

LEEDS COLLEGE OF BUILDING

CORPORATION MEETING

Minutes of the meeting held on Tuesday 17 December 2019 at 4.00 pm in Meeting Room 1, North Street.

PRESENT:

Julia Evans (Chair)
Mike Berry
Simon Bray
Andrew Kenny
Dr Ivan Nip
Peter Norris
Derek Packer
Professor Dave Russell
Melanie Tyson
Derek Whitehead
Sarah Wilson

IN ATTENDANCE:

David Pullein (Vice Principal – Finance & Resources)
Nikki Davis (Vice Principal – Teaching, Learning & Quality)
Craig Williams (Clerk to the Corporation)
Wayne Chappelow (Faculty Director – Item 7)
Brian Duffy (Faculty Director – Items 7 & 16)
Nancy Fearnside (PA - minutes)

**ACTION
BY AND
TARGET DATE**

1. CHAIR'S AND GOVERNORS' COMMUNICATIONS

1.1

The Chair welcomed everyone to the meeting. Melanie Tyson was attending her first meeting and introductions were made.

1.2

The Chair stated that Items 8, 10 and 16 were key issues and Item 16 would be presented by B Duffy after Item 7.

1.3

The Chair noted that N Fearnside had sent out updates on the Portal on 2 December 2019 and D Whitehead had forwarded his Principal's Update on 9 December 2019. D Whitehead stated that the final Governors' Communication would be sent out this week and will be replaced by Newsletters in the New Year.

1.4

The Clerk noted that Sam Johnson (Student Governor) had left the College on 24 October 2019; a replacement is being sought.

1.5

P Norris gave a brief update following the recent Performance and Remuneration meeting. 2018/19 targets / achievement were discussed and the Principal's and Vice Principal's consolidated bonuses, linked to their appointments, were agreed.

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

1.6

P Norris gave a brief update following the recent Audit Committee meeting. The outstanding internal audit recommendations were noted, together with the action plan for the ESFA funding audit. Items 10, 11 & 12 were recommended to the Board.

2. APOLOGIES FOR ABSENCE

Apologies for absence / lateness were received from Rachel Lindley, Caroline Meehan, Mark Roper, Mark Scott and Jackie Wignall.

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 26 November 2019 were approved as a true record.

6. MATTERS ARISING

6.1 Ref Min 1.6

Actioned.

6.2 Ref Min 9

Actioned.

6.3 Ref Min 9

D Whitehead confirmed that a draft email had been sent to the Chair for approval and would be sent out this week.

6.4 Ref Min 10

N Davis stated that final ATL data would be available in January 2020 and the SAR date would be updated and posted on the Governor's Portal.

ND
17 Jan. 2020

6.5 Ref Min 11 / 12

Taken under Item 17.

6.6 Ref Min 15

Actioned.

6.7 Ref Min 21

D Whitehead reported that revised walk-through questions had been actioned by N Davis and passed to the Clerk who would share with Governors.

CW
17 Jan. 2020

7. TEACHING, LEARNING AND ASSESSMENT

Wayne Chappelow (Faculty Director – Construction Crafts) and Brian Duffy (Faculty Director – Built Environment & Engineering Services) joined the meeting at this point to give a presentation on Teaching, Learning and Assessment.

The following key points were noted:

- Setting the scene:
 - The College is in a very different place post Inspection.
 - “You tighten up to be good and loosen up to be outstanding”.
 - Now have a level of freedom to experiment.
 - Healthy position for LCB.
 - Great opportunity to push for ‘outstanding’.
- LCB is unique, specialising in Construction; Ofsted had looked at progress from starting points.
- New staff in place; Quality Improvement Manager, Advanced Practitioners (x7), ILM Manager / Support Services and Digital Support / TL&A.
- Key TL&A priorities:
 - Raising the profile of TL&A across College.
 - Staff support and English skills development.
 - Collaboration (internally / externally).
 - Digital.

Further details for these key priorities were noted.

- Assessment – issues at Level 2 Intermediate Apprenticeships in Construction Crafts, Retention / Achievement needs to improve, majority of Apprentices losing jobs through redundancy, some SMEs only employing Apprentices for duration of contract. Improvements for 2019/20 in Construction Crafts were noted.
- Progression routes and careers were noted.
- Extensive staff support and development; this was focused on TL&A over last year.
- TL&A progressed, and further enhancements noted.
- What to look for as observers was detailed.
- Managers are reviewing various TL&A data.
- Tutors need to look for assessment opportunities, recognising progress, and allowing support and intervention strategies to be put in place. Assessment is only as good as the feedback that is given.
- How to recognise progress was outlined.
- TL&A resources for innovation were detailed.
- Assessments are linked to new Standards, utilising e-portfolios to monitor progress.
- Local and regional built environment projects are utilised as appropriate.
- TL&A improvements for 2019/20 in Built Environment & Building Services were noted.

