

LEEDS COLLEGE OF BUILDING

CORPORATION MEETING

Minutes of the meeting held on Tuesday 18 December 2018 at 4.00 pm in Meeting Room 1, North Street.

PRESENT:

Julia Evans (Chair)
Mike Berry
Ian Billyard
Terry Hodgkinson
Rachel Lindley
Dr Ivan Nip
Peter Norris
Derek Packer
Mark Roper
Professor Dave Russell
Marc Townsend
Hafsa Zaheer

IN ATTENDANCE:

Derek Whitehead (Deputy Principal and Executive Director of Curriculum & Quality)
David Pullein (Executive Director of Finance & Resources)
Craig Williams (Clerk to the Corporation)
Rob Smith (Apprenticeship Contracts Manager – Item 7)
Julie Theakston (Student Services Manager – Item 7)
Denis Metcalf (Student Enrichment Officer – Item 7)
Nancy Fearnside (PA - minutes)

ACTION
BY AND
TARGET DATE

1. CHAIR'S AND GOVERNORS' COMMUNICATIONS

1.1

The Chair welcomed everyone to the meeting and thanked Peter Norris for chairing the last meeting in her absence.

1.2

The Clerk reported that a panel of Search & Governance members had interviewed three potential Governors, two of which are recommended for appointment (Caroline Meehan, Regional Director at FMB and Sarah Wilson from Schulmans).

The Corporation approved the appointment of Caroline Meehan and Sarah Wilson as Governors from 22 January 2019 to 29 January 2023.

1.3

The Chair noted that B Tanna had sent out an update on the Portal on 3 December 2018 and N Fearnside had sent out the Governors' Communication on 6 December 2018 on behalf of D Whitehead.

1.4

M Roper gave a quick update on the recent Capital Working Group meeting; discussions had taken place regarding completion date / issues, liquidated damages and North Street refurbishment. Further details would be given under Item 9.

1. CHAIR'S AND GOVERNORS' COMMUNICATIONS (continued)

1.5

The Clerk noted that a Student Liaison Committee meeting had taken place on 23 November 2018. Four Governors had attended and the Clerk thanked A Kenny for stepping in. If anyone else was interested in attending the Student Liaison Committee, they should contact C Williams; meetings are held three times a year and there are two more meetings this academic year. D Packer stated that he would be willing to attend from March 2019 onwards; R Lindley and M Townsend also expressed interest. C Williams would contact interested parties outside the meeting.

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1.6

P Norris noted that an Audit Committee meeting had taken place prior to the Board meeting. Items 12, 13, 14, 17 and 18 had been discussed.

1.7

National SkillBuild had taken place in November 2018 and letters of congratulation have been sent three students who had taken part in SkillBuild. Congratulations have also been sent to Erin Ruddy who won the CIHT Apprentice of the Year Award.

1.8

The Chair noted that discussions had taken place regarding Business Cards for Governors. After discussion, it was agreed that Governors could use D Whitehead's business cards and add their names as appropriate. The Chair emphasised that Governors have an obligation to let the College know of meetings / conversations taking place regarding the College.

1.9

The Chair noted that P Norris has agreed to be part of the pilot ETF Governance programme.

1.10

The Chair reported that shortlisting for D Whitehead's replacement had taken place today. There were 27 candidates in total (which is an excellent response). The Board, guided by Protocol, shortlisted seven candidates. An assessment day would take place on 10 January 2019, followed by interviews on 11 January 2019. The Chair stated that a Special Board meeting would then take place on Friday 11 January 2019 at 5.30pm and asked members to let C Williams know if they were able to attend.

**Governors
9 Jan. 2019**

2. APOLOGIES FOR ABSENCE

Apologies for absence were received from Simon Bray and Andrew Kenny.

3. DETERMINATION OF ATTENDEES / OBSERVERS

The Corporation agreed attendees / observers at the meeting as per the attendance list.

4. DECLARATION OF INTEREST

There were no declarations of interest.

