

LEEDS CITY COLLEGE

MINUTES OF THE MEETING OF THE BOARD OF GOVERNORS HELD ON MONDAY 17 OCTOBER 2016

Present

Colin Booth	Chief Executive and Principal
Emily Chapman	Student Elected Governor
Robert Clunas	Staff Elected Governor
Gerald Jennings	Governor
Shaid Mahmood (Chair)	Governor
Libby Raper	Governor
Christine Smith	Governor
Tina Turnbull (Vice Chair)	Governor

The quorum for the meeting was seven Board members

In Attendance

Brian Archer	Commercial Director
Lydia Devenny	Director of Finance
Suzy Gallagher	Director of Health, Social Care and Childcare – item 15 only
Prof. Nicholas Goddard	QAA/FDAP Scrutiny Team - observer
Gerry Godley	Principal and MD, Leeds College of Music
Melanie Halstead	Clerk to the Board
Bill Jones	Deputy Principal Teaching and Learning
Jane Pither	Deputy Principal Corporate Services
Palvinder Singh	Vice Principal Growth and Development – item 15 only
Andrew Whitaker	Executive Principal, White Rose Academies Trust

The meeting was held at the Printworks Campus and started at 5pm

MEETING ADMINISTRATION

1. Apologies for Absence

Apologies for absence were received from Adam Beaumont, Cherry Fricker and Becky Hewitt (governors). Apologies were also received from Huw Roberts (Director of HR).

2. Determination of Observers/Attendees at the Meeting

The Board agreed attendees/observers at the meeting as per the above attendance list.

3. Declaration of Interests in any Agenda Items

The Chair reminded governors of the requirement to declare their interest in any agenda items.

4. Minutes of the Meeting of the Board held on 19 September 2016

RESOLVED (B 47/16):

- (a) That the minutes of the meeting of the Board held on 19 September 2016 be approved and signed by the Chair.
- (b) That the Chair review the need for any additional follow up actions in relation to the 3-year financial plan other than what was referenced in the September Board minutes.

BOARD MEMBER COMMUNICATIONS

5. Key Statutory Areas

Health & Safety and RIDDOR

The link governor for Health & Safety provided feedback from the HSE's recent follow up visit to the Printworks Campus. Whilst the improvement notices had been satisfied a number of minor issues had been identified. The cultural issues previously discussed by the Board remained to be fully addressed but the link governor was pleased to report that the executive were taking more decisive action in this respect. The Head of Health & Safety had produced a report and would be meeting with the executive team to discuss the following week. Governors sought assurance that sufficient attention was being paid to this issue to minimise risks and the Deputy Principal Teaching & Learning provided an update on the changes being implemented immediately after the October half term.

The Deputy Principal Corporate Services reported that there had been 16 accidents across the college in September; all resulted in minor injuries and there had been no RIDDOR events. In addition, first aiders had attended 10 non-college related incidents.

Safeguarding and Prevent

The 2015/16 annual report appeared later on the agenda for this meeting. The link governor for Safeguarding and Prevent had nothing further to report.

SEND

The link governor undertook to provide an update at the next meeting.

Equality & Diversity

The link governor for Equality & Diversity provided a brief update following on from discussions held with the Director of HR and Head of Essential Skills relating to assessment and support of students with dyslexia and learning support needs. The new system would be reviewed early in the new calendar year.

6. Task & Finish Groups / Sub Committees

English and Maths

The Chair of the Task & Finish Group provided feedback from a meeting of the group held on 14 October. It was noted that the extended assessment and induction had just come to an end and feedback thus far had been very positive in relation to the new model. There would now be a focus on developing the key performance indicators and the monitoring of such. The student elected governor reported that no negative feedback had been received from students so far this year which was a positive sign.

Property Strategy

The Chair of the Task & Finish Group provided feedback from a meeting of the group held earlier that day. Good progress was being made on the Printworks Phase 3 project with an expectation that the project would be completed on time (end of April 2017) and within budget. Governors commented that this would be a great achievement and should be celebrated – it was suggested that a large scale celebratory event be planned for April 2017. A ground breaking ceremony was planned for the following afternoon, to which all governors were invited. The Chair of the group also reported that feedback from the project managers suggested that there had been much good consultation with staff at both Leeds City College and Leeds College of Music regarding the Quarry Hill project. A separate report appeared later on the agenda in relation to the Quarry Hill project.

