

KING GEORGE V FURTHER EDUCATION CORPORATION
MINUTES OF THE MEETING OF THE FULL BOARD OF GOVERNORS

6.00pm Monday 12 October 2015

PRESENT

Chris Baker (Governor)
Elinor Dodd (Governor)
Charlie Hayward (Student Governor)
Nick King (Staff Governor)
Morag Matthews (Staff Governor) until 8.00pm
Julian McInerney (Governor)
Cameron Neilson (Student Governor)
Ian Raikes (Governor)
Kathy Passant (Governor)
Stephen Sheedy (Governor)
Vipin Trivedi (Governor)
Adele Wills (Principal/Governor)
In attendance
Louise Adams until 6.10pm
Anne Marie Francis (Vice Principal Performance Management)
Michael Barker (Assistant Principal Study Programmes)
Paul Williamson (EFA)
Wendy Moorcroft (Clerk)

A Quorum being present, Julian McInerney (in the Chair) opened the meeting at 6.00pm.

15/71 Apologies

Paul Lacey (Governor)
Janet Regan (Assistant Principal)

15/72 Appointment of New Student Governors - Charlie Hayward and Cameron Neilson
The elections in respect of the Chair and Co-chair of the Student Council had taken place and Mr Charlie Hayward and Mr Cameron Neilson had been duly elected.

The Board approved the appointment of Mr Charlie Hayward and Mr Cameron Neilson as Student Governors for the year ahead.

With the approval of the Board, the Chairman then took Agenda item 15/77 next in order not to detain the visiting speaker.

15/77 Annual Report - Human Resources

The Board welcomed Louise Adams to the meeting. All Governors had received the report which Governors agreed was very comprehensive. Miss Adams updated Governors on recent appointments and current vacancies and related closing dates. Governors requested an action plan to reduce special leave and staff absence. **ACTION JSR** Governors also felt there should be a breakdown of reasons for special leave and sickness rates as a percentage incorporated within the HR Report in future **ACTION JSR**

Governors requested a termly report on special leave and sickness and those staff on capability and the related outcomes. **ACTION JSR**

Governors accepted and noted the Report

15/78 Revised HR Policies – Senior Postholders

Miss Adams advised that in line with audit guidelines on review of policies every two years, the policies presented had been updated to reflect changes in job titles and had been impact assessed. There had been no other changes to the policies. The policies followed the SFCA model. For accuracy it was noted that reference in the policies to SFCF be amended to SFCA

ACTION JSR Governors questioned whether it was correct practice in the event of an appeal for the employer to put forward its case first.

This would be clarified with SFCA and the policies brought back to the next meeting for approval. ACTION JSR

Miss Adams left the meeting at this point (6.10pm).

15/73 Minutes of the Meeting of 29 June 2015

The minutes were accepted as a true and accurate record and signed by the Chairman.

15/74 Matters Arising

15/40 Creative Arts Building Grand Opening Event Proposal

The Creative Arts Building now had an opening date plaque.

15/61 Review of Vision, Mission and Values

The Vision and Mission were now in place and Values and Behaviours would be dealt with under agenda item 15/80

15/62 Review of Strategic Objectives

This would be dealt with separately under agenda item 15/81

15/64 Code of Good Governance

This would be dealt with separately under agenda item 15/87

There were no other matters arising.

15/75 Minutes from the Special Meeting of 24 September 2015

The minutes were accepted as a true and accurate record and signed by the Chairman.

15/76 Matters Arising from the Special Meeting of 24 September 2015

All actions had been completed. A template for the Governors' Action Plan had been circulated and this would be dealt with under agenda item 15/87. Strategic Objectives were being dealt with under agenda item 15/81. An Action Log was now in place.

There were no other matters arising.