5. MINUTES OF THE PREVIOUS MEETING

The minutes of the meeting held on 13 November 2018 were approved as a true record. The following points were noted:

Item 15

M Berry noted that the PIAP and monitoring of this is a very important activity for the full Board, not just the Audit Committee. P Norris stated that D Whitehead would be providing an update to the Board at the January 2019 meeting. D Whitehead also confirmed that he would update the Board regarding the Ofsted Monitoring Report and the Internal Audit Report.

Item 8

M Berry asked if a decision has been made regarding all students doing GCSEs. D Whitehead stated that a meeting had taken place and Study Programme students normally do GCSEs, with Apprentices undertaking Functional Skills. However, he explained that the College is ensuring each student is on the most appropriate programme to meet their individual needs. A report on volumes would be included in the next Performance Management Reports. The College currently uses AQA for GCSEs and City & Guilds for Functional Skills; however, the College is looking at AQA for both to see if this would be better for students.

Item 10

M Berry asked for an update on the LBU Validation event. D Whitehead confirmed that this has taken place; M Roper had attended on behalf of CECA and Governors, together with other employers. The event had gone very well, with one or two conditions being set which would need addressing by March 2019. D Whitehead stated that he was pleased with the outcome.

D Whitehead noted that the Office for Students registration result has not yet been received and he would inform Governors of the outcome once known.

6. MATTERS ARISING

6.1 Ref Min 1.5

Any assistance Governors could provide regarding work placements would be welcome.

6.2 Ref Min 1.5

Covered under Item 1.8.

6.3 Ref Min 1.6

Actioned.

6.4 Ref Min 8

Actioned.

6.5 Ref Min 11

D Whitehead confirmed that the High Needs data was correct. Due to the low Achievement Rate, this did not justify a Grade 2 in the Self-Assessment Report and was therefore reduced to Grade 3, as recommended by the Validation Panel if the Achievement data had not improved.

6.6 Ref Min 12

Actioned

7. WORK EXPERIENCE / ENRICHMENT PRESENTATION

D Whitehead introduced Rob Smith (Apprenticeship Contracts Manager), Julie Theakston (Student Services Manager) and Denis Metcalf (Student Enrichment Officer), who would be giving a presentation on Work Experience and Enrichment, which linked to aspects of the Post Inspection Action Plan.

R Smith gave a PowerPoint presentation on Work Experience. The following key points were noted:

- There are three Work Placement Officers, each attached to a Faculty but also working cross-College.
- 49 industry placements delivered to date; 280 planned and more being arranged daily.
- Large companies engaged include Keepmoat, Wates, Morgan Sindall etc. SMEs also continue to support high quality industry placements.
- Faculties RAG rate students to identify those ready for industry placements.
- Work Experience includes site visits, employer engagement workshops, CV writing, mock interviews, Careers Month, interactive workshops, demonstrations and guest lecturers.
- Work Experience documentation has been re-evaluated in line with the PIAP. All industry placements / work experience is evidenced and recorded on ProMonitor. Evaluation forms are completed by students and linked to curriculum and students' courses. Industry placement packs have been implemented.

D Metcalf & J Theakston gave a PowerPoint presentation on Enrichment; the following key points were noted:

- A video was planned to be shown but due to technical issues, this was not possible; the Clerk would upload this to the Governors' portal for information.
- Comments from the Ofsted Inspection in November 2017 were noted.
- One of the actions in the PIAP is to continue to expose students to a wide range of guest speakers, promoting careers / progression and employment opportunities through providing in-year guest speakers / enrichment visits. For example, Tom Bosworth (Olympic athlete) spoke to students about resilience.
- A thorough list of activities on offer and external links were noted.
- Facts and figures – for example, 1,525 students participated in the Enrichment programme; 152 trips were organised; 2,436 students in total participated in off-site visits, all of which support and link to good employability skills required and broadens the range of opportunities for students to consider as part of Careers Information, Advice & Guidance.
- A 14-year upward trend of enrichment participation was noted, together with November's figures.
- The Enrichment timetable for 2018/19 was noted; activities are now offered Monday to Friday.
- The College Impact Report showed 90% of students felt enrichment made them attend College more; 96% felt it improved their mental health; 96% felt it had a positive impact on College life, 85% said it made a difference when applying; 94% would recommend the College Enrichment programme and 98% felt it helped develop employability skills.

