

The City of Liverpool College**Corporation Board meeting and strategic planning event held on****18th March 2016 at 9.00am**

Present: Louise Barry, Elaine Bowker (Principal), Martin Carey, Sue Carmichael, Clare Crowther, John Denny, Peter Grieve (Chair), Viv Lacey (Vice Chair), John Nolan (staff governor), Steve Sankson, Marcel Santa (student governor), Phillip Powell (student governor and Students' Union President), Peter Tavernor

In attendance: Angela Cox (Deputy Principal), David McIntyre (Deputy Chief Executive), Simon Pierce (VP Curriculum), Nicola Kumar (Strategic Development Manager), Christine Lenderyou (Clerk to the Corporation), David Wilson (independent director of F4S). Ms Sue Price (CEO of F4S) joined for part of the day.

16.8. Welcome and Apologies

Apologies had been received from Mr Kenwright and Mr Pollitt who were representing the city at an overseas event. Ms Lacey would be delayed.

The Chair welcomed everyone and thanked them for their attendance at the strategy day. He reminded governors that the strategic planning event and March Board meeting would be combined. Governors would have the opportunity to tour the Duke Street building and see the provision.

16.9. Declarations of Interest

Mr Nolan declared an interest in the Item relating to staff governor appointments; the Board agreed he should be present for the discussion but would abstain from voting.

16.10. Minutes of Previous Meeting

The minutes of the previous meeting were approved subject to a proviso that the Clerk was not advised of the need for any amends within seven days.

16.11. Outcome of Actions

The actions report was noted with actions confirmed as ongoing, complete or covered by the agenda.

16.12. Presentation from the Pastoral Support Department

The Board were joined by Mark Rossiter (Student Engagement Manager), Melanie Williams (Student Enterprise and Engagement Co-Ordinator), Rachel Clarke (Student Engagement Officer) and Beverley Abbot (Student Engagement Officer).

Governors thanked the team for an excellent, informative presentation. This had emphasised again the profound importance of FE colleges in the lives of their students. It also reinforced the significance of strong governance and robust strategic leadership to ensure the widest possible opportunity for students.

The engagement team left the meeting at this point. Governors were given a tour of Duke Street, by David Akeroyd, the Assistant Principal for Service Industries.

16.13. SWOT Analysis and Area Review Update

The Principal presented her analysis of the College's major strengths and weaknesses and threats and opportunities, with a brief update on the area based review process. This would start in earnest in the Liverpool City Region in April.

By way of context the Principal referred to the governors' tour, and explained how classroom size (compliant with old LSC space norms) made it difficult to increase class sizes to 20. This constraint was a single example of the lasting impact of historical decisions on current students. Whilst it was clear that 2015/16 was a difficult year for the College financially, the Executive team had taken appropriate steps to safeguard the student experience and put in place measures to position the College well for 16/17.

Students generally behaved well. This had been noted by Ofsted in the recent inspection and earlier ones. They were also dedicated and hardworking. Many seized the wider learning opportunities offered by the College, which were not accessible to them elsewhere.

Governors recognised that there were some exemplary things going on in the College, despite the challenging environment. The morning's presentation from the Student Engagement Team and tour of Duke Street offered an insight to the value of the day-to-day work of the College and demonstrated the difference the College made.

[removed for reasons of confidentiality]

The meeting broke for lunch. The student governors were unable to return after the break.

16.14 Finance

Management accounts were supplied for month 6 with a hard copy of the presentation and the draft recovery plan. The draft financial recovery plan needed to be submitted to the Skills Funding Agency by the end of the day, subject to Board approval. Month seven financial accounts would be ready the following week and circulated then.

Income and Expenditure

The DCEX opened with an update on the current position. There was still a £3.8m negative variance against the original budget for the Group. The revised budget (based on the mid-year reforecast) had been uploaded and the management accounts would now report against the revised budget. Governors requested assurance on the assumptions underpinning the revised budget. The DCEX advised that since the previous meeting in January, further work had been undertaken which enabled greater precision particularly in respect of the timings of savings secured. [removed for reasons of confidentiality]

Benchmarking

The Group remained the 6th largest by income based on the recent disclosure of the finance record for the sector. The sector had made a very small surplus based on the accounts submitted to the SFA so far and the DCEX highlighted that the finance record was incomplete as there were a number of colleges whose accounts had yet to be formally signed off this late in the year. Other key points were:

- 325 colleges, we remain 6th largest by income
- Sector made £30m surplus on £7.2bn turnover
- 42 colleges posted c/based operating deficit (2013-14: 54)
- 112 colleges posted historical cost deficit (2013-14: 131)

- 18 colleges showing negative cash position (2013-14: 14)
- 301 colleges posted a lower 'Net cash inflow from operating activities' figure than the College (2013/14: 292)
- 77 colleges were currently in receipt of a financial notice of concern.

Governors noted that it was clear the sector as a whole had a financial issue but remained confident in the ability of the Executive team to deliver.

Dr Carey left at this point.

Indicative funding for 2016/17

- EFA funding allocation received
- £1.1m increase on 2015-16 (positive variance on recovery plan)
- 16-18 apprenticeships to increase by £50k to £1.4m
- SFA funding allocation awaited
- Adult Education Budget (AEB) likely to equal previous ASB CBL + ASL
- Assume 19+ apprenticeships stays at approx. £1.4m
- Loan facility likely to fall, as not being used in its entirety. Value unknown.
- No significant change in HE grant, fee income expected to increase
- Bursary funding likely to fall, approx. £70k for 16-18 and £130k 19+

Mr McIntyre was thanked for his presentation. The Board were clear that although improving the situation remained precarious and needed exceptionally close monitoring as discussed throughout the presentation.

