

Minutes of the meeting of the Governing Body held on 13th February 2015
Suites Hotel, Knowsley

Present: Mark Flinn (Chair), Anne Pryer (Principal), Tim Gill, Ian Craig, Joe Martin (Staff), Aidan Sergent, Tom Carroll (Student), Tim Molton, Steven Evans (Staff), Anna Williams, Pam Jervis, Irene Tuzio, John McDonough, Cllr Gary See and Beth Harrison

In attendance: Gill Banks (Deputy Principal), Kevin Williams (Finance Director), Andrew Ellams (Director of Employer Engagement), Terry Holmes, and Craig Williams (Clerk to the Governing Body).

The meeting opened with the recommendation from the Search and Governance (through the Chair) that Beth Harrison be appointed to the Board. The Chair reported on the Search and Governance Committee meeting with Beth Harrison and her professional background.

Beth Harrison was unanimously appointed to the Board.

ACTION

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| <p>1. <u>Apologies for Absence</u>
Stuart Stokes and Andy Roche.</p> | Noted |
| <p>2. <u>Determination of Observers/Attendees</u>
The Governing Body agreed attendees/observers at the meeting as per the above attendance list.</p> | Noted |
| <p>3. <u>Declaration of Interest</u>
AS and JM declared interests as residents of Larch Rd and Cllr G See in relation to item 9.</p> | Noted |
| <p>4. <u>Minutes of the meeting held on 18th December 2014</u>
The minutes of the meeting held on 18th December 2014 were agreed as a true record.</p> | Approved |
| <p>5. <u>Matters Arising</u>
Governors considered the report on matters arising from the Ordinary Governing Body meeting on 18th December 2014 and noted the actions outlined.</p> | Noted |
| <p>6. <u>Minutes of committee meetings to note</u>
The Governing Body received for information, minutes of the following Committee meeting:

(i) Quality Assurance (14th January 2015). PJ reported on activities as outlined in the minutes and focused feedback on QIP, attendance and retention and courses that need to improve. Data for destination and progression data and Higher Education Review were also highlighted and management gave an update on an interim management appointment (David Bale).</p> | Noted |
| <p>7. <u>Chair's and Governors' Communications</u>
The Chair reported on recent meetings re management re-structure and the fit for purpose nature of the new management team, Council 'A Level' review, outcome of SFA Capital Bid and productive meeting with Liverpool Media Academy (LMA).</p> | |
| <p>8. <u>Principal's Report</u>
The Principal spoke to the report and verbally expanded on the 10 issues covered; The College Restructure, A Level provision, Knowsley Implementation Group, BIS Visit, Devolution, LEP, ESF, School Performance Tables, Ofsted</p> | |

	<p>Grades and Student Success Stories. The Principal reported that a report on the work to improve A Level provision will come to the Board in April.</p>	DP
	<p>The Governing Body received the report and noted the information provided.</p>	Noted
<p>9.</p>	<p><u>Estate Strategy Update (Stockbridge Lane, Larch Rd and Kirkby Campus)</u></p> <p>The Principal spoke to the report which aimed to update Governors on the sale of the Larch Road and developments in the accommodation strategy in relation to Stockbridge Lane and Kirkby sites.</p> <p>In addition to the update provided in the report the Principal briefed the Board on the latest developments with regard to:</p> <p>Sale of Larch Road – the FD reported that Network Rail had released plans to Barretts which if appropriate would mean that contracts could be exchanged and a capital receipt received. The Board commented on the fact that Barrett’s had already been given access to the site which could be questioned in relation to the slippage experienced with capital payment. The Board questioned implications for further slippage of the capital receipt after this month and the FD reported on some contingency planning.</p> <p>Sale of Kirkby Site – covered as part of strategic discussions earlier in the day and the Board questioned implications for the notice to improve, agent arrangements and options.</p> <p>SFA Capital Funding for Stockbridge Lane – The Principal reported on recent communications with the SFA who have now confirmed the grant and that the Project team had met earlier this week to progress planning and PFI negotiations. The Board questioned planning arrangements for road access and the Principal reported that an access road would be created with a new bridge over the beck to the College car park (with barrier access). The Chair requested that the Capital Steering Group be reconvened and that interested parties should express and interest with the Clerk.</p> <p>The Governing Body received the report and noted the developments on the sale of land and the latest developments for the Stockbridge lane campus.</p>	Noted
<p>10.</p>	<p><u>Financial Notice of Concern – Strategic Recovery Plan</u></p> <p>The Principal spoke to the report which aimed to update Governors on the actions against the Strategic Recovery Plan prior to the SFA Finance Team visit in March 2015.</p> <p>The Principal reported on key issues within the recovery plan. The Governing Body recognised that the Plan was a strong document and the FD made reference to the fact that the SFA have had sight of management accounts and the plan and that management had initiated the March visit.</p> <p>The Governing Body received the report and approved the content of the Strategic Recovery Plan and its updated position.</p>	Approved
<p>11.</p>	<p><u>2014-15 KPIs and Targets</u></p> <p>The Deputy Principal (DP) spoke to the report which aimed to present the updated Key Performance Indicators (KPIs) and targets being used in the College to measure success in 2014-15.</p> <p>The DP reported on the two amendments to the dashboard:</p> <ul style="list-style-type: none"> a) At risk students (as presented as ‘on target to achieve’ on page two) – the DP clarified the context of the current position – 75% and b) Changes to ALPs for added value assessment (page two) – which is a more robust tool for measurement. <p>The DP also flagged low staff sickness rates.</p> <p>The Governing Body questioned the attendance (84%) and Maths and English</p>	

