

**Newham Sixth Form College  
Corporation**

**Minutes of the meeting held on Monday 1 July 2019**

- Present:** Gail May (Chair and independent member), Martin Oakeshott (independent member), Shawab Iqbal (independent member), Julianne Marriott (independent member), Elizabeth Harris (staff member (support)), Miklos Sarosi (parent member) Mandeep Gill (Principal and Chief Executive Officer)
- In attendance:** Ray Ferris (Vice Principal), Nick Christoforou (Director of Finance and Resources), Tracy Oko (Director of Student Services), Abena Rodman-Tay (Finance Manager – for items 1 to 3), Florah Mugwanyanya (Interim Finance Manager – for items 1 to 3) Martin Rosner (HR Consultant – for item 4) Brian Taylor (CPB Projects for item 6) Robin Jones (Clerk designate), Paul Baglee (Clerk)

Apologies for absence were received from Jay Nair, Julia Shelton, Joanne Dean, and Katharine Young.

Robin Jones the Clerk designate was welcomed to the meeting. Robin will take up his appointment on 1 August 2019 following the retirement of Paul Baglee. Prior to the meeting members made a presentation to Paul to thank him for his service.

**1. Declarations of interest**

There were no pecuniary interests declared.

**2. Budget 2019/20 and three year financial forecast**

Members received and considered the proposed budget plan for 2019/20 and the three year financial forecast.

Members were reminded that the Corporation had set a deficit budget in 2018/19 on the condition that in-year savings would return a balanced budget. The deficit had been more significant than forecasted, but the necessary savings were made and the college was on course to achieve a £30k surplus. However, further cost pressures and the cost of restructuring would lead to an end of year deficit of £1.1 million in 2019/20 and £566k in 2020/21.

Members were advised that the 2020/21 forecast was built on a number of assumptions. These related to a continuance of GLA additional income for adult learning with no clawback, the continuation of government funding for increased teachers' pension costs and no additional membership of the Local Government Pension Scheme (LGPS) following auto enrolment for non-members in April 2020. It was also anticipated that the proposed restructuring model would lead to savings of approximately £200k. However, as this is a proposal to be consulted on, both the model and therefore savings may be different but as a minimum we would look to save £100k. Members were cautioned that if these assumptions were not realised the 2020/21 deficit could increase to £1 million. The financial health of the college

would be assessed as “good” for 2018/19, but this would slip to “requires improvement” in 2019/20 and 2020/21.

**Members’ questions** (*responses in italics*)

- If there will be a reduction in the numbers of staff in 2019/20 why isn’t this shown in the forecast? *As any change will be subject to consultation it is difficult to predict the value of the saving at this point, but the budget will be updated when this becomes clear.*
- Has any modelling been undertaken on the number of support staff likely to opt out of the LGPS after auto-enrolment? *We expect that those currently not in the scheme to opt out. The budget provides for those staff to be in the scheme from April to July, so an earlier opt-out would generate a saving.*
- How will the college be able to operate if there’s a deficit of £1 million? *There will be fewer resources, but sufficient cash to keep the college running. Managing the cashflow carefully will be a significant task.*
- What action will the FE Commissioner take when the college’s financial health slips to “requires improvement”? *The Commissioner’s office will reassess the risk (minute no 3 refers).*
- Could the deficit be reduced earlier? *That’s possible providing our assumptions are realised and if our income increases. For example if we recruit more students and if we fully utilise our adult education income this might increase in 2020/21.*

Members were advised that staff had been briefed on the college’s financial position. There were currently high levels of concern across the college about the uncertainties regarding future employment prospects. The Corporation and the college’s senior management were urged by the staff governor present to make rapid progress with the proposals for restructuring to help alleviate the levels of anxiety that were growing through uncertainty. Members appreciate receiving this feedback and acknowledged the difficulty of the situation for staff.

Before approving the budget plan members reflected on the significance of the proposals. They recognised that the college’s cost base need to be realigned so that it matched the predicted income and that additional costs (restructure costs) would need to be incurred to achieve the required savings.

**Action: all management accounts reports to include a cashflow forecast.**

**Decision: members agreed to adopt the budget plan for 2019/20 and the three year forecast as proposed subject to:**

- **Detailed work to be undertaken to reduce costs and to realign cost base with predicted income**
- **Restructure to achieve significant savings**

**3. Diagnostic assessment report**

Members received and considered a proposal to invite the FE Commissioner’s team to carry out a diagnostic assessment of the college and produce a confidential report on the actions that can be taken to improve the financial position.

**Decision: members agreed to request a diagnostic assessment.**

#### **4. Proposals for 2019/20 – confidential item**

The staff member and senior members of staff withdrew for the confidential item recorded in appendix 1.

