

Chair	Rob Hull
Corporation Members	Vivien Bailey OBE, Marilyn Hawkins, Steve Hedges, Gerry McDonald, Diana Murray, Dawn Samwell, Cynthia Griffin, Gareth Wall, Neil Yeomans, Stephen Critoph, Ryan McLean, Nikki Makinwa
Officers	Deputy CEO: Suri Araniyasundaran Principal Tower Hamlets and Hackney: Alison Arnaud Principal Havering Colleges: Janet Smith Principal Redbridge and Epping Forest: Narzny Khan
Director of Governance	Elsa Wright
Apologies	Mohamed Elhag
Item No	Item of business
PRELIMINARY PROCEDURAL MATTERS	
	<p>1 Chair’s Welcome & Opening Remarks The Chair welcomed everyone to the meeting. It was the end of academic year and he thanked everyone for their hard work over the year and especially those who were continuing until the end of July. The Corporation was saying goodbye to Nikki Makinwa, Dawn Samwell, Gareth Wall, Mohamed Elhag, Ryan McLean and Francine Corbin. He thanked them for all done they had done in their time on the Board.</p>
	<p>2 Apologies for Absence There were no apologies for absence.</p>
	<p>3 Declaration of Interests Members were reminded of the need to declare any interest in any items on the agenda. Dawn Samwell declared that she had an interested in the Havering Local Board item as Chair of the Local Board.</p>
	<p>4.1 Minutes of the Last Meeting Held on 30 March 2021 The minutes were APPROVED with no changes and would be signed as an accurate record of the meeting at the next face to face meeting. ACTION – Minutes to be signed at the next face to face meeting.</p>
	<p>5 Matters Arising and Action Points from the Meeting The Corporation noted the action points. All items had been completed or would be covered in the agenda for the meeting.</p>
STRATEGIC MATTERS	

6 Group Principal & CEO's report

The CEO introduced his report focusing on the items not covered elsewhere on the agenda and gave an overview of the year. The November meeting would sign off the and the July meeting would continue to be when the Corporation approved and signed off the budget and capital plans and in December the accounts would be reviewed and signed off. The management team had been under pressure throughout the year. There had been lengthy process to ensure a consistent approach to TAG and he reassured the Board, through the CQS committee that there has been a robust process with an emphasis on a strong evidence base.

Staff and students had all been back onsite since 8 March with ESOL and HE returning after Easter. Case numbers remained low. Staff had come together and worked with as a team to bring people back on campus and it was the right thing to do. Attendance had dropped off as TAG process came to an end. There was more lost learning for some groups of learners than at other similar institutions. There has been a small spike in cases but it was very low as a percentage with around 50 cases and it was the last day for most students. The CEO was optimistic that there would be less disruption at start of new term but SMT would continue to monitor cases 7 days a week.

There has been a detailed paper at CQS with assurances given about a robust TAG process. The process was fair, reasonable and justified, and evidence based. The Quality team had done an excellent job to limit any grade inflation. The Deputy Principals, Principals and CEO had been involved to ensure a fair set of outcomes. It had been a complex process that the CEO would not want to do again. There had been some issue with Awarding Bodies and the College had pushed back directly and through AOC about fees. There had only been one response with the Welsh Board offering a 42% reduction. The normal spend Was around £2.5m. The CEO hoped that appeals would be low and there was a process in place. The Chair of CQS had spoken to the Principal, Havering Colleges before CQS to ensure that there was a clear process. The Board thanked the team for their thoroughness and integrity. The Board acknowledged the work done by SMT and staff to keep students engaged over the year. The Chair proposed to send a message from Board to all staff the following day to thank them for their work in an extraordinary year. Staff had been flexible and delivered in a way that had not done before and the flexibility shown over the year was impressive.

Risk

There had been a helpful discussion with Audit and SMT had spent some time looking specifically at what kept them awake. There was considerable overlap between the different curriculum areas and campuses and as a result there a was much more realistic assessment of the tangible risks. There were clear mitigations in place. It was important to pull these together into strategic risks to discuss with Board and in the autumn term as this was an important aspect of board's work. The Chair of Audit confirmed that this work would be taken forward in the Autumn terms and it would be aligned with the work of the other committees where the risks sat in their remit.

Sector

AEB reconciliation would be an issue and the College had taken the only steps it could, working with the GLA who were expected to take a business case approach to reconciliation. 90% of our AEB was delivered with GLA funding and this was more secure. 10% came from the ESFA for provision at Epping. The College was looking at innovative ways to meet the allocation with some elements of subcontracting in small amounts to avoid clawback. There were concerns about Level 3 reform. The new proposals would lead to a polarised system with the option of A levels or T levels and some applied generals did not have an equivalent T level. Business and Health and Social Care BTECs were studied by thousands of students. The approach seemed to be one blueprint which would work for all and the College had fed back early on in development that the 45 day placement was the wrong way to go with the impact of Covid adding to this concern. Further developments would be fed back to CQS.

Capital

There seemed to be no central government strategy for the £1.5bn capital allocated to FE over this parliament, with lots of bidding for small pots. The Department had missed its deadlines for releasing results and this was causing issues as colleges didn't know whether the bid again for another fund. The Skills Bill would introduce a new statutory responsibility for Board to consult and work with local employers. It was unclear what the final position would be, but this was work that the College already did through the SAR and ongoing relationships with employers. There was work to do in Havering and Epping to realise the employer dimension through local board and stakeholder group membership.

Pay and Recruitment

There had been no national demand from the unions and most colleges were offering 1% or less due to challenging finances. This would impact on recruitment although the pay freeze in schools might offer some help. There was a risk as the college struggled to fill key vacancies, particularly at Rainham, even with a market supplement.

Overall applications from students were up although some campuses were seeing lower levels of enquiries. There were reputational issues at Ardleigh Green which the Principal and Deputy Principal were tackling. Improving the quality of provision would help to improve recruitment.

Strategic Intent

This was a whole college effort led by SMT. Richard Surtees was taking the lead on this area of work and a number of research projects from the Teaching and Learning Lab were beginning looking at the evidence base for pedagogical development. There would be increased momentum over the next 12 months. The aim was to be the sector leading college and the different areas would be monitored in committees.

Work had begun on the business improvement unit working with a LEAN consultant on the enrolment process. There had been a high level of involvement in mapping and it was important to put decision making in the right place to deliver a better student experience. Getting the fees right and ensuring students were enrolled on the right course from day one would lead to less movement and a better student experience. Enrolment would begin on 12 August with staffing flexibility over the summer to deliver a longer enrolment phase.

Work done by staff on gathering labour market information would be fed into areas such as master planning to ensure that the College could deliver a curriculum that suited the labour market. Local communities had different needs as could be seen in Rainham and this helped to develop and shape the offer over time. The wellness strand and green forums were also taking shape and progress would be reported back.

There was a discussion about the streamlining of systems across the College and the benefits this could bring for staff in terms of workload if they were on board and worked to find a shared solution. Governors agreed that this was useful and could create capacity elsewhere. The harmonisation of HR platforms and Finance systems had been done with groups of staff mapping internal systems and processes. The aim was to build up a team and to improve business improvement with a Director in each area taken the projects forward and review systems and processes. This could be applied using the same LEAN methodology to curriculum systems.

Black Lives Matter

The stated aim of the composition of the Board being more reflective of the college community sat alongside the direction of travel at the College. There was small group of staff working with the CEO on an action plan. Students working with the Group Executive Director, HR and the Deputy Principal, Ardleigh Green had created a video with the Commission for Racial Justice on creating a video. Recruitment processes had been

	<p>reviewed to ensure that they were neutral in their approach. It was important to understand the perceptions of the College as an employer and as a learning environment. Staff in a discrete group, of black African and Caribbean descent would be asked for their views and this would be an important piece of work for the College to listen to and to learn from the feedback. Not all staff would be accepting of this but it was the way forward that the College was taking. Work had started on the decolonisation of the curriculum and most staff were very positive about it. Work continued with Voyage Youth, a charity in Hackney, with young black students in the college to get a rich sense of what the core issues were and to reflect on what type of college NCC was and what it aspired to be.</p> <p>Governors heard how it was important to black staff that they were heard and listened to and that this needed to be reflected across the group. It was important that SMT and the Board understood the lived experiences of both staff and students which was often very different to their own. Governors agreed the approach and noted that HR workforce reports demonstrated that there were still significant numbers of staff who uncomfortable to share their ethnic origin. Without accurate baseline data it made it difficult to assess the impact of change but it was important to try to encourage staff to declare.</p> <p>Recruitment data could be captured more easily and the College would be able to use it to reflect on existing practice. It was important to measure the right things and to form 4 or 5 into key metrics but the college wanted richness in the data as well. The Principal, Tower Hamlets and Hackney explained that the initial findings of the work of Voyage Youth at Hackney showed that there was low self-esteem amongst some black learners and negativity around interactions with the police. It would be important to look at another campus and then review the findings before further work was done to shape the support students needed. The College had been involved in the Student report on Social Justice working with Leaders Unlocked and CPD sessions would be used throughout the year to move forward in this area. The College would continue to monitor progress and to move forward.</p> <p>The Chair thanked the CEO for his report and looked forward to hearing more about this important area of work.</p>
<p>7</p>	<p>Finance and General Purposes</p> <p>21-22 budget</p> <p>It had been a difficult process to set the budget and F&GP had met twice to look at it. It was a sensible budget set at break even for the year. This would be a challenge with uncertainties around both commercial and AEB income. The committee had been given reassurance from the CEO and Deputy CEO that the College had the capacity to reduce costs if necessary to offset income shortfalls. There was a positive story with a strong cash balance at the end of the year. The committee recommended it for approval with the caveat that it would need to be monitored closely. Page 43 of the pack set out income and expenditure next year along with a three year projection. The aim was to bring a break-even position to a £1m surplus with depreciation over the period which would include the Rainham project.</p> <p>There were challenging income targets for both adult and apprenticeship income. Targets were prudent and there was flexibility in income. The College had identified £1.8m of costs this year for Covid and had recovered £1.2m. Work continued to manage High Needs provision to ensure that LA met the costs of provision. The CEO explained that budget planning had including a review of the curriculum plan in detail with fully delivered costs and then this had been revised as this would not be delivered at 100% and he was confident that this was achievable. Non-pay costs had been reduced as far as they could.</p> <p>Governors asked where the budget had been set, whether it was achievable and where the pressures would be. Pay would always be an issue and a 1% cost of living rise had been included. Recruitment would be hard but there was still a need to find efficiency savings.</p>

Work based learning targets had been increased and meeting the AEB target would also be a challenge. 16-18 funding was guaranteed but any fall in recruitment would impact on the following year. There was no guarantee on the level of the tuition fund. High Needs funding was complex working across 17 boroughs and this could potentially impact on income. The pressure in terms of risk from UKCBC was decreased as teaching ended.

Balance Sheet showed cash flow over the 3 years period at £7m which would rise to £12m with the land sale before the capital was spent on future projects. The ratios would give the College a good financial health rating and this was as strong position for any covenant that was needed. The asset valuation did not reflect the current value of the assets which had a high value for a college. Pension liabilities were allocated to the sector with no opportunity to influence or control which led to a distorted picture of the College's finances.

Action - The Corporation agreed to approve the 2021/22 budget and three year plan as set out in the papers.

7.2 Capital

The paper gave an overview of the master planning. Five transformation fund bids had been made along with two related to post 16 capacity but there had been no decision despite it being due on 17 May. Capital investment would be needed to match fund any successful bids and there were a number of projects already approved by the Corporation including Ilford, Epping and Phase 1 at Ardleigh Green.

7.2.1 Ilford

At the March Corporation meeting, the curriculum case was considered and supported for a new centre at Ilford. There were two options: to purchase a short 10 year lease or to purchase a 999 year lease which was effectively a freehold. Financial scenarios had been discussed in detail at F&GP. A long lease was proposed which would cost £3.24m to purchase with a mortgage and there would be set up costs of £3.1m paid for with cash. The investment appraisal looked at a 10 year v 999 year lease which produced a positive NPV at 1.5 and 3.5%. The rent would equate to £2.3m over 10 years. A tender had been issued with 2 from 4 lenders responding who were the 2 key players in the sector. Barclays offered a marginally better rate and the RCF was with them so no additional security would be needed. The covenant was slightly better and the recommendation was to purchase a long lease with Barclays mortgage. The Deputy CEO confirmed the cash flow at £7m and this was required to keep good financial health and sufficient cash days in hand. Governors agreed that it was a sensible recommendation to invest £6.3m in a new site at Ilford. There would be a small positive return in 10 years. F&GP recommended this approach and the Chair of the Corporation and Chair of F&GP were remitted to finalise the details of the contract.

