

CORPORATION BOARD of UNITED COLLEGES GROUP
Monday 30 June 2025, 6 pm – Paddington Campus

Members Present: Stephen Davis (CEO), Stephen Grainge, Franklin Asante (Chair), Tanya Rose, Colin Smith, Grainne Brankin, Moosa Abuelzein (Student governor), Janet Davidson, Elom Tay, Tim Ryan, Serene Stennett (Student governor), Max Maalimey (staff governor), Alastair Procter, Laura Griffin, Ross Mackenzie, Elom Tay, and Andrew Dowsett*.

In attendance: Zoë Lawrence (Director of Governance), Amanda Thorneycroft (Chief Finance Officer), James Wilson (Principal), Nicola McLean (Interim Vice Principal), Nadia El Atrash (HR Operations Manager).

Guest Speakers: Marina Symington (London Economics), Maïke Halterbeck (London Economics).

1	PROCEDURAL Welcome and apologies for absence Apologies had been received from Alex Fyfe, Rob Bradley*, Nick Porzig*, and Derrick Betts. *denotes co-opted governor. Announcements FA announced that Max Maalimey would soon be leaving his employment at UCG and therefore would no longer be eligible to be a staff governor at UCG. He thanked MM for his contribution since 2021 and wished him well in his future endeavours. Recruitment of a new staff governor would commence in the Autumn term. FA also thanked Moosa Abuelzein and Serene Stennett for their significant contributions as student governors this academic year. MA would not be standing for student member again in 2025/26, but SS was seeking re-election and hoped to return.
2	Declarations of Interest in the agenda items SD and ZL had a conflict in agenda item 10 regarding SPH objectives and remuneration and left the room for that item as appropriate.
3	I. Approve minutes of meeting held on 31 March 2025 The minutes were approved as an accurate record. II. Matters arising a. Standing Financial Instructions This item was deferred as a fuller response to the issues raised was still awaited. The existing Standing Financial Instructions would remain in place. III. Request to raise Grey Box (for information only) items No items were raised.
4	STRATEGIC <i>(Papers circulated in advance)</i> I. London Economics Presentation

	MS and MH presented a summary of their findings of an economic analysis relating the cost of students achieving their UCG qualification against their net lifetime earnings and contribution to the exchequer. Their presentation considered the level of entry, and study mode (part of full time) for over 250 learning aims / courses provided by UCG in academic year 2023/24. For 9500 learners the lifetime earnings were discounted to current values which equated to £350m return on the investment. The expenditure on staff and their economic value was also mapped providing a total combined impact of £470m return on one year's investment. The data was compared to a number of universities and one other college which had completed a similar exercise showing that UCG's ratio of return was 9.3:1, which was one of the highest. It was explained that the assumptions had been validated using ILR and prior achievement data. Although the levels of economic growth and inflation rates in the UK could affect the outcomes of such analysis the comparisons and ratios would likely remain. SD said that this reliable and independent analysis made a good case for government investment in FE and that it was beneficial for wider economic growth. LG asked what this information could be used for. MH accepted that it was mostly externally facing but could be used in strategic planning, for the lifelong learning entitlement, and for UCG to increase the number of L3 learners to have a more significant impact on economic growth. SD was keen to link it to UCG's recent application to be a Construction Technical Excellence College, and also what it would mean for the new building at Wembley, marketing and strategic collaborations. Overall, investing in UCG provided a positive return on investment made. Members thanked MS and MH for coming to present their findings and answering questions. The analysis was interesting and insightful in showing the value of FE in the economy.
5	I. UCG Strategic Plan 2024-27 Review SD presented his paper setting out progress against the KPIs of the strategic plan which was taken as read and self-explanatory. The balance score card showed three years of metrics and SD asked the Corporation whether they still considered these appropriate and relevant as he would be open to amendments or a refresh. He also highlighted the college departmental contributions in the report to meeting the strategic plan priorities. SS asked about the proportion of managers from an ethnic minority background. SD explained that it was the intention for staff to progress in the organisation and for the staff mix to reflect that of the student cohort as far as possible. Appointments were made on merit, but existing staff from all backgrounds were encouraged to apply for managerial roles. This had enabled an increase of people from ethnic minorities into managerial positions within UCG. SD said that there was no positive discrimination regarding these appointments. GB commented that the strategic aim regarding IT and digital was still very much work in progress and there were still areas of improvement. The Corporation noted this paper. II. CEO Report (inc. BSC) SD explained the approach to his report and how each area of strategic focus had improved since the previous year and how he had RAG rated these. There had been progress in all areas. On the Robust Financial Health KPIs it was noted that the Department for Education (DfE) financial health grade was because of the DfE £8.5m loan replacing the revolving credit facility (RCF) from Barclays as a result of the Office for National Statistics (ONS) reclassification and without this UCG would be graded Good. DfE recognised this position. Governors thought that it would be helpful going forwards for percentages to be agreed for each RAG rating in advance so that the ratings were more objective by area of strategic focus, recognising that the metrics for each KPI were clearly defined already. SD highlighted some of the significant steps made this year which included the Ofsted Good grading, the roll out of