D Packer queried the staff support and English skills development. W Chappelow confirmed that staff are being supported as appropriate and Advanced Practitioners are working with staff where necessary.

7. **TEACHING, LEARNING AND ASSESSMENT** (continued)

M Berry thanked the Faculty Directors (FDs) for their presentation, which he felt was very informative, and he noted the “push for outstanding”. He asked what FDs felt were the most important things this year on the first step towards outstanding. FDs agreed that continuous CPD for staff to understand what ‘outstanding’ means is required, together with the resources to do this well. Consistency across the College is also required; there are outstanding staff / areas and peer observations / sharing of this best practice is essential.

A Kenny asked what difference new resources had made. B Duffy stated that his Faculty were looking at hydraulic kits / drones etc., which are very expensive. However, W Chappelow stated that it is not just about resources; Microsoft Teams are also being utilised through the new T & Learning Resources Manager.

Dr I Nip asked if improved TL&A would also improve retention. FDs noted that the CSPARr (Connect, Share, Present, Apply, Recall and Review) model has brought more consistency across the College and improved retention has been seen.

The Chair agreed that clear expectations are essential. CPD requirements were noted, with individual staff requirements being progressed. N Davis noted that this is being pulled together by D Grimes, Quality Improvement Manager.

W Chappelow noted that Information, Advice & Guidance is essential for Apprentices / employers; some employers take on Apprentices for specific contracts and then lay them off. He emphasised that Apprentices need 18 months to two years to complete Apprenticeships, some areas such as Electrical are four years’ duration. S Wilson asked if they could be transferred to full-time programmes, this was confirmed. W Chappelow stated that where possible alternative employment is sourced.

D Packer asked if the employer base is increasing. B Duffy confirmed that it was and some of the bigger companies are now sending increased numbers of Apprentices to the College.

P Norris queried the role of Advanced Practitioners. FDs confirmed that this was not necessarily due to staff issues but more of a supporting role; this is currently in the early stages but building on good practice from previous Teaching & Learning Champions.

S Wilson noted that staff have done a good job in getting the Good rating from Ofsted and asked if staff were up to moving the College forward to ‘outstanding’. W Chappelow acknowledged that staff have had a busy time but the two-week break at Christmas was welcomed; he agreed that many staff were up for progressing the College forward.

S Wilson queried the involvement of students / employers. B Duffy stated that employers are on board and keen to work with the College, they value what the College has done / is doing.

W Chappelow acknowledged that a culture change is required to get to ‘outstanding’; it is very early days yet.

7. TEACHING, LEARNING AND ASSESSMENT (continued)

The Chair thanked W Chappelow and B Duffy for their presentation and the Clerk confirmed that this would be uploaded to the Governors' portal for information.

16. HIGHER EDUCATION (HE) ANNUAL PROGRAMME MONITORING REVIEW

B Duffy presented Item 16 – Higher Education (HE) Annual Programme Monitoring Review.

B Duffy noted that the College's first Access & Participation Plan is now in place.

The Review gives a clear view of the mix of students / deprivation areas etc. He noted that the HNCs / HNDs have continued longer than expected and Higher Level Apprenticeships are growing. HNC / HND Achievement Rate was 80%, with Higher Level Apprenticeships at 90%.

Positive steps were noted in the SPOC results and the ratings for every element have increased.

Full-time HE numbers did go down, mainly due to universities making offers that the College could not match. B Duffy stated that the College is no longer involved with UCAS and this should help.

Progression data is very good. The majority of Higher Apprentices are staying with their companies. The national DLHE (Destinations of Leavers from Higher Education) survey showed a median salary of £26k.

Confidence from employers was noted, with 98 Apprentices now enrolled from BAM Nuttall (6 groups on block release).

Developments on Degree Apprenticeships with Leeds Beckett University are still being developed. Different ways of utilising digital resources are being investigated (e.g. BIM, VR headsets etc.).

B Duffy noted that this Review is the equivalent of the QAA (Quality Assurance Agency) Review and this is also used for the BTEC Pearson Review.

