

NCG – Corporation Meeting

Minutes of Meeting held on Tuesday 15th December – 3pm to 5.45pm

Details			Attendance		
Full Name	Position	Initials	Attended	Apologies	No Attendance
Peter Lauener	Chair of Corporation	PL	X*		
Chris Roberts	Vice Chair of Corporation	CR	X*		
Mark Squires	Independent Governor	MS	X*		
Caroline MacDonald	Independent Governor	CMA	X*		
John Cuthbert	Independent Governor	JC	X*		
Jeannette Strachan	Independent Governor	JS	X*		
Andrew Cunningham	Independent Governor	AC	X*		
Rob Holt	Independent Governor	RH	X*		
Chris McCourt	Independent Governor	CMc	X*		
Matthew Otubu	Independent Governor	MO		X	
Shirley Atkinson	Independent Governor	SA	X*		
John Widdowson	Independent Governor	JW	X*		
Liz Bromley	CEO – Ex-Officio Governor	LB	X*		
Jennifer Mitchelson	Staff Governor	JM	X*		
Vacancy	Student Governor				
Clerk					
David Balme	Executive Director and Secretary to the Board		X*		
Visitors/ Presenters					
Chris Payne	Deputy CEO	CP	X*		
Mike Wilmot	Chief Finance Officer	MW	X*		
Steve Wallis	Executive Director of Quality	SW	X*		
Scott Mulholland	Chief Information and Data Officer	SM	X*		
Grant Glendinning	Interim Executive Principal of the North	GG	X*		
Nicola Taylor	Assistant Director of Governance (minutes)	NT	X*		

*Attended via Microsoft Teams

1. Chair Opening Remarks / Board Matters / Declaration of Interests / Apologies for Absence

The Chair opened the meeting and welcomed the attendees.

Apologies had been received from MO. The apologies were accepted, and the Board agreed that the meeting was quorate.

The Board were asked if they had any interests to declare in relation to the planned agenda items, however no new declarations were reported.

1.1. Update from the Chair of Relevant Matters – Verbal

PL confirmed that the subgroup (set up during the last meeting and including representatives from the College Boards (Chairs of Newcastle and Lewisham College Boards)) had held their first meeting to discuss the Governance Review report. PL confirmed that the main areas of focus from the report were around meeting and agenda organisation, the relationship between the Corporation and College Boards, and the independence of DB's role.

The report is due to be shared with College Board Members, with their feedback being collated during their next meeting. The subgroup is due to meet again in the new year.

The Board noted the update.

1.2. Risk Focus

DB provided a risk update, and presented the following suggestion:

- The standing Risk Corporation agenda item to be replaced with a specific risk update from the Audit Committee, following consideration of the risk register at each of their meetings (5 across the academic year).
- The Corporation Board to receive an annual risk report, with the opportunity to discuss the full Strategic Risk Register.

PL asked the Chair of the Audit Committee for comments on the suggested approach. JC confirmed that whilst this approach was supported by Audit Committee it remained appropriate to notify the Board when risks arise.

It was further noted that the newly appointed External Auditors (Mazars) along with NCG's Internal Audit partner (PwC) bring further sector specific understanding to the NCG risk process.

It was noted that it was inappropriate for the Board fully to delegate Risk to the Audit Committee, however the proposed approach was agreed to be a good balance.

PL suggested that he would also like as part of the next annual risk report discussion at Corporation to consider risk appetite.

The Board noted the update, and approved the process changes as per the above. The Board agreed that they would like to regularly review this process change to ensure they are comfortable.

Action: DB to implement necessary changes.

1.3. Governor Training / External Activity

The Board were asked if they had any relevant activity to report, and the following were noted:

- PL had attended the Chairs Leadership and Development Course (EtF).
- PL had attended a seminar on the College of the Future – England (Stone King).
- CM had attended a Cyber Security webinar (JISC).

