



**UNCONFIRMED MINUTES OF THE MEETING OF THE BOARD OF WEST KENT & ASHFORD COLLEGE HELD AT ASHFORD COLLEGE ON 01 JULY 2015**

Present:	Mr P Dubrow	Chair & Governor
	Ms T Bruton	Vice Chair & Governor
	Mr N Coffin	Governor
	Mr P Hannan	Group Principal & Governor
	Ms S Hart	Governor
	Mr C Porter	Governor
	Ms K Richardson	Staff Governor (Tonbridge)
	Ms D Washer	Staff Governor (Ashford)
	Mr C Perkins	Student Governor (Ashford)
In attendance:	Mr J Allen	Clerk
	Ms L Brown	Group Vice Principal
	Mr M Lumsdon-Taylor	Group Director of Finance &

Resources

The meeting commenced at 09.30.

**APOLOGIES, QUORACY, DECLARATION OF INTERESTS & WELCOMES**

120. Apologies were received from Ms P Ryton, Mr H Guntrip and Mr G Jessel. The Clerk confirmed that the meeting was quorate. The Clerk recorded the interests of those members who are also members of Hadlow Corporation and or the Hadlow Group Board. The Chair welcomed everyone to the meeting

121. It was noted that Mr R Neil has resigned from the Board and the Chair placed on record the Board's appreciation of the contributions made by Rob during his tenure.

**MINUTES**

122. It was **RESOLVED** to approve the minutes of the meeting held 18 March 2015 and to authorise the Chair to sign.

**SUMMARY ACTION LIST & MATTERS ARISING**

123. The '*Summary Action List*' was received. The following points were noted against each outstanding action point from previous meetings:

MIN REF	DETAILS OF RESOLUTION/ACTION POINT	UPDATE AS OF 01 JULY 2015
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79	<p>(i) To make available the FE Commissioners main findings from his initial visit with the Executive to respond against each of the points made by the Commissioner;</p> <p>(ii) To receive at the next Board meeting an update on where we are against each of the 9 red line issues identified as potential deal-breakers when the acquisition of 'K' College was agreed;</p> <p>(iii) To keep the day-to-day operational dealings with officers from the SFA on a positive footing, keeping the political issues 'separate' and discussed at a higher officer level;</p> <p>(iv) The 'threat' of merger, the impact and implications on both WKAC and Hadlow College, staff and students, to be included on the Risk Register for both Colleges;</p> <p>(v) Once clarity is confirmed on the SFA clawback, to make available at the next Board meeting a revised financial forecast.</p>	<p>No longer required as the FE Commissioner has confirmed the College is no longer subject to his scrutiny and review.</p> <p>Summary report was attached to the SAL that confirmed the status of each of the 9 red-line issues with confirmation given all were met with the exception of financial funding transition funding as there was still a dispute on the clawback.</p> <p>Actioned</p> <p>Actioned</p> <p>Budget 2015/16 and 2-year financial forecast is an agenda item</p>
82	Principal Updates to be made available in a short written format	Agenda item
90	Strategic & Operation Plan Monitoring – to be a fixed agenda item	Agenda item
98	Governor Link visit reports to be made available instead of verbal updates	Agenda item
118	KPI Targets for staff turnover and staff absence to be agreed at the July Board meeting.	Agenda item
	<p><b>From the June Strategy Meeting:</b></p> <p>To set up Sharefile to enable governors to externally access papers etc</p> <p>To receive for approval revised 'Powers &amp; Responsibilities' of the Hadlow Group Board</p> <p>To formally adopt the Code of Good Governance for English Colleges</p>	<p>September 2015</p> <p>Agenda item</p> <p>Agenda item</p>

	For the outcomes of the governors' group work on key challenges to be considered at the July meeting of the Hadlow Group Board for further consideration with any outcomes arising being reported to the respective Boards	Agenda item for the Hadlow Group Board meeting 17 July 2015
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124. It was **RESOLVED** to note the '*Summary Action List*'.

