

THE CORPORATION OF CROYDON COLLEGE
Room 405B, Croydon College
10 July 2019 at 6.00pm

PART ONE MINUTES

PRESENT: Gordon Smith (Chair of the Corporation)

Nigel Dias
Mark Wilson
Varsha Mehta
Jean Cook
Tom Hesmondhalgh
Andy Booth
Caireen Mitchell (CEO)

IN ATTENDANCE: Ann-Christine Harland (VP Finance & Resources)
Fadia Clarke (VP Training, Skills & HE)
Angela Edwards (VP Education & Quality)
Richard Beales (Principal, Coulsdon College)
Dawn Cowcher (Director of Human Resources)

CLERK: Clare Mitchell

QUORUM: The meeting was quorate

TIMING: 6.00pm – 8.00pm

| | Item |
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| | <p>INTRODUCTION The CEO welcomed Clare Mitchell as the new Clerk to the Governors. The Clerk would chair the preliminary business on the agenda until the election of the Chair had been concluded.</p> |
| 1 | <p>PRELIMINARY BUSINESS</p> <p>i. Apologies for Absence & Declarations of Interest for the Meeting</p> <ul style="list-style-type: none"> • Yvonne White (Staff Governor, Coulsdon), Rosaleen Liard, Miriam Parker (Student Governor) and Chris Wright. • The Board noted that both Gordon Smith and Jean Cook had an interest in the item on reappointment of Board members. Gordon Smith, Tom Hesmondhalgh and Mark Wilson had an interest in the elections of the Chair and Vice-Chair. As there were two candidates for the election of the Vice-Chair, both would be asked to leave the room while a secret ballot took place. There were no other declarations from members relating to items on the agenda. • The agenda item on the learner experience would be removed as the student governor was unable to attend the meeting to present her oral report. <p>ii. Approval of the Appointment of New Members</p> <ul style="list-style-type: none"> • The Chair of the Search and Governance (S&G) Committee recommended the appointment of three new members following recent interviews: <p>Andrew Lowe Penny Wycherley</p> |

Rahel Haque

- Two of the new Governors had a financial background, one with an accountancy qualification and the third Governor was an experienced ex-Further Education Principal.

The Corporation **APPROVED** the appointment of the new members for a period of four years from 1 August 2019 to 31 July 2023.

ACTION: Clerk to send letters of appointment to the new members

- A fourth candidate had been interviewed, who had had a background in HR and organisational change. This candidate had been offered the role of co-opted member of the F&R Committee but had declined the offer.
- The Chair of the Search and Governance Committee recommended the Cllr. Margaret Bird be appointed as a co-opted member of the Coulsdon Learning and Quality Committee (LQC).

The Corporation **APPROVED** the appointment of Cllr Margaret Bird as a co-opted member of the Coulsdon LQC from 1 June 2019 to 31 May 2023.

ACTION: Clerk to send letter of appointment as a co-opted member to Cllr Margaret Bird

iii. Approval of the reappointment of Board Members

- The Chair of the S&G Committee recommended the reappointment of Gordon Smith and Jean Cook for a further term of office.

The Corporation **APPROVED** the reappointment of Gordon Smith and Jean Cook for a further four year term from 1 September 2019 to 31 August 2023.

ACTION: Clerk to confirm reappointments of Jean Cook and Gordon Smith in writing

iv. Election of the Chair

- The Clerk confirmed that there had only been one nomination for the post of Chair and therefore Gordon Smith was elected unopposed.

The Corporation **APPROVED** the election of Gordon Smith as the Chair of the Board for a further four year period from 10 July 2019 to 9 July 2023.

- The Chair reminded Governors of the length of time that he had sat on the Board as a Governor, Vice-Chair and then Chair. His view was that it was not in the Board's best interests for him to serve as Chair for another full four year term and there should be a focus on identifying and developing a new Chair.

v. Election of the Vice-Chair

- Tom Hesmondhalgh and Mark Wilson gave a brief overview of their background and suitability for the role of Vice-Chair and then left the room while a secret ballot was conducted.

The Corporation **APPROVED** the election of Tom Hesmondhalgh as the Vice-Chair of the Board for a four year period from 10 July 2019 to 9 July 2023.

ACTION: Clerk to confirm appointments of Chair and Vice-Chair in writing.

vi. Declarations of interest

- The Clerk asked those Governors present to complete and sign the declarations of eligibility and declarations of interest which had been circulated. The declarations would be emailed to those members who had given their apologies for this meeting.