The Principal and Chief Executive Officer and the HR Consultant were present for this item.

#### **5. Principal and Chief Executive Officer probationary period review**

The Principal and Chief Executive Officer withdrew.

Members were advised that as the meeting was temporarily inquorate the recommendation that the Principal and Chief Executive's appointment be confirmed could not be taken at the meeting.

**Action: Corporation members to be asked to confirm the Principal and Chief Executive's appointment by written resolution.**

At the conclusion of item 5 the Principal and Chief Executive, the staff member and senior members of staff re-joined the meeting. As this was Abena Rodman-Tay's final meeting before she left the college, members thanked her for her service and her support for the Corporation. They wished her well in her new job. Members were pleased to note that Florah Mugwanya had been appointed as the interim Finance Manager.

Abena and Florah left the meeting.

#### **6. Campus masterplan**

Members received and considered a report on the pre-application advice from Newham Council regarding phase 2 of the Campus Masterplan. Brian Thomas from CPB Projects, the college's consultants, was in attendance to conduct a presentation on the implications of Newham Council's advice.

Members were reminded that the Campus Masterplan was developed in 2012 when the Corporation took the decision to stay on the Prince Regent Lane site: the maintenance costs for buildings reaching the end of their lives exceeded £7 million. This was unsustainable. The masterplan provided for the redevelopment of the college site in five self-financing or grant funded blocks over a 25 year period to provide a facility of 16000m<sup>2</sup> for 2700 students. Phase 1 was funded from reserves and a loan. The additional storeys permitted in the planning approval by the Council meant that greater capacity was achievable across the whole site. The remaining phases of the masterplan could therefore potentially deliver a facility of 30000m<sup>2</sup> funded by releasing land to the south of the site for residential development.

However, there were a number of constraints identified in the pre-application advice from Newham Council that could restrict the income from the residential development. This was because of downward pressure on density of housing and the proportion of the affordable and family units required. In addition a potential requirement for more community facilities, could reduce the space for education facilities and affect the viability of the project. On this basis, although the resources generated from a residential development would provide a substantial amount of the funding to build phase 2 and the new link, there could be a funding gap of £7 million.

Members were reminded about possible demographic changes in Newham and reductions to population projections explored in previous meetings. This needs to be revisited.

Members acknowledged that there was further work to do on the viability of phase 2, both in terms of continued discussions with Newham Council to address the planning constraints for the residential development and preparing the education case (minute no. 9 refers).

At the conclusion of the item Brian Thomas was thanked for his presentation and he left the meeting.

## **7. Principal and Chief Executive Officer's report**

Members received and considered the report of the Principal and Chief Executive Officer.

Members were advised that the Department for Education would be publishing further guidance on the option for sixth form colleges to convert to academy. The college would work with the Sixth Form Colleges Association to understand the implications of conversion and then report to the Corporation.

**Action: the Corporation to receive a report on the feasibility of academy conversion in the autumn term.**

Members were pleased to learn that the college's expression of interest to deliver T Levels in 2021/22 had been successful. The college had been awarded two courses – construction and education & childcare. Also, the college had won the Sixth Form College Association annual curriculum innovation award for its business enterprise programme

Members were further advised that the college had signed up to the AoC's mental health and wellbeing charter. A staff wellbeing group had been established.

**Action: the Corporation to receive a report on the work to support the mental health and wellbeing of staff.**

## **8. Lesson observations annual report**

Members received and accepted an annual report on lesson observations.

**Action: the quality link group to review the outcomes.**

**Action: the learning walk member visit protocol was ready to launch. The quality link group to conduct the pilot visit.**

**Action: the learning walk protocol to be developed for visits to college support services.**

## **9. Task/finish groups proposed remits**

Members received and considered a report proposing remits for task/finish groups to oversee the implementation of the 2019/20 budget strategy and to review and scope the feasibility of phase 2 of the campus masterplan.

**Decision: members agreed to accept the draft remits.**

**Decision: members agreed that the membership of the budget strategy group should be: Joanne Dean, Miklos Sarosi, Martin Oakeshott, Shawab Iqbal and the Principal & Chief Executive Officer.**

**Decision:** members agreed that the membership of the campus masterplan group should be: Gail May, Jay Nair, Julianne Marriott (subject to assessing whether there was a conflict with her position as a Newham councillor), Elizabeth Harris and the Principal & Chief Executive Officer.

**Action:** the initial meetings of both groups will be face to face to reassess the remits, agree meeting frequency (virtual or otherwise) and how the business can best be conducted. The first meeting of the campus masterplan group could take place from late September and the budget strategy group from late October.

