

BOARD OF GOVERNORS

Meeting	Board of Governors	
Date	14 December 2017	
Time	15.00 – 18.15	
Venue	National College, Backstage Centre, Purfleet	
Present	Governors	
	Althea Efunshile	Chair
	Bryan Raven	Vice Chair (by phone)
	Jane Button	Principal (P)
	Marcus Davey	
	Alex Fowles	
	Catherine Large	
	Claire Paul	(By phone)
	Fern Potter	
	In attendance	
	Felix Adenaike	Interim Vice Principal Finance (VP:F)
	Calista Francis	Interim Vice Principal Curriculum (VP:C)
	Melissa Drayson	Interim Clerk
Apologies	Kim Bromley-Derry (Governor) James Jefferson (Governor)	
Quorum (7)	The meeting was quorate throughout	

MINUTES OF THE PART A OPEN SESSION.

Item	Action lead
1. Preliminary Business	
1.i Apologies for absence Apologies were accepted from Kim Bromley-Derry and James Jefferson	
1.ii Declarations of interest and urgent items of other business The Chair reported that she had been invited to join the Board of Channel Four. She was congratulated on the appointment.	
1.iii Urgent items of other business The Clerk confirmed that no urgent notifications of items of other business had been received.	

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2. Minutes	
2.i Approval of minutes	
RESOLVED: that the Minutes of the meeting on the 11th September be approved as a correct record	
2.ii Matters arising and outstanding actions	
It was noted that most actions were completed. An update was provided on those not completed or in progress from 11 September:	
Item 2: The presentation on qualifications had been superseded by events	
Item 5.2: The issues around the provision of business cases for each curriculum strand had been discussed by Standards Committee on 3 November	
Item 5.3: Governors were reminded that it had been discussed that they would assist with promoting the college to levy paying employers	
Item 5.3.ii: The Principal confirmed that CCSkills was not an assessment organisation	
Item 5.4: The search for a Student Governor had taken some time but two individuals had been identified. The Clerk would check the Articles regarding the number of student governor vacancies.	Clerk
Item 10.1: Safeguarding and Prevent Training for governors should be organised as a priority	Clerk
Item 10.3: It was considered that the IT/Data Protection update should cover GDPR and would now be brought to the April Board meeting	Clerk
3. Chair and CEO Report	
<i>Supporting paper by the Chair and Principal</i>	
The report was taken as read and questions taken from governors.	
It was queried whether the College was a member of the Federation of Creative Industries. The Principal replied the costs was high but was urged to review the decision as it would provide very strong industry links and other benefits	
AGREED: that membership of the Federation of Creative Industries should be revisited	Principal M Davey
4. Finance, Audit and Risk	
4.i Report and recommendations of the Audit Committee on 7 November and 14 December 2017	
<i>Supporting papers: Minutes of meeting of 7 November; Audit Committee Terms of Reference; Risk Management Annual Report; Regularity Audit Self-Assessment; Financial Statements and Regularity Audit report; Annual Report of the Audit Committee</i>	

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The Board noted that the Financial Statements and Regularity Auditor had reported to the 7 November Board that the audit had gone smoothly. There had, however, been some delays to the finalisation of the accounts and audit opinion since then. A short meeting had been held before the Board meeting to consider the final Annual Report and Financial Statements. The detailed discussion is minuted under item 4.iii.

It was agreed that the regularity audit self-assessment would be updated.

RESOLVED: that the following recommendations of the Audit Committee be approved:

- (i) That the revised Audit Committee terms of reference be adopted**
- (ii) That the Risk Management Annual Report 2016-17 be approved**
- (iii) That, with the agreed amendment, the regularity audit self assessment report be approved**
- (iv) That the External and Regularity Audit Report be noted**
- (v) That the Annual Report of the Audit Committee be ratified and signed by the Audit Committee Chair**

4.ii Report and recommendations of the Finance and Resources Committee on 12 December

Supporting paper: summary report of F&R Committee meeting (Minutes to follow)

The Board noted that the Committee had scrutinised the management accounts to October 2017. These showed that the College was largely on-track to meet its predicted budget position. There had been a detailed discussion about the importance of apprenticeship recruitment in terms of off-setting other income shortfalls. Cashflow projections showed a dip between January and March due to the funding profile. Income from the Backstage Centre should offset this. The Committee also flagged the need to reduce debtor days.

The Committee had also discussed the financial statements in detail.

4.iii Annual Report and Financial Statements 2016-17

Supporting paper presented by the Chair of Audit Committee and VP Finance

The joint resolution of the Audit Committee and Finance and Resources Committee was considered, that the Annual Report and Financial Statements be approved, subject to final proof-reading and checking.

There was detailed discussion of the Annual Report, including the Corporate Governance statement and going concern statement.

More information was provided on the rescheduling of loans. The DfE would be considering this in the New Year. CCSkills had asked for more

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information to take to their next Board meeting in March. In the meantime, the first loan payment was still repayable on 1 January.

Concern was raised by Governors that going concern was predicated on student number targets being met and was, therefore, high risk. The Board discussed how and when they might receive early warning that student recruitment was falling short and cashflow was at risk. The Principal responded that a clear idea of levels of interest for September 2018 would start to emerge in February/March.

It was agreed that a reporting process should be put in place to allow to monitor cashflow closely. This should include:

- A further update on 11 January
- Fortnightly email updates – or more frequent reports on an exception basis
- Monthly management accounts circulated to all by email with commentary

The Clerk reported that the Finance Committee had also agreed to meet every 6-8 weeks between Board meetings to provide a regular point for monitoring and scrutiny.

RESOLVED: that the Annual Report and Financial Statements be approved.

4.iv Management Accounts and cashflow – October 17

This item was covered in the feedback from the Finance and Resources Committee

5. Quality and the Learner Experience**5.i Report and Recommendations of the Standards Committee**

Supporting paper: Minutes of the Standards Committee on 3 November

The minutes of the Standards Committee were noted.

RESOLVED: that the Standards Committee Terms of Reference be approved.

5.ii College self-assessment report 2016-17

Supporting paper presented by the Interim VP: Curriculum and Quality

The Board noted the differences between the previous version of the SAR and this one, particularly in terms of gradings and emphasis. It was considered that the previous version had been weighted toward classroom provision, whereas the final version reflected apprenticeship achievement in the overall judgements. A key factor in this was that, it was a requirement within the framework, that all apprentices had to achieve a functional skill in order to complete the qualification. At the time of transfer from CCSkills in early 2017, this had not been captured, with a knock-on effect on timely completion.

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Comment was made that the SAR now felt like a robust piece of work

RESOLVED: that the College Self- Assessment Report 2016-17 be approved

5.iii College Quality Improvement Plan 2017-18

Supporting paper presented by the Interim VP: Curriculum and Quality

The QIP represented the outcome of the SAR process as the plan for improvement in the current year. It would be reviewed at both Standards Committee and Board level and should be viewed as a live, working document which may undergo further development as the year proceeds.

RESOLVED: that the Quality Improvement Plan 2017-18 be approved

6. Whole College Key Performance Indicators

Supporting paper presented by the Principal

The KPIs were brought to the Board following discussion at the Standards Committee on 3 November. The KPIs would be developed further to reflect the Committee's view that there should be a) a target for the percentage of teaching staff who were industry experts and b) an Equality and Diversity Impact Measure (EDIM) relating to conversion rates from application to enrolments.

The 'red' rated areas were noted. These were:

- Student attendance: English and Maths
- Student numbers -2017-18
- Applications - 2018-19

The Principal expanded on the numbers of applications to date and how these extrapolated to year-end figures. Governors asked if using the same rate for the whole year was a sensible assumption. It was confirmed that there were seasonal peaks and troughs but, generally, these balanced out. Serious concern was expressed about the significant red flag to achieving income targets,

The Board also received a report that the College had been notified on Friday 8 December that it not been successful in its bid for non-levied apprenticeship funding from January 2018. Governors were very worried about the significance of this for the College, as 80% of employers within the Creative Industries were SMEs. Questions were raised about the reasons why the bid was not successful, the appeals process and action that might be taken to mitigate the risk to income.

AGREED: that the Board be provided with a detailed report on the repercussions of not achieving non-levied apprenticeship income including the likely impact on cashflow, other risks, the reasons why the application had been unsuccessful and measures that might be taken to mitigate risk

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RESOLVED: that the College KPIs for 2017-18 be approved.

7. Confidential Item

A confidential minute was taken for this item on the grounds of commercial sensitivity.

8. Subsidiary report

The Minutes of the Backstage Centre Ltd Board meeting were noted, including the approval of the Annual Audited Accounts by the Directors

9. Strategic Discussion and focus of 11 January Strategy Day

Confidential supporting papers by the Chair and Principal

The Chair presented a draft set of questions, designed to stimulate discussion. Governors expressed the need to reflect further, given the news about non-levied apprenticeship funding.

Governors made the following comment and identified information needs to inform the Strategic Discussion

It was agreed that, by the end of the session the Board should have a clear idea of one or two options for more detailed modelling.

Governors agreed that they should have papers by 8 January to give reasonable time to prepare.

The recommended actions from the Rapid Review would be considered in the light of the discussion on the 11th.

The forthcoming senior post recruitment was considered and it was agreed that the three posts being advertised would be required regardless of the model chosen.

AGREED:

That the following papers be provided to the Board by 8 January:

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|---|-----------|
| i) Financial modelling of a range of options to reflect different mixes of students taught from different locations | VPSFin |
| ii) Market information to give insight into other providers, current partners and potential pipelines | Principal |
| iii) Models adopted by other National Colleges | Principal |

Signed (Chair):

Dated: 8 January 2018