ACTION: Clerk to email declarations to members not present at the Board meeting

vii. Croydon College Corporation Minutes of 20 March 2019 – Part 1 and matters arising

- The minutes of the meeting were **APPROVED** and signed by the Chair.
- Governors were provided with an update on the actions within the minutes. In future the Clerk would prepare a separate action list for the Board.

ACTION: Clerk to prepare an action list for the Board

- The VP F&R reported that the Financial Regulations and risk management report would be reviewed in the Autumn term.
- Governors noted that the Clerk would be reviewing the Corporation's Instrument and Articles and Standing Orders and proposed amendments would be prepared for the November 2019 meeting of the S&G Committee. There would also be a review of the self-assessment process for the Board and Committees.
- The combined College KPIs would be distributed to appropriate Committees for monitoring and scrutiny from the Autumn term
- The Principal & CEO confirmed that staff surveys had taken place on both campuses.
- Work to develop the College's vision and values was underway. This would form the basis of the strategic plan, which would be brought back to a Board strategy session in the Autumn term.

ACTION: VP F&R to review the Financial Regulations and risk management report in the Autumn term

ACTION: VP F&R/Clerk combined College KPIs to be distributed to appropriate Committees for monitoring

ACTION: Clerk to arrange a date for a Board strategy session in the Autumn

- The Board noted that the terms of reference of all the Committees had been reviewed, with the exception of the Remuneration Committee, which had yet to meet. The Chair and the Clerk would be meeting to review membership of the Committees following the appointment of the new Governors. Governors were asked to send details of any preferences re committee membership to the Clerk. Proposals for the revised Committee membership would be circulated to Governors ahead of the Autumn term.

ACTION: Clerk to circulate proposals for the revised membership of Committees to Governors ahead of the Autumn term

viii Croydon College Corporation Minutes of 20 March 2019 – Part 2 and matters arising

- The minutes of the Part 2 meeting were **APPROVED** and signed by the Chair.
- Discussions with the Office of Students were continuing in relation to one of the conditions imposed on the College. All HE students were able to apply for their student loans.

2 EVALUATION OF STANDARDS

- i. **Principal's Report** (Including performance against KPIs and an open letter to the Secretary of State for Education from FE Principals & CEOs on the implementation of the Augar Review).
- The Principal & CEO informed Governors that staff learning week was currently taking place on both campuses with a focus on management development.
 - Communication with staff at Coulsdon College needed to improve and discussions were taking place about the establishment of a staff forum at Coulsdon.
 - Discussions with UCU in relation to their pay dispute were ongoing.
 - Some data on Coulsdon students was still missing from the merged College KPIs but the number of reports available on Coulsdon student data was increasing.
 - The amount of adult education provision being delivered direct rather than through sub-contractors had improved significantly in 2018/19. However, as devolution of the adult education budget (AEB) had been based on prior patterns of delivery, the College would have less budget for delivery of adult education within London in 2019/20. The Greater London Authority (GLA) had indicated that contracts could be increased in year if there was evidence of growth. The College would also be expected to deliver £600K of adult education to non-Londoners in 2019/20.
 - The College had been granted £200K of Strategic College Improvement Funds by the Education and Skills Funding Agency (ESFA) to improve attendance and achievement, particularly in the 16-18 age group. The bid had been in partnership with Leeds City College who would receive 25% of the funding. The College would also be required to provide some matched funding. £15K of the funding was to support the development of the Governing body and the College's governance arrangements. The Chair and the Clerk would be meeting to discuss how this might be used. A first visit to Leeds by representatives from the College had already taken place and the Vice-Chair gave a brief update on his meeting with the Chair and Clerk at Leeds City College. He had sent a brief report to the Chair following that meeting, which would be circulated to Governors.