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7. WORK EXPERIENCE / ENRICHMENT PRESENTATION (continued)

M Berry congratulated the Enrichment team on the development of the Enrichment programme. He questioned whether the Work Placement Team had formal targets; R Smith stated that the ideal target would be 100% out on work placements but acknowledged this was not realistic. R Smith was confident that 17/18 figures would be exceeded. He reported that D Whitehead had also chaired Work Placement Strategy Meetings and this had been a key agenda item on middle management team meetings.

D Packer asked if the increase was natural; R Smith stated that the team are very active in going out to source work placements.

D Russell asked how long work placements were; D Whitehead stated that the target is one week; if students are not ready then site visits / employability skills are undertaken.

M Berry felt that the quality of work experience had been overlooked by Ofsted. D Whitehead emphasised that all supporting evidence was now being progressed and needed to be captured, which will support the PIAP.

The Chair thanked R Smith, J Theakston and D Metcalf for their presentations. The Clerk confirmed that these would be uploaded on to the Governors' portal for information.

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8. LEEDS LEARNING ALLIANCE TRUST

I Billyard presented Item 8 regarding the Leeds Learning Alliance Trust, which seeks to continue the College's involvement in the Trust, from a proposed Multi-Academy Trust to a Foundation Trust and the creation of Foundation Schools and a Free School. A paper was brought to the Board previously in May 2018 for the College to become a 'founding member' of the Leeds Learning Trust, which was approved. However, following discussions with the Regional Schools Commissioner, it has become clear that the original proposal would not fully support the development or wider aspirations of the Leeds Learning Trust. The proposed change in structure to a Foundation Trust will not increase the College's financial and/or other risks; the College's reputational risk would remain at a similar level (medium) as before.

D Packer asked if there was a limit to how many could be involved. I Billyard stated that no ceiling has been set but as the Trust develops this may need to be looked at.

P Norris asked if there would be any demand on College resources. I Billyard stated that this involved time commitment only.

R Lindley noted the creation of a Free School and asked if this would detract from the Trust. I Billyard stated that it would not, the Government are putting money in where required to enable it to develop.

The Corporation approved the continued involvement in the Leeds Learning Alliance Trust.

9. HUNSLET PHASE 2

D Pullein reported that partial possession of the ground floor took place yesterday in readiness for 7 January 2019. Some snagging is still to be completed.

The insurance cover still needs to be sorted and whether partial possession would have any impact on the liquidated damages.

D Pullein stated that the Capital Working Group had discussed liquidated damages and confirmed that a notice has now been issued for liquidated damages.

D Pullein noted that Clugstons have been very helpful regarding hoists etc. He stated that the lifts are on the way and installation is planned for February / March 2019, although this could be accelerated. All being well Phase 2 should be fully operational by April 2019; some equipment has already been moved in.

D Pullein stated that a contractor for North Street refurbishment is due to be appointed.

A meeting has taken place with WYCA to request approval to use the underspend to reinstate some of the value engineered items (eg teaching walls, access barriers, ILT equipment etc.).

M Roper noted that the Capital Working Group would be meeting again on 22 January 2019.

D Packer raised concern regarding partial possession and potential health & safety issues when students start in January 2019; technically it remains a building site until the completion certificate is issued. He felt that a clearly defined boundary was required. D Pullein acknowledged these concerns.

T Hodgkinson asked if signage for the building and road signage had been considered; D Pullein confirmed that this was all in hand.

The Clerk suggested that a future Board meeting could be held at Phase 2 at some point.

The Corporation noted the update on Hunslet Phase 2.

10. PERFORMANCE MANAGEMENT REPORTS FOR 2018/19

D Whitehead presented the Performance Management Reports for 2018/19, based mainly on Retention as at 6 December 2018, and gave a brief overview.

All Levels 16-18 (including Maths & English) Retention 98.4% (-1% on same period last year). All Levels 19+ (including Maths & English) Retention 98.1% (-1.1% on same period last year). Breakdowns were shown at Levels 1, 2 & 3, together with the number of withdrawals.

Apprenticeships (All Levels) Overall Achievement Rate (OAR) is 85.3% (-1.1% on same period last year) and Timely Achievement Rate (TAR) is 80.6% (-1% on same period last year). Some Apprenticeships are four years' duration, which has a cumulative impact.

10. PERFORMANCE MANAGEMENT REPORTS FOR 2018/19 (continued)

Higher Education Retention is currently 97.1%. 14-16 provision Retention is 100%.

D Whitehead reported that overall Retention remains strong across the College. Attendance at College Level is 88.22%, with Maths & English 76.56% (+2.41% on previous year). Punctuality at College Level is 95.83%, with Maths & English 89.25% (-3.8% on previous year).

The Maths & English update was noted. GCSE resits have shown an improvement in attendance. Details of progressions / destinations were noted and acknowledged as an improving picture with very positive outcomes.

Achieve Through Learning's results were noted, the majority of which are Red rated but still possible to be above national rates in most areas. A number of restructuring exercises have been carried out and, following the resignation of the Operations Manager, the new Manager (Natalie Wilson) will be looking at ATL's Business Strategy.

19+ Retention is 92.5% (-7% on same period last year). Apprenticeships OAR is currently 91.8% (+5.7% on same period last year), however TAR is only 70.2% (-16% on same period last year). D Whitehead stated that this is mainly due to three companies withdrawing Apprentices.

M Berry noted the good improvements on progressions / destinations, particularly Levels 2/3, although Level 1 was slightly below. He was disappointed to note that Apprenticeship progression from Intermediate to Advance was only 39%. He queried whether construction is becoming a Level 2 industry. D Whitehead noted that some New Standards would be direct Level 3 entry in future.

M Berry felt that it would be useful to know when Apprentices actually withdrew. He noted that the OAR / TAR gap for ATL is widening, however we have seen a narrowing of the gap for LCB.

R Lindley noted that there were a number of Amber rated areas although overall the comments were positive and queried this. D Whitehead stated that Retention is still very high but agreed the differential on previous years for some areas were Amber. He stated that targets have been agreed at the previous meeting and were shown on the spreadsheets.

The Corporation noted the 2018/19 Performance Management Reports.

11. MANAGEMENT ACCOUNTS FOR 30 NOVEMBER 2018

D Pullein presented the Management Account Position Statements as at 30 November 2018.

Government Grants are still being accrued on the basis of budgeted figures for both LCB and ATL. Non-pay expenditure for ATL is over profile due to a timing issue and therefore no reason to amend the forecast outturn at this point. Cashflow continues to be a key issue, with a particularly difficult period ahead (January – March 2019).

11. MANAGEMENT ACCOUNTS FOR 30 NOVEMBER 2018 (continued)

Bad debtors are a key issue but improvements in debt collection are starting to be seen and clearly assisting the College to manage this process. The Key Performance Indicators were noted.

P Norris noted that the software issue with ProAchieve is still on going and asked when it would be resolved; D Pullein stated that this was as yet unknown.

M Roper queried the cashflow position; D Pullein stated that he was comfortable with this but acknowledged the trajectory was downward.

The Corporation noted the Management Accounts for 30 November 2018.

12. AUDIT FINDINGS REPORT FOR 2017/18

D Pullein stated that a draft report had been presented at the November Board meeting and the final version was now available. Three outstanding items (Going Concern, Income Recognition and Pension information) have now been finalised and an amended report was presented at the Audit Committee and D Pullein distributed the new version (an electronic copy would be sent out to Governors).

D Pullein noted that Grant Thornton were very comfortable with the audit findings.

The Corporation approved the Audit Findings Report for 2017/18.

