

**Minutes of the City of Liverpool College Board meeting held on
7th October 2015 at 4.30pm**

Present:

Louise Barry, Elaine Bowker (Principal), Martin Carey, Gemma Charters, Peter Grieve (Chair), Viv Lacey (Vice Chair), John Nolan, Ian Pollitt, Phillip Powell, Marcel Santa, Peter Tavernor, David Wilson.

In attendance: Trudy Burrows (VP Business Development), Angela Cox (Deputy Principal), David McIntyre (Deputy Chief Executive), Simon Pierce, (VP Curriculum).

15.85 Welcome and Apologies

The Chair welcomed everyone to the meeting. Apologies had been received from Sue Carmichael, Clare Crowther and Stephen Sankson. Apologies for late arrival had been received from Martin Carey and Phillip Powell.

15.86 Appointment of Governors

Marcel Santa was nominated for appointment as a student governor having received the most votes from the student body. Marcel was currently studying A levels at the College and was in his second year of study, hoping to go to university next year. He had previously been a student ambassador for the College and had also achieved his bronze Duke of Edinburgh award.

The Clerk advised that Marcel was eligible for appointment as a student governor as per the Instrument and Articles of Government and would receive support from the National Union of Students Student Governor Support programme along with Phillip Powell. Both would also be able to attend the Association of Colleges' Student Governor Induction session in November.

The Board approved Marcel Santa as a student governor until he ceased being a student at the College, for a period of not more than four years.

15.87 Minutes of Previous Meeting

The minutes of the previous meeting were approved as a true record.

15.88 Actions from previous meeting.

15.36 & 15.53 Prevent – a high number of governors confirmed their completion of the online training and reiterated their recognition of the importance that all governors must complete the online training. Ms Barry referenced the letter of thanks included with the papers; she had discussed the College with the Prevent Co-ordinators for Liverpool and the North West and they were confident that the College had addressed Prevent very well. The Deputy Principal agreed and supported the Chair's drive to ensure all governors had received training.

15.39 Performance Dashboard – The DCEX had commissioned a team to look at how attendance was monitored and reported. A fully populated dashboard would come to the next Board meeting and there was further work ongoing to establish parameters. The Chair emphasised the Board's requirement that the information should continue to be accurate, transparent, reliable and credible. **Act: Dmcl**

15.61 Health and Safety - the VPBD reported that a meeting held this week with another booked to discuss actions and objectives for the Committee and this covered subcontracting partners. Learning for the sector from the fatal episode in Manchester had been considered and minutes of the meeting were available.

15.70 – Principal's Report – Awaiting decision on whether Alder Hey would have an apprentice chef on each ward.

15.79 AOB – The Principal was trying to get Professor Wolf to attend either a Board meeting or a strategic planning event but was also considering whether to run a seminar with external people attending.

15.89 AOB

It was confirmed that the anti-corruption policies should come to the next Board meeting rather than being delegated to the Audit Committee.

15.90 Performance and Quality Task and Finish Group – Verbal Update from Peter Tavernor (Chair)

The Group had followed up from the 25th August 2015 challenging in particular detail those areas that been involved in the internal Notice to Improve (NTI) process. Substantial progress had been made in-year in part as a result of challenge actions required by governors and implemented by management. The information presented to governors had been tested with different levels of management who recognised and owned the information. The PQTFG had completed a full cycle and it was evident that it had been successful in its remit of enabling Board scrutiny and challenge of performance and quality within City 6 being just one example.

Headline measures showed:

- **24 out of 26 NTI courses improved.**
- **17 of the 26 courses hit aspirational targets.**
- **Retention of 22 out of the 26 courses had increased.**
- **Overall achievement rate for 20 of the courses had improved with 12 of the 26 above national rates for achievement.**
- **AS Level physics had been a particular success**

Governors reiterated that the PQTFG operated as an adjunct to the Board and that the Board did not delegate its responsibilities in terms of scrutinising performance and holding the Executive to account. It was acknowledged that to optimise effectiveness of the group, governors should attend to enhance their insight and understanding to reports received at Board. Direct scrutiny from senior managers and the beneficial impact from interventions was clear. The meetings may have been stretching for the middle managers involved but acknowledged to have been developmental and helpful. The challenges and issues were clear and governors had been able to take additional and independent Governor-led assurance from the process and information received.

