

Colchester Institute Corporation

**Minutes of a Meeting of the Board
held on 26th April 2017
at the Sheepen Road Campus**

Present

Christopher Bridge, *in the Chair*

Alison Andreas

Brenda Baker

TJ Collinson

Mark Davies

David Gask

Peter Hempstead

David Kerridge

Bryn Morris

Kevin Prince

Karen Tarling

Sue Thompson-Arnold

In Attendance

Maeve Borges

Gary Horne

Jason Peters

Hazel Paton

Jill Wognum

Vice Principal: Student Services and Support

Executive Vice Principal: Finance and Corporate Development

Vice Principal: Curriculum Delivery and Performance

Clerk to the Governors

Executive Vice Principal: Curriculum, Planning and Quality

Apologies for absence were received from David Gronland and Richard Wainwright.

1. **Declaration of any Conflicts of Interest**

None.

2. **Minutes**

The minutes of the meeting held on 15th March 2017 (CIC/17/3/1) were received and confirmed. The Chairman signed the minute book.

3. **Matters arising from the Minutes**

None, other than on the agenda.

4. **Chairs Announcements/Action since last meeting**

4.1. The Chair approved (20.03.17) the award of the contract for the provision of outsourced catering to Aramark from 01.08.17. CIC/17/3/2, outsourced catering procurement exercise position paper and recommendation to award, was received and note.

4.2. The Chair reported that he had attended a number of meetings in relation to the Essex Area Review, which was now largely complete. The final report has yet to be received. He had also attended a number of meetings at the College on various issues.

5. **Principal's Report**

5.1. CIC/17/3/3, Principal's Report – April 2017, was received and noted.

The Principal updated the Board on the progress of the Technical and Further Education Bill and Higher Education and Research Bill, which had had their third readings in the House of Lords and were due to go back to the House of Commons when the snap General Election was called. It is understood from a recent Association of Colleges (AoC) communication that the Technical and Further Education Bill went through the House of Commons the previous week and an amendment around impartial careers guidance in schools was accepted. Disappointingly, a second amendment

relating to a proposal to extend access to welfare benefits for apprentices and their families is not going forward at this time.

The impact of the calling of the General Election was discussed. It was noted that there would be slippage in relation to Government initiatives and it might have an impact on any problems arising from the introduction of the new method of funding apprenticeships. Possible changes to maths and English and the move to technical qualifications could also be slowed.

The Register of Apprenticeship Training Providers (RoATP) was discussed. It was noted that locally a number of providers (including two of our own subcontractors) did not make the register and it is to be assumed that they have reapplied by the deadline of 7th April for the second round. It is understood that there will be an announcement on who has got onto the Register in the second round in early May.

Local competition was discussed. A bid for an Essex-wide performing arts academy (free school) originally planned for Colchester, but more recently proposed for Chelmsford has reportedly been rejected in the last week. Had it been successful, it could have had a significant impact on the College's music, performing arts and, perhaps most significantly, creative media numbers.

It was noted that a non-student day had been held the previous week. The approach had been different to previous non-student days, with less structure and more faculty and areas based activities. The focus had been around working with students at risk of not achieving. Feedback was generally positive with staff welcoming the opportunity to work as a team on student success at this point in the year. The "Standout Summer" campaign was also launched that day. There is more information to come about the campaign, which is about working with students on what they can do to ensure success. The ambition is to get as many students as possible to achieve with the highest grade they can manage.

- 5.2. CIC/17/3/4, letter from Peter Lauener, Chief Executive ESFA (Education and Skills Funding Agency) to college accounting officers, was received and the key messages noted. The Board was confident that it was fulfilling its obligations for oversight and scrutiny of the activities of the College Executive. The letter provided a timely reminder of the guides and resources available to support the Board and the College. It was confirmed that the provider data self-assessment toolkit is regularly used to validate the College's ILR before it is uploaded. An activity was carried out last year to assess the Board against the principles in the Code of Good Governance for English Colleges and identify any areas for development.

6. **Institutes of Technology**

It was reported that no further information or guidance has been published since the Institutes of Technology initiative was discussed at the last Board meeting and this may be stalled by the General Election. From the information we have received so far, this appears fits the College's profile very well and is the type of bid we would want to take advantage of. The College is interested in learning more and is starting to canvass interest from key stakeholders (local MP's, the LEP and others). When the guidance is published there may be a short application period which may make it necessary to correspond and made a decision electronically. This was supported by the Board.

