

East Coast College Corporation Meeting 25th September at 5.00pm

Great Yarmouth Board Room

Present:	Mike Burrows (MB) Tina Ellis (TE) Rob Evans (RE) Saul Humphrey (SH) Mick Castle (MC) Peter Lavender (PL) Stuart Rimmer (CEO/Principal) Karen Knight for items 1 to 8 (KK) Rob Evans (RE) Debbie Pring (DP) and Judy Nichols (JN)	
In attendance:	Wendy Stanger (Director of Governance) Urmila Rasan (Interim Deputy Chief Executive) and Vicky Beck for items 1 – 8A (Director of Business Development and Communications.)	
ECC/18/09/1	Apologies and membership	Action
	<p>Apologies</p> <p>Apologies were received from Albert Cadmore (AC) Alan Debenham (AD) David Hill (DH) David Carlin (DC) Kirk Lower (KL) and from Tina Ellis (TE) who joined the meeting at 6.30pm.</p> <p>Membership</p> <p>Alan Debenham (AD) Tina Ellis (TE) Rob Evans (RE) David Hill (DH) Mike Burrows (MB) Mick Castle (MC) Stuart Rimmer (CEO & Principal) Saul Humphrey (SH) Albert Cadmore (AC) Karen Knight (KK) Debbie Pring (DP) Peter Lavender (PL) Judy Nichols (JN) Roger Cracknell (RC) David Carlin (DC) and Kirk Lower (KL)</p>	
ECC/18/09/2	Declarations of Interest	Action
	<p>There were the following declarations of interest:</p> <ul style="list-style-type: none"> Saul Humphrey – item 8 Energy Centre and Cladding and item 8A EIOT <p>Item 8 had been excluded from his pack and it was agreed that he would withdraw for this item.</p> <p>It was agreed that his declaration of interest re item 8A did not preclude full participation in this item, but that he would not vote on this item.</p> <ul style="list-style-type: none"> Mike Burrows, Tina Ellis, Stuart Rimmer and Vicky Beck as Directors of LOWES. <p>It was agreed that these declarations didn't preclude full participation in the meeting.</p>	
ECC/18/09/3	To approve the Minutes of the meeting of the 31 July 2018 and any other matters raised previously not otherwise included in the Agenda	
	The minutes for the Corporation meeting of 31 st July 2018 were agreed as a true record of the meeting.	

ECC/18/09/4	Review of Rolling Action Log	
<p>The Action Log was reviewed. The Director of Governance advised that the items relating to the management accounts and standard report format for the Quality and Standards Committee reporting were marked as ongoing as the new formats were being developed.</p> <p>ECC/17/11/4 The Principal advised that the site had been remarketed in 2 parcels to try and attract a quicker sale. There had currently been no interest. A request had been received for the sale of the caretaker's bungalow this had not been agreed as it would devalue the remainder of the site. The Council had been approached to request that restrictive covenants be removed to assist the sale.</p> <p>ECC/18/7/4 The Director of Governance advised that the staff governor vacancy had been advertised but no applicants had so far been received.</p> <p>ECC/18/7/5 The Principal advised that the date for the FE Commissioner visit had not yet been confirmed.</p> <p>ECC/18/7/5 The Principal advised that consultation on harmonisation was yet to commence. There needed to be agreement on the process and then consideration of the policies. This only related to 4 main policies as the remainder had been addressed by TUPE. The staffing information received for TUPE had included errors and omissions and these had needed resolving first. Governors challenged if harmonisation was required. The Principal advised that there had been the appetite to harmonise but there had not been time pre-merger. All new appointments would be on ECC terms and conditions.</p> <p>Governors agreed the following action:</p> <ul style="list-style-type: none"> • A review date to be added to the action log and those noted as ongoing to have a predicted completion date. 		
ECC/18/09/5	Governance and Application of the College Seal	
<p>The Director of Governance presented the report. The appointments were recommended by the Governance Remuneration and Search Committee.</p> <p>Governors agreed the following action:</p> <ul style="list-style-type: none"> • That the Vice Chair Roger Cracknell act as mentor to the new Governor Richard Durrant <p>Corporation noted that the seal had been attached to the documents:</p> <ul style="list-style-type: none"> • Deed of variation Lound Campus • Pension Deed • Transfer Agreement • HM Land Registry TR1 in relation to the lease of Lowestoft Sixth Form College. 		WS

