

CORPORATION BOARD of UNITED COLLEGES GROUP
Wednesday 27 March 2024, 6 pm – Paddington Campus

Members Present: Stephen Davis (CEO), Alex Fyfe, Max Maalimey, Nadia Babar, Elom Tay, Alastair Procter, Ross Mackenzie, Stephen Grainge*, Franklin Asante (Vice Chair), Tanya Rose, Tim Ryan, Liz Jones, Colin Smith.

In attendance: Zoë Lawrence (Director of Governance), Amanda Thorneycroft (Chief Finance Officer), James Wilson (Deputy Principal), Angela Jackson (Deputy Principal).

1	<p>PROCEDURAL</p> <p>Welcome and apologies for absence Apologies had been received from Jessie Turnbull*, Amish Nathwani*, Andrew Dowsett*, Derrick Betts, Laura Griffin, Tony Johnston, Ana Chimbembe and Gashtiar Muhamadi.</p> <p>In the absence of the Chair, the Vice Chair Franklin Asante chaired the meeting.</p> <p>*denotes co-opted governor.</p>
2	<p>Declarations of Interest in the agenda items Declarations were declared for SD and AT in item 10 relating to Senior Post Holder Objectives.</p>
3	<p>I. Approval of Corporation minutes <i>(Draft minutes were circulated in advance)</i> The draft minutes of meeting held on 13 December 2023 were approved as an accurate record.</p> <p>II. Matters Arising There were no matters arising.</p> <p>III. Request to raise Grey Box items No items were raised.</p>
4	<p>STRATEGIC <i>(Papers circulated in advance)</i></p> <p>I. CEO Report/Balance Score Card SD presented his paper highlighting some of the main achievements and activities since the Corporation last met in December. He highlighted the work on the budget to reduce the fixed cost base, including the nature and shape of the senior leadership team, and that there would be further changes before the end of the academic year. Additional capital and revenue income had also been secured. SD also referred to his involvement with the Cabinet Office and other government stakeholders to assess cross cutting issues in the delivery of public services including health, justice and armed services in which education and skills plays a crucial role. A dinner with the Minister for Levelling up had taken place with a number of other FE leaders and UCG governors, plus the official opening of the Euston Skills Centre. The college had also won the Apprenticeship of the Year Award and had been involved in the Sports Gives Back Awards. SD considered these activities key to promoting UCG’s positive reputation and creating a preconceived notion of being a progressive organisation. GB welcomed these opportunities and the Corporation discussed others in light of the up-coming</p>

general election. The aim was to show how UCG was a leadership contender within the sector and the contribution of marketing and external communications within this.

On the balance score card (BSC) SD said that some items were still red, those with mixed success were rated as amber, though these were as of the end of March and he was anticipative that they would be in a better position by the end of July. ET asked about the target for capital expenditure as a percentage of turnover and whether this included IT and estates expenditure. SD said that it covered both and most of the expenditure was from capital grants. Members noted the BSC.

II. Strategic Risk Register

AT highlighted two new risks on the strategic risk register which were from the finance risk register and were above tolerance. These related to the financial viability of the college as a result of the delays to the redevelopment project and the reduction in access to finance following the ONS reclassification of colleges. Whilst the college was at no risk of insolvency, it was important for the balance budget position to be reinstated to generate cash, and for close monitoring of the cash flow going forward. GB commented that this was directly linked to the delay in Dollis Hill Wembley (DHW) submitting their planning application and perhaps that should be the focus of the mitigation. It would be important to understand whether DHW's plans were financially viable. In the event they were not it would be unlikely to secure an alternative developer should the deal fall. GB also raised risk 5.9 concerning the failure to improve 16–18-year-olds outcomes and match national benchmarks. She asked how much this was a broad aim regarding national rates (NAR), or if it was specific. JW explained that the risk brought together the English and maths qualifications with the Ofsted grade 2 achievement which would ultimately also mean being closer to the national rates. SD said that all of this also linked to the deficit budget and robust financial health.

