

**Minutes of the City of Liverpool College Board meeting held on
19th May 2015 at 4.30pm**

Present:

Ms Elaine Bowker (Principal)
Dr Martin Carey
Ms Sue Carmichael
Ms Clare Crowther
Mr Peter Grieve (Chair)
Ms Viv Lacey (Vice Chair)
Ms Shireen Kincade (Student Governor/Students' Union President)
Mr John Nolan (Staff Governor)
Councillor Nick Small
Dr Peter Tavernor
Mr David Wilson

In Attendance:

Ms Angela Cox (Deputy Principal)
Mr David McIntyre (Vice Principal Finance and Corporate Resources)
Mr Simon Pierce (Vice Principal Curriculum)

Mr Aamir Butt (Head of Pastoral Support) – for part of meeting
Ms Christine Lenderyou (Clerk to the Board)

15.35 Welcome and Apologies

The Chair welcomed everyone to the meeting and apologised for the delayed start due to the previous meeting overrunning. Some items would be accepted as read unless governors had specific questions or required clarification.

Apologies had been received from Gemma Charters, Louise Barry and Ian Pollitt

15.36 PREVENT – presentation from Aamir Butt, Head of Pastoral Support

1. Mr Butt was welcomed to the meeting. His presentation of the PREVENT agenda included its context, background and timescale. He outlined the duties imposed on organisations, particularly public sector or those who worked with young people, and emphasised the responsibilities placed on staff and governors. Mr Butt advised that the objective of the presentation was to assure governors that the College's responsibilities were being adequately met.
2. Prevent aimed to intervene before young people were drawn into terrorism. The definition of extremism according to Prevent was outlined and Mr Butt advised that the College was already safeguarding students against such extremism. Mr Butt and Mark Rossiter were the safeguarding leads for the College and were in close contact with the North West co-ordinator for Prevent, consulting with him regarding any policy changes. Most aspects of Prevent were covered within the existing safeguarding policy but currently were not necessarily referred to as Prevent.
3. Mr Butt advised that Staff would participate in awareness training which was compulsory. Mr Butt referred governors to the link at the end of his presentation which would take them to the compulsory training.

Arising from the presentation, governors' questions and comments included:

1. **Staff training:** The Chair asked if participation and understanding was checked and logged. Mr Butt said staff were required to send a copy of their participation certificate to HR. He advised that training would also be delivered via staff inductions. Previously safeguarding training had been refreshed on a three year cycle but the pace of change meant this was not practical and online training was the quickest way to roll out

training. Mr Butt reiterated that the issues covered by Prevent were not new but they had not necessarily been labelled as such; awareness training was therefore important.

2. **Safeguarding Governor:** The Deputy Principal commented that as safeguarding governor Ms Carmichael would need to be fully conversant with the key responsibilities and implications of the Prevent legislation.
3. **Governor Training:** Ms Carmichael suggested, and it was agreed, that all governors complete the online training as soon as possible. **ACTION: all governors to complete the online training and to pass their completed certificate to the Clerk to the Board, who will log the training and forward it to HR.**
4. **Practical implications:** Mr Butt advised that it was important to realise that there were no absolute signs but it is possible to pick up on indications that a student may be being drawn into terrorism.
5. **External speakers:** Mr Butt advised that there would also be a policy regarding external speakers as some colleges had experienced a problem with extremist political speakers on campus (noting this had not been a problem at this College).
6. **Implementation:** it was confirmed that there was a delay in implementation for FE and HE colleges as there was some conflict with the Education Act but Ofsted would expect to see some action having been taken. Mr Butt advised that he was confident that the College could demonstrate that it had adequate measures in place.
7. **British Values:** the definition of British values was outlined to governors.

Councillor Small joined the meeting at this point.

