

NCG Corporation

Part 1 - Minutes of Meeting held 7th November 2018

4452 Present

Peter Lauener	Chair of Corporation
John Cuthbert	
Chris Roberts	
Caroline MacDonald	
Chris Payne	Interim CEO
Mark Squires	
Alex Turner	
Jim Woodlingfield	

4453 In Attendance

David Balme	Executive Director of Governance, Assurance & Risk
Yolanda Hughes	Interim Clerk to the Corporation – via Telcom
Tony Lewin	Principal, Newcastle College
Steven Wallis	Executive Director of Quality
Mike Wilmot	Chief Finance Officer

4454 Opening of Meeting

The Chair opened the meeting at 4.00pm.

4455 Apologies for Absence

Apologies received from Peter Mitchell and the Managing Director, Intraining & Rathbone. Noted that the Student Member was not present.

4456 Conflict of Interest

There were no additional amendments or new declarations of interest made in respect of the agenda.

4457 NCG Corporation Board Minutes

Approved

The NCG Corporation Board formally approved the following minutes:

- a. Part 1 Minutes of the Corporation Board meeting held 16th October, 2018
- b. Notes of the Governor Strategy Day held 16th October, 2018
- c. Minutes of the 9th October 2018 (Closed meeting) covered under confidential items.

The Chair of Corporation signed the approved minutes.

4458 Schedule of Actions

The Board received the schedule of actions and outcomes as at 7th November 2018.

4405 – Safeguarding Policy & Procedures – Governors questioned what the position was in respect of safeguarding oversight for Intraining and Rathbone as they did not have a college board. It was explained that the safeguarding reports were presented to the Subsidiary Board of Directors for monitoring purposes and that the Executive Director of Quality was the lead safeguarding officer for both Rathbone & Intraining.

Action

It was proposed that the Executive Director of Quality consider an additional point of review to cover Intraining & Rathbone.

4436 – Intraining & Rathbone – Learner Feedback

Governors referred to the points raised in respect of the lost revenue and were advised that the CFO and Managing Director had undertaken a consultation to review the viability of the business and further feedback would be brought to the Board in due course.

Action – CFO and Managing Director Intraining & Rathbone

Intraining & Rathbone Viability Report

The CFO provided further details in respect of a tender for the appointment of external advisors who would be tasked with undertaking a viability review of Intraining and Rathbone.

***Action – Executive Director of Governance, Assurance & Risk
Copy of the proposed tender document to be shared with Board members.***

4459 Student Member's Report – November 2018

The Board received the Student members report for November 2018.

Governors referred to the IT concerns at Kidderminster College which were raised within the Student Members report. The Chief Operating Officer stated that they were addressing the WiFi issue and explained that the IT infrastructure was a wider group issue and a full review of the IT equipment / hardware was being undertaken. This task would require a wider conversation with the Board in relation to the development of an IT Strategy and the best way to move forward. The Chair of Corporation referred to the discussions held during the Remuneration Committee about the IT infrastructure.

The Chief Operating Officer confirmed a report will be brought to the Board in February 2019.

The Board agreed that the matter needed to be addressed as soon as possible as it could potentially have an impact on the drive to improve quality.

***Action – Chief Operating Officer
IT Strategy Report to be brought to the Board in February 2019.***

***Action – Executive Director of Governance Assurance & Risk
To feedback comments on the Student Members report to Student member.***

Received

The Corporation Board received the Student Member's Report for November 2018.

4460 Confidential - NCG Interim Chief Executive Officer – Report November 2018

The Interim CEO presented the report which was in a new format providing the Board with a current position statement. The revised approach involved:

- Divisional updates for NCG's Colleges and Training Providers would now be in a separate update report on the Board Agenda.
- Updates from the other NCG Executives would now be covered entirely within their own separate update reports for Quality, Finance, Operations and Assurance / Governance.
- The CEO Report would now comprise of specific updates and observations from the Chief Executive alone.
- During the interim period the Interim CEO would also include updates in relation to his substantive role, in particular any FE consolidation or funding agency updates not covered elsewhere.

