

Confirmed



## Minutes of the Meeting of the BOARD

held on Wednesday 26 September 2018  
at 3.45 pm  
at Broad Lane, Tottenham Hale, N15 4AG

<b>Present:</b>	Nick Wilcock [ <i>Chair</i> ] Amali de Alwis Olga Bonney-Glazik Andrew Butcher Steve Davies Anna Douglas Rachel Jackson Dame Zarine Kharas Chris Payne Mark Smith	External Member External Member [ <i>from part Item 18/57 – 18/59</i> ] Staff Member External Member External Member External Member External Member External Member External Member CEO
<b>In attendance:</b>	Gill Winward Tom Fogden Jayshree Shah Adam Rogers Sophie Runcorn Ana Herera	Clerk to the Board Dean Finance Director Principal [ <i>for Item 18/60a)i</i> ] Programme and Performance Manager [ <i>from Item 18/59</i> ] Director of Careers and HR [ <i>Items 18/60a)ii) – 18/61</i> ]
<i>and by remote access:</i>	Kevin Walsh	External Member [ <i>Items 18/56 – 18/63</i> ]
<b>Apologies</b>	Sir Rod Aldridge Kym Andrew Kalina Bontcheva Jeni Tennison	External Member External Member External Member External Member
<b>Declarations of Interest:</b>	None stated	

*The Chair welcomed Dame Zarine Kharas and Olga Bonney-Glazik to their first meeting as new Members, also Amali de Alwis who would be joining later in the meeting.*

**Action**

### 18/56 MINUTES OF THE PREVIOUS MEETING

The minutes of the meeting held on 11 July 2018 were **APPROVED** to be signed by the Chair as an accurate record, subject to the addition of noting [in 18/54c)] that Mark Smith had been appointed to the Search Committee. **Clerk**

### 18/57 MATTERS ARISING

The actions from the previous meeting were reviewed, noting that most had been dealt with or were on that day's agenda. Additional mention was made of the following:

- a) *Item 18/45c) – KPIs – Attendance & Strategy:* The CEO explained that there had been an upgrade to the management information system and offered to send round a note with further information **MS**
- b) *Item 18/45d) - 2017/18 Risk Register:* The designated mini-group had had the planned discussions over the summer to clarify understandings. The agreed outcome would be taken back to the Audit Committee and would also feed in to the Risk Management Policy document, to ensure all policies and practices line up. **JS**
- c) *Item 18/46 – Financial Forecast – Financial Health:* – The Finance Director presented an additional paper, explaining the 3 metrics involved in the calculations and how these contribute to the overall grading score.

The key point of note was that, as a start-up college, income was low and borrowings were also a feature. As this pattern changed over time (with income increasing and the working capital loan paid off) the scoring and ratings improved. Moving forwards, the key activity would be to manage the cost base and build up cash reserves.

*Ms de Alwis joined the meeting*

Discussion followed and included questions on what the 'health' rating was used for and what it meant. The Clerk explained the sector context, including its use as a lever for external interventions. This prompted considerable debate on various scenarios and consequences and concluded with the recognition that margins were close.

The Board **AGREED:**

- [i] that the position should be kept under review
- [ii] that, given the narrow margins, it would be useful to have and understand a sensitivity analysis of key factors that affect the rating and that can cause variations in such. The Finance Director agreed to circulate this. **JS**

The CEO added that, at a previous meeting with the ESFA on this topic, the funding body had been complimentary about the college's financial systems and processes. It was also noted that the funding for the capital building programme did not involve borrowings and thus would not affect the financial health rating.

## **18/58 OFSTED INSPECTION: ORGANISATIONAL READINESS**

The Dean gave a presentation, responding to questions throughout, covering such elements as:

- CIP activities
- Overview and communications
- Performance management
- Focus areas for 6<sup>th</sup> Form, apprenticeships and operations
- Timeline

Further discussion and questioning then took place on:

- The preparations for inspection
- The degree of 'readiness' and remaining actions
- Any areas of concern
- What further support or resources might be needed
- Documentation of evidence and processes
- Timescales to ensure triangulation

Those Members who had previous experience of Ofsted inspections were invited to offer their views. Ensuing comments included that:

- Policies needed to be 'lived' as well as written down
- Important to have evidence that students were making expected progress
- Classroom teaching would be assessed directly during inspection week and judgements would be framed on this rather than paper records

The Board **NOTED**

- [i] the progress with preparations
- [ii] that a 'Teaching, Learning and Assessment' strategy document was in development and would be taken to the Education Committee for consideration **TF**
- [iii] that further student attendance details would also be taken to the Education Committee **TF/AR**

and **REQUESTED**

- [iv] that the volume of work associated with some of the remaining activity areas be quantified **MS/TF**

*Ms Runcorn joined the meeting*

## **18/59 ASHLEY ROAD DEVELOPMENT PROJECT**

The Programme and Performance Manager introduced the item, explaining that a key headline was the quote from Keir that was materially over that budgeted for. Considerable time had been spent over many recent weeks trying to reduce this figure back down, through both negotiation and value engineering. The affordability gap had now been reduced but there was still a need for additional funding.