LCC Commercial Sub Committee

At its previous meeting the Board had approved the terms of reference for the newly created LCC Commercial Sub Committee and had discussed potential committee members. The Clerk now sought formal approval of the following members:

Colin Booth (CEO - ex officio member)
Jonathan Booth (co-optee)
Cherry Fricker (governor member)
Becky Hewitt (governor member and committee chair)
Louise Walker (co-optee)

It was noted that the committee would review its skills matrix at its inaugural meeting in November in order to identify any gaps in its membership.

RESOLVED (B 48/16):

To approve the inaugural membership of the LCC Commercial Sub Committee as set out above.

STRATEGY AND POLICY

7. Group Name and Group Structures

The Chief Executive/Principal introduced a paper providing feedback on a staff survey conducted about the potential names for the group. Governors considered the most popular staff choices and a discussion took place regarding whether Leeds should feature in the name. It was noted that Education and Skills featured strongly in the staff suggestions and this would not change with regard to geography. It was agreed that conclusion of the group strategy discussions would assist with this debate and decision making.

The LCoM Board had considered the issue of branding at its recent meeting and the Chair of the LCoM Board shared some of the thinking, particularly in relation to silent branding.

A discussion followed with regard to the use of external branding consultants to collect feedback from stakeholders in relation to potential group names and to provide advice on how best to use and promote a group name/brand. This approach was supported by the Board on the understanding that the work be closely linked to the strategy piece referenced above. Governors suggested that the consultants be asked to produce a reverse brief rather than the college creating the brief. Governors also asked that the consultants be tasked with researching the market and presenting their ideas to the Board. In terms of timescales, it was agreed to aim for the January 2017 strategic seminar.

Governors suggested that the college also connect with Business North which consisted of around 60 business leaders. The initial remit of Business North was transport but the next area of focus would be education and skills.

RESOLVED (B 49/16):

- (a) That external branding consultants be commissioned to collect feedback from stakeholders in relation to potential group names and to provide advice on how best to use and promote a group name/brand and that this work be closely linked to the developing group strategy.
- (b) That the consultants be asked to produce a reverse brief and be tasked with researching the market and presenting their ideas to the Board.

8. Property Update

(Shaid Mahmood declared an interest in this item of business in his capacity as a senior officer of Leeds City Council)

The Chief Executive/Principal presented an update against current major capital projects at the delivery or planning stage. The Printworks project (delivery stage) had been discussed earlier in the meeting so governors now focused on the Quarry Hill project (planning stage).

It was reported that planning permission for the Quarry Hill project was expected to be granted in November/early December together with confirmation of LEP funding.

The Chief Executive/Principal updated the Board on a recent meeting between Leeds City Council, Metropolitan & District Securities and the college to discuss change of use and the purchase of the long term lease on the land. Arising from this meeting it was proposed that Metropolitan & District Securities pay £125k and the college pay £125k as consideration for the following variations and transfers:

- Landlord's written consent for Metropolitan & District Securities to assign the long lease on Quarry Hill site 1 to Leeds City College.
- Change of the permitted use for the site within the lease to include a college campus.
- Change to the development agreement between Leeds City Council and Metropolitan & District Securities to remove Quarry Hill site 1 from the agreement and to change the uses permitted on site 2 as requested by Metropolitan & District Securities.

The Chief Executive/Principal advised that the £250k collected by Leeds City Council would be added to the amount already paid by Metropolitan & District Securities and other expected contributions (assumed to be at least £500k) plus a contribution directly from Leeds City Council in order to create an iconic and inspirational Gateway to the Leeds Cultural Quarter on the section of public realm between the college buildings (referred to as the 'Spanish Steps' or 'Gateway Court') and the West Yorkshire Playhouse.

Having discussed the above proposal, governors were satisfied with the £125k payment on the basis that it would be a contribution to the cost of the public realm to form the gateway to the cultural quarter. However, governors asked that a level of assurance be obtained that the funding available from the college and others was sufficient and that the college would not be asked for further contributions.

Governors also emphasised the need to not allow protracted discussions around public realm to delay the overall project. The Property Strategy Task & Finish Group had requested that a Gantt chart of key dates be produced and this would be shared with governors at the next Board meeting.

