

MINUTES OF A MEETING OF THE BOARD OF LEICESTER COLLEGE CORPORATION

HELD ON 30 OCTOBER 2019



Present:	Jonathan Kerry (Chair) John Allen Danielle Gillett Verity Hancock Brigitte Heller Chan Kataria Simon Meakin	Naz Nurani Kaushika Patel Louisa Poole Habiba Rashid Caroline Tote Tom Wilson
In Attendance:	Louise Hazel Shabir Ismail Kieran McKee Kully Sandhu Tina Thorpe Rod Wood	Director of Governance and Policy Deputy Principal Head of Learner Support (item 6) Vice Principal Vice Principal Director of HR (items 1-9)

The Chair welcomed new governors Kaushika Patel, Naz Nurani and Habiba Rashid to the meeting.

1 DECLARATIONS OF INTERESTS

- 1.1 There were no declarations of interest.

2 APOLOGIES FOR ABSENCE

- 2.1 Apologies for absence were received from Tim Gray, Andrew Hind, Zubair Limbada and Mandeep Singh.

3 MINUTES OF PREVIOUS MEETINGS AND MATTERS ARISING

- 3.1 **The minutes of the meeting of 10 July 2019 were received and agreed as an accurate record.**
- 3.2 As a matter arising from minute 13.1.4 it was reported that a condition survey had been conducted and details would be presented to the Audit Committee and F&GP. It identified four categories of building condition and showed that £500k was needed in planned maintenance over the next two years, with £10 million needed for a planned maintenance programme over the next 10 years. The DfE had also commissioned a condition survey but this had been a short site visit. There was a possibility of additional funding being available for FE capital in 2021/22 but this was not yet confirmed.

4 FEEDBACK FROM RECENT COMMITTEE MEETINGS

- 4.1 The Chair invited Committee Chairs to feed back on recent Committee meetings. The following points were highlighted:
- 4.1.1 F&GP had looked at recent management accounts and the College's financial health category. The bank covenants had been discussed and funding allocations for 2019/20 noted. Sensitivities in the plan had been questioned. The financial health self-assessment showed the College's financial health to be 'Requires improvement' but given the exceptional item, it had been agreed to self-assess as 'Good'.
 - 4.1.2 Search and Governance had considered the recruitment of new governors, committee membership and the Chair's performance review. It had reviewed the new skills audit and considered possible changes to the Instrument and Articles.
 - 4.1.3 Audit had reviewed the Risk Management Strategy which had a number of reducing risks, Internal Audit reports, a report on data protection and cyber security, FE Commissioner reports on several colleges and the Committee had requested more information on expenses to confirm there were no control issues.
- 4.2 **Governors noted the feedback and minutes from Committee meetings.**

5 GOVERNOR VISIT REPORTS

- 5.1 The Chair introduced a paper providing feedback from governors' visits/learning walks. Governors were invited to comment on their visits. The following points were highlighted:
- 5.1.1 **The need for IT investment had been identified particularly in Creative and Performing Arts.**
 - 5.1.2 **Equipment in outreach centres was good and the enthusiasm and commitment of staff was impressive.**
 - 5.1.3 **The attitude of students in construction was very positive. There were some questions over the adequacy of the electrical workshop given the growth in numbers.**
 - 5.1.4 **Supported learning was split over two locations at Freeman's Park with lots of 1:1/1:2 teaching. There was good practical work. The support provided at C block was very intensive and students' medical needs meant they needed a lot of support. It was harder to see if they were achieving objectives because the milestones were very small. The facilities were excellent.**
 - 5.1.5 It was explained that there had been investment in CAPA but there was a need for ongoing replacement of equipment. The growth in Construction was placing additional demand on resources but the College would need to involve other partners to resolve this. All Curriculum Areas would be looking at what additional specialist equipment might be needed.

- 5.2 **Governors commented that they had found the learning walks very helpful and asked how the visit reports were shared with staff.** They were considered at SLT and any actions progressed, and the reports were sent to the Directors.
- 5.3 Governors were thanked for visiting and providing helpful feedback. The walks were found to be helpful for governors and staff and all governors were again encouraged to engage in the learning walks and also in end of term events and awards ceremonies.
- 5.4 **Governors noted the reports.**

6 SAFEGUARDING ANNUAL REPORT 2018/19.

- 6.1 The Deputy Principal presented the Safeguarding Annual Report for 2018/19. The following points were highlighted.
- 6.1.1 There had been a slight increase in the number of referrals compared to 2017/18.
 - 6.1.2 The gender gap was decreasing and it was encouraging that more male students were coming forward. Other trends were similar to previous years.
 - 6.1.3 The increase in referrals from APCO was due to better reporting from the Area.
 - 6.1.4 Looked After Children and Care leavers were having good success in the College although this was very resource intensive and the students required a lot of support.
 - 6.1.5 The E-safety action plan was regularly reviewed by the Safeguarding Committee which looked at trends and monitored attempted access to blocked sites.
 - 6.1.6 County lines was an increasing issue and there were more risk assessments coming forward as a result. Each case was assessed on its own basis and the College's aim was to give people a second chance wherever possible.
- 6.2 Governors **asked** a number of questions including:
- 6.2.1 **How did the College work with the Police particularly over County lines?** The College regularly dealt with the Police. It was felt that the most successful contacts were in supporting individuals on a case by case basis. A successful knife crime campaign had also been run with the Police earlier in the year and this would be repeated.
 - 6.2.2 **What was included in 'Cause for concern' which was the highest category?** This was an indication of a possible safeguarding incident and a flag to monitor students; some although not all of these would turn into safeguarding incidents.
 - 6.2.3 **What types of cases were reported and how serious were they?** There were some very difficult and serious cases. Examples of the types of CSE were described. There were particular difficulties in

- getting students to see that they were at risk.
- 6.2.4 **Some students might be concerned about reporting issues because it might lead to social services becoming involved. It might be helpful to consider how the Student Union could support the process.** This would be discussed with the Student Engagement Team.
 - 6.2.5 **It was reported that the multi agency CSE group would be linked to the local safeguarding group and so they might provide additional support.**
- 6.3 **Governors received and noted the Safeguarding Annual Report for 2018/19.**
- 6.4 The Deputy Principal then presented the latest version of Keeping Children Safe in Education. The following points were highlighted:
- 6.4.1 A number of changes had been made including that upskirting was now a criminal offence.
 - 6.4.2 There would be changes to the management of safeguarding in local areas.
 - 6.4.3 Specific guidance on recognising pupils at risk from serious crime was now included.
- 6.5 **Governors received and noted the latest version of Keeping Children Safe in Education.**

7 COMPLAINTS ANNUAL REPORT

- 7.1 The Principal presented the Complaints Annual Report for 2018/19. The following points were highlighted:
- 7.1.1 There had been fewer formal complaints in 2018/19. There would be other issues which were raised but were addressed locally in Curriculum Areas/departments and did not escalate through the complaints process.
 - 7.1.2 The majority of complaints were about curriculum, particularly the courses and teachers.
 - 7.1.3 There had been improvements in how complaints were recorded and investigated to ensure a smoother transition through the complaints process.
 - 7.1.4 The majority were resolved; two had progressed to stage 3 and had been passed to the ESFA. On one of these the ESFA had upheld the College's response to the complaint; a response was awaited on the second.
 - 7.1.5 There had been 35 anonymous complaints but it was believed these were from the same individual.
- 7.2 Governors **asked** a number of questions including:
- 7.2.1 **How the anonymous complainant was communicating.** Through

emails. The College could not take any further action.

- 7.2.2 **What the largest complaints were about?** They tended to be when something went wrong with a building leading to several complaints about the same issue which was also reflected in the student survey. Other complaints tended to be specific to individuals.

- 7.3 **Governors received and noted the Complaints Annual Report for 2018/19.**

8 WHISTLEBLOWING ANNUAL REPORT

- 8.1 The Director of Governance and Policy presented the whistleblowing annual report for 2018/19. The following points were highlighted.

8.1.1 There had been no whistleblowing incidents in 2018/19.

- 8.2 **Governors received and noted the Whistleblowing Annual Report for 2018/19.**

9 STAFF CULTURE SURVEY

- 9.1 The Director of HR presented the Staff Culture Survey for 2019. The following points were highlighted.

9.1.1 The survey had been conducted during May-July 2019. There had been a 50% response rate which was felt to be disappointing.

9.1.2 Overall satisfaction (average of all prompts) was up 3% from the previous survey and above the benchmark for similar colleges.

9.1.3 Prompts showing the largest increases were:

- Overall IT equipment helps me do my job
- Senior managers provide clear direction and leadership
- Leicester college is managed effectively
- I feel safe working at Leicester College.

9.1.4 Full-time lecturers were the least satisfied; Curriculum Area managers were the most satisfied.

9.1.5 There was little difference between the satisfaction ratings for staff at the three main campuses.

9.1.6 Seven departments had ratings which were below the College average for both area management and overall satisfaction.

9.1.7 Largest increases in satisfaction since 2013/14 were for prompts relating to feeling confident about the future of the College, communication and being given enough information about why change needs to happen.

- 9.2 Governors **asked** a number of questions including:

9.2.1 **Why lecturers were likely to be the least satisfied.** This had been the trend for several years. There had been a change in the organisation some years ago which meant that some lecturers had to take a pay cut if they did not move into Programme Lead roles. Anecdotally, it was felt there would be a similar picture across the

sector. Lecturing staff tended to be the most unionised parts of the College; comparison with pay and condition for teachers in schools and HE was also likely to have an impact.

9.2.2 **Whether there were benchmarks to assess how the College compared for lecturer satisfaction.** This would be difficult because roles were very different.

9.2.3 **Why, although there had been a big jump in staff feeling confident about the future of the College, was this still below the benchmark?** It was felt that the College was always very transparent about the challenges it faced which might have influenced staff's confidence in the College's position. There had not been a round of redundancies this year which might have helped improved feelings of confidence.

9.2.4 **Whether QDP facilitated the follow up.** No, this was done with support from the HR team by managers.

9.2.5 **Whether incentives had been tried to increase participation.** Incentives had been used and the timing of the survey had also been moved but these had not had a significant impact.

9.3 **Governors noted the results of the staff culture survey.**

10 GOVERNANCE DOCUMENTS: INSTRUMENT AND ARTICLES AND STANDING ORDERS

10.1 The Director of Governance and Policy presented suggested changes to the Instrument and Articles of Government (I&A) and Standing Orders. The following points were highlighted.

10.1.1 The current I&A had been in place for many years with only very minor amendments made in 2010. It was felt it would now be helpful to review the documents and bring them up to date.

10.1.2 Suggested amendments and other comments were discussed at the May 2019 meeting of the Search and Governance Committee. Legal advice was sought on these and a number of further suggestions were made.

10.1.3 No major changes were proposed but minor amendments were suggested to simplify the documents and to make sure they reflected any changes to legislation and current practice, while retaining those clauses required by the Further and Higher Education Act 1992.

10.1.4 The main changes were to membership of the Board in order to reflect current practice; terminology; attendance and administration of meetings including written resolutions; access to information; the removal of a requirement to have a Search and Governance Committee; the appointment process for senior postholders; and a minimum expected attendance by governors of 80%.

10.2 **Governors approved the changes to the Instrument and Articles and Standing Orders.**

11 PERIOD 12 ACCOUNTS

11.1 The Deputy Principal presented the Period 12 Finance Report. The following points were highlighted.

- 11.1.1 Abbreviated accounts were presented; the F&GP had considered the detailed accounts.
- 11.1.2 Overall, there had been a good outcome for the year. The result was an operating surplus after restructuring and exceptional costs of £93k compared to the previous forecast deficit of £95k. This compared to the budgeted deficit of £1.2 million. The final position was subject to external audit. Work had been completed and no major issues had been raised at the clearance meeting.
- 11.1.3 The College had exceeded its 16-18 learner responsive funding allocation at 102% and met its learner number target.
- 11.1.4 The AEB was the hardest line to predict but had been very successful and exceeded 103% of the AEB allocation; this was largely as a result of the success of the low wage policy.
- 11.1.5 Apprenticeships had hit £4.9m and had recruited well despite the ESFA instruction to pause recruitment earlier in the year.
- 11.1.6 Pay costs had been well controlled. The main reason for the difference between the outturn and the initial forecast deficit was that the College had been able to make efficiencies without incurring the expected restructuring costs.
- 11.1.7 Bank covenants would be met and the College's financial health remained 'Requires Improvement'. The College's point score would be 170. Cashflow looked healthy. If the exceptional item were excluded the financial health score would be 'Good' and so, following discussion at F&GP, it had been decided to self-assess as 'Good'.
- 11.1.8 The pensions revaluation was showing a £11 million deficit increase. This would not impact on covenants but would hit the balance sheet and I&E account below the line. As a result of the new insolvency regime, the pensions fund might look for security and/or additional contributions.

11.2 **The Chair of F&GP confirmed that the accounts had been looked at in detail at the last meeting and the Committee had focussed on the movements in the financial health score and agreed that the self-assessment should be 'Good. Discussion had taken place over how accurate forecasting was but it was acknowledged how difficult it was to put a budget together given the potential for policy shifts in year.**

11.3 **Governors commented that it had been a particularly unstable year and apprenticeships had been particularly difficult but the outcome was a good achievement. It was asked whether there was further information on the pensions issue.** TPS would be funded for this year. The LGPS consultation was still underway but the College had started to think about possible alternative pension models.

11.4 **Governors noted the Period 12 management accounts.**

12 **PARTNERSHIPS REPORT**

12.1 The Deputy Principal presented the Partnership Report. The following points were highlighted.

- 12.1.1 The AEB subcontracted delivery had been positive with good outcomes for the major partners.
- 12.1.2 Subcontracted apprenticeship delivery was being wound down.
- 12.1.3 HE subcontracting arrangement had been highlighted in the FE Commissioner's reports but the College had already been aware of the risks and had put in place measures to ensure monthly monitoring of partners. Responsibility for QA had now moved to the HE Office which had expertise in managing HE provision.
- 12.1.4 Subcontracting was being kept below 10% of income. The HE subcontracted delivery had been very successful and as a result there had been a request for a further allocation from partners of £150k; this however would be subject to tender.
- 12.1.5 Risks were identified in the paper; the College was working with partners to mitigate these risks.

