Minutes of the meeting of the Corporation held on 30 November 2015, in Room 017, Orient House.

PRESENT: Pat Edwards (Chair); Asiia Abassi; Steven Crane (Vice-Chair); Hannah Eaton; David Hatchett; Taiyyabah Ijaz; Alex Jackson; Arshed Mahmood; Barbara Matuskovicova; Ian Rogers; Naihum Levi Stevens and Kevin Watson (Principal)

In Attendance: Alan Leak (Director of Finance); Ian Wilson (External Reviewer)

Clerk to the Corporation: Michael Wood

DECLARATION OF INTERESTS

No Governor declared an interest in advance of the meeting.

APOLOGIES FOR ABSENCE

Apologies were received from: Mark Carroll; Lewis Coakley; Liz Daniels; Coral DeCourcy and Katherine Hewlett.

WELCOME

The Chair formally welcomed Ian Wilson to the meeting as observer, and welcomed back Hannah Eaton, following her maternity leave (a small presentation was made on behalf of the Governors in this regard).

MINUTES

21.15 The Minutes of the meeting of the Corporation held on 12 October 2015 were approved.

MATTERS ARISING

22.15 (Minutes 02.15, vii and 10.15 refer): two papers had been produced in response to requests for additional information at the last meeting, namely, the Performance of Students at Level 3 by School and a supplementary report on Child Protection. It was commented, in support of the first paper, that the ‘value added’ element of attending College should not be overlooked in attracting students from a broad spectrum of feeder schools.

FINANCE

a) Annual Report from the Audit Committee, 2014/15

23.15 The Corporation considered the Annual Report from the Audit Committee on business conducted during the 2014/15 financial year. It was noted that the Committee’s membership needed to be augmented and a new chair sought as a priority, which was under active discussion by the Search Committee.
b) Internal Audit Annual Report, 2014/15

24.15 The Corporation *considered* the Annual Report from the College’s Internal Auditors, 2014/15. It was *noted* that Baker Tilly (Internal Auditors) had now been re-named RSM, post the year end.

c) Internal Audit Strategy, 2015/16

25.15 The Corporation *approved* the Internal Audit Strategy for 2015/16, as reviewed in detail by the Audit Committee at its last meeting.

26.15 The Chair wished to record the Corporation’s appreciation for the work of the Audit Committee and Internal Auditors during the past year.

d) Draft Financial Statements, 2014/15 and Audit Findings

27.15 The Director of Finance presented the College’s Draft Financial Statements, 2014/15 and Audit Findings, the following key points being *noted*:

i) that this was the last year for the current SORP as affecting further and higher education;

ii) that the changed treatment of school meals (ie no longer restricted funds) had resulted in a larger surplus (£458k, cf £180k planned) on the College’s operations than originally forecast;

iii) that 97% of all income received was from EFA, the norm for Sixth Form Colleges.

28.15 The Corporation *approved* the Financial Statements for 2014/15, thanks being recorded to the Director of Finance and all those concerned in the production of the Accounts.

e) Annual Risk Management Report and Risk Policy, 2014/15

29.15 The Corporation *noted* the opinion of the College’s Auditors which stated that:

“*adequate and effective risk management arrangements are in place*”.

The Corporation *approved* both the Annual Risk Management Report and Risk Management Policy, 2014/15, it being *agreed* that all Governors should received a copy of the College’s updated Risk Register (as reviewed by the Audit Committee).

f) Management Accounts to 31 October 2015

30.15 The Director of Finance presented the College’s Management Accounts to 31 October 2015, the following key points being *noted*:

i) that the estimated operating surplus of £169k was £13k higher than forecast;

ii) that total student numbers stood at 2300, 100 higher than predicted which would be factored in to future budget settlements and which made the College more sustainable moving forward;

iii) that the staffing costs ratio stood at 69% of total income;

iv) that a detailed tendering process had been conducted in connection with the
College’s catering services;

v) that the recent Comprehensive Spending Review had offered some re-assurance to institutions, which were to be protected in ‘cash terms’, but not real terms funding;

vi) that funding pressures still existed in the form of NI, pay and pension contributions.