7. **2017-18**

7.1. **Applications – Further Education**

CIC/17/3/5, Further Education statistics as at 10/04/17, was received and presented by the Vice Principal: Student Services and Support. It was reported that full time study programme applications were almost exactly the same as for the same period last year. There has been a decrease in applications at The College at Braintree, partly due to the decision to move some of the programmes to the Colchester campus. There is a more significant decrease in applications at The College at Clacton, although the position has improved slightly in the last few weeks due to applications from

progressing students. The focus is now on converting applications into enrolments. A communication was due to be sent to applicants later that day, wishing them well in their GCSE examinations and reminding them to work hard.

Governors asked about the potential impact on enrolments of moving courses from Braintree to Colchester. It was reported that 200 students are impacted, half of which are current students progressing to another level, and they are all being monitored. The big issue is what the College can do to support their transport from Braintree to Colchester. The College is looking at whether it is practical to provide inter-site travel for one year (one bus in the morning from Braintree, and one returning from Colchester in the evening) and a number of transport companies have been invited to provide quotes. A small number of students have changed their choices so that they can remain in Braintree. Existing students will visit the Sheepen Road campus at least once this term to look at the facilities, and everybody affected by the change was invited to a parents evening which was held in Colchester in March. It is very difficult to tell the full impact until the actual enrolment. Governors asked about the financial impact and were advised that a planning exercise is taking place with all the areas to look at realistic conversion rates. The classes that are being moved from Braintree always had very small numbers and have not been viable. With the exception of one second year programme the students will be absorbed into Colchester courses. A positive outcome is that the movement of fashion and photography has allowed us to promote them as available at Colchester, doubling the interest in these subjects. Governors asked if any of the courses being moved to Colchester were provided by Tabor School. It was reported that in addition to applied science and business the school now offers BTEC Sport and the College may lose some students as a result.

The constraints on timetabling of potentially providing an inter-site bus between Braintree and Colchester were discussed. It was reported that discussions have started with areas to encourage them to look at whether they can compress three days of attendance into two longer, fuller, days to maximise opportunities which would reduce travel costs. In some areas, it was looking like this would be difficult. Maths and English will be available at Braintree and this component of the course could be studied locally.

Governors asked if the reduction in student numbers at Clacton is a cause for concern. It was reported that there are small numbers across all programmes and further analysis is needed. Painting and decorating is not efficient at Clacton and those students are being brought over to Colchester where the College has developed good resources sponsored by Kent Blaxhill. This will free up space and the College is looking at what it can put in to replace painting and decorating. All of the applied general subjects such as public services, IT, health and early years are offered as a BTEC in all the school sixth forms in Tendring. It was agreed to rethink the ambition for the College at Clacton at the June planning meeting.

It was reported that the College would be leaving Cooper Drive the following day. The students have already been moved out and the building is being reinstated.

It was reported that the College was reducing the number of courses for learners with learning difficulties and /or disabilities (LLDD) in Colchester and Clacton. There will be 17 fewer students next year. The College is working with Essex ACL and will be inviting learners, their families and carers to a meeting with ACL to provide information about how their needs might be met by this provider, which has considerable experience in delivering programmes to learners with learning difficulties and disabilities. Governors asked the basis for this decision and were advised that it was not entirely financially driven. All of these students have been with the College for at least three years and some of these students have been here for 6 or 7 years and it is in their interests to move them on to do something different and give them more independence through a change in programme.

Governors asked what additional amenities would be available for the potentially 10% increase in the FE student body at the Colchester campus next year. It was reported that in terms of teaching space, room utilisation is lower than it should (around 41%) and the College is looking to increase this to closer to 49% through better timetabling and a longer day, particularly for second and third years.

There is currently a tendency to try and finish by 4.00pm. South Wing is not fully utilised and two workshops will be fully utilised by engineering next year. There is also the opportunity to increase the usage of Q Block facilities to provide more space for construction next year. In terms of social space, the new contract with Aramark for the outsourcing of the four restaurant facilities at the Sheepen Road campus provides an opportunity to increase facilities by 30% through better layout planning and the removal of a range of vending facilities. Aramark will have a more varied offer in the different locations which will drive people away from the main hub in C Block. It is also intended to create an outside seating area as part of the capital expenditure programme. Student space is also available in the Student Zone, which includes cyber and games zones as well as quiet areas. It was reported that the element of the student experiences that it is hoped to improve is English and maths, where students are brought into College for another morning or day to study these subjects. The decision has been taken to move from three to two hour GCSE English sessions next year, and compressing the teaching into two longer days should help improve attendance (a proportion of students do not come in just to do English and maths). Students will also benefit through reduced travel costs and greater opportunities to undertake part time work.

7.2. Applications – University Centre Colchester

The pattern of decline that the College has seen in HE applications over the last couple of years continues. As at 4th April applications were 95 down on the same period last year; acceptances were also slightly down (22) compared to the previous year. Applications for Musical Theatre, which had large numbers of students for a number of years, have been declining year on year and are down 32 compared to last year. There has been a national decline in this particular subject area.

