

**THE WKCIC GROUP BOARD: 12<sup>th</sup> JULY 2017**

**MINUTES**

**PRESENT** Catherine Boyd-Maunsell, Shane Chowen, Alastair Da Costa (Chair), Ruth Duston (from 6:20), Joel Featherman, David Gilbertson, Heather James, Mike Magras, Simon Pitkeathley, Professor Anthony Smith, Kay Willis, Andy Wilson, Mike Magras, Ozlem Top

**IN ATTENDANCE** Claire Collins (Group Director, HR and OD), Anna Douglas (Principal, City & Islington College), Kim Caplin (Principal, Westminster Kingsway College), Graham Drummond (Clerk), Raj Kakaiya, Caireen Mitchell (Group Director Planning and Performance), Marcus Holder (Interim Group Finance Director), Julie Ellis (Governance Officer)

**APOLOGIES** Dr Leslie Brissett, Dame Martina Milburn, Amelia Sussman, Fiona Thompson, Vidusun Edirimanasinghe

**INTRODUCTIONS**

Board members were reminded to inform the Clerk of any new appointments or accolades acquired since the previous Board meeting. The following was noted:

- The Chair has been appointed as the Advisory Chair of Boyden, an executive search agency. He has also been elected to the council of the London School of Economics, which will take effect from 1 August 2017.
- Simon Pitkeathley has been appointed to the Capital Skills Taskforce Start and Finish Group.
- The Chief Executive has been appointed Chair of London Capital Colleges.

It was further noted that Shane Chowen has accepted the invitation to become the chair of the Group's Curriculum and Performance Committee.

Marcus Holder was introduced as the Interim Group Director of Finance & Operations. Interviews for the permanent post will take place on 18<sup>th</sup> July.

**DECLARATIONS OF INTEREST:** None.

**Section 1: Training Item**

1. **UPDATE ON SAFEGUARDING RESPONSIBILITIES** **Action**
- The Director of Performance and Planning presented an update on safeguarding responsibilities. The Board noted:
- Governors are responsible for ensuring that the Group has robust systems in place to protect children (those under the age of 18 and young people with learning difficulties until the age of 24) and adults at risk (those with an impairment of the mind or brain);
  - The Group's annual safeguarding report will be presented and considered at the Board's next meeting;
  - As part of good practice, Governors are subject to Disclosure and Barring Service checks.
- It was agreed that:
- Those governors who have not completed the online training module on safeguarding (provided by the Education and Training Foundation) are to be asked

- to complete this training;
- The Board are to receive monitoring reports on the number and nature of safeguarding disclosures (within the information section of the agenda) to ensure that they are fulfilling their statutory responsibility.

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## Section 2: Items for Discussion and/or Approval

### 2. MINUTES OF THE MEETING HELD ON 25<sup>th</sup> MAY 2017

The minutes and confidential item of the Board's meeting on 25<sup>th</sup> May 2017 were **agreed** as an accurate record.

### 3. MATTERS ARISING

The Board noted that:

- With respect to item 6: College of Haringey, Enfield and North East London: Case for Merger, it was confirmed that college staff have been informed that the merger is proceeding; the news was published on the intranet in May.

### 4. STUDENT REPORTS

The CIC student Governor took the Board through the report. The Board noted:

- Despite a fall in the sale of NUS Extra cards this year, the Student Union's finances have broken even. Funds have been used to pay for attendance at NUS events and campaigns such as Register to Vote and mental health awareness;
- Over 500 students participated in the Reading Ahead project;
- Eight students have embarked on 10 week volunteering expeditions as part of the Raleigh programme. The Board would be interested in hearing from the participants on their return;
- City and Islington College were defeated 4-2 by Barking Abbey in the final of the London Schools' FA Final. This is the furthest that the college has ever reached in the competition;
- Sixth Form College students participated in the Candi's Got Talent event, raising £250 for the Anthony Nolan Trust.

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The WKC staff Governor briefly addressed the Board in the absence of the WKC student Governor:

- WKC will follow CIC's lead and offer a Prevent quiz next year to increase awareness of radicalisation;
- The college has undertaken many employability initiatives this year, including an apprenticeship event, practice interviews with Goldman Sachs staff and work experience activities. Its application to become a Careers College has been successful.