8. **External agency links:** The Chair asked whether the College linked with external agencies to share information around students at risk. The Principal advised that she did but the information was highly confidential; the Chair advised that he appreciated the need for confidentiality and stated that he believed and would expect that the Principal would share information with the Board which she was legally able to do if it was appropriate for the Board to know.
9. **Policy implementation:** Dr Carey asked for examples of how the policy worked in reality. Mr Butt said it was a multi-agency approach which was led by police and he gave specific examples of how the College had reacted to potential risks. The Deputy Principal said there was a very strong, dedicated network of safeguarding team members within the College, with external links being strengthened since Mr Butt's appointment.
10. **Specific concerns:** Dr Carey queried whether there was a risk of attaching negative labels to students. The Deputy Principal said the College was committed to celebrating equality and diversity and was confident that this would not be compromised. The Principal said creating a positive environment was important; people felt safe walking around the College and students were generally well supervised.
11. **Monitoring:** it was confirmed that IT accounts were monitored.

Mr Butt was thanked for his informative presentation and the assurances that had been provided to governors, and left the meeting.

15.37 Minutes of Previous Meeting

The minutes of the previous meetings were approved as a true record with the exception of Mr Wilson being marked present on 27th January although he had given his apologies.

15.38 Actions from previous meeting.

The Chair advised that contrary to the written report, part of the action relating to 15.27 Health and Safety remained outstanding. All other actions were noted as being completed.

15.39 Performance Dashboard

The discussion on the Performance Dashboard and questions and assurances sought by governors included:

1. **Attendance:** The Chair expressed concern that attendance appeared to have dropped. The Principal confirmed this was correct but was expected during the exam period. The Chair accepted this but wanted further clarification as attendance seemed lower earlier in the year. The Deputy Principal advised that work experience was retrospectively entered into the system and that a more efficient system was needed going forward. The VPC acknowledged that attendance was not good enough and that in the best colleges 90% attendance would be standard. The focus at this point in the year was on getting maximum achievement from students. There was a slight lag as teaching staff didn't mark in exam leave; this was a responsibility of office staff. Governors were assured that the Director of Learning and Heads of School had challenged teachers of groups with the worst attendance. The criteria supporting access to summer term bus passes was attendance based and the issue of summer term bus passes and the importance of satisfactory attendance as a condition for progression was used as a motivation underpinning discussions with students. The Principal said thought should be given as to how the College recorded attendance as it didn't compare with how schools marked attendance just twice a day.
2. **Attendance target:** The Chair asked whether 90% was achievable. The Deputy Principal stated that a target of less than 90% lacked aspiration. English and maths had had a negative impact across the sector but could not be used as a mitigation although the Deputy Principal said she would be interested to see the data Dr Tavernor had referred to in the earlier PQTFG meeting around reducing attendance across the sector. In response to a query the Principal confirmed that there was no single prescriptive way to record attendance across the sector.
3. **English and maths attendance data:** Dr Tavernor commented on the English and maths attendance figures depressing the overall attendance and agreed that there were examples from elsewhere the College could look at in terms of recording. Mr Wilson requested clarification regarding the attendance data and the Deputy Principal said the SLT reviewed both cumulative attendance and snapshots to reflect the picture on any given week. The Principal advised that attendance was a more complex measure now as it reflected study programmes but the College hadn't changed its methodology. **ACTION: The Chair requested that further exploration of the matter should take place and be brought back to the Board - Exec**

15.40 **Post Inspection Action Plan and Quality Improvement Plan (QIP)**

The Deputy Principal focussed on the key headlines which included retention, achievement and work based learning.

1. **Retention target:** The retention target looked like it would be met. The Board were aware of the strategies which had been put into place to achieve this and recognised the efforts that had been made.
2. **Achievement:** Achievement was conservatively predicted to be 92%. GCSE English and maths looked to be faring better than functional skills. Governors could see that the information in the PIAP supported this prediction.
3. **Work Based Learning:** was on target and represented significant progress. Again the Board had been aware of the strategies in place, including the centralisation of work based learning and were able to take assurance from the information presented.

The Board noted the contents of the report and the diligence of the PQTFG in closely scrutinising performance in line with direction from the Board. The summary sheet and clear RAG ratings were appreciated by the Board and it was clear the Board were being kept informed on any significant issues.