2. Strategic Items

2.1. Chief Executive Group - Report

LB presented the CEO report, and provided the following updates:

- Plans are in place to keep colleges open until the 18th December, with remote learning being in place for the week leading up to Christmas. LB confirmed that staff had worked exceptionally hard this year and had been given additional annual leave to cover the period between Christmas and New Year as a thank you for their determination and commitment. Arrangements had been implemented in terms of duty rotas and chains of command to cover any issues which could arise over the closure period.
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- Support for the recruitment of 3 principals (permanent positions in Carlisle, Newcastle and Kidderminster) had been tendered. The process had concluded, and the appointment of FE associates was recommended to the Board.
 - LB noted that Cat Draper (Deputy Principal) had been appointed to the Interim Principal of Kidderminster College, following the departure of Andy Dobson (Principal).
 - The Board requested an infographic to show the current senior structure and the proposed senior structure, noting that there had been a number of important changes over the past year.

Action: LB and DB to provide the Board with an infographic of the senior team structure.
 - The Board approved the procurement of FE associates to recruit the 3 permanent principal roles.
 - LB confirmed that job descriptions for the roles, and the remuneration packages would be presented to the Appraisal and Remuneration Committee and therefore an additional meeting may be required after Christmas.

Action: NT to check regarding the need for an additional meeting.
- The Board noted the improvement in the staff turnover and absence rates.
- The Board noted the positive trend in learner numbers at the Colleges with the exception of Newcastle College where there had been a slight decrease. MW confirmed that a review is taking place to investigate the cause of this reduction. LB confirmed that Newcastle College will focus

on a growth agenda, agreeing that the position at Newcastle College was disappointing. A full report on this is expected shortly.

- The Board suggested that some other colleges within the region had seen a decline in numbers, and this was perhaps due to students staying on at school sixth forms and could potentially be due to CAG grades having an impact on students' choice (selecting academic instead of vocational).

The Board noted the report.

2.1.1. Strategy Development Update

CP presented the update, providing the Board with the current position in terms of strategy development. Work is underway to turn the strategy into an action plan which can then be used to measure and monitor progress.

The Board asked about the HE Student Satisfaction KPI, and CP confirmed that this measure comes from the National Student Survey (NSS), which is then looked at in detail by the HE Governance Committee. It was noted that the current dissatisfaction largely comes from learning resources, an outcome that was also noted within the results of the internal student survey. It was noted that there have been issues with IT reported previously however investment had now been made in this area to improve the student experience. The results of the survey from the end of the current academic year will show if students have seen the improvements. Updates on student satisfaction will be included within SW's report.

Action: CP and SW to discuss the reporting of student satisfaction.

Staff engagement had not been able to be reported on previously, however CP confirmed that plans are in place for the coming year.

The Board agreed that they want to keep a focus on the KPIs to ensure progress is being made. It was agreed that the KPIs would be reviewed on an annual basis.

Action: NT to add KPI review into work plan.

The Board noted the update.

2.1.2. College Strategic Plans

LB confirmed that work was underway to ensure that the College Strategic Plans align to the NCG Strategic Plan. CP suggested inviting the College Principal and Chair to present the College Strategic Plans to the Corporation Board.

The Board agreed that they would like 2 separate additional sessions to facilitate this. The Chair confirmed he would attend both sessions and governors could then attend either or both of the sessions.

Action: NT to arrange.

The Board noted the update.

2.1.3. Principal Recruitment Update

Covered under 2.1.

2.2. Finance Report

MW presented the Finance Report and highlighted the following points:

- The cash flow report for the ESFA had been included for information. This had been approved by LB as the Accounting Officer.
 - The Board agreed that they did not need to see this report in future and for MW to summarise the information within his report going forward.
- The Q1 reforecast has been completed and shows a shortfall of £300k to budget. The main reasons being:
 - Apprenticeship income being lower than expected (with year-to-date starts being c40% lower than the previous year).
 - Commercial income being lower (particularly catering).
 - Increased costs in terms of additional cleaning and PPE equipment.
 - MW noted that some of the additional costs had been offset against HE and 16-19 numbers being better than expected.
- MW noted that the production of Management Accounts didn't always fall in line with Corporation papers being published and asked if the Board would like to receive the accounts as and when available.
 - The Board agreed that when there was a gap between meetings (for example, the next Corporation Board meeting is 9th February), the accounts could be circulated when available, however in usual circumstances they were happy to wait until the meeting.