### 5. CEO'S UPDATE TO THE BOARD (including CONEL update)

The Chief Executive presented an update to the Board. The Board noted:

- Recent tragic events in London have affected students from both colleges, for example two students were related to the man killed in the terror incident at the Finsbury Park mosque and two students were killed in separate knife crime incidents;
- There are a number of college mergers scheduled to take effect with effect from 1<sup>st</sup> August 2017 including those of City of Westminster with North-West London and Harrow with Uxbridge;
- Further guidance on the proposed format for Institutes of Technology is unlikely before the autumn, but the Group will continue to develop its bid plans;
- The CONEL consultation document and Group Strategic Plan were presented to the Board for information;

- It is proposed that Stewart Cross, CONEL's Director of Finance, Data and Operations will become the Director of Integration. He will be released by CONEL for two days per week between 1 September and 1 November for this purpose and will report to the Finance and Resources committee;
- A non-binding Memorandum of Understanding to be signed by CCCG and CONEL was presented to the Board meeting on 12<sup>th</sup> July for approval. The terms include a statement of intent regarding the ambitions for the Group, a commitment to mutual support and co-operation and the constitution of the board and committees;
- An integration plan was presented for approval, in which the scheduled key dates noting the progression towards a merger date of 30<sup>th</sup> October 2017 and subsequent integration are delineated.

The integration plan and Memorandum of Understanding were **APPROVED**.

## 6 GOVERNANCE REVIEW

The Director of Governance presented a paper on the Governance Review. The Board noted:

- When the current governance arrangements were implemented after the WKC and CIC merger, it was intended that these would be reviewed after two years. With the imminent inclusion of CONEL within the Group, it is proposed that part of the review is brought forward;
- At the Governors' workshop of 7<sup>th</sup> June, it was agreed that the Chairs' Group would start to oversee the review. It is proposed that a sub group of six CCCG and one CONEL Governors be established to assist the Chairs' Group;
- A timetable for the review was presented, which will take place in two phases:
  - Phase 1 is to agree the scope of work and membership of the College Boards and a scheme of delegation; this will start in September 2017;
  - Phase 2 will review the current membership and structure of the Group including delegation to advisory boards, with the assistance of a consultant.

The remit and the schedule for the review were **AGREED**.

## Section 3: Substantive Items - For Discussion and/or Approval

### 7 FINANCIAL OVERSIGHT

#### 7a Management Accounts

The Interim Group Finance Director presented the May 2017 management accounts. The Board noted that:

- Solvency and liquidity remain strong, with £21.5m in cash and short term deposits. Conditions remain challenging for the Group as the operating deficit is £4.5m against a planned deficit of £1.8m;
- The rectification plan put before the Board at its meeting on 29<sup>th</sup> March is starting to produce the expected upturn, with the bottom line figure presented improving in May by £0.56m against a budget of £0.45m. The GLT remains committed to the plan and is continuing to work towards the achievement of a £1.295m operating surplus. For this to be achieved an additional £5.8m of operating surplus is required over the last three months of the financial year, so a lower surplus of around £0.5m is a possibility;
- Whether or not the Group achieves any surplus may pivot on meeting the requirement to achieve 97% of SFA income to secure future funding; £0.5m will be subject to clawback if the target is not met;
- The Group has successfully contained costs, but found it challenging to achieve income targets. Whilst performance has been solid in respect of the 16-19 age group, the performance of CIC (with respect to its adult provision) and CCCT, in

particular, has fallen below expectation. Across the sector, some private training providers have struggled and only 40 colleges have made a profit over the last three years;

- To mitigate the shortfall of income against the Group's Adult Education Budget (AEB), there will be further sub-contracting, course planning processes are more robust, more sophisticated management reports will track business plans against actual performance and allocations for 17/18 have been re-based.