15.41 **Performance and Quality Task and Finish Update – verbal update from the Chair**

The Group had met immediately prior to the Board meeting. The Dr Tavernor referred to discussions at previous meetings and the areas of City 6 that had been highlighted as still being a concern. The Mocksted feedback had correlated with the Group's findings, particularly around

subjects such as A Level Law, A Level Economics and A Level Environmental Sciences. Today's meeting had included further discussion on City 6, Work Based Learning and English and maths.

1. **City 6:** Dr Spall, Assistant Principal for City 6, had attended the meeting today and the Group had received evidence of improved attendance and all indicators predicted an improvement in exam results. The Group were optimistic that based on the information received, the City 6 targets would be met, which, given the strategic importance to Liverpool, was positive news. There would need to be some streamlining of provision, but the overall indicators were encouraging.
2. **Work Based Learning:** The Group had examined the performance information and had been pleased to see the tangible improvement in terms of attendance and achievement within a short period of time but wanted to ensure clarity over legacy issues against the overall picture; the Executive team were keenly aware that governors expected data to clearly show the current direction of travel. Dr Tavernor said the common policy and central unit had been effective but the Group would look at Work Based Learning again in detail. Dr Tavernor reminded governors that quality of provision linked to funding.
3. **English and maths:** The Chair commented that maths and English was an issue across the College and while he appreciated the difficulties, it needed to improve. Dr Tavernor said there had been some discussion around whether English and maths should be discrete subjects on the timetable or incorporated within the main curriculum.

Dr Tavernor was thanked for his update. Governors felt that the detailed discussion and challenge at the Group provided some level of assurance to the Board with regards to triangulation, especially given that different levels of College management attended who were able to speak with confidence regarding data, policy and strategies.

15.42 Finance update

The VPFCR gave a detailed presentation, explaining that although the reduced funding would not take place until 2015/16 there would need to work undertaken in the current year to prepare. Benchmarking for the sector was now available. Key areas which were discussed included:

1. **Management accounts:** [Part of minute removed for reasons of confidentiality either relating to commercial sensitivity or a third party/individual]
2. **Adult Skills Budget (ASB):** Some ASB was at risk of claw back but short courses and employability were likely to mitigate this. Third party delivery was an option but would put further pressure on the budget through retaining a reduced amount of funding. Governors were aware of the difficulties around this area.
3. **Balance sheet and cash flow:** The slightly increased amount from funders had a positive effect. The ratios and covenants were explained. There was little margin for error with the covenants. The VPFCR said the debt service cover now stood at 162% which was more comfortable; this had been achieved through holding back on capital spend. Operational gearing now stood at 330%. Governors had monitored the financial situation closely through the year and felt the information was clear and consistent.
4. **Benchmarking:** Using the SFA all-college accounts showed the College remained 7th largest by income and performed well against the sector but it was noted the sector was experiencing difficult times. There seemed to be a number of colleges who had not had their accounts signed off; it was believed the effect of this would show a deficit of £89m rather than a surplus of £7m which was the first time the sector had ever recorded a loss. The Principal contrasted this with the £900+m surplus in HE. 14 colleges showed a negative cash position. In answer to a direct question on how the College compared

against others in the sector on staff costs as a percentage of turnover and what the optimum percentage was, the VPFCR said there was a balance to maintain quality but there were some areas of the College which could be more efficient. The Principal added that the benchmark for GFE colleges was around 62%. Dr Tavernor pointed out that in 1997 the average percentage was 74%. The VPFCR acknowledged that there was an upward pressure on staff costs. Governors were in agreement that although the College's financial recovery was remarkable, the Board would need to continue to monitor closely given the precarious nature of the sector.