ACTION: Chair and Clerk to develop proposals for the use of £15K of SCIF funding to support the development of the Governors and Governance arrangements

ACTION: Clerk to circulate the Vice-Chair's report on his meeting at Leeds City College to Governors

The Corporation **RECEIVED** the Principal & CEO's report.

ii. Coulsdon LQC Report

- Governors noted the minutes from the Coulsdon LQC meetings on 3 April and 19 June. The Chair of the Committee reported that the number of members on this Committee was low. However, the Committee was operating smoothly and would be working closely with the Croydon LQC in 2019/20.
- The Principal of Coulsdon College indicated that the strength of teaching and breadth of the curriculum, with students being able to access a mixture of BTEC and A level course to develop a more personalised programme of study were of particular note.
- However, there had been significant staff turnover, some issues with assessment and student attendance needed to improve. These would be areas of focus in 2019/20.
- Governors noted that students who were not progressing at Coulsdon were being made aware of alternative courses at the Croydon campus. This should improve retention figures for the College overall.
- The Committee had reviewed its terms of reference, which were presented to the Board for approval

The Corporation **RECEIVED** the minutes of these meetings and **APPROVED** the revised terms of reference for the Coulsdon LQC.

iii. Croydon LQC Report

- Governors noted the minutes from the Croydon LQC meeting on 26 June 2019. The Chair of the Committee commended the new student survey. The results of this would provide very helpful input into plans to improve the quality of teaching and learning. The new quality improvement process would put more emphasis on staff taking responsibility for improving quality. This would be supported by the appointment of the new Teaching and Learning Mentors.
- The VP E&Q reported that improving the quality of teaching and learning would be a key priority for the next academic year. The recent snapshot reviews had shown that teaching and learning required improvement in three of the four schools, particularly classroom delivery. Attendance levels were also too low and this impacted on achievement.
- The Chair of the Audit Committee asked if there was a link between the quality of teaching and attendance. Governors noted that students who were engaged with their study through good teaching were more likely to attend and to reach higher levels of achievement.
- The Croydon campus already offered a wide curriculum but the offering needed to be expanded in the areas of digital skills and adult health and care.
- The Committee had reviewed its terms of reference, which were presented to the Board for approval

The Corporation **RECEIVED** the minutes of these meetings and **APPROVED** the revised terms of reference for the Croydon LQC.

3. STRATEGIC DEVELOPMENTS

i. Croydon College SEN Centre

- The report was presented by the VP E&Q who informed Governors that an agreement on funding had now been reached with Croydon Council. The temporary facility at the Coulsdon campus would be ready to take students from September 2019. The number of students was expected to grow over the next four years to a total of 75 students for two days a week with a maximum of 54 on site at any one time.
- A permanent building would be required to enable the number of students to grow. Croydon Council had undertaken a feasibility study at the Croydon campus which had determined that Croydon was not a suitable site because of insufficient outside space and access. Croydon Council had now been invited to conduct a feasibility study at the Coulsdon campus.
- The VP F&R set out the proposed arrangements for the site, which were that the College would offer the Council a lease for the land for the new building, on the basis that the Council would grant the College a licence to occupy the new building.
- The Chair asked how the quality of provision would be monitored. The VP E&Q indicated that this provision would be part of the overall Learning and Quality Framework and performance would be monitored by the Croydon LQC. The Council would also be scrutinising the quality of provision but the mechanism for this had not yet been agreed.
- Governors emphasised the need for the Executive to monitor the progress of the building of the temporary facility as the timescales were very tight. The VP F&R stated that it was expected that the facility would be delivered on time. However, it would be the Council's responsibility to provide alternative provision if the building was not ready in time.
- Governors would be given the opportunity to tour the facility the next time a Board meeting was scheduled to take place at the Coulsdon Campus.

ACTION: Clerk to schedule an opportunity for the Governors to tour the SEN centre the next time a Board meeting takes place at the Coulsdon campus

ii Augar Review

- The report was presented by the Principal & CEO who provided an overview of the key points.
- The report made a number of recommendations which would have a very positive impact on the future of the FE sector if implemented, but this would require very significant additional funding. The open letter from the Principals and CEOs of FE colleges to the Secretary of State for Education (appended to the Principal & CEO's report) urged that the recommendations be implemented as a priority.

4. BUSINESS PLANNING & MANAGEMENT Financial Monitoring

i. Finance & Resources Committee Report

- Governors noted the minutes from the F&R meetings on 8 May and 27 June 2019. The Chair indicated that he would endeavour to answer any questions as the Chair of the Committee was unable to attend this Board meeting.
- The Vice-Chair asked about progress on the development of the distance learning platform for delivery of AEB to students from outside London. The VP S&HE indicated that a pilot had taken place and the platform was now ready. The plan for the delivery of distance learning outside the GLA was to focus on the delivery of professional courses such as AAT, where learners were likely to be in work and therefore prefer a distance learning model.
- Governors discussed whether the delivery of adult education to students outside London could be increased by providing adult education courses at the Coulsdon campus, which was close to the border with Surrey.