Corporation resolved to:		
<ol style="list-style-type: none"> 1. Appoint Gwen Parsons as a College Patron. 2. Recommend to the LOWES Board that Nigel Wetton be appointed as a Director and 3. Appoint Richard Durrant as a Governor for an initial period of 1 year. 		
ECC/18/09/6.1	Audit Committee Audit Committee Draft Minutes and Action Log 24/7/18	
<p>The Director of Governance advised that following Governor feedback in the Governance SAR she had refocused the agendas around the Committees so that the Corporation was clear what work they were addressing. The draft minutes and action logs would be included for information.</p> <p>The Principal commented that the change and inclusion of the minutes and action log was a positive one. The last Audit Committee had been a rigorous one with challenge on the due diligence, internal audit and external audit findings. It was important that this committee had independent oversight and this could be assisted by the appointment of Associate Governors. The Director of Governance advised that the terms of reference for all Committees allowed the appointment of Associate Governors.</p> <p>The Director of Governance advised that currently the Audit Committee did not have a Chair and work is ongoing to try and identify a suitable candidate. This has included adverts on ECC social media, Norfolk and Suffolk Chamber and various websites. Advert emails had also been sent out to local accountancy and other relevant firms.</p> <p>Governors challenged that the Committee minutes noted that little progress on implementation of internal audit recommendations had been identified in the follow up audit. The Interim Deputy Chief Executive advised that this had been addressed, the action plan at 6.2 included all internal and external recommendations and how they were being progressed. The Audit Committee had also requested that an additional follow up audit be carried out on the action plans and this was currently in progress with positive feedback.</p>		
ECC/18/09/6.2	Audit Recommendations Action Plan for Approval	
<p>The Interim Deputy Chief Executive presented the action plan. She advised that this contained all recommendations from both Internal and External audits and was reviewed weekly by SLG. Good progress had been made with all actions. The action plan would be a standing item on the audit agenda.</p> <p>Governors challenged what the funders view was on progress. The Principal advised that the action plans had been shared at the review meeting and the Funders were pleased to see progress; they would be sense checking this through the Internal and External Audit reports. The funders wanted to be assured that the Corporation had sufficient assurance on the adequacy of the internal controls.</p> <p>The Interim Deputy Chief Executive advised that she was in process of drafting a Corporate Governance and Board Assurance Framework and a Compliance and Regularity Manual which would be considered by November's Audit Committee that would detail the controls and governance oversight. This would include the risk policy and the Business Continuity Plan. Additional External Audit time had also</p>		

<p>been allowed to ensure that all issues identified in the previous External Audit Management letter had been addressed.</p> <p>The Corporation resolved to approve the audit recommendations action plan.</p>		
ECC/18/09/6.3	Due Diligence Action Plan for Approval	
<p>The Interim Deputy Chief Executive presented the action plan. Good progress had been made with the actions and this included the reconciliations and financial data included in the quarter 4 review (agenda item 7). Further due diligence would be carried out in January to ensure that we had completed all actions.</p> <p>The Principal advised that both the Bank and the TU had approved merger on the basis that all issues identified in the TU reports were resolved by the end of the 2018 year and the delay of the DD to January would have to be approved by the Bank.</p> <p>The Corporation resolved to approve the due diligence action plan.</p>		
ECC/18/09/6.4	Risk Register - Verbal update on Board Assurance Model	
<p>This was covered in item 6.2</p>		
ECC/18/09/6.5	Internal Audit Strategy 2018 - 2021 as recommended by Audit Committee	
<p>The Director of Governance advised that the Strategy had been revised following its consideration by the Audit Committee.</p> <p>The Corporation resolved to approve the Audit Strategy 2018-2021.</p>		
ECC/18/09/7	Strategic Progress Report – Funder Review Q4 2017/18 and Board Update Turnaround Consultant	
<p>The Principal presented the report which was a review of 17/18. The structure of the report was based against the 4 strategic pillars and gave an update on the TU's conditions subsequent. The TU are less concerned about the quality but the ESFA want assurance that rigorous systems are in place to drive up quality. Overall financially there is an improving position due to the cost savings that have been made and the 'right sizing' of the curriculum plan. Any curriculum areas whose contribution is below 50% have to be reported to the TU. The detailed financial data has been included to enable Governors to triangulate to the source data.</p> <p>The Chair advised that the additional financial data gave the Corporation assurance that the previous issues were being addressed and that we would have a clean set of accounts for this accounting year. The TU at the review meeting were confident in the figures but did raise concerns about management resilience.</p> <p>Governors challenged why some courses were again in 'intensive care.' The Principal advised that it was a reflection on the previous year's process not being rigorous enough with courses being allowed out of 'intensive care' in year. The Quality and Standards Committee needed to receive more detailed information on the process so that they could challenge the reasons for courses being in and the quality improvements that they were making.</p> <p>Governors notes that the Turnaround Consultant's report had raised concerns about the management of quality.</p>		

