

NON-CONFIDENTIAL MINUTES OF THE CORPORATION MEETING HELD ON 18 OCTOBER 2017

Present:	Roy Thorpe (<i>Chair</i>))	
	Ian Haines (<i>Vice-Chair</i>))	
	Thelma Aye)	External Governors
	Mark Leather)	
	Javad Yazdani)	
	Ainsley Cheetham)	Co-opted Governor
	Louise Evans)	Support Staff Governor
In attendance:	Gemma Miller	Joint Marketing Team Leader (<i>Item 1 only</i>)
	Rachael Morley	Joint Marketing Team Leader (<i>Item 1 only</i>)
	Becky Coleman	Quality Manager (<i>Observer</i>)
	Gael Atherton	Vice Principal Curriculum and Quality Standards
	Peter France	Vice Principal Finance and Resources
	Oona Cushen	Clerk to the Corporation

WELCOME

- B/17/086 The Chair welcomed Becky Coleman (LMC Quality Manager) to the meeting, who will stay for the duration of the meeting as part of the programme for all middle managers to attend one Corporation meeting throughout the year. Gemma Miller and Rachael Morley (Joint Team Leaders for LMC Marketing) were also welcomed and were here in regards to item 1 but the Principal will present the paper.
- B/17/087 Governors were advised that Joshua Hollyhead has stepped down as Student Governor and, therefore, the Clerk will seek further nominations and hold an election, if required.

PRESENTATION

MARKETING ANALYSIS OF FE ENROLMENT 2017

- B/17/088 The Principal referred Governors to paper LMC/C/13/17 and advised there had been two unsuccessful recruitment exercises for the post of Marketing Manager and a number of other options are being explored. In the meantime, Rachael Morley and Gemma Miller have stepped up as Joint Team Leaders to keep operations on track. Gemma focuses on schools' liaison and events and Rachael manages the office, budget and graphic design work; the 2018/19 prospectus was recently delivered on time and within budget. They both meet weekly with the Principal to keep informed of latest developments.
- B/17/089 The Executive Summary highlights the key points and provides some internal context. The external context is one of continuing declining numbers and the 16-18 cohort is expected to reduce by a further 10% by 2020. This will make it difficult for the College to maintain its numbers unless it increases its market share. Post 2020, there is expected growth in the Lancaster district, as schools have confirmed that there is a significant number of pupils in lower years and in transition to primary education.
- B/17/090 Learner numbers have fluctuated and the Vice Principal Curriculum and Quality is investigating a number of early withdrawals but, overall, numbers are broadly in line with those for 2016/17. Although there is a high proportion of Level 2 learners, Level 3 provision has the biggest cohort, which is the direct competition for A-Level provision in schools. This is a challenge, given the known issues around the quality of teaching and learning at Level 3 within the College.

- B/17/091 Although construction provision appears to have the most growth in numbers, a large number of learners have transferred to apprenticeships within the last few weeks and numbers have returned to previous levels. Not all of the apprenticeships are with the College, as some learners have transferred to JTL for their electrical apprenticeship. In addition, some schools have not provided information about their learners and some learners have been reluctant to name their school. Some schools do have very good transition arrangements, but there is an increasing number, particularly specialist schools, avoiding the discussion around transition. By the time it has been identified where learners have come from, there are already emerging difficulties at College. These learners are unprepared to be in large groups as many would be classed as pre-Aspire learners. Many of these have spent their secondary education in very small groups of, say, three to four learners or have been home-schooled and are ill-equipped to cope with the reduction in individual attention. This is more prevalent in construction and engineering where there is more potential for things to go wrong in this environment than in a standard classroom. If College had known the history in advance, some learners would not have been exposed to that environment. The College is aiming to develop a shorter alternative provision to follow on from the Prince's Trust and it is hoped to funnel these learners onto this new provision.
- B/17/092 Advice and guidance in schools is also changing; one local specialist school has gone through a significant restructure, including the loss of the independent careers advice post with the responsibility now transferred to the head teacher. Others are stretched in terms of job role and have teaching hours, so not always able to fulfil the careers information, advice and guidance (CIAG) role. The College does have fantastic Aspire provision, as well as other good examples in maths and English, where students leave with a career plan. Some of these learners are very nervous about being in College and are a more volatile group, so the risk must be managed by the College.
- B/17/093 The Principal has previously shared the new data dashboard on applications with Governors and the evidence demonstrates that the weekly interview and offers evenings have worked well. The new dashboard will provide more certain data but, as this is a new model, there is no comparative data from the year before. Young people will apply for both full-time and apprenticeship provision and generally with more than one provider but the conversion rate for applications is at its highest level (70%) in the last three years and is in line with national rates for GFE colleges.
- B/17/094 The report also details relative populations and numbers in most local feeder schools are falling in line with demographics. The exceptions tend to be the faith based schools, who guarantee free travel for students who are of that faith but in a wider catchment area. Excluding the grammar schools, Ripley St Thomas Academy is seen as the main sixth form for A Levels and learners do transfer in from other local schools. The local school system is fragmented, as all are in direct competition with each other and there is little collaboration. The perception is that sixth forms are becoming less viable and there is increased national scrutiny for sixth form thresholds.
- B/17/095 Heads of Sixth Forms are the main contacts used by Marketing to promote courses (FE and HE) and apprenticeships, along with careers adviser links, which vary from school to school. Many of these also have teaching and pastoral support responsibilities as well. There are already good relationships with the careers teachers and the Principal has met with all the head teachers and general relationships with the schools are improving, particularly at senior level. The College also has a good relationship with Queen Elizabeth School in Cumbria, but they have just launched a studio school which is a concern for all their local schools. Heysham High School has a significantly declining roll and is seeking to join a multi-academy trust. Although they have invested in their sixth form facilities, they are not recruiting enough learners. They do offer a number of BTEC qualifications in direct competition with the College, e.g. hair and beauty within their own salon, but the courses offered are only part of the full qualification offered by the College. As LMC is also a Real Working Environment, it can also provide more inclusive skills for employment.