Governors asked about the capital bidding round and whether any match funding would lead to exposure to cash flow if bids were successful. The Deputy CEO confirmed that the transformational bids were 50% match funded and if successful there would be a 3 month period to work through the project, e.g relocating Motor Vehicle to Rainham and one option would be to release some surplus land for the match funding. The Arbour bid was for new windows at a cost of £1.5m. Poplar would require some changes to the project and work was continuing to look at the funding gap but there were some different opportunities to support that work. Arbour funding would come from the £4.5m allocated capital.

Action - The Corporation agreed to the Ilford proposal with the Chair of the Corporation and Chair of F&GP remitted to finalise the details of the contract with the CEO/Deputy CEO

7.2.2 Epping

The land sale in Feb 2019 was conditional on the College building a facility which would deliver the curriculum and be open to public use. The building had been tendered in September 2020 tender with a £6.5m budget. Planning had now been granted but with increased construction costs, the project could cost an additional £1m. There was a

discussion about the way forward and whether a retender would reduce costs. The tender process was sound and the College was working with a quantity surveyor to test the costings. The paper set out the detailed proposals including a contingency of £750,000 to be used in the event that the costings could not be reduced from the tender. A different frame would require planning approval and as timing was critical for curriculum delivery, this was not the preferred solution. The Corporation agreed that the final sign off could be delegated to the Chair of the Corporation, The Chair of Finance & General Purposes and the CEO once the costings had been reviewed by the cost consultant and Quantity Surveyor. The additional funds would only be used if essential.

Action - The Corporation agreed to appoint ASHE, subject the conditions set out in the paper with full costings to be reviewed and agreed before sign off.

7.3 Management Accounts

The paper set out the position at the end of April. The quarter 3 forecast indicated and end of year surplus around £575k. This could be reduced by a clawback of AEB funding and a reduction in the tuition fund and the Executive team would continue to manage costs to offset any shortfall.

7.4 Financial Regulations and Supply Chain Policy

There was a small statutory change to include the existing policy on depreciation.

Action - The Corporation agreed the Financial Regulations and Supply Chain policy as drafted.

8 Audit Committee

The Corporation appointed the Chair of the committee each year and Neil Yeomans had been proposed to continue for 2021-22. This was seconded and Neil Yeomans was appointed for a further year.

Action – The Corporation appointed Neil Yeomans as Chair of the Audit committee for 2021-22

8.1 Internal Audit plan

P175 of the pack covered the rolling 5 year plan with a summary and context of what was reviewed and the assurance that was given. There were some mandatory audits on funding compliance each year and then there was a discussion with the internal auditors, the committee and the CEO about other areas to cover which would deliver added value – There was a small contingency for in year.

Action - The Corporation agreed the audit plan for 2021-22

8.2 Risk

The paper on risk was a holding position and there would be more specific information around the key issues in the Autumn which would make the register more recognisable as applying to NCC. The approach was agreed.

The change in policy by the ESFA would require the external audit to do some additional work to verify the College's financial position. The Corporation agreed that the additional fee proposed was reasonable in the circumstances.

Action – The Corporation agreed the additional audit fee

9 Curriculum, Quality & Students Committee

The Chair of CQS gave a summary of the papers available for review. The QIP was an important document for the committee. Systematic work had taken place to tackle areas of weakness and there had been measurable progress with further action set out where progress had not been achieved. There was target flagged as red on value added interventions. The One Grade system was now in place and would be implemented across the College as a priority for next year. It was important to recognise the achievement and retention during the pandemic. Overall the rates for most groups were above the most recent national rate and slightly below college target which was a strong outcome in very difficult conditions. The College had done extremely well to maintain stable attendance with a small dip in the last couple of weeks. The CEO had already updated the Corporation about the TAG process.