15/79 Principal's Report

The Principal presented the Report to the Board. The main issue was the major national review of post-16 education and training institutions which was now underway. Governors noted the policy statement issued at the introduction of the area reviews setting out the aims of the process. The national review followed a voluntary pilot review carried out in the South East. The first wave of reviews had commenced in September in Birmingham and Manchester with further waves following every three months. It was still not clear what constituted an area but the assumption at this stage was that the area for this College was likely to be Liverpool City Region. Colleges nationally were beginning to think about potential responses in advance of these reviews and the Principal's report outlined a number of possible options for KGV. The

Principal and Chairman had recently attended a sixth form colleges' conference on this and the SFCA view was that sixth form colleges were more akin to schools and academies. The significant obstacle however was that sixth form colleges could not legally convert to academy status. This was currently being reviewed and the position would be clearer towards the end of November. Should the position change, one of the options could be the creation of a multi-academy trust with local partner schools. The College was also working with other FE providers in Sefton to collaborate in a 'Sefton College' model. Other partnership models could also be considered. The Principal felt it was important for the College to try to influence its own destiny with Governors giving strategic direction to SLT on a preferred option. The Chairman commented that achieving an improved inspection would place the College in a better position in terms of potential options and also that awaiting the outcomes of the first review would give a better understanding of government thinking. SFCA and AoC were also posting regular online briefings. Governors felt strongly that it was hugely unfair that school sixth forms were not subject to these reviews as they formed a significant part of post-16 provision nationally and asked whether the College should be writing to the Secretary of State making this point and asking for an explanation on the basis that the proposals did not constitute a full post-16 review if these institutions were excluded. The Vice Principal (Performance Management) advised that she had recently attended a meeting where this point had also been raised and the group had asked for this question to be raised in the House of Commons.

The Board noted the Report and agreed that the key focus at this stage should be the Ofsted inspection as a good judgement would put the College in a better negotiating position. It would also want to await the outcome of the first wave of reviews and any ruling on sixth form conversion to academy status. In the meantime the Principal should continue discussions with the other Sefton FE providers and in particular it would support options that would allow the College to retain the KGV 'brand'. Governors were satisfied that appropriate options were being identified and explored.

15/80 Values and Behaviours

The Principal presented the report. Following on from the review of Mission and Vision undertaken at the end of last year and approved by the Board, a review of Values and Behaviours had now taken place. The College already had a set of core values which it was felt were still relevant and appropriate and needed only small adjustments to reflect the current context in terms of changes to the Ofsted framework, Prevent, study programmes and employability. In addition a set of behaviours had been identified for leaders, teachers and support staff with proposals also for a set of expected behaviours for Governors for consideration and adoption.

Governors asked how the agreed behaviours would be used and if they had been presented to staff. The Vice Principal (Performance Management) advised that these would form part of visual displays around the College. Staff were aware of the values and behaviours and these formed a core part of the performance management review process. Governors also requested that they form part of future staff and student satisfaction surveys. **ACTION AMF**

Governors asked if students also signed up to expected behaviours on enrolment. The Assistant Principal (Study Programmes) confirmed that there were expected behaviours for students and this would be an integral part of the learner agreement signed by the students which would be appended to the final document once approved for completeness. Governors asked the Student Governors if students found the behaviours of benefit. The Student Governors felt this would be the case through wider awareness of them. Governors asked if the College got the student body together as a whole to raise awareness in these instances. The Vice Principal (Performance Management) advised that this was not easy to do so much work had been undertaken in

progress coach groups. There had been a very mature response from students and she would arrange for the finished leaflet on student behaviours to be distributed to Governors **ACTION AMF/MAB**

With regard to the proposed behaviours for Governors, it was agreed that if Governors had any comments or proposed changes, these be sent to the Principal and Chairman by half term and the final document would come back to the next meeting for final approval.