III. Accountability Agreement

AJ presented her paper which set out the changes to the Accountability Agreement from the previous year. One of these was that the new Local Needs Duty was now to be included in the Accountability Agreement each year and not as a separate review every three years. The Accountability Agreement needed to be submitted to the Department for Education by 30 June and be approved by the Corporation. It was therefore agreed that the draft document would be reviewed by the TLS Committee at its meeting on 12 June, and then approved by written resolution to be able to meet the required timescales.

IV. Modern Slavery Statement

ZL presented this review of the Modern Slavery Statement which is a legal requirement to publish on UCG's website. The draft had not been amended since the previous version. AP noted the training in the statement and asked what training was provided. ZL agreed to take this up with AT following the meeting. Members also discussed the level of due diligence on this issue with regard to supply chain and procurement. AT agreed to discuss this with Tenet who support the college with procurement. It was considered that significant contracts for the college such as catering and cleaning had more safeguards in place particularly as they were procured from government frameworks, however, it would be of benefit to review this for other supply chains. **The Corporation resolved to approve the Modern Slavery Statement for publication on the UCG Website in its current form with the action to review and reflect on processes and to return it to the July meeting of the Corporation with any updates.**

5 COMMITTEE MATTERS
Teaching Learning and Skills Committee

	<p><i>(Papers circulated in advance)</i></p> <p>CS provided a short summary of the presentations and issues discussed at the recent Teaching, Learning and Skills Committee on 13 March. These included the Chalkstream non-enrolled report, the planning and intent review for curriculum including the changes to the funding of English and maths, the MIDES data which showed the levels of deprivation and prior achievement of UCG learners and a presentation on apprenticeships.</p> <p>I. Predicted Achievement</p> <p>CS initiated the discussion on this paper highlighting that predicted achievement for construction and business had made significant improvements compared to the previous year. Retention was also at 96% which was very encouraging. JW explained the Curriculum Assessment Decisions (CAD) and that these predictions may be influenced by the exam component of the qualification. Currently outcomes for 16-18 year olds were above target, but below the NAR, whilst adults showed a 5% improvement on the previous year and were above target and the NAR. Apprenticeship achievement was also looking positive. Programmes of concern were A level science and health, wellbeing and care, though the latter was currently above the NAR. Caution was being made with business, engineering and functional skills, but exam results in-year were positive. JW also highlighted that the developmental lesson observation process had now been agreed with the recognised trade unions, and was being rolled out to commence in full at the beginning of the next academic year.</p> <p>TR asked if the more recent exam results had been factored into the predictions. JW said that this has not yet been done as the exam results had only just been received. AP asked if there was value in comparing student outcomes with London-only colleges rather than NARs. SD thought that the national rather than regional comparators were probably more helpful as the college was inspected against a national framework, and London was often slightly worse than general FE, with the North West often performing better. AP noted the big increase in business and construction outcomes and asked what the main levers were for this improvement in such a short period of time. JW explained that this was largely from the programmes now having a stable staff base and new management. The cohesive teams were making significant improvements.</p> <p>SD commented that though retention was good at 96%, attendance was lower which means that student engagement has not been consistent and may make reliable predictions more difficult. MM commented on parents' influence in some cases enabling student absence which was making it difficult for some students to catch up in time for their end point assessments. LJ commented that for students that were poor-attenders at school, they would arrive in college not knowing how to learn which can create a very mixed ability class that can be demanding on the teachers. This would be where the developmental approach to teaching and learning would be most beneficial. Members welcomed the suggestion to circulate the link to the MIDES data and the attendance data on Power BI. ZL agreed to do this.</p> <p>II. Link Governor Feedback</p> <p>CS, TR, RM and ET provided a summary of their recent Link Governor visit covering SEN, apprenticeships, Business and A levels, and IT respectively. In curriculum areas governors met with staff, students and managers, saw lessons taking place, understood the strategies being used and the progress being made over time. ET had discussed in detail the next steps with taking forward the IT strategy for UCG in existing and new estate. All the written reports from these visits were shared for information.</p>
6	Finance & Resources Committee