Some discussion followed on the background to the Keir figures and the College's current position on this. It was noted that the collapse of Carillion and other sector competition factors had not helped the present situation.

The CEO informed the Board that both the GLA and DfE had given a clear steer that they did not want to embark on a re-procurement exercise and that the College should proceed on the present path. It was also noted that the current funding provision would disappear if there was a delay in implementation or if the process was re-started.

The Programme and Performance Manager then described the contingencies that had been built in and also some of the risks, including the ground condition for the basement.

In response to a question, the Dean explained that Cushman and Wakefield had been the College's advisers in the process and had handled the tendering process.

Replying to further questions and comments, management informed the Board that the contract with C&W did not provide for much 'comeback' and also that their involvement was prescribed by the DfE. Fees thus far totalled £1.3m.

The Chair explained that he wanted to pose a fundamental question to the Board, asking if they were still supportive of a new building as a priority need or if they instead wished to deliver provision in a different or revised way, for example across multiple venues. The Dean stated that he had drafted a response to the DfE about alternatives to the current plan and he read out those options to the Board. The CEO added that one ramification was that constrained space would limit growth and student numbers would need to be capped. Additional, alternative, space may be hard to find and would also incur rental costs.

Discussion ensued on the pros and cons of the options as presented and what the preferred shared view would be. Questions were also raised on the funding gap and how this would be met. The CEO expressed confidence that the shortfall would come from the present funding partners.

Members **CONFIRMED** they would be willing to continue to support the existing plans on the understanding that the GLA and DfE would continue to provide sufficient funding to cover the additional costs identified.

A question was posed if this London based investment project would affect the College's national focus. Members heard that the latter should not be altered, however it was important to make this venture successful in the first instance, as identified by the Board itself at their Strategy Event last year. The CEO added that it may be necessary to revisit the Estates Strategy, if new buildings were seen as the way forwards or if the plans were to refurbish existing buildings.

The Programme and Performance Manager then ran through the 3 options in the paper in more detail. She clarified that Option 1b) had been developed to best match the funding that may be available. It was emphasised that a similar debate and scrutiny had already been undertaken by the Capital Projects Committee and that proposals would also go before the DfE's Funding Panel. It was suggested that it would be helpful if the Chair of the internal Committee could be invited to attend a Board Meeting.

MS/SR

Some questions and answers arising from this exposition generated considerable discussion embracing:

- Risk factors with the additional planning requirements of 2 of the options
- Structural design changes
- Contingency funding

In conclusion, having considered all the options and implications, including the extended timeline impact on college plans that alternative solutions would have, the Board **RESOLVED** to support Option 1b) on the understanding that the current funding shortfall could be resolved in the ongoing dialogue with the funding providers. It was noted, additionally, that this option was the one preferred by those funding bodies.

*Ms de Alwis left the meeting and Mr Rogers joined.*

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## 18/60 ORGANISATIONAL STATE OF PLAY

### a) Educational

#### (i) 2017/18 Key outcomes

The Principal presented the report and handled questions throughout the dialogue. There was a particular focus on achievement and Value Added data.

It was noted that, as mentioned in previous meetings, it was difficult to provide comparative data given Ada College provided an almost unique offering. Therefore proxy measures were sometimes used. It was also noted that the most recent comparisons were not yet available, as the most recent results would not become accessible until January.

The Board:

- [i] **NOTED** the report and the improvement actions it contained
- [ii] **REQUESTED** that a headlines paper would be useful in future

TF/AR

*Mr Rogers left the meeting and Ms Herera joined*

#### (ii) 2018/19 Recruitment Volumes update

The CEO presented the report and pulled out key points on both the 6<sup>th</sup> Form and Apprenticeships sections. He also informed the Board of an additional donation of \$500k (£379k) that had been received, to help fund the scaling-up of delivery with the additional premises.

This prompted some discussion and the Board noted the positive development.

The Board also heard that the Finance Director had obtained agreement from the ESFA to pay for Apprenticeships delivery in-year in 18/19, rather than on the usual 'lagged' basis of the following operating year. Again, the Board noted this with pleasure and congratulated the Finance Director on her achievement.

### b) Financial

The Finance Director reported on the outturn for 17/18, which was better than had been expected, though still a deficit. The overall position of the Group inclusive of restricted funds would be a deficit of £139k. The improved position was primarily due to additional fundraising.

