

## PROSPECTS COLLEGE OF ADVANCED TECHNOLOGY

### MEETING OF THE BOARD OF GOVERNORS

21 JULY 2015

#### MINUTES

<b>Present:</b>	David Sherlock (Chair)	External Governor
	Neil Bates	Chief Executive/Principal
	Phil Clark	Staff Member
	Carole Leach	External Member
	Bala Mahendran	External Governor
	Peter McKee	External Governor
	Kini Pathmanathan	External Governor
	Rachel Richards	External Governor
	Theo Steel	External Governor
	Ruth Umerah	External Governor
	David Wells	External Governor
	Tom Wilson	External Governor

<b>In attendance:</b>	Robin Jones	Clerk to the Board of Governors
	Helen Russell	Director of Business Development
	Neil Warren	Chief Operating Officer

*Prior to the commencement of the meeting a number of Members had attended an extremely interesting presentation on digital learning which outlined the range of current and ongoing developments which would enhance the student experience and support the College commitment to improve the use of IT.*

#### 112 MEMBERSHIP OF THE BOARD OF GOVERNORS

The Board approved the recommendation of the Governance & Search Committee that Phil Clark be appointed to serve on the Board as the Staff Member for a period of two years ending on 31 July 2017.

The Chair welcomed Phil Clark to his first meeting of the Board.

The Board noted that arrangements were in hand for the appointment of a Student Member and it was anticipated that he or she would attend the Planning and Review Workshop and, therefore, the meeting of the Board planned for 16 October 2015.

The Clerk confirmed that arrangements will be put in place to support the Student Member to contribute to the Board via an initial induction and ongoing programme.

#### 113 APOLOGIES FOR ABSENCE

The Board noted that apologies for absence had not been submitted by Felix Bateman, the current Student Member.

#### **114 DECLARATIONS OF INTEREST**

The Members present confirmed that there were no declarations of interest relative to the issues set out in the published agenda.

#### **115 MINUTES OF THE MEETING OF THE BOARD OF GOVERNORS HELD ON 6 MAY 2015**

The Minutes of the meeting of the Board of Governors held on 6 May 2015 were agreed to be a correct record and were signed by the Chair.

#### **116 MATTERS ARISING FROM THE MINUTES OF THE MEETING HELD ON 6 MAY 2015**

The Board agreed that, in the main, there were no items arising from the minutes of the last meeting requiring attention over and above those set out in the published agenda.

Three issues were highlighted at this point of the meeting so as to update Members:

- The Principal confirmed that the response to the consultation on the Dual Mandate for Vocational Education had been submitted and the views of the Government were awaited with interest
- The limited remodelling of the Engineering Centre was progressing at a cost of £40k – at the meeting on 6 May 2015 an indicative cost of £75k was mentioned
- The minutes of the meetings of the GTAs will be presented to the Board as from 2015/16 so that Members have a clear understanding of the issues being addressed and the employers serving on the GTAs can be assured that their contributions are being heard and taken into account.

#### **117 RISK POLICY**

The Board received the proposed updated Risk Policy statement which had been the subject of discussion at the meeting of the Audit Committee on 30 June 2015.

Members made a number of comments including:

- The links between the Strategic Plan and the risks need to be understood
- Growth carries risks particularly at a time when Government funding is being reduced
- The importance of having a clear awareness of the risks involved for the College in progressing certain approaches as and when opportunities arise

The Board agreed following discussion:

- To approve the Risk Policy statement as submitted
- To return to the Risk Policy statement at the Planning & Review Workshop on 16/17 October 2015 when such factors as the Board's risk appetite will be considered and, if thought to be appropriate, the statement will be amended.

#### **118 GOVERNORS DASHBOARDS**

The Board received the following documents which form the Governors Dashboards:

- Trend Chart
- Strategic Plan Work Strands
- Risk Register

The Principal explained the purpose of the three documents and in doing so stressed that the formats and contents will continue to be developed in the light of experience and feedback from, amongst others, Members of the Board.

