

The City of Liverpool College
Minutes of the Board meeting held on 6th May 2014

Present:

Ms Louise Barry
Ms Elaine Bowker (Principal)
Ms Charlotte Burns (Student Governor)
Dr Martin Carey
Ms Gemma Charters (Staff Governor)
Ms Clare Crowther
Mr Peter Grieve (Vice Chair)
Mr Charles King (Student Governor)
Ms Vivienne Lacey (Vice Chair)
Cllr Nick Small
Mr David Wilson

In Attendance:

Ms Gill Banks (VP Curriculum)
Mr David Brennan (VP Partnerships &
Business Development)
Ms Angela Cox (Deputy Principal)
Mr David McIntyre (VP Finance & Corporate
Resources)
Ms Christine Lenderyou (Clerk to the Board)
Ms Karon Brownbill (SFA)
Mr Mark Frith (EFA)

The Board received a presentation from Ian Jaundoo (executive Chef at the College) and two of his students -Leon Tam (VRQ Level 2) and Vincent Premel-Cabic (VRQ Level 3). The Board congratulated Ian and his team for their achievements and solid performances during the Ofsted inspection.

Ian explained his role included 17.5hrs based in curriculum, but the rest of his time was spent on commercial ventures and due to the nature of hospitality this often included long hours. Many governors had attended the College's restaurant and agreed with Ian's assessment that it could compete against most restaurants in the city which served the same style of food - modern European. Ian explained there was a balance between stretching students but ensuring the reputation of the restaurant remained strong; although it was a training restaurant, industry standards were upheld and this was reflected in Trip Advisor reviews.

Ian informed governors that catering section had ambitious plans. He believed the kitchen would need a refurbishment but highlighted that it had only been in place for 11 years whereas the one in the old Colquitt Street building had lasted for 30 years, suggesting durability should be a consideration. Ian had sourced ideas and was considering a bid to the Savoy Educational Trust who would match funding. Ian wanted to raise the profile of the restaurant and felt there may be scope for opening all year. Similarly, while Bread and More was open 7 days a week at the College was the nominated events company there was potential to expand further. The new Titanic hotel has asked if the College can supply daily bread but it was not yet clear whether the College could committed to this year round which could be a problem. When the inspectors came in last week, they were impressed at the students running the cafés at the Learning Exchange and Duke Street. Ian cautioned against over-reliance on apprentices as they would often seek out other opportunities. Governors asked what Ian thought were the barrier to year round or Saturday opening and were advised that it was generally the cost of staff facilities and transportation which were then passed on to buyers although it was accepted there would be some close down over Christmas. Ian was exploring the idea of offering income generating courses to parents and children as a way of raising revenue.

Ian then went on to talk about the industry awards and competitions the section had been involved in. Leon had participated in a couple of competitions and would do so next year as well; he had been a finalist in Cuilinaire. Vince was a former operations manager for Holiday Inns and was coming up to end of his course. He explained that he really enjoyed the chef side rather than management side and within weeks of starting his course was entering competitions which was a valuable experience. The team had been awarded numerous medals and commendations. There would be further competitions as part of the International Business Festival being held in Liverpool later in the year. Ian explained that he wanted to establish a budget for competitions as there were costs associated with entry fees, practice food etc which currently came out of the catering resources. Additionally

practice time was required. Ian was emphatic that both the students and the College benefitted from the prestige obtained via competitions but that investment was essential.

Governors pressed Ian around his own achievements he explained that he doesn't compete much now as he focuses on the students competing although he has received a Fellowship award. And judged the Hotel Olympia. Biannual event. Ian felt that it was vital for all chefs to teach and train in a kitchen regardless of where they worked and had maintained his links to London based chefs such as Marcus Wearing so that students could have access but Ian could refresh with the very best chefs. Governors commented that they had seen Ian's awards in the kitchens and asked why he didn't display them front of house but Ian felt it keeping them in sight of the students inspired them.

Governors thanked Ian, Leon and Vince for a very informative session. Ms Burns said that from her perspective as a student, it was very inspirational to see other students achieving awards or gaining places to prestigious universities and she fully agreed with Ian on the importance of the College supporting students and highlighting their achievements.

Ian, Vince and Leon left meeting.

The Principal acknowledged Ian had made valid points about resources and admired his enthusiasm but added that requests for investment must be underpinned by business plans. The VPPBD confirmed that support was given to help with business plans.

Councillor Small left the meeting at this point.

14.32. Apologies

Apologies had been received from Ms Sue Carmichael, Mr Brian Cronin, Mr John Denny and Dr Peter Tavernor.

14.33. Declarations of Interest

There were no declarations of interest.

14.34. Minutes of previous meeting and outcome of actions

Minutes of the previous meeting were approved as a true record. The actions from previous meetings were noted as being in progress or complete. Regarding the issue of whether Health and Safety incidents were being under-reported, the VPPCR suggested the next quarterly report would show this was the case. Additional benchmarks were being sought for Health and Safety incidents in the nursery.

14.35. Ofsted Inspection

The Principal briefed the Board on feedback from the recent Ofsted inspection. Governors were reminded that the feedback was confidential and still subject to moderation and requested that it was not discussed outside of the College.

As expected, not having a new set of success rates had given the inspection team a number of dilemmas as they had to rely on in year indicators. Wider learning was strong with aspects such as competitions, strategic links and preparing for work being regarded well. Teaching, Learning and Assessment had received a lot of grade 4s in the previous inspection but there were very few this time around with more 1s than anticipated. Every paired observation had resulted in an agreed judgement. There were lots of encouraging signs but as discussed at previous Board meetings consistency of good provision was essential for grade 2. There was disappointment at grade 3 for Leadership and Management but it would be unusual to score 2 while other areas were graded as 3. Sector subject areas showed great improvements with most aspects being judged in line with the self-assessment. Great feedback had been received with descriptions such as innovative and inspiring with improvements being as a result of true transformation rather than massaged data indicating the improvements were sustainable. Humanities and Social Sciences had received a grade 3 but this had improved greatly from the previous year and the success rates relied heavily on external exams. City 6 had more grade 3s for teaching and learning than any other are but the feedback was very positive

regarding the improvements in place. Foundation English and Maths was also grade 3 although the College had embraced the strategy before it was mandatory and would be in a better position next year. The inspectors acknowledged the huge scale of Foundation English and Maths. Not all vocational staff were comfortable yet with embedding English and maths and it appeared that engineering type subjects were more comfortable embedding maths, while arts subjects were more comfortable embedding English; work would continue.

The inspectors had had instant access to success rates and their findings were consistent with the College's. No achievement gaps existed which was a positive point.

The inspection team's key findings were rigorous monitoring of performance using ProMonitor and other tracking etc; distance travelled in absence of new success rates was important; and very effective implementation and embedding of vision and strategy by senior leaders and governors are leading to improvements. There was evidence of differentiation being used effectively along with consistent improvements to attendance and punctuality. No account was taken of the time of year - students preparing for exams, going to university interviews and so on. The inspectors were positive about data and how it drove improvement and performance.

The overall grade was in line with how the College had self-assessed and was a strong 3. Feedback on leadership and management seemed to change late in the week as the dynamic of the inspection team changed but overall, it still seemed a fair reflection.

The Chair commented that it was a sound outcome considering the College's position a year ago and that endorsements from external bodies showed that the right actions had been taken. The Chair acknowledged the time and effort given throughout the College. Governors asked whether the outcome had impacted on the morale of staff. The Principal felt it was hard to gauge as staff had been briefed in large groups so far. Initial feedback from the leadership team gave a notion of relief (and tiredness). The staff governor for teaching agreed with this view and added that people felt encouraged. The VPC said she was encouraged personally by seeing so many grade 2s, feeling it was a recognition of a great deal of hard work.