M Berry congratulated the Faculty on an excellent, very detailed report. He noted the high achievements, with Higher Apprenticeships being above national rate. He also acknowledged the excellent partnership working in both public and private sectors. He felt this area was leading the way to becoming an outstanding College. The improvement in student perception of the College was noted.

Prof. D Russell agreed that this was a good report and acknowledged the good observations from external examiners. He noted the Red rated issues within the Student Submission; B Duffy stated that these issues change every meeting and would be covered at the next HE Strategic Forum meeting.

16. HIGHER EDUCATION (HE) ANNUAL PROGRAMME MONITORING REVIEW
(continued)

Prof. D Russell noted that Appendix D referred to IMD (Index of Multiple Deprivation) Quintiles, however the information related to Polar 4 (Participation of Local Areas) Quintiles. Quintile 1 refers to areas of the country where there are the lowest participation rates in higher education. B Duffy would amend the report accordingly.

BD
10 Jan. 2020

The Board noted and approved the HE Annual Programme Monitoring Review.

8. UPDATE ON SOUTH BANK PHASE 2

D Pullein gave an update on South Bank Phase 2 following the announcement that Clugston have gone into administration, with KPMG being appointed as Administrator. He noted that no formal notification has yet been received. Advice has been sought from the College's Solicitors and a letter will be sent to Clugston regarding the outstanding defects. He and D Whitehead had also met with Rob Hardy, Project manager, and Ewan Shaw from Turner & Townsend.

D Packer asked if there were any critical defects outstanding. D Pullein stated that the key issue was the LEV in the workshops, but this was not a critical issue. D Pullein confirmed that none of the outstanding defects would interfere with College operations.

D Whitehead noted that 12 Apprentices from Clugston, studying at the College, were affected and the Work-based Learning team are trying to source alternative employment for them. He also reported that Mark Roper, through CECA, is trying to help existing Clugston employees find jobs.

D Pullein would keep members informed of the situation regarding South Bank Phase 2 as appropriate.

The Board noted the update on South Bank Phase 2.

9. MANAGEMENT ACCOUNTS FOR 30 NOVEMBER 2019

D Pullein presented the Management Accounts for November 2019.

Income is still accrued, as is usual at this time of year, based on budgeted figures. Actual figures should be available in December 2019. The shortfall in co-funded Apprenticeship allocation may be smaller than the anticipated £500k. If this is not forthcoming from the ESFA the College is working with partners, through D Whitehead, to try and convert some of their unused Levy funds to co-funded SME employers.

Concerns regarding Achieve Through Learning Ltd (ATL) were noted. A Board meeting for ATL will be scheduled for early in the New Year and a report brought back to the Board for discussion.

DP
21 Jan. 2020

The value of debtors has reduced from £300k to £182k and it was acknowledged that inroads are being made; however, there is still a long way to go. The tremendous effort made by the Finance team was noted.

9. MANAGEMENT ACCOUNTS FOR 30 NOVEMBER 2019 (continued)

Cash flow is strong, boosted by early achievers in Higher Apprenticeships and collection of outstanding 2018/19 debts.

The majority of KPIs are Green or Amber now; the only Red KPIs relate to ATL.

Co-funded Apprenticeship numbers are currently down (119) on the previous year. HE numbers are strong with 84 Higher Apprentices awaiting sign-up.

D Pullein confirmed that Bank Covenants are being met.

The Statement of Comprehensive Income and Expenditure was noted; all expenditure is currently under control. The Balance Sheet is strong.

Details of the bad debtors were noted. D Pullein stated that there have been several vacancies in Finance over 2018/19 and temporary staff have been brought in to chase these bad debts and it was acknowledged that they are doing a good job in reducing the bad debts.

M Tyson queried one of the bad debtors, Crescent Purchasing. D Pullein stated that they are a tender framework company and LCB process their payroll for them. They already have frameworks in place that are market tested.

The Board noted the Management Accounts for 30 November 2019.

10. AUDIT FINDINGS REPORT COVERING THE STATUTORY AND REGULARITY AUDIT FOR 2018/19

D Pullein reported that K Doherty (Grant Thornton) had presented the Audit Findings Report at the Audit Committee.

The final funding confirmation has now been received from the ESFA.

The College accounts show an adjustment of £234k, which recognises the amount owed to the College for damages reclaimed in relation to delays in completion of Phase 2. This is also included in LCB Enterprises. D Pullein explained that this is recognised as a debtor in the College accounts and as income in LCB Enterprises, which balances this out.

