

PROSPECTS COLLEGE OF ADVANCED TECHNOLOGY

MEETING OF THE BOARD OF GOVERNORS

9 JUNE 2017

MINUTES

Present: David Sherlock (Chair) External Governor
Neil Bates Chief Executive/Principal
Prof Rao Bhamidimarri External Governor
Peter McKee External Governor
Rachel Richards External Governor

In attendance: Robin Jones Clerk to the Board of Governors
Ros Parker Acting Principal & Director of Learning
Helen Russell Director of Business Development
Innes Campbell Interim Finance Director

381 AGENDA FOR THE MEETING OF THE BOARD

The Chair explained that the Agenda for the meeting was based on the one published for 11 May 2017 which, for reasons known to Members, did not, in the event, take place. As and where it was helpful to Members the reports had been updated and circulated.

382 APOLOGIES FOR ABSENCE

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

- Daniel Bicks Student Member
- Bala Mahendran External Governor
- Theo Steel External Governor
- Stephen Metcalfe External Governor
- Joanne Miller Staff Member
- Ruth Umerah External Governor

As the date of the meeting had been rearranged, a number of Members had other commitments preventing their attendance on this occasion including the General Election which had taken place the previous day with the count continuing overnight.

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

383 DECLARATIONS OF INTEREST

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

384 MEMBERSHIP OF THE BOARD

The Board noted the resignations from membership of the Board of Kini Pathmanathan and David Wells because of work commitments.

Members agreed to place on record the appreciation of the Board for the contributions made by Kini and David since their original appointments and were pleased to learn that both would continue to maintain links with the College as explained in the two items immediately below – 385 and 386.

The Clerk confirmed that discussions continued with two potential Members with regard to their possible appointment to the Board.

385 REMUNERATION COMMITTEE – APPOINTMENT OF KINI PATHMANATHAN AS A CO-OPTED MEMBER

The Board agreed, given her wish to remain in contact with the College and with regard to her skills set, to appoint Kini Pathmanathan as a co-opted Member of the Remuneration Committee.

386 ENGINEERING GTA COMMITTEE – APPOINTMENT OF DAVID WELLS AS CHAIR

The Board agreed, given the commitment to the work of the Engineering GTA Committee, that David Wells remained as Chair subject to an annual review in the same way as the Chair and Vice Chairs of the Board.

387 MINUTES OF THE MEETING OF THE BOARD OF GOVERNORS HELD ON 8 FEBRUARY 2017

The Minutes of the meeting of the Board of Governors held on 8 February 2017 were agreed to be a correct record and were signed by the Chair.

388 MATTERS ARISING FROM THE MINUTES OF THE MEETING HELD ON 8 FEBRUARY 2017

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

389 APPOINTMENT OF ACTING PRINCIPAL

The Board noted that the appointment of Ros Parker as the Acting Principal had been welcomed by staff.

390 CHIEF FINANCE OFFICER

The Board noted that Judith Abbott would take up the post of Chief Finance Officer on 18 September 2017.

391 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

The report started with an indication of the main activities and developments since the meeting of the Board on 8 February 2017 which included undertaking a financial performance review and preparing for the launch of the Employer Levy.

The level of staff turnover was highlighted as a risk for the College given the potential and often real adverse impact on the quality of delivery.

Members probed the reasons for the turnover which included people returning to industry because of the levels of salaries available and/or workload in a college.

In recognition of the importance of recruiting and retaining good staff a number of approaches were being pursued by the College so that there were opportunities for both recognition and reward including career progression. Further information would be presented to a forthcoming meeting of the Board having regard to affordability and with direct reference to what had been provided in the three-year Finance Plan to be submitted to the ESFA by 31 July 2017.

The report of the Director of Learning focussed on the progress made in the following areas:

- Attendance, retention and achievement rates in year by Faculty, separating out CSL and English, Maths and ICT
- Out of funded learners (those that are now out of timely success)
- Learning walks and observations of teaching and learning by Faculty
- Recruitment and retention of delivery staff

The position with regard to the national Learner Satisfaction survey was explained. Specifically, as PROCAT had less than 500 responses the results may not be published. However, it was known that the College scored between 6 and 8 on the scale with 10 being most satisfied.