The Corporation **RECEIVED** the minutes of these meetings

ii. Croydon College April and May 2019 Management Accounts

- The item was presented by the VP F&R. The May 2019 management accounts had been circulated the previous day. Both sets of accounts covered the merged College.
- Governors noted that the position at the end of May was similar to that expected at the end of April. Income was £13K less than budget. Pay was over budget, but this was offset by non-pay savings. Cash balances were similar to expectations pre-merger and the £0.5m shortfall was expected to be resolved by the end of the financial year.
- Governors noted the figures relating to contribution by course. This data was now available for courses run at the Coulsdon Campus.
- The VP F&R reported that the reasons for the low contribution rates for some courses were being investigated and the findings would be reviewed. An internal audit on curriculum planning had recently taken place and the findings from this report would be fed into this review. The internal audit report would be presented to the Audit Committee in the Autumn term.
- The VP F&R reported that she was in discussion with the External Auditors about how the restructuring grant would be accounted for in the end of year accounts.

ACTION: VP F&R to bring the Internal Audit on curriculum planning to the Audit Committee in the Autumn term

The Corporation **RECEIVED** the Croydon College April and May management accounts.

iii. Budget 2019/20

- This item was presented by the VP F&R. The proposed budget deficit of £311K was in line with the Transitional Unit (TU) model submitted to the ESFA in September 2018. The budget included provision for a 1% pay rise for staff, which had not been included in the model submitted to the TU.
- £230K (revised down from £290K) of further savings needed to be made to the pay budget before 31 July 2019. An update would be provided to the next meeting of the F&R Committee. The VP F&R provided assurance that these additional savings could be made. Governors noted that there was currently a recruitment freeze on non-teaching vacancies.

The Corporation **APPROVED** the budget for 2019/20

iv. Three Year Financial Plan to 2020/21

- This item was presented by the VP F&R. Forecasts were similar to those modelled for the TU application with updates in four key areas; a small growth in 16-18 student numbers and income in 2019/20, which offset the reduction in assumed HE income for 2019/20, the reduction in the amount of restructuring grant received from £6.3m to £5.9m, increased pay costs and reduced sub-contractor costs as a result of increased delivery of the AEB in house and income from the new SEN centre at Coulsdon from 2019/20, which was not included in the TU model.
- Although the forecasts were similar to those originally modelled for the TU, the financial health scoring had changed. Under the new methodology the previous grading of “satisfactory” had been replaced with “requires improvement”. As a result, Croydon College’s financial position was expected to be scored as requires improvement. The College still expected to have recovered its financial position three years post-merger, as per its application to the TU.
- FE student numbers were falling on arts courses in particular resulting in a reduction in income. There needed to be a focus on courses that were focus on delivering skills and knowledge required by employers. There was also an existing commitment to further investment in IT in Coulsdon. The plan also assumed that the increase in the contribution to the Teachers’ Pension Scheme (TPS) would be consolidated in future years. Governors noted that the cash flow position was particularly challenging over the next three years.
- The Chair emphasised the need for the Board to consider what could be done differently to increase productivity and ensure value for money as part of the development of the new strategy to avoid the College spending its reserves. If it was not possible to grow income significantly then further restructuring and a clear estates strategy to ensure maximum value from assets would be required. Teaching staff would need to be used more efficiently with increased class sizes, particularly within the 16-18 age group.

The Corporation **APPROVED** the Three Year Financial Plan.

v. Coulsdon Financial Statements and Regularity Self-Assessment Report

- Governors noted that the financial statements and regularity self-assessment had previously been reviewed by the F&R and Audit Committees and were presented for approval with the letters of representation to the Auditors from the Chair and Chief Executive.
- The audit findings report had also been reviewed by the Audit Committee and had been circulated to Governors.
- The Chair reported that Chris Wright, who chaired the Audit Committee at Coulsdon College had confirmed that he had re-read the regularity letter, the financial statements and the audit findings report on Coulsdon College and could confirm that he believed that they were in order and correct and recommending that they should be laid before the Board and approved.

The Corporation **APPROVED** the Coulsdon College Financial Statements and Regularity Self-Assessment Report.

vi. Finance and Resources Committee Terms of Reference

- The F&R Committee had reviewed its terms of reference, which were presented to the Board for approval.

The Corporation **APPROVED** the revised terms of reference for the F&R Committee.

vii. Updated Health and Safety Policy

- The updated Health and Safety Policy was presented to the Board for approval.