At its meeting held on 25 April 2016 the Board had delegated authority for agreeing the final purchase price for the land at Quarry Hill to the Chair of the Board, Chair of the Property Strategy Task & Finish Group and the Chief Executive/Principal. The price had since been negotiated downwards and the final agreed figure was shared with the Board.

RESOLVED (B 50/16):

- (a) To approve a payment of £125k as consideration for the variations and transfers detailed above.
- (b) That this payment be made on the basis that it would be a contribution to the cost of the public realm to form the gateway to the cultural quarter.

PERFORMANCE MONITORING AND SCRUTINY

9. Performance against the 2015/16 Development Plan

The Board considered the group's performance against the 2015/16 Development Plan. The Chief Executive/Principal clarified that the RAG ratings were against the targets set by the Board. In relation to HE success rates at LCoM, the Principal and Managing Director of LCoM advised that the 2015/16 targets represented high stretch targets. It was noted that value added still needed a lot of work and the Chief Executive/Principal confirmed that this was an area of focus in the current year. Governors suggested that student satisfaction also be an area of focus in 2016/17. Arising from this discussion, the Deputy Principal Teaching and Learning undertook to bring a more detailed paper to the Board regarding the methodology for the student satisfaction survey, results and benchmarks.

Governors queried which of the actions implemented had been most successful in driving the improved recruitment. The Deputy Principal Teaching and Learning advised that this was attributed to proper planning and an improved learner journey, both representing significant improvements to processes and systems.

In response to a query around tentative SAR (self assessment report) grades, the Chief Executive/Principal advised that the risk to the leadership and management grade would be around English and maths.

Governors asked how it was planned to celebrate some of the good achievements made in 2015/16. The Deputy Principal Teaching and Learning advised that it was planned for the Chief Executive/Principal to write to staff to thank them for their efforts.

Governors welcomed the way in which performance was reported against the Development Plan, commenting that the document contained no surprises.

RESOLVED (B 51/16):

To note performance against the 2015/16 Development Plan.

10. Results and Initial View of FE Achievement Rates 2015/16

The Deputy Principal Teaching and Learning presented an overview of the FE and Apprenticeship achievement rates for 2015/16. Targets for 2015/16 had been set as a combined group and performance was reported at that level. However, certain key measures were separated out by college (Keighley College, Leeds City College and Leeds College of Music) in anticipation of separate targets, accountability and reporting from 2016/17.

In summary, the college's achievement rates had risen overall and significantly so in some key areas. However, areas of weakness remained, as discussed at Board meetings throughout 2015/16, in the outcomes of students on study programmes (aged 16-18) who were re-taking English and maths.

In terms of retention, Leeds City College had retained the highest ever (since merger) proportion of its learners, at 93%. Retention of students on 16-18 study programmes had reached the national average of 91% in 2015/16. Keighley College had improved its retention from 86.4% to almost 90.6%. Leeds College of Music retained almost all of its students (98%).

Along with apprenticeships, English and maths remained governors' greatest cause for concern. Issues around resources (staffing and accommodation) had exacerbated poor teaching and learning and weak management in these areas. Whilst overall GCSE achievement rates rose in English and mathematics in 2015/16, the A*-C pass rate was disappointing. Functional skills achievement was also disappointing. However, governors

had previously discussed the new model developed and introduced for 2016/17 which focused on coaching students through a personalised programme with an emphasis on assessment and high quality feedback.

The overall success rates for apprentices completing their full framework had increased by almost 30 percentage points in 2015/16 but remained some 10 percentage points below the national rate. Timely success had also improved and was now only marginally below the national rate. However, governors emphasised that the national rate was too low and therefore the college's timely success rate should still be considered poor.

Governors went on to discuss with the executive the key risks identified in relation to the 2015/16 achievement rates and the mitigation in place/planned. Governors were satisfied that strategies were in place to improve the management and performance in each of the areas of challenge including English and mathematics and A level provision.

11. 2016/17 Development Plan and Targets

This item was deferred to the next meeting.

12. Development of Data Dashboard

The Deputy Principal Corporate Services presented to the Board on the ongoing development of a group data dashboard which had been identified by governors as a priority for 2016/17. It was noted that a first version of the dashboard would be available for the December Board meeting. Governors welcomed the significant step forward whilst suggesting that further thought be given to different aspects of the group.