ECC/18/09/7.1	Performance Monitoring and Business Planning Framework	
Governors noted the framework		
ECC/18/09/7.2	Update on the Estate Strategy For Approval	
The Principal advised that the update was based on the previously adopted Estates Strategy. There had been a reduction in square footage due to the demolition of the tech block, mothballing of at cost and the leasing of the nurseries. The square footage would increase due to the L6FC building and the Energy Centre but this would all be class A buildings.		
ECC/18/09/7.3	Quarterly update on financial and non-financial KPI's in the grant agreement. KPI dashboard	
Governors noted the KPIs		
ECC/18/09/7.4	Programme Board Minutes 5/9/18	
Governors noted the Programme Board Minutes.		
ECC/18/09/7.5	Management Accounts July 2018	
<p>The Interim Deputy Chief Executive presented the accounts. The joint outturn has been reconciled to the source data and the L6FC have confirmed at forecast levels. The adjusted forecast is different to that submitted to the ESFA and the ESFA are to clarify whether this needs resubmitting. These forecasts predict a financial health rating of satisfactory in 18/19 and then good and should be enough for us to be removed from intervention. The income has been profiled to how we earn our money and the quarterly covenants will therefore need resetting to reflect this. The Bank have agreed that as the leverage covenant will be breached due to the profiling that they will consider giving us some headroom.</p> <p>Governors challenged why in 17/18 there was a large variance in the admin staff costs. The Interim Deputy Chief Executive advised that this was due to the wrong classifications being used and that the overall cost needed to be considered.</p> <p>Governors challenged if the accounts had addressed the issues raised in the previous DDs. The Interim Deputy Chief Executive advised that there would be a clean set of accounts once the year-end audit was completed. The future year's assumptions would also need looking at in detail ready for the next DD work.</p>		
ECC/18/09/7.6	12 month rolling cash flow	
The Governors commented that the additional financial information contained in the quarter 4 review enabled them to triangulate the information in the management accounts and gave them assurance that the controls and reconciliations were now taking place.		
ECC/18/09/7.7	Bank Reconciliations	
The Chair commented that it was important that the bank reconciliations were included. These had highlighted the previous issues with inaccurate financials and items not reconciled.		

ECC/18/09/7.8	Q4 monitoring model - CFADs	
Governors noted the Q4 monitoring model.		
ECC/18/09/7.9	Fixed Asset Reconciliation	
Governors noted the fixed asset reconciliation.		
ECC/18/09/7.10	ESFA loans and grants position	
Governors noted the ESFA loans and grants position.		
ECC/18/09/8	Energy Centre and Cladding Project	
<p>The Director of Business Development and Communications gave a presentation on the project.</p> <p>SH withdrew from the meeting.</p> <p>The Principal advised that as a design and build contract the design risk sat with the contractor and they had inbuilt a 5% contingency to cover this risk.</p> <p>A confidential discussion took place.</p> <p>Governors concluded that the Energy Centre was of strategic importance for the College and the Community and unanimously agreed to continue with the project.</p>		

- **Continue with the Energy Centre Project with Morgan Sindall as the main contractor and**
- **The approval of appointment of a main contractor on the Tower Block Recladding project on a maximum contract value of £1,893,840 if grant funding application successful.**

ECC/18/09/8A

Eastern Institute of Technology (EIOT)

SH re-joined the meeting. MC left the meeting.
A confidential discussion on the future of the IOT took place

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<p>The Corporation resolved to withdraw from the EIOT and the Chair to write to the West Suffolk College Chair setting out our reasons for withdrawal.</p>		
ECC/18/09/9	Supply Chain Fees and Charges Policy 2018/19 and Fees Policy 2018/19 for approval	
<p>The Interim Deputy Chief Executive presented the policies which had been subject to minor changes. These needed to be agreed on annual basis and should be agreed at the July Corporation.</p> <p>The Corporation resolved to approve the Supply Chain Fees and Charges Policy 2018/19 and Fees Policy 2018/19.</p>		
ECC/18/09/10	Sub-Contracting update and Policy for approval	
<p>The Interim Deputy Chief Executive presented the policy and update and advised that a report would go to Finance and General Purposes re the financial reporting of subcontracting. The Principal advised that the quality would be monitored by the Quality and Standards Committee as the Board needs to have oversight of the contracts, the finance and quality of the provision.</p> <p>The Corporation resolved to approve the Sub-contracting Policy.</p>		
ECC/18/09/11.1	Quality and Standards Committee Quality and Standards Committee Minutes and Action Log 11/9/18	
<p>The Chair of Quality and Standards gave an update on the 11/9/18 Committee and the draft minutes and action log were noted. The Chair advised that the Ofsted action plan was the Committees key focus and this was being reviewed at each meeting. A standard reporting format was to be used to report to each committee, based on one used by Grimsby, our SCIF partners. The Committee had been very impressed by the clear presentation by the L6FC Interim Principal and the excellent results. Each meeting was now to start with a presentation by a curriculum area including students. The Committee had raised concerns about the risks of peer review compared to graded lessons but these type of reviews do allow teachers to take risks.</p> <p>The Director of Governance advised that due to the amount of business the Committee had to cover an additional meeting had been booked for 6th November. This would commence with a presentation from a curriculum area to assist the Committee in triangulating the information they were presented with.</p>		
ECC/18/09/11.2	Quality Strategy for Approval	
<p>The Chair of Quality and Standards advised that the Quality Strategy had been produced and should be adopted as a statement of intent. There was a need to ensure that all provision was covered by the Strategy and there were some editorial</p>		

