



**THE CORPORATION OF  
NEWHAM COLLEGE OF FURTHER EDUCATION  
BOARD OF GOVERNORS**

**MINUTES OF THE MEETING HELD ON 20 JANUARY 2004**

**MEMBERS PRESENT:** Parin Bahl (Chair), John Garlick, Kelly Hewson, Peter Pendle, Quintin Peppiatt, Ed Prosser, Jonathan Swan, Mike Thorne, Martin Tolhurst.

**APOLOGIES:** Linda Jordan.

**IN ATTENDANCE:** Denise Brown, Kath Sherit and Gerti Ashton (Clerk to the Corporation).

The Chair welcomed everybody to the Meeting and explained that the Audit Committee had already considered a number of issues at its meeting on 7 January 2004.

**04/01 DECLARATIONS OF INTEREST**

Ed Prosser declared an interest in Learndirect;  
Quintin Peppiatt declared an interest in the Newham Foundation;

It was **AGREED** that Item 18.7 should be considered first to enable the proposed staff governor to join the meeting;

**04/02 SEARCH COMMITTEE**

An oral report on the meeting held on 20 January 2004 was received. It was noted that the Committee:

- had considered the Skills Audit;
- had considered the possibility of Karan Bilimoria as a business member on the Board; however he had now indicated that he would not be available in the short term;
- had discussed the membership of a representative from a small business in the local community.
- had considered the proposal that Sidra Almas be appointed as the student member;
- had considered the proposal that, following an election Kelly Hewson be appointed as the staff member;

It was **AGREED** that:

- the Principal would meet the prospective Business member;
- Sidra Almas be appointed as the student governor;
- Kelly Hewson be appointed as the staff governor;

- the Clerk arrange induction for the new governors.

Kelly Hewson joined the meeting.

**04/03 PERFORMANCE AGAINST CONTRACTS 2003-2004**

A report was considered. It was noted that:

- FTE learner numbers are lower than our LSC FE target;
- projected income for the FE contract is lower than target;
- measures are in hand to improve the activity level and the funding claim. In addition, precautionary measures are in hand to contain expenditure within reduced budget allocations if necessary;
- Learndirect activity currently exceeds profile for the contract (the contract may be improved to reflect this at the mid-year review by Ufi).

In discussion it was reported that:

- Under-reporting of funding during last year was in the order of 4%;
- KPMG had been commissioned to review the LSC funding modelling software;

The report was received.

**04/04 LSC PERFORMANCE REVIEW (AUTUM 2003)**  
*Confidential Minute*

*The report was received.*

**04/05 ANNUAL REPORT OF THE AUDIT COMMITTEE FOR FINANCIAL YEAR 2002/2003**

A report was considered. The Board noted that:

- the Audit Committee had approved the report at its meeting in November 2003;

The report was received.

**04/06 RISK MANAGEMENT**

A report was considered. It was noted that:

- In line with the College's risk management policy the Board would now be taking an annual summary report of issues arising. This was the first such report;

The report was received.

**04/07 FUNDING AUDIT MANAGEMENT LETTER –INTERIM CLAIM**

The Board considered the report on the Interim Funding claim from Baker Tilly.

In discussion it was noted that:

- audit adjustments had been made as a result of errors in guided learning hours (glh) and attendance records;
- whilst it was noted that there had been progress compared with the 2001/2002 outcome, the Board felt that the College should be able to further improve its funding audit performance;

**04/08 ANNUAL INTERNAL AUDIT REPORT 2002/03**

This report was tabled.

The keypoints from the paper were summarised as follows:

- in the light of the Baker Tilly report on the funding audit, Tenon had qualified their opinion on the control framework over the learner number data;
- in all other respects, Tenon's opinion was that the College has adequate and effective control and governance processes to manage its achievement of the Colleges objectives;

The report was received.

**04/09 ANNUAL REPORT AND ACCOUNTS**

A report was considered. It was noted that:

- the accounting policies described in the Annual Report and Accounts accord with the financial rules for business, financial reporting standards and the industry statement of recommended practice;
- the annual report and accounts were scrutinised by the Audit Committee at its meeting on 7<sup>th</sup> January and, subject to the amendments agreed at the meeting, approved for submission to the Board;
- an operating surplus of £809k had been achieved;
- on the advice of the auditors, the additional Learndirect income would be accounted for in 2003/04;

It was **AGREED** that:

- the Chair should sign the annual report and accounts on behalf of the Board;
- the Chair should sign the letter of representation to Baker Tilly

#### **04/10 FINANCIAL STATEMENTS AUDIT MANAGEMENT LETTER-2002/03**

The letter was considered. It was noted that:

- In Appendix A, the College response had been omitted. The College had agreed the recommendation.

The letter was received.

#### **04/11 EUROPEAN FUNDED PROJECT APPROVALS**

A report was considered. Two typographical errors were brought to the Board's attention. It was noted that:

- the figure shown in the total column as £232,700 was incorrect and should show £232k;
- the figure shown as £388,163 should show £969,250;
- £970k newly funded projects with a total grant value of £485k over a 50-month period had been approved;

The report was received.

#### **04/12 FINANCE REPORT TO 30 NOVEMBER 2003**

A report was considered. It was noted that:

- the College had an operating surplus of £134k (budget £339k) as at 30<sup>th</sup> November 2003;

The report was received.

#### **04/13 FIVE YEAR FINANCIAL PLAN 2003/2004-2008/2009**

A report was considered. It was noted that:

- The LSC had requested a revision to the 3 year plan submitted in July following the identification of some errors;
- 3 year plans have been replaced with 5 year plans at the LSC's request;
- The revised plan was also required for the Little Ilford capital project application;
- The planned operating surpluses for the period are:
  - £135k (2003/04),
  - £838k (2004/05),
  - £1,643k (2005/06),
  - £1,630k (2006/07),
  - £1,798k (2007/08) respectively;

It was **AGREED** that:

- the revised five year financial plan be approved;

The report was received.

#### **04/14 CAPITAL PROJECTS PROGRESS REPORT**

A report was considered. It was noted that:

- progress on NCFE and Newham Foundation Capital projects had been made;
- the Playbarn had not yet opened;
- Re-development plans for EHC did not go to the Borough's Planning Committee as

English Heritage had raised objections; a revision to the scheme is being prepared by the College's architects;

The report was received.

#### **04/15 THREE YEAR DEVELOPMENT PLAN**

An oral report was considered. It was noted that:

- A meeting with the LSC showed that the College's student number target was high in comparison with the contract value when judged against other London East College contracts;
- Revised student numbers have been provided to the LSC;
- The LSC has not yet replied;

The report was received.

#### **04/16 SELF ASSESSMENT REPORT**

A report was considered. It was noted that:

- The improvements in success rates of 15 percentage points for 2002/2003 comprise an increase in overall retention of 3 percentage points and an increase in achievement of 16 percentage points;
- Success rates for 16-18 year olds in 2002/2003 had improved from 36% to 60%;
- Success rates for 19+ year learners in 2002/03 had improved from 50% to 63%;
- the grade profile of provision for 2002/2003 had improved when compared with 2001/2002;
- text was missing on page 21 of the report
- there was a data error in the following table on page 115:
  - Learning Area 5(Business): Performance against benchmarks, students aged 16-19;

It was **AGREED**:

- to endorse the grade profile of provision contained within the self assessment report subject to the principal confirming with the Business ICT Engineering and Science teams their commitment to achieving these grades in inspection;
- That the Academic Standards & Performance Committee will track and interrogate the grading of programme area 5 and 6;
- to delegate the approval of the final self assessment report to the Chair of the Corporation and the Principal and Chief Executive;
- that the Deputy Principal (S&CS) would check the accuracy of the following tables on page 60 of SAR report.
  - Learning Area 1(Science and Maths): Targets for the following year for students aged 16-19 and students aged 19+;
- That Deputy Principal (S&CS) would add percentage figures to the table on page 99 which shows the profile of observation grades for Learning Area 4 (Engineering)

The report was received.