13. White Rose Academies Trust (WRAT) – Exams Analysis 2015/16

The Executive Principal (WRAT) presented a report providing governors with a high level analysis of the exam performance of each academy in the Trust alongside national performance and benchmarking criteria. It was reported that students had performed below expectations nationally, with the GCSE pass rate dropping to 66%, representing a 2.1% year on year decline.

It was highly likely that all three academies would be inspected during the 2016/17 academic year and the Executive Principal drew to the Board's attention that the summer 2016 results would place all three academies at serious risk of being placed in a category (serious weaknesses or special measures).

The Executive Principal outlined the actions implemented so far this term in order to bring about urgent and rapid improvement of the Trust. This included driving key partnerships with highly successful Trusts and schools in the region, changes in senior leadership and a review of performance management priorities and targets to ensure clearer and more accountable target setting and monitoring. In addition, each academy had written new rapid development plans with the clear ambition to be judged outstanding in the next three years.

A discussion took place around the inaccuracy of 2016 predictions and governors suggested that the Trust could take some learnings from the college in this respect. The Executive Principal advised that a new data dashboard had been developed which would be scrutinised on a monthly basis by each Local Accountability Board.

Governors thanked the Executive Principal for his report which had provided them with a better understanding of the challenges facing the Trust.

14. Leeds College of Music (LCoM) – Feedback from LCoM Board Meeting

The Principal and MD (LCoM) provided feedback from a meeting of the LCoM Board of Directors held on 13 October. In terms of recruitment, 2016/17 was LCoM's most successful year ever in undergraduate numbers. Postgraduate numbers had also increased whilst FE numbers had declined, as anticipated. The LCoM Board had engaged in an initial discussion around branding, as referenced earlier in the meeting. A discussion had also taken place regarding group alignment, with the Board suggesting a review of the agreement in place between LCC and LCoM in relation to funding and academic services.

The Principal and MD also briefed governors on the HE Bill and the timeline for TEF (Teaching Excellence Framework) and DAP (Degree Awarding Powers). Board members requested regular updates on these developments.

15. Group Financial Position

(a) 2015/16 Income Outturn Summary

The Director of Finance presented a summary of the final outturn against the main income budget lines for 2015/16. The position was consistent with that reported to the Board in September and the Director of Finance confirmed that no significant changes were anticipated before the accounts for 2015/16 were finalised. The year-end outturn for income was c£1.3m below budget; key variances were as discussed by the Board in-year. Savings on non-pay expenditure had offset some of the impact on the college's bottom line and it was reported that the financial health score remained satisfactory for 2015/16.

(b) 2016/17 Income Forecasts

The Board also received a series of reports providing forecasts against the main income budget lines for 2016/17. Overall, the income forecast was £436k higher than the agreed budget (base case) and governors discussed how this compared to the stretch (high case) budget discussed at the last meeting. Governors stressed the need to maintain the forecast over-achievement with the aim of achieving the high case budget.

Governors focused on the income lines with a reduction greater than 5%, those being Advanced Learner Loans and Commercial. With regard to the former, the Director of Health & Caring Services reported that the aim remained to achieve or exceed the 2016/17 income target but there was an element of risk due to Advanced Learner Loans only recently being introduced. Governors commented that Advanced Learner Loans was an area identified for growth in the 3-year financial plan and this therefore represented a risk for future years in addition to 2016/17. The Director of Health & Caring Services confirmed that a robust action plan to deliver growth was in place, a copy of which was available via the governor intranet.

A level of concern was expressed by governors in that it was not yet possible to report actual figures to date against the 19+ Adult Grant Co-Funded Fees as this area had under-achieved in 2015/16. The absence of such figures left the college at risk of not knowing whether it was behind target for 2016/17. The Director of Finance advised that the data would not be available until the end of October but expressed a level of confidence in that more robust plans were in place this year. The Chief Executive/Principal agreed that the college did need to improve the accuracy and timeliness of all of its data, however, a lot more was known at this point in the year than in previous years.

The traineeships income line was RAG rated as red and the Commercial Director advised that this was due to the fact that the college was restricted from delivering traineeships whilst under a SFA Notice of Concern (NoC). It was anticipated that the NoC would be lifted by January 2017, at which point delivery could commence. Governors commented

that this position was known at the time of budget setting and therefore should have been reflected in the forecast.