31.15 The Corporation noted the Management Accounts to 31 October 2015.

f) Insurance Renewal Update

32.15 The Corporation noted the College’s Insurance Renewal.

AREA REVIEW UPDATE

33.15 The Chair introduced discussion of the process for the Area Reviews of Post-16 Education, referring Governors’ attention to a letter from the FE Commissioner dated 30 October 2015. Arising out of discussion, it was noted that London areas would be subject to review March – May 2016, although Sixth Form Colleges were not the primary focus of the reviews. It was commented that Waltham Forest College had recently announced a decision to explore collaboration with other providers (about which the Corporation had been separately advised), and that there had been a reference within the CSR to Sixth Form Colleges being given the right to become Academies.

34.15 Governors further commented that the situation remained very uncertain and fluid and that it was important for the College to maintain its present high standards of achievement as part of any review process, especially if a merger or amalgamation were mooted. The Principal observed that were Academy status to be contemplated, there would be dilution of the College’s brand and that the institution’s present level of autonomy would be curtailed if it became part of a multi-academy trust. The Staff Governors and President of the SU commented that different cultures and ethos existed in both FE Colleges and Academies that were discordant with sixth form colleges.

35.15 The Chair thanked all Governors for their participation in this important item of discussion, commenting that once more information had been received a small working group of the Corporation may be convened to consider matters in detail, which would then be presented to the whole Board.

(Alan Leak left the meeting at this point)

GOVERNANCE & MANAGEMENT

a) Draft SAR, 2015; Improvement Action Plan, 2015/16 and Review of Improvement Action, 2014/15

36.15 The Chair introduced discussion of the draft Self-Assessment Report (SAR) for 2015 (including the Improvement Action Plan and Review) commenting that he had enjoyed
reading what he considered as a comprehensive document. Arising out of detailed discussion, the following observations were noted:

i) that only one curriculum area (Humanities) had self-assessed lower than Grade 2;

ii) that the Report might benefit from external validation and possibly a mock inspection, although it was acknowledged that could consume a lot of resources;

iii) that Ofsted might visit the College during 2016;

iv) that the statement included at Section 23: “The Governing Body at Leyton Sixth Form College conducts it business effectively. Governors support, stretch and rigorously challenge the senior managers to improve teaching, learning and assessment”, had been subjected to challenge earlier in the year. It was hoped, however, that the external review of governance that had been commissioned (together with the already completed internal review) was part of a wider process that would see improvements in the working relationship between the SLT and the Governing Body, and a renewed focus on the core business of the College, moving forward.

37.15 The Chair wished to record his formal thanks to both the Principal and the Vice-Principal (Teaching & Learning) for producing such a very clear SAR which would now be subjected to external validation, prior to being finally considered at the next meeting of the Corporation.

(Asiia Abassi left the meeting at this point)

b) Audit Committee Terms of Reference, 2015/16

38.15 The Corporation approved the Terms of Reference of the Audit Committee, 2015/16.

c) Draft Strategic Plan, 2016-18

39.15 The Principal introduced discussion of the draft Strategic Plan, 2016-18, which had been subjected to further detailed scrutiny by the Strategic Plan Working Party at its meeting on 12 October. It was noted that the Plan had been revised in a number of sections, arising out of comments by Mark Carroll (Vice-Chair), for example, and also taking cognisance of the Area Review process. The Principal stated that the Plan was a statement of current intent which might be amended in the light of the operating environment in which the College found itself. Arising out of Governor comments, it was agreed that the section under Weaknesses (page 4) relating to ‘representation in the locality by minority of students’ should be removed.

40.15 The Chair commented that the Plan would be subject to periodic monitoring under a developing framework that had been considered in broad outline by the Strategic Plan Working Party which would enable the Corporation to track performance against the Plan during the year ahead.

41.15 The Corporation approved the Strategic Plan, 2016-18.
d) Report from Search Committee

42.15 The Corporation approved a Report from the Search Committee and agreed that no new determinations with regard to Corporation membership should be made, pending consideration of the report arising out of the External Review process. With regard to Audit Committee membership, Hannah Eaton volunteered to join the Committee which was welcomed by the Chair. The Clerk advised that elections in respect of the Support Staff Governor would be held early in the New Year, in accordance with established practice.

(The Principal, Staff and Student Governors left the meeting at this point)

43/44.15 RESTRICTED – CONFIDENTIAL ITEMS – Not for publication

45.15 There being no other competent business the meeting closed, the date of the next meeting being agreed as 1 February 2016.