	the strategic plan, positive staff engagement, IT investment and improved MIS and use of data. ET noted the level of staff turnover which was currently at 11.1% which was lower than the sector average. SD had also included some of the summer enrolment campaign marketing materials in the paper which featured images of UCG staff and students. Details of SD's meetings with external stakeholders were also referenced. The Corporation received the report. III. Strategic Risk Register AT presented the strategic risk register which had been reviewed at the Audit Committee, with specific risk registers also being reviewed by individual committees. There had not been a significant change since the last meeting of the Corporation in March, other than two revised risks for student experience and outcomes which related to UCG's achievement against the national rates. SG sought clarity on the loan position which was provided and there were no other questions on the risk register. IV. EDI Update – Leaders in Diversity NEA explained the re-accreditation process which UCG had undertaken since March for the National Centre for Diversity – Leadership in Diversity accreditation. This had involved over 100 staff, students, governors and external stakeholders and she was pleased to report that the accreditation had been confirmed earlier in the week. The accreditation was useful for UCG's external reputation with stakeholders, including prospective staff and partners. JD asked how EDI was part of recruitment and onboarding of new staff. NEA explained that it was integrated into all elements of the process including induction, and probation reviews as part of the overall EDI action plan. FA commented that it was good to see so many people involved in the assessment process and that it was a great achievement for UCG. The full report from the NCD was expected in July and would be shared with the Corporation. AD asked whether VE day and other aspects of the armed forces could be included in future activities. It was acknowledged that it was not possible to cover all aspects of diversity at the same time and that a selection was made focusing on the main demographic of the college. However, the point was noted and would be considered in future planning. SS asked how the ideas for EDI activities were generated. NEA said that this was part of the role of the EDI Working group, working alongside student services, enrichment colleagues and EDI champions to decide on the activities that would best support the staff and student bodies. V. Investors in People (IIP) Survey NEA reported on the recent IIP survey which had replaced the usual QDP staff survey at this point in the year. Progress had been made in all areas; however she highlighted areas for improvement which included how managers perceived themselves and their roles, the roles of leaders and managers and how this would be addressed through a mentoring and coaching scheme. Reward and recognition were another area for development and various approaches were being considered to prepare a co-created reward strategy linked with career development. Members noted the higher completion rate of the survey at 60% but also that there were lower completion rates at Wembley and Willesden which may be connected to the property changes. Members welcomed the report and noted the improvements achieved.
6	COMMITTEE MATTERS Property & Infrastructure Committee – Grainne Brankin (Chair) <i>(Papers circulated in advance)</i> <i>(See Confidential Minutes)</i>

7	Teaching Learning & Skills Committee – Colin Smith (Chair) <i>(Papers circulated in advance)</i> CS provided a summary of the recent TLS Committee which took place on Wed 11 June 2025. This included a curriculum presentation from Creative Industries and Digital, the review of the Accountability Agreement which had subsequently been approved by Written Resolution and published on UCG’s website, a presentation of the Summer enrolment campaign, and two internal audit reports where the findings were largely known and were being addressed. I. Predicted Achievement This paper on predicted achievement had been brought to the attention of the Corporation as the percentage increases were positive though there was still some progress to be made to meet national achievement rates (NARs) in some areas. SS asked about how achievement compared to value added (VA) and JW explained that percentage achievement related to those who achieved the qualification, whereas VA was a measure of expected progress from the students’ prior attainment. VA was being exceeded in most areas other than for A levels, maths and English. JW said that there had been continued rigor following the Ofsted inspection in case load reviews to track and sample students’ work to be confident in the predictions made. JW also highlighted the remedial work on refrigeration and air conditioning (RAC) apprenticeships which had improved the achievement rate. II. Safeguarding Update The termly safeguarding report was presented to the Corporation. NMc highlighted the improved staffing structure to support low level concerns and the priority given to student well-being. She mentioned that the number of concerns by gender was more or less equal though for differing reasons, but it was pleasing to see the increase in the number of males coming forward for support. There had also been an increase in the number of e-safe notifications. The Corporation thanked NMc for the detailed report. III. QDP Student Survey The Corporation noted the improvement in the response rate to this survey which saw an increase of nearly 14% to 73%. In general the negative changes in the previous Autumn term survey had been reversed and most areas were in the B quartile which was consistent with the BSC target. The Corporation noted the report. IV. Link Governors In the interest of time the reports from the Link Governor visits which had been circulated were taken as read. CS thanked all link governors for their time and commitment in their roles and for sharing their reports.
8	Finance & Resources Committee – Ross Mackenzie (Chair) RM provided a brief summary of the items which had been discussed at the F&R Committee on 16 June 2025. This included the Inclusive Talent Strategy, April management accounts, and several HR and Finance policies which had since been approved by the Corporation through Written Resolution. I. 2025/26 Budget (for approval) RM introduced the 2025/26 budget noting that there had been a couple of changes since the version shared at the F&R Committee which had increased the surplus to £902k. AT explained that the changes related to two things; the release of capital grants which had affected the level of surplus and changes to agency staff posts in the IT department which would be replaced by permanent staff and as a result create savings. She explained that the budget was