There were some positive signs for HE recruitment and there were four courses to be delivered with Bath Spa for September. The Committee had reviewed the Westbourne Annual Report which had been hit by the decrease in commercial funding due to the pandemic. The staff had worked with Job Centre Plus to deliver courses for the local community. Improvements had been seen in apprenticeships with timely achievement and an increase in numbers. Governor visits had restarted with a visit to the new Rainham campus where the Committee Chair had been very impressed with the potential of the new provision and the commitment of staff. There had been a very positive attitude from the learners who spoke about the very good support they had received from their teachers throughout lockdown.

The preparation had started for an Ofsted inspection with the ground work being laid for next term. The SAR timeline would be shortened and the process would focus on the key judgements that were critical in the inspection. Learners had experienced two disrupted years and the focus was on a strong start to the new term. Governors were encouraged to visit the College in the new term.

PERFORMANCE MATTERS

10 Search

10.1 Board Appointments

There had been a successful recruitment campaign with some excellent applicants and the Board was asked to approve the appointment of 3 new members and 2 co-optees who had the potential to become board members in the future. Detailed CVs and applications were included in the second pack.

Action – The Board approved the appointment of the new members and co-optees

10.2 Committee appointments

The Chair of Search would continue discussions with the Chairs of the committees as there was an imbalance in the membership of some committees. There was further work to do and the membership would be finalised for the next academic year.

Action – Chair of Search to review membership with committee chairs

10.3

Action - The Board approved the Meeting schedule

10.4 Training and Development

Board self-assessment – Annual performance discussions had taken place with some members and this would be progressed in the Autumn term with all members being reviewed over the course of the year. Discussions would also take place with outgoing members, where possible. Training and development was key for both new board

	<p>members and those already in post. There would be face to face safeguarding training for the Board and an increased expectation in terms of training and sector knowledge.</p> <p>Action – Governors agreed the approach to training and development</p> <p>10.5 HLB – terms of reference</p> <p>The committee had agreed revised the terms of reference to move the focus to and outward looking committee and recruitment would be focused on local employers.</p> <p>10.6 Board Portal</p> <p>The Director of Governance had reviewed the board portal and recommended a new portal – AdminControl. This offered a very similar service to BI but at a much reduced cost and with simpler administration which will save a significant amount of time. The cost of £3-4,000 p.a. plus VAT compared favourably with the current cost of Board Intelligence of £9,000 p.a plus VAT. The contract would be for 1 year and will be reviewed after the Spring term meetings. It was confirmed that the previous meeting books would be moved across to the new system.</p> <p>Action – Governors agreed the move to the new system</p>
	<p>11 Havering Local Board</p> <p>The minutes of the Local Board were included in the pack. The Chair of the Local Board was pleased to see the ambition to increase the number of employers on the Board which was important with the change in role for the committee. The Chair thanked the outgoing Chair of the Local Board for her involvement in the development of the committee.</p>
	<p>12 Property Committee</p> <p>The Chair of the Committee explained the projects in development including Ilford and Epping. The Chair had visited Rainham last week with the Chair of C,Q&S. The building looked very promising. There were still some difficult issues around the Poplar project but the Chair had joined a meeting with the Mayor and borough officials who had made some positive noises and seemed willing to engage. Action was needed and the presentation on the income strip had been send to the Head of Place at LBTH. They had been complementary about the College’s role in the LBTH high needs audit. The College would continue to keep up the pressure to get progress on the Poplar project.</p>
	<p>13 Terms of reference</p> <p>The paper set out the detail on each committee. All terms of reference had been recommended for approval by the relevant committee.</p> <p>Action - The Terms of reference were signed off as recommended by the Committee.</p> <p>The Chair thanked Ryan McLean for his involvement and wished him well for his studies at the University of Westminster. He hoped that it had been a useful life experience and assured him that students would be involved in the new Student Union constitution. Ryan McLean thanked everyone for the opportunity to be a governor and he would be returning to College in August to support enrolment</p> <p>The Student Governor left the meeting at 7.34</p>

	Date of next meeting The next Corporation meeting was on 4 November 2021.
	Any Other Business The Chair thanked the members leaving the Board and wished them well for the future. The meeting ended at 8.05

Signed.....

Dated.....