

Barnet and Southgate College Corporation

Board of Governors Meeting 11 July 2018

Minutes

Time	12.30 – 15.00	
Venue	Southgate Campus (Dentistry Meeting Room 008A/B)	
Present (governors)	Ann Zinkin David Byrne Mervin Archer Sue Baldwin Fiona Bulmer Sheila Dawson Seb Karaasanov Bernard Manson Christalla Tsattala Pooja Patel	Chair Principal Student Governor (<i>Part A only</i>) Staff Governor Student Governor (<i>Part A only</i>)
In attendance	Toni Beck Lizzie Jones Tracy McIntosh Ian Rule Rose Turner Melissa Drayson	Dir Quality and Learner Experience Dir of Organisational Development Dir of Employer Partnerships Interim Dir Finance Interim Dir of Curriculum (<i>All Part A only</i>) Clerk to the Corporation
Apologies Vacancies Quorum (6)	Graham Duncan External Governor x 2 The meeting was quorate	Vice Chair

The confidential “Part B” session (Items 1 – 3) were taken first and is minuted separately

PART A - OPEN MEETING (13.30)

It was agreed that some items were confidential on the grounds of personal sensitivity. These are highlighted for removal prior to publication of the minutes.

Item	Action lead
1. Preliminary Items	
1.i Chair's welcome	

The Chair welcomed all governors and staff in attendance to the meeting. In particular, Rose Turner was welcomed to her first meeting as interim Director of Curriculum. Rose gave a brief overview of her previous work at other Colleges.

1.ii Apologies for absence

Apologies were received from Graham Duncan. The Board asked that its best wishes be conveyed to Graham for a speedy recovery.

1.iii Confirmation of eligibility, quorum and declarations of interests

It was confirmed that all present were eligible to take part in the meeting and that the meeting was quorate.

It was noted that Bernard Manson would withdraw for part of Item 9.

1.iv Notification of urgent items of other business

There were no urgent items of other business.

4. Minutes

4.1 Minutes of the Part A meeting held on 14 June 2018

Attendance: It was noted that Fiona Bulmer had been present for the meeting. Clerk

Subject to the above amendment, the Part A minutes of the meeting on 14 June were confirmed as an accurate record and were signed by the Chair.

4.2 Matters arising and any outstanding actions

Supporting paper by the Clerk

Completed actions and items covered on the agenda were noted. Progress was reported on other items as follows:

Item 2.i Draft Terms of Reference for a Capital Projects committee would be brought to the October Board meeting Clerk

Item 2ii (Item 8 10 May): The Health and Safety Annual Report for the previous year was nearing completion and would be circulated to governors. The 2017-18 H&S Annual Report would be brought to the Board at the appropriate time in the Board's Business Calendar. DoF
Governors were reminded that the Internal Audit report on Health and Safety would be considered by the Audit Committee in September.

Item 6.2: Comments on the NPV analysis were covered in the response to governors' advance questions

Item 11: The clerk reported that a query had been raised over the timing of the Board discussion on the proposed strategic position statement. It was agreed that this discussion would be best held following the CEO recruitment.

Item 10: 7 December: The Search Committee had met on 26 June and agreed that the Search for new governors should recommence

5. Principal's report

Supporting paper by the Principal

The Principal highlighted the many excellent achievements of the college's students and staff.

Significant progress had been made with establishing the NFL academy. [Redacted]

Early HE outcomes were coming through with improved results on the previous year. It was particularly pleasing that two LLDD students had been accepted onto the 2018 Foundation Degree in Performing Arts. Governors commented on the very high standard of performance at the LLDD end of year production of Dr Faustus.

The Board discussed the potential links with Saudi Arabia and the risks associated with this. It was confirmed that the Department of International Trade would be closely involved in an advisory capacity.

The Student Governor, Seb, was congratulated for the speech he had made at the Barnet Schools Award night.

The Staff Development Day the previous week had been an extremely positive event with high levels of staff engagement.

6. KPI Report

Supporting paper by the Director of Employer Partnerships

No further significant movement on any of the KPIs covered within the report was expected before the end of the academic year. Governors were pleased to note that English and Maths attendance had continued to improve although it remained below target. Reasons for retention declining below target were being investigated to inform the QIP for 2018/19.

Student achievement rates were not yet known, but would be reported to the Board at its first meeting of 2018-19.

6. Finance and Resources

6.1 Management accounts, Period 10 (May 2018)

Supporting papers by the Interim Director of Finance

The operating position remained in line with that reported to the June meeting. The operating surplus remained above the profiled KPI despite shortfalls in income against target and there was not expected that bank covenants would be breached. The income reductions had been almost fully mitigated by savings. The position remained under close management scrutiny, particularly with regard to agency pay costs and non-pay expenditure.