The position with regard to student success rates (ie retention multiplied by achievement) was explained. The College has been advised that, for statistical and inspection purposes, PROCAT is to be regarded by the Authorities as a new College which opened on 1 September 2014. This means that the published PROCAT success rates for 2014/15 will only include those students who transferred to the new College on 1 September 2014 and those who have started since the beginning of the year.

The Dashboards prompted a number of questions and comments which will continue to be addressed including:

- Given the aspiration to be recognised as an outstanding College are the success rate targets and the actual performance sufficient to achieve this outcome?
- The published Government policy to have 3 million Apprenticeships and the opportunities for PROCAT
- The continued uncertainties with regard to Government funding for training and skills particularly the risks of assuming that in-year growth over and above original allocations will be funded

The Board agreed following discussion:

- To receive and note the Governors Dashboards which, in the view of Members, will assist greatly in terms of informing future reviews of performance and planning for the future
- To note that the up to date versions of the Dashboards will be available for review via the SharePoint site
- To note that the Dashboards are also being used by and with managers so as to ensure that there is complete clarity as to progress against the key objectives whilst ensuring that risks are being appropriately addressed.

## **119 BUDGET – 2014/15 – MANAGEMENT ACCOUNTS**

The Board received and discussed the Management Accounts for the period to 30 June 2015 (period 11 of 2014/15).

Members recognised that the financial health of the College was far more positive than reported at the last year end and, whilst there are a number of issues to be addressed, it was likely that there would be a break even position or, possibly, a small non material loss as at 31 July 2015 having taken into account the exceptional items.

The out-turn position has been achieved even though a number of issues have had to be addressed in-year. These include the funding of the estates review, the preparation of the new Strategic Plan and covering the costs of Fairfax Drive even though it had been assumed, reasonably given all factors, that the site would be sold by February 2015.

In reviewing the generation of commercial income it was noted that a number of new Complex training centres have opened and these have had some adverse impact on PROCAT provision and, therefore, income.

The Board agreed to note the Management Accounts for the period to 30 July 2015 and to look forward to receiving confirmation of the actual end of year outturn position as soon as it is known with a degree of certainty.

## **120 BUDGET – 2015/16**

The Board received and discussed the proposed Income and Expenditure Budget for 2015/16.

The particular attention of the Board was drawn to the approach adopted with regard to SFA income in the coming year. An assumption has been made that the in year growth arrangements will continue and, therefore, the proposed budget is for £4,996,000 although the current SFA allocation is £4,155,000.

The Board considered the proposal of the Executive that a 2% pay award be made to all staff with effect from 1 August 2015.

Members noted the following factors

- The College has not made a pay award in the last three years
- The College spend on employee related costs is less than many colleges and at 57% is below the percentage previously quoted by the FE Commissioner as being appropriate for a college
- There is a high expectation on the contribution of staff to bring about the planned year on year improvements and it is necessary to take into account, therefore, retention of existing staff and the means of attracting new staff in what is a relatively competitive market place
- The AoC has recommended, following discussions with the unions and in recognition of the financial health of sector colleges, that no pay award at all is made in 2015/16 although in previous years an award has been proposed for consideration by individual colleges which some, but not all, had adopted.

The Board's Remuneration Committee will meet in the autumn (provisional date is 16 October 2015) to consider the position with regard to a pay award to the three Senior Post Holders.

In terms of looking forwards it was pleasing for Members to note that the number of applications from learners to join the College in September 2015 is relatively strong.

The Executive acknowledged that it is essential to continue to look for efficiencies and one aspect is to seek to increase the average group size of learners year on year.

The opportunity was taken to report that a Financial Controller has now been appointed and she will join the College in October 2015 so that there is an overlap with the current Director of Finance who is due to retire with effect from 31 December 2015.

The Board agreed:

- To approve the Income and Expenditure Budget for 2015/16 as proposed by the Executive and, therefore, that a 2% pay award be made to all staff (other than, at this time, the Senior Post Holders) with effect from 1 August 2015

- To congratulate the Executive in preparing the Budget which provides such a substantial projected surplus of income over expenditure whilst addressing a number of key issues to bring about improvements for learners and the wider community
- That in future years an outline of the budget be presented to the Board in May so that Members may hear the key issues being addressed by the Executive including any thoughts on pay awards.

