

## NCG – Corporation Meeting

Minutes of Meeting held on Tuesday 3<sup>rd</sup> December – 2.00pm to 6.10pm

Details			Attendance		
Full Name	Position	Initials	Attended	Apologies	No Attendance
Peter Lauener	Chair of Corporation	PL	X (vc)		
Mark Squires	Governor	MS	X		
Caroline MacDonald	Governor	CM	X		
Chris Roberts	Governor	CR	X		
John Cuthbert	Governor	JC		X	
Liz Bromley	CEO – Ex-Officio Governor	CP	X		
Cameron Hartley	Student Governor	CH		X	
Brian Archibald	Staff Governor	BA		X	
<b>Visitors/ Presenters</b>					
Chris Payne	Deputy CEO	CP	X		
David Balme	Executive Director Governance, Assurance & Risk	DB	X		
Mike Wilmot	Chief Finance Officer	MW	X		
Steve Wallis	Executive Director of Quality	SW	X		
Tony Lewin	Principal – Newcastle College	TL	X		
Nicola Taylor	Assistant Director of Governance (minutes)	NT	X		
Paula Miller	Head of Learner Services and Safeguarding - Newcastle College	PM	X*		
Grant Glendinning	Principal at Carlisle College	GG	X*		
Scott Mulholland	Director of Zendu Consulting Ltd	SM	X*		

vc – Attend via VC

\* – Attended for part of the meeting.

## 1. Governor Training – Equality and Diversity

*PM joined the meeting.*

PM had been invited to attend to deliver Equality and Diversity Training to the Corporation Board.

PM provided the context of the Equality Act 2010 and the 9 protected characteristics which the Group needed to consider in reviewing and developing policies, procedures and practices. A recent development was further work around gender reassignment where there was an increase in students identifying as transgender across the Group.

PM suggested that at Newcastle College, there were now around 20 students considering their gender, out of approximately 14,000 students, a small overall percentage but more than a 50% increase on the previous year.

PM confirmed that the EDI strategy which had been previously approved by the Corporation Board had been updated within the last academic year. PM also noted that each College have their own procedures and action plans which are approved by the local College Boards and allow the College to identify which areas they need to focus on. PM further explained that the plans for Professional Services would have a different flavour because of their internal focus.

PM talked about the new Ofsted Framework, and confirmed that aspects of EDI are interwoven throughout, that there is a key focus across all provision types (including subcontracting), and that there is a strong emphasis on SEND / high needs learners.

When looking at the quality of education, Ofsted want to see that the curriculum intent is strong, ambitious and planned including how it is implemented (in order to ensure that all learners achieve highly and make substantial progress). The EDI strategy was particularly important here.

PM noted that a key area for Ofsted would be Behaviours and Attitudes of learners, and it is likely learners and staff members will be asked questions around EDI. Ofsted would also want to see that personal development is taking place, ensuring staff and learners are promoting positive and inclusive environments. PM therefore suggested that the various SLTs need to be held to account for delivery and the Boards need to be able to demonstrate challenge and highlight where there are gaps between different groups of learners.

PM explained that the College Boards have E&D on their work plans at points throughout the year and noted that gaps in progress and attainment would be expected due to the different needs of the learners and the demographics.

PM confirmed that when a policy is renewed or created, an E&D impact assessment should take place. The Board asked if this was happening across the group. DB confirmed that he, PM and NT would meet to discuss further.

**Action:** DB, PM and NT to discuss E&D impact assessments with regards to policies.

The Board thanked PM for her presentation and asked for her assessment of NCG strengths and weaknesses. PM commented that Newcastle College are really good at celebrating diversity, and involving both colleagues and students in a range of activities which promote E&D throughout the year. PM felt that work

still needs to be done around narrowing the gap between groups of learners and confirmed that this is part of the Newcastle College action plan.

The Board also asked PM how often she would have the opportunity to speak with her equivalent at each of the colleges. PM confirmed that a termly meeting or dial in is held, and this forum is used to discuss any cross group relevant issues, sharing best practice etc.