The Interim CEO went onto cover the key points within his report as follows:

- Interim Changes to the Executive

During the period leading up to the appointment of a permanent CEO the Interim CEO proposed to make the following changes:

- Executive Director of Governance Assurance & Risk to directly manage the HE Registry.
- Chief Finance Officer will be undertaking a number of projects, particularly in relation to improving the management information and data collection processes.
- Newcastle College Principal to line manage the two new London Principals once they are appointed and mentor them into NCG.
- Chief Operating Officer will review the internal Technology Project Board as part of her COO remit.
- Newcastle College Principal to chair the HE Academic Board.

- Ofsted – Campus Based Approach

The Interim CEO provided a verbal update to this section within his report and stated that it was still unclear on whether Ofsted would move to a campus based inspection and he had therefore requested a further meeting with Paul Joyce. The Chair of Corporation stated that a delay in reaching a decision about campus based inspections could have potential implications for NCG.

- DWP PAT Audit of Intraining

The Board noted the issues as outlined in the report. The Interim CEO advised members that the Executive Director of Governance Assurance & Risk would be monitoring the position closely to ensure the position did not worsen.

- College Mergers - noted
- Adult Education Budget – noted
- 2018 Budget Announcements - noted

Received

The Board received the Interim CEO's update for November 2018.

4461 Confidential - Quality & Standards Report – update

The Executive Director of Quality took the report as read and explained that he had additional presentation slides to provide up-to-date on data.

The report covered the following points in detail:

- Improvement Action Plan
- Quality and Performance Review
- Self-Assessment Report (SAR)
- Emerging Lines of Enquiry – Group Corporation Level:
- Key Business: Minimum Standards Position Statement
- R14 Performance Outcomes [final]
- Safeguarding10
- Divisional Scorecards R14 17/18 13

The Board were informed that following the request at the last meeting when governors had asked whether the comparable attendance data should be wider than just gender, he had investigated this further and explained that the attendance data presented was as produced by ILR.

Quality Portal – The Chair of Corporation asked whether it would be feasible to have a demonstration of the Quality Portal at the Governance Conference scheduled for end November 2018.

Action – Executive Director of Quality / Interim CEO to check the capacity to give a demonstration on the quality dashboards portal.

Governors enquired when the dashboard would be fully operational and were advised that West Lancashire College and Newcastle College were operational and that it would be a matter of weeks for all divisions to be fully completed.

The Executive Director of Quality added that the only slight cause for concern was the dashboard for progression tracking.

Governors felt that the report was helpful and commented on the progress in Maths & English and requested further details of the steps being taken to drive improvement forward.

The Executive Director of Quality provided an explanation on learner entry level and how they needed to work through a process of tracking progress every 6 weeks. This would be when formal assessment needed to be recorded and it was added that each lesson would have its own individual learner target. Teaching, Learning and Assessment were crucial area where teachers needed to learn how to set effective challenging targets and how these would be measured.

A Governor further questioned if there was a teacher who consistently underperformed whether there robust procedures in place and it was confirmed that they would go through capability procedures which included support mechanisms.

Self-Assessment Reports – the Board noted the current position and were appraised of progress within each division.

Emerging Lines of Enquiry – the Interim CEO emphasised the need for the Board to let the Executive know if there were areas within the report which they were unclear on, so that the Board were better placed to challenge the progress being made and if additional training was required this would be arranged.

Minimum Standards Position Statement – the Board noted the current position as detailed in the report.

The Board went onto discuss the need to ensure that work placements were also covered. The Executive Director of Quality referred to Newcastle College where there was a specific issue raised during Ofsted. The Principal stated that they had already identified work placements as being an issue for them prior to the inspection and were working hard with employers to ensure a higher quality work experience.

Final Performance Outcomes – the Executive Director of Quality presented the final performance outcomes which the Governors accepted and acknowledged that it was generally good news however, the apprenticeship rates would still have a negative impact.

Divisional Scorecards – noted

Action – Executive Director of Governance, Assurance & Risk / Executive Director of Quality

Governors requested to receive further development on understanding of progression and how this was measured.

Safeguarding update – governors requested that rapid progress be made in respect of appointing Lead Safeguarding Governors at each division.

Action – Executive Director of Governance, Assurance & Risk / Executive Director of Quality

Received
The Board accepted the updated.

4462 Annual Complaints Report 2017/18

The Board received the Annual Complaints Report for 2017/18.

Agreed & Action – June 2019
It was proposed and agreed to defer the review of the Complaints Policy to June of each year.

Governors questioned the number of stage 1 and stage 2 complaints particularly in reference to Carlisle College. It was explained that the Vice Principal had dealt with all the complaints at the College and had done so swiftly.

Accepted
The Board formally accepted the Annual Complaints Report for 2017/18.

4463 Finance Report

The Chief Finance Officer presented the Finance Report including the Monthly Management Accounts and explained that going forward the finance report would be presented in a new format.

- Period 2 Financial Position

The Chief Finance Officer presented the report on Period 2 Financial Position for the group which covered the following key headlines:

Financial Performance against Budget
Cash
Covenant Compliance
Capex
Learner Records CY
Learner Records PY
ESFA Financial Health

The Chief Finance Officer provided a detailed overview for each division as per the report and again stressed his concerns around the two subsidiary companies.

The Chair of Corporation commented on the Learner Records update and stated that it was a consistent problem across the group and asked if there were any further actions that should be taken to improve the situation. The Chief Finance Officer explained that work was being done and that the divisions had now been requested to submit weekly reports. The Chief Finance Officer confirmed that it would not be until Period 4 that the final funding allocation would be clear.

Action – Chief Finance Officer

To submit a detailed report to the Board on the strategies put in place to remedy the issue with Learner Records / ILR by February 2019.

- Capex Approval

The Chief Finance Office referred to his request for additional Capex expenditure which was to cover the cost of implementing Unit-e into Carlisle, Lewisham and Southwark. This would ensure that all the colleges were on one student record system which would drive efficiency and consistency of reporting and process. This was particularly important for the ILR processing, funding and key MI generation and the monitoring of some quality measures.

Approved

The Board formally approved the request for an additional £0.2m of capital spend for the roll-out of the Unit-e student records system into Carlisle, Lewisham and Southwark colleges

- ESFA Financial Health – Satisfactory

The Chief Finance Officer presented the report and provided an explanation of the different grading's.

Governors commented on the financial position of the group, the financial challenges facing the sector and the over reliance on certain income streams.

Received

The Board received the Finance report.

4464 Chief Operating Officer Report – November 2018

The Chief Operating Officer presented her report stating that she had been focusing on developing a single consistent operational plan, service level agreements and performance reporting structures which met the needs of NCG and its divisions.

Discover School – The Board were advised that NCG's submission to the DfE for alternative usage of the premises had been unsuccessful. The Chief Operating Officer had subsequently asked the DfE for use of the premises for an 18 month period relating to the delivery of T levels and if NCG's Ofsted grading changed in the meantime whether they would reconsider the position. In response the DfE had indicated that they may

do. Further clarification would be sought from the DfE on the clawback agreement to secure NCG's position.

Lewisham Southwark College Estate – the Board were informed that early investigations were underway around disposal of parts of the estate. Reference was made to the Aspire Report included in the documents and the Chief Operating Officer stated that she wished to finalise costings before making any recommendations to the Board.

The Board considered the highlights and lowlights as per the report and noted that UCAS had accepted the proposal put to them by NCG which involved undertaking a review of increments.

Property Report – The Chief Operating Officer proposed to bring a wider property report to the Board which would include a Property Strategy covering the group in May 2019.

***Action – Chief Operating Officer
Property report including a Property Strategy to be presented to the Board in May 2019.***

4465 Governance Report

The report presented to the Board covered the following key points:

1. Governance
2. Assurance
3. Risk

The Chair of Corporation asked Board members for their views on the move to electronic papers and the Governors confirmed that they were in general support. The Executive Director of Governance, Assurance & Risk gave further details on the system that they would be using across the Group and envisaged to have the solution introduced, on a phased basis, from January 2019.

***Received
The Governance report was accepted by the Board.***

4466 Annual HR Report

The Chief Operating Officer took the report and noted that the report followed the approach used in previous years. Going forwards it was noted that the report would be refreshed so that it included additional levels of analysis. The Board agreed that the report was very lengthy and welcomed the move to a more a concise reformatted report.

Governors questioned the excessive costs of agency staff. It was explained that this was largely attributed to Lewisham Southwark College. Governors were further informed that work was underway and this matter was expected to be resolved by the end of the current academic period.

Action – Chief Operating Officer – March 2019

- 1. A detailed report on agency staff to be brought to the Board.**
- 2. Leavers – a fuller analysis to be undertaken.**

Received

The Board received the Annual HR Report for 2017/18.

4467 Risk Management Report Category F - HR

The Board received the Risk Management Report on Category F – HR and requested that the risks be updated to include the impact of attracting talented staff and reputational impact of the Ofsted outcome.

***Action – Executive Director of Governance, Assurance & Risk
Update risk register to include attracting talented staff and
reputational impact of Ofsted outcome.***

4468 Equality & Diversity Report 2017/18

The Chief Operating Officer presented the Equality & Diversity Report for 2017/18 and explained that this was the fourth and final report against the original Equality Diversity Strategy agreed in 2014.

The report included a detailed update on progress against NCG's equality targets; how NCG's Equality Aims fulfil the requirements of the General Equality Duty; Divisional Annual Activity and progressing in meeting the General Equality Duty.

The Board were advised that a new strategy would be drafted and to cover the 2019-2022 period.

Governors referred to the highlights and lowlights and felt that this was a useful summary of where NCG was but requested that data be reviewed. Governors also questioned whether the level of data in the report needed to be published in full.

The Chair of Corporation stated that he would prefer to have a more transparent report providing the important data but proposed that moving forward that the content of the report be reviewed.

Action – Chief Operating Officer

- 1. Data within the Great Place to Work section of the report to be checked.***
- 2. Equality & Diversity Strategy 2019-2022 to be presented to the Board in March 2019***

Approved

The Board formally the Equality & Diversity Report and approved the publication of the report via the Group Website subject to final checks on accuracy.

4469 Corporation Matters

The Board received the report on Corporation matters and formally approved the appointment of College Board members as detailed below:

Carlisle College Board

Approved

The Board formally approved the appointment of the new Staff Governor at Carlisle College – Kimberley Ruddick with effect from 7th November 2018 for a 3 year term of office.

4470 Audit Committee Report

The Board received and approved the following documents as recommended by the Audit Committee.

Received

Minutes of the Audit Committee meeting held 2nd October 2018

Approved

The Board formally approved the amended Audit Committee terms of Reference and noted the outcomes of the Self-Assessment Exercise

The Chair of the Audit Committee reported that they had covered a significant level of business and referred to the Internal Audit Report on Governance and some of the recommendations around consistency which had already been identified and would be covered through the Governance review.

Members of the Audit Committee had also met informally on the 7th November 2018 to review the draft end of year accounts of which there were still some areas which EY were working on. The Audit Committee were due to meet again formally on the 22nd November 2018 and were confident that they would be in a good position to make formal recommendation to the Board come December 2018.

4471 College Board Minutes

The Board received the following College Board minutes:

- a. Newcastle Sixth Form College Board Minutes 6.9.18
- b. West Lancashire College Board Minutes 20.6.18 & 19.9.18

4472 Any other Business – Confidential covered under Part 2 minutes

4473 Confidentiality of Business – Not for public record

4460 Confidential - NCG Interim Chief Executive Officer

4461 Confidential - Quality & Standards Report – update

18.45hrs– Executive members, Staff & Students excused from the meeting.

**4474 Confidential Items – Not for public record – Recorded as Part 2
Confidential Minutes**

Remuneration Committee verbal report
CEO Recruitment update

Meeting closed at 19.10

4475 Date of Next Meeting

4th December 2018 at 4.00pm

Minutes agreed as being a true and accurate record and signed off by the Chair
of Corporation