5. **Income Generation:** The College was in the top 40 of colleges for generating income. Mr Nolan challenged on whether income from other sources was being sought to replace lost agency income as the College's future could not be sustained on efficiencies alone, given the rate at which funding was decreasing. The VPFCR said increased commercial activity would be one strand. Full cost courses, loans and significantly increasing the number of apprenticeships were all being explored. The Chair said constantly working smarter was key. The Principal stated actually being able to reinvest the surplus in the College would make a difference. Governors discussed how the government's promise to increase apprenticeships would impact on the College and agreed that the strategic plan was perfect to position the College in this climate. The College had performed comparatively well with loans but needed to do more. The appointment of the new VPBD would give scope to develop further. Changing mind sets would be important so that staff were on board.
6. **Overseas:** Governors suggested that overseas markets may be an area to explore further.
7. **Local comparators:** [Part of minute removed for reasons of confidentiality either relating to commercial sensitivity or a third party/individual]

15.43 **FE Funding Allocations 2015/16**

The VPFCR advised that the final allocation for 2015/16 had been received and it showed a reduction of £6.61m which was a little worse than the predicted figure presented to the last Board meeting. Many of the issues had been covered already, but the potential mitigations would be discussed later in the meeting. Some forward planning was in place.

15.44 **Tuition Fee Policy**

The VPFCR explained that the funding methodology hadn't changed so it was proposed that the tuition fee policy would remain largely the same.

An access arrangement had been agreed which allowed the College to go to £7,500 for a full time HE student and it would increase the support given. The additional income would allow extra support around bursaries to be given but could also be invested in an HE infrastructure. Students progressing from Level 3 programmes at the College would benefit from a discount.

Greater proportions of international fees would be paid up front. Governors questioned whether this may be a barrier but the VPFCR explained that as most international students came via an employer it shouldn't be an issue.

The tuition fee policy was approved.

15.45 **Write Off Bad Debts**

Mr Wilson highlighted that he was surprised to see bad debts from [Part of minute removed for reasons of confidentiality either relating to commercial sensitivity or a third party/individual] The Chair commented that the move regarding tuition fees for overseas students being paid in a larger upfront payment made sense when looking at the defaulting students.

The write off of bad debts was approved.

15.46 City 6

Governors considered the report with Dr Tavernor highlighting the final page which showed the progress made saying that this made City 6 a defensible prospect and it was of key strategic importance to the City, particularly given the potential for progression to level 4. The Chair agreed but said the results in August would be crucial. Attendance at exams so far had been greatly improved. The Principal highlighted that the coursework grades were extremely encouraging. The Vice Chair acknowledged this but challenged on how sustainable the trajectory was. The Deputy Principal said from a quality perspective the College probably wouldn't pay for an external mock inspection in future years but there had been a number of lessons learned in all other areas. The VPC agreed and said behaviours were now embedded and consistency was vital. Governors were able to take assurance from the consistency of the information provided as City 6 progress had been reported to the Board on an ongoing basis and it had frequently been examined at meetings of the PQTFG with extremely close interrogation of data and culture.

The proposal to retain City 6 subject to the conditions contained in the report (recruitment level similar to 2014/15, further review of entry requirement based on data from 2014/15 results, discontinuation of specific courses and rigorous performance management of core A Level subjects where management have concerns about performance, and final outcomes in 14/15 against Board approved targets) was approved.

15.47 First 4 Skills Revised Memorandum of Understanding

The changes mainly related to the College now being sole owner of First 4 Skills. The Chair questioned the frequency of the business plan and financial information coming to the Corporation Board. The Principal advised that it had previously been agreed that financial information would come quarterly and would have been received at this meeting only for First 4 Skills' Ofsted inspection. Meetings of the First 4 Skills Board took place on a regular and frequent basis with two governors acting as directors on the First 4 Skills Board. The business plan was reflected in the information which came to the Corporation Board and was presented in its entirety at least annually as a minimum.

Ms Carmichael queried whether the document needed to make reference to internal auditors and it was confirmed that this was not necessary but that First 4 Skills shared the College's internal auditors and was subject to the same levels of scrutiny.

The Board approved the revised memorandum of understanding.

15.48 Health and Safety Update (Spring term)

The Board noted the report which was consistent with information received at other points through the year.

15.49 Safe College Update (Spring term)

Most items were covered in Mr Butt's earlier presentation. The Deputy Principal advised that an additional two members of staff had been recruited. The Board noted the report.

15.50 Student Voice

The Deputy Principal advised that feedback had increased and satisfaction ratings had improved.

