



MINUTES – PART 1
CORPORATION BOARD

Date: Tuesday 16 July 2019

Venue: Executive Boardroom, Stratford Campus

Time: 6:00pm

Chair	Martin Cumella
Corporation Members	Andrew Edwards, Andrew Hughes, David Surdeau, Irfan Umarji, Julianne Marriott, Linda Jordan, Mubin Ahmed, Paul Stephen (Principal), Quintin Peppiatt, Saima Rafiq, Zarina Naqvi
In Attendance	Deputy Principal, Curriculum & Quality: Janet Gardener Chief Operating Officer (COO): Judith Abbott
Clerk to the Corporation	Judith Nelson

Item No	Item of business
PRELIMINARY PROCEDURAL MATTERS	
1.	Chair's Welcome & Opening Remarks The Chair welcomed Zarina Naqvi and Judith Abbott to their first meeting of the Corporation Board.
2.	Apologies For Absence <ul style="list-style-type: none"> ▪ Bianca Ailenei ▪ Bobby Seagull ▪ Claire Helman ▪ James Beckles ▪ Lloyd Johnson ▪ Lorraine Reader
3.	Declaration of Interests <ul style="list-style-type: none"> ▪ Martin Cumella / Paul Stephen, Lloyd Johnson, Quintin Peppiatt: in respect of the Learning Revolution Trust ▪ Paul Stephen, Andrew Hughes: in respect of Digital Skills Solutions Limited ▪ Linda Jordan in respect of NewTEC ▪ Quintin Peppiatt: in respect of the London Borough of Newham ▪ Julianne Marriott: in respect of NewVic 6th Form College and the London Borough of Newham
4.	a. Minutes of the Last Meeting held on 26 March 2019 <i>RESOLVED: The minutes were approved as a true and accurate record.</i> b. Matters Arising and Action Points from the Meeting No outstanding matters.
CORPORATION BUSINESS	
5.	Principal's Report The Board noted: <ul style="list-style-type: none"> ▪ An exceptional year highlighting curriculum alignment. ▪ Interesting partnerships.

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	<ul style="list-style-type: none"> ▪ The challenges with the finances, in particular the deterioration in the financial performance. The Principal has alerted the ESFA of the deterioration and received their confirmation that no formal intervention is required at present. The Executive will be meeting the ESFA to review the situation once the bulk enrolment for 2019/20 is complete. ▪ DfE has approved the College as a T Level provider for health and science and Digital qualifications from 2021/22. ▪ The College has been successful with a bid to DfE for funding to develop dual professionals with both teaching and industry experience in construction. ▪ The Council has awarded the College a higher contract for supporting high needs learners in 2019/20, building on its investment in the autism centre earlier this year. Conversations have commenced with officers at the Council to understand whether proposals for an in-borough special school could represent a strategic fit with the College. ▪ The COO is responsible for the accommodation strategy, commencing the methodical process of identifying what is required to support curriculum evolution and keep our students safe and the affordability. <p>The Chair was encouraged by the partnership model; the IoT, Digital, Health & Social Care, Barts, NHS and ESOL. The Chair highlighted that Newham College is the biggest provider of ESOL and it was important to think of innovative ways of branding this.</p>
6.	<p>Corporation Board Structure Proposal</p> <p>The Chair has been in dialogue with individual board members, regarding their time commitment; availability and key skills in order to reshape the Corporation sub-committee membership composition. The Board received the proposed Corporation Board and its committee structure proposal. The Chair offered to speak directly to any governors regarding any interest to form part of a sub-committee.</p> <p>It was noted James Beckles expressed an interest to form part of the Curriculum and Quality Committee and be removed from the Finance & Resources Committee.</p> <p><i>RESOLVED the Board approved the proposed Corporation Board and its committee's structure.</i></p>
THE EFFECTIVE AND EFFICIENT USE OF RESOURCES, THE SOLVENCY OF THE INSTITUTION & SAFEGUARDING THEIR ASSETS	
7.	<p>FINANCE & RESOURCES COMMITTEE BUSINESS:</p> <p>It was noted all the below items were discussed and recommended for approval by the Finance & Resources Committee – 16 July 2019, prior to Board:</p> <p>a. Finance & Resources Committee Terms of Reference</p> <p>The Chair explained the rationale for reconstituting the Capital & Resources Committee to the Finance & Resources Committee, following the direct guidelines from the FE Commissioner on the Insolvency Regime.</p> <p><i>RESOLVED the Board approved the terms of reference of the newly constituted Finance & Resources Committee.</i></p> <p>b. Management Accounts</p> <p>The Board noted the Management accounts were Scrutinised at length by the Finance & Resources Committee prior to Board meeting. The biggest factors for the deteriorating financial position was:</p> <ul style="list-style-type: none"> ▪ A shortfall in a number of income streams ▪ Higher Education (HE)