### **HADLOW GROUP BOARD SCHEME OF DELEGATION**

125. The report from the Clerk was received. The Scheme of Delegation approved by the Board outlined the ways in which the Board members of the Hadlow Group Board fulfil their responsibilities for the leadership and management of the Hadlow Group, the respective roles and responsibilities of members from Local Governing Bodies, and their commitments to each other to ensure the success of the Group.

126. The Scheme of Delegation as it currently stands gives power to the Hadlow Group Board to direct decisions to the Local Governing Bodies.

127. The Scheme of Delegation was subject to review at the June Strategy meeting where it was agreed that the role of the Hadlow Group Board is to **ADVISE** on strategic matters for consideration by Local Governing Bodies. It was agreed for the Scheme of Delegation to be amended to confirm this advisory role.

128. It was **RESOLVED** to approve the revised Scheme of Delegation that confirmed the Hadlow Group Board has an advisory role.

### **PRINCIPAL & EXECUTIVE UPDATE**

129. The update report from the Principal and Executive was received and the report provided Members with updates on:

- College Structures
- Quality & Staff Development
- Ofsted with a copy of the letter from Ofsted following the recent monitoring visit
- FE Commissioner
- Meeting with the Chief Executive of EFA and SFA
- Capital
- Financial
- Recruitment 2015/16
- Human Resources
- Principal's termly presentations across all sites

130. The letter from Ofsted following the monitoring visit was referred to. The Board welcomed their assessment that 'Since our last visit in December 2014, good progress has been made in several key respects'. The Board noted and welcomed their observation 'On both campuses, the pace of change is increasing, with a notable cultural shift that is beginning to raise aspirations'. The Board welcomed the comment 'The visibility and interventions of senior leaders have contributed well to this transformation; they recognise, however, that there remains much to do to generate a

uniform culture of high expectations'. This overall assessment was endorsed by the Board who have noted and welcomed significant improvements in provision at the College and in the student experience, but much more is needed to ensure that **ALL** learners receive a high quality education supported with outstanding teaching, learning and assessment. In particular, and as noted in the Ofsted letter, learner attendance and quality of lessons are two areas of concern. The Group Vice Principal confirmed the judgements made by Ofsted during their visit were in line with judgements made by the Executive. There were no 'surprises' arising from the judgements made by Ofsted.

131. The Board welcomed confirmation that the College is no longer subject to scrutiny from the FE Commissioner and a letter confirming this is soon expected from BIS.

132. The Principal reported in detail on the recent meeting he and the Chair of the Hadlow Corporation attended with the Chief Executive Officer of the EFA and SFA. It was noted that the CEO was seeking assurances on what Hadlow College would do in a 'doomsday' scenario where either student numbers were not achieved or the financial position of West Kent & Ashford College did not improve. What would be the decision of the Hadlow Group in such a scenario? It was confirmed that this very question is subject to discussion at the Hadlow Group Board meeting on 17 July 2015.

133. As part of the original deal of the acquisition of 'K' College, Hadlow will be subject to an audit on how the transitional funds have been used. It was agreed when the deal was 'signed' for such an audit to take place at an appropriate time without causing undue distraction of dealing with the immediate priority of making the required improvements at West Kent & Ashford College. The meeting with the CEO of the EFA/SFA reconfirmed the agreement for such an audit to take place. The Principal reported that since the meeting he has received a letter from Chris Griffen that has asked for an audit to be undertaken within 2 weeks, but the scope of the audit requested goes beyond funding transitional arrangements. They have requested to audit federation structures, roles and responsibilities within the Group, role and the responsibilities of the Clerk; all of which had been approved by the SFA prior to the acquisition of 'K' College. The Principal confirmed that he is drafting a letter of response where he will outline appreciation of the support given by the SFA and of the College's willingness to audit how transitional funds have been spent. However, he cannot agree to the scope of the audit as proposed as these additional matters over and above transitional funding arrangements had previously been subject to SFA review and approval. It was **AGREED** for the Chair and Vice Chair to have sight of the draft letter before it is sent.