It was noted that all the year-end figures were still subject to formal external audit, which was on-going at the present time.

Other highlights were flagged and discussed and the Board also noted that the formal accounts would be presented for approval and sign-off at their next meeting. The current 2108/19 position was also briefly outlined.

The CEO informed the Board of an additional external audit that had taken place over the summer, being a periodic funding audit by the ESFA. The formal report was awaited but the outcome had been a good one, especially for an organisation of this size and age.

These updates were **NOTED**

#### 18/61 ANNUAL HR REPORT 2017/18

The Director of HR presented the report and highlighted key points. These included:

- The main challenge of the past year had been staff turnover
- The current position was of a much larger staffing complement than previously, with a need to ensure full integration

Questions followed, particularly on the staff turnover issue, the costs of this (including repeated recruitment), and whether the change in risk rating was accurate, both currently and previously.

The CEO commended the Director on her efforts in sorting out the HR systems alongside her other responsibilities. The Board **NOTED** the report and its contents.

*Ms Herera left the meeting and the Governance Items were taken next*

#### 18/62 BOARD AND COMMITTEES – MEMBERSHIPS AND STRUCTURES

The Clerk drew attention to the key elements of the report, reminding the Board that the appointment of the two new External Members had been confirmed recently via written resolution.

Approval authority was also being sought on three other items namely:

- A nomination had now been received from the student body for the vacant Student Member position. The Board were being invited to approve the appointment.
- At the previous meeting, the Board had approved the creation of 2 Vice Chair positions. 2 candidates had been identified over the summer.
- Nick Wilcock's appointment as Chair of the Board had created a vacancy on the Audit Committee, also a need to identify a replacement Chair for that Committee.

The Board **APPOINTED:**

- [i] Mohammed Shekh as Student Member for a term of office up to 31 July 2019
- [ii] Chris Payne and Annamarie Douglas as Co-Vice Chairs, for a period of 9 months, with responsibilities (respectively) for oversight of operational/financial/ capital investment matters, and educational matters
- [iii] Chris Payne as Chair of the Audit Committee

The Board were also informed that the subject of the appointment of a Chair for 19/20 onwards would be picked back up by the Search Committee very shortly.

**KW/Clerk**

The Chair then referred to a recurring debate that had been taking place over whether a Finance Committee should be established. The Audit Committee had requested that this matter be re-visited. The Chair put forwards the argument that an additional committee was not necessary, given improved financial scrutiny plans, and would also add extra administrative costs to such a small college and would be difficult to populate given membership restrictions.

The Board were reminded of the additional scrutiny activities in hand namely:

- Allowing sufficient time on Board agendas for proper debate on relevant matters
- Circulation of the monthly management accounts to the Board, in between meetings
- The Chair to have a regular dialogue with the Finance Director

The Finance Director was asked if she was content with these arrangements and she stressed that her aim was to ensure that all Board Members were comfortable with the figures being presented.

The Board **CONFIRMED** their support for these approaches.

### 18/63 CHIEF EXECUTIVE'S REPORT

The CEO raised the subject of a Lead Governor for Safeguarding. This concept had previously been discussed and considered unnecessary by the Board but the College's Safeguarding Lead Manager had introduced the topic again recently.

After a brief discussion, and in view of the limited time left in the meeting to continue the debate, the Clerk agreed to take up the matter with the Principal outside of the meeting.

Clerk

The CEO then highlighted some upcoming events in College.

The topics raised were **NOTED** by the Board, who also **REQUESTED** that in future the CEO produce a brief written report for advance reading rather than a verbal update in the meeting.

MS

*Mr Walsh went offline at this point*

### 18/64 TOP KPIS AND KEY RISKS

The Programme and Performance Manager presented the report which covered the risks considered to be the most critical facing the College at present and the change in risks since this was last presented to the Board in July. Controls and mitigating actions being taken to reduce the likelihood of the risks materialising were also outlined.

Following some questions on the ratings of Estates items, the Register and actions were **NOTED**.

The Board’s attention was also drawn to the list of ‘Top’ Key Performance Indicators (11 items) which were **APPROVED**. The full list of underpinning KPIs, supplied for information, was also **NOTED**, but with the observation that 39 were deemed too many and that the list should be refined in future. **SR**

**18/65 ANY OTHER URGENT BUSINESS**

There was no further business.

**Date of Next Meeting:** Scheduled for 12 December 2018 at 3.45pm

*The meeting closed at 6.10pm*

<p><b>Confirmed as an accurate record:</b></p> <p><b>Signed</b>..... <i>(Chair)</i></p> <p><b>Date</b>.....</p>
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