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	<ul style="list-style-type: none"> ▪ Student Loans ▪ Apprenticeships ▪ Newtec <p>c. Draft Budget 2019-20 The Board noted:</p> <ul style="list-style-type: none"> ▪ A prudent and deliverable budget. ▪ Higher Education is the biggest of the risks if we do not get a green light from the Office for Students, to recruit to HE programmes. ▪ Contingencies >£1m are built into the Group budget. ▪ Newtec is projected to break even, with an element of risk until the year end outcome is known. ▪ The Principal advised the College is currently holding vacancies in order to bring in staffing when there is certainty we have met the recruitment targets. ▪ The College will be not be modifying its financial position to requires improvement. ▪ The Principal highlighted a 1% pay award has been set aside in the budget. The College is not in a position to award a 2% pay award this year. ▪ Staff Governor made the board aware that thought needs to be put into developing and retaining outstanding staff members. ▪ Governors noted that teachers in the FE sector are not very well paid and thought does need to go into staff retention and attracting the right staff. It was noted as sector we pay £7k less than schools. <p><i>ACTION: The Chair asked for the Finance and Resources Committee to receive a report on Newtec financial outturn against each of the risks.</i></p> <p><i>RESOLVED the Board approved the draft budget with the caveat of the risks which should be cross referenced with the risk register.</i></p> <p>d. Financial Plan 2019-20 to 2020-21 Submit to the ESFA essentially a 2 year budget, a very modest year on year increase.</p> <ul style="list-style-type: none"> ▪ The financial plan assumes a College Group operating surplus of £200k in the first year of the plan and a surplus of £275k in the second year of the plan. ▪ The surpluses reported in both years of the plan are before the pension liability adjustments of £2.4m and £2.9m respectively. ▪ The capital expenditure budget in both years of the plan is maintained at £700k. ▪ The College Group financial health score remains 'Good' in both years of the plan although there are significant pressures throughout the planning period which senior management will need to control in order to maintain this scoring. <p><i>RESOLVED the Board approved the financial plan for submission to the ESFA no later than 31 July 2019.</i></p> <p>e. Banking Loan Arrangements The Board noted:</p> <ul style="list-style-type: none"> ▪ The College is looking to extend the loan to avoid the tight pinch points on the cash. ▪ The request to enter into a new facility with Barclays bank in August 2019 to replace the existing loan facility. The existing loan runs until August 2019. ▪ Barclays will be granted security on the Stratford campus site in lieu of the new loan facility <p><i>RESOLVED the Board approved to the Barclays Bank loan arrangement.</i></p> <p>f. Sub-Contractor Fees Charges Policy 2019-20 The Board noted:</p>

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	<ul style="list-style-type: none"> ▪ The updates made to the sub-contractor fees and charges policy. ▪ Publication of a sub-contractor policy is an ESFA and GLA requirement, the fees policy will be published on the website. ▪ The College is planning to do much less sub-contracting next year. The strategic intent of sub-contracting is to realign local student cohorts that the College is unable to reach; and / or to deliver specialist provision. The detail in sub-contracts has a bigger focus on the quality of provision. The Principal is running a masterclass for staff members dealing with the College's sub-contracted provision, to build appropriate incentives to deliver key outcomes. <p>RESOLVED the Board approved the sub-contractor fees and charges policy 2019-20.</p> <p>g. College Group Subsidiary Companies Update Confidential minute</p> <p>h. Estates Redevelopment Update Confidential minute.</p>
8.	<p>AUDIT & RISK COMMITTEE BUSINESS: The Board noted the items below were discussed and recommended for approval by the Audit & Risk Committee of 24 June 2019:</p> <p>Internal Audit Plan 2019-20</p> <p>a. External Audit Plan Year ending 31 July 2019 RESOLVED the Board approved the external audit plan year ending 31 July 2019.</p> <p>b. Updated Financial Rules of Business Following on from the Renewal project, the Financial Rules of Business have been reproduced in its entirety a matter of good governance. Debts will now also form part of the management accounts.</p> <p>RESOLVED the Board approved the updated Financial Rules of Business.</p> <p>c. Risk Register Update The Board noted the risk register update and in particular the risk has deepened considerably around the subsidiaries.</p>
THE DETERMINATION AND PERIODIC REVIEW OF THE EDUCATIONAL CHARACTER AND MISSION OF THE INSTITUTION AND THE OVERSIGHT OF ITS ACTIVITIES	
9.	<p>CURRICULUM & QUALITY:</p> <p>a. In Year Performance Report 2018-19 The Board noted:</p> <ul style="list-style-type: none"> ▪ The overall College retention is at 94.5%, this in line with the final outturn for 2017/18 and is 1.6% above the national rate of 92.9%. ▪ 16-18 retention is 92.7%, 1.7% higher than the final outturn for 2017/18. ▪ 19+ retention is 97.4%, 2.4% above the final outturn for 2017/18. ▪ College attendance is at 84.7%, this has declined recently due to Ramadan and Eid in June, but has improved around 5% compared to 2017/18. ▪ Governors also noted that Janet Gardner has been really successful in driving quality improvement, whilst having a positive impact on the learners.

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	<p>b. Curriculum & Quality Impact Report The Board noted:</p> <ul style="list-style-type: none"> ▪ Continuing to make good progress with the development of curriculum and quality processes and the impact has been demonstrated in many areas. ▪ Curriculum developments including employer partnerships. The number of employers that the College works with has increased and employers are now a key feature of the curriculum planning process. Further work is needed to integrate employer delivery as part of the curriculum offer and this will continue to be developed throughout 2019/20. ▪ Curriculum offer growth and aligning regional and national priorities as well as maximising income streams. ▪ There has been an increased focus on improving ownership and accountability across the College as well as the importance of collaborative and partnership working. <p>c. Governors' Scorecard Dashboard The Board noted: The dashboard was in good shape, noting the red risk is highlighting the financial risk and very likely to remain as good. Governors noted the timely development of a three year strategy, which will in turn build into the cycle.</p>
GOVERNORS TO NOTE	
10.	Glossary of Acronyms Governors noted the glossary for their retention and reference.
11.	Meeting Schedule for 2019-20 @ 6:00pm (Stratford campus) <ul style="list-style-type: none"> • 03 December 2019 • 31 March 2020 • 14 & 15 May 2020 (Venue tbc) • 14 July 2020
12.	Any Other Business No other business discussed.
Students and Staff Officers were asked to leave for Part 2 of the meeting	

Signed
Martin Cumella

Date: 15 October 2019