There is also an unadjusted item of £270k, which relates to Higher Apprentices achieving early. Grant Thornton had confirmed, at the Audit Committee meeting, that this is below the materiality level and did not require an adjustment.

There has been a prior year adjustment for ATL of £164k; this related to a journal, which was posted twice in error. The final position remains the same.

D Pullein reported that Grant Thornton have confirmed they are satisfied that the management view that the College is a 'going concern' can be accepted. Underfunding for Apprenticeships (£500k) was acknowledged as a key risk but would not have a significant impact. Grant Thornton has requested confirmation from WYCA of the outstanding loan amount, but this has not yet been received.

The Board approved the Audit Findings Report for 2018/19.

11. MEMBER'S REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2019

D Pullein gave a brief presentation regarding the Members' Report and Financial Statements for the year ended 31 July 2019 for Leeds College of Building Group, LCB Enterprises Limited and Achieve Through Learning Limited.

Key audit findings:

- Unqualified audit report
- True and fair view
- Regularity audit – no issues raised
- Adjusted and Unadjusted Differences

The Statement of Comprehensive Income for the Group for 2018/19 and three years prior was noted; this shows an operating surplus of £1,213 (an improvement on the previous year).

The Consolidated Balance Sheet for 2018/19 was noted. An increase in Fixed Assets was noted following the completion of South Bank Phase 2. The Income & Expenditure Reserve is also growing.

Key Performance Indicators were noted; Cash Balance, Adjusted Current Ratio and Cash Days in Hand have all gone down due to Phase 2; however, Dependency on Grant Income has increased. The Financial Health score for 2018/19 was Good.

Details of the 2018/19 Budget -v- Actual were noted.

The College's financial plan score of 130 points (Requires Improvement) was exceeded and the Financial Health Score for 2018/19 was 180 points (Good). All Bank Covenants have been met. D Pullein noted that the College would not be able to achieve outstanding (230 points) due to the amount of borrowing.

The Board approved the Members' Report and Financial Statements for the year ended 31 July 2019.

12. BOARD REPRESENTATION LETTER TO GRANT THORNTON FOR LCB

D Pullein gave a brief overview of the Board Representation Letter to Grant Thornton for Leeds College of Building, which was discussed earlier at the Audit Committee meeting. The Audit Committee recommended the letter for approval and signing by the Board.

The Board approved the Board Representation Letter to Grant Thornton (LCB) for signing by the Chair.

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

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

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

14. NEW ESFA INTEGRATED FINANCIAL MODEL

D Pullein reported that the ESFA have rolled out a new Integrated Financial Model for completion. This would involve a tremendous amount of work; if additional resources were required, the Board agreed that these should be progressed. An extra Board meeting has been scheduled for 25 February 2020 to enable the Board to discuss and approve this prior to submission to the ESFA.

The Board noted the introduction of the new ESFA Integrated Financial Model, which needs to be approved prior to submission (as noted above).

15. TUITION FEE LEVELS FOR 2020/21

D Pullein presented the Tuition Fee Levels for 2020/21. 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 Board approved the Tuition Fee Levels for 2020/21.

17. PERFORMANCE MANAGEMENT REPORT INCLUDING 2019/20 KPIS

N Davis presented Item 17. The report has been RAG rated where information is available (R04). The report will be further updated in January 2020 and she anticipated that some of the Amber ratings would become Green.

Retention figures for 2019/20 were not available at the time the report was prepared. N Davis updated members on the position:

16-18 97.3%
19+ 97.8%
All Ages 97.4%
Apprenticeships Overall 86.1%
Apprenticeships Timely 82.6%

M Berry noted that KPIS would be presented to the Board three times per year but thought that the Performance Management Reports would be presented at every meeting. He noted that the external Teaching & Learning review had identified that 87% of observations were good or better; however, he queried whether this should state "Met Standard" or "Did not meet Standard". N Davis was happy to be led by the board on this and after discussion, it was agreed that Good or Better would still be used.

The Board noted the Performance Management Report including 2019/20 KPIS.

18. GOVERNOR POLICIES

N Davis presented Item 18. The College currently has 147 policies in operation, 28 of these currently require Governing Body approval. Figure 1 in the report details the policies that require approval by Governors. It is proposed that the yellow highlighted policies are deferred to SMT for approval. A further review will take place regarding existing policies to try to streamline the volume of policies further.

