

PROSPECTS COLLEGE OF ADVANCED TECHNOLOGY

MEETING OF THE BOARD OF GOVERNORS

8 FEBRUARY 2017

MINUTES

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

In attendance: Jonathan Bicks Student
Robin Jones Clerk to the Board of Governors
Ros Parker Director of Learning
Helen Russell Director of Business Development
Debbie Wallace Human Resources (item 349 only)
David Watson National Project Adviser

336 APOLOGIES FOR ABSENCE

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

- Stephen Metcalfe External Governor
- Kini Pathmanathan External Governor
- Rachel Richards External Governor
- Ruth Umerah External Governor
- David Wells External Member

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

337 DECLARATIONS OF INTEREST

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

338 MEMBERSHIP OF THE BOARD

The Clerk reported that Gary Lester had made it known that, due to business commitments, he would not be able to take up the invitation to become a Board Member. An alternative person had been proposed to fill the vacancy and arrangements would be made for him to visit the College so that he may decide if he wishes to be considered for appointment. An update on Board membership would be presented to the next meeting which was scheduled to take place on 11 May 2017.

339 MINUTES OF THE MEETING OF THE BOARD OF GOVERNORS HELD ON 7 DECEMBER 2016

The Minutes of the meeting of the Board of Governors held on 7 December 2016 were agreed to be a correct record and were signed by the Chair.

340 MATTERS ARISING FROM THE MINUTES OF THE MEETING HELD ON 7 DECEMBER 2016

The Board agreed that, in the main, the items arising from the minutes of the last meeting requiring attention were addressed in the published agenda. This said two items were noted at this point:

- Local Growth Fund - it had been reported at the last meeting of the Board that the local LEP had received less than the amount requested and, as a result, had written to the appropriate Minister to express profound disappointment at the allocation – the £50m received by the LEP had not benefited the Basildon area as much as had been hoped and the PROCAT application had not been approved
- Information Systems – at the meeting of the Board on 7 December 2016 the Executive had been invited to prepare a proposal for consideration by Members for the introduction of an integrated information system – the actions taken and to be taken since the last meeting of the Board were explained:
 - an analysis of what was in already place had been progressed and it had been found that 14 different systems/applications were currently in use in the College
 - the identification of what was required by the College (including planning and forecasting facilities)
 - a review of what was in place at other colleges and the experience of implementation and use
 - the review would be completed by the end of February (2017) and a proposal would then be prepared for presentation to the Board

Note: Bala Mahendran arrived at the meeting at this point

341 AREA REVIEW

The Board received the report of the Principal & Chief Executive on the Essex Area Review programme which had commenced in November 2016 and was due to be completed in March 2017.

The third of the five Steering Group meetings had taken place on 23 January 2017 and this had involved the individual colleges put forward their own options paper – the submission by PROCAT was presented to Members part of the Agenda pack for this meeting of the Board.

In summary, the position was that PROCAT wished to remain an independent specialist college with a focus on STEM as distinct to a General FE College providing a wide range of courses.

The Chair of the Area Review Steering Group stated at the meeting on 23 January 2017 that the view of the Department and the Agencies was that PROCAT should continue as an independent and specialist college. The College had been requested to provide a further

paper focussing on how PROCAT meets the needs of Greater Essex, the Thames Gateway and Basildon.

The next meeting of the Steering Group was scheduled to take place on 27 February 2017 when it was anticipated that the formal recommendations would be made known for consideration by individual Corporation Boards. These would be shared with Board Members via email so that a decision could be reached on the implications for PROCAT and made known to the Area Review Team.

342 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:

- Progressing the development and implementation of the plans following the Annual Strategic Review session on 31 October and 1 November 2016
- The Area Review process
- Partnership opportunities – recorded in Part B
- Completing the contracts with TfL and managing the transfer of TUCA
- Issues associated with the Sports & Leisure subsidiary – recorded in Part B
- Issues following the Ofsted inspection of PROCAT
- Reviewing the half yearly Management Accounts and the year-end forecast
- Membership of the Senior Leadership Team – recorded in Part C
- Negotiating a possible estates development opportunity – recorded in Part B
- Preparing for the significant changes to funding post May 2017 and the transition to Apprenticeship standards
- Industrial Strategy and the proposed Institute of Technology
- English and Maths provision
- Student recruitment in 2017/18
- Events and activities including the work of the College Careers Team
- Commercial provision
- Apprenticeship Standards and Funding Changes
- GTA activities – Construction & Built Environment, Advanced Engineering and Transport (Rail)

These issues were the subject of a wide ranging discussion with Members taking the opportunity to ask questions so that they had a clear understanding of the College position and the proposed way forward.

A particular focus was given to the recently published Industrial Strategy and the anticipated launch of the Institute of Technology prospectus.

To seek to ensure that PROCAT was successful in the proposed application for IoT status bid writing assistance may be engaged.

The Director of Learning explained that a priority was to continue to pursue improvements in the provision of English and maths at PROCAT.