	<p><i>(Paper circulated in advance)</i></p> <p>I. Budget Reforecast</p> <p>AT set out the position on the budget reforecast which was based on the January management accounts. This showed a reduction in the level of deficit by £1m. This had been as a result of additional income, and some accounting adjustments, though the pressures on overheads and inflation were noted and being kept under control. RM reminded the Corporation of a point made at the F&R Committee about using some of the underspend on cyber security and it was agreed that this would be pursued. SD said that the improvement to the deficit position on the budget was a whole team effort with some challenging decisions, however it was considered necessary that a break even position be reached for the following year's budget to be cash generative in light of the redevelopment project. He also said that the curriculum planning was in a good position and there was a clear control of costs for that. The Corporation resolved to approve the reforecast budget.</p> <p>II. Standing Financial Instructions (SFIs)</p> <p>AT explained that the SFIs had been reviewed and there were no changes to the authorisation levels. She referred to a new finance system being introduced for the next academic year and that it was likely that there would be changes to the SFIs as a result of that and would bring those back to the F&R Committee and Corporation in the Autumn term for approval. The Corporation resolved to approve the Standing Financial Instructions.</p> <p>III. Tuition Fees Policy</p> <p>AT presented the review of the Tuition Fees Policy. She said that this policy largely represented funding rules and had been developed by the Management Information Systems (MIS) Team. There were minimal changes from the previous year except for an increase in the HE fees. The option for fees at a certain level to be paid in instalments was retained. The Corporation resolved to approve the Tuition Fees Policy.</p>
7	<p>Audit Committee</p> <p>I. Risk Management Policy and Procedures</p> <p>AT explained that the risk management policy and procedure had been reviewed by the College Risk Control Group where the existing levels of risk tolerances were discussed and challenged. It was concluded that the tolerance levels were still appropriate and that no changes were proposed. The Audit Committee reviewed the policy at its meeting on 28 February and suggested some presentational changes and that the role of the Audit Committee be more explicitly referenced. These changes had been made. The Corporation resolved to approve the risk management policy and procedure.</p> <p>II. Health & Safety Policy</p> <p>AT informed the Corporation that the policy had been reviewed to ensure that it reflected current legislative requirements and the health and safety practices of UCG. The policy now included safety aspects of mental health and cross referenced the safeguarding policy, but other than this there were no other significant changes. The Corporation resolved to approve the Health and Safety Policy.</p>
8	<p>Property & Infrastructure Committee</p> <p><i>(Paper circulated in advance)</i></p> <p>I. Property & Infrastructure Committee Terms of Reference (ToR)</p> <p>ZL presented some small changes to these ToR which made explicit the Committee's responsibilities with regard to sustainability and climate change. The ToR now included</p>