[Removed for reasons of confidentiality]

Ms Price left the meeting at this point.

16.15 Performance and Quality Task and Finish Group Update

The Board received a summary of the key points from Dr Tavernor who chaired the group.

Post Inspection Action Plan (PIAP)

The PIAP had been subject to detailed scrutiny. The PIAP was now owned by the Director of Learning and was a very honest if not pessimistic appraisal. A prudent approach had been taken on the level of assurance which was required before an item was marked green. After a thorough discussion, governors were assured that despite the distribution of amber and red in the RAG rating, performance was on track to reach targets although Maths and English remained a concern despite more students having passed than at the same point the previous year. Governors asked that the Deputy Principal gave consideration to reflecting the year-end expectation in the RAG rating rather than simply a snapshot of performance as this would provide a better informed, more reliable view of performance.

The quality improvement KPIs suggested that cumulative attendance wouldn't get to 90% but was being driven continually. Other spring term targets were just about holding and would represent an achievement from the same point the previous year.

The latest round of mock exams in City 6 and the curriculum review gave a reasonable level of confidence that the ALPS target for value added of 4 and above would be reached. The curriculum

review had been overwhelmingly positive in terms of teaching, learning, assessing and tracking, although there remained some caution around AS.

Narrowing the Gap

The group had also received the annual report on Narrowing the Gap. The achievement gap for males and females in Work Based Learning (WBL) had closed. BAME students and disadvantaged students were also performing well. Success rates for learners with a declared learning difficulty or disability had not improved at the same rate as for those learners without and there was an issue with BAME students on WBL provision so actions would need to be taken to try to close those achievement gaps. For the first time, information was available which showed that HE students with disabilities and students from lower socio-economic groups were not performing as well as others so it was a high priority to address this.

Curriculum Reviews

The Director of Learning had joined the meeting to report on curriculum reviews which had taken place. The curriculum reviews were risk based and this was informed by the tracker which the DoL had developed.

Both the PIAP and Narrowing the Gap report were included in the Board papers. The Chair thanked Dr Tavernor for his update and the continued challenge and scrutiny delivered by the group. [removed for confidentiality]. A thorough analysis had taken place and the group was able to provide assurance to the Board that the key issues were known and being addressed, but there clear signs of improvement were evident in a number of areas.

16.16 Post Inspection Action Plan

Covered above.

16.17 Quarterly Update From SharEd

The Board accepted the report as read as it was self-explanatory. The challenges and achievements during the company's first year were noted.

16.18 Transformation Programme

The Board accepted the report as read on the basis that elements of this had been threads in other discussions during the day.

16.19 Financial Regulations

The Board approved the updated Financial Regulations having noted the clear summary of proposed changes and their rationale.

16.20 Merseyside Pension Fund Discretionary Elements

There were no significant changes to the College's position. The Board approved the Local Government Pension Scheme Discretionary Policy Statements as outlined in the report.

16.21 Single Equality Scheme

Data around staff and student demographics had been updated but there had been no legislation changes. The new action plan would come to the next Board meeting providing governors were happy with the three objectives set.

Action: AC

The Equality and Diversity link governor endorsed the SES. The Board approved the SES.

16.22 Annual Review of Board Policy Manual and Instrument and Articles of Government

The Board substantially reviewed its governance processes in October 2013 in response to the new freedoms and flexibilities granted by the Education Act 2011. Further review was carried out in January 2014 with a number of changes made to governance processes such as maximum terms of office, revised governance structure etc. Changes since then have been on a less holistic basis. The Audit Committee received a report on governance from the in October 2015 with what was described as “minor housekeeping” recommendations. The report from the Clerk summarised the changes proposed and the rationale. The Board approved the changes and reiterated their commitment to keeping governance processes under review for currency and to ensure good practice. The Board was determined that governance would continue as a fundamental strength for the College.

16.23 Proposed Changed to the Staff Governor Role

In line with the Board’s commitment to strong and effective governance, at the September 2015 strategic planning event which followed after the TUPE of staff to SharEd, Governors were advised that the current support staff governor was no longer eligible to serve. This change had given rise to the Clerk reviewing the terms of appointment to the staff governor role. While the scope for who could serve was being examined, John Nolan had been appointed as an external governor on an interim basis. The Clerk had emailed all staff with a summary of the proposed changes. The consultation period ended on 17th March 2016. The Clerk reported the feedback received. The Board were assured that the legal position for the proposed change was robust. The consultation period was reasonable and had been confirmed by legal advice to the Clerk. As such, the Board approved the recommendations which were:

1. To change from two staff governors, to one staff governor appointed from directly employed College staff and one additional external governor, ring-fenced to employees of the College’s subsidiary companies.
2. To align the staff governor appointment process with the external governor appointment process, moving from elections to interviews.
3. To authorise the Clerk to make the appropriate changes to the Board Policy Manual and Instrument and Articles of Government to reflect the Board’s decisions.

16.24 Request to Apply the College Seal

The College had been successful in a European Regional Development Fund bid for “The Enterprise Hub” and would be required to sign a contract under the College seal. The Board approved the use of the seal in this instance, noting that the contract would be signed by the Chair and the Principal.

16.25 Principal’s Report

The Principal confirmed that her report had been largely covered through items earlier in the day. The report was accepted as read.

16.26 Any Other Business

None

16.27 Confidentiality of Items

Commercially sensitive items (including those relating to F4S and Area Reviews) would remain confidential as would anything relating to third parties or individuals.

16.28 Date of Next Meeting

The next scheduled meeting was 18th May 2016, but as discussed, it was likely additional briefings would be required before then.

The Chair thanked everyone for their participation and closed the meeting at 5.00pm.