13. MEMBERS' REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED JULY 2018

D Pullein gave a brief presentation regarding the Members' Report and Financial Statements for the Year ended 2018, for Leeds College of Building Group, LCB Enterprises and Achieve Through Learning Ltd.

The Statement of Comprehensive Income for the Group for 2017/18 and two prior years was noted.

The Consolidated Balance Sheet for 2017/18 was noted. Net current liabilities for 2017/18 were (£438k); in due course these liabilities will become assets due to increases following completion of Hunslet Phase 2.

Key Performance Indicators were noted; pay as a % of income is under control and below the 65% ceiling. Dependency on Grant Income has reduced, mainly due to the move to the Levy. The Financial Health score for 2017/18 was Satisfactory as planned.

ATL's Statement of Income and Related Earnings was noted; a profit is still being made and this was £142k in 2017/189.

D Pullein noted the key facts regarding the Members' Report and Financial Statements for the year ended 31 July 2018:

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13. MEMBERS' REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED JULY 2018 (continued)

- The College Financial Health score is 160 points (Satisfactory)
- Financial Health Grade: EBITDA – Satisfactory
Current Ration – Satisfactory
Borrowing – Good
- Bank Covenants have been met.

D Pullein noted that the 2017/18 Budget -v- Actual showed a difference of (£99k); this related mainly to an increase in the bad debt provision.

The Directors' Report and Financial Statements for 2017/18 for ATL Ltd and LCB Enterprises Ltd were noted.

The Chair recorded the Corporation's thanks to D Pullein for his excellent financial management.

The Corporation approved the Members' Report and Financial Statements for the year ended 31 July 2018.

14. BOARD REPRESENTATION LETTER TO GRANT THORNTON

D Pullein gave a brief overview of the Board Representation Letter to Grant Thornton for Leeds College of Building. A revised letter for the College has been provided due to the changes in paragraph 11 on page 2 (as discussed earlier at the Audit Committee meeting). The Audit Committee recommended the letter for approval and signing by the Board.

The Corporation approved the Board Representation Letter to Grant Thornton for signing by the Chair.

15. BOARD REPRESENTATION LETTERS TO GRANT THORNTON FOR ACHIEVE THROUGH LEARNING LTD AND LCB ENTERPRISES LTD

D Pullein explained that separate letters are required for ATL and LCB Enterprises; these have been signed by the Deputy Principal.

The Corporation noted the Board Representation Letters to Grant Thornton for ATL and LCB Enterprises.

16. TUITION FEE LEVELS FOR 2019/20

D Pullein presented the Tuition Fee Levels for 2019/20. The Executive Team have recommended that Tuition Fees (excluding Apprenticeships) are increased by 2.4% across the Board. Apprenticeships (where a fee applies) to be charged at 5% of the maximum of the funding band.

The Corporation approved the Tuition Fee Levels for 2019/20.

17. ESFA LETTER DATED 15 OCTOBER 2018 REGARDING THE COLLEGE FINANCIAL PLAN 2018 TO 2020 AND DASHBOARD

The ESFA have confirmed that the College's assessment grade for 2017/18 is Satisfactory and Satisfactory for 2018/19 (the current budget year).

D Pullein stated that due to the College's Cashflow position it has hit the ESFA's early intervention trigger.

The Corporation noted the ESFA letter dated 15 October 2018 regarding the College Financial Plan 2018 to 20120 and Dashboard.

18. ESFA EARLY INTERVENTION AND PREVENTION LETTER DATED 2 NOVEMBER 2018

D Pullein noted that the first early intervention meeting has taken place. The ESFA very clearly understand what the College is doing and is very supportive.

The Corporation noted the ESFA Early Intervention and Prevention Letter dated 2 November 2018.

DATE OF NEXT MEETING

The next meeting is scheduled for Tuesday 22 January 2019 at 4.00pm (North Street), which will be preceded by a Student Discussion session at 3pm.

The Clerk reminded Governors that they should either carry out at least one walk through or student discussion (or both) and he would be chasing this up in the New Year.

Signed for Distribution:
(Chair)

Date:

Approved:
(Chair)

Date: