

**Minutes of the City of Liverpool College Board meeting held on
8th July 2015 at 4.30pm**

Present:

Ms Louise Barry
Ms Elaine Bowker (Principal)
Dr Martin Carey
Ms Sue Carmichael
Ms Gemma Charters (Staff Governor)
Ms Clare Crowther
Mr John Denny
Mr Peter Grieve (Chair)
Ms Viv Lacey (Vice Chair)
Dr Peter Tavernor

In Attendance:

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

Mr Sue Price (CEO First 4 Skills) – for part of meeting
Ms Christine Lenderyou (Clerk to the Board)

15.59 Welcome and Apologies

The Chair welcomed everyone to the meeting.

Apologies had been received from John Nolan, Ian Pollitt and David Wilson.

15.60 Appointment of Governors

Governors had previously agreed that recruitment of governors needed to focus on individuals with proven leadership experience in multi-million pound organisations and an understanding of the priorities of the City region. As such governors were asked to consider the appointments of Stephen Sankson and [removed for confidentiality].

Mr Sankson had applied to become a governor through the School Governor One Stop Shop (SGOSS) which now extended to colleges. Mr Sankson had a background in corporate banking [part of minute removed for confidentiality].

Governors agreed that both Mr Sankson and [removed for confidentiality] matched the criteria established by the Board and would enhance the mix of skills and experience currently in place. Mr Sankson's appointment was approved with immediate effect while [removed for confidentiality] was appointed in principle, subject to him confirming that he was able to proceed and an effective date.

In addition to the two external appointments, Mr Powell was the current Students' Union president elect and would take up position on 1st August 2015. As the Board had previously adopted the accepted good practise of appointing the President of the Students' Union as a student governor, Mr Powell was appointed as a governor with effect from 1st August 2015. Mr Powell had previously studied Business level 2 at the College.

Governors noted that the profile of the Board would err towards white, middle aged males but were assured that the Clerk was taking all reasonable steps to ensure vacancies were advertised openly and that she had contacted organisations which supported underrepresented groups.

15.61 Presentation from Sue Price, CEO of First 4 Skills

[minute removed for confidentiality]

The CEO was thanked for her time and she left the meeting.

15.62 Minutes of Previous Meeting

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

15.63 Actions from previous meeting.

15.27 relating to the VPFCR and Chair meeting around Health and Safety would be carried out soon.

15.36 relating to mandatory PREVENT training was partially complete. The Clerk would resend the link to the training materials. **Action: CL**

15.39 relating to the Performance Dashboard was incomplete as the dashboard was under complete review. Recruitment of an MIS manager was ongoing but a report should be available for the next meeting.

15.64 Performance Dashboard

Governors had reviewed the information in detail and discussed the themes.

Punctuality

Governors had noted that punctuality had improved month on month and asked whether the trajectory would continue. The Principal advised that at this stage of the year achievement was the key measure particularly as study leave and exams impacted on measuring.

Attendance

Governors highlighted that English attendance was still going in the wrong direction. The Principal acknowledged this but was able to assure the Board that there had been a lot of effort to improve it. The VPC believed that May snapshots were often distorted due to exams. The Principal acknowledged the system for recording exam leave was laborious.

English and Maths

A long discussion had been held around English and maths in the PQTFG meeting which had taken place immediately before the Board meeting. Governors understood that it was challenging despite a large amount of effort being dedicated to meeting the priority. Although there were issues across the sector governors were satisfied that this would not be used as an excuse by the Executive team. Some students refused to engage with English and maths which meant the College had a quandary in respect of whether to allow them to remain on their programme regardless of the impact it would have on funding and Ofsted inspections. The Board appreciated that English and maths was an enormous issue for the College and that it brought significant pressures as 35% of all enrolments were English and maths.

GCSE English and maths was performing better than functional skills. The Principal advised that the College had adopted "best practice" as College policy but this may have hindered the College and students. In future the College would put students onto the level suggested by diagnostic tests rather than prior attainment. Some students would continue to take exams in English and maths through the summer.

The College attracted a large number of students without English and maths at level two and the impact on staff and resources was significant. The Chair remained concerned, although he appreciated the efforts made and the difficulties, so the Board would continue to closely scrutinise the area.

Retention

Outturn retention for adults and 16-18 was above the previous year with 16-18 being one percentage point above target. Governors were particularly pleased as this had been something the FE Commissioner had highlighted as an area to improve and had been a constant feature of Board discussions.

Predicted Success Rates

Governors were in agreement that the performance information was clear and correlated with information which had come to previous meetings. The Board had pushed on success rates and were cautiously optimistic although a meeting would be arranged for after the publication of A Level results as governors believed that there would be learning points to take. **Action: CL**

Exam Attendance

Attendance at exams had been improved which was welcomed by the Board. The logistical issues in accommodating such large numbers of students were outlined.

Staff

The Chair flagged that the number of staff appraisals completed was positive, especially compared to the previous year. Staff absence was reducing which was also a positive as it had been problematic.

15.65 Post Inspection Action Plan and Quality Improvement Plan (QIP)

Governors were pleased to see the increase in retention as it was the first time in three years there had been an increase; 82-84% was anticipated for long qualifications. Apprenticeships should deliver as predicted with at least 61% timely success.

There were no significant gaps in achievement. The Virtual Learning Environment (VLE) was still being improved. As discussed earlier, English and maths continued to be pushed. The Board were in agreement that the themes had been consistent throughout the year. The Deputy Principal advised that there had been progress in all areas. Governors commented that the figures were encouraging, resulting from diligence and commitment.

Concentration would remain on teaching and learning, attendance, English and maths. Again, governors expressed concern that English and maths performance wasn't strong enough and challenged the Executive team on whether they had taken all actions possible. The Principal said that the College was able to demonstrate that students had made progress and that the approach to English and maths had been aspirational in line with best practice. The strategy had been set on principles of education. The VPC confirmed that everything possible was being done to capture achievement this year with exams still taking place. A different policy would be in place next year for enrolment. It would still be aspirational but with more scope for moving students between levels in the first 42 days. There would be English and maths staff on enrolment desks. A lot of progress had been made this year but the Executive team recognised there were some areas to improve such as using diagnostics including even with students who already had grade C and above at GCSE. Timetables where possible would lock in English and maths to avoid stand-alone sessions. The Board recognised the issues but viewing in context there were a number of positives and the Executive team had identified robust actions. The Chair of the Performance and Quality Task and Finish Group assured governors that English and maths was closely scrutinised by the Group but cautioned that the targets would be extremely difficult for any FE college to meet, so evidence of progress and actions was essential.

15.66 Performance and Quality Task and Finish Update – verbal update from Dr Tavernor, Chair

The Chair of PQTFG recapped discussions held at the PQTFG meeting which had preceded the Board meeting.

- Attendance at A level and GCSE exams was higher than in previous years due to close monitoring of the process which was logistically difficult with such large numbers of students; no real benchmarking was available at this point.
- English within City 6 was strong.
- Partial achievements for City and Guilds Functional Skills was being pursued to demonstrate progress for students who hadn't passed
- The Group had been assured that the Executive team were continuing to implement improvement actions which were being carried out.

- Study programmes and work experience were highlighted as a strength but again there were no benchmarking figures available.

The Vice Chair said it was evident that there was constant challenge from Board members and this had been driven through the College by the Executive but should the success rates not be as expected governors needed to be aware of the worst case scenarios. The Principal said that it was important that the commitment to English and maths from Board level downwards was evident and that educationally sound principles were carried out. The Chair understood that staff would be apprehensive of going through another inspection process but it was essential not allow this to become counter-productive and the Board would expect see some evidence of how the Executive were preparing staff. The Deputy Principal said she could send the action plan which detailed the actions to governors. **Action: AC**

The Principal advised that a note to all staff had been sent which urged positivity. Observations of Teaching and Learning (OTLs) would be replaced by walkthroughs with a scorecard; the PQTFG wanted to review the scorecard to ensure that it was appropriate with aspects like differentiation, stretch and challenge included.

Governors referred back to an earlier point regarding some students not engaging with English and maths and asked whether parents could be involved in the enrolment processes however the Deputy Principal pointed out that most students enrolled independently of their parents and there was already a study programme agreement in place which students signed. The Chair stated that it was more about keeping students engaged. Governors who had attended the PQTFG were able to reference the presentation from Pete McDevitt, Head of School for Media, Production and Journalism which illustrated the partnership relationship between the College and students, with study programmes being viewed as professional behaviours.

Other themes discussed included:

- The Group emphasising that good progress had been made with the accuracy and availability of data over the last few years.
- The VLE usage was high compared to other colleges but there was a requirement to improve this further.
- Achievement figures were consistently high for a large urban college. Retention had always been a challenge but attendance figures had shown year on year improvement. There was a challenge inherent in terms of the poor attendance and absence rates of the College's feeder schools however the aspiration was still to be 90%. English and maths was recognised as lowering the attendance overall so it was important to be able to demonstrate the progress.
- Substantial qualifications as part of a study programme appeared to be a strength.

15.67 Finance

The VPFCR gave a detailed presentation to the Board.

F4S

[removed for confidentiality]

2015/16 budget

The 2015/16 budget was in progress with a surplus of £3.5m being forecast despite having to take out £6.5m out of funding. There was a balance between satisfying the bank covenants as well as ensuring there was cash flow in the spring term and funding capital investment. [removed for confidentiality] The gap would need to be bridged through a mixture of cuts and growth.

Areas which were falling short on income were highlighted but this had been recognised and forecasted accordingly with savings being made elsewhere. The rolling forecast improved to [removed for confidentiality] £3.5m for the Group.

Risks included income (for example income generation), restructuring and audit risks to the final outturn. Any redundancies identified in year would need to be reflected in the financial statements but there was a need to balance. A Skills Funding Agency (SFA) funding audit would take place in autumn. The last audit had required only a £1,500 adjustment which was phenomenal for the size of the College; the VPFCR was confident the College was in an equally good position now but claw back was always a risk.

Governors queried the timing of the audit as they understood colleges were selected on a risk basis. The VPFCR said it was primarily risk based but a sample of other colleges were selected at random and the College was included in the random sample for the second time in three years. The Principal had flagged this with the SFA who had asked for feedback within the week.

Cash Position and Other Indicators

The cash position was looking relatively healthy but would dip in the summer due to the payment profile. The next difficult period would be in spring and this would be highlighted at the budget setting meeting. Ratios and covenants were fairly constant and close to budget. Holding back on capital expenditure had provided comfort for debt servicing cover but operational gearing remained tight.

Governors had monitored the financial situation closely through the year and were pleased to note that it was largely as forecast, however they were keen to understand how the College compared to others in the sector. The VPFCR said general concerns seemed to be the cost of pay increases and pension costs. There had also seemed to be a number of colleges considering building sales as well as some colleges giving serious consideration to federated arrangements or outsourcing some services.

The Board believed that the College was in a relatively robust financial position and would become stronger still when it reached grade 2 in an Ofsted inspection. Governors were assured by the progress made to date on the key indicators and were satisfied as a result of the presentation that all indicators were on track.

15.68 Association of Colleges' Code of Good Governance for English Colleges

The Board had previously adopted the AoC Foundation Code of Governance for English colleges in March 2012. The new AoC Code was released 31st March 2015 and was noticeably longer and more prescriptive than the original Code with ten sections and 113 individual points. The Clerk explained that the intention was that boards which complied with the majority of the Code could be reasonably assured that they were meeting the requirements of the Charity Commission, funding agencies, the Joint Audit Code of Practice etc. The Code remained voluntary but colleges must declare in their financial statements whether they were adopting this Code or the UK Corporate Governance Code.