The Corporation **APPROVED** the updated Health and Safety Policy.

viii. Audit Committee Report

- Governors noted the minutes from the Audit Committee meeting on 5 June 2019. The Chair of the Committee reported that the Executive had undertaken to revise the Risk Register for the next meeting of the Audit Committee in November 2019. The Committee had discussed introducing KPIs for the internal and external auditors. Potential KPIs would be discussed at the next meeting.
- The Chair of the Committee noted that the Financial Statements for Coulsdon College had received a qualified external audit report on a going concern basis, but this had been expected and had been a key factor in the merger.

ACTION: VP F&R to propose KPIs for the internal and external auditors to the next meeting of the Audit Committee in the Autumn term

The Corporation **RECEIVED** the minutes of this meeting

viii. Appointment and fees for External Auditors

- The Chair of the Audit Committee confirmed that the proposal from BDO for the year end audit for Croydon College was recommended to the Board for approval.
- The VP F&R confirmed that the proposed increase in the fee for the 2018/19 external audit had been reduced to 5%, which reflected inflation plus the recognition that extra disclosure would be required as a result of the in-year merger.

The Corporation **APPROVED** the appointment of BDO LLP to undertake the external audit for Croydon College for the year ending 31 July 2019 and **APPROVED** the revised fee.

viii. Annual Internal Audit Plan

- Governors noted that the plan proposed by RSM LLP had been reviewed by the Audit Committee and was recommended for approval.

The Corporation **APPROVED** the internal audit plan for the year 2019/20.

ix. Audit Committee Terms of Reference

- The Audit Committee had reviewed its terms of reference, which were presented to the Board for approval. The Chair of Committee asked for a further amendment to the special conditions to state that, in line with Department of Education guidance, staff governors should not be members of the Audit Committee.

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| | The Corporation APPROVED the revised terms of reference for the Audit Committee. |
| 5. | <p>TERMLY RISK REPORT</p> <ul style="list-style-type: none"> This report was presented by the VP F&R. Updates were highlighted in red and had been scrutinised by the relevant Committee. The risk relating to the SEN centre would need to be updated following recent discussions with Croydon Council. In terms of financial risks; the three key risks, delivery of the AEB budget in 2019/20, the impact of pay rises and the increase in contributions to the TPS. The VP F&R brought the risk relating to severe business disruption to the attention of the Board. A tendering process was underway for insurance policies to cover the merged College. One of the possible options was a specific cyber protection policy and this would be considered as part of the evaluation of the tender. <p>The Corporation RECEIVED the updated risk report</p> |
| 6. | <p>GOVERNANCE</p> <ul style="list-style-type: none"> Governors noted the minutes from the S&G Committee meeting on 12 June 2019. The Chair of the Committee reported that the results of an external audit of the College's governance arrangements had been reviewed and there was a significant amount of work to be undertaken. Prioritisation would be agreed between the Chair, the Chair of the Committee and the Clerk. The Committee had also reviewed the meeting dates and the schedule of business for 2019/20. The dates for the Board strategy sessions had yet to be set. If members wished to review the start and end time for Committee meetings, this should be done on a Committee by Committee basis <p>The Corporation RECEIVED the minutes of this meeting and APPROVED the meeting dates and the schedule of business for 2019/20.</p> <p>ACTION: Chair/Chair of S&G and Clerk to prioritise the actions from the external audit of the College's governance arrangements</p> <ul style="list-style-type: none"> The Committee had reviewed its terms of reference, which were presented to the Board for approval. <p>The Corporation APPROVED the revised terms of reference for the S&G Committee.</p> <p>Chair's actions for ratification</p> <ul style="list-style-type: none"> The Chair had approved the award of the adult education subcontract following a recommendation from the F&R Committee. <p>The Corporation RATIFIED the award of the adult education subcontract to Learning Curve</p> |
| 7. | <p>ANY OTHER BUSINESS</p> <ul style="list-style-type: none"> The Chair thanked Jill Small, who had acted as interim Clerk, for all her support and assistance, during both the merger and the last few months. Croydon College would be going into the new academic year with the merger complete, the vacancies for the appointed Governors filled and a permanent Clerk. The Chair thanked Governors, the Executive and their teams on both campuses for the huge amount of work that had been undertake during the year. |
| 8. | <p>PART TWO</p> <p>There were no confidential items for discussion under Part 2.</p> |

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| 9. | DATE OF NEXT MEETING 16 October 2019 at 6pm |
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Signed:

Date: