

WEYMOUTH COLLEGE CORPORATION
Minutes of the Board Meeting held on 22 May 2018

Members Present:		In attendance:	
Richard Noah	Chair	Sue Ratcliffe	Clerk to the Corporation
Nigel Evans	Principal	Jenny Stiling	Associate Member
Rosie Darkin-Miller	Vice-Chair Apologies	Phil Templeton	Vice Principal
Jane Nicklen		Julia Rogerson	Vice Principal
Stephen Prewett		Kelly Bush	Vice Principal
Ian Hollows	Apologies	Liz Hurst	Director of Finance
Steve Webb		Kris Thorne	Head of School - Construction for Agenda Item 6
Andy Matthews			
Mike Byatt	Apologies		
Lyn Bourne			
Rod Davis			
Peter Vowles			
Megan Barnes			
Joanne George			
Alex Wyatt			
Garion Campbell-Armstrong	Apologies		

The Chair welcomed Megan Barnes and Alex Wyatt to the meeting.

Apologies for Absence

30/2018 Apologies for absence were received and accepted from Rosie Darkin Miller, Ian Hollows, Mike Byatt and Garion Campbell-Armstrong.

Election of Staff Governors

31/2018 The Clerk reported that following the recent Election, the two candidates with the highest number of votes were Peter Vowles and Megan Barnes and they were therefore duly elected as Staff Members of the Board. The Chair congratulated Peter and Megan on their Election and welcomed them both to the meeting.

Declarations of interest

32/2018 Members had nothing to declare.

Notification of Any Other Business

33/2018 No additional items of other business were notified.

Minutes of the meeting held on 27 March 2018

34/2018 the minutes of the meeting held on 27 March 2018, previously circulated, were confirmed as a correct record and signed by the Chair.

Curriculum Proposals for September 2018

Level 3 plumbing with the establishment of ACS (Gas) and AM2 (Electrical) Test Centres

35/2018 Kris Thorne, Head of School – Construction gave a presentation to the Board to introduce a proposal to make changes to the Curriculum offer for September 2018, to enable the College to once again offer Level 3 Plumbing with associated ACS and AM2 Test Centres for Electrical and Gas. A copy of the presentation to be circulated to members.

The Board noted there will be changes from the current framework to a new standard at Level 3, which would incorporate Level 2, and provide a considerable increase in funding, particularly for apprenticeships. The College did once offer Level 3, but not at the present time. As part of the presentation, the Board saw, conservative projected student numbers for the provision over a 2 year period, based on current Level 2 numbers and between 3 and 9 apprentices. Giving a projected total income of between £35k and £89k. The provision would not incur any additional staffing costs as all current staff are suitably qualified.

Projected costs of circa £30k were required to make the alterations required to the Purbeck Building as explained in the floorplan shared with members. It was noted that it was important to start promoting this to current students as soon as possible if the targets for the first year were to be met.

As a further linked opportunity, the Board were presented with proposals which showed initial set-up costs and projected income for the establishment of Test Centres for both Electrical and Gas based at Poundbury. Members noted that at the end of the level 3 programme students must take an assessment and qualified electricians and gas fitters must regularly renew. There is considerable demand and currently the nearest centres are in Ferndown, Yeovil and Southampton, or further afield.

ACS Gas Proposal– the proposal was explained, at an estimated set-up cost of circa £40k. Each student (apprentice) currently costs £1,500 to complete the ACS test and must book an available place at a registered test centre. The College predicts that costs in the next academic year will be £4,500 - £13,500 on ACS Exams. The exam time for ACS is 3-5 days for the refresher course or 8-10 days for newly qualified.

AM2 Electrical Proposal – the proposal was explained and set-up costs identified at circa £40k for 6 bays, again at Poundbury. There are expected savings if both centres were provided together. Each candidate costs £765 plus £150 training (day course). The nearest Centre is Yeovil for the AM2s (New test), other centres for the older AM2 test are; Southampton, Exeter or Gloucester. Existing approved providers register learners on the NET database which will identify available dates and test centres. If Weymouth goes ahead we will be on the database too, as an additional facility. Weymouth currently sends 6 learners per year on average to complete the AM2 test (£4590).

Nigel Evans and Steve Webb joined the meeting.

The Board were informed that colleagues considered:

- Poundbury to be a good venue as the test centres would become part of the Dorset Training Academy.
- Dorchester is a good location for employers with good parking and access.
- Two conservative income projections for the centres that were provided, one based on 2 learners per week @ 34 college weeks, with a second on 2 learners per week @ 48 weeks.