## **7b Budget**

The Interim Director of Finance presented an executive summary of the budget for the next academic year. The Board noted:

- The budget is based on an operating surplus of £1.6m and will be incorporated into the Financial Plan submitted to the SFA by 31<sup>st</sup> July 2017; financial targets for revenue performance were agreed by the Finance and Resources Committee at its meeting of 9<sup>th</sup> May;
- The £1m central contingency fund should cover any shortfall not met by corresponding reductions in expenditure;
- The main risks are failure to meet targets for apprenticeships, SFA AEB, FE Loan and commercial income targets and failure to contain costs;
- The mitigations to offset these are:
  - There is an increased carry-in of apprentices into the new year and a number of major levy contracts such as with TFL, Camden and Southwark Councils have been won;
  - There is scope to sub-contract and remove costs to meet SFA AEB targets;
  - Requests for increased targets for FE Loan and Commercial Income will only be committed once initial targets have been met.
- A supplementary paper of the budget per college will be distributed to Board members shortly. It will anticipate a £1.1m surplus for CIC, £2m for WKC and £417k for CCCT, representing an increase in the operating margins of 1.9% for CIC and WKC and 4.7% for CCCT.

The budget parameters were **APPROVED**.

## **8 COLLEGE STRATEGIC PLANS**

The college strategic plans for 2017-20 were presented by the Principals of City and Islington College and Westminster Kingsway College as their response so far to the visions and mission statements and five themes of the CCCG plan. The Board noted:

- CIC aims to increase its Level 4 and 5 provision by 20%, develop technical education in at least four specialisms at Level 3 and 4 and facilitating work placements for at least half of its teaching staff whilst maintaining its extensive A level offer and commitment to lifelong learning;
- WKC aims to have developed four institutes at technical level: a National Institute in Culinary Arts and Hospitality; Creative Design, Technology and Engineering; Health Sciences and Care; and Professional Services. These would be underpinned by strong foundation learning of English, maths and digital skills, an offer for students with learning difficulties; and A level plus, where A levels can be augmented with vocational courses;
- A plan for the Training Arm will be produced when the new Managing Director will have had the opportunity to add his input; the current version covers one year only;
- CONEL has contributed to the content of the group strategic priorities and its own plan for approval will be presented once it has joined the Group;
- While cross-college collaboration does take place, this may benefit from formal consideration within the plans. The plans will be fed into the appraisal and review process so that they become aligned with the progress and advancement of staff and

students.

The Strategic Plans were **ADOPTED** by the Board.

#### **Section 4: Information and Questions**

##### **9. STAFF DISCIPLINARY/SICKNESS ABSENCE APPEALS**

A report was presented on the two appeal hearings that took place during the academic year. The Board noted that the decision to dismiss was upheld in both cases.

##### **10. EXTERNAL AUDIT APPOINTMENT**

A report was presented to the Board on the re-appointment of the external auditor. The Board noted:

- The tenure of Buzzacott was due to expire on 1 August 2017, so a competitive process was commenced for a new agreement;
- An invitation to tender issued to 12 suppliers resulted in five bids which were shortlisted down to three. A panel of the Group Director of Finance, the Director of Financial Accounting, the audit committee chair and another committee member interviewed and assessed the bids;
- The audit committee recommended to the Board by e-mail that Buzzacott be re-appointed as the Group's external audit service; there were no objections.

The recommendation to appoint Buzzacotts as the Group's external audit service was endorsed by the Board.

#### **Section 5: For Information**

##### **11. SELF ASSESSMENT**

The Director of Governance asked Board members to note that an online questionnaire in which they would be required to assess the performance of the Board would be circulated in the next week.

This was the last Board meeting for David Gilbertson, Anna Douglas and Raj Kakaiya.

David Gilbertson was stepping down from the Board and his position as chair of the Curriculum and Performance Committee at the end of the academic year. On behalf of the Group, the Chair thanked him for his insight as a Governor and as a Committee chair and wished him the best for his future endeavours.

Anna Douglas has resigned from her position as Principal of City and Islington College. The Chair thanked her for her long and invaluable association with the College and contribution to its success.

Raj Kakaiya was stepping down as Managing Director of Capital City College Training, but would remain as Deputy to allow him to focus on service delivery. Raj was thanked for the diligence he has shown in implementing the role of MD and the Board is pleased that his new role will allow him to continue in this vein.

*The next meeting will be on Tuesday 17<sup>th</sup> October 2017 at 6pm, venue to be confirmed.*

Signed as a correct record:

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Alastair Da Costa, Chair of the Board