- B/17/096 Apprenticeship recruitment has fallen by 61% nationally since the introduction of the levy and whether this is symptomatic remains to be seen. Levy paying organisations are starting to use their funds but without employing new apprentices. Lancashire County Council has gone down the procurement route to split its delivery and use one provider (Nelson & Colne College) across Lancashire and this will have a huge impact. The College currently delivers business and administration apprenticeships for local schools, but is in talks with Nelson & Colne College to sub-contract. The NHS has also gone out to tender, as well as the College having to tender for all the non-levy provision. Nationally, there has been a huge underspend on apprenticeships but barriers to starts are beginning to emerge. The College does currently have advertised apprenticeship vacancies, particularly in hospitality, hair and beauty but has no young people wanting to fill them. There is almost full employment within Lancashire and young people have a degree of 'pick and choose' but these vacancies are not attractive to young learners. Larger hospitality companies have approached the College to work with them on attracting more young people into the industry and there is a skills crisis approaching with Brexit as many non-nationals work in these industries. The new Director of Apprenticeships and Employer Engagement is focused on continued recruitment, but not from the full-time cohort unless it is specifically right for that learner.
- B/17/097 19+ recruitment has declined but not as sharply as last year. The bulk of adults are integrated into classroom based provision and progress well. Following a meeting between the Principal and the Vice-Chancellor, Lancaster University is keen to revisit some joint marketing and progression agreements. The College also works closely with UCLan and the University of Cumbria, as the College's Access provision is a real success story. Owing to previous retention issues, the Level 2 adult courses have been reduced into more bite-size modules, which will form the core of the College's adult offer for the foreseeable future.
- B/17/098 In regards to HE provision, the key issue is in Sport and, having investigated, relates mainly to retention from Year 1 (HNC) into Year 2 (HND). There is a stronger Year 1 cohort this year and the College will rectify the position this year, but it is symptomatic of the current environment.

In response to questions:

- B/17/099 In regards to future cohort size in the South Lakes, there is no equivalent document but national statistics refer to South Lakeland District Council as being the ninth lowest in terms of all 350 district councils in England. This means the South Lakes cohort is shrinking faster than Lancashire long term through to 2035.
- B/17/100 Governors questioned how the Local Authority (LA) was supporting the transition process from schools as they have the duty of care whilst learners are in transition and under an Educational Health Care Plan (EHCP). The Principal advised that he had attended his first head teachers' meeting and the LA were not up-to-date with EHCPs. This is a main concern for schools as some learners coming from primary schools are being excluded before the LA have completed the EHCP and no solution is, as yet, forthcoming. Some schools are paying for assessment themselves as they are unable to obtain these from the LA. The College needs to introduce some provision to cater for these learners but, given the already increasing numbers of learners on Aspire who are unsure of what they want to do next, this is symptomatic of some poor information, advice and guidance in schools. It was noted that, to mitigate any potential risk, it is crucial that the College retains all application records for these learners when going through the assessment process and all forms are correctly signed by the learner.
- B/17/101 Governors noted that it was frustrating that public money was being used to provide duplicated vocational provision in sixth forms. The unforeseen consequences of schools delivering vocational education without full understanding is that learners have not fully understood the qualification they would achieve. It is hoped that the progressing relationships with schools will break down these barriers to better serve young people.