#### **04/17 INSPECTION PREPARATION**

A report was considered. It was noted that:

- the College anticipates a Spring/Summer inspection.
- if the College does not receive an inspection date by the 2<sup>nd</sup> week in February 2004, the 'inspection preparation' status will be reviewed to assume an Autumn 2004 inspection;

#### **04/18 NEWHAM FOUNDATION PROGRESS REPORT**

A report for information was considered.

#### **04/19 EAST LONDON COLLEGE SERVICES LTD**

A report was considered. It was noted that:

- ELCS remains a dormant company;
- The Salon is operating as part of the College and it therefore operates within the college's

accounting and banking arrangements;

It was **AGREED** that:

- The arrangement for the receipt of third party cheques made out to 'The Salon' be approved;

The report was received.

**04/20 MINUTES OF THE MEETING HELD ON 23 SEPTEMBER 2003**

The Minutes of the meeting were agreed as a correct record.

**04/21 SKILLS AUDIT OF THE CORPORATION MEMBERSHIP**

A report was considered. It was noted that:

- 2 non-returners of the skills audit would be followed up by the clerk;

The report was received.

**04/22 CONFLICT AND DECLARATION OF INTEREST**

A report was considered. It was noted that:

- current practice meets the requirements of the College and the sector;

The report was received.

**04/23 MINUTES OF THE ACADEMIC STANDARDS AND PERFORMANCE COMMITTEE**

The Minutes of the meeting held on 30 October 2003 were considered;

The Minutes were received.

**04/24 MINUTES OF THE STAFF CONSULTATIVE COMMITTEE**

The Minutes of the meeting held on 6 November 2003 were considered;

**Re: Minutes 03/36 Campus Management Annual Report**

- The Mayor had agreed that action should be taken regarding the poor security in the Whalebone Lane area (Stratford Campus).

The Minutes were received.

**04/25 MINUTES OF THE STUDENT CONSULTATIVE FORUM**

The Minutes of the meeting held on 6 November 2003 were considered.

- It was noted that 3 Governors attended; but more would endeavour to attend future meetings;

The Minutes were received.

**04/26 MINUTES OF THE AUDIT COMMITTEE**

The Minutes of the meeting held on 19 November 2003 were considered.

The Minutes were received.

**04/27 AUDIT NEEDS AND ASSESMENT STRATEGY 2003-08**

A report was considered.

It was **AGREED** that:

- the strategy be approved and be issued to the Board annually;

The report was received.

**04/28 APPOINTMENT OF FINANCIAL STATEMENTS AUDITORS**

*Confidential Minute.*

*The report was received.*

**04/29 POLICY ON PUBLIC INTEREST DISCLOSURE**

A report was considered. It was noted that:

- a recent review of the policy has confirmed that it is in line with best practice;

It was **AGREED** to:

- adopt the policy and procedure;

The report was received.

**04/30 FREEDOM OF INFORMATION ACT 2000**

A report was considered. It was noted that:

- the College was required and had submitted schemes for the provision of information to the public under the Freedom of Information Act for the College and for Cross River Learndirect, as a wholly owned subsidiary, to the Information Commissioner by 31<sup>st</sup> December 2003;
- the requirement was reviewed at the Audit Committee at its meeting on 19 November 2003;
- the Model Scheme for Further Education was adopted for both submissions;

The report was received.

**04/31 AUDIT COMMITTEE TERMS OF REFERENCE**

A report was considered.

It was **AGREED** that:

- the amended terms of reference for the Audit Committee will include in its remit the consideration of audit issues for the College's subsidiary companies;
- This is in line with good practice;

The report was received.

The Board also considered the vacancy on the Audit Committee;

It was **AGREED** that:

- Jonathan Swan would resign as Director of East London College Services (ELCS) and would take up the appointment on the Audit Committee;
- Mike Thorne be appointed Director of ELCS;

**04/32 APPOINTMENT OF EXECUTIVE DIRECTOR**

A report was considered. It was noted that:

- The Principal has authorised under his delegated powers the appointment of Brian Cooper to the post of Director of Estates and Facilities;

The report was received.