The 2016/17 budget included £250k in apprenticeship admin fees as part of the Commercial income line with a forecast of only £50k. It was reported that this was due to the college taking a decision to drop the admin charge as early feedback from SMEs had suggested that this was a potential barrier to taking on apprentices. A discussion followed in relation to the limited market research carried out in this area with governors stressing the need for a better understanding of the marketplace.

The VP Growth & Development provided an update on 16-24 EFA recruitment. Governors were pleased to note that current recruitment was above target with a current forecast of 5620 against a group 3-year plan target of 5520. It was reported that a number of students had not complied with the maths and English 'Condition of Funding' in 2015/16 as a result of planning, staffing and rooming issues between September and December 2015. The impact of this would be felt within the 2017/18 budget, with the worst case being a reduction of c£850k. This would reduce the 2017/18 forecast from £500k above the 3-year plan figure to £350k below. A discussion followed in relation to the actions being taken to address this with governors emphasising the need to plan for the worst case scenario.

(c) Approval of Delivery Partnerships for 2016/17

The Director of Finance presented a report seeking Board approval of proposed delivery partnerships for 2016/17. Three new partnerships were proposed with Prince's Trust, West Yorkshire Playhouse and NEUPC Ltd. In addition, eight existing partnerships were proposed for re-approval.

Governors were satisfied with the proposal presented but suggested that comments be sought from the Chair of Audit who was absent from this meeting.

RESOLVED (B 52/16):

To approve the proposed delivery partnerships for 2016/17 up to the maximum amounts detailed in the circulated report, subject to any comments from the Chair of Audit.

COMPLIANCE AND GOVERNANCE

16. Annual Health & Safety Report 2015/16

The Deputy Principal Corporate Services presented the Annual Health & Safety Report for 2015/16. The report covered health and safety management in Leeds City College, Keighley College and Leeds College of Music (LCoM). The report was welcomed by governors; there were no questions or concerns.

17. Annual Safeguarding Report 2015/16

The Board considered the annual safeguarding report for Leeds City College, Keighley College and Leeds College of Music (LCoM). The report had been expanded to include an assessment of the implementation of the college's Prevent strategy. No questions or concerns were raised by governors.

18. Audit

The Board received the following items which had been considered by the Audit Committee at its meeting held on 7 October and were recommended for approval by the Board:

- Risk Management Annual Report 2015/16
- Risk Management Policy 2016/17

- Financial Regulations 2016/17
- Fraud Policy 2016/17
- Treasury Policy 2016/17

In considering the year-end 2015/16 risk register, the Audit Committee had noted that a number of risks previously forecast to be rated as green had remained as amber. Committee members had therefore asked the executive to report to the Board in more detail on these risks to assist governors in understanding why they remained rated as amber risks; this report would be presented at the December meeting.

It was noted that actions were continuing in order to fully implement the recommendations arising from Grant Thornton's 2015/16 review of the Learner Support Fund.

At its meeting on 7 October the Audit Committee had discussed RSM's draft internal audit plan for 2016/17; a revised plan would be presented to the Committee in December to reflect feedback from members.

RESOLVED (B 53/16):

To approve the Risk Management Annual Report 2015/16, Risk Management Policy 2016/17, Financial Regulations 2016/17, Fraud Policy 2016/17 and Treasury Policy 2016/17, as recommended by the Audit Committee.

FOR INFORMATION

Rolling List of Group Board Actions and Matters Arising as at October 2016

The Board received, for information, the rolling list of actions/matters arising from previous Board meetings.

ANY OTHER BUSINESS

Spot Rates

The Chief Executive/Principal informed governors of a proposal to introduce spot rates of pay for all new appointments to management roles. The proposed change would allow more flexibility to match reward to the market value of roles, hence ensuring the college is both market competitive and cost conscious. Spot rates would be determined by the appropriate market value given the size, scope and sector of the post.

In response to queries from Board members, the Deputy Principal Corporate Services confirmed that the proposal had been discussed in detail by the executive team, including assessment of the advantages, disadvantages and mitigation of potential risks.

The meeting closed at 8.15pm

Signed :  (Chair)

Date : 14 Nov. 2016