## **121 FINANCIAL PLAN**

The Board noted that the College is required to submit a Financial Plan to the SFA by 31 July 2015.

It was explained that the Financial Plan would be prepared having regard to the Income and Expenditure Budget for 2015/16 now approved by the Board with the addition of appropriate projections for 2016/17 in line with the Strategic Plan.

The Board agreed that the Financial Plan be prepared and submitted to the SFA in line with the approach proposed by the Executive.

## **122 AUDIT COMMITTEE – 30 JUNE 2015**

The Board received and noted the unconfirmed minutes of the meeting held on 30 June 2015.

A Member of the Audit Committee highlighted the issue of the basis for scoring the factors in the Risk Register as recorded in the unconfirmed Minutes and it was indicated that this will be returned to on 17 November 2015 when the Committee is scheduled to meet again.

*RR left the meeting*

## **123 EQUALITY & DIVERSITY AND SAFEGUARDING STRATEGY**

The Board received the proposed Equality & Diversity and Safeguarding Strategy.

Members identified a number of issues which warranted further attention as part of the ongoing review of the Strategy including:

- The importance of making clear statements relating to the duty to promote Equality & Diversity and the existence of a Whistleblowing Policy for use as and when it is thought to be appropriate
- The value of referring to Health & Safety regulations and requirements rather than quoting the 1974 Act as so much else is involved
- Adding a reference to “industries” to the statement relating to engineering and construction (section 5 – key areas for improvement)
- The reference to “registered disabled” needs review
- A further review of section 6b and the suggestion that there are no significant success rate differences between groups of learners
- Making an explicit reference to preparing students for employment outside of the UK given the opportunities that can exist in other countries particularly for engineers and construction professionals
- The reference to “remote rural areas” needs clarification (section 7g – safety online)
- Promoting British values as an integral part of the course offer

- Clarity of the section on roles and responsibilities so that, for example, the College management structure is reflected (eg the Heads of Faculty) and the expectations on visitors are apparent

The Board agreed to approve the Equality & Safeguarding Strategy as a working document subject to the contents continuing to be reviewed to take into account the comments made by Members.

As with all other such policies and strategies the updated versions will be placed on SharePoint for ease of future reference.

#### **124 SAFEGUARDING POLICY**

The Board received the proposed revised Safeguarding Policy which has been updated to reflect the Prevent duties and responsibilities.

Members were pleased to note the approach adopted by the College in terms of training staff to fulfil the expectations set out in the Safeguarding Policy and this is integral to the induction programme.

The Board agreed to approve the Safeguarding Policy as presented subject to it being made clear in the wording that the College is already following the provisions as it can be read as though the document sets out a number of intentions for application in the future.

#### **125 GOVERNANCE & SEARCH COMMITTEE – 6 MAY 2015 AND 21 JULY 2015**

The Board received and noted the minutes of the meeting of the Governance & Search Committee held on 25 February 2015.

The Board also noted that a meeting of the Committee had taken place immediately before the meeting of the Board and the main items concerned:

- Membership of the Board – item 112 above
- Code of Governance – item 126 below
- Governance Overview – item 127 below

The Minutes of the meeting will be presented to the Board on 16 October 2015.

#### **126 CODE OF GOOD GOVERNANCE FOR ENGLISH COLLEGES**

The Board noted that, given the number of initiatives over the past couple of months which need to be taken into account, the planned personalisation of the Code of Good Governance for English Colleges to reflect PROCAT had been deferred.

The intention is now that the Clerk will progress the drafting of the PROCAT specific Code over the summer with contributions from, amongst others, the Principal in terms of the employability agenda and the role of employers in the life of the College which is far greater than in most if not all other colleges.

The Board agreed to look forward to receiving the personalised Code of Good Governance for PROCAT with the intention that, following review by Members, the agreed version is adopted by the Board on 16 October 2015.

## 127 GOVERNANCE OVERVIEW

The Board received the report prepared by the Clerk setting out (1) the policies and procedures that need to be in place with the approval of the Board and (2) a working draft of a cycle of business for a “typical” year for the College.