The other area of significant decline is in the School of Health and Social Science. There were a lot of applicants for Counselling who were keen to start mid-year so extra cohorts started this February, reducing demand for the later 2017 intake. Essentially, these students were taken on early and had the College not run the mid-year courses the number of applicants in this subject area would have been very similar to last year.

The College's focus on internal progression has not had the impact it was hoped for. The College is currently contacting all Level 3 students to make them aware of the College's HE offer and of the generous cash bursaries that are available to progressing students. Competition is increasing year on year and the College needs to look at how to differentiate its curriculum and whether it can have a more innovative offer that is not competing with local providers. It was reported that because of the changing marketing a number of the College's students are looking at whether they are better suited to higher or degree apprenticeships.

The College will continue to recruit through to October.

7.3. Curriculum

CIC/17/3/7, an overview of curriculum changes for 2017-18, was received and presented by the Vice Principal: Curriculum Delivery and Performance.

It was reported that there is still strong cross party support for the Sainsbury Report recommendations and there will be a pilot in 2019-2020. A number of qualifications that were going to be closed down for September are now allowed to continue through to 2019. The response from the Faculties is varied, with some Areas going for the new qualifications, others continuing with the current qualifications, and some doing both.

In terms of applications, whilst the College is still supporting areas like Creative, there is a shift towards STEM subjects and additional learners are expected in Construction, Motor Vehicle, and Engineering. It is also expected that there will be sufficient growth in Science to start Forensic Science as the College moves towards elements of Life Science. The real growth area continues to be Media and it is anticipated that in September one in every ten FE students will be studying Media. The College is developing some interesting media courses and is looking at virtual reality and drones.

Governors asked if the increase in Media was presenting a problem in terms of resources and it was reported that there was some pressure on the capital project budget in the current budgeting round.

8. Reports from Committees

8.1. Audit and Compliance Committee

CIC/17/3/8, Minutes of the Audit and Compliance Committee meeting held on 14th March 2017 were received and noted. Matters arising from the meeting were considered at the last Board meeting on 15th March.

8.2. Curriculum and Quality Committee

CIC/17/3/9, Minutes of the Curriculum and Quality Committee meeting held on 21st March 2017 were received and presented by the Committee Chair David Gask.

8.2.1. Performance Measures 2015-16

The Committee had looked at a summary of the published performance tables for 2015-16 (Level 3). The College's performance was not as good as the in-year predications (Scorecard) suggested it would be and the College's average grade for Level 3 applied (Merit Plus) was a level down compared to the national average (Distinction Minus).

8.2.2. In Year Learner Progress 2016-17

It was reported that teaching staff were currently making their predictions for the last time this year. The biggest risks to success rates are functional skills and retention. In response to a question it was reported that the national averages for functional skills were still not available, but data based on 280 colleges suggests the average pass rate will be around 40% (at least half of students are failing). Arising from the discussion the Principal reported that the College Executive had held an additional meeting that morning to consider how to manage competing issues. The Management Team are aware that, by necessity, much time has been spent on financial and commercial issues, but a keen focus now needs to return to quality issues.

8.2.3. Institutional Annual Review of Courses (ARC) 2015-16

CIC/17/3/10, Institutional Annual Review of Courses (ARC) 2015-16, was received and noted. The Executive Vice Principal: Curriculum, Planning and Quality, updated the Board on validation events which had taken place since the ARC was written:

- i. Following an Institutional Review the College has been revalidated by the University of Essex for a period of up to five years. It was a very positive review and there were a number of commendations as well as recommendations arising from the review. The report has been received and will be considered by the Curriculum and Quality Committee at its next meeting.
- ii. The University of Essex will no longer be validating teacher training provision and the College has been looking for an alternative provider. Huddersfield University Consortium (HUDCETT) is an excellent provider of teacher training across the country, with 27 providers, and following a very successful validation event during Easter week the College is going to contract with them from 2018/19. The College received five commendations during the validation.

8.2.4. Quality Improvement Plan

CIC/17/3/11, Quality Improvement Plan 2016-18, was received and the progress to date noted.

8.3. Resources Committee

CIC/17/3/12, Minutes of the Resources Committee held on 28th March 2017 were received and presented by the Chairman, Christopher Bridge.