A further issue raised was what key actions would further support the embedding of EDI. PM highlighted the importance of staff induction as well as CPD. The importance of good induction was also highlighted for students, as well as ensuring there was a calendar of events throughout the year.

LB confirmed that the development of a robust and full induction programme for staff and governors was a priority and training such as this would be an integral part of the induction process.

The Board noted that the E&D Annual Report would be on the agenda for the next Corporation Board meeting, and this training session had been timed to inform their review of the revised plan.

*PM left the meeting.*

## **2. Meeting Administration**

### **2.1. Opening of Meeting and Welcome**

The Chair opened the meeting and welcomed the attendees and noted that there were a number of visitors attending for specific agenda items.

PL noted that Governor recruitment was ongoing, and that further interviews were due to take place on 5 December. There were originally 2 candidates to interview, however 1 had withdrawn from the process. The appointed agents were seeking the availability of a further candidate.

### **2.2. Apologies for Absence**

Apologies had been received, and accepted by the Board, from JC, CH and BA.

### **2.3. Declarations of Interest**

No new declarations of interest were reported.

### **2.4. Review of Minutes from the Previous Meeting – 5<sup>th</sup> November 2019**

The Board reviewed the minutes of the previous meeting and agreed that these were a true and accurate reflection of the meeting. The Chair signed a hard copy for filing purposes.

### **2.5. Register of Board Actions**

The Board reviewed the register of actions and noted that relevant actions were going to be covered within the meeting agenda or closed as per the document.

The Board discussed the ongoing governor recruitment, including whether recruiters were covering a sufficiently broad geographical area. DB confirmed that the appointed agents UNW were North East based and had originally

supplied a list of 11 people. 3 of these were shortlisted, 2 decided to progress to interview however one has since pulled out. Governors concluded that it would be advantageous to have a southern-based member of the Corporation due to NCG's presence in London.

DB confirmed that it was becoming increasingly hard to recruit governors throughout the college network. There had been discussion at a recent AOC conference of Chairs being paid for their role and there were a small number of cases where payments were being made, however permission needs to be granted from the Charity Commission and ESFA. It was pointed out that paying Chairs is the norm in Scotland, and Scottish Universities are now obliged to offer payment to Chairs.

DB confirmed that the data systems walkthrough was now due to be arranged for February.

The Board noted these updates.

#### **2.5.1. Action Update – Local College Board Lines of Enquiry**

The action was to include the LCB responses to the college lines of enquiry and SW noted that this was covered within the College SAR documents.

The Board noted the update

#### **2.5.2. Action Update – Brexit.**

A paper was presented with an analysis of the potential impact of Brexit, broken down by region.

#### **2.5.3. The overriding message is that the impact on the FE sector recruitment position was not expected to be significant but there might be a more significant impact on some local businesses. Governors thanked staff who produced the paper and noted the position set out. Action Update: Pipeline of Capital Projects**

The action was to provide the Board with a pipeline of Capital Projects.

MW presented the Pipeline of Capital Projects but confirmed that none of this work was currently due to be funded due to the current budget constraints.

The Board discussed the Parsons lifts at Newcastle College, and asked how often the lifts break down. It was explained that there is always at least one lift out of service. This was a long-standing issue, which arose partly because the refurbishment of the tower block had not included work on the lifts.

The Board noted the update

#### **2.5.4. Action Update: Apprenticeship Strategy**

The action was to provide the Board with the Apprenticeship Strategy for NCG.

*GG joined the meeting.*

GG was welcomed to the meeting to present the Apprenticeship Strategy.

GG highlighted the following elements of the strategy:

- The vision was 'To deliver exceptional apprenticeship experiences as part of a local, regional and national strategy in the UK's growing industries'.
- The mission would be 'Our apprenticeships exemplify NCG's Mission, which is to enable social mobility and economic prosperity through exceptional education. Through intermediate to higher and degree level apprenticeships, aligned to local and the government's Industrial Strategies, NCG contributes to the UK's productivity improvement and economic growth, at the same time improving outcomes for individuals and communities'.
- The ambition was to have by 2025:
  - apprentices on programme (of which will be on higher / degree apprenticeships).
  - levy funded.
  - Top quintile employer satisfaction rates.

GG had looked at findings of recent Ofsted reports which had identified outstanding providers and presented thinking about the Intent, Implementation and Impact of a revised apprenticeship strategy.

Apprenticeships were currently a small proportion of income and it would be important to base future growth on clear priorities which corresponded to wider group planning (e.g. on areas of technical expertise and in higher and degree apprenticeships). GG referred the Board to the suggested USPs, which he felt offered considerable opportunities to NCG. These were:

- Taught degree awarding powers.
- Range of validated foundation degrees mapped to standards.
- National reach using the colleges as hubs, which also shadow the footprint of large employers.

The split between non-levy and levy apprenticeships was currently 60/40 and future growth would prioritise the levy.

In welcoming the report, Governors commented that:

- An area of weakness that had been identified in the college SARs was using feedback from employers and improvement was needed to support the apprenticeship strategy.
- Investment would be needed to support an ambitious plan but there was also a need to co-ordinate existing resources.
- A full business plan should be developed including milestones and financial targets.

Governors noted the presentation and asked to be closely informed and engaged as the strategy was developed as Governors recognised huge potential in developing apprenticeships further and supported the work that had started.

It was also noted that governors had made some further queries via BoardPacks and these would be shared with GG for further consideration.

**Action:** NT to ensure that questions flagged on BoardPacks would be passed on to GG for the next stage of work.

**Action:** GG to bring the next iteration of the strategy to the February 2020 meeting.

*GG left the meeting.*

## **2.6. Matters Arising**

N/A

## **2.7. Governor Activity**

The Board were asked if they had any activity to record which was useful to their role as a Board Member.

PL confirmed, as part of another role, he had recently visited an employer with regards to resolving a complaint about the quality of their off the job training for apprenticeships. This illustrated very well the importance of getting effective and systemic employer engagement and the potential loss of business if this were not done.

PL also noted that he had recently visited Dudley College (an Ofsted rated Outstanding college) and would put the CEO in touch with a contact there.

## **3. Substantive Items**

### **3.1. Chief Executive Officer - Report**

LB introduced the report which now included sections from other executive directors.

**Action:** NT to amend the title of this item on future agenda to reflect its joint authorship.

The Board discussed the latest position on the ESFA audit of Intraining where the bulk of the fieldwork had taken place 3 weeks ago, and there was a further 2 weeks for additional evidence to be collated. A challenge had been to secure necessary evidence from sub-contractors. The ESFA had not yet reviewed the evidence. PL asked for further detail to be circulated to the Sub-group.

**Action:** NT to circulate.

PL asked for a further teleconference to take place with the Board sub-group in due course.

**Action:** NT to arrange.

The Board also discussed the national position on funding which suggested that the combination of volume increases and the first increase for several years on funding rates might together result in around a 7% funding increase on 16-18 contracts in 2020-21. There would of course be a long list of items to invest this in, for example, the back log in capital projects, pressures around pay rises etc.

The Board concluded their priority would be to use any available funding to improve student experience and to progress with the newly approved strategy.

### 3.1.1. NCG Strategy, Values and KPIs

LB presented the Strategy, Values and KPI document, and confirmed that workshops had taken place with both staff and students throughout October and November in relation to the values. Following this work, the final proposed values were pulled together to create a group of statements:

*We value and empower people by:*

- *Being both inclusive and diverse.*
- *Trusting and respecting our communities.*
- *Taking ownership whilst working collaboratively.*
- *Inspiring excellence and curiosity.*

The Board confirmed they were supportive of the proposed values, and they were approved.

LB moved onto the KPIs, and confirmed that following Board feedback at a previous meeting, the KPIs had been updated. This included the inclusion of KPI targets for 2025.

The Chair asked about the NCG's use of its own apprenticeship levy and queried whether this was all being well used.

The Board confirmed they were happy with the KPIs, subject to further detailed checking and approved the KPIs on this basis.

LB confirmed that the KPIs would be launched in January 2020 in a cost-effective manner whilst ensuring impact.

The Board thanked the Executive Team for all their work in this area. The resulting document would be vital in setting the right course for the future.

### 3.1.2. Data and Technology Review

*SM joined the meeting.*

SM (Director of Zendu Consulting Ltd) was asked to attend the meeting to present the Data and Technology Review which he had recently undertaken alongside Steve Legetter (Assurance Consulting Ltd).

SM presented his review which followed 3 months' work looking at the quality of data and meeting key members of staff. SM noted his thanks to all members of staff who had been involved.

Challenges include:

- Data ownership and accountability should be more clearly defined and set within an overall strategy.
- Data governance and assurance processes could be strengthened.
- Current MI and BI was not easily available and well understood.

- Resource was fragmented.
- Investment in systems was tactical rather than strategic.
- Essential data capture processes could be better managed and more consistent in quality.
- Risks on data security, business continuity and compliance needed to be mitigated further.

Opportunities include:

- Improving the quality of information on which decisions are based at all levels.
- Ensuring compliance, enhancing data quality and providing greater assurance to the Board.
- Enhancing the learner experience by informing curriculum and service development.
- Establishing a data literate, professional community of practice across NCG.
- Continuously improving VFM derived from data capture processes and systems.
- Maximising income by optimising external data returns and reducing the cost of data management.

SM then set out a vision, scope and principles for a new data strategy for 2022:

- Vision – Brilliant at the data Basics:  
Transform NCG data into a trusted, institutional asset, providing actionable insights, which will enhance the Group's reputation and underpin a culture of operational excellence.

Scope:

The range of NCG data assets and the scope of this strategy extends beyond learner data and includes datasets relating to staff, finance, partners, curriculum and infrastructure. Other datasets may be added. The Strategy has been developed to scale across all forms of structured data. The strategy embraces the use of institutional data by all staff, learners, partners and regulators.

Principles:

- Data is a valued asset.
- Data is fit for purpose.
- Data is secured and subject to risk management.
- Data is professionally managed.
- Data is standardised, comparable and linkable.
- Data is made accessible and available.

SM presented a possible staffing structure, which included

- Chief Information and Data Officer.
- Director of Information & Data Services.
- Head of Data & Insight.
- Head of I&D Business Services.
- Head of Technology.

LB confirmed she was not asking the Board for approval for this, and noted that the structure (with the exception of the CIDO role) would be cost neutral. LB confirmed that she feels this revised structure would provide consistent oversight and leadership of data. LB further confirmed that the CIDO role would be an interim role.

Governors thanked SM for his report and proposals and asked about the Technology aspect of the report, and it was confirmed that SL had completed a lot of work with Hannah Marshall (Group Head of IT).

Governors also suggested that a business-critical area was data integrity, noting the concerns which had been addressed during closure about training provider data quality. Governors felt that progress should be made with suitable urgency and with clear ownership and accountability for data quality and use.

LB reiterated the need for a single point of senior leadership in this area.

Governors confirmed their support in principle for the outlined structure on the basis that it would be cost neutral.

*SM left the meeting.*

### **3.2. Executive Director of Quality – Quality and Performance Report**

SW presented the Quality and Performance Report which included the revised Safeguarding reporting table.

#### **3.2.1. College Self-Assessment Reports (SARs)**

SW presented the College SARRS, and noted that they had been through various stages of review, including a review by the Local College Boards. During this process, they had all been locally approved and recommended to the Corporation.

Governors welcomed the thoroughness of the report and the way it had been organised and driven at local level but with peer and executive review and challenge. Governors queried why there were not assessment grades and SW confirmed that this was because of the transition to the new inspection framework since the year in question (2018-19) would have been assessed on the old framework but any inspection now would be on the new framework. SW added that it was more important to have a clear agreement on strengths and

weaknesses. In summary, there had been improvements in all colleges over the year, there were further improvements under way in 2019-20 and the group would be well-placed for its inspection when it came.

Areas where there was a particular focus included apprenticeships across the group, study programmes in Lewisham and Southwark,

The Board approved the College SARs.

### 3.2.2. NCG Self-Assessment Report (SAR)

SW also presented the overall NCG SAR which included material on the training providers which had been wound down in the year concerned. The Board felt that the document should be forward-looking as far as possible and should therefore exclude data on the training providers where appropriate.

**Action:** SW to revise.

Governors asked if the information with regard to 70,000 funded qualifications across the group was correct, noting we only had half the amount of learners, however SW confirmed that learners generally take more than one study programme, for example 3 A levels.

SW also presented a 'Knowledge Organiser' (which was tabled at the meeting). SW referred the Board to the Scorecard section, and the questions which Ofsted may ask governors. The Board thanked SW for this document and noted it would be useful and would be held in the Knowledge section of Boardpacks. The Board approved the NCG SAR and thanked SW for completing this work at an earlier point in the year than had previously been the case.

### 3.2.3. NCG Quality Strategy

SW presented the linked NCG Quality Strategy and the Board approved the Quality Strategy subject to minor drafting and typographical amendments.

**Action:** SW to review the final drafting and agree the final version with LB.

## 3.3. Chief Finance Officer

MW presented the report and highlighted to the Board that the ESFA had . PL asked if this was through a formulaic calculation and MW confirmed this,

MW then highlighted to the Board the continuing financial risks on 16-19 recruitment with the current year still reflecting a period of demographic downturn. Apprenticeship recruitment currently looks to be in a reasonable

position but HE recruitment remains an issue with a reduction in the current year.

MW reiterated the need to create savings across Q1 and confirmed that the finance team were pulling together a savings plan.

MW confirmed that the closure of the training provider continued to be an area of significant focus in the current year.

MW presented the Financial Regulations, and advised that changes had been made around accounting controls and around recruitment and CAPEX. MW highlighted that the current contract value for Corporation approval is £1m, however suggested that this was increased to £4m. PL suggested that he had not seen many contracts being brought to the Board for approval, and therefore the original amount wasn't an issue.

The Board agreed that the limit should remain at £1m for the time being, but this could be revisited at a later point if this proved to be a practical problem.

The Board approved the Financial Regulations, with the caveat of the contract approval level for a contract to be considered at the Board remaining unchanged.

MW presented the Subcontractors update, which showed the maximum amount providers could draw down. As previously reported, the amount of NCG subcontracting was steadily being reduced.

The Board approved the subcontracted provision for 19/20.

## **4. Items for Approval / Discussion**

### **4.1. Corporation Matters**

DB presented the Corporation Matters update and advised the Board of a recent survey undertaken by clerks throughout the FE sector with regards to the number of governors on their Boards. DB noted that the average number of governors on a Board is 17.

The Board approved the following appointments:

- The reappointment of Sue McArdle to the Newcastle College Board.
- The appointment of Christina Maw to the Lewisham College Board.
- The appointment of Jane Hoyle to the Lewisham College Board.

The Board noted the report.

### **4.2. Lewisham and Southwark College Security Tender**

MW presented the Lewisham and Southwark College Security Tender. Governors asked if there was an alternative option to the proposed uplift to pay the London Living Wage (LLW) in view of the financial pressures on the organisation. Governors considered the possibility of delaying the uplift until 1<sup>st</sup> August, however noted the risk of industrial relations problems and the importance of being a London Living Wage (LLW) employer.

The Board approved the tender.

## 5. Risk

DB provided an update to confirm that the process of mapping the college risk registers to the strategic and business risks of NCG is taking place, and these are then being shared with the Colleges to use going forwards.

The Board noted the update.

## 6. Policies / Annual Reports / Terms of Reference

### 6.1. Annual Accounts and Report

MW presented the Annual Accounts and Report for NCG, confirming that these documents had been reviewed by the Audit Committee.

MW referred to the Audit Regularity Questionnaire and noted that although this has previously been carried out by the Finance Team, it was agreed that this was not best practice and confirmed that this is now done by the Governance Team.

MW referred to the Going Concern Paper and confirmed that the NCG accounts are being signed off as a going concern basis, however this is not the case for Intraining and Rathbone.

MW referred to the EY Audit Results, explaining that this document sets out issues arising across throughout the year when completing audits, and there is one recommendation around control and payroll reporting and one adjusted error around the holiday pay accrual.

MW then brought attention to the representation letters, noting to the Board that this was largely standard documentation.

MW presented the Financial Statements and confirmed this document would need to be approved and signed during the meeting this evening.

The Board agreed that they were happy with the documents, and happy to approve and for the Chair and Chief Executive to sign the Financial Statements and Representations letter.

MW then referred the Board to the Financial Statements and Representation letters for Intraining and Rathbone, noting the updated documents around the risk in relation to the wind down costs, confirming the correct information is as follows:

#### *Risk Description and Impact:*

*The Company (Intraining) / Charity (Rathbone) is unable to fund the complete wind down of all business activities without support from its Parent, NCG – which has agreed to provide interim funding to support an orderly wind down. Should the costs of wind down exceed reasonable expectations, there is a risk that the parent will not continue to provide financial support. In such circumstances, the Directors would need to carefully consider the Charity's position with reference to creditors' interests.*

*Mitigation of Risk:*

*Wind down costs are being carefully managed, with forecasts updated regularly. A subgroup of the NCG Corporation is closely monitoring the position.*

The Board noted the accounts and update provided.

## **6.2. Audit Committee Annual Report**

DB presented the Audit Committee Annual Report, and confirmed that this had been approved at the most recent Audit Committee Meeting. DB noted that the Committee is still low on membership. The Board agreed that when new governors are recruited to the Board, the membership of the Audit Committee would be addressed.

The Board noted the report.

## **6.3. Internal Audit End of Year Report**

DB presented the Internal Audit End of Year Report from PwC, and confirmed that this had been considered at the most recent Audit Committee Meeting.

The Board noted the report.

## **6.4. Human Resources Annual Report**

LB presented the HR Annual Report, and noted that the report was more of an overview report rather than low level detail and the Board agreed that this was a better format.

The Board noted the report.

## **6.5. Financial Regulations**

This item was covered under Agenda Item 3.3, within the Chief Finance Officer's Report.

## **7. Items for Note / Information**

### **7.1. College Board and Committee Minutes**

#### **7.1.1. Audit Committee Meeting Minutes – 13<sup>th</sup> June 2019**

The Board noted the minutes.

#### **7.1.2. Audit Committee Meeting Minutes – 17<sup>th</sup> September 2019**

The Board noted the minutes.

#### **7.1.3. HE Governance Committee Meeting Minutes – 10<sup>th</sup> July 2019**

The Board noted the minutes.

#### **7.1.4. West Lancashire College Board Meeting Minutes – 11<sup>th</sup> September 2019**

The Board noted the minutes.

#### **7.1.5. Carlisle College Board Meeting Minutes – 24<sup>th</sup> September 2019**

The Board noted the minutes.

## **7.2. Information Flows Received from College Boards**

DB confirmed that two information flows had been received; one from Kidderminster College and one from Newcastle College. DB confirmed that the comment from Kidderminster College with regards to Curriculum being included within the Terms of Reference was a valid and good point, and the terms of reference had been updated to reflect this and reissued.

DB confirmed that he had met with the Chair of Newcastle College on another matter and had discussed the appointment process and noted that the governor induction document was in progress.

**Action:** NT to formally respond.

## **7.3. NCG College and Student Updates**

The Board noted the report and the different activities the learners have been doing across the Group.

## **8. Any Other Business**

N/A

## **9. Date and Time of Next Meeting – 4<sup>th</sup> February 2020**

The Board had originally planned to travel to Carlisle College for their next meeting in February, however due to current budget constraints, they felt that this would not be the right time to do this as there would be increased travel costs for Governors and the Executive Team. The Board were due to visit NSFC in June, and therefore agreed to swap these over so that the meeting in February 2020 would be held at NSFC and the meeting in June 2020 would be held in Carlisle.

The signing of the accounts then took place.