The performance of the subsidiary company remained variable. Governors sought more information about the feasibility of plans to raise income. Changes to staffing arrangements were being put in place to facilitate the implementation of these plans, along with improved support from the College finance team. There was also scope to identify potential new income streams and develop new products. It was considered that specialist support might be engaged to look at income generation.

Governors sought further assurance that strong controls were now in place over the use of agency staffing budgets. . Departmental accountability for budgets had been strengthened and all purchase orders were now being checked and validated by the Director of Finance. Measures were also being taken to strengthen Finance Team staffing further.

The Board were alerted to a temporary situation whereby the college was acting outside Treasury Policy limits for its sterling deposits. This was ratified, with the proviso that the limits would be restored as soon as possible.

6.2 Capital Projects update

Supporting papers by the Interim Director of Finance

The Board was asked to ratify the appointment of T&B Contractors for the E,W and R Block works. [Redacted] The College already had a good relationship with the contractors, having worked with them on the M Block Façade project. The initial scope of works didn't include five classrooms in L Block but the winning tender was sufficiently within budget to now include them within scope.

RESOLVED:

- (i) That the appointment of T&B Contractors for the E,W and R Block renovation be approved;**
- (ii) That the proposed budget for the E,W and R Block renovation be approved.**

6.3 Budget 2018-19 and 3 year financial plan

Supporting papers by the Interim Director of Finance

The Board noted the following key features and assumptions:

- Budget preparation had been a collaborative exercise, with greater ownership of departmental budgets by staff
- Income forecasts were conservative and there was hope that opportunities would arise to increase these
- An operating surplus was predicted, and bank covenants would be met
- A pay costs to income ratio of 65% was assumed
- A break-even budget for MBC Ltd was assumed

The DoF circulated revised schedules, which ensured Period 10 forecast figures were in line with the 2017/18 Period 10 management accounts. The overall position remained the same.

Governors asked which areas within the budget might be subject to variation during the year. Management responded that the assumptions around organisational structure, staffing and vacancy rates may be subject to variance. A modest central contingency had been built into the budget.

Income forecasts had been conservative. Other than a 3% increase in adult (AEB) funding, no growth in ESFA funding was forecast for 2018/19.

The Board discussed the potential need to update the benchmarking exercise that had been commissioned three years previously. It was noted that some financial KPIs, such as pay as a percentage of income, were benchmarked annually by sector organisations. Departmental level benchmarks would, however, be useful in future analyses and should be part of the value for money work being overseen by the Audit Committee.

RESOLVED: that the Budget and Financial Forecast 2018-2020 be approved.

6.4 Audit Committee Report and Recommendations from 26 June

Oral report by the Chair of the Audit Committee. Minutes of 26 June meeting tabled

The Chair summarised the key areas covered at the Audit Committee meeting:

- Three Internal Audit reports had been considered: Cyber Security, Core Financial Systems and Human Resources – absence monitoring. An amber judgement of ‘adequate’ was given for all three audits, and there were no Priority 1 (significant) recommendations.
- The Risk Register had been considered along with a redrafted Board Assurance Map. The latter was work in progress and a final version would be brought back to the Committee.

- The Committee had considered the Financial Statements and Regularity Audit Strategy. This followed a standard approach. The Committee sought assurance that the issues of the previous year would be averted.
- The appointment process for the Internal Audit Service was reported. The Committee had considered two bids with different strengths and it had been difficult to decide between them. One of these was the current Internal Audit Service. [Redacted] The Committee was keen to achieve greater added value from the auditors, including more proactive advice and support, benchmarking information, greater visibility of the senior partner and assistance with developing the Board assurance map.

RESOLVED:

- (i) **That the Financial Statements Audit Plan be approved**
- (ii) **That Mazars Ltd be appointed for the year 2018-19, renewable subject to review at the end of the year.**

8. Quality and the Learner Experience

Student governor monthly feedback

Oral update by the Student Governors

Pooja Patel was thanked for taking part in the CEO recruitment activities the previous day, and for her appearance on Radio 4 to talk about the positive texting initiative.

Seb Karaasanov reported that he had been delighted to give a speech at the final student awards. He reflected that students had performed well during the year due to the excellent teaching and support from staff.

It was confirmed that both student governors would be remaining at the college in 2018-19 and their tenure as student governors would continue.

Governors asked to receive a summary of feedback from the LLDD student parliament meeting in future reports.

AGREED:

- (i) **That the link to the Radio 4 interview featuring the Student Governor would be shared with governors.**
- (ii) **That a termly report from the LLDD student parliament would be included in the Board Business Schedule.**

9. Governance

Oral report by the Chair

A confidential Minute of the discussion was taken on the grounds of personal sensitivity.

10. Urgent Other Business

None

11. Dates of forthcoming meetings:

20 September: Ofsted training

16 October

13 November

6 December (including away day)

Signed:(Chair)