A customer satisfaction survey had been carried out based on responses by 442 delegates who had been commercial clients. Five of the six questions had attracted positive replies of more than 98% with only "centre facilities are of a high standard" falling just under 96%.

The Board also noted the outcomes from the Employer Survey for 2017 and specifically the extremely positive responses to "would you recommend the provider?" and "how satisfied are you with this provider?".

The Director of Business Development provided an update on anticipated learner recruitment in 2017/18 including the planned conversion rate from application to enrolment.

It was recognised that for Study Programmes the College's approach with regard to entry requirements was now better known amongst schools and others. However, for apprenticeships it was the employer who now specified the entry conditions.

A consideration when reviewing the application and enrolment positions was the change in local and regional demographics particularly in terms of disadvantaged areas.

Finally, the Board noted the position with regard to commercial income and the fact that the original budget target had been exceeded.

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 including on applications and enrolments
- 3 to ask the Executive to pass on the thanks of Board Members to all of the staff involved in exceeding the budget target for the generation of commercial income

392 TUNNELLING & UNDERGROUND CONSTRUCTION ACADEMY (TUCA)

The Board received a recommendation for capital funding to support the development of the Tunnelling & Underground Construction Academy (TUCA).

The Board agreed, following discussion and questioning the Executive:

- 1 to approve capital expenditure of £130,087 to progress the works to the TUCA workshops 1 and 2, to re-site the compressor and complete the office restructure works
- 2 to note that the costs would be reflected in the cashflow forecast for 2017/18 scheduled to be presented to the Board on 20 July 2017 as part of the Income & Expenditure Budget.

393 ORGANISATIONAL REVIEW

The Board received and considered a report on the organisational review of the College which had particular regard to:

- appropriate staffing to respond to significant national reforms with regard to apprenticeships, areas for improvement (cited by Ofsted) and the growth of commercial income
- seeking efficiency savings that still enable investment in the new posts needed to cover gaps in skills, knowledge and technical expertise and also putting in place improved systems and processes
- providing a significant improvement in customer satisfaction

The report set out the purpose and focus of the review with a clear indication of the risks of not progressing.

The proposals would provide a saving in pay costs of approximately £160k which would mean that staffing costs would fall to 59.7% of turnover.

The Board recognised the essential importance of having the staff in post to deliver high quality teaching and learning at a time of changing landscape for colleges and training providers. One of outcomes of putting in place a revised structure would be to work towards achieving the aim of Ofsted “outstanding” with a focus on improvements being made to:

- English & maths
- The planning of teaching and learning
- Tracking of student performance
- Stretch and challenge
- The use of management data to operate the business of the College effectively

The Board agreed following a wide-ranging discussion:

- 1 to approve the proposal as presented so that a consultation with staff may commence on 19 June 2017
- 2 to look forward to receiving a proposed revised organisational structure prepared in the light of the outcomes from the consultation process

- 3 that it would be appropriate to progress a comprehensive pay review and this should include the current pension arrangements and the opportunities to improve on the current scheme subject to an assessment of potential costs
- 4 the importance of having regard to the opportunities to increase the delivery of teaching and learning via the use of ILT – the intention to have around 20% of all provision to be online would take time to achieve
- 5 the essential need to provide the new Chief Executive to have the opportunity to comment before any final decisions were taken with regard to the College-wide organisational arrangements
- 6 to place on record the expectation that the updated communications strategy for the College included the sharing of information with staff on the performance of the College including finances so as to increase awareness

394 OFSTED – POST INSPECTION ACTION PLAN

The Board noted the publication of the Ofsted report on PROCAT on 16 February 2017 and received and noted the Post Inspection Action Plan based on a RAG rating.

It was apparent that a number of themes continued to be regarded as red and, therefore, were being prioritised by the Executive. The PIAP indicated that the red ratings included:

- Managing Teaching, Learning and Assessment
- Managing English, maths and ICT
- Managing staff performance

The Board agreed to note the PIAP and to look forward to updated versions at future meetings so as to track progress and inform target setting.

395 ENGLISH, MATHS AND ICT

The Board received and noted a comprehensive report on English, Maths and ICT prepared by the Head of Employability Skills which included the RAG rated Action Plan for 2016/17.

396 AREA REVIEW

The Board noted that at the Area Review meeting on 20 March 2017 the agreement of the PROCAT Board to the main recommendation that the College continued on a standalone basis had been reported.

As yet the final Essex Area Review report had not been published but this was expected shortly together with a number of other such reports for Waves 4 and 5.

397 MIS

The Board received a report prepared by the Director of Learning which set out the progress towards identifying a preferred College MIS.

The Board agreed:

- 1 to note the report on the approach to making a selection of a comprehensive College MIS for early introduction
- 2 to look forward to receiving at the meeting of the Board on 20 July 2017 a recommendation from the Executive including the financial implications and the timeline for implementation

398 BUDGET – 2016/17

The Board received and considered the Management Accounts for the 9 months to 30 April 2017 which included a Commentary, Cashflow Forecast and Balance Sheet.

Members took the opportunity to question the Interim Finance Director so as to have a clear understanding of the current and projected end of year position to be reported at 31 July 2017.

The main points arising from the report and the ensuing discussion included the following:

- the shortfall against contract value of Adult Apprentice activity which meant that about £65k would be clawed back by the ESFA in January 2018
- the costs associated with the setting up of TUCA - £120k nett of income generated during the period
- pay costs would exceed the original budget by about £74k
- consultancy fees would be £67k over budget
- professional charges would be £38k over budget excluding the fees associated with the sale of a College Company which would be addressed separately

The Board agreed following discussion:

- 1 to note the report of the Interim Finance Director regarding the financial performance of the College in 2016/17
- 2 to note the projected end of year deficit to be reported at 31 July 2017
- 3 to note that discussions had taken place with the College Bankers with regard to the continuation of the overdraft facilities so that these were available if the need arose
- 4 to acknowledge the importance of a continuing focus on the cashflow forecast so as to track the affordability of plans and operations
- 5 to look forward to receiving a further update at the meeting of the Board scheduled to take place on 20 July 2017

399 BUDGET – 2017/18 – ASSUMPTIONS

The Board received the report of the Interim Finance Director which set out the Income & Expenditure Budget Assumptions for 2017/18.

The Board agreed, following discussion:

- 1 to note the report setting out the current budget assumptions for 2017/18
- 2 to look forward to receiving at the meeting on 20 July 2017 the full Income & Expenditure Budget for 2017/18 and the Financial Plan for the period to 31 July 2020 prior to submission to the ESFA
- 3 to recognise that the cashflow forecast would need to be adjusted to reflect the decision made earlier in this meeting of the Board relating to capital expenditure to support TUCA and any commitments associated with a new MIS

400 EMPLOYER FEE PRICING TOOL

The Board agreed to defer consideration of the presentation of the Employer Fee Pricing Tool.

401 AUDIT & RISK COMMITTEE – MEETING HELD ON 3 MAY 2017

The Board received and noted the unconfirmed Minutes of the meeting of the Audit & Risk Committee held on 3 May 2017.

402 HEALTH AND SAFETY – UPDATE

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

The particular attention of the Board was drawn to the arrival of the new College Health & Safety Officer who was producing new and updating existing policies and procedures to cover those areas thought to require attention.

403 PERSONAL DEVELOPMENT, BEHAVIOUR AND WELFARE INCLUDING SAFEGUARDING AND PREVENT

The Board received and noted an update on Personal Development, Behaviour and Welfare (PDBW) which included Safeguarding and Prevent.

The report addressed a number of issues including:

- training and development of staff
- the work of the new Safeguarding Committee
- effectiveness of PDBW including the intention to prepare a whole College approach with an action plan
- the planned review of One World with a focus on such factors as punctuality and attendance

As with earlier reports a summary of Safeguarding cases was included.

Finally, the Board was advised of proposed additions to the current Safeguarding Policy document as set out in section 3.1 of the report received by Members.

The Board agreed:

- 1 to note the update on Personal Development, Behaviour and Welfare including Safeguarding & Prevent as set out in the report circulated with the Agenda
- 2 to look forward to receiving further updates at future meetings
- 3 to approve the additions to the current Safeguarding Policy for immediate application
- 4 to note that the proposed Safeguarding & Prevent Policy for 2017/18 would be presented to the meeting of the Board on 20 July 2017 for consideration and approval.