**04/33 CLERK TO THE CORPORATION**

A report was considered. It was noted that:

- a Chair's action was taken and that Gerti Ashton took up the post of Clerk to the Corporation on 24<sup>th</sup> November 2003;

It was **AGREED** to endorse the chairs action;

The report was received.

**04/34 CHAIR'S ACTION**

There were no further actions by the Chair.

**04/35 CROSS RIVER LEARNDIRECT LTD**  
*Confidential Minute*

*The report was received.*

**04/36 THAMES HOUSE**  
*Confidential Minute*

*The report was received.*

**04/37 STRATEGIC COLLABORATIONS UPDATE**  
*Confidential Minute*

*The report was received.*

**04/38 HUMAN RESOURCES AND EMPLOYEE RELATIONS ISSUES**  
*Confidential Minute*

*The report was received.*

**04/39 CoVE – EAST LONDON RAILWAY INDUSTRY**

A report was considered. It was noted that:

- The College has been awarded full CoVE status for Rail Industries;
- The Rail Industries CoVE was officially launched on the 22 September by the Rt Hon Alan Johnson (Minister of State for Lifelong learning, Further and Higher Education);
- Good progress is being made with the Rail Industries CoVE;

The report was received.

**04/40 CoVE TEXTILES & CLOTHING**

A report was considered. It was noted that:

- That subsequent to submission of the CoVE development plan to the LSC and LSDA, a further review was requested and submitted for approval. Subject to this, funding was scheduled to start in November, though no confirmation has been received to date from LSC;

The report was received.

**04/41 PROGRESS REPORT: DEVELOPMENT AND IMPLEMENTATION OF THE COLLEGE MANAGEMENT INFORMATION SYSTEM**

A report was considered. It was noted that:

- The College has decided to contract with FD Learning for the provision of the new MIS software for the academic year 2004/2005;
- The College will still seek a contract with Serco Learning for the maintenance and support of the existing CMIS system until it is no longer required;

The report was received.

**04/42 PROGRESS REPORT: IT STRATEGY**

A report was considered. It was noted that:

- The upgrade to the Internet links and new firewalls (the network's security system) is progressing;
- The links between all sites are nearing completion;
- The new HR and Payroll software has been evaluated;
- The Financial System (SYMMETRY) will be upgraded;
- The latest forecast indicates a cost of £4m against the original planned cost of £4.5m;

The report was received.

**04/43 INVESTORS IN PEOPLE**

The item was withdrawn.

**04/44 STUDENT DISCIPLINARY ACTIONS FOR THE PERIOD 1 SEPTEMBER 2003 – 19 DECEMBER 2003**

A report was considered. It was noted that:

- Two students were permanently excluded. This is the same number at the same point in the previous year;
- Although two students had been excluded for the same offences, one received a lesser penalty since he displayed remorse for his actions whilst the other showed no sign of contrition;
- A review of the student disciplinary procedure is being undertaken. Following this review, it is intended that information on disability will be incorporated into these reports;

The report was received.

**04/45 CUSTOMER COMPLAINTS 2003-2004**

A report was considered. It was noted that:

- The monthly report was modified by the addition of an analysis of the ethnicity of complainants and this will continue to appear throughout the year;
- The number of complaints received is similar to that received in the same month last year;
- The profile of complaints by type is very similar to the same month last year;
- The largest volume of complaints was received about 'Administration' issues;
- An analysis of complaints by ethnicity shows that the profile of complaints received broadly reflects the ethnic profile of the student body as a whole;
- The speed of response to complaints has decreased (although this figure may be affected by reporting issues that are being investigated);

The report was received.

**04/46 LSC/HEFCE/DFES MATTERS**

A report was received and noted.

**04/47 MINUTES OF THE CROSS RIVER LEARNING PARTNERSHIP**

The Minutes of the meeting held on 10 September 2003 were considered;  
The Minutes of the meeting held on 19 November 2003 were considered;

The Minutes were received.