- B/17/102 Governors acknowledged that this was a difficult scenario, with a falling cohort, competition from schools and poor recruitment nationally on apprenticeships. It was also commented that some companies are using higher level apprenticeships for existing staff rather than taking on new apprentices, particularly in engineering and nuclear.
- B/17/103 The Principal confirmed there is a strategic review in progress, for both apprenticeships and HE, as well as ongoing recruitment for a marketing manager. In future, all actions reported to Corporation will have a named person and timescale included to allow reporting of progress to the Corporation.
- B/17/104 Governors queried whether the College was using its own levy for staff professional development given this appears to be the acceptable route. It was confirmed that the College does have its own apprentices. It was also noted that both the Association of Colleges and The Lancashire Colleges are lobbying about concerns of providers. The Lancashire Colleges are, however, in competition, especially for the Lancashire County Council tender, so it has been difficult to get a unified voice. David Morris MP has recently visited the College and discussed apprenticeships extensively. The national picture on recruitment will force some action.
- B/17/105 The Vice Chair of the Corporation advised that he had visited the marketing team around a year ago and discussed how to link practical support from faculties to marketing and recruitment. Although this has improved in the last 12 months, the correlation between recruitment and attendance at events by faculties is clear. Faculties have a vested interest to support marketing activity, but it was questioned whether they were given any assistance to do so. The construction and business departments provide the evidence for this, as their interaction with marketing and events last year did lead to increased recruitment. The staff restructure in hair and beauty has also helped staff to be more on site and involved in their marketing and it is hoped the impact of this should start to become more evident. It was explained that staff struggle to attend day events because of their teaching timetables and attendance at evening events is not provided in time off in lieu. Governors emphasised the correlation evidence and requested the College to find a way for staff to attend. One suggestion was that staff could have a few marketing hours allocated instead of teaching hours, which is a proven cost effective method. The Vice Principal advised that events attendance is currently an approved activity for payment, but the Principal confirmed that this will be reviewed. It was also noted that, in small teams, any infill is of sufficient quality to teach.
- B/17/106 It was suggested that, as the College pays students to be ambassadors at Open Evenings, they should also be taken to schools, particularly their former schools. A student spending a day in school demonstrating their skills is as valuable as the time spent in a classroom and they are the ambassadors needed by the College. For College Open Evenings, students provide tours of the campus and talks about their experience and aspirations, as well as some of the unique selling points of the College. Potential learners can also see various activities in the faculties and the whole evening provides school pupils with a better idea of life at College. It was confirmed that ambassadors do wear branded clothing for events. There had been a different recruitment process for ambassadors this year and the College had to turn down some learners as there were so many applications from all areas across College, including HE courses. Wherever possible, students do accompany marketing staff to schools, but transport can be an issue as staff are not allowed to transport learners on a one-to-one bases. Safeguarding learners is a priority but it could be possible to simply hire a DBS checked chaperone service through the Local Authority at relatively low cost.
- B/17/107 Governors were pleased at the progress with Lancaster University and hoped to see more students progress to their local university, as they have not always recognised vocational courses provided by the College. The Vice-Chancellors of both Lancaster University and UCLan have never visited the College, but both are due to do so in the near future.

B/17/108 The Chair advised that the process for monitoring additional actions reported to Governors (lead person, timescale and how reported) came from a meeting with the Vice-Chair. Although the actions may not be reported in a formal action plan, it is incumbent upon Governors to monitor those actions, both strategic and operational, for implementation and impact in a timely manner. This will also provide for further discussion on Strategic Planning Day and how to further improve governance process.

B/17/109 The Corporation received and discussed the Marketing Analysis of FE Enrolment 2017; paper LMC/C/13/17.

ACTION: Senior management to review support for departmental staff to attend marketing events in schools.

Gemma Miller and Rachael Morley left the meeting.

STANDING ITEMS

APOLOGIES FOR ABSENCE

B/17/110 Apologies for absence were received from Louise Briggs. Apologies were also noted from Charlotte Rawes, Director of Apprenticeships and Employer Engagement.

