



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

**MINUTES OF THE MEETING HELD ON 5 JULY 2005**

**MEMBERS PRESENT:** Parin Bahl (Chair), Linda Jordan, Quintin Peppiatt, Hugh Harris, Kelly Hewson, Harsh Ondhia, Ed Prosser, Jonathan Swan, Mike Thorne Martin Tolhurst.

**APOLOGIES:** Peter Pendle, Alexis Dalton

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

**05/64 DECLARATIONS OF INTEREST**

There were no declarations

**05/65 SEARCH COMMITTEE/MEMBERSHIP**

The Board noted Sir John Garlick's retirement and asked that their thanks and best wishes be conveyed to Sir John.

The Board ratified Hugh Harris's appointment to the Board with effect 5<sup>th</sup> July 2005 as recommended by the Search Committee at its meeting of 19<sup>th</sup> April 2005.

**05/66 ELECTION OF CHAIR OF THE BOARD**

Kelly Hewson asked for nominations for the Chair of the Board for the year 2005-2006. Linda Jordan proposed and Edward Prosser seconded Parin Bahl as Chair of the Board for the next year.

There were no other nominations. Parin Bahl accepted and took the Chair.

**05/67 ELECTION OF VICE CHAIRS OF THE BOARD**

Parin Bahl proposed and Mike Thorne seconded Linda Jordan as Vice Chair of the Board.

Parin Bahl then proposed and Jonathan Swan seconded Quentin Peppiatt as the second Vice Chair.

**05/68 CURRICULUM QUALITY REPORT**

A report was considered. The Board noted that:

- The satisfactory Ofsted monitoring of WBL construction
- The College is doing well with each of the three CoVE's
- The excellent standing of the College in the ALP's evaluation which had placed the College's sixth form provision in the top 10% nationally of schools, sixth form colleges and FE colleges

The report was received

**05/69 PERFORMANCE AGAINST CONTRACTS 2004-2005**

A report was considered. The Board noted that:

- Performance to date for 2004/05 shows the College above this year's learner number targets but 6.7% behind last year's performance
- Learner numbers are likely to be somewhat overstated as another round of data cleansing is due imminently.
- Projected funding outturn is currently 0.7% below contract and action is being taken to achieve contract.
- The College is taking actions to improve performance by the year end
- There are trends emerging in full time adult enrolments, which are lower than in previous years and are probably a result of the reintroduction of adult full time fees.

The report was received.

#### **05/71 FINANCIAL MONITORING REPORT TO 31 MAY 2005**

A report was considered. The Board noted that:

- There is a current operation surplus for the college of £210k against a budgeted figure of £602k
- The College has reduced its full year surplus forecast from £800k to 300k due to additional costs associated with achieving the LSC main contract and increased use of protocol professional staff
- The June finance report will probably show a surplus.
- The reduced surplus forecast along with other pressures on funding previously reported means the College is unlikely to meet its financial targets for the year and this may put pressure on its ability to retain LSC category "A" financial status.

The report was received.

#### **05/72 THREE YEAR DEVELOPMENT PLAN**

A report was considered. The Board noted that:

- This report had been considered by the Planning and Budgeting Committee
- College management have not yet agreed the development plan with the LSC, although there are good reasons for the delay relating to the College's efforts to retain its unique strategy. If the development plan is not agreed the LSC can in theory withhold 2.5% funding (£750k). However this would be an unlikely course of action as the ensuing publicity would be highly embarrassing for the LSC.
- The key issues and headline targets are complex and challenging.
- LSC funding priorities means that College provision has to be changed.
- The overall value of the FE contract is 2.9% higher than for 2004-05, but funding for adult learners has been reduced by £934k. The LSC has split the contract between 16-18 year olds (offer of £10.6m) and £19m available for adult learners. There is no flexibility to switch funding between the two, although in practice LSC is likely to approve the virement of funds from 19+ to 16-18 year-olds.
- The College had not yet received an indication regarding the value of the work based learning contract ergo a reduction in the College's income has been assumed for budgeting reasons.
- The hardship component and childcare funding has been reduced by £58k and £180k respectively. Accordingly a new business plan for the early years service is being developed to address this shortfall.
- There were other outstanding issues pertaining to the national pilots for NEWCAD; delivery of NQF accredited courses at Level 3 and above and the proposed programmes for the Prince's Trust and Foyer work.

The report was received.

