

PROSPECTS COLLEGE OF ADVANCED TECHNOLOGY

MEETING OF THE BOARD OF GOVERNORS

20 JULY 2016

MINUTES

Present:	David Sherlock (Chair)	External Governor
	Neil Bates	Chief Executive/Principal
	Daniel Bicks	Student Governor
	Bala Mahendran	External Governor
	Peter McKee	External Governor
	Joanne Miller	Staff Governor
	Theo Steel	External Governor

In attendance:	Robin Jones	Clerk to the Board of Governors
	Johnathon Bicks	Student (accompanying the Student Governor)
	Tamsin Jones	Interim Director of Learning
	Helen Russell	Director of Business Development
	Neil Warren	Chief Operating Officer

239 APOLOGIES FOR ABSENCE

The Board noted that apologies for absence had been submitted by four External Members given other commitments:

- Kini Pathmanathan
- Rachel Richards
- Ruth Umerah
- David Wells

240 DECLARATIONS OF INTEREST

Peter McKee drew attention once again to his involvement with City & Guilds.

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

241 MEMBERSHIP OF THE BOARD – RESIGNATION OF TOM WILSON

The Chair reported that, due to other commitments, Tom Wilson had resigned from membership of the Board with immediate effect.

A note of appreciation for the contribution to the Board and the wider College would be forwarded to Mr Wilson.

The Governance & Search Committee had met immediately prior to the meeting of the Board to address a number of issues including the opportunities to fill the vacancies for External Members – see item 262 below.

242 AGENDA AND SUPPORTING REPORTS

The Chair thanked the Principal and the other members of the Executive for the quality of the reports prepared for this meeting of the Board. This comment was supported by the other Members.

243 DIRECTOR OF LEARNING

The Chair reported that the shortlist of candidates for the vacant post of Director of Learning were to be assessed and interviewed the following day and, assuming that the Panel agreed on a preferred candidate, a recommendation for appointment would be forwarded to Members via email for consideration and decision.

In the meantime, Tamsin Jones had been engaged as the Interim Director of Learning and the Chair welcomed her to the meeting of the Board.

244 MINUTES OF THE MEETING OF THE BOARD OF GOVERNORS HELD ON 4 MAY 2016

The Minutes of the meeting of the Board of Governors held on 4 May 2016 were agreed to be a correct record and were signed by the Chair.

245 MATTERS ARISING FROM THE MINUTES OF THE MEETING HELD ON 4 MAY 2016

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

246 DASHBOARDS

The Board received and noted the updated versions of the following:

- Trend Chart
- Strategic Plan Work Strands
- Risk Register

It was agreed to address the various issues arising from the Dashboards in the context of the Principal's Report.

Members welcomed the news that work continued on developing the format and content of the Dashboards in the light of experience and the needs of the organisation. It was thought that the new more sophisticated arrangements would assist College staff and Board Members.

247 ECONOMIC APPRAISAL

The Board received with interest the final draft of the Economic Impact report produced for PROCAT by Mott MacDonald.

The Principal explained that the document had only just been received by the College and therefore there had only been limited time to interrogate and interpret the contents. This said it was thought to be an extremely useful analysis which would assist the College and the Board in planning and explaining to others the benefits for individuals, businesses and the wider community of the provision by PROCAT.

It was recognised that the very recent report from Lord Sainsbury could be seen as “muddying the water” even more in planning for future demands and need.

The Board agreed:

- to receive the Economic Impact report
- to invite Members to make known to the Principal by 23 August 2016 any comments and/or questions arising from the Mott MacDonald report so that these may be addressed with the authors before the content was finalised
- to place on record the view that the Economic Impact report was an extremely valuable document and that it would be used to inform future discussions including the forthcoming Strategic Review session on 21 and 22 October 2016

248 COLLEGE OF ADVANCED TECHNOLOGY

The Principal advised the Board of the session held on 22 June 2016 attended by representatives of a number of other organisations and the basis of the subsequent ongoing discussions.

A copy of the College of Advanced Technology Network Prospectus was included as part of the Agenda pack.

Members were pleased to hear that there was interest in the proposed approach and it was appropriate to present to the Government and others so as to make progress in the establishment of what would be a new model. This could include seeking the allocation of start-up funds on a similar basis to the establishment of UTCs.

The underlying principles included ensuring that the different elements of the overall partnership had sufficient autonomy but there was one controlling mind which had the ultimate responsibility for the organisation including the allocation of resources.

