



AGENDA
REFERENCE

A

CORPORATION/COMMITTEE PAPER

Meeting of the Corporation

28 October 2020

<i>TITLE</i>	Minutes of the previous meeting held on 17 September 2020
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<i>PURPOSE</i>	To receive, agree and approve the minutes of the previous meeting held on 17 September 2020
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<i>RECOMMENDATION</i>	Governors are requested to note the minutes and agree their accuracy
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<i>No. of pages in main paper</i>	7
<i>Appendices/Annexes</i>	None
<i>Financial Implications</i>	None
<i>Risk Implications</i>	Failure to follow agreed and proper practices
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MINUTES OF A MEETING OF THE BOARD OF LEICESTER COLLEGE CORPORATION

HELD ON 17 SEPTEMBER 2020 VIA TEAMS



Present: Jonathan Kerry (Chair) Chan Kataria
John Allen Zubair Limbada
Tim Gray Caroline Tote
Danielle Gillett Mandeep Singh
Verity Hancock Tom Wilson
Brigitte Heller

In Attendance: Louise Hazel Director of Governance and Policy
Shabir Ismail Deputy Principal
Della Sewell Director of HR

1 DECLARATIONS OF INTERESTS

- 1.1 The following declarations of interest were made:
- Jonathan Kerry – item 9, Chair's Performance Review.

2 APOLOGIES FOR ABSENCE

- 2.1 Apologies for absence were received from Andrew Hind, Simon Meakin and Louisa Poole.
- 2.2 Della Sewell was welcomed to her first meeting.

3 MINUTES OF THE LAST MEETING AND MATTERS ARISING

- 3.1 **Governors received and approved the minutes of the last meeting on 9 July 2020.**

4 UPDATE ON EXAM RESULTS

- 4.1 The Principal gave an update on the 2020 exams. The following points were highlighted.
- 4.1.1 A thorough and rigorous process had been used to derive the Centre Assessed Grades (CAGs). The College had received very few challenges to these, unlike some other colleges.
- 4.1.2 The final position on outcomes was not known as there were still hundreds of students who had not yet been able to complete. This included 300 motor vehicle students for whom the extended lockdown had prevented planned assessments taking place.

- 4.1.3 Currently overall achievement was at 85.1% with 859 students' outcomes still to come in; last year's outturn was 87.6%. For 16-18s it was at 76.5% with 330 still to come in compared to 78.1% outturn last year; for adult it was 89.0% compared to 91.1% with 529 still to come in.
- 4.1.4 Overall achievement of English and maths GCSE was 92.1% compared to 78.9% in 2018/19, a 13.2% increase; this impacted on the College's overall achievement rate and Level 2 achievement rate.
- 4.1.5 Overall, it was felt that results looked positive. Even though it would not be possible to use the data formally, the College would make its own comparisons and would look at where areas had improved in order to learn lessons.

4.2 **Governors asked the following questions.**

- 4.2.1 **What the reasons were for the 859 students not yet having an outcome; was it that grades had not come through or that they had not completed?** It was likely to be both. The Exams team would be chasing down all of these outcomes; all needed to be included in the R14 return in mid-October.
- 4.2.2 **It was good to see that there had not been many challenges; why had other colleges had more?** This was not known although it could be due to the management of expectations. Students should know what they were on course to achieve because of the College's careful tracking systems and so in the majority of cases, they would not be surprised by the outcome.
- 4.2.3 **When would all the assessments be completed.** They would need to be done by the cut-off date in October.
- 4.2.4 **Would there be any impact on the achievement funding and the financial position?** In a normal year, this would be the case for AEB but because there was no reconciliation this year, it should not impact. For 16-18 there was no impact and for apprenticeships, there was a potential impact on EPA income. There were no risks to the financial position based on there being no reconciliation but if this changed, there might be implications.

4.3 **Governors noted the update.**

5 **UPDATE ON RE-OPENING**

- 5.1 The Principal gave an update on the re-opening of the College following lockdown. The following points were highlighted.
 - 5.1.1 The College had now re-opened fully with the exception of the restaurant and Sue Townsend Theatre. Every Curriculum Area had worked hard to plan for delivery on and off site; the aim had been to protect the technical and practical experience. The higher level courses would have more off-site delivery; this varied across curriculum areas and ranged from 50:50 for some areas to 90:10 onsite/offsite for entry level courses.
 - 5.1.2 Measures were being put in place to try and reduce contact including staggering start times and block sessions so students did not have to

come in on multiple days for short sessions.

- 5.1.3 There had been a slower start because enrolment was online and people were making late choices. The College felt calm and the majority of people were obeying the rules but more time was needed to see how students were flowing around the buildings.
- 5.1.4 The College was trying to ensure that it could track and trace contacts. There had already been a few positive cases reported but the number of people affected was small.
- 5.1.5 The student experience was being impacted with social spaces closed and refectories offering a limited service but student support was still operating effectively, mainly online.
- 5.1.6 Staff had worked very hard and were being stoic about the situation but there was still some anxiety.