The Director of Business Development provided an update on the applications for courses starting in September 2017. A further update would be provided at the next and subsequent meetings so that there was a clear understanding of the position including conversion rates.

A related initiative was to calculate the real cost of provision so that there was a clear understanding of break-even points etc. This would be progressed and an update presented to a future meeting of the Board.

The Board agreed after discussion:

- 1 to thank the Principal and the Executive for the informative report
- 2 to look forward to receiving further updates at forthcoming meetings and outside of the calendar of meetings when there were significant developments

343 RESEARCH AND DEVELOPMENT

The Board received the report prepared by the Director of Business Development setting out a proposal to create a working capital fund to enhance the capacity for research and development.

The report set out the background to the proposal which was based on the introduction of the new Apprenticeship standards.

The intention was to appoint a consultant to increase the College capacity to respond to the national changes including unit writing and the development of an End Assessment (EPA) strategy.

It was stressed that the report set out a starting point for the approach and was not to be seen as a long-term model.

The Board agreed following discussion:

- 1 to note the report on the proposed creation of a working capital fund
- 2 to note that the intention of the College to continue to be an End Assessor for some programmes and, in financial terms, to at least break even
- 3 to approve the creation of the working capital fund and to allocate £60,000 for this purpose for the current year, 2016/17
- 4 to note that news was awaited from Essex County Council as to whether or not the fund allocated to the College for the development of wholly new qualifications may be utilised for this purpose which if allowed would cover approximately 60% of the cost of the new fund.

344 TUNNELLING & UNDERGROUND CONSTRUCTION ACADEMY (TUCA)

The Board received and noted an update on the Tunnelling & Underground Construction Academy and specifically that the Business Plan and the associated budget would be completed by the end of February 2017.

The particular attention of Members was drawn to the expectation that the operation of TUCA would be at breakeven point by 31 July 2017 but this did not include covering the initial start-up costs or redundancy costs.

Communication was underway with students and employers where a transfer to TUCA from Basildon was appropriate. This would have the benefit of freeing up space at the Basildon Campus for other priority developments.

The Board agreed to look forward to receiving further updates on TUCA at future meetings.

Note: Prof Rao Bhamidimarri left the meeting at this time given other commitments

345 OFSTED INSPECTION OF PROCAT – NOVEMBER 2016

The Board noted that, as yet, the official Ofsted report on the inspection of PROCAT had yet to be published but this was expected shortly.

The Director of Learning presented the Post Inspection Action Plan based on a RAG rating which indicated that progress was being made to address a majority of the identified areas for improvement although two of the themes needed prioritisation:

- Managing Personal Development, Behaviour and Wellbeing including the Prevent Agenda
- Managing staff performance

The point was also made again that there needed to be a rapid improvement in the arrangements for managing information to enable progress to be made – see item 340 above re the review of the College information systems and the opportunities to present a proposal to the Board for consideration.

The Board agreed following discussion:

- 1 to look forward to receiving the Ofsted report when it was published
- 2 to note the Post Inspection Action Plan including the progress being made in terms of the identified areas for improvement
- 3 to suggest that in the future the top summary sheet of the Post Inspection Action Plan included a reference of where the College was at present so that Members and others had a clear understanding of the journey towards achieving the proposed outcomes for improvement

346 BUDGET – 2016/17

The Board received the report of the Principal & Chief Executive which set out the position on the financial performance of the College in 2016/17 to date.

The main points arising from the report of the Principal & Chief Executive and the ensuing discussion included the following:

- although PROCAT had “outstanding” financial health based on the SFA methodology following submission of the Financial Plan at 31 July 2016, the current position could only be viewed as disappointing
- it was essential to address the range of issues which had emerged so that there was a clear understanding of the end anticipated end of year out-turn position to be reported at 31 July 2017
- a number of exceptional costs had been incurred in the year to date and the cost of relocating the College from Southend had been understated when preparing the Annual Budget
- the opportunities to lease the Tunnelling Academy had arisen after the Budget had been approved
- the College financial position had regard to the activities of Creative Sport and Leisure Ltd which was seen as a highly dynamic, rapidly growing and profitable subsidiary – a profit of £337,468 for the year was projected

The report went on to describe the financial outlook which required the identification of in-year savings.

The full year projection including CSL Ltd but excluding TUCA indicated a deficit of £194k although the intention was to seek to achieve a breakeven out-turn as at 31 July 2017 before the exceptional costs.

Whilst reviewing the actual and projected financial performance Members appreciated that there continued to be a relatively high staff turnover and whilst vacancies needed to be covered the College wished to minimise the engagement of agency workers given the potential adverse impact on the quality of provision.