It was recognised that the majority of the stated policies and procedures have previously been adopted although it is appropriate to review these in the light of the experience gained over the past year as well as national developments. The intention is to extend the current document by adding the dates of when the current versions were approved and the anticipated review dates.

The cycle of business will provide a basis for preparing the agendas for forthcoming meetings of the Board whilst accepting that there is no such thing as a typical year in FE.

The cycle of business had been reviewed by the Governance & Search Committee immediately before this meeting of the Board when it had been agreed to welcome the outline as helpful guidance which would be kept under ongoing review to reflect developments. Thus, for example, it would be extended to include:

- The development of the SAR will be addressed as an integral part of the Planning & Review Session in October prior to a final review and approval in December
- A reminder will be given at the May meeting of the Board of the election of the Chair and Vice Chair for the following year which will be for decision in July
- The budget parameters will be outlined at the May meeting so as to prepare for the consideration of the Income and Expenditure Budget at the July meeting

The Clerk also explained that the experience to date post incorporation suggested that the Board Agendas would benefit from the introduction of a Part B approach for reserved or confidential items given that there is an expectation that the majority of business will be in the public domain having regard to the provisions of the Instrument & Articles of Government. Provision for such an approach is made in the Bye-Laws adopted by the Board although this has not been applied.

The Board agreed:

- to note (1) the summary of the policies and procedures that require the approval of the Board and (2) the basis of the annual cycle of business for the Board
- that an explicit reference is made to health & safety so that an update is included (possibly via the Principal’s Report) on the Agenda for every meeting of the Board.

## 128 SAFEGUARDING

The Board received and discussed an update on Safeguarding which covered a number of issues including:

- the aim to have outstanding safeguarding arrangements in place in College
- the reporting arrangements which have now been put in place with weekly and monthly reviews of related issues
- the training of staff on safeguarding related issues which will be ongoing
- the links and collaboration with external agencies.

The Board also received and noted with interest a summary of the Safeguarding referrals in 2014/15 as well as information on looked after children.

Members were pleased to note that students were encouraged to make known to the College any related concerns so that they may be supported including referral to other agencies as and when this is thought to be appropriate.

The Board agreed to note the update on Safeguarding and to look forward to receiving further updates at future meetings.

*BM left the meeting*

## **129 BUSINESS DEVELOPMENT AND EMPLOYER ENGAGEMENT**

The Board received and noted the report prepared by the Director of Business Development which provided updates on:

- the GTA Committees
- wider engagement with a number employers and the submission of a proposal for rail training internationally
- commercial sales, apprenticeships and recruitment
- projects including STEM related initiatives including the proposed PROCAT STEM Manifesto launch on 15 October 2015

The particular attention of Members was drawn again to the number of student enquiries and applications for 2015/16 which is looking healthy. The Director of Business Development was asked to provide Members, outside of the meeting, with an update relative to 2014/15.

The Board agreed:

- to note with interest the report on business development and employer engagement
- to look forward to receiving at future meetings an indication of the influence on the College of employers individually and collectively (eg via the GTAs) given the commitment to be an employer led organisation.

## **130 PRINCIPAL'S REPORT**

The Board received and discussed the detailed report of the Principal which provided updates on a number of issues affecting the College.

In terms of an overview of current developments the Principal highlighted the following:

- progress against the College Mission and the key objectives set out in the Strategic Plan
- Estates Review
- Finance
- Quality and performance
- Digital learning
- Post General Election initiatives impacting on FE and Skills
- Visits and meetings in July 2015

The Principal was pleased to advise Members that at the meeting of the Board of Studies held earlier in the day 2 new replacement HNC courses had been approved – Electrical & Electronic Engineering and General Engineering (Mechanical Engineering). The intention is to increase the higher education provision including Higher Apprenticeships, HNDs and, it was hoped, B Eng courses in due course.

Members were greatly relieved to hear that the student who had been injured as a result of an incident on a construction site was fast improving. The Principal explained that an immediate review of College health & safety protocols had taken place and the learning points of this incident will be taken into account in the future.

