

PROSPECTS COLLEGE OF ADVANCED TECHNOLOGY

MEETING OF THE BOARD OF GOVERNORS

23 AUGUST 2018

MINUTES

Present: David Sherlock (Chair) External Governor
Judith Abbott Chief Executive
Peter McKee External Governor
Rachel Richards External Governor
Theo Steel External Governor
Cath Weissand Staff Member

In attendance: Robin Jones Clerk to the Board of Governors
Ros Parker Principal
Lyselle Kendall ESFA

747 AGENDA FOR THIS MEETING OF THE BOARD

The Chair proposed and the Members of the Board present at the time agreed to reorder the Agenda as the Chief Executive, Principal and representative of the ESFA had stepped out following the meeting of the Shadow Board which had preceded the meeting of the PROCAT Board.

The Minutes of this meeting reflect the order of business transacted by the Board and not the published Agenda.

748 APOLOGIES FOR ABSENCE

The Board noted that apologies for absence had been submitted by Sue Dare, Bala Mahendran and Stephen Metcalfe given other commitments.

The Board noted that the meeting was quorate and could proceed.

749 DECLARATIONS OF INTEREST

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

750 MINUTES OF THE MEETING OF THE BOARD OF GOVERNORS HELD ON 19 JULY 2018

The Minutes of the meeting of the Board of Governors held on 19 July 2018 were agreed to be a correct record and were signed by the Chair.

751 MATTERS ARISING FROM THE MINUTES OF THE MEETING OF THE BOARD OF GOVERNORS HELD ON 19 JULY 2018

The Board agreed that all of the items arising from the minutes of the last meeting requiring attention were addressed in the published agenda.

752 MERGER UPDATE

The Board received the Minutes of the meeting of the Shadow Board held on 19 July 2018 and the draft Terms of Reference for the Shadow Board which, it was noted, had now been adopted by the Shadow Board.

The Chair provided the Board with an update on issues associated with the planned merger with South Essex College including:

- a meeting of the Shadow Board had taken place earlier in the day and had been attended by representatives of both Colleges, an officer of the ESFA and the Merger Project Manager
- good progress continued to be made towards the completion of the merger as from 1 February 2019
- a priority focus was on the preparation of the application for funding support to the Transaction Unit by late September 2018
- the detailed timeline for the merger would be a major item for the next meeting of the Shadow Board scheduled for 27 September 2018 and this would be shared with the PROCAT Board.

The Shadow Board had also considered certain staff related matters which, on the grounds of confidentiality, are recorded in the Part C Minutes of the meeting and, therefore, are for reference by External Members only.

The Board agreed:

- 1 to note the update on the merger following the meeting of the Shadow Board held earlier in the day (23 August 2018)
- 2 to note the Terms of Reference for the Shadow Board as adopted by the Shadow Board and, in doing so, to confirm that there were no points of concern which required referral back
- 3 to look forward to receiving further updates at forthcoming meetings of the Board including the timeline to complete the merger

753 AUDIT & RISK COMMITTEE – 19 JULY 2018

The Board received and noted the Minutes of the meeting of the Audit & Risk Committee held on 19 July 2018.

It was recalled that the Board had been advised on 19 July 2018 of the main issues addressed by the Audit & Risk Committee at that meeting including the basis of the Audit Plan prepared by RSM UK for the review of the Financial Statements for 2017/18.

754 SAFEGUARDING & PREVENT POLICY – 2018/19

The Board received the proposed Safeguarding & Prevent Policy for 2018/19 which had prepared with regard to the document adopted by South Essex College.

The Board agreed following discussion:

- 1 to welcome the offer of Sue Dare, as the Board's Safeguarding Lead, to work with the Principal and the Safeguarding & Welfare Coordinator to review the draft document to seek to ensure that it covered all relevant aspects

- 2 to suggest that attention be given to providing a clear Policy Statement to set the context with most of the document being regarded as background information and the associated procedural arrangements supporting the Policy Statement
- 3 to look forward to receiving the proposed Safeguarding & Prevent Policy document at the meeting of the Board scheduled for 27 September 2018
- 4 that the existing PROCAT policy and procedural arrangements should continue in place and be used as and when appropriate until the new Safeguarding & Prevent Policy was adopted by the Board.

Note: Judith Abbott, Ros Parker and Lyselle Kendall joined the meeting

755 FINANCIAL PLAN

The Board received the report of the Chief Executive which set out the basis for the three-year Financial Plan for the period 2018/19 to 2020/21 and was required to support the submission to the Transaction Unit for merger related funding.

It was explained that this had been prepared as a baseline “business as usual” standalone college and not one which was progressing a merger with another organisation. It followed that, to comply with the approach of the Transaction Unit, no growth had been included although this was questioned by Board Members given the anticipated increase in Study Programme learners in 2018/19.

The representative of the ESFA explained that, following the RO4 data return in the Autumn Term, it should be possible for the College to submit an application for growth. If this was approved – and it was recognised that there were various factors to take into account including the number of learners involved - this would cover in whole or part the costs incurred by the College in providing for students over and above the current funding allocation.

A related consideration was that the likely growth in Study Programme learners may prove to mitigate the possible non-achievement of the target for Apprentices. The overall position would be far clearer by the time of the next meeting of the Board although because of the timetable of events for meeting the requirements of the Transaction Unit a view on the inclusion or not of any realistic growth needed to be taken now.

The Board agreed, following discussion:

- 1 to approve the Financial Plan for the period to 2020/21 as presented for submission to the Transaction Unit
- 2 to look forward to receiving at a future meeting of the Board a report on the opportunities open to the College to submit an application for growth in the current year, 2018/19.