12.2 Governors **asked** a number of questions including:

- 12.2.1 **Why there was such an extensive range of partners involved in the Midlands Engine project.** This included several employers which had staff with ESOL needs.
- 12.2.2 **Given the level of scrutiny how was consistency in processes and quality being ensured for subcontracted students?** For HE partners, Programme Management Boards were being established. These would look at student numbers, achievement and progress on a termly basis. This was the third year of work with the HE partners and the College was moving more towards quality assurance rather than quality improvement.
- 12.2.3 **There was considerable focus on subcontracted delivery because of notable failures at other colleges and the College needed to be able to justify why it was delivering through subcontracts.** Accepted. This still represented a relatively small proportion of overall income but it did bring additional risks. The involvement of third parties including Pearson in monitoring partners helped provide additional scrutiny and build confidence in the provision.

12.3 **Governors commented that the College's primary purpose was to serve Leicester and Leicestershire and while subcontracted provision supplemented the College's income and offer particularly for HE, they would not want to see expansion further afield. This was an area where governors were nervous and needed additional assurance.**

12.4 **Governors requested more detail on QA processes, safeguarding, HR and other compliance issues for subcontracted delivery.**

12.5 **Governors noted the 2018/19 delivery, approved contract variations set**

out in section 2 of Appendix 2 and approved additional expenditure for HE subcontracted delivery at a maximum cost of £150,000 which would be subject to tender.

13 RECRUITMENT AND ENROLMENT UPDATE

13.1 The Principal gave an update on recruitment and enrolment using the Matrix. The following points were highlighted:

- 13.1.1 Enrolment was looking strong for 16-18s and was currently above allocation although withdrawals and cancellations were yet to take place. Demographics appeared to be moving in the College's favour.
- 13.1.2 Most areas had recruited well; some areas, particularly construction, had recruited very well and discussions were taking place about whether further students could be accommodated.
- 13.1.3 Adult recruitment was broadly similar to the previous year but recruitment would take place throughout the year. A change in approach by the DWP/Job Centre Plus could impact on adult numbers.
- 13.1.4 Apprenticeships were hard to judge at this stage but there was more work to do.
- 13.1.5 HE was below target although better than expected; strong competition from universities was continuing to impact on enrolment.
- 13.1.6 There was the potential for additional international recruitment.

13.2 **Governors noted the update on enrolment.**

14 FE COMMISSIONER DIAGNOSTIC ASSESSMENT VISIT REPORT

14.1 The Principal presented the final report from the FE Commissioner team's diagnostic assessment visit in June 2019. The following points were highlighted.

- 14.1.1 The report made no recommendations and endorsed the College's approach.
- 14.1.2 The final report had taken almost four months to be produced.
- 14.1.3 Some of the requested amendments, although not all, had been made and there were some comments which the College continued to question.

14.2 Governors **asked** a number of questions including:

- 14.2.1 **What had been the feedback from other colleges on their diagnostic assessments?** Not positive; the approach taken in visits was very variable.
- 14.2.2 **What progress had been made in discussing the funding of PMLD?** Discussions were still taking place. Nothing was yet decided and the funding settlement for local authorities was awaited.

14.3 **Governors noted the final report from the FE Commissioner diagnostic assessment.**

15 CORPORATION SELF ASSESSMENT AND ACTION PLAN

15.1 The Director of Governance and Policy presented the outcome of the Corporation self-assessment. The following points were highlighted:

- 15.1.1 Feedback had been positive with evidence of impact cited.
- 15.1.2 Areas for improvement had been identified and changes to the agendas were designed to support these improvements.
- 15.1.3 All governors were being encouraged to visit the College and a programme of learning walks would continue throughout the year.

15.2 **Governors noted the outcome of the Corporation self-assessment.**

16 SEARCH AND GOVERNANCE COMMITTEE ANNUAL REPORT

16.1 **Governors received and noted the annual report from the Search and Governance Committee.**

17 GOVERNOR APPOINTMENTS

17.1 **Governors received and noted the paper.**

18 ITEM FROM AUDIT COMMITTEE: RISK UPDATE

18.1 **Governors received and noted the paper.**

19 ITEM FROM SEARCH AND GOVERNANCE COMMITTEE: GOVERNOR ENGAGEMENT

19.1 **Governors received and noted the paper.**

20 DATES OF NEXT MEETINGS

- 28 November 2019 (Special Meeting at 5.00pm followed by Christmas Dinner)
- 12 December 2019 at 6.00pm

21 ANY OTHER BUSINESS

21.1 There was no other business.