	largely based on known amounts of income, the curriculum planning process and bottom-up approach from budget holders. A 2% pay award for staff had been included in the budget which was thought likely to be challenged so it may be necessary to consider additional savings. SD noted that there was an increase linkage between FE staff pay and the Teachers' pay review body for 2025/26 and that the pay review body was aiming for a 4% pay award for school teachers which may impact on the FE sector. FA asked about the computing budget line and what this included. AT said that it concerned the costs of the website redevelopment and the general costs of UCG-wide software licensing and upgrades including iTrent, Sage, and the Pro-Suite package. SG noted that the surplus equated to approximately 1% off turnover and asked what the main risks were that it would not be achieved. AT said that there may be several; staff pay awards, and non-fixed income such as tuition fees and borough income for example. She said that the track record of UCG's budgets was generally positive as it had come in on budget most years except the Covid year (2020). The Corporation resolved to approve the budget for 2025/26. II. CFFR The CFFR set out the budget and cash flow for the following three years. AT commented that UCG had gone further than this to project cash flows to the end of the Wembley Park project. A 1% pay award had been included in the assumptions, together with a similar level increase in funding. She explained that UCG would have a Requires Improvement financial health grade throughout the CFFR period and that this was due to the DfE £8.35m loan which was imposed on the college in place of the RCF from Barclays following the ONS reclassification of colleges. Without this loan UCG's financial health score would be good. AT highlighted that there were some points in 2030 where the cash position may fall to £3.7m which would breach the recently approved reserves policy which aimed to hold between £5-8m cash depending on the phase of the Wembley Park Project. SG noted the deficit position in 2030/31 and 32. AT said that this was due to the depreciation of the new building. RM suggested that the Paddington building be revalued. The Corporation resolved to approve the CFFR. III. Banking Covenants AT reported that UCG were likely to breach the banking covenant in the same way as the previous year and would aim for them to be amended to be able to offset cash against the loan. It was anticipated that a letter of amendment would be brought to the October Corporation meeting for approval ahead of the accounts being finalised in December. It was also noted that Barclays would need to approve the variations to the conditional sale agreement with DHW. Concern was expressed that there was no guarantee that Barclays would approve this as Barclays were looking to exit the FE loans market; there was a risk that they may seek to transfer the loans to the DfE. It had been requested that these particulars be put in writing to the college, and these had yet to be received.
9	Audit Committee – Stephen Grainge I. External Auditors – Letter of Engagement (for approval) SG presented the external auditors' Letter of Engagement on behalf of the Audit Committee for approval. This was the first year of the newly appointed external auditors HaysMac, and although the letter had not been available for the meeting of the Audit Committee on 9 June it had subsequently been reviewed by email and the CFO had also confirmed that she was content with it and the terms of business included. The Corporation resolved to approve the Letter of Engagement for signing.

10	Governance, Search and Remuneration Committee (Part 2) (see confidential minutes) i. SPH Objectives ii. SPH Remuneration iii. CEO Remuneration iv. Confidential minutes of meeting held on 31 March 2025
11	AoB No items were raised.
12	Date of next meeting Wednesday 22 October 2025

Minutes taken by Zoë Lawrence 01 July 2025

SIGNED: **Date:**

Franklin Asante (Chair)

ACTIONS

REF	Action	Lead	Status
06iv	Further consideration to be given to the authorisation level changes in the SFIs, and that pending confirmation from AF and RM that sufficient controls and assurances had been articulated clearly in the SFIs, then this policy could be approved.	AT	Approved by WR
06viii	Further version of the staff discipline policy to be reviewed by the F&R Committee and brought back to a future Corporation meeting.	AT/ PB	Approved by WR