15/81 Strategic Objectives

The Principal presented the Report. The Strategic Objectives had been agreed without change at the last meeting and the recent Ofsted monitoring visit had been critical of this in that the Objectives had not changed since 2011 and may no longer be relevant, realistic or achievable. The proposal in the report therefore was a short term focus based around the current PIAP and the key areas of weaknesses identified at the last inspection supplemented by an addendum to include new priorities emerging from the recent monitoring visit, linking in to the SAR process and Quality Improvement Plan with the Strategic Objectives being reviewed following completion of the PIAP. The Principal took the opportunity to circulate the final monitoring visit report which had just been received. The Chairman asked how targets had been hardened to address how the College needed to perform now. The Vice Principal (Performance Management) advised that the targets set related specifically to success and achievement with value added seen as crucial by Ofsted. To this end course leaders had been asked to set both base line value added and aspirational value added targets. During lesson observations and learning walks, students would be asked if they knew their targets. There had been a positive shift in staff acceptance that if students did not achieve it could never be viewed as the students' fault. The targets should be stretching and demanding and written into everyone's review, both staff and students. The Principal advised that this was included in the performance management documentation for staff and students' individual achievement plans. Governors asked if the quality of students' individual achievement plans were quality checked. The Vice Principal (Performance Management) advised that this was done through pro monitor with some small adjustment required for progress coach input. Governors asked the Student Governors if students were aware of their targets. The Student Governors agreed that that students were aware but were often just happy to achieve their minimum targets to avoid coming to intervention and that perhaps there was not enough emphasis on the aspirational targets or incentive to attend study days. The Vice Principal (Performance Management) agreed that this would be further reinforced with staff as the expectation should be to exceed minimum target and there were lots of good things taking place during study days that students could take advantage of. She would be asking Student Governors at the next meeting if they had noticed any change in approach as a result. **ACTION AMF**

Governors felt that the report did not make clear what the College targets were and set out instead a series of actions rather than strategic objectives. They wanted to see a recommendation from SLT on proposed College targets in one document backed up with actions to achieve them. The Principal agreed to collate the overall College targets within one document (probably the Data Dashboard) for the next PQM meeting. **ACTION AKW**

15/82 New Common Inspection Framework

The Vice Principal (Performance Management) updated Governors on the key changes to the new Common Inspection Framework. When the College had been inspected last year, this had been under the old framework. Re-inspection would be under the new framework. She circulated the headline changes advising that the full document could be found on the Ofsted website. Looking at the key changes, if a college was graded as 'good', then this would attract only a

short inspection for that college every three years although some good providers could receive a full inspection based on risk assessment. The same areas of judgements remained but with some changes within these such as increased emphasis within leadership and management on safeguarding. In addition there was a new judgement; personal development behaviour and welfare which focused on the extent to which a college was preparing students for the next step which may not necessarily be HE but the world of work. It was clear that the new framework was driven by outcomes and the overall effectiveness of a college. Subjects would no longer be graded but there would be a grade and summary for each type of provision offered. The recent monitoring visit had also indicated other key areas of focus such as progression data. Feedback from colleges amongst the first to be inspected under the new framework was that the process felt very different with inspectors working very efficiently across a college carrying out shorter observations to observe as many areas as possible. This gave inspectors a stronger picture of a college but provided less feedback to colleges. The system was therefore also new to inspectors but the same things were still important though reported differently. In terms of students required to do Maths and English, whilst the actual grade was of less significance, the college would need to demonstrate progress and improvement for every student and this was the case for all students across all study programmes so the importance of value added and progress could not be overestimated. Governors asked how the SAR was progressing and how overall gradings were looking. The Vice Principal (Performance Management) advised that the picture was mixed with areas showing characteristics of both 'Good' descriptors and 'Requires Improvement'. Overall, it was felt that most major areas could be graded 'Good' but that there were pockets of inconsistency still and the SAR would be externally validated to assess that it was an accurate reflection of where the College judged itself to be. The new Prevent legislation was being proactively promoted through Staff and Governor training. As requested at PQM, all Governors had been circulated with the updated Safeguarding Policy which included the College policy on Prevent. The Assistant Principal (Study Programmes) advised that he had just received an updated document from Sefton which would also be circulated to Governors. **ACTION MAB**

Governors had undertaken initial Prevent training and felt this gave Governors good general awareness raising at the appropriate level and the question was asked whether there was a requirement to do a second level. The Principal advised that all Staff were undertaking additional training and the training package used was pitched at particular roles within the College including Governors. All Governors had been emailed the link to access the training and the Clerk circulated some instructions to assist with the process. It was noted that the nominated Safeguarding Governor had already undertaken level 3 safeguarding training.

Finally Governors requested a report to the next meeting on feedback from inspections undertaken under the new framework on any emerging themes. **ACTION AKW/AMF**

Governors noted the key changes to the new Common Inspection Framework.

15/83 Learning Support Report

The Assistant Principal (Study Programmes) presented the report. The report was a summary of last year's students and the summer performance. There had been around 12 students with high needs. The report identified however that these students performed less well than other students by around 10-15% in terms of value added. This was a key Equality and Diversity issues and a strong focus for Ofsted so this needed to be addressed urgently. An action plan would be written accordingly for inclusion within the overall Plan and SAR **ACTION MAB**

In response to questions and comment, the Assistant Principal (Study Programmes) confirmed that there were no funding issues with the Local Authority as the appropriate documentation was

in place and numbers with high needs were small. Student names would not be included in future reports.

Governors noted the Report.

15/84 Financial Report

The Director of Finance presented the Period 12 Accounts for 2014/2015. These had been forwarded to the Bank and discussed in detail by F&GP Committee. It was noted that there was a deficit for the year of £165k. Adding back exceptional items of rationalisation costs and accelerated depreciation however resulted in an operating surplus of £61k which was pleasing given that the initial aim had been break even. The figures were still subject to Audit. The results met the 'ebitda' bank covenant requirements but the definition of the cash covenant required further clarification. **ACTION MJB** Actual cash balances were £913k which were a little lower than anticipated but the opening cash balance had included a payment in advance of around £450k in respect of the new building so overall the cash balance had remained fairly constant. The total staff costs were at 64% of income which was below sector average.

Governors noted and accepted the Financial Report.

15/85 Budget Update

The Director of Finance presented the Budget Update report. The key year of concern was 2016/17. Funding reductions of around 10% were expected across the sector but the timing of this was unknown. The forecast had therefore been remodelled to reflect actual enrolments at the current level of funding and also two funding reduction scenarios of 2.5% and 7.5%. Governors noted the potential deficit and year end cash balances resulting from each of these scenarios. If funding were to reduce by 7.5% this plainly gave the College cause for concern in terms of cash balances and working capital. Governors asked if the College had discussed these scenarios with the bank. The Director of Finance confirmed this was the case and there were further discussions to be had moving forward. The outcome of impending area reviews however could also impact on the future position. Governors noted the borrowing as a percentage of income indicator was high and asked what the consequences of exceeding the target figure might be. The Director of Finance advised that given the projected cash levels this would be an issue if exceeded.

Governors accepted and noted the Budget Update report.

15/86 College Improvement Funding

The Director of Finance advised that the College was intending to apply for some funding through CIF and was working with a company called E3Cube. Three potential areas had been identified. These were roof replacement, sports hall refurbishment and boiler replacement. If successful, the bids would be 100% funded. E3Cube would prepare the bids free of charge on the basis that they would be awarded the project management contract if the bids were successful. This would require waiving the College's financial regulations in terms of a tender process which would need Board approval. The project management fees would be incorporated into the bid. Any survey required as part of the bid such as an asbestos survey would however be a cost to the College. The areas identified for potential bids were seen as having the most likely chance of success.

The Board requested that another company also be approached for comparison purposes but were happy to waive financial regulations on project management appointment once the appropriate company to prepare the bids was agreed. **ACTION MJB** If the bids were successful the Board would still need to give final approval before proceeding.

15/87 Governors' Action Plan

Governors had received a copy of the proposed action plan which had been prepared following the Special Meeting held last week. Responsibility for each of the ten principles within the Code of Good Governance had been allocated to individuals and an assessment of compliance against each of the points under each principle had been carried out. This had resulted in the action plan presented this evening to address those areas not complied with. The Chairman requested that if any Governors had any comments, these should be fed back to him as soon as possible. It was commented that feeding back terminated discussion and that the plan needed more time and attention. The meeting had been lengthy and there was comment that meetings lasting over 2 hours resulted in a loss of focus and concentration. The Chairman advised that the action plan presented was to enable the College to comply with the Code of Good Governance which was an overall governance framework within which the College could operate. The intention was also to have a pre-inspection action plan in addition to this to focus on the immediate and short term goals and the priorities requiring the swiftest response prior to Inspection.

It was therefore agreed that a special meeting be held next Monday 19th October at 6.00pm to focus on the pre inspection plan taking up any comments on the plan presented tonight as part of that meeting. There could be a need to have more special meetings as required leading up to inspection.

Morag Mathew left the meeting at this point (8.00pm).

15/88 Internal Audit Needs Assessment and Strategic Plan

The Director of Finance presented the report. The two areas identified for review were compliance against the Code of Good Governance and Risk Assurance Framework Review. The College was currently reviewing its Risk Management systems. The Risk Management Group which met termly comprised SLT, the Clerk and Governor Chris Baker. The Clerk reported that Internal Audit had advised that they would not be able to undertake a full review of compliance against the Code of Good Governance in the time allocated and would only be able to focus on one aspect of the ten principles. This would not achieve what was required and a process of assessing compliance had now been undertaken within College to produce the action plan presented earlier.

It was therefore agreed that the work be deferred until April /May pending further discussion at Audit Committee in November on the scope of work required and the Auditors informed accordingly. **ACTION CLERK**

With this amendment, the Board approved the Audit Plan for 2015/16.

15/89 Reappointment of Auditors

The Director of Finance presented the report which set out the current position with regard to Auditors. The merger of Baker Tilly and RSM Tenon had resulted in the College having the same Auditors for both Internal and External Audit.

The recommendation was that Baker Tilly be reappointed for a further year as internal auditors for 2015/16. Baker Tilly were also currently undertaking the external (Financial Statements and Regularity) audit for 2014/15. The College would however undertake a tender process in December/January to look at other possible options for the future. **ACTION MJB**

The Board accepted and approved this recommendation.

15/90 Review of Committee Structure and Membership

The Clerk presented the paper which set out current Board membership and Committee membership. There were currently two vacancies on the Board. One was for Parent Governor and the process of seeking nominations was currently underway. The Chairman would be approaching a contact with legal expertise to fill the vacancy left following the resignation of Rob Fletcher as the Search Committee had felt that the vacancy should be filled by someone with a similar level of legal expertise as Mr Fletcher.

Whilst there was a core membership established for PQM there was an expectation that all Governors should attend these meetings for the year ahead and accordingly all Governors would receive the agenda papers. There was still a vacancy on Audit Committee and the last meeting had not been quorate. Mrs Passant agreed to be member of Appeals Committee.

The Board noted the current Committee Structure and Membership.

15/91 Governor Attendance

Governors discussed the attendance information for 2014/2015 noting the overall average attendance for the year of 79%. It was also noted that P stood for PQM Committee not Appeals.

The target was 75% and it was agreed that this should be raised to 80% for 2015/16.

The Board accepted the Governors attendance records for 2014/15.

15/92 Terms of Reference F&GP Committee

The Clerk took Governors through the changes which had been identified in bold and approval for their adoption was sought from the Board.

The Board approved the revised Terms of Reference for F&GP Committee.

15/93 Terms of Reference Search and Governance Committee

The Clerk took Governors through the changes which had been identified in bold and approval for their adoption was sought from the Board.

The Board approved the revised Terms of Reference for Search and Governance Committee.

15/94 Reports from Committees

Search and Governance Committee 14/9/15

All items had been dealt with this evening.

F&GP Committee 14/9/15

All items had been dealt with this evening.

Audit Committee 28/9/15

All items had been dealt with this evening.

PQM Committee 5/10/15

All items had been dealt with this evening. Governors had received copies of the subject position statements as requested.

15/95 Any Other Business

The Ofsted focus on accuracy of grammar and spelling in reports and documentation was noted and this had been apparent during the recent monitoring visit.

The Chairman of Governors took the opportunity to remind all Governors in these challenging times, the importance of everyone being able to express their views openly and honestly at meetings and then accept and support the corporate decision arising through these discussions.

There was no other business.

15/96 Review of Meeting

The Chairman asked if Governors felt they had received enough information to enable them to reach a decision or been given enough time or opportunity to comment on proposals.

The arrangements for and the conduct of the meeting were considered to have been satisfactory.

15/97 Date of Next Meeting

7 December 2015.

There being no further business the meeting closed at 8.15pm.

SIGNED BY THE CHAIR AS A TRUE AND ACCURATE RECORD

..... **DATE**