DRAFT MINUTES OF THE CORPORATION MEETING HELD ON 20 SEPTEMBER 2017

B/17/111 The minutes of the previous meeting, held on 20 September 2017, paper LMC/C/12/17, were agreed as a true and accurate record and duly signed by the Chair.

MATTERS ARISING

B/17/112 The Clerk advised that there no outstanding actions or matters arising that are not covered by other agenda items.

STRATEGIC ITEMS

SENIOR MANAGEMENT TEAM REPORT

B/17/113 This is a confidential item for Corporation members only, under Section 43 of the Freedom of Information Act. Paragraphs B/17/114 to B/17/123 are, therefore, minuted separately.

CURRICULUM AND QUALITY; REVIEW OF COLLEGE PERFORMANCE

B/17/124 The Vice-Principal Curriculum and Quality referred Governors to paper LMC/C/15/17 and advised this is the draft report to enable Governors to have early discussion and input. The year-end data is still to be finalised, pending a small number (five or six) of achievements to be added. The Individual Learner Return (ILR) submission must also be confirmed by the funding auditor. Overall, the data is positive and showing improvement, with overall achievement increased by 7% on 2015/16 and above the National Achievement Rate (NAR). The NAR for 2016/17 will not be published until Easter 2018, so benchmarking comparisons are always an additional academic year behind.

B/17/125 16-18 achievement has increased by 12% (3% for core aims), taking it 4% above the national rate. 19+ achievement has also increased to sit at national rate. Timely achievement for classroom based and apprenticeships has improved by 5% and is level with the national rate. Overall apprenticeship achievement has increased by 9% and site above the National Achievement Rate (NAR).

B/17/126 Level 3 16-18 achievement has increased by 2% but still remains slightly below the national rate. Level 3 courses are two-year programmes and this data will take longer to significantly improve and a 2% increase in one year is a good result. Governors should note that, proportionately for 2016/17, Level 3 provision represented only 10% of the 16-18 offer and 5% of the College's overall provision.

- B/17/127 Learners with Educational Health Care Plans (EHCP) form a substantial part of what the College does and, on their core aim, achieve around the same as their peers but less well in maths and English. The College needs to use the available exemptions for EHCP learners more appropriately, as these learners are not required to undertake a formal qualification in maths and English, but will attempt to do so wherever possible. Aspire allows learners to achieve a formal qualification, but there will be more individual routes for each learner this year. Where a learner needs or will benefit from maths and/or English, the College will continue upskilling but without a formal exam.
- B/17/128 The draft presented focuses on the main front summary and the key points from the Common Inspection Framework themes. The Ofsted lead members of staff are each preparing position statements around the types of provision and these will form the second half of the report. The full report will be presented at the November meeting for approval. It is possible there will be an additional inspector this time focusing on traineeships, as the College will have around 20-30 learners on these courses by Christmas. There will also be a further half day visit on 9 November from Bev Barlow, following the College's request on the previous visit.
- B/17/129 The grade descriptors have been enclosed with the report to enable Governors to scrutinise the data and agree the overall grades with the senior team. The data is much improved and is close to a good grade, but Governors may prefer to stay with requires improvement until results are consistent and sustainable. The outcomes for learners and leadership and management grade carry the most weighting and will inform the overall effectiveness grade. The service providing the Ofsted data dashboard has been switched off and, although there is a new service which analyses schools' (and colleges') performance, it is not yet possible to access the information.

In response to questions:

- B/17/130 Although much of the data is improved, Governors were very clear that not all outcomes are above the National Achievement Rates (NAR) (see page 23 of the report). It was noted that Governors should be very clear about how the results reflect the grading and Governors, will need to provide very clear reasons for approving the grades. It was, therefore, suggested that overall effectiveness should remain as requires improvement. The narrative will be important to emphasise the distance travelled, the positive trajectory and what has already been achieved. The Vice Principal Curriculum and Quality advised that there should be some recognition for the enormous amount of distance travelled in one academic year and, if possible, some types of provision may have the data to support a good grade. It was acknowledged that some objectives have been achieved and the in-year data will be crucial in further reinforcing that improvement, but there are encouraging signs and both Governors and the senior team were appreciative of the effort made by staff.
- B/17/131 There remains some inconsistency in performance and Governors felt there could be more explanation about how the College will gain that consistency through strategic changes and to recognise that organisational culture is not changed within six months. The evidence of the positive trajectory should be clearly evidenced. The Principal advised that the Quality Improvement Plan will be a crucial document to evidence this.
- B/17/132 It was commented that colleges that have increased their grade from requires improvement to good have an incredible speed of transition and evidence must be available to