134. The Principal confirmed that at the meeting with the CEO of the EFA/SFA, the CEO agreed to conduct an investigation into the SFA clawback of £880k. The Principal confirmed that he has since received a letter from the CEO where he does not find in the favour of the College. His investigation consisted only of a review of SFA documentation and not the evidence file held by the College. The CEO had reached a conclusion but only after he had reached this conclusion does he ask to let him know if the College has any additional information that could support their case. The Principal will respond by requesting there be an independent review of all the evidence conducted by an independent person external to both the EFA/SFA and the College. Both parties should in advance of the review agree to stand by the decision reached by the independent investigation. The Board fully endorsed the proposal of their being an independent review on this matter.

135. An update was made available on staffing and it was **AGREED** to make available to Governors an updated staff structure chart.

## **STRATEGIC & OPERATIONAL PLAN**

136. The report on progress to date against each strategic and operational objective for 2014-2016 was received. It was confirmed that progress to-date against the majority of objectives were RAG rated as either 'Amber' or 'Red'. It was agreed to review in detail each 'Red' assessment.

Objective 1.1.1 – Against the target of 90% of good and outstanding teaching and learning, the current position is 75%. There is some evidence of overgrading and this is being addressed. They are currently 62 staff on Stepping Up who are being supported to improve,

Objective 1.4.2 – To reduce Minimum Levels of Performance (MLP) in FE and work-based learning provision to under 10% by July 2016. The current MLP rate under new methodology is 31%. Curriculum planning has identified those areas where poor success rates will be subject to robust challenge and review.

Objective 1.5.3 – Conversion of 75% of applicants to interview and a further 75% of interviewed applicants to enrolment. of provision. Currently there are 2996 applications of which 1257 have accepted. The current conversion rate is 41.6%.

Objective 3.2.2 – 75% of teaching staff to have or to be working towards English & maths at Level 2 by July 2015. This has been put back and it was confirmed the audit on staff qualifications has commenced and this will be followed up in 2015/16.

Objective 3.3.2 –To train and support managers to address poor performance. It was confirmed that this is a major priority for the HR team and is being led by the recently appointed Assistant Director Human Resources, Jane Salzer. Performance management and sickness absence remains a concern. It was confirmed a new Occupational Health Service will commence on 07 July 2015. HR are reviewing all long-term sickness cases and developing strategies on an individual basis to remedy.

Objective 5.1.1 – to move towards a balanced portfolio of income with total SFA/EFA income not more than 70% within 5 years. Currently SFA/EFA income is 92% of turnover and this remains a high risk objective.

137. The Board welcomed the detail of the monitoring in the report and it was **RESOLVED** to note the report and to receive a further progress update at the next meeting.

## **BANK LOAN REFINANCING**

138. The report on bank loan refinancing was received. The Finance & Resources Committee at its last meeting received a paper outlining the rationale for the proposal to restructure the current bank loan facility. The proposal takes into account the significant higher break costs that are currently in place due to the markets. The

proposal is to break a % of the fixed loans rather than the entire loan. This will both reduce the cost of borrowing and enable the College to retain its liquidity. Breaking 40% of the £10m term loan would be at a cost of £1.2m as against interest savings over the life of the loan of circa £3.5m to £4m.

139. The Finance & Resources Committee agreed to endorse the proposed direction of travel and authorised Senior Officers to negotiate within the parameters outlined at the meeting, with any final proposal being put to the July Corporation meeting for approval. If the final proposals have still to be confirmed at the time of the Board meeting, the Board to be asked to delegate approval authority to the Chair of the Board and the Chair of the Finance Committee.

