval. The policy was based on the AoC model policy.</p> <p>RESOLVED: that the updated PIDA policy and procedure be approved.</p> <p>The list of Board decisions in the 2015/16 academic was received for information.</p> <p>The Board was reminded that it had approved the recommendations of the Area Based Review by email correspondence in July 2016. The recommendations were as follows: -</p> <ul style="list-style-type: none"> • The four GFEs to develop a collaborative working model to deliver shared services, apprenticeships and higher education delivery. • The four GFEs to explore options for federation or other structural partnership. This will build on collaborative work around the curriculum to deliver greater financial resilience in the longer term. • North East Surrey College of Technology to remain as a standalone FE College but to also explore options for partnership that will deliver greater financial resilience in the longer term. <p>The following resolution was presented for confirmation:</p> <p>RESOLVED: Having considered the report and recommendations of the Area Based Review for Surrey as presented at Steering Group 4 on 07 June 2016, the Corporation confirmed its agreement of the recommendations as set-out.</p> <p>The final ABR for Surrey had not yet been published. An update was given regarding the implementation of the ABR recommendations. It was noted that Surrey County Council wished to support the development of improved careers advice and guidance across the County including colleges.</p>
<p>12.16</p>	<p>SAFEGUARDING (Standing Item)</p>
<p>Governors received the Annual Report for 2015/16 in respect of Safeguarding and the PREVENT duty, which was a standing item on the agenda. Governors were advised that Ofsted had an expectation that Members should be aware of the data in relation to Safeguarding and in particular referrals under the PREVENT duty to</p>	

the **CHANNEL** programme for action to support the de-radicalisation of young people.

Two referrals had been made to the **CHANNEL** programme. Details were provided of these referrals which concerned far right radicalisation. No subsequent charges had been levied. Comparative data on Safeguarding referrals were presented. There had been a 17% increase in the number of referrals in 2015/16. The increases were in mental health, bullying and harassment and suicide/self-harm referrals. Details of referrals to external partners/multi-agency working were outlined. There were no referrals to the Child Protection Board in 2015/16. In December 2015, the College undertook the Surrey Safeguarding Children’s Board statutory ‘Keeping Children Safe in Education’ audit which found that NESCOL had very good systems in place to deal with safeguarding issues and that its processes allowed it to identify and to deliver support to young people who needed early interventions of help.

The Corporation received the updated NESCOL Safeguarding policy and noted the updated guidance from the DoE in ‘Keeping Children Safe in Education’.

RESOLVED: that

- (i) That the College Safeguarding Policy be approved; and
- (ii) The Safeguarding and Prevent Annual Report for 2015/16 be received.

13.16	DATE AND TIME OF THE NEXT MEETING OF THE CORPORATION
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To be held on 09 December 2016 at 09.00.

14.16	MEETINGS & EVENTS
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Autumn Term 05 September 2016 - 15th December 2016		
HALF TERM 24-28 OCTOBER 2016		
Search & Governance Committee	Thursday 03 November 2016	6.00pm
C&Q Committee	Wednesday 9 November 2016	6.00pm
Audit Committee	Friday 18 November 2016	9.00am
NESCOL Consortium Ltd (KSA)	TBC	

F&GP Committee	Friday 25 November 2016	9.00am
NESCOT Business Services Ltd	Monday 28 November 2016	6.00pm
FE Corporation	Friday 09 December 2016	9.00am
Senior Staff Performance & Remuneration Committee	Friday 09 December 2016	1.00pm
FE Awards	Thursday 15 th December 2016	Evening

15.16	ANY OTHER BUSINESS
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A date was being sought for the official opening of the Skills Park, probably in January 2017.

The Chair summarised some of the key issues and priorities arising from the meeting: -

- The partnership with ICOM was an excellent initiative with considerable potential for further growth and development.
- The new Osteopathy clinic and Motor Vehicle Engineering workshop were excellent facilities.
- The volume of sub-contracting needed to be reduced.
- English and Maths performance was the number one priority for the College.

16.16	CONFIDENTIAL ITEMS
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College staff, and Staff and Student Governors withdrew for the confidential items. A record of the discussion is lodged in the Confidential Minute Book.

There was no further business and the meeting concluded at 12.40.

Signed

Professor Sam Luke, Chair of the Corporation

Date

Author	David Round
Title	NESCOT Corporation Minutes 07 October 2016
File Ref:	C:\Users\David\Dropbox\NESCOT Folders\Nescot Corporation\Corporation\NESCOT Corp 071016\Minutes of the Meeting\NESCOT Corp Minutes 071016 Draft v1.docx