The Clerk had spoken to other clerks throughout the sector, including at some of the largest colleges with group structures. Although there seemed to be some reservations regarding the Code regarding its length and prescriptive nature, most boards would be adopting it. The Clerk had also spoken to the Financial Statements Auditors, Grant Thornton, who have said that adopting the UK Corporate Governance Code instead would require further discussion due to the impact on the financial statements.

The Board were assured that most areas of the Code were complied with or could be complied with fairly easily, however their attention was drawn to three specific points which would not be complied with, two of which related to a Search Committee and one related to appointing only external directors onto subsidiary boards. The Board no longer had a Search Committee. Due to the strategic interdependencies between the College and subsidiary companies, senior

College staff and governors would continue to serve as directors on subsidiary company boards as outlined in "Consent for Further Education Colleges to Invest in Companies" guidance. Some board reports would need to ensure that they covered partnership activities, for example safeguarding and student voice reports.

Governors discussed the options available and approved the adoption of the AoC Code, but pledged to keep under review as they were concerned the Code may not be the most appropriate option as the College Group continued to develop.

15.69 Safeguarding

Ms Carmichael and Ms Barry gave a verbal report to update the Board on their activities since the last Board meeting. Governors were reminded of the presentation from the Head of Pastoral Support at the previous Board meeting. Ms Barry and Ms Carmichael had since met with the Head of Pastoral Support and the Student Engagement Manager and received information on how British values were embedded into the student journey. These had been branded as College values; this would be circulated to all governors. **Action: AC**

Ms Barry and Ms Carmichael had been keen to establish that there was evidence that British values were part of College values. Values would be embedded through various routes. Governors acknowledged this but emphasised this also needed to align with the strategic plan. Ms Barry said in terms of strategy it was about examining richness of experience and looking at how equality and diversity was embedded.

Safeguarding and Prevent were emphasised as a leadership and governance issue. Ms Barry and Ms Carmichael had attended the regional training for Prevent and had received assurance from the co-ordinator that the embedding at the College was good and the College would be used as an example of good practice as well as being used to develop tools. Ms Barry said it would be useful to sit in on more staff sessions to hear how staff were responding to understanding the tensions to delivery of the strategy. Ms Carmichael said it was clear that the College wanted exploratory and inventive students but it was difficult for staff to balance that with expectations around responsibilities. The Deputy Principal said that the training event for staff earlier in the day had been received very well and the Head of Pastoral Support had described how British values would be related from the College. Dealing with inappropriate comments was something staff needed to have confidence in so that this could be developed into a discussion and tackled effectively, especially in unplanned situations.

Ms Charters said the College had strengthened its approach to Equality and Diversity over the last few years so this was a natural extension of that. Ms Carmichael stressed that it was important to ensure this was evidenced to partnerships and sub-contractors. The Deputy Principal advised that was in hand and some training was being rolled out over the summer. Ms Carmichael questioned further and asked how employers were handled. The Deputy Principal said that employers were also expected to have certain standards but First 4 Skills had some good practice in that area which the College would look to adopt.

Ms Barry and Ms Carmichael were thanked for their update and governors were able to take assurance that the College had effective policies and procedures in place.

15.70 Principal's Report

The Principal's Report was accepted as read, with governors pleased to note the many positive developments taking place.

Staff and Student awards had been attended by governors. The Chair requested that more governors attend next year and the Clerk undertook to ensure plenty of advance notice of the event was provided.

A Royal Academy of Culinary Arts award had been extremely well received. The Chair asked for consideration of how this prestigious award could be maximised.

A new Assistant Principal for Work Based Learning was in post, and a Commercial Director (Visitor Economy) had been appointed.

Governors were informed that the new build Alder Hey Hospital had a new system of a chef per ward and the Principal had been able to effectively promote the case for College apprenticeships there because of the new PR for the Academy which would be brought to a future meeting.

ACTION: Exec

15.71 Confidentiality of Items

All commercially sensitive items would remain confidential

15.72 Confidentiality of Items

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

15.73 Date of Next Meeting

7th October as per the Board Business Cycle, although a budget setting meeting and post results meeting would take place before then.

Ms Charters left the meeting at this point.