Both showed that the set-up costs would be recovered after the first year. But members felt that these were generally very conservative.

Members asked:

- About Market demand and were informed there was a strong expectation that the current Level 2 students would go on to Level 3. Currently students must go elsewhere to do a Level 3 at present.
- About identified retention and achievement challenges which currently are at averages of 75%. It is anticipated the new standards will encourage students to complete the course and we will retain students as they must do the test at the end. It's a natural progression route, not currently provided.
- Understood that It is made clear, that we cannot test our own students and there can be no "cosy arrangements" with other centres.
- About the Risks to Stonemasonry at Poundbury. The Vice Principal explained the area occupied by stonemasonry was underused and it would not impact on the delivery of that provision. It is one of our prestigious provisions, winning awards. There are currently only 9 colleges in the UK offering stonemasonry. It was important to assure its continuation and with proposed changes to Purbeck, it could not be brought back to Purbeck building at Cranford Avenue.

The Principal reported that he and the SLT felt this was a "must do" for the College to complete the Progression Route and meet demand. The Test centres proposal would meet market demand, and there are good signs of community demand and it will provide additional income and help future financial resilience for the College.

Members shared anecdotal evidence of their experiences, community need and discussions with other colleges.

Members generally felt that the numbers were very conservative and we should aim for the top, but within a band we can achieve. Build it into the budget and our plan to improve future resilience. A risk table was requested to include mitigations.

It was agreed to defer future discussion on this matter until after the Principal and Financial Reports.

Principal's Report

36/2018 The Principal presented his written report, previously circulated.

- i) Members noted that the application for Registration with the Office for Students (previously HEFCE) was completed and the final submission had been made.
- ii) Confidential Item.
- iii) Careers and Enterprise Company -- The College has signed a Memorandum of Understanding which joins us to the Enterprise Adviser Network. The purpose of which is to create powerful, lasting connections between local businesses and the schools and colleges in their area. The MOU between the Dorset LEP, the Careers and Enterprise Company. The Dorset LEP is leading the submission of a bid to the Careers Enterprise Company for a 'Careers Hub' in Dorset. This new programme builds on the excellent work by all partners in local government, business and education in developing the Enterprise Adviser Network. Dorset LEP is fully committed to the programme and

sees this as the next step to provide the highest quality careers advice, networks and experiences for young people and those who advise them in schools and colleges and Weymouth College has been invited to be included in the bid.

Financial Report

37/2018 The Director of Finance, presented the reports, previously circulated.

i) P9 Financial Report

The Board received the P9 Financial Report, previously circulated. The Director of Finance explained that the financial position was similar to that shown in the last report but due to the crystallisation of the ESIF income risk, and improved apprenticeship position, pay savings and other improvements, some progress has been made. There had been an improvement of £200k from PP8 to P9 with no risks remaining. However, the report was still predicting a £500k shortfall at the end of the year, but there is still time and room to make further improvements and there is still an inflationary pay increase in the budget.

The Director of Finance reported:

- Difficulties experienced with cash as receipts from the funding agencies dip at the time of the year. However, we have our creditors more under control.
- A Reservation of rights letter has been issued by the bank. After their review of accounts, they are happy with the status quo.
- The ESFA are moving to reporting using EBITDAR and perhaps it would be better for the College to move to using their methodology. Members asked if there was concern expressed by the ESFA, and noted that they recognise we are trying and what has caused the position. They would worry if we didn't know or if we lost control of it. They recognise we are doing our best and we are demonstrating we have control. Unfortunately we are in the position they they have to pay us before we can pay our loan repayments to them, and the apprenticeship position is an issue across all colleges.

Members asked for further projected details on what the anticipated position would be at the end of the year. i.e what is the best assessment of the final out turn. Members said they need a sense of the risks, details of which are currently missing. Whilst accepting it's an accountant's view, members felt they needed the information to aid their decision making. Colleagues explained that High Needs is the only remaining risk. Dorset local authority have restructured again and there is a new lead officer who will be meeting with the College again on 5 June to sort out values for each learner. In addition there is still work to do on the non-pay budget, to identify savings across all budget lines. Members were told that the anticipated £550k deficit could come down to £300k by the end of year, but members wanted further detail, a report with projections to be circulated by email was suggested.