756 BUDGET – 2017/18 – MANAGEMENT ACCOUNTS

The Board received and discussed the Management Accounts for July 2018 (Period 12 of 2017/18).

In addition to a commentary prepared by the Chief Executive the Management Accounts included:

- A summary of the projected out-turn for the period to 31 July 2018
- The Income and Expenditure Account to 31 July 2018
- Balance Sheet as at 31 July 2018
- Cashflow Forecast to July 2018 and July 2019
- Predicted out-turn for the year to 31 July 2018

The Chief Executive explained the basis for the current recorded out-turn position and the anticipated final position once the various adjustments had been made as part of the year end process. In summary it was thought that the final deficit for 2017/18 would be about £(1.100)k which whilst an improvement on the amount set out in the Management Accounts for June 2018 was £180k worse than the reforecast budget.

One significant development since the meeting of the Board on 19 July 2018 was that the anticipated 80% rate relief for TUCA had been secured from the London Borough of Newham.

The Board agreed to note the Management Accounts for July 2018 and, specifically, the projected deficit of £(1.100)k for the year 2017/18 which would be confirmed following the completion of the audit by RSM UK.

757 RECOVERY PLAN UPDATE

The Board noted the various priorities set out in the approved Recovery Plan and, as explained in the report on Performance Monitoring, a particular focus was currently on the recruitment of Study Programme students and Apprentices for 2018/19.

To assist in seeking to maximise the recruitment, it had been decided to start the Engineering programmes a little later than Construction towards the beginning of 2018/19 as history showed that there would be some emerging interest and demand from potential students and Apprentices.

Another factor to take into account which considering PROCAT recruitment for the new year was the number of vacancies available for Apprentices. Currently there were 152 unfilled such vacancies given the lack of interested and suitable young people.

The updated Recovery Plan would be presented to the Board at the next meeting of the Board which was scheduled to take place on 27 September 2018.

758 PERFORMANCE MONITORING

The Board received an update from the Principal on the following areas of organisational performance:

- student recruitment for 2018/19 as at 2 August 2018 relative to 2016/17 and 2017/18 for Apprenticeships, Study Programmes and Adult Education
- student retention for the three-year period 2015/16, 2016/17 and 2017/18
- achievement and pass rates covering the three-year period including timely achievement for Apprenticeships
- Apprenticeship achievement by age band, level, sex, ethnicity and Learning Difficulties and or Disabilities
- Quality overview including the outcomes from EQA and EV visits to the College

The report also set out key areas for improvement which included the timing of Observations of Teaching & Learning and engagement with the ESFA Learner Satisfaction Survey. Whilst more people had participated in the latest survey, the outcomes were thought by the Executive to be more disappointing than previously. This specifically concerned the response to the question concerning recommending PROCAT to friends and family which had fallen from 48.7% to 37%. The College would be addressing the outcomes following the completion of a detailed analysis and a “you said – we did” communications to all learners in the new year, 2018/19.

The Principal took the opportunity to comment on the GCSE English and maths results published that day. Given the previous experience and attainment of the PROCAT students entered for GCSEs a grade 5 on the new 1 to 9 scale was the highest outcome possible and it was pleasing to be able to report that there had been a number of success stories including for some the ability to take up an Apprenticeship.

A detailed analysis of the GCSE outcomes would be undertaken in preparation for the next meeting of the Board and this would include (1) the value added since joining PROCAT and (2) a review of the performance on the Technical Certificate separate to the GCSE results.

The Principal also planned to review the SEC achievement outcomes for South Essex College for Construction and Engineering provision so as to provide the Board with a like for like analysis with PROCAT rather than all of the SEC learners.

The Board agreed:

- 1 to note the update provided by the Principal on College performance
- 2 to look forward to receiving a further update at the next scheduled meeting on the Board including the analysis of GCSE results and related matters
- 3 to request the Principal to circulate a briefing note to Members once the analysis of the GCSE results was completed rather than waiting until the next Board meeting to share the outcomes.

759 ACTION PLAN ON RAIL

The Board received and noted the Action Plan on Rail which was presented using a RAG rating which provided an assurance that a number of key themes were being progressed by the College.

The Action Plan provided the basis for a discussion on TUCA which may be found in Part B to these Minutes on the grounds of commercial confidentiality. This was only available for review by the Members of the Board and the Executive.

760 FE COMMISSIONER – UPDATE

The Board received and noted the update on progress relating to the recommendations of the FE Commissioner as set out in the report on PROCAT.

761 SUB-CONTRACTING POLICY

The Board agreed to approve the recommended Sub-Contracting Policy for 2018/19.

Whilst considering the document the Chief Executive explained noted that it was no longer a requirement of the ESFA that the actual charges including management fees be published on college and other providers internet sites at the year end.

762 CALENDAR OF MEETINGS – 2018/19

The Board noted the calendar of meetings for 2018/19 up to the date of the planned merger with South Essex College:

- Thursday 27 September 2018 at 1.30pm
- Friday 26 October 2018 at 1.30pm
- Thursday 29 November 2018 at 1.30pm
- Thursday 20 December 2018 at 1.30pm
- Tuesday 29 January 2019 at 1.30pm

Members recognised that, given the range and importance of issues to be addressed, it may be appropriate to arrange additional meetings and or change the planned meetings to seek to maximise attendance.

763 CONFIDENTIAL ITEMS OF BUSINESS

The Board considered other items which, on the grounds of confidentiality, are the subject of separate minutes only available for reference by, as appropriate, Members of the Board, the Executive and others designated to have access.

Note: the confidential items of business are covered in 764 to 769

Signed: _____ Date: _____