#### **05/73 REVENUE BUDGET 2005/2006**

A report was considered. The Board noted that:

- This report had been considered by the Planning and Budgeting Committee who have commended it to the Board for approval
- The College may make an operating loss this year and this cannot continue without having an impact on its financial health category

- The budget is based on an estimated income for the year of £44,487k with planned expenditure of £44,7723k, profit on sale of asset of £356k, generating an operating surplus of £120k and an historic cost surplus of £836k.
  - The planned budget remains dependent on a number of factors including the LSC contract
  - This budget is subject to agreement with the LSC of the 2005/06 update of the three year development plan
  - Some of the forecast costs were dependent on certain assumptions which are subject to change, and work is going on to try and improve the 2005-06 planned surplus as it is not much better than breakeven as it stands. Therefore a revised revenue budget will be brought to the September Board meeting.
  - The 2006-07 position is likely to be even worse and the College needs to prepare for this
- It was **AGREED** that:
- The provisional Revenue Budget 2005-06 is approved.
- The report was received.

#### 05/74 **THREE-YEAR FINANCIAL PLAN 2005/2006-2007/2008**

A report was considered. The Board noted that:

- This report had been considered by the Planning and Budgeting Committee who have commended it to the Board for approval
- There is a revised target of achieving an operational surplus in each year of the plan with the intention to returning to 3% as soon as possible.
- There is an additional financial target that borrowing should not exceed 15% of annual income
- The College's self assessment puts its financial health in category A
- A revised revenue Budget will be presented to the September Board following confirmation of contract values.

It was **AGREED** that:

- The Three Year Financial Plan be approved for submission to the LSC
- The report was received.

#### 05/75 **ACCOMMODATION PROJECTS' PROGRESS REPORT**

A report was considered. The Board noted that:

- The progress on projects previously approved
- The delayed opening of the Youth Parliament to October 2005
- The agreed sale of Little Ilford at £410k
- LSC consent for the rest of the BSF programme has now been received
- The tenders for supporting works on BSF have exceeded planned expenditure by £500k, so scope of work needs to be agreed by the Board
- Boardman House is now occupied
- An *in principle* agreement has been reached in respect to Thames House subject to contract, however the London Development Agency and John Laing Training are still in consultation.

It was **AGREED** that:

- The decision regarding the scope of work and funding of the Building Schools for the Future programme be delegated to the Chair and Principal.

#### 05/76 **SUBSIDIARY COMPANIES**

##### 05/76.1 **Newham Foundation: Progress Report**

A report was noted and received

##### 05/76.2 **Nomination of Director**

A report was considered. The Board noted that:

- It was proposed that Kath Sherit step down as director and Denise Brown to be nominated her replacement
- Newham Council has yet to appoint a second director.

It was **AGREED** that:

- Denise Brown be nominated as director
  - Quentin Peppiatt will follow up with the borough regarding the second director
- The report was received

##### 05/76.3 **EAST LONDON E-LEARNING (FORMERLY CROSS RIVER**

**LEARNDIRECT LTD) Company Secretary Report**

A report was noted and received

**05/76.4 Nomination of alternative Director**

A report was considered.

It was **AGREED** that:

- Di Gowland be nominated as alternate director to Martin Tolhurst

The report was received.

**05/77 ILCT STRATEGY BUSINESS CASE FOR YEAR TWO**

A report was considered. The Board noted that:

- Some tasks carried over into next year's (2005-06) programme are already in progress
- A programme listing the new starts for this year had been provided as requested previously
- The high level security review has taken place and the findings of the report are being addressed.

It was **AGREED** that:

- Approval is given to the proposed investment in ILCT for 2005/06.

The report was received.

**05/78 COLLABORATIVE PARTNERSHIP PROVISION 2005-06**

A report was considered. The Board noted that:

- There has been a reduction in the number of franchise contractors and direct providers for the year 2005-06

It was **AGREED** that:

- Approval is given to the proposed contract values for 2005/06.

The report was received.

**05/79 MINUTES OF THE MEETING HELD ON 19 APRIL 2005**

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

The minutes were received.

**05/80 MATTERS ARISING FROM THE MEETING HELD ON 19 APRIL 2005**

Re: Minutes 05/45.3 Thames House and 05/45.4 Properties at Stratford, dealt with at minute 05/75

**05/81 BOARD CONFERENCE 2005**

A report was noted and received

**05/82 GOVERNORS SELF ASSESSMENT**

A report was considered. The Board noted that:

- Overall results of the self assessment exercise demonstrate that members of the Board have a good set of complementary skills
- There are some individual training needs which will be addressed by way of induction and relevant courses
- All members would wish to be better informed on DDA/SENDA matters

It was **AGREED** that:

- An annual report on DDA/SENDA is added to list of reports received by the Board.

The report was received.

**05/83 AUDIT COMMITTEE****05/83.1 Minutes of the meeting held on 15 June 2005**

The Minutes of the meeting held on 15 June 2005 were considered.

The minutes were received.

**05/83.2 INTERNAL AUDIT ANNUAL PLAN 2005/06**

A report was considered. The Board noted that:

- This plan has been agreed by management and considered by the Audit Committee
- There are a reduced number of days for the core plan with additional discretionary work to be included
- A list of other work which could be commissioned if required is included

- East London e learning will be establishing its own audit committee and setting its own audit plan.
- 10 days had been allowed previously for this work in the audit plan
- More experienced staff will be undertaking next year's internal audit work.

It was **AGREED** that:

- The plan for 2005/06 is approved.
- The report was received.

**05/84 ACADEMIC STANDARDS AND PERFORMANCE COMMITTEE**

The notes of the inquorate meeting held on 9 June 2005 were considered. The Board noted that:

- A work plan for the coming academic year had been agreed.

The notes were received.

**05/85 STAFF CONSULTATIVE COMMITTEE**

The unconfirmed minutes of the meeting held on 2 June 2005 were considered.

The minutes were received.

**05/86 STUDENT CONSULTATIVE FORUM**

The unconfirmed Minutes of the meeting held on 2 June 2005 were considered.

The Board noted that:

- It had been a good and interactive meeting
- The main issues discussed were around student feedback and improving the learning experience
- The students complimented the refectory food and noted there had been a lot of improvement

The minutes were received.

**05/87 MINUTES OF THE SEARCH COMMITTEE**

The unconfirmed minutes of the meeting held on 19 April 2005 were considered

The minutes were received

**05/88 ACADEMIC BOARD**

The minutes of the meeting held on 10 December 2004 were considered

The minutes were received

**05/89 CALENDAR OF BOARD AND COMMITTEE MEETINGS 2005-2006**

A report was considered. The Board noted that:

- There is no requirement to hold an APM and members of the public may access the College through other events.
- Some changes have been made to the meeting dates of the academic standards and performance committee to fit in with the SAR cycle

It was **AGREED** that:

- The list of dates is approved.

**05/90 CHAIR'S ACTION**

A report was considered. The Board noted that:

- A Chair's action was taken to implement the Senior post holders pay awards
- A Chair's action was taken to establish the Planning & Budgeting Committee

It was **AGREED** to endorse the Chair's actions.

The report was received

**05/91 STRATEGIC DEVELOPMENT**

*Confidential Minute*

*The report was received*

**05/92 CONFIDENTIAL MINUTES**

***05/92.1 Board Conference 2005***

*Confidential Minute*

*The draft notes were received*

**05/92.2 Confidential Minutes of the Board Meeting held on 19 April 2005**

*Confidential Minute*

*The Minutes were received.*

**05/92.3 Matters Arising from the Meeting held on 19 April 2005**

*reported at confidential minute 05/92.5*

**05/92.4 Confidential Minutes of the Audit Committee Meeting held on 15 June 2005**

*Confidential Minute*

*The Minutes were received.*

**05/92.4.1 Risk Management**

*Confidential Minute*

*The report was received*

**05/92.5 LSC FCT Report**

*Confidential Minute*

*The report was received*

**05/93 HUMAN RESOURCES & EMPLOYEE RELATIONS ISSUES**

*Confidential Minute*

*The report was received*

**05/94 STUDENT DISCIPLINARY ACTIONS FOR PERIOD APRIL – JUNE 2005**

*Confidential Minute*

*The report was received*

**05/95 RESIGNATION OF DEPUTY PRINCIPAL (BUSINESS PLANNING) AND SUCCESSION PROPOSALS**

*Confidential Minute*

*The report was received*

**05/96 APPOINTMENT OF CLERK TO THE CORPORATION**

*Confidential Minute*

*The report was received*

Signed as a correct record

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Parin Bahl Chair of the Board

The meeting ended at 19.45