The Board agreed, following discussion:

- to thank the Principal for the comprehensive report
- to look forward to receiving further updates at future meetings on the full range of the key issues for the College
- to note that a meeting with representatives of Southend Borough Council is scheduled for 23 July 2015 so to seek to progress estates related issues

#### **131 PROSPECTS LEARNING FOUNDATION – BOARD MEMBERSHIP**

The Board agreed to approve the recommendation that the Chief Operating Officer becomes an ex officio member of the Board of Prospects Learning Foundation and, therefore, the Chair of the Board signed the formal written resolution accordingly.

#### **132 HEALTH & SAFETY - MOVING FROM COMPLIANCE TO EXCELLENCE**

The Board received a report which set out the opportunities to secure exemplar health & safety management arrangements as set out as an intention in the Strategic Plan.

Members recognised that there are a number of approaches that can be adopted to achieve the desired outcome including such national accreditations as the British Safety Council Five Star Occupational Health & Safety Audit and the NSAI Occupational Health & Safety Management OHSAS 18001 which has a pass or fail approach.

The Board agreed, following discussion:

- to reaffirm the commitment of the Board to becoming an exemplar of health & safety management professional practice
- to instruct the Executive to put in place systems and procedures which secure national health & safety accreditation
- to establish a Health & Safety Project Group to identify the appropriate accreditation and prepare the College for full audit/inspection
- to allocate £40,000 from the 2015/16 approved budget to support the project
- to look forward to receiving further updates on progress towards accreditation

*TW left the meeting during the item set out immediately above*

### **133 PLANNING AND REVIEW SESSION – 16/17 OCTOBER 2015**

The Board received and noted the outline of the programme for the Planning and Review Workshop to be held at the Wivenhoe House Hotel on 16/17 October 2015.

In addition to providing an opportunity for discussion on a range of issues, it is anticipated that meetings of the Governance & Search Committee, the Remuneration Committee and the Board will take place.

Members were invited to let the Principal know if they have any suggestions for other topics for possible inclusion in the programme.

### **134 MINISTER OF STATE FOR SKILLS – LETTER DATED 21 JULY 2015**

The Board received and noted a letter from the Minister of State for Skills which had arrived via email just before the beginning of the meeting.

The three page letter highlighted a number of key issues for the country, the sector and the College including:

- The publication of the Productivity Plan
- The Government's commitment to 3 million Apprenticeships
- The introduction of the "Apprenticeship Voucher" and the levy for large businesses with the latter being the means of funding the increase in the quantity and quality of apprenticeship training
- The publication of Reviewing Post 16 Education and Training Institutions which provides for the introduction of Area Reviews
- The proposed update of English and Maths Functional Skills qualifications

The letter also made reference to a Policy Brief which was not immediately to hand but will be circulated to Members as soon as practicable.

The Board agreed to note the letter from the Minister of State for Skills and to look forward to receiving further updates in the context of PROCAT.

### **135 CALENDAR OF MEETINGS – 2015/16**

The Board noted the calendar of meetings for 2015/16 as approved on 6 May 2015:

- Friday 16 and Saturday 17 October 2015
- Wednesday 9 December 2015
- Wednesday 10 February 2016
- Wednesday 4 May 2016
- Wednesday 20 July 2016

The meetings will commence at 3.00pm with the exception of the October meeting which will be a residential planning session and include a meeting of the Board (possibly at 4.00pm on 16 October 2015).

The location for meetings (other than October which is likely to be in Colchester) will be confirmed nearer the time.

**136 ELECTION OF CHAIR AND VICE CHAIR FOR 2015/16**

*At this point David Sherlock vacated the Chair and left the room for this item.*

The Clerk reported that, following the exchange of emails between Members and him, it had been established that David Sherlock and Bala Mahendran had been proposed and seconded to continue as Chair and Vice Chair for 2015/16.

The Members present confirmed their support and David Sherlock and Bala Mahendran were elected unanimously.

In terms of looking to the future the Board welcomed the suggestion by the Clerk that a reminder of the forthcoming election of the Chair and Vice Chair should be a standing item on the Agenda for the May meeting so that Members may consider the arrangements prior to the election in July for the following year.

Signed: \_\_\_\_\_ Date: \_\_\_\_\_