140. It was confirmed that an offer has been received but final details have yet to be confirmed. The offer received is within the parameters agreed by the Finance & Resources Committee.

141. As there are still on-going discussions, it was **RESOLVED** to delegate approval authority to the Chair of the Board, the Vice Chair of the Board, and the Chair of the Finance & Resources Committee, and to inform the Board of any actions taken under this delegated authority.

#### **COLLEGE BUDGET 2015/16 & TWO YEAR FINANCIAL FORECASTS 2015/16 & 2016/17**

142. The '*College Budget 2015/16*' and '*2 Year Financial Forecasts 2015/16 & 2016/17*' were received and the Group Director of Finance made available a presentation outlining the key points for Members to consider when reviewing the budget and 2-year financial forecasts.

143. It was noted that as this is the second budget to be drafted by Senior Officers for West Kent & Ashford College and as such there is little if any trend analysis. A decision was made not to rely on or use any financial data and trends relating to 'K' College.

144. The second year of protected funding from the SFA and EFA (out of a possible 3 years) gives the College a period in which it can review its curriculum offer to ensure that it meets the needs of the local community, existing and potential learners, employers, and key stakeholders; and fulfils the improvement in quality required to ensure the College is re-aligned.

145. The budget takes into account continued control of staffing positions and costs.

146. The budget outlines a clear vision for the College with appropriate risks identified, mitigated and monitored with sufficient contingency to ensure all targets are adhered to.

147. The presentation and budget papers provided a summary against each of the following:

- Agreed Financial Objectives
- Agreed Fiscal Rules & Drivers
- Agreed Financial Indicators

148. The proposed budget is profiling a £350,000 profit and a group cash movement of £1,077,000. The SFA financial health assessment is 'Good'.

149. The Group Director of Finance confirmed student numbers must be met. The College profitability is geared on achievement of student enrolment targets. Internal targets have been set – 2,500 16-18 FE; 350 HE; 2,000 Part-time; and 1,500 apprenticeships.

150. The budget included a risk and sensitivity analysis and the actions to be taken to mitigate against each of the identified 'High' risks. It was confirmed all student numbers and programs will be under review post September enrolment.

151. The 2-year financial forecasts confirm a SFA financial health assessment of 'Good' for each of the two years of the forecast.

152. It was **RESOLVED** to approve the College Budget 2015/16 and 2-Year Financial Forecast 2015/16 and 2016/17.

### **SPECIAL EDUCATION NEEDS DUTY (SEND) & CODE OF PRACTICE**

153. Karen Richardson made available a presentation on SEND reforms and the new Code of Practice with the focus being on the College's responsibilities to meet the new SEND requirements from the Children and Families Act that came in to force on September 1<sup>st</sup> 2014. Also included in the presentation was the responsibilities of Governors. It was confirmed that Boards hold the overall responsibility for ensuring that the new legal duties in relation to SEND are met by the College and this can be confirmed through an annual report to the Board. It was agreed to schedule this into the annual cycle of business.

154. It was **RESOLVED** to note the presentation and the Chair thanked Karen for the detail of her presentation.

### **GOVERNOR LINK VISIT REPORTS**

155. Completed Governor Link Visit Reports were received and **NOTED**. The Chair thanked all governors for undertaking their link visits and for the detail of their reports.

### **CODE OF GOOD GOVERNANCE FOR ENGLISH COLLEGES**

156. The Clerk made available to Members the '*Code of Good Governance for English Colleges*' that was subject to review and discussion at the recent June Strategy meeting. The Code of Good Governance for English Colleges is intended to help governing boards meet and exceed basic governance requirements. As autonomous bodies, individual colleges are free to adopt the Code as they see fit. AoC suggests that colleges may wish to consider adopting the code at their summer board meeting.

157. It was **RESOLVED** to adopt the '*Code of Good Governance for English Colleges*' with effect from 01 August 2015, with the exception of part of clause 9.29, where it will be the Board who determines the number of terms to be served by governors, with any re-appointment recommendation to follow the criteria listed in the policy on Governor Re-appointments that is published in the '*Governors' Handbook*'.

## **MINUTES AND RESOLUTIONS FROM COMMITTEE**

158. The Chair confirmed the 'principle' that it will be taken that Governors have read the minutes and Governors can seek further information and clarification on any issues arising from the minutes, but the debates that have already taken place at Committee level cannot be re-opened.

## **CURRICULUM & QUALITY COMMITTEE**

159. The minutes of the Curriculum & Quality Committee held 17 June 2015 were received and **NOTED**.

## **FINANCE & RESOURCES COMMITTEE**

160. The minutes of the Finance & Resources Committee held 10 June 2015 were received and **NOTED**.

## **HADLOW GROUP AUDIT COMMITTEE**

161. The minutes of the Hadlow Group Audit Committee held 11 June 2015 were received and **NOTED**.

## **MONITORING OF COLLEGE PERFORMANCE**

162. The College report '*Monitoring of College Performance*' was received. The Board has approved a monitoring framework covering a range of quality and student experience KPIs as this was the agreed priority to address during 2014/15.

The report provided a progress update for KPIs in the following areas:

- Recruitment
- Retention & Achievement
- Overall Success Rates
- Overall Apprenticeship Timely Success Rates
- Overall Retention
- Student Attendance
- Lesson Observations

163. The report summarised all the issues already raised and discussed through agenda items on the Principals & Executive Update and the agenda item on the 'Strategic & Operational Plan'. It was confirmed there were 'Green' assessments on 16-18 recruitment with 2200 enrolled after the 42-day rule against the target of 2,100; and on overall retention with FE long retention at 91% against the target of 85% and overall retention for HE at 89% against the target of 85%.

164. All other assessments were 'Amber' and the actions taken to address these areas were outlined in the '*Strategic & Operational Plan*'.

165. It was confirmed the monitoring framework agreed at the March Board meeting that covered all areas of the College including finance and Human Resources, would

be implemented from 01 August 2015 and would be reported on at each Board meeting.

166. It was **RESOLVED** to note the monitoring report.

### **ANY OTHER BUSINESS**

167. The Vice Chair complimented and thanked the Executive for the Student Award Ceremonies that were a great celebration of student success and achievement. Charlie Perkins, the student governor from Ashford, was complimented on his excellent speech he delivered at the Ashford Students Awards ceremony.

168. As this was the last meeting to be attended by Charlie, the Chair, on behalf of the whole Board, thanked Charlie for his invaluable contributions during his period of being the student governor at Ashford. Members wished Charlie's well with his University course.

### **DATE OF NEXT MEETINGS**

Wednesday 21/10/15	Board meeting & Governor Link Scheme lunch	Tonbridge 09.30
Wednesday 09/12/15	Board & Carol Service	Tonbridge 09.30 (lunch provided)

The meeting concluded at 12.00.

Signed: \_\_\_\_\_ Date: \_\_\_\_\_

### **SUMMARY ACTION LIST**

<b>MIN</b>	<b>ACTION</b>	<b>REVIEW</b>
133	Audit of transitional funding – to keep the Board updated	9/12/15
134	£880k clawback- to keep the Board updated	
135	To make available the revised staff structure chart	9/12/15
	Sharefile – to set up from September 2015	9/12/15
141	Bank Loan Refinancing: To delegate approval authority to the Chair of the Board, the Vice Chair of the Board, and the Chair of the Finance & Resources Committee, and to inform the Board of any actions taken under this delegated authority.	9/12/15
153	Annual SEND Report to the Board to be included in the annual cycle of business	9/12/15
165	The monitoring framework agreed at the March Board meeting that covered all areas of the College including finance and Human Resources, TO be implemented from 01 August 2015 and to be reported on at each Board meeting	9/12/15