**10. Corporation standing orders**

**Decision:** members approved the amended standing orders for 2019/20 and adopted the revised Evershed Sutherland code of conduct (sixteenth edition). The next review to be carried in the summer term 2020.

**11. Corporation instrument and articles of government**

**Decision:** members agreed to readopt the instrument and articles of government unamended. The next review would be carried out in summer 2020.

**12. Corporation compliance calendar 2019/20**

**Decision:** members agreed to adopt the Corporation compliance calendar 2019/20.

**13. Link member reports**

Members received and accepted reports from a safeguarding link visit on 5 June 2019 and a quality link visit on 1 May 2019.

**14. Annual report on complaints**

Members received and accepted the annual report on complaints.

**15. Annual report on learner voice**

Members received and accepted the annual report on learner voice.

**16. Annual report on careers strategy**

Members received and accepted the annual report on the careers strategy.

**17. Annual report on health and safety**

Members received and accepted the annual report on health and safety.

**18. Safeguarding policy**

**Decision:** members approved the safeguarding policy, subject to an amendment to include a reference to “upskirting” for compliance with the Voyeurism Act 2019 and the updated Keeping Children Safe in Education statutory guidance.

**Action: members asked that the policy be reviewed for consistency of language so that those being safeguarded were referred as “students” rather than children (where appropriate) and the institution was referred to as the “college” rather than a school.**

**19. Ready to learn policy**

**Decision: members approved the ready to learn policy**

**20. Progress on British Values and Prevent Duty**

Members received and accepted a progress report on British Values and the Prevent Duty.

**21. Quality improvement plan update**

Members received and accepted an update report on the quality improvement plan.

Members were reminded that the move to linear A Levels would have an impact on retention levels. This was likely to reduce the headline achievement rate by 2-3%. In addition as up to six qualifications had been entered by the College with the wrong learning aims, the results from these courses will not be included in the college’s data. The result would be a further reduction of over 1% in the headline achievement data. Systems had been put right so this error would not recur.

**Members’ question** (*response in italics*)

*Will a 4% reduction in the college’s achievement rate lead to a visit from Ofsted? Ofsted will be made aware and we will write to the regional lead when results are published to explain the reasons for the changes in performance levels.*

**22. Courses requiring improvement**

Members received and accepted an update report on courses requiring improvement.

**23. Recruitment and school liaison update**

Members received and accepted an update report on student recruitment and school liaison.

Members were advised that to date the college had received 2877 applications (+ 374 when compared to the same period in 2018) and had made 165 more offers. The induction sessions held on 1 July 2019 were attended by 34 more students than in 2018. The data showed that 82% of the vocational offer prospective students and 49% of the A Level offer prospective students had attended.

**24. Prevent risk assessment**

Members received and accepted an update report on the Prevent risk assessment that had been reviewed by the audit and scrutiny committee.

**25. Minutes of the audit and scrutiny committee held on 5 June 2019**

Members received and noted the minutes of the audit and scrutiny committee held on 5 June 2019.

**26. Internal audit visit report**

**Decision: on the recommendation of the audit and scrutiny committee, members accepted the internal audit visit report on High Needs students**

**27. Risk management policy**

**Decision: on the recommendation of the audit and scrutiny committee, members readopted the risk management policy unamended. To be reviewed in summer term 2021.**

**28. Audit and scrutiny committee terms of reference**

**Decision: on the recommendation of the audit and scrutiny committee, members readopted the committee's terms of reference**

**29. Minutes of the governance and search committee held on 22 May 2019**

Members received and noted the minutes of the governance and search committee held on 22 May 2019.

**30. Governance and search committee terms of reference**

**Decision: on the recommendation of the governance and search committee, members readopted the committee's terms of reference**

**31. The Colleges Senior Staff Remuneration Code**

**Decision: on the recommendation of the governance and search committee, members adopted the College Senior Staff Remuneration Code. Members noted that this formed part of the Code of Good Governance for English Colleges previously adopted by the Corporation.**

**Action: the governance and search committee to recommend how the remuneration code should be implemented.**

**32. Minutes of the meeting held on 22 May 2019**

The minutes of the meeting held on 22 May 2019 were agreed as an accurate record and signed by the Chair

**33. Meeting dates 2019/20**

**Decision: Members agreed the following meeting dates for 2019/20**

Autumn 9 October 2019 and 4 December 2019

Spring 12 February 2020 and 25 March 2020

Summer 20 May 2020 and 1 July 2020

All meetings are on a Wednesday and start at 6.30pm

**34. Corporation Development Day**

**Decision: Members agreed that the Corporation development day should be held on Saturday 2 November 2019 from 9.30am to 4.30pm. They noted that this would be the only development day in 2019/20.**