Benchmarking Data

Members received the Benchmarking Data report compiled from Finance Records provided to the ESFA. The data compares 195 comparator colleges and highlights an overall sector deficit and noted that large mergers impacted the figures. Good practice – our debt collection very good – debtors high but note most have payment plans. Good cash generation 12.5% , where sector average is 6.4%. There is a borrowing issue across the sector. And it also highlights diversify of income, from so many different sources. Note that we have very low capital expenditure, as we know and our

pension deficit looks out of kilter, but we are aware that our actuary assesses this because we have a higher age profile and lower membership. We also have no franchise and no sub-contracting.

KPI Performance Report

38/2018 The Board received the performance report and noted that the recruitment of 16-18 year olds remains just under target, but the ALS figure is still to be added. Members asked if there were any lessons to be learned in respect of the low apprenticeship figures and were reminded that it's a national issue resulting from the extra-long and complicated sign-up and contract process.

Report from Student Governors

39/2018 The Board welcomed Alex to the meeting. She reported on a successful student celebratory barbecue lunch event, a free hot dog or hamburger was provided to 400 students attending the event. A range of activities and input by the performing arts students added to the success of the event.

Potential Application to the Restructuring Fund

40/2018 The Board received the summary of the meeting held on 1 May 2018 and noted that eligibility was now confirmed. We are being supported by our Relationship Manager from the ESFA and members discussed the implications of applying for a grant and/or loan and the need to spend funds on a variety of support and reports. We understand that an application means we can re-direct the loan repayments, but what happens if we apply for a grant and are not successful or are offered an alternative, what happens to the money spent on support and due diligence?

Members discussed: Is a loan useful to us? But recognised our income is too small, in the longer term, we need to redress the balance between income and expenditure. As reported by the FE Commissioner the College has a single issue –Finance and its loan repayments. However, we have to do something. First preference would be for the loan to be written off i.e. we use the money to do curriculum development to improve our resilience, the local ESFA encourage us to think out of box.

The Director of Finance presented some financial models for comparison and showing how they affect cashflow. One shows a "do nothing" model and other scenarios including write off of our BIS Loan. All identified that our tactics are important, how we show our single issue.

Weymouth and Portland Context- Jenny Stiling supported by Andy Matthews gave a brief overview of the Weymouth and Portland context and emphasised. Members received background information, previously circulated. Members discussed the capacity to keep up to date with these issues and how to develop some form of business team for the future. It was agreed to circulate the slides. With the changes happening to local government in Dorset and anticipated city status being explored by the eastern conurbation, Weymouth does not want to be a dormitory for the city by the sea. Nigel shared what happened in Brighton and Hove and how the College could be an important part of the future.

Members noted the application to the transaction unit must be finalised by the end of September but it was anticipated we start discussions in July. If repayment schedule stops we don't pay August or September payments.

Members agreed we need to support the development of a bid to the transaction unit and include the proposed curriculum changes, which were low risk. Support must be subject to further evidence to be provided and members were assured we have cash to see us through but it makes the position tighter next year.

Members were also keen that the curriculum changes be implemented with the caveat to break even in year one, and receive brief regular updates on investment against as a case study. This fits with future resilience. With some nervousness among members, the curriculum proposals were supported. Proposed by Peter Vowles, seconded by Jane Nicklen.

Governance Items

41/2018 i) Governors' Virtual Office (GVO)

Due to the time, it was agreed to defer this item until the next meeting. The Clerk explained that the basic Weymouth College site had been set-up and it would be developed ready to start using it for the new academic year. Members noted this was a web based application, each member would have a personal log-in and password and it would be used for future correspondence and meeting papers.

ii) Draft Meetings Calendar 2018/19

To enable the setting up of the calendar function on the GVO, the Clerk asked members to feedback any comments on the 2018/19 calendar before the next meeting when it would be formally approved.

iii) Amended GP5 Governance Process Policy for Approval

The amended policy - GP5 Composition, Size and Tenure, as circulated, to reflect the changes agreed at the last meeting, to increase the size of the Board to 17 members, to enable two staff members, was proposed by Steve Webb and unanimously approved.

Any Other Business

42/2018 there were no additional items of other business.

Date of Next Meeting

43/2018 The next meeting was confirmed as Tuesday 10 July 2018

Confidentiality

44/2018 It was Confirmed that items relating to the College Estate would remain confidential.

Signed _____ Chair

10 July 2018