(78%) and management reported that it had been looked at, specific students have been identified and additional support has been arranged to address attendance issues. A student governor commented on timetabling which meant that some students were hanging around for English and Maths lessons and the DP reported on planning for 2015-16 which would address inappropriate gaps in timetabling. The Governing Body questioned the score grade for ALPS and management report that 8 was low, 1 high and 5 average (the Board requested that the score range be included in the report) and that a full report would come to Board.

DP

The Governing Body noted the report and progress against the agreed KPIs, targets and priorities.

Noted

12. Management Accounts (September and October 2014)

The Finance Director (FD) spoke to the accounts, which aim to update Governors on the current college financial position and financial performance to date.

The Board focused on the December accounts and the FD reported on the narrative regarding; energy prices, delay in demolition arrangements, enrollment of FE students, Apprenticeships (16-18 and 19+), pay and severance costs, projected year end position, the pending Larch Rd capital receipt, cash flow, bank covenants and SFA Strategic Recovery Plan and the weekly monitoring of finances at the SLT meeting. The FD thanked AS and TH for their support with the governance accounts, following meetings last week. The FD reported on consideration of sub contracting Apprenticeship provision, the required due diligence and that the level of provision would address the operational shortfall but that the College reputation would be at risk. The FD reported on arrangement re the offer letter from the SFA re the capital grant and need for binding contracts on specifications and timetables.

The Governing Body questioned whether the payment to contractors would be held in trust – which was confirmed as the money has to be spent by March 2015. The Board highlighted the re payment of the Council loan and £1m balance of the contribution to the capital project which would need resources to service and the FD reported on revised 3 three year projections that had been supplied to the SFA. The Board questioned on-going costs for Kirkby campus, the major part of which is rates and the implications of depreciation of LSC/SFA grants and need for a plan on how LSC/SFA grants will continued to be accounted for under educational activity. The Board highlighted that the limit on covenants would be included in future accounts.

The Governing Body approved the management accounts for the months of November and December 2014.

Approved

13. Loan Facility Letter

The Finance Director (FD) spoke to the report, which aim to secure Governing Body approval to the draft Loan Facility Letter from Lloyds Bank Plc.

The FD reported on the changes to the loan covenants as outlined in clause 7.2 and the introduction of the deferred fee as shown in clause 3.9. Both matters being consistent with indicative report presented to the Governing Body meeting in December 2014.

The FD shared the live dilemma as regards to the bank's ambitions to secure the loan against the College's Princess Drive asset. It seems that a legal charge in favour of Knowsley Metropolitan Borough Council (KMBC) is already in existence. The legal change seems to be a continuation of arrangements that was in place with the previous property owner backdating to 2008. The legal charge has a 16 year timespan and a release clause of £800k if the property was sold for non-educational purposes. The Principal has begun negotiations with the aim of getting the council to either drop the legal charge or reassess its interest to a secondary charge; leaving the bank to have first legal charge on the asset.

The Governing Body questioned loan re-payment and amount outstanding at the end as a final installment and required protection going forward (i.e. clause 3.2 needs expanding). Also concerns as regards to clause 3.3 in terms of what consists in terms of 'significant' change in the funding of further education sector (more comfort required as regards to the bank acting 'reasonably').