5.2 **Governors asked the following questions.**

- 5.2.1 **Whether the College was relying on PHE and the national system or had it put its own track and trace system in place?** It had put in place its own systems to ensure it could trace people within the College community.
- 5.2.2 **Where schools were managing it well, they were being sensible, checking the extent of any contact and not sending people home for minor non-COVID symptoms.** Agreed; it was still early days and there appeared to be some issues with getting test results.
- 5.2.3 **It was highly likely that things could get worse; what dynamic information could be provided to help make decisions?** Data on cases would be monitored. The most important mitigation was contingency plans down to course level to ensure that students could be kept in learning in any further lockdown. The Government would want the College to have a contingency plan in place by the end of the month. Support areas had also produced contingency plans to continue work offsite. Weekly meetings had taken place with the Health and Safety Committee and there had been meetings with unions and with students. The Estates team were particularly thanked for the efforts to make the College sites COVID-19 secure.

5.3 **Governors noted the update and requested additional regular data on COVID-19 cases and impact.**

6 UPDATE ON ENROLMENT AND FINANCIAL POSITION

6.1 The Principal and Deputy Principal gave a presentation on the current enrolment and financial position. The following points were highlighted.

- 6.1.1 All enrolment had moved online. The system had worked well but the process was taking longer because it relied on the student to complete all stages correctly. 3,426 16-18 applications had been fully processed; there were more yet to be completed. For CHHS there were 60 students who could not enrol because the courses were full; a waiting list was in place.

- 6.1.2 It was expected that the College would hit its allocation although not its Curriculum Plan numbers; this had been developed prior to the pandemic. Analysis of where students had come from would be undertaken but it was expected that there would be fewer coming from the County and more would have traded up to A levels. Anecdotally, those colleges which offered A levels were seeing greater increases in 16-18 numbers.
- 6.1.3 Apprenticeship numbers had collapsed; this was the case across the country. The majority of employers were not recruiting but it was hoped some might be starting to recruit in the new year. There would be a hole in the financial plan; transitional protection had been highlighted to the ESFA as crucial.
- 6.1.4 HE numbers were below target; this was unlikely to improve.
- 6.1.5 Adult numbers showed healthy applications but slow conversion; some had struggled with online enrolment. Many of the adult students came from the communities worst hit by the virus.

6.2 Governors asked the following questions.

- 6.2.1 **Why some colleges were seeing increases in A levels.** They tended to be in the county. Curriculum areas where numbers were down were those where it was possible to do a similar A level subject or where schools offered BTECs.
- 6.2.2 **Although it looked to be a positive position, was there likely to be a higher drop-out rate particularly given the impact on the student experience?** This was possible but the College would work hard to retain every student on an appropriate course.
- 6.2.3 **Whether it was possible to switch resources where courses were over or under.** This would be looked into once the numbers had settled own. The first reforecast would be crucial. It was hard to make changes in year but all vacancies would be reviewed and any growth would need to be resourced where possible.
- 6.2.4 **Whether, if other colleges were reporting increased recruitment, there might be additional funding for the sector.** Most were reporting increases in A level recruitment. No announcements had yet been made about additional funding.
- 6.2.5 **Whether the Kickstart programme would have an impact on apprenticeships.** It might but it was too early to tell.
- 6.2.6 **Construction sites were re-opening and the Government was committed to house building and planning reforms. These might impact positively on apprenticeships in construction.** Agreed.
- 6.2.7 **At what point did HE numbers become so low that the provision was not sustainable?** This would depend on the course; some were recruiting well; three had been closed due to low numbers. The whole HE offer would need to be reviewed after the White Paper.

6.3 The Deputy Principal outlined the financial position. The following points were highlighted.

- 6.3.1 The year end result was an operating surplus after restructuring costs

of £960k compared to the forecast surplus of £602k. Income was down but this improvement was mainly a result of the further lockdown impacting on expenditure on estates related work that would have been carried out ready for the following academic year.

- 6.3.2 Key variances included lower income from HE Partner delivery and other generating income such as refectory, nursery, salons, and additional estates COVID-19 set up costs.
- 6.3.3 The College continued to meet its bank covenants and maintain its financial health as 'Good'.
- 6.3.4 Indications for 2020/21 were that 16-19 looked to be on track, apprenticeship and HE recruitment was down and it was too early to tell with adult numbers.
- 6.3.5 Funding opportunities and challenges were highlighted including the additional tuition fund and higher course value funding, capital funding of £1.7m which would need to be spent by March 2021, and other issues related to tolerance and bandings issues.

6.4 **Governors asked the following questions.**

- 6.4.1 **Whether the savings for pay expenditure and the job retention scheme had been factored in.** They had. Around £600k of furlough payments were included; there would also be additional income of around £127k after January 2021.
- 6.4.2 **There was a small window to complete the capital works; was this possible and could contracts be put in place in time.** A working group was looking at this. The College had already identified the main areas of work needed through its condition survey and plans had been put in place to commission these prior to lockdown. These would now be restarted. A paper on planned capital would be brought to the next F&GP meeting.
- 6.4.3 **Whether further discussions had taken place with Santander about a credit revolving facility.** These had taken place. The bank had confirmed it would exclude any COVID-19 related items from this year and so covenants should be easier to meet. Once the recruitment position had settled down, a further discussion would take place with the bank over a facility although the cash position looked healthy.
- 6.4.4 **Whether any of the costs of preparation for re-opening could be moved into capital or offset against the funding.** Where they were capital, they had been treated as such.
- 6.4.5 **Whether there was any central funding for covering the costs of re-opening.** Not at the moment but it might become available.
- 6.4.6 **Whether any changes were needed to the College's normal forecasting process and would the Agency provide any further support or advice?** The current forecasting process was felt to be suitable. Regular meetings took place with the Agency. The College would need to submit a cashflow forecast by the end of November and a mid-year update at the end of January.

6.5 **Governors noted the update.**

7 APPRENTICESHIP TRAINING AGENCY: PROPOSAL TO STRIKE OFF

- 7.1 The Chair presented a paper setting out a proposal to strike off the Apprenticeship Training Agency. The following points were highlighted.
- 7.1.1 The Leicester College Apprenticeship Training Agency (ATA) was incorporated on 31 October 2012. There were no apprentices employed through the agency, the company was no longer actively trading at 31 July 2018 and did not trade in the year ended 31 July 2020.
 - 7.1.2 The College's rationale for retaining the company to date had been to keep a company which it could use for other purposes at some point in the future. However, if such a company were needed it would need to be renamed as it would not be an apprenticeship training agency. The legal advice is that it would be better practice to dissolve the company. The College could then form a new one if and when required, with an appropriate name and articles of association.
 - 7.1.3 At its meeting on 10 September 2020, the ATA Board agreed to recommend to the Corporation that the company be struck off.
- 7.2 **Governors asked whether there were any reasons why the College might want to resurrect the training agency and whether the costs of retaining it were significant.** This was unlikely given that the Government's apprenticeship reforms had made the training agency obsolete and so it would never be needed for that purpose. The costs of retaining it were small and probably similar to those associated with starting a new company.
- 7.3 **Governors approved the proposal to strike off the Apprenticeship Training Agency.**

8 CORPORATION SELF-ASSESSMENT AND GOVERNANCE IMPROVEMENT ACTION PLAN

- 8.1 The Director of Governance and Policy presented a report on the outcomes of the Corporation self-assessment survey and the governance improvement action plan. The following points were highlighted.
- 8.1.1 The self-assessment was again very positive with clear impacts identified.
 - 8.1.2 Themes emerging as areas for improvement included reducing the time spent on routine papers and by managers going through papers in meetings; timetabling of meetings to focus on priorities; more and wider discussion with staff and students using the vision and values as prompts; and greater stakeholder engagement.
 - 8.1.3 Virtual attendance at meetings during lockdown appeared to have worked well; the intention was to move to face to face meetings when and where possible but for the time being, meetings would continue online.
 - 8.1.4 The Corporation would need to start looking at a new Strategic Plan and consider other strategic issues including the anticipated White

Paper; additional sessions had been arranged to provide opportunities for this.

- 8.1.5 Key actions were set out in the Governance Improvement Action Plan. Following discussion at Search and Governance Committee, a review of the Board diversity including demographic and cognitive diversity would be commissioned. This would help to inform recruitment to vacancies.

- 8.2 **Governors commented that the outcomes were very positive and indicated the quality of governance. It would be helpful to think about what the College was doing in response to the Black Lives Matter movement.** The Principal had reflected on this in her weekly email to staff but the College had not had a chance to consider a whole College response. The Director of HR would be looking at how staff were recruited and developed including BAME staff and the themes would also need to be reflected in the student LEAP sessions. The Chair reported that a national project was underway on promoting diversity on governing bodies and there would be some further work on this which might be helpful. The Corporation would have the opportunity to recruit new governors in 2021 and the diversity of the board would be an important consideration.

- 8.3 **Governors noted the outcomes of the Corporation self-assessment and approved the governance improvement action plan.**

9 CHAIR'S PERFORMANCE REVIEW

- 1.1 **Governors received and noted the paper.**
1.2 The Chair thanked governors for their constructive and positive comments.

10 DATES OF NEXT MEETINGS

- 28 October 2020
- 26 November 2020 – 5pm (Special meeting)
- 16 December 2020
- 21 January 2021 (TBC)
- 10 March 2021
- 11-12 June 2021 (Away Day)
- 14 July 2021

11 ANY OTHER BUSINESS

- 1.3 There was no other business.