8.3.1. Management Report

CIC/17/3/13, Management Report and Accounts March 2017 [Period 8], was received and considered. The Executive Vice Principal: Finance and Corporate Development reported that March was the second good month in a row. The income budget target was almost met (£18k shortfall) and the College continues to make savings across most expenditure lines, including the pay line which is a particular area of focus in order to bring the proportion of pay costs down to nearer to the sector average. The budget surplus is £218k ahead of the year to date budget position and the full year forecast is a £92k improvement on the budgeted surplus. The year-end projected surplus (£492k) is not without risk with £1.4m income expected on the apprenticeship line in the remaining four months of the year. It was reported that in March the College exceeded its monthly budget targets for Work Based Learning for only the second time this year. The other risk areas are around full cost provision and the pay line. There is currently a 5% shortfall on the staffing plan (36 posts).

Governors asked about the impact of the staffing shortfall on the student experience and if agency staff were being used. It was reported that agency staffing is lower than the same period last year. Staffing levels are always a concern in areas where it is hard to recruit. The Faculty for Construction and Engineering Technologies is currently nine short of the plan, better than earlier in the year, and Health and Creative Arts currently has a shortfall of eight staff against budget. The vacancies have been advertised and the College is actively trying to fill them. Those classes will be covering by full time staff, in some cases doing additional hours, or part time staff. The College is getting much better at teaching efficiently and it may be that some groups have been joined for some of their classes.

It was reported that the Chair and Vice Chair had recently been involved in meetings with the ESFA and much of the time was spent in discussing apprenticeship recruitment. It was noted that an Engineering apprentice is worth significantly more (up to £27k) than a business apprentice, particularly under the new funding regime. This is the reason the College has managed to sustain its income level without achieving its numbers target. The Board extended its thanks to Adam Ward, Director of Faculty for Construction and Engineering, and the Engineering staff, who have done particularly well in recruiting apprentices. It was reported that unless there is a significant drop off in the remaining four months of the year the College should regain Satisfactory financial health.

The cash flow position was noted. Although March was a known pinch point the College was able to manage the capital expenditure cash flow to offset the need for any additional banking arrangements. The cash position is still tight and is being closely monitored.

8.3.2. Feedback from SFA Case Conference

CIC/17/3/14, minutes of the financial health case conference held on 4th April 2017, was received and noted.

8.3.3. Braintree Campus Developments

It was reported that the new STEM Centre was close to being handed over. There was a partial handover to enable a schools STEM event organised with Essex County Council and the Essex Skills Board to take place on 20th April. The College has taken the opportunity to use some of the available contingency budget to carry out some remedial works identified as the project proceeded, which has slightly delayed completion. The main work is on the roof where the guttering and some of the skylights have failed. It is expected that the building

will be handed over during May. It is planned to have a formal opening of the new building on 16th June.

8.3.4. HR Plan 2016-17

CIC/17/3/15, HR Plan 2016-17 - update on progress, was received and considered. It was noted that the plan was generally on track but with limited progress on management development and greater efficiencies from the HR system.

8.3.5. Staff Survey 2016

CIC/17/3/16, Staff Survey 2016 – Summary of Results, was received and noted.

8.3.6. VAT Lennartz Appeal

The Executive Vice Principal: Finance and Corporate Development updated Governors on the status of the College's VAT Lennartz appeal. It has been confirmed that the three day tribunal will take place on 24 – 27 July 2017 at the Royal Courts of Justice. The College has met with its barrister who has asked for a wider range of witness statements; the College Executive have been asked to provide their support in this regard. Governors were reminded that the College voluntarily entered the Lennartz VAT mechanism in 2008. The College was lent back £2m VAT incurred on a new building and agreed to repay it over a 10 year period. Since that time legislation has changed and it is likely that the College can recover what it repaid and what is still outstanding to HMRC. The tribunal will look at how VAT calculations should have changed since colleges were incorporated in 1993 and the outcome will affect how VAT is treated across the FE sector. The argument is that the way colleges are treated should have changed at that point as they are no longer run by the Local Authority. The outcome will almost certainly be appealed if the Judge allows an appeal.

9. Register of Members Interests

CIC/17/3/17, summary of changes to the Register of Corporation Members' Interests during the period 12.04.16 to 19.04.17, was received and noted.

10. Date of Next Meeting

There will be a Board/planning meeting on Wednesday, 14th June at 4.00pm. It was agreed to hold the meeting at the College at Braintree in the new STEM Centre conference room. The purpose will be primarily to consider a new 3 or 5 year strategic plan.

11. Any Other Urgent Business

Noting that this would be his last meeting as a Student Governors, the Board extended its thanks to TJ Collison and wished him well in the future.

PART II – These minutes are not confidential but the associated papers are confidential

12. Part II Minutes

The Part II confidential Minutes of the:

- Board meeting held on 15th March 2017 (CIC/17/3/19) were received and confirmed. The Chairman signed the minute book.
- Curriculum and Quality Committee held on 21st March 2017 (CIC/17/3/18) and Resources Committee held on 28th March 2017 (CIC/17/3/20) were received and noted.