The Chair commented that he and Mr Pollitt had also received outstanding feedback from employers which the Principal acknowledged adding that feedback shows the College was well placed for delivering local needs/economic responses without stopping improvements to curriculum. Inspectors had been impressed by a respectful, safe environment and good relationships between staff and students. Students had confidence to take lead and ask questions. Governors were reminded that it was easy to take these elements for granted but they were not always present in inner city colleges. Students also complimented support available in and out of the classroom.

Governors congratulated the Executive team and the rest of the College for an impressive outcome in difficult circumstances but agreed the next challenge was to get 3s to 2s. The Principal and Deputy Principal had already started work on a new Post Inspection Action Plan which would come to the next Board meeting. It was queried whether the focus would be on poorer performing areas but the Deputy Principal explained that the same themes applied to all areas but there was a need to work on theory/formal teaching and consistency.

Governors suggested that their own focus may need to be redirected although in the same strategic direction. The Principal suggested that in the context of increased competition, governors may need to do more externally in ambassadorial roles.

It was agreed to take item 7.4 next.

14.36. Performance Dashboard

Governors noted the improved success rates on vocational courses and that short qualifications were predicted to improve in 2013/14. As a result of the 10% drop last year short courses had been stripped out to increase visibility. Retention currently stood at 95%. Timely success rates for apprentices had

improved. There was significant improvement in Value Added. As mentioned earlier, there was rigorous tracking was in place. The practical skills evidenced supported claimed that outcomes will be improved. Enrichment and development of employability skills were also highlights. The College had been able to demonstrate that its students progressed to higher levels.

Areas for improvement included attendance and punctuality. Value Added for vocational courses should be improved and would be subject to rigorous tracking and challenge. Functional skills entry and level 2 success rates also needed to increase and would be reported on separately

14.37. Teaching and Learning

The Deputy Principal referred to the findings from Ofsted and how they compared to the College's own programme of improvement and felt there was a lot of consistency.

Strengths were considered to be:

- Joint Lesson Observations had accurate judgements;
- Introduction of accelerate programme to turn good into outstanding;
- Proactive planning to ensure improvement is sustained;
- Virtual Learning Environment – (although this needed to improve for apprentices);
- Exemplary feedback for achievement coaches;
- Positive feedback for tutorials;
- Information, Advice and Guidance was impartial; and
- The use of live projects etc was really valuable and delivered meaningful experiences.

Areas for improvement included ensuring that Equality and Diversity were firmly embedded in schemes of work and lesson plans. This was an emerging strength but the opportunities available had not been maximised. This will be included in development plans.

Leadership and Management had been examined all the way down to team leaders. The quality improvement process had been shown to be effective. In two Teaching and Learning Observations the records were not judgemental enough.

Governors acknowledged the improvement in standards of teaching but noted that a minority of lessons were still poor and asked how long it would be until this was eradicated. The Deputy Principal advised the Board that the Ofsted definition was up to 19% which broadly matches own figures. This figure needed to improve by 10% and have no grade 4s. While there was already a great improvement, the percentage of grade threes need to halve and move to grade twos.

The Chair expressed some concern about attendance and punctuality for English and maths as it seemed to be going in the wrong direction and also highlighted adult retention, cautioning that there were still issues to resolve. The VPPBD confirmed that declination trends were also a concern to the Executive team. In some instances performance can dip after an inspection but the Executive team were clear that the College must continue to improve. It would be of grave concern if the anticipated improvement of success rates were not realised. The VPPBD reiterated that students can't learn if they are not attending and they can't achieve if they are not retained; a Wider Leadership Team had been held that day which specifically focused on those issues.