Action: MW to circulate P4 accounts once available.

The Board asked about the projects for the ESFA capital grant. MW noted he was confident that the projects would be completed in line with the deadline of March 2021.

The Board asked about the RAG rating of Health and Safety. MW confirmed that H&S was now under his remit, and the H&S teams within the colleges now report into the central team. A PwC Audit Report highlighted some issues and work is currently ongoing to rectify these. Work is also underway around the team structure, including the introduction of a compliance officer. The H&S Team are looking into the procurement of a facilities management system which would aid the tracking and monitoring of compliance. The Board asked if provision had been made within the accounts for any compliance issues which may be uncovered as part of this process. MW confirmed that this would not be included as a liability within the accounts, however that consideration would be taken in future forecasting. RH offered to discuss facilities management systems with the H&S Team.

Action: RH and MW to pick up outside of the meeting.

2.2.1. Annual Accounts and Financial Statements 19/20

MW presented the Annual Accounts and Financial Statements for 19/20 and associated documentation, confirming that the Audit Committee had reviewed the documentation in great detail at an additional meeting on 13th November 2020.

The Board approved both the Annual Accounts & Financial Statements for 19/20 on a going concern basis and the management representation letters to the Auditors.

Action: PL and LB to sign where required after the meeting.

The Board noted their compliments to MW and the Finance Teams for the work undertaken.

2.2.2. Pensions Accounting Update

MW presented the pensions accounting update, noting that this had been a specific request of the Audit Committee.

The Board noted the update.

2.2.3. Treasury Policy

MW presented the Treasury Policy. The Board reviewed the suggested changes.

The Board discussed the levels of authority for investment within one organisation and agreed that they would like to make the following changes:

- CFO to have authority to authorise investment of a maximum of £5m into one organisation.
- Audit Committee / Board approval would be required for all investments over £5m into one organisation.
- Limit of £12m investment into any one organisation.

The Board approved the policy, subject to the above amendments being made.

2.2.4. Updated Planned Levels of Subcontracting Provision: 20-21

MW presented the updated planned levels of subcontracting provision for 20-21. The Board queried the use of subcontracting for the HE franchise provision. MW confirmed that this was to facilitate the beginning of the online learning project. Future plans are to move towards more direct delivery once the project is up and running. The Board agreed that it was useful to have the rationale documented, including the longer-term plans.

The Board approved the updated levels of subcontracting, subject to assurances that plans are in place to reduce subcontracting.

2.2.5. Audit Committee Annual Report 19/20

DB presented the Audit Committee Annual Report, noting that this had been approved by the Audit Committee. The report detailed the work undertaken by the Committee over the past year.

The Board approved the report.

2.2.6. Internal Audit End of Year Report 19/20

DB presented the Internal Audit End of Year Report, written by PwC who co-deliver the internal audit provision.

DB confirmed that the recommendations and key risk areas were being progressed.

The Board noted the report.

2.3. Corporation Matters

DB presented the Corporation Matters report.

The Board approved the following appointments:

- NSFC – Douglas Gee – Parent Governor
 - Term of Office: 2 Years
- Lewisham – Oluwatobi Akintomide – Student Governor (2nd Post)
 - Term of Office: 1 Year

The Board noted the remaining contents of the report.

2.3.1. Southwark Students' Union Constitution

DB presented the Southwark College Student Union Constitution, noting that due to Covid, the constitution document had not yet been approved by the Students' Union.

The Board approved the document, noting that further changes may be required following review and approval by the SU.

2.3.2. Correction to Instrument and Articles

DB confirmed that a checking exercise had been carried out to create a complete log of all amendments to the NCG Instrument and Articles since the original adoption of the model articles.

The Board noted that the tracking log was helpful and approved the date change in the current, and prior 2 versions of the Instrument and Articles.