The PQTFG had critically reviewed its own effectiveness and concluded there was no room for complacency but over the course of the year confidence in the reliability and validity of data and use of data to scrutinise and challenge had further strengthened. It was suggested that the Group now needed to refine its requirements for indicators. The process of interrogating and checking/examining data had provided assurance, with it being clear to the Group that middle managers owned and recognised the information presented by senior managers. It was clear processes had sharpened.

The Group had worked under direction from the Board about issues the Board felt necessary encompassing areas in need of improvement and areas performing very well. The Group felt this mix was important for how the PQTFG and their detailed scrutiny was perceived by staff. The improvement witnessed was impressive and the Deputy Principal had been asked to produce a document outlining the key headline changes to ensure clarity. Dr Tavernor explained that throughout governors had needed confidence that the Executive team were supportively engaged in the process and he and other governors could assure the Board that this was the case. Frankness openness and honesty was demonstrated by the Executive under detailed scrutiny leading to both credible and reliable outputs and outcomes.

...

Detailed scrutiny of KPIs would continue to be supported through:

1. a diverse mix of governors being in attendance over the year;
2. middle managers attending with appropriate teaching staff; and,
3. scrutiny of at least four curriculum areas with a view to supporting improvement against the targets owned.

The Board agreed that PQTFG was an effective model. The Chair thanked Dr Tavernor for chairing the group and agreed that a summary sheet would be useful, and that its work would continue in support of continuous improvement.

The Board agreed that the priorities and measures identified by the Group were appropriate and would provide assurance that key indicators for improvement and success were being met throughout the year.

Governors agreed with the Group's assertion that celebrating success was vital. ...

Post Inspection Action Plan

15.91

The Deputy Principal advised that this would be the last time the PIAP was presented to the Board. A clear summary report had been included. The Quality Improvement Plan (QIP) would continue to be reported on going forward.

Governors were informed that there was a new methodology which measured classroom learning but the information in the PIAP had retained long success rates to enable a clear comparison. This had been discussed at PQTFG with governors assured that there was only a minor difference between the two measures.

Key successes were highlighted as retention for disadvantaged students being on par with the rest of their cohorts. College attendance did not reach the target of 90% so this was still a priority action. Employer satisfaction had increased from 84% to 93% for WBL.

Governors felt that the PIAP reflected the information received throughout the year and showed considerable improvement had taken place throughout the College. However, the Deputy Principal received challenge around why some aspects were still rated as amber and she advised that even when an action was substantially complete, a cautious approach was being taken before declaring the entire action complete. The Chair requested these items be closed out quickly as a number of items had exceeded their target completion date.

Outcomes 2014/15

15.92

The VPC gave a presentation detailing the outcomes for 2014/15. The Board were pleased to see the significant increases in all areas of classroom delivery for achievement, success and retention for both 16-18 and 19+. Other key aspects from the presentation were:

- City 6 had largely met the targets set by the Board.
- AS and A2 data remained consistent with information presented at the 25th August Board meeting as there had been a very small numbers of re-marks.
- A2 results were approaching national rates.
- AS had further to go but had improved to exceed the Board target for 14/15.
- GCSE showed significant improvement particularly for 19+ A*-C grades.
- Level three diploma qualification success rates were above the national average with large volumes of students. This year had included examinations in these programmes for the first time.
- 16-18 success rates had improved for each school.
- 19+ Health and Social Care stood out for 19+ as being particularly strong, but there were not huge volumes.

- Comparison between vocational and academic success rates showed a sizeable improvement in academic in City 6 and continued improvement in vocational.
- Level two qualifications - both vocational and GCSE – were improving but not as quickly as level three.
- ALPS scores had improved but governors challenged the Executive team to improve it further.
- 75% of English and 96% maths students had made progress compared to their starting points on initial assessment.
- Apprenticeships had a current timely success rate of 62% which had increased by 12 percentage points from the previous year.
- Short course success rates significantly improved (excluding BS maths and English) and was now above 91% for success rates.
- Achievement rates for Access were good with large volumes of students participating.
- There had been 77 high needs learners with a 97% retention rate and 88% success rate (excluding functional skills).
- There were no significant gaps for classroom based learning.
- Programmes for unemployed adults had been highly successful in moving long term unemployed to sustainable employment; the College was at 33% against a national average of around 8% for progression of adults receiving ESA (the hardest to reach group).
- Sub-contracted provision was in line with college performance.
- Areas for improvement included:
 - GCSE high grades;
 - Functional Skills pass rates;
 - Some curriculum areas;
 - Apprenticeships gaps in BAME (small numbers); and,
 - Value added at level three.

The Principal made clear that though close, vocational provision was not yet at the national rate. Governors were reminded that national rate benchmarks related to 2013/14 (national information for 2014/15 as yet unavailable).

Using the old methodology, the national success rate last year for 16-18 was 84% so the gap was closing but did not satisfy College ambitions. The Chair challenged this performance. In response The VPC set out underlying reasons and explained some would be tackled through NTI. [removed for reasons of confidentiality] Dr Tavernor agreed, but underlined how essential it was for students to be on the right course to ensure they were engaged and motivated.

The Deputy Principal assured governors that staff understood that once students had committed to a course, the College's responsibility was to get them through the programme. Only in extraordinary situations should students be moved between courses after the first few weeks. The induction period was crucial. Mr Nolan asked whether this implied guidance and screening were of the greatest importance. The Deputy Principal agreed, confirming the general trend was that the appropriate students were on the right courses and reiterating an effective induction was crucial.

The VPC said that the summary sheet would cover the themes raised in this and other meetings so governors would already be familiar with the information. The Deputy Principal suggested that there could be two parts to the summary paper: performance information and key information.

ALPS

The ALPS score measured the value added by the College. This had improved, but both governors and the Executive team were clear that further improvement was required. Importantly, scores indicated the College was strong in adding value to the young people who

come in with the lowest GCSE point scores - they had progressed furthest. The Principal said this reflected criticism around stretch and challenge however it was important to recognise the improvement trend so far (a presentation to the Board in January 2012 baselined ALPS then as amongst the worst in the country).

Governors accepted improvement should be acknowledged but were unequivocal that further improvement was required. They challenged on what was being done to improve ALPs. The VPC said that this would be reflected in scrutiny of areas under NTI as it would strongly correlate.

GCSE maths and English.

Performance in GCSE maths and English had been extensively scrutinised and debated in 2014/15. Governors were aware that performance had improved but were dissatisfied wanting greater numbers to achieve A*-C. The VPC added critical context:

- 9/10 of the top feeder schools were graded 3 or 4 by Ofsted and accompanying reports showed that the pupils had not made enough progress in English and maths.
- many had D grades at GCSE but assessed as entry 3.

Furthermore 75% of English and 96% maths had improved compared to initial assessment levels. The Board reiterated it was essential to demonstrate this.

Martin Carey joined the meeting at this point.

Governors sought an explanation about whether Liverpool was unique in this trend amongst learners or whether this appeared a national issue. The VPC said that data for 14/15 was not yet available and the Principal explained this didn't characterise the City as a whole, but did characterise the College's main feeder schools which also demonstrated poor attendance and retention. The College set stretching aspirational targets. Dr Tavernor gave national context suggesting most urban local authorities had regressed. Governors noted the difficult environment but required the College to model aspiration for students with the College for only a short time.

Functional Skills

The Skills Funding Agency (SFA) had changed the methodology which now included functional skills and some ESOL type qualifications. The College's 19+ was 78% for Entry and level 1 provision which was above national rates but required improvement at level two.

16-18 English and maths were focused primarily on functional skills. 88.6% of functional skills English students had made progress from their starting point. 72.2% of functional skills maths students had made progress from their starting point. However, Level two performance was not good enough although the evidence demonstrated in some cases significant progression had been made by students from their individual starting baselines. Governors understood the barriers but pressed on the vital importance to individual students and the College of consistently improving these rates.

Apprenticeships

Timely success rates were currently 62%. This had improved by 12 percentage points from last year. Higher level apprenticeships were red rated because of an issue around timeliness [with one employer] although those students would achieve the framework. Governors pressed for and received assurance on how this legacy from contract set-up was being resolved.

Areas Requiring Improvement

Areas for improvement were: GCSE high grades, Functional Skills pass rates, curriculum areas previously outlined, achievement gaps for some apprenticeships (BAME students but only in small numbers) and value added at level three.

In debate, governors welcomed the many positive messages from the outcomes, and took assurance from the validity, reliability and consistency of data and information which had been triangulated against evidence from wider sources. However, the volume of information was substantial and they challenged the absence of a succinct summary sheet for the meeting. The Deputy Principal advised that it was unusual to present such detailed performance information so early in the year as the Individual Learning Record had not yet closed, but given active scrutiny on performance by governors, full, un-summarised performance information had been brought early. The Chair explained to the Board that he had instructed the Principal to ensure the Executive team and staff should focus on getting the year off to a strong start, so had asked for this to take priority over preparation of Board papers.

15.93 **Apprenticeships and Business Development**

Apprenticeships – volumes

The VPBD outlined how the apprenticeship target of nearly £4m was net of partnerships. There was a £3.37m loans target and a £650,000 target for commercial income. The VPBD was also responsible for marketing spend.

Governors were advised that the College had a £2.4m contract value for apprenticeships, the carry-in value being £2m. This was positive news, but the plans for growth required a strong case to be submitted to the SFA in January reflecting the leading SME brands we were working with.

Governors were clear about the College's stretching ambition for doubling its income from apprenticeships. This meant starts would need to be more than doubled. There had been 436 apprentices enrolled so far in 2015-16 against 548 for the whole of 2014-15. This meant that in the next 6-8 weeks most of the contract value would be allocated, hence the need for a growth case. There were a number of vacancies to fill and the team was working to much higher numbers. There had been a backlog but two people had been added to the team.

The VPBD reminded governors of the College's arrangement with DGA – a company sourcing apprenticeships for SMEs across the NW. The VPBD and DCEX were also meeting with a company who delivered HR qualifications nationally.

LEP Priorities

Engineering, manufacturing and technology were key priority areas for the LEP and it was essential for the College to be offering provisions in these areas. The College was working with large companies such as [removed as commercially sensitive]. Area reviews would also have an emphasis on technology. To highlight its provision in these areas, following thinking developed from the Board Strategy day, [Removed as commercially sensitive]

Governors heard that the LEP reaction to this initiative was to be delighted by the College's speedy alignment to their emerging economic priorities. In a debate regarding the Strategy Day and the lines of advice from the guest speaker, governors were further assured only improvements from this aspect of the College's strategic alignment would follow. There would be no significant shift to the educational character of the College. The development would deliver a stronger response in those areas of provision for key stakeholders. This general approach was in line with the Board's signal to the Principal that it was vital she continued to act in an agile way to position the College to best effect in the region at a time where funding was increasingly tight. [removed for reasons of confidentiality].

[Removed for reasons of confidentiality]

Marketing

A marketing review had been commissioned from Sara Wilde at Influential drawing on her insights to the market place within the City region. Mr Pollitt endorsed this initiative.

WBL – Ops

There would be a refresh and review of product offer. This may reduce the number of frameworks by half, but increase higher levels in line with the City region's needs. The employer levy for apprenticeships would need to be factored into the scope for any review. The College was also preparing for European Social Fund (ESF) opportunities.

There would be a quality review of systems, people, processes and communications. Governors emphasised they would expect to see future initiatives proved and underpinned by tangible evidence of milestones and achievements. The VPBD assured governors that targets were in place but for the purposes of her presentation she had concentrated on a high level summary.

Governors thanked the VPBD for an informative presentation, having confirmed the main priorities set out were aligned to the strategic plan.

Finance

2014/15 financial outturn and funding outturns.

A Group surplus of £3.2m had been delivered broadly in line with the mid-year forecast. A cash positive position had been maintained **in**-year. The cash position had been better than the previous year (and £600k better than budget as some capital purchases had been held back to further strengthen and protect the financial position.

The Financial Statements Audit would begin w/c 12th October. The SFA funding audit was ongoing.

The hard close for funding would be at the end of the month. Key points were:

- There had been 3,531 EFA learners (target 4,423) and the lagged funding model would mean the impact was felt in 2015-16.
- The Adult Skills Budget should end up at around £10.6m.
- 16-18 and 19+ would be in line with allocation although 16-18 numbers reduced in year.
- Loans facility £1.8m but allocation was £2.6m – meaning there was substantial potential opportunity.
- The SFA funding audit had picked up only minor issues so far – no financial impact was anticipated.

Income and Expenditure

The DCEx outlined a number of key risks including that:

- Loan numbers were slightly lower than at a similar point last year, but the target was higher. The College would not only develop partnership arrangements referenced by the VPBD but also look at different ways of offering discrete provision internally.
- [Removed as commercially sensitive]
- Income generation and F4S starts/occupancy represented areas of risk but were actively managed by close monitoring throughout the year.
- Risks existed around restructuring costs – these had been anticipated in terms of expenditure. Further in-year funding cuts and restructuring options would be closely overseen and managed.
- 16-18 learner support and bursary costs. Any overspend would need to be accommodated via an adjustment elsewhere.

16-18 recruitment was almost at target (15% more than 'day 42' figure last year). The College had recruited well on ASB and apprenticeships. HE recruitment had exceeded its target.

The balance sheet was straight forward at this point **in-year** and there was little movement year to year. Cash was now being managed on a group basis. £3.2m was forecast at lowest point in year. Ratios and covenants were in line with expectations.

Governors reflected on the enhancement in the comparative cash flow between the two years and that presenting as a Group was also positive.

Clarification was sought on the interplay of restructuring and the scheduling of any redundancies on the numbers. The DCEx summarised the on-going exercise to reconcile enrolments against targets and staffing numbers. The Principal assured governors that the exercise would be diligent and closely consider the potential impact on the budget. Ms Charters challenged on the position of staff who had expressed an interest in voluntary redundancy and consequently it appeared were not timetabled. The Executive team did not believe this to be the case but committed to investigate Ms Charters' concerns after the meeting. **Action: Exec**

15.95 Extension of Internal Audit Contract

The current internal auditors had been appointed in October 2012 for a three year period. The DCEx advised that it was good practice to retender every 3-5 years. The DCEx and Audit Committee had been sufficiently assured and the proposed extension was approved by the Board.

Peter Tavernor left the meeting at this point.

15.96 Safeguarding Policy and Annual Report

The safeguarding policy had been updated to incorporate the Prevent agenda as discussed at previous Board meetings and meetings between safeguarding and equality, and diversity linked governors. Governors were confident that the policy would not only meet all statutory requirements but represented best practice.

The updated policy was approved.

Information on looked after children information was in the annual report. It was a complicated area but success rates were around 66% against a very low rate nationally. The local authority had advised that Liverpool's success rate for looked after children for 5 GCSE A*-C was 18%. The College would not be complacent and more work would be done, but the contrast in success rates was marked. The number of safeguarding referrals reported had doubled, and the issues presenting were seen to be complex but the Deputy Principal commented on better systems in place and the issues were being dealt with well.

725 out of 800 staff had undertaken Prevent training although when factoring in sickness and maternity, plus those records to be finalised, it was likely to be close to 100%. Governors noted the letter of commendation and thanks from the Liverpool and North West Prevent co-ordinators and thanked all staff who had been involved.

15.97 Subcontracting Policy

The DCEx advised that this was the first time the Board had received an annual report or been asked to approve the policy, referencing auditor recommendations and changes in SFA funding rules.

Governors agreed that with an increase in the volume of subcontracted activity clarity was essential. The proposed partners had been RAG rated with amber being applied if referring to large volumes or new partners.

The increasing areas were highlighted as:

- [Removed for confidentiality]

The partnerships with [removed as commercially sensitive] were in strategically important areas and future proposals would be brought to the Board. The requirement to be entrepreneurial and look at partnerships differently was highlighted. The Chair challenged on strength in partner quality being essential. The Principal assured governors of high quality amongst partners. The College had been congratulated by the SFA for proactively identifying and pre-empting problems with a national provider, reinforcing confidence in the internal monitoring framework.

In response to a question on the subject of a Quality Assurance framework, the DCEx advised that it was about an approach of constant improvement and seeking to strengthen the framework further to consistently ensure fitness for purpose (as opposed to putting fixes on weak practice) and that it should be reworded.

Action: DMcl

The Board approved the recommendations which supported both the strategic plan and the budget.

15.98 Risk Management

The DCEx advised the Board that the risk management plan followed the same format as the previous year with a sharp focus on a Group approach. The plan reflected the updated college strategy and enablers. Governors were advised that risk management was live, on-going, systematic and evolving. The Chair asked about progress on disaster recovery planning. The DCEx confirmed that tests to the plan had given confidence that the College would respond well but there was no complacency and a vigilant approach would continue.

The risk management plan was approved.

Governors requested clarification on why some elements were rated red when the actual rating was the same as or below the target rating. The DCEx confirmed they should be green and it was a formatting issue.

15.99 Principal's Report

The report was self-explanatory and accepted. Governors acknowledged the Principal's consistent hard work and extraordinary effort. They thanked the Principal for her commitment and congratulated staff and students whose hard work had been recognised in awards.

15.100 Use of Seal

Governors noted that the seal had been applied three times since the start of 2014-15. The report outlined the occasions and reasons for use.

15.101 Confidentiality of Items

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

15.102 Date of Next Meeting

11th November as per the Board business cycle.

The student governors plus all staff (including the Principal but excluding the Clerk) left the meeting at this point.

15.103 Confidential minutes of previous meetings

The confidential minutes were approved as a true record. There were no outstanding actions to report on.