404 HUMAN RESOURCES - REDUNDANCY POLICY

The Board approved the Redundancy Policy as amended by the Head of Human Resources following the receipt of comments on the original draft from the Chair and the Clerk for immediate application.

The Board recognised that all such policies and procedures needed ongoing review in the light of experience and developments including changes in the law and regulatory framework. Proposed changes to the Redundancy Policy now approved would be presented to the Board as soon as the need arose for consideration by Members.

405 HUMAN RESOURCES – POLICIES

The Board agreed to defer consideration of the following HR policies until a future meeting:

- Staff Discipline Policy
- Staff Capability Policy
- Staff Grievance Policy

406 HUMAN RESOURCES KPI REPORT

The Board received and noted KPI Data for Human Resources for the period January to March 2017.

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

The report also provided an update of the initiatives being addressed including recruitment and the proposed Workforce Strategy.

The Board agreed:

- 1 to note the comprehensive report on Human Resources including the data and the indication of the initiatives being progressed
- 2 to look forward to receiving the Workforce Development Strategy for 2017/18.

407 FURTHER EDUCATION AND SIXTH FORM COLLEGES COMMISSIONERS LETTER TO COLLEGES

The Board received and noted the letter dated 16 March 2017 signed by both the FE Commissioner and the Sixth Form College Commissioner.

408 THE TECHNICAL AND FURTHER EDUCATION ACT 2017

The Board received the report of the Clerk with regard to the Technical and Further Education Act 2017 which had now received the Royal Assent.

The Act provided for the introduction of an insolvency regime for colleges.

The Board agreed:

- 1 to note the report on the Technical and Further Education Act 2017 and specifically the introduction of the insolvency regime for colleges
- 2 to look forward to receiving further updates once the associated regulations were available so as to understand the implications for the College and Board Members
- 3 to request an update on the insurance arrangements made by the College for Board Members

409 ELECTIONS OF CHAIR AND VICE CHAIRS – 2017/18

The Board noted the arrangements for appointing the Chair and Vice Chairs for 2017/18 and that this would be an agenda item for the meeting scheduled to take place on 20 July 2017.

410 INSTRUMENT & ARTICLES OF GOVERNMENT – REVIEW

The Board received and considered the report of the Clerk with regard to a proposed amendment (addition) to the Instrument & Articles of Government so as to enable the Board to split the current responsibilities of the post of Chief Executive so as to distinguish between the roles of Principal and Accounting Officer.

The Board agreed to approve the following addition to the Instrument & Articles of Government as from 12 June 2017:

At its discretion, the Board may separately allocate the roles of Chief Executive, Principal and Accounting Officer, or any combination of the three, to different senior post holders, only one of whom shall be a Member of the Board as determined from time to time by the Board.

The additions would be to the Instrument as 1 (a) (ii) and to the Articles as 1 (c) (ii).

The Clerk explained that, in anticipation that a number of Members would not be present on this occasion, the proposed addition to the Instrument & Articles of Government had been circulated with a request that Members made known their support or otherwise. All of the replies received had been in support of the addition with no registers of concern or opposition.

411 DATE AND TIME OF THE NEXT MEETING OF THE BOARD

The Board noted that the final meeting of 2016/17 was scheduled to take place on Thursday 20 July 2017 commencing at 1.30pm at Basildon.

412 CALENDAR OF MEETINGS – 2017/18

The Board approved the Calendar of Meetings for 2017/18 as follows:

- Friday and Saturday 20-21 October or 27-28 October 2017
- Thursday 8 or 15 December 2017
- Thursday 15 or 22 February 2018
- Thursday 10 or 17 May 2018
- Thursday 19 or 26 July 2018

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

It was anticipated that at least one Board meeting would take place at TUCA so as to provide Members with the opportunity to see the site in operation.

Members recognised that there may be a need to change and/or add additional meetings given other factors.

The actual dates would be confirmed as soon as practicable having regard to the availability of Members.

413 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 414 to 422.

Signed: _____ Date: _____