18. GOVERNOR POLICIES (continued)

M Berry felt that the Teaching, Learning & Assessment Strategy is a major activity of the College and the main reason the College exists; as such it should be approved by the Board. He also felt that this applied to the Quality Improvement Policy. If these were not brought to the Board for approval how could Governors consider any changes. S Bray agreed that if the College is aiming for 'outstanding' then Teaching, Learning & Assessment needs to be discussed by the Board.

Professor D Russell acknowledged that some policies do need to be approved by the Board and suggested only these were brought to the Board. He also noted that there were some procedures on the list which did not need Board approval.

After discussion, it was agreed that the Teaching, Learning & Assessment Strategy and Quality Improvement Policy would still be brought to the Board for approval on a three-yearly cycle. The remaining highlighted Policies would be deferred to SMT.

D Packer stated that the key issue is the volume of documentation which he felt needed streamlining. D Whitehead noted that the Executive Summary produced has tried to address this. D Packer suggested that the Executive Summary only could be circulated, and full details uploaded on to the Governors' Portal.

The Board approved the changes proposed in the report except for the Teaching, Learning & Assessment Strategy and Quality Improvement Policy, which would still require Board approval.

19. T&F GROUP RE FINANCE CONSIDERATIONS – RECOMMENDATIONS

The Chair presented Item 19. A Task & Finish Group was convened on 3 December 2019 to consider the Board's approach to financial governance and make recommendations, which are detailed below.

1. Offer the ETF training module on financial management to Governors (with a target that 75% of members complete the module by 31 July 2020). P Norris stated that he had being involved in the pilot and felt this module would help Governors. The Clerk will email the link to the core module to Governors, together with AoC guidance on financial questions.
2. Board meetings to start 15 minutes earlier and finance matters to be further up the agenda.
3. A discrete Finance and Resources Committee would be deferred for now and reviewed in six months' time.
4. Governor financial skills and competences to be reviewed in twelve months' time to measure progress.
5. D Pullein to look at the effectiveness of Board reports. It was also suggested that M Tyson could look at these when she has settled in to her Governor role. The Clerk also suggested that time could be available at the Away Day.

CW
7 Jan. 2020

19. T&F GROUP RE FINANCE CONSIDERATIONS – RECOMMENDATIONS

(continued)

6. Initial discussions with Executive team to be strengthened and included in the Governor induction process.

The Board agreed the recommendations noted above.

20. PERFORMANCE AND REMUNERATION COMMITTEE ANNUAL REPORT TO BOARD

The Clerk presented Item 20 and gave a brief overview. There is now a requirement (under element three of the Remuneration Code – Transparency and accountability) for an Annual Remuneration Report to be produced and published.

The Board approved the Performance and Remuneration Committee Annual Report for 2018/19.

21. AOC CHARTER FOR STUDENT ENGAGEMENT

The Clerk presented Item 21 (AoC Charter for Student Engagement); this was considered by the Student Liaison Committee. It is hoped the charter would promote and develop a culture of partnership in colleges.

The Board agreed that the AoC Charter for Student Engagement should be adopted.

22. HEALTH, SAFETY & ENVIRONMENT ANNUAL REPORT 2018/19

D Pullein presented Item 22 (Health, Safety & Environment Annual Report 2018/19). The OHSAS 18001 external audit was successfully achieved in March 2019. This standard is changing to ISO 45001 and additional requirements will be placed onto the College. The number of accidents / incidents have increased, and actions implemented to address this.

D Packer asked why D Pullein had presented this report; D Pullein stated that he line manages this area and chairs the Health, Safety & Environment Committee.

M Berry noted the number of incidents relating to splashes; he stated that when he had carried out walk-throughs PPE had been consistently worn. D Whitehead stated that a new style of goggles is now being used and this should reduce the number of incidents.

The Board noted the Health, Safety & Environment Annual Report 2018/19.

23. ESFA EARLY INTERVENTION LETTER DATED 4 DECEMBER 2019

D Whitehead presented Item 23 (Early Intervention letter from the ESFA dated 4 December 2019); this is based on the College's latest financial plan, which was sent to the ESFA in July 2019. The College is required to continue to submit management accounts and cash flow forecast monthly.

The Board noted the ESFA Early Intervention Letter.

DATE OF NEXT MEETING

The next meeting is scheduled for Tuesday 21 January 2020 at 3.45pm
(Meeting Room 1, North Street).