The composition of the Board would need to be reviewed to ensure meaningful involvement in setting the strategic direction of the organisation. This was possible to do by a combination of the existing vacancies for External Members and a redetermination of Board membership numbers.

Other issues that would need to be addressed as an integral part of the establishment of the group organisation included branding.

In making progress it would be appropriate to carry out a Due Diligence review.

The Board agreed to note the present position with regard to the establishment of a larger organisation – a College of Advanced Technology - and to look forward to receiving further updates as and when there were developments.

249 PRINCIPAL’S AND EXECUTIVE’S REPORT

The Board received and discussed the comprehensive report prepared by the Principal and the members of the Executive on a range of issues including:

- Appointing the additional (Interim) Managers to strengthen the leadership and management of the College

- Finalising the sale of the two Southend sites and planning for relocation from July 2016 onwards
- Commissioning the independent Economic Impact report (see 247 above)
- Finalising the Digital Learning Fellowship report
- Close monitoring of the year end success rates and outcomes for learners
- Finalising the Curriculum Plan for the new year
- Submitting the Local Growth Fund bid for the Institute of Work Based Higher Education (The Gilbarco site)
- Exploring major development opportunities in Ilford, Redbridge and Stansted.

The Principal highlighted the actions being taken with regard to a number of estates related matters including the anticipated receipt of the funds on 29 July 2016 for the sale of the two Southend sites. The implication for the College was noted to be the removal of the existing debt which would improve the financial health status considerably. This would be reflected in the Financial Statements and the Balance Sheet to be submitted to the Board on 21 October 2016 together with the Auditors Management Letter. Members asked the Executive to provide an email notification that the funds had been received by the College.

The outcome of the application to the LEP for funding support would not be known for some time – possibly November 2016.

Members took the opportunity of considering the report to relate issues to the Dashboard including the anticipated success rates. It was recognised that the position for Study Programmes was affected by trying to support students with low levels of prior attainment. It was thought that the introduction of the Passport to Apprenticeships was a positive initiative which would see improved outcomes for the young people involved.

The impact of English and maths in overall success rate outcomes was explained and the intention in future to front load such provision within the overall course programme.

It was recalled that a presentation had been made at the last meeting of the Board (4 May 2016) on One File. This is proving invaluable to tracking progress and, as explained to Members, it enabled both students and employers to access the information as well as College staff.

Members invited the Executive to summarise the key issues for the College to address and bring about further improvements including in terms of student outcomes – these were noted to include:

- English and maths
- Construction
- Apprenticeships where the time taken to complete means that they are unfunded
- Management of learning

The College was taking a number of actions to continue to bring about improvements in the student experience and outcomes. The introduction of greater consistency where this was appropriate across the College, the selection process and the provision of diagnostic support and pastoral care for learners were cited as examples.

The Interim Director of Learning provided an update on a number of key issues:

- Faculty structures
- Curriculum developments
- Success rates
- Study Programmes
- Apprenticeships
- Lesson Observation
- Learning Walks

Members took the opportunity to question the Interim Director of Learning on what was thought to be an extremely helpful summary of core business and the actions being taken to bring about improvements.

The Director of Business Development addressed a number of issues:

- Progress of the GTA
- Higher Education Development
- Implementation of the new Apprenticeship Standards and Levy
- Student recruitment – 2016/17
- Employer engagement and developments

The position with regard to the GTAs was discussed. Whilst the Engineering GTA was beginning to add value for all concerned, the same could not yet be said about the GTA for Construction, Utilities & Infrastructure.

The approach to a major employer and the refocus of the construction related course offer should bring benefit as it was recognised that this was a priority for the Board and indeed the College. An update would be provided at the next meeting.

The Board agreed to the establishment of a GTA for Transport & Logistics as a separate body to the one for Engineering. This would be progressed accordingly.

The Principal and the Executive were thanked for the extremely comprehensive and informative report and asked:

- to provide a 2-page summary of success rates so as to give a clear focus on the progress being made by the College
- to consider if there was a sufficient understanding of the skills shortages so that the course offer may anticipate and be available whilst recognising that in construction a number of changes had been made such as the closure of Painting & Decorating.

The Board also noted that the new Self-Assessment Report (SAR) and the Quality Improvement Plan (QIP) would be prepared for an early review by Members.

250 AUDIT COMMITTEE – CO-OPTED MEMBER

The Board confirmed the action of the Chair of the Board taken in consultation with the Chair of the Audit Committee to appoint Angela Clarke as a Co-opted Member of the Audit Committee for up to 4 years.

To enable Ms Clarke to gain an awareness of the workings of the Board as a whole and to meet other Members, it was agreed to invite her to attend a future meeting of the Board – possibly the December meeting when the Financial Statements and the Auditors Management Letter will be considered.

251 AUDIT COMMITTEE – MINUTES OF THE MEETING HELD ON 21 JUNE 2016

The Board received and noted the minutes of the meeting of the Audit Committee held on 21 June 2016.

252 AUDIT & RISK COMMITTEE – TERMS OF REFERENCE

The Board adopted the recommendation of the Audit Committee and approved the revised Terms of Reference of what will be the Audit & Risk Committee as from 1 August 2016.

253 MANAGEMENT ACCOUNTS – PERIOD 11 OF 2015/16

The Board received and discussed the Management Accounts for Period 11 of 2015/16.

The Chief Operating Officer drew attention to the variances against budget and the basis for the projected end of year position to be reported at 31 July 2016.

It was suggested that, based on current information and expectations, the College will report a break even position for the year based on trading.

There were a number of positives to acknowledge such as Engineering and CSL although Construction was static and commercial income was under expectations.

The current and projected end of year position prompted a discussion on a number of issues:

- the more robust arrangements now in place to challenge proposed budgets including those for income
- the place of CSL in the College organisation warranted further discussion by the Board
- Apprenticeship income was growing but this was not a fast process bearing in mind that the average duration of an Apprenticeship programme at PROCAT was 3 to 4 years although this was a little less for CSL provision
- there were still many out of funded learners at PROCAT although the number was reducing – this impacted on the financial health of the College in terms of drawing down the 20% success bonus payable in line with the Apprenticeship Framework
- the construction of a new College facility in Basildon with a focus on higher levels of technical training and education
- continued modest growth in learner numbers was expected in engineering and construction whilst there was greater scope for growth in CSL.

The Board agreed to note the Management Accounts for Period 11 of 2015/16 and to look forward to receiving a report on the end of year position at a future meeting.

254 FUNDING AGENCIES LETTER ON THE CONSIDERATION OF COLLEGE FINANCIAL PLANS

The Board received and noted the letter dated 14 June 2016 from the Chief Executive of the EFA and SFA which set out the expectations of the Funding Agencies in terms of the approval of the Budget and Financial Plans.

Members recognised that the arrangements set out in the letter were in line with the approach adopted by the Board.

The checklist from the Financial Planning Handbook was presented to the Board with an indication of the compliance by the Executive when preparing the proposed Budget and Financial Plans.

255 BUDGET – 2016/17

The Board received and considered the proposed Income and Expenditure Budget for 2016/17.

The comprehensive report explained the various risks and assumptions associated with the Budget including the dependency of in year growth case applications for funding and the introduction of the Apprenticeship Levy although the significant impact of the Levy was likely to be on 2017/18 and beyond.

The intention remained to invest in the College – as seen by the decisions at the meeting of the Board on 4 May 2016 with regard to the future organisational structure of PROCAT and to create capacity holding the cash surpluses created from the sale of properties.

The proposed budget made provision for sub contract expenditure of £600,098. This related to TXM (mainly motor sport and composite materials), Semester (Telecommunications), Mosaic (Health and Leisure) and will include technical certificates owned and delivered by Sporting National Bodies (coaching etc.) which are part of the sports apprenticeship frameworks.

The Board agreed following discussion:

- to approve the Income and Expenditure Budget for 2016/17 as presented but subject to ongoing review in the light of such factors as enrolment and income generation
- to look forward to hearing more on the development of digital technology to support teaching and learning and the scope for achieving efficiencies
- to ask the Principal to arrange a further presentation to the Board on the provision by CSL
- to approve the recommendation of the Executive that a pay award of 0.75% be made to staff in the knowledge that, in all likelihood, the AoC will once again not recommend that a pay award be made for 2016/17 (i.e. usually 1 August 2016).

256 FINANCIAL PLAN

The Board received the working draft of the Financial Plan for submission to the SFA by 31 July 2016.

It was recognised that the risks and opportunities discussed in the context of the Income & Expenditure Budget for 2016/17 applied to a greater or lesser extent to the Financial Plan.

The Board agreed:

- to approve the basis of the Financial Plan for submission to the SFA
- that the proposed final version of the Financial Plan and the associated Commentary should be circulated to Members for review and feedback to the Chief Operating Officer during the week commencing 25 July 2016

257 FINANCIAL REGULATIONS

The Board received and considered the proposed updated Financial Regulations which had been prepared with regard to the experience of the last year and the comments by Scrutton Bland, a firm of Auditors which had carried out a review of Key Financial Controls.

The Chief Operating Officer highlighted the main changes and explained that, following a discussion with the Clerk, it was proposed to make an addition and an amendment to the Financial Regulations to aid clarity – the issues concerned expenditure authority levels and the setting of the fees policy.

The Board agreed to the adoption of the revised Financial Regulations with effect from 1 August 2016 subject to the addition of the statement on expenditure authority levels and clarification of the role of the Board in determining the fees policy.

258 SAFEGUARDING & PREVENT UPDATE

The Board received and noted the Safeguarding & Prevent Update.

The report addressed a range of issues including:

- sexual health information sessions
- the role of the Chlamydia Outreach Worker
- Prevent training of staff and student awareness
- Arrangements for the recording of information at interview and enrolment relating to the identification of Looked After Children and Children in Care so support and ongoing monitoring are in place immediately a young person joins the College
- Internet safety and the arrangements in place in the College to restrict access to illegal and inappropriate sites with the introduction of Smoothwall.

The report also provided a summary of Safeguarding referrals made in 2015/16.

The Designated Safeguarding Member of the Board had met with appropriate staff on 6 May 2016 when processes and a number of representative current cases were reviewed in some depth.

Members were pleased to hear from the Student Member that there was a high level of awareness in College with regard to Safeguarding and that students knew how to go about raising concerns. The display of appropriate posters was thought to be helpful.

The report provided a focus for a wide ranging discussion on Safeguarding & Prevent and Members agreed that they were reassured from what they had seen and heard that the College continued to give a high priority to the wellbeing of students by having robust and accessible arrangements in place.

The issue of the identification of young carers was given particular attention as it was recognised that they were likely to be vulnerable and may be more at risk than students of the same age in withdrawing from College due to the competing demands on their time. Members asked the Executive to explore if there was any available benchmarking data so that consideration may be given to the arrangements in place at PROCAT and elsewhere including outcomes.

There was also an acknowledgment that an increasing number of young people were making known or displaying mental health concerns. The College was looking to put in place further arrangements to meet this need for support.

The Board agreed following discussion:

- to note the report on Safeguarding & Prevent which identified key issues and the actions being taken by the College such as the installation of a new internet security measure
- to look forward to receiving further updates at all future meetings of the Board to include, if possible, benchmarking data on the outcomes for young carers
- to note that the Annual Report on Safeguarding & Prevent for 2015/16 would be presented to an early meeting of the Board
- to note the view of the Executive that at this time there was no need to make any changes to the College Safeguarding & Prevent Policy in readiness for 2016/17 but this would be the subject of ongoing review in the light of experience and the national regulatory framework so that, if appropriate, a recommendation may be presented to the Board.

259 HEALTH & SAFETY UPDATE

The Board received an update on Health & Safety and the proposed Health & Safety Policy.

The Chief Operating Officer drew attention to the position with regard to accidents – to date there had been 74 in 2015/16 and all were regarded as minor and, therefore, there had been no need to report under the provisions of RIDDOR.

The report addressed a range of issues including the planned campaign to improve the reporting of “near misses”.

The monthly Health & Safety meetings include the participation of the Link Member (Theo Steel) and it was noted that Safeguarding was now a standard agenda item.

The particular attention of the Board was drawn to the Health & Safety Policy circulated with the Agenda. This was noted to be a substantive rewrite and not an update of the existing version.

The review of the proposed Policy prompted a discussion on Personal Protective Equipment (PPE) and the benefit of highlighting in the document the importance of wearing eye protection in such a working environment.

Finally, the Board noted that the draft Policy had been reviewed by the Clerk who had suggested to the Executive that an additional section be added setting out the role and responsibilities of the Board given the ultimate responsibility of Members as a corporate body for the College.

The Board agreed following discussion:

- to receive and note the update on Health & Safety
- to look forward to receiving further updates on Health & Safety at future meetings which would include, where available, benchmarking data
- to request the provision of a schedule of activities leading to the British Safety Council accreditation so that Members had a clear understanding of the key milestones
- to note that the Health & Safety Annual Report for 2015/16 would be presented to the Board at a forthcoming meeting
- to approve the Health & Safety Policy subject to the addition of a section setting out the role and responsibilities of the Board and the removal of the logos so that this was clearly a document relating to PROCAT
- to agree that the Principal signed the Statement of Intent.

260 AREA REVIEW UPDATE

The Board noted that it was still anticipated that Area Review Wave 5 – which included Essex colleges – would commence in early November which would mean, in all likelihood, that the College would be asked to submit the national pro-forma in October 2016.

The main focus of the Area Reviews already underway was on finance, quality of provision (primarily measured in terms of student outcomes) and estates. There was no reason to think that there would be any significant change when PROCAT and the other Essex colleges are reviewed.

The structure of the Area Reviews involved at least five meetings of a local Steering Group to be attended by the Chairs (or another designated Member of the Board) and Principals of all of the Colleges involved plus others with an interest such as the local LEP and the Local Education Authority/Authorities).

The eventual report from each Area Review is published and this may include a number of recommendations such as college x and college y to consider a merger. However, it is for each individual Board to decide on the action to be taken if any at all.

The Principal confirmed that discussions had so far taken place with four of the Essex colleges and there was some interest in looking at shared services although experience elsewhere suggested that financial savings would be relatively small and take some time to be seen.

In anticipation of the Area Review programme the timetable of events leading to the completion of the Financial Statements for 2015/16 had been brought forward with the agreement of the Auditors. This should mean that the Board would be invited to approve the Financial Statements at the meeting scheduled for 21 October.

The Board agreed to note the Area Review update and to look forward to receiving further briefings as and when information became available.

261 GOVERNANCE & SEARCH COMMITTEE – MINUTES OF THE MEETING HELD ON 4 MAY 2016

The Board received and noted the minutes of the meeting of the Governance & Search Committee held on 4 May 2016.

It was recalled that the recommended appointment of the Staff Member had been reported to and considered by the meeting of the Board held later that day.

262 GOVERNANCE & SEARCH COMMITTEE – MEETING HELD ON 20 JULY 2016

The Board noted that a meeting of the Governance & Search Committee had taken place immediately before this meeting of the Board to consider a number of issues including the proposed appointment of a number of External Members. It was anticipated that recommendations would be presented to an early meeting of the Board.

263 STUDENT MEMBER ON THE BOARD

The Board agreed to adopt the recommendation of the Governance & Search Committee and to approve the appointment of Daniel Bicks to serve on the Board as the Student Member for the period to 31 July 2017 subject to confirmation that this was acceptable to Daniel.

It was explained that the availability of Daniel in 2016/17 would need to be discussed with his employer given the block arrangements that he would be undertaking as an integral part of the apprenticeship.

264 CONSULTATION ON DEVELOPING AN INSOLVENCY REGIME FOR THE COLLEGE SECTOR

The Board noted that the Government had published a consultation document on the proposed insolvency arrangements for colleges.

The Members were invited to forward any comments that they may have on the 8 specific questions and one general open question to the Clerk by 28 July so that, if it is thought to be appropriate to contribute to the national review at this time, the response on behalf of PROCAT may be prepared and submitted by 5 August.

265 CHAIR AND VICE CHAIRS – 2016/17

The Clerk reported that, following the circulation of the email invitation to Members, the view of all those who had replied was that the current Chair and Vice Chairs should continue in 2016/17.

The Board agreed to approve the following appointments for 2016/17:

- Chair – David Sherlock
- Vice Chairs – Bala Mahendran and Peter McKee

266 ESTATES – SHORT TERM LEASE

The Board approved the recommendation that a short term lease be taken on a property in Basildon for the purpose of establishing the Construction Craft Centre subject to the costs being covered from the approved budget.

267 CALENDAR OF MEETINGS – 2016/17

The Calendar of Meetings for 2016/17 was noted to be:

- Friday 21 and Saturday 22 October 2016 (Strategic Review Session to include a formal meeting of the Board)
- Wednesday 7 December 2016
- Wednesday 8 February 2017
- Wednesday 10 May 2017
- Wednesday 19 July 2017

Members recognised that there may be a need to change and/or add additional meetings given other factors including the impact of the Area Review process.

In addition to the dates listed above, the Chair would consider the appropriateness of calling an additional meeting (possibly in late August) to address emerging issues which would benefit from early consideration by the Board.

268 CONFIDENTIAL ITEMS

The Confidential Minutes of the meeting of the Board held on 4 May 2016 were agreed to be a correct record and were signed by the Chair.

The two items related to (1) Estates related issues and (2) Investing in the future – proposals relating to the future organisational structure of PROCAT.

Signed: _____ Date: _____