The Board agreed following discussion:

- 1 to note the report of the Principal & Chief Executive regarding the financial performance of the College in 2016/17 which was described as disappointing
- 2 to note the projected end of year deficit to be reported at 31 July 2017 and the actions being taken to improve the out-turn together with the risks
- 3 to note the acknowledgement that it was important to improve on the controls and the availability of information and the view of the Executive that improvements were now being made
- 4 to look forward to receiving monthly updates on the financial performance of the College and for these to be circulated via email when a meeting of the Board was not approaching
- 5 to note that at the May 2017 meeting of the Board Members would be advised of the assumptions being made in the preparation of the Income and Expenditure Budget for 2017/18 so that an end of year surplus would be achieved

347 HEALTH AND SAFETY – UPDATE INCLUDING ACCREDITATION PLAN

The Board received the report prepared by the Estates & Facilities Manager which provided an update on Health & Safety related issues including:

- there had been 27 minor accidents and incidents so far in 2016/17
- one student had broken his arm as a result of falling down a flight of stairs – this was reported under RIDDOR
- five members of staff had recently completed first aid training although the College was aware of the importance of having sufficient numbers trained – consideration was being given to adding this to the contract of employment as a requirement for staff
- a new Health & Safety Officer had been appointed to join the College and she was expected to take up the role on 13 February 2017
- the College Health & Safety Committee continued to meet on a monthly basis
- discussions were underway with regard to the Health & Safety arrangements at TUCA including the maintenance of the Sword of Honour which belonged to the National Construction College and would not transfer automatically

- the British Safety Council mini audit would take place in March 2017 and arrangements would then be made for the full 4 day review leading to, it was hoped, accreditation.

The Board agreed:

- 1 to note the update on Health & Safety and to look forward to receiving further information at forthcoming meetings including on the planned review by the BSC leading to, it was hoped, accreditation
- 2 to support the view that Health & Safety was the responsibility of each and every member of the College community and it was pleasing to note that there was good engagement in the College

348 SAFEGUARDING AND PREVENT

The Board received and noted an update on Safeguarding and Prevent.

Members recalled that it had been reported at the last meeting (on 7 December 2016) that a Safeguarding & Prevent Committee was in the process of being established and this would be separate from the College Health & Safety Committee with appropriate Terms of Reference focussing on both strategic and operational issues.

The position with regard to Safeguarding and Prevent training was set out in the report including the arrangements to register the staff transferred from TUCA to PROCAT.

An audit of all current practices was planned for March 2017 to assess the overall effectiveness of the College safeguarding procedures to ensure that students continue to feel safe and are safe.

The Board agreed:

- 1 to note the latest update including the review of the leadership and management of Safeguarding and Prevent to ensure compliance with the required standards and to prioritise the actions required to achieve outstanding practice
- 2 to look forward to receiving further updates on Safeguarding and Prevent at future meetings
- 3 to note that at the May 2017 meeting of the Board the report would cover in more detail progress towards embedding the Prevent agenda and the focus on Personal Development, Behaviour and Welfare of apprentices and students.

Note: Debbie Wallace joined the meeting for the following item

349 HUMAN RESOURCES

The Board received a comprehensive report on Human Resources covering the period November 2015 to December 2016.

The data set out in the report covered the following areas:

- Staff turnover
- Starters and Leavers
- Absence
- Age
- Length of service
- Full time equivalent of staff
- Staff headcount
- Gender

When reviewing the data Members recognised that the turnover rate of staff was relatively high for the college sector and this had implications on the learner experience.

The report also provided an update of the initiatives being addressed including the preparation of a recruitment plan, review of remuneration and management training.

The opportunity was taken of the report to update the Board of the Company operating arrangements including the role of PLF as the employer of all staff other than the Senior Post Holders.

The Board agreed following discussion:

- 1 to welcome the comprehensive report on Human Resources including the data and the indication of the initiatives being progressed
- 2 to note the intention to bring recruitment in-house
- 3 to look forward to receiving the Workforce Development Strategy for 2017/18
- 4 to note that the next such HR report will cover the calendar year 2017.

Note: Debbie Wallace left the meeting

350 STUDENT RECRUITMENT 2016/17

The Board received a comprehensive report on student recruitment for 2016/17.

The most significant fact highlighted in the report was that 692 students were recruited in 2016 which was less than in recent years. This prompted a wide-ranging discussion when it was explained that a number of factors needed to be taken into account when considering the recruitment position including the reduction in Level 1 courses, the raising of entry requirements and some uncertainty as to the impact of the introduction of the Apprenticeship Levy in May 2017.

The Board agreed to receive the report on student recruitment and to look forward to receiving updates as the position for 2017 and beyond becomes clearer.

351 INTERNAL AUDIT REVIEWS

The Board agreed to approve the recommendations of the Audit & Risk Committee with regard to the engagement of audit firms to carry out reviews of the proposed EFA and SFA funding claims and also financial controls.

The intention will be to arrange the reviews as soon as practicable so that the final reports were available for review and consideration by the Audit & Risk Committee on 19 June 2017.

352 CALENDAR OF MEETINGS – 2016/17

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

- Thursday 11 May 2017
- Thursday 20 July 2017

Unless otherwise agreed, meetings would commence at 1.30pm and take place at Basildon.

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.

353 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 354 to 361.

Signed: _____ Date: _____