Governors challenged on a number of issues, including:

- Waiting times and enrolments - governors were concerned that the same issue which could affect whether students actually enrolled had appeared in the previous year's survey. Actions taken included reviews carried out, discussions with the Students' Union around the website, some of the key processes looked at in detail, enrolment of progression students had been reviewed to streamline the process, students with unconditional offers could be enrolled before September and improvements to

technology were also being looked at. The VPC was also examining how the enrolment and financial part of the process could be streamlined to prevent having two large queues in those areas. The Vice Chair suggested early enrolments could give an indication of the impact of the funding issues enabling the College to exploit emerging knowledge. The Deputy Principal said this would be examined.

- The process used to gather the student voice – The Deputy Principal said there was scope to improve reporting back on what had been done in response to the information but a variety of methods were used to enable maximum capture.

The Students' Union President acknowledged there was a stronger student voice with progress having been made. The Students' Union had been able to provide a number of activities and she firmly believed that a strong Students' Union would lead to increased retention.

15.51 Principal's Report

The Principal advised that First 4 Skills was currently undergoing an Ofsted inspection. All other aspects of her report remained the same.

In answer to a query the Principal confirmed the College had a strong relation with the Local Enterprise Partnership.

Governors' attention was drawn to the joint venture between the College and the council regarding the Aquitania restaurant during the Three Queens celebration. Judging by the response it had been welcomed by the public. The Principal believed this was due to the Cunard building itself, people wanting to support the College and the accessible pricing for fine dining. The Vice Chair asked whether the College's Academy restaurant would receive maximum exposure and was pleased to note that there were several initiatives in place. Dr Tavernor suggested every student involved should receive a certificate and the Principal advised this was already in hand. Councillor Small said the council would like to be involved in any presentation to students.

The Chair thanked the Principal and the VPFCR on behalf of the Board for their work in getting the SFA financial notice of concern lifted.

15.52 Any Other Business

The Chair thanked Ms Kincade for her contribution over the year and wished her every success in her new role.

15.53 Confidentiality of Items

All items which were commercially sensitive or related to third parties/individuals would remain confidential for the time being.

15.54 Date of Next Meeting

8th July 2015.

15.55 Confidential minutes of previous meetings

Approved as per earlier item.

15.56 Transformation Programme – General Update

Governors had monitored the transformation programme since its inception and welcomed the latest update. Most of the surplus delivered the previous year related to the transformation programme. [Part of minute removed for reasons of confidentiality either relating to commercial sensitivity or a third party/individual]

15.57 Transformation Programme – Shared Services

The strategic planning event in February was referenced by the VPFCR. As requested, additional details had been brought back to the Board with clear governance arrangements set out. Dr Carey sought assurance on the level of Board oversight and was advised that it would operate similarly to the relationship the College had with its existing subsidiaries but would have two external governors on the Board of Directors.

Dr Tavernor left the meeting at this point.

Councillor Small asked for clarification about the pension scheme arrangements for new employees and was advised it would be similar to the defined contribution scheme currently operated by First 4 Skills. Councillor Small also asked about trade union recognition and was informed that this hadn't been fully drawn out yet but given a number of staff who would TUPE across were union members it would probably occur.

The Vice Chair said that the more the Group developed there was a requirement to have a clear structure for the governance oversight.

The Board approved the recommendations which were:

- that the Board agree to support the implementation of the shared services centre, providing final approval for the go-live date of 1st August;
- that the Board confirm the proposed governance arrangements as set out within this report, in particular the appointment of a shadow board for the new company and reporting arrangements with regards to the Corporation Board;
- that the Board note the proposed terms and conditions for any new appointments to the shared services company;
- that a further report, or compendium of reports as appropriate, be requested by the Board to provide an update on progress to the July meeting of the Board; and quarterly thereafter.

Ms Kincade left the meeting at this point.

15.58 Transformation Programme Joint Venture

[Part of minute removed for reasons of confidentiality either relating to commercial sensitivity or a third party/individual]

The meeting closed at 7.50pm