3. Deep Dives

3.1. Quality and Performance Report (including SAR and Ofsted Interim Visit Report).

SW presented the Quality and Performance Report, highlighting the following key points:

- Attendance was at 89.4% using the simple actual / expected measure and 87% taking authorised absences into account (which includes COVID related isolation or illness). The rate is partially influenced by a lag on the marking of asynchronous registers (as the Y mark for asynchronous learning is required to be updated within 5 days, when teachers are able to evidence the remote learning). Physical presence in the classroom and

synchronous remote are required to be marked at the start of the timetabled lesson.

- Retention was at 97.5% (98.2% for FE and 78.6% for apprenticeships). Reports have been updated to monitor the attendance and withdrawals of groups that may be deemed 'at risk' based on SAR analysis. Attendance and engagement reports also track characteristics such as deprivation, looked after children, free meals, gender, ethnicity and disability / difficulty.
- Ofsted conducted an interim visit on the 24th and 25th November – the draft report of which has been shared with the Board. The report does not contain judgments and is a collation of feedback from staff, stakeholders and students. The feedback was both positive and consistent from all college representatives. Verbal feedback was positive around HMIs recognising the hard work and innovative methods employed by managers and teachers in providing a blended curriculum to learners.
- Ofsted inspections have been deferred to the summer term, following an announcement by the Chief HMI. SW confirmed that there would be the possibility of an ungraded monitoring visit in the spring term, however this is thought to be unlikely.

SW then presented the NCG Group SAR, noting that whilst the individual College SARs had been summarised within the Group document they had also been included within the papers for information. SW confirmed that the SAR covers FE and skills, and is submitted to Ofsted once approved.

The Board were asked to approve the lines of enquiry, which would then be reported on within SW's reports.

SW confirmed he felt that the SAR highlighted the improvements made, and also reiterated the areas for improvement.

The lines of enquiry were suggested as follows:

- What impact is the blended approach having on learner experiences? Are leaders taking sufficient actions to address areas of digital poverty, whilst also assuring the quality of blended delivery for all learners?
- To what extent are governors and leaders confident that TLA standards, learners' experiences and outcomes are improving to the expected standard?
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- To what extent are governors and leaders in all colleges confident that apprenticeship training continues to improve and that apprentices receive good quality off the job training?
 - The Board agreed to be more specific, noting that improvements weren't just required around the quality of off the job training, but also to include apprenticeship achievement levels which would be measured via timely achievement.

- To what extent is the investment in the Apprenticeship Hub delivering impact in the quality of business systems, tracking and preparation for end point assessment?
- To what extent are leaders confident that the improvement in English and Mathematics (due to CAGs) can be replicated under examination conditions?
- What investment in the quality strategy is being made? And is this directly impacting on teachers and learners?

The Board queried as to why HE provision wasn't included within this review document, discussing the different options around bringing together the monitoring of the overall quality and performance of the Group. SW confirmed that as the document is created for Ofsted and ESFA purposes, they do not require information on HE. Similarly, the HE Governance Committee has delegated authority to monitor HE provision, and the OfS will have different requirements. SW confirmed that he will create an appendix to the SAR which covers HE.

Action: SW to include HE specific appendix to SAR document for internal purposes.

The Board discussed how HE quality reporting is not included within SW's reports, and how this had previously been reported on through DB's reports whilst HE was a service area of his. The HE Governance Committee noted that they had concerns that HE was only reported to them, and therefore the Board did not have an overall view.

Action: SW, DB and LB to discuss HE quality reporting to the Board – linking with JR.

The Board approved the suggested Lines of Enquiry, subject to the above amendments being made.

Action: SW to make amendments.

The Board noted the report and supporting information, and complimented the process and clarity around the areas of focus.

The Board were pleased with the feedback following the Ofsted visit and requested for their thanks to be circulated to all staff involved.

Action: SW to circulate thanks from the Board.

3.2. College of the Future Report

CP presented the report which provided the Board with an update of developments across the Further and Higher Education sector, specifically focussing on the outcomes of the Independent Commission on the College of the Future.

The Board noted the report, agreeing that it was an interesting read and that the recommendations aligned with NCG's strategy.

4. Items for Approval / Noting

4.1. NCG's Annual Health and Safety Review 19/20

MW presented the H&S Review, noting that key points had been covered earlier in the meeting. MW confirmed that there is a focus on improving systems and processes, which will take time and resource.

The Board approved the Annual Health and Safety Review 19/20.

4.2. NCG College and Student Updates

CP presented the NCG College and Student Update report.

The Board noted the report.

5. Minutes of Previous Meetings / Information Flows / Matters Arising / Register of Actions

5.1. Minutes of the Previous Meeting – 18th November 2020

5.1.1. Main meeting minutes – 18th November 2020

The Board reviewed the minutes of the previous meeting and agreed that they were a true and accurate reflection of the meeting.

The Board approved the minutes.

5.1.2. Confidential meeting minutes – 18th November 2020

The Board reviewed the minutes of the previous meeting and agreed that they were a true and accurate reflection of the meeting.

The Board approved the minutes.

5.2. Confidential meeting minutes – 4th December 2020 (Additional meeting)

The Board reviewed the minutes of the previous meeting and agreed that they were a true and accurate reflection of the meeting. SA noted that she had submitted her apologies to this meeting.

The Board approved the minutes, subject to the correction of SA apologies.

Action: NT to amend.

5.3. Matters Arising

N/A

5.4. Register of Actions

The Board reviewed the register of actions and noted that relevant actions had been covered within the meeting or closed as per the document.

The Board noted the updates.

5.5. Information Flows Received

DB presented the Information Flow from the Newcastle College Board. The Board asked for SM to pick up the issues around IT directly with AT. The Board noted that this had been highlighted previously and therefore wanted to be assured that the Local Board were aware of the provision available and the data collection around students with no equipment.

Action: SM to pick up with AT.

5.6. Corporation Committee Minutes

5.6.1. Corporation Committee Minutes

The Board noted the following minutes (which had been shared with the Board via the Knowledge section on BoardPacks from the 27th November 2020):

- Appraisal and Remuneration Committee – Meeting 2 (19/20)
- Audit Committee – Meeting 1 (20/21)
- HE Governance Committee – Meeting 4 (19/20)

5.6.2. College Board Minutes

The Board noted the following minutes (which had been shared with the Board via the Knowledge section on BoardPacks from the 27th November 2020):

- Carlisle College Board - Meeting 1
- West Lancashire College Board - Meeting 1
- Newcastle College Board - Meeting 1
- Lewisham College Board - Meeting 1
- Southwark College Board - Meeting 1
- Kidderminster College Board - Meeting 1
- Newcastle Sixth Form College Board - Meeting 1

6. Deferred Items

6.1. Corporation Board Annual Report – Development Plan

Initial review undertaken and a response drafted. This is going to be reviewed further alongside the outcomes of the External Governance Review Report.

6.2. College Board Annual Report Summary

Initial review undertaken and a response drafted. This is going to be reviewed further alongside the outcomes of the External Governance Review Report.

6.3. AoC Code of Good Governance

This is going to be reviewed alongside the outcomes of the External Governance Review Report.

6.4. Appointment of Governor Link Roles

This is going to be reviewed alongside the outcomes of the External Governance Review Report.

7. Any Other Business

7.1. Security Tender Recommendation

MW presented the Security Tender Recommendation, noting that in line with Financial Regulations, the approval of the Corporation Board was being sought to contract the services of Kingdom Services Group Limited for the

security services of Carlisle, Newcastle, Newcastle Sixth Form, Kidderminster and West Lancashire.

The Board approved the contract award to Kingston Services Group Limited.

7.2. JC End of Term

The Board noted that it was JC's last meeting, with his term of office ending on 31st December. The Chair and full Board noted their thanks to JC for all of his time, commitment and efforts since joining as a NCG Corporation Governor.

8. Date and Time of Next Meeting – 9th February 2021

Approved: 9th February 2021