	<p>amendments required. There was now a need to complete the Quality Manual so that all were clear on how quality would be assured.</p> <p>Governors challenged if the aim of being outstanding by 2020 was achievable. The Principal advised that it was based on the College's assessment of outstanding, we already had some outstanding provision, such as the Sixth Form. We needed to be at least good at the next inspection which was due in this academic year and progress to this would be assessed in this year's SAR.</p> <p>The Corporation resolved to approve the Quality Strategy</p>	
<p>ECC/18/09/11. 3</p>	<p>Results Update</p>	
	<p>The Corporation congratulated L6FC on their results.</p> <p>The Principal advised that the Colleges overall results would be available for the SAR.</p>	
<p>ECC/18/09/11. 4</p>	<p>Enrolment Update</p>	
	<p>The Principal presented the enrolment numbers for all areas. The first funding report was due to be run next week. Recruitment was on target, with HE ahead of target.</p> <p>The Chair of Quality and Standards advised that marketing were due to run a 'wish you were here' campaign to encourage students that weren't happy at other institutions to transfer to ECC. This could be a risky strategy.</p>	
<p>ECC/18/09/11. 5</p>	<p>College Quality Groups for Approval</p>	
	<p>The Principal presented the report. It was proposed that due to the breadth of the ECC curriculum offer and the various complexities in quality systems that 4 quality groups be established. These would all have a governor link and would be able to look at quality issues in detail. They would report to the Quality and Standards Committee so that the Committee had full oversight across the College.</p> <p>The Director of Governance advised that the Governor on the quality group would also act as the link governor for that area and this would hopefully re-launch the link scheme. The Principal commented that the link governor scheme had worked well where a Governor had been linked to a specific area such as Safeguarding. The Quality Groups would give a clear vehicle and focus for the links.</p> <p>Governors commented that the Quality Groups would help drive up standards and facilitate in depth analysis and also addressed one of the items that the FE Commissioner raised in his letter supporting the merger. A similar scheme had worked well at L6FC and had allowed full scrutiny of data and drilling down.</p> <p>The Corporation resolved to approve the establishment of four quality groups:</p> <ul style="list-style-type: none"> • Further Education Quality Group • Apprenticeships and Commercial Quality Group • Lowestoft Sixth Form College Quality Group • Higher Education Quality Group 	

ECC/18/09/12	People Update	
<p>The Principal gave a verbal update:</p> <ul style="list-style-type: none"> • The HR team have been resolving the issues with the TUPE data and a briefing meeting with teaching staff was being held on 25 9 18. The cultural integration with ECC was going to take some time. • The staff survey was currently being completed and its results would be considered at the Learning Development and Wellbeing Committee. • CPD had been moved into the People Team. • New appraisal process is now live on the HR system and is to be used for all appraisals, this includes a talent assessment • The NSWTF have held another ballot for industrial action and of the 21 members, 14 noted with 13 voting to strike. The Principal advised that he had written to the Union for clarification around the nature of the action. Consideration is also being given to taking legal advice regarding whether the ballot question was a right and proper one. The question had been in relation to proposed unilateral changes to terms and conditions and redundancies, neither of which had happened. <p>Governors commented that it was disappointing and that the ballot question was not valid as all staff had been transferred under TUPE and there had been no redundancies by ECC.</p>		
ECC/18/09/13	Learning Development and Wellbeing Committee Terms of Reference for approval	
<p>The Director of Governance presented the terms of reference which had been agreed by the committee's Chair after consultation with the Head of People and Wellbeing. She advised that volunteers were needed to join the Committee. The proposed meeting schedule for 2018/19 is Monday 19/11, 11/2 5pm and 1/7 at 5pm.</p> <p>The Corporation resolved to approve the Learning Development and Wellbeing Committee terms of reference and meeting schedule.</p>		
ECC/18/09/15	REVIEW OF MEETING	
<ol style="list-style-type: none"> 1. Confidential Items – IOT, Energy Centre's financial details and Deputy Principal. 2. Risk Management: any issues discussed which may require an additional Assessment – Energy Centre and IOT. 3. Equality & Diversity: any issues discussed which may require an additional Impact Assessment - None 4. Health & Safety: any issues discussed which may require an additional Impact Assessment - None 5. Media: any issues discussed to inform local media – Energy Centre at significant building points and media statement re industrial action. 6. How did the meeting go – a long meeting that covered a lot of important items. 		