14.38. Report from Performance and Quality Task and Finish Group

In the absence of Dr Tavernor, Ms Barry gave a synopsis of discussions at the group. The performance dashboard had been discussed in depth and some changes to format had been requested (e.g. English and maths being reported separately and Value Added information being included). Governors had also asked for statements to be included to give context for example the numbers of students doing English and maths GCSE had increased from 33 to c1700. Dr Carey added that the group was keen to see comparative data where possible as a lot of to underline the scale of improvement and show clearly what was still required. The VPPBD confirmed that he would be building in more benchmarks where available. The Chair commented on a section that read "college has aspirations" and felt this should be more specific. Ms Barry clarified that student progress graph started at 80% rather than 0% which was why it appeared distorted on first viewing. The areas

of stronger and weaker performance were not surprising based on information which had been presented previously. Heads of school had attended meetings in an attempt to triangulate the information and as an extension of the support and challenge ethos.

The Principal emphasised that there needed to be checks for every student every day for retention and students on track to achieve. Attendance will start to drop but shouldn't drop for vocational. The College should utilise the authorised absence facility better. City 6 students would finish in the May/June exam period.

14.39. Financial position and budget

The VPFCR gave a presentation to the Board which outlined the current financial position. At a high level there were some positive aspects and the Board took assurance that the worst part of the forecast had passed with a more comfortable position forecast for the rest of the year. The Cash Based Operating Surplus at end of year still looking as if it would be broadly in line with the re-forecast. Costs had been controlled to offset not generating income. Some income had been received via First 4 Skills too. Transformational plans were now firmly now in place for the current year and would put the College into strong position for next year. There remained some challenges. The banking covenants continued to be monitored closely. One particular covenant was closer than what would be considered ideal which limited the ability to invest in capital resources. There had been very little investment in capital resources this year or last year and consideration needed to be given regarding managing this going forwards. There had been an issue with the payroll provider as they had under reported NI costs. Staff utilisation remained closely controlled.

Documents had been submitted to the Skills Funding Agency (SFA) including the revised financial plan (mid-year reforecast with some change to format) and strategic financial recovery plan signed off by the Chair and Principal which was effectively around part one of transformation programme; *[sentence removed due to commercial sensitivity]*. The bank were satisfied with the Deloitte's review and where the College was likely to be this year. A revised covenant may be arranged based on group position rather than college position.

The SFA had a released finance record for all colleges in 2012/13 which would allow benchmarking to be built into the budget.

Income and Expenditure was broadly in line with mid-year forecast. External projects had been revised down by £240k (net effect £90k). Non pay expenditure very well controlled. Cash position remained positive. Original budget showed -£600k so to have cash position of £400k was extremely welcome. The PAYE deferral had been paid. The cash position would dip in summer but would be better than the previous year. The Chair commented that the current position felt a lot more comfortable than the previous year and the Board could see it was under control and that unexpected issues had been dealt with really well.

The VPFCR reminded governors that SFA ratios drove the financial health score and that a minimum of "satisfactory" was needed for comfort. Debt service cover was tight. The proposed new covenants shown within the management accounts were to stay above 100% and currently at 109% so it would be equally tight whatever measure was used.

The SFA have a useful benchmarking tool but as the 2012/13 figures were not yet populated the VPFCR had used the 2011/12 figures for illustration. The information showed where costs were high. The College seemed to be only generating 2/3 of tuition fees and other income than comparison groups which showed the importance of diversifying income. It also appeared the College was spending three times more on generating income. The Board asked why the College was spending three times more to generate 2/3 less but it was clarified that the figures were not directly linked.

The Principal agreed that the College was not generating enough outside funding and reminded governors that these were figures from 2011/12 when the College had almost no external income; while this has improved there was still more to do in terms of generating income efficiently. The

VPPBD also highlighted that the growth in student numbers was a direct result of investment. The VPPBD expanded this by saying in 2012/13 there was a 20% increase in 16-18 learner numbers but the College still needed to diversify income streams while maintaining its position relating to government funded activity. Governors suggested forming a strategy group to discuss in further detail.

Act: CL

Premises and rent costs more were higher than for comparative colleges and this would need to be reviewed however other non-pay costs compared favourably.

The VPPBD had started benchmarking for 2012/13. The organisation was now the 7th largest for income (from 30th). 52 colleges posted a Cash Based Operating Deficit. 21 had an overdraft. 239 colleges posted a lower net cash inflow from operating activities. The College appeared to be performing better than 2/3 of sector. The College was 131st in terms of staff costs as percentage of income so had improved.

14.40. Appointment of Financial Statements and Regularity Auditors

The College's current Financial Statements and Regularity Auditors had been appointed for c15 years with an extension in 2013 for a further year due to lack of tenders. Three firms were short listed this year. The panel was made up of the Audit Committee, the Clerk and senior members of the finance team. After receiving presentations from the three firms, the panel had agreed to recommend the appointment of Grant Thornton.

The Board approved the panel's recommendation to appoint Grant Thornton as Financial Statements and Regularity Auditors.

Ms Crowther left the meeting at this point.

14.41. Write Off Bad Debts Report

The Chair commented that none of the outstanding figures were extreme but cumulatively it was a significant amount. The VPPBD informed the Board that the College pursues outstanding debts more rigorously than many other colleges but there came a point when it was either not cost effective or not feasible to pursue further (bankruptcy etc).

Governors requested that the report be submitted with the names of debtors for amounts of £1,000 and over before approving the write off.

Act: DMcl

Governors queried whether there were any trends to be concerned about and whether individual debtors were increasing. The VPPBD conceded that the enrolment process had been revised and there may be a knock on effect if a learner commits to a fee but then doesn't pay however there was no underlying concern on trends.

It was clarified that the outstanding amounts for taxis related to students who needed high level support where a contribution of 30% was supposed to be paid. The Deputy Principal was confident the same figures would not appear the following year.

14.42. Funding Allocations 2014/15

The College was anticipating a funding cut of £2m. The Executive team were planning on how to realign provision to ensure the College could deliver on a reduced allocation and improve efficiency. The VPPBD underlined the need for diversification and that the College faced a big issue about reshaping government funded provision. Massive growth was predicted in L3 funded provision for 24+. The Principal was clear that the expected allocation posed a significant risk to the College and it may need to rethink curriculum offer as a £2m cut would affect provision. If the College had more apprentices then the cut would not have been as severe which highlighted the need to reposition the business development function. [sentence removed due to commercial sensitivity]. The Principal was clear that the reduced allocation would have consequences for provision and staff, both teaching and support. This was consistent with the transformational programme but some aspects would be accelerated. Consequences would be managed sensitively.

The VPC advised that there was a business planning meeting the following day which would examine poor value provision in terms of progressions, costs etc. A lot of work was going on behind to position the College for next year. The Principal stated there would need to be discussions with trade unions.

The Chair asked when an update of developments would come to the Board and while a lot would be reported via the transformation programme, an update would possibly come to the next Board meeting. In response to a query from the support staff governor the Principal advised that discussions with the unions would take place as soon as possible but when more details were known in respect of allocations and how this would affect the curriculum.

14.43. Safe College Termly Update (Spring 2014)

There were no significant developments. The Board noted the report and that Safeguarding had received positive feedback from Ofsted.

14.44. Student Voice

The Board noted the report and supported the Deputy Principal's aim to collect the student voice more innovatively than via surveys.

14.45. Committee minutes

The minutes of the March meeting of the Performance and Quality Task and Finish Group were noted.

14.46. Confidentiality of items

The result of the Ofsted inspection was confidential until publication. Commercially sensitive information would be confidential.

14.47. Date of next meeting

The next Board meeting would take place on 1st July 2014

All staff except the Principal and the Clerk left the meeting. The representatives from the funding agencies also left the meeting.

14.48. Confidential minutes of previous meeting

The minutes were approved as a true record.

The next two items were confidential as they related either to individuals or third parties or they contained details which were commercially sensitive.