

CORPORATION BOARD of UNITED COLLEGES GROUP
Wednesday 16 December 2020, 6 pm – By Zoom

Members Present: Nick Bell (CEO), Alex Fyfe, Tony Johnston (Chair), Cathy Bird, Franklin Asante, Laura Griffin, Derrick Betts, Jan Knight, Angela Drisdale Gordon, Ross Mackenzie, Colin Smith, Lee Horsley, Ofofonono Iwa, Temitope Alebiosu.

In attendance: Zoë Lawrence, Stephen Davis, Claire Collins, Amanda Thorneycroft.

1	<p>PROCEDURAL</p> <p>Welcome and apologies for absence</p> <p>The Chair welcomed everyone to the meeting. Apologies had been received from Matthew Green, Amish Nathwani, Norman Whyte and Desmond Bishop.</p> <p>The student governors were welcomed to their first meeting of the Corporation and introduced themselves to members.</p>	
2	<p>Declarations of Interest in the agenda items</p> <p>The SPHs had an interest in item 09i concerning their objectives and would leave the meeting as necessary for this item. Student members would also not be present for this item.</p>	
3	<p>I. Approve minutes of meeting held on 23 September 2020 <i>(Draft minutes circulated in advance)</i> The minutes were approved and would be signed as an accurate record.</p> <p>II. Matters arising</p> <p>Matters arising had been carried over to a committee or were covered elsewhere on the agenda.</p> <p>III. Approve Committee Terms of Reference <i>(Draft ToR circulated in advance)</i> Subject to a small amendment on the GSR ToR, the Corporation resolved to approve the committee ToR. These would be published as part of the Standing Orders on the UCG website.</p> <p>IV. Request to raise Grey Box items</p> <p>No items were raised by members.</p> <p>V. Governors Activity Feedback</p> <p>A number of members had attended a range of college events and meetings in the preceding half term. These included student and staff voice sessions, and a Construction and Technology Exhibition. Members were invited to share any feedback on their experiences. CB who had attended staff voice session commented that at one of the sessions there were no teaching staff involved. This was an exception as the other sessions had included them along with support staff. Main messages from these sessions centred on IT issues, and the arrangements for first aiders at the campuses. ADG who attended a student voice meeting said that she was impressed by the articulate contributions from students and found the meeting very insightful. It was clear that students wanted more face-to-face teaching, particularly at levels 1 and 2,</p>	

	<p>though this would need to be balanced with health and safety requirements in respect to coronavirus. TA said that she thought the student voice meetings were a good idea and that she was pleased to see some of the issues raised being responded to by the SLT. SD said that the student feedback was of great value, and some of the bursary issues raised, which may be creating a barrier to learning, were very helpful and would lead to changes. Face to face time for the teaching of English and maths would increase as a result of the feedback. It was considered to be a good example of constructive partnership working. OI commented that there had not been a student voice session at the Paddington campus. SD confirmed that this would be arranged for January 2021.</p> <p>LH said that he had attended the Level 3 Construction and Technology exhibition on 14 December. He described the quality of work as exceptional, taking into account communities and the build environment, and it was industry relevant. It was hoped that LH would be able to offer some work experience in the New Year to one of the students exhibiting her work. CS, who had also attended this exhibition, commented on the professionalism of the students and their creativity.</p>	
<p>4</p>	<p>STRATEGIC</p> <p>I. CEO Report <i>(Report circulated in advance)</i></p> <p>NB presented the main aspects of his report on activity against the strategic themes. This included plans to increase the level of face-to-face teaching in the new term, pending the impact of the vaccine and tier levels in place in London. At the moment there was a minimum of 50% face to face, and it was hoped to be able to increase this. Work was still continuing to provide as many students as possible with internet connectivity through the provision of laptops and dongles. NB mentioned that the DoE had recently announced the intention to roll out lateral flow testing for coronavirus in FE from the New Year. This was likely to mean that all staff were tested weekly. Resource implications and practicalities of this would be considered at the next SLT meeting.</p> <p>NB highlighted the higher rate of student withdrawals this term and the work now in place to re-engage those who had left, but also engage NEETS working with LAs. The attrition rate could potentially impact funding for 2021/22 for 16-18-year-olds as this is lagged. Discussions with the ESFA on this issue were considering options including taking the baseline figure at a later date or reverting to the previous year's level. The attrition issue was being felt across all London colleges. Colleges with more A Level provision were being impacted by centre assessed grades, resulting in grade inflation so more students were able to access A level courses in sixth form centres.</p> <p>The staff awards ceremony would take place on Monday 4 January 2021. Governors were invited to attend this virtual meeting.</p> <p>NB referred to the improvements to the IT which had been brought forward in response to staff and student feedback. The next meeting of the Commercial Entities Working Group would take place on Wed 13 January and would focus on lessons learnt from elsewhere in the sector, market analysis and prioritisation. A public affairs company was currently working with the college on its presence and influence within its community and with key stakeholders.</p>	

AF asked if the college knew where the students who had withdrawn had gone to. SD said that this work was underway though initial feedback was that this was a mixed picture. DB asked if there was a risk of the attrition/ retention rate continuing over the next three to four months as the pandemic was still affecting delivery. SD said that it was usual for attrition to happen during the first term, but that it usually settled from January. It was hoped that the loan of devices to 16-18-year-old students would retain students; plus key workers were working with caseloads of students to support their engagement. ADG asked if it was possible for the college to do more to engage students in the first 6-8 weeks of term to prevent students from leaving. SD hoped that the key workers were impacting during this time but acknowledged that the online enrolment process may have created unintended consequences and that this was being refined as a result. An increase in face-to-face delivery where this was possible in levels 1&2 was being worked on to increase student engagement.

TA asked if there was a survey of teachers' views as well as the survey for students. NB confirmed that this was the case, that smaller surveys of teaching staff were taking place on a regular basis. SD reminded members of the postcard exercise from the previous academic year and that a repeat of this was planned for the New Year. He also confirmed the intention to increase the English and maths lesson time from the New Year which had been disrupted due to business process issues.

CB asked whether the 20% attrition had allowed for the recouping of teaching expenditure, or did the college now have 20% excess staffing? SD said that some flexibilities were possible with the mix of permanent and HPL teaching staff and repositioning of staff had taken place in some areas. Further discussions on utilisation were being taken forward with SLT. NB made clear that any cost savings would not impact on student experience.

TJ asked if the attrition/ retention rate could be included as a KPI. NB confirmed that he would include this.

II. KPIs

(KPIs circulated in advance)

NB presented the KPI dashboard which provided performance targets for each of the strategic themes. KPIs were still to be confirmed for reputation which would be included once the work with the public affairs consultants had concluded. It was acknowledged that the KPIs would need to be adjusted over time to reflect the priorities of the organisation. Further columns would be populated for the next term. The end column showed RAG rating on the direction of travel. TJ queried the financial health grade which had dropped from outstanding to good as a result of the deficit arising from the coronavirus pandemic. **Subject to the inclusion of a KPI on attrition/ retention the Corporation approved the KPIs.**

III. Risk Register

(Document circulated in advance)

AT explained that the risk register was now being presented in this new format recommended by the Audit Committee. This risk register for Corporation included the highest risks, with a residual risk rating of 12 or more. In summary none of the risks had increased, and some had decreased since the previous meeting. ADG asked what was meant by fogging on risk 6.3. This was a deep cleaning method. TJ expressed concern over risk 7.9 in relation to IT data storage, and that this should be prioritised

	<p>given the current reliance on remote working. This was acknowledged though investment was being made in cybersecurity across all campuses. Members noted the risk register.</p> <p>IV. EDI Update <i>(Paper and action plan circulated in advance)</i></p> <p>NB presented his report and the action plan which had been in development over the past 12 months. EDI student achievement targets had been included in the KPIs, plus the target to increase the number of staff from BAME backgrounds at managerial level in the organisation. The college would be pursuing the Investors in Diversity accreditation with the National Centre for Diversity (NCD). Investment had also been made in increasing capacity for EDI work within the organisation. ADG, who is the EDI governor, thought that the action plan was comprehensive and had progressed well. She was pleased to see the action plan with clear measurable KPIs and the importance of the issue with senior leaders.</p> <p>FA had attended a Board Diversity Event for FE earlier that day. The purpose of the event was to discuss ways in which to improve the diversity of FE Corporations. On reflection it demonstrated that UCG's Corporation had a reasonable level of diversity in terms of protected characteristics, but also in thinking. FA was the only person at the event from an ethnic minority. TJ, who had also attended the event, concurred with FA's comments. From this baseline it was important to develop the Corporation's diversity further and ensure that all members were aware of their responsibilities as leaders and influencers of organisational culture. It was agreed that a session on EDI would be included in the Corporation Strategy Day in late April 2021.</p> <p>RM welcomed the opportunity for further discussion and suggested that experiences from other sectors including the financial sector be considered. He also suggested how diversity could be part of the selection process in the supply chain by including suppliers from under-represented communities. A small change to the wording of the governance EDI actions was also agreed.</p>	
5	<p>COMMITTEE MATTERS Property & Infrastructure Committee</p> <p>I. Wembley & Willesden Project Update <i>(Paper circulated in advance)</i></p> <p>NB provided an update on the project since the time of the previous meeting in September. It was noted that the GLA funding grant had now been secured, and that another purchaser for the Willesden site had been identified and progress was being made to agree HoTs. The purchaser, Pinnacle, had also made an offer on Crescent House at Wembley, though it was hoped to be able to negotiate an increase to this offer. NB set out the financing of the new building, and how the potential funding gap of £8.4m could be filled including the potential use of the proceeds from the sale of Queen's Park. It was anticipated that it may be possible to exchange contracts in March/April 2021, with the building being completed for 2025.</p> <p>AF asked for confirmation that Quintain no longer had an interest in purchasing the Crescent House site and whether it was intended to offer it to other buyers. NB confirmed that Quintain had no further interest in the site, and should it not be</p>	

	<p>possible to increase the current offer from Pinnacle then it would be opened up to a targeted market in the New Year.</p> <p>FA commented about the use of the Queen’s Park proceeds and asked to what degree it was committed in investment funds or if there were plans to use it in other ways. It was more cost effective to use own funds than to borrow. NB said that currently there were no alternative plans for the funds, though there may be lost interest. AT said that the money was deposited in 12 month rolling investments and the interest was minimal as a result because of the needs to have the funds readily available. She did not think it would be sensible to commit to using the funds until it was understood whether they were needed to fill gaps in the cash flow for the project. At the moment it was unclear what the cash flow implications were.</p> <p>Given the possibility of reaching the critical decision point in the first quarter of the calendar year, TJ was keen to keep the Corporation informed of progress. It was agreed that the Property & Infrastructure Committee meeting papers would be sent to all members and that there would be an open invitation for all members to attend the meetings as observers. The Corporation resolved to receive the update report.</p>	
6	<p>Teaching, Learning and Skills Committee</p> <p>I. Self – Assessment review – for approval <i>(SAR circulated in advance)</i></p> <p>SD reminded members of the main points of the SAR which had been validated by governors in October and reviewed further at the TLS Committee in November. In most cases the deterioration of achievement was due to the impact of coronavirus. 16-18-year-old achievement had improved. CS, as chair of TLS, said that the SAR had held up to scrutiny and challenge of the committee and was a fair representation of the current position of the College. The Corporation resolved to approve the SAR.</p>	
7	<p>Finance and General Purposes</p> <p>I. External Auditor’s Report: Financial Statements Audit and Regularity Findings Report 2019/20 <i>(Report circulated in advance)</i></p> <p>AT highlighted the main points from the EA report to the Corporation. These included the letter of support from UCG to CWC Enterprises given the degree of losses incurred as a result of coronavirus. This would allow the company to continue as a going concern. The £2.6m spent on the Wembley & Willesden project to date would be retained on the balance sheet given that the project was viable and was continuing.</p> <p>II. UCG/ CWC Enterprises Financial Statements for year ended 31 July 2020 (for approval) <i>(Financial Statement circulated in advance)</i></p> <p>AT explained that there was a funding audit and some other items that were still being considered by the EA, but she did not anticipate that these would create material changes to the financial statements. The Corporation resolved to approve the financial statements for UCG and CWC Enterprises pending any confirmation of no material issues.</p> <p>III. Management Accounts – Oct 2020 <i>(Oct management accounts circulated in advance)</i></p>	

	<p>TJ noted the schedule for the preparation of the management accounts and welcomed this. The management accounts would be provided to F&GP members monthly irrespective of whether there was a committee meeting. AT explained the key issues in relation to income including apprenticeships and tuition fees. Payroll was in line with budget currently, though agency costs had been rising during November. It was acknowledged that depreciation would have more of an impact this year. Members noted the management accounts.</p>	
8	<p>Audit Committee</p> <p>I. Audit Committee Annual Report for approval <i>(Draft report circulated in advance)</i></p> <p>JK presented the main points of the Audit Committee Annual Report to members, in particular the work to develop the risk register and associated risk processes. She thanked Audit members for their contributions. The Corporation resolved to approve the Audit Committee Annual Report to be signed and submitted to the ESFA.</p> <p>II. Health & Safety Annual Report <i>(Report circulated in advance)</i></p> <p>AT said that steady progress was being made on H&S. There had been an H&S Audit covering the arrangements for returning to the campuses in September amid the coronavirus pandemic and fire safety. Recommendations from this audit were being taken forward which included a review of the H&S Committee. It was noted that all the security guards were first aiders ensuring that there were always first aiders on site. Co-ordination was taken forward through the duty manager for each site. Fewer incidents and accidents were reported due to increased home working, though more accurate and timely reporting was now being seen at CNWL.</p> <p>TJ commented that there had been no fire drills at Paddington and whether this was normal? AT commented that it was not as they would normally take place at all campuses. It was noted that a drill should be conducted at Paddington campus soon. The Corporation resolved to approve the report.</p> <p>III. FOI Policy / Publication scheme – review for approval <i>(Draft policy circulated in advance)</i></p> <p>ZL explained that there had been a few minor changes to this policy and publication scheme to ensure that it was consistent with recently issued DoE guidance. The Corporation resolved to approve the policy.</p>	
9	<p>Governance, Search and Remuneration Committee</p> <p>I. Ratification of co-opted governor</p> <p>LG reported that members of the GSR Committee had recently interviewed two candidates for Corporation membership. As a result, the interview panel decided to offer the appointment of co-opted governor to the Property and Infrastructure Committee to Grainne Brankin. Grainne is general counsel and Company Secretary at the British Standards Institute. She would provide the legal skills gap left by the departure of Mary Elliot. The Corporation resolved to approve the appointment.</p> <p>II. SPH Objectives [See confidential minutes]</p>	
10	AoB	

	<p>TJ thanked Governors and SLT members for their hard work and significant contribution to the college in what has been a particularly difficult year dealing with pandemic restrictions. He wished everyone a happy Christmas.</p> <p>The date of the next meeting 30 March 2021</p> <p>The meeting closed at 8.50 pm</p>	
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Minutes taken by Zoë Lawrence 17 December 2020

SIGNED: **Date:**

Tony Johnston, Chair

ACTIONS

Ref	Action	Owner	Status
03iii	For the revised ToR to be published on the UCG Website	ZL	Complete
04i	To include attrition/ retention rates in the KPIs	NB	
07i&ii	For the Financial Statements and associated documents to be signed once confirmation of the funding audit is received and that there are no material changes to be made.	ZL/AT	Complete
08i	For the Audit Committee Annual Report to be signed and submitted to the ESFA	JK/ZL	Complete
08ii	For a fire drill to take place at the Paddington campus	AT	
08iii	For the revised FOI policy and publication scheme to be published on the UCG website.	ZL	Complete
09ii	SPH Objectives to be redrafted in line with comments made and reviewed at GSR Committee in January 2021	NB	Complete