	<p>The Governing Body approved specific clauses within the draft Loan Facility Letter from Lloyds Bank Plc, namely:</p> <ul style="list-style-type: none"> - Amended covenants; and - Deferred fee <p>and provided delegated authority to the FD to enter into most beneficial option between Fixed rates and LIBOR.</p>	Approved
14.	<p><u>2014-15 Student Number and Funding Report</u></p> <p>The Deputy Principal (DP) spoke to the report which aimed to provide an update on Student Numbers Allocation from the Education Funding Agency (EFA) and the potential funding associated with the student numbers from the EFA and SFA. To inform the Board of the range of activities already undertaken and planned in order to meet any shortfalls. To alert the Board to any potential risks to under recruitment.</p> <p>The DP and DEE reported on the key issues outlined in the Overall Contract Performance, EFA Student Numbers and Funding, SFA Adult Skills Budget (ASB), SFA Student Numbers and Funding and on on-going recruitment.</p> <p>The Governing Body questioned the drawn down of the 24+ loan results in installment payments to the College which was confirmed.</p> <p>The Governing Body received the report and noted the current student volumes and funding implications.</p>	Noted
15.	<p><u>Equality Statement and Policy</u></p> <p>The DP spoke to the report which aimed to update the Board on the revised Equality and Diversity Policy and Statement.</p> <p>The DP reported that the Statement and Policy had been to the Quality Assurance Committee on 14th December 2014 and was recommended to the Board by the Committee.</p> <p>The Governing Body noted and approved the updated Equality and Diversity Policy and Statement.</p>	Approved
16.	<p><u>Health and Safety Policy</u></p> <p>The DP spoke to the report which aimed to update the Board on the revised Health and Safety Policy.</p> <p>The DP reported that the Health and Safety Policy had been to F&GP on 3rd December 2014, that it had been discussed at the internal Health and Safety Group and was recommended to the Board by the Committee.</p> <p>The Governing Body noted the report and approved the updated Health and Safety Policy.</p>	Approved
18.	<p><u>Safeguarding Annual Report (deferred from 18th December 2014)</u></p> <p>The DP spoke to the report which aimed to:</p> <ul style="list-style-type: none"> • Give assurance that the College’s statutory obligations to protect children (0-18 yrs) and vulnerable adults (19+ yrs) are being met • Inform Governors of the number and type of referrals made to the safeguarding team in 2013 – 2014 • Provide a comparative analysis of data for the last four years • Give an overview of wider College activity to keep students safe <p>The DP reported on a concerning context that the College operates in on safeguarding issues and the profile of safeguarding following high profile media cases. The DP reported on up-dated staff training, flagged that safeguarding was an issue across student levels and that 85% of students with safeguarding issues were retained in learning and on work with Police and staff on the Prevent agenda. The DP reported on issues and activities involved in supporting student with emotional/mental health needs, which was a major issue.</p> <p>The DP flagged the required training for Governors on Prevent training and positive feedback on student training using theatre and the “Chelsea’s Choice”</p>	

production.

The Link Safeguarding Governor and Board thanked management and staff for their considerable work in this area and for a strong report. The Board discussed opportunities involved with the 12 Head Start pilot programmes and offered to link the College into local activity.

The Governing Body received and noted the report and the proposed next steps.

Noted

18. 2014-15 Attendance and Retention

The DP spoke to the report which aimed to inform Governors of the attendance and retention rates up to and including January 2015.

The DP reported attendance (below target) and the greater focus on reward and incentive strategies particularly for those students 'at risk'. The DP also reported on the punctuality rate (3% behind the target of 98%). The DP reported on Retention (ahead of target for this time last year and ahead of term one target) and on the 14 courses with retention below 90% which are subject to targeted intervention.

The Governing Body discussed the financial impact of retention within the initial six week census period (170 young people) and management discussed the need to recruit with integrity – right learner on right course. The Board discussed the issues involve with the January attendance drop and the mixed messages involved with improved retention.

The Governing Body received the report outlining current average attendance and the retention rate up to and including January 2015 and noted the strategies currently being used across College to improve attendance and punctuality.

Noted

The Chair closed the meeting by thanking Governors and Management for their contributions and work throughout the day. The Principal outlined the way forward with strategic planning and marketing discussions.

The Chair commented on arrangements for the April Board meeting and the support of Carol Jones (National Leadership of Governance) and requested that the Board meet at 4.30pm to join in on a Board exercise prior to the meeting.

The Chair also reflected on Irene Tuzio's final Board meeting since joining the Board as Parent Governor in 2003 and her work at the Board and Audit and HR Committees, and thanked Irene for her long and dedicated service.

Date of Next Ordinary Governing Body Meeting – Thursday 30th April 2015