	<p>reference to the Climate Action Road Map and the Climate Action Governance Toolkit. This reflected the new KPI now included in the balance score card to reach the established status of the road map by the end of this academic year. An update on sustainability was included in the grey box for information. The P&I Committee were recommending these changes to the Corporation for approval. The Corporation resolved to approve these changes to the Terms of Reference for the Property & Infrastructure Committee.</p> <p>II. Project Update</p> <p>SD provided a verbal update on the project and referred to the P&I Project Update paper which had been included in the Grey Box for any details. His update included mention of some upcoming meetings with the intention of moving the project forward. It was unlikely that these would now take place until after the Easter break. SD also referred to the £30m bridging finance that was being provided by the Department for Education (DfE). The DfE were keen to sign the loan terms as soon as possible, and these were currently being shared with UCG’s lawyers. Currently the loan terms stated that the money needed to be spent by March 2025 which UCG could not commit to. However members discussed the risks of accepting the loan on those terms and renegotiating afterwards. The loan would not be drawn on so the risk to the college was small. AT explained that UCG’s position on this and projected cash flows had been shared in detail with the DfE in an open and transparent manner. The Corporation agreed in principle to taking the loan forward and for the final terms to be approved by Written Resolution. This was expected to be during mid to late April.</p>
9	<p>Governance, Search and Remuneration Committee</p> <p>I. Governor Expenses Policy</p> <p>ZL presented this policy. She explained that there were no changes other than attendance allowances which were not normally permitted were also now approved by the Department for Education as well as the Charity Commission following the ONS reclassification of colleges. There were a few other changes for clarity. The GSR Committee were recommending these changes to the Corporation for approval. The Corporation resolved to approve the Governor Expenses Policy.</p> <p>II. Recruitment and Succession Planning Policy</p> <p>ZL set out that in reviewing this policy she had undertaken an assessment of the appointments made to date, particularly looking at those of people from an ethnically diverse background and women. The data showed a slight lean to appointing white male candidates though those selected for interview were more balanced in these diversity characteristics. The policy had been strengthened to emphasise open recruitment methods using a range of platforms to attract people from all backgrounds. The diversity of the appointing panel was also considered including the option of bringing in external people to ensure diversity if required. The succession policy for SPHs has been amended to include reference to the changes as a result of the ONS reclassification of colleges where Department for Education approval would be required for new appointments with salaries in excess of £150k. The GSR Committee recommended these amendments to the Corporation for approval.</p> <p>GB said that this was a good paper and she was fully in support of the changes. She noted that the numbers on the board were quite small so the movement in very few members did shift the proportions quite significantly. She also suggested sharing the skills matrix with the Corporation. MM suggested that governors be appointed from the local community or employers. This was thought to be a good idea, but the number of members was limited, and</p>

	<p>these stakeholders interfaced with the college through other means. AP was also fully in support particularly of the range of platforms proposed to reach a wider candidate base and the probability that if used would create the desired outcome. It was also suggested that other informal means of selecting potential candidates could be helpful, or the option of using external recruitment agencies. The Corporation resolved to approve the Recruitment and Succession Planning Policy.</p> <p>III. Co-opted Member of the Property & Infrastructure Committee ZL presented this paper which made reference to an earlier recruitment exercise in 2022 for a member of the Property & Infrastructure Committee from the construction industry. That exercise at that time failed to appoint. A candidate had now been identified and the paper set out the benefits of this appointment, and explained the process taken in bringing this to the Corporation. It was noted that the appointment would not improve the Corporation's EDI position, however, the skills and knowledge that the appointment would add was concluded to be firmly within the college's interests. The GSR Committee were recommending the appointment of Rob Bradley, former CEO of Bouygues, and a member of the Westminster Business Forum to be a member of the Corporation. Members were in agreement that this was in the best interest of the college and the Corporation resolved to appoint Rob Bradley as a co-opted member of the Property & Infrastructure Committee.</p>
10	<p>Governance, Search and Remuneration Committee (Confidential Item – Independent Governors only)</p> <p>I. SPH Objectives – Mid-year Review</p> <p>(see confidential minutes)</p>
11	<p>AoB There were no items of AoB</p> <p>Date of next meeting: 03 July 2024</p> <p>Meeting closed at 8.00 pm</p>

Minutes taken by Zoë Lawrence 28 March 2024

SIGNED: **Date:**

Franklin Asante (Vice Chair)

ACTIONS

REF	Action	Lead	Status
4iii	For the Accountability Agreement to be reviewed by the TLS Committee and approved by the Corporation by WR to be submitted to the DfE by 30 June 2024.	AJ/ZL	Complete
4iiii	For the Modern Slavery Statement to be considered again at the July meeting following a review of the position on	AT	On agenda

	procurement and supply chain in respect to this statement. Also, to share what training is provided to staff on modern slavery.		
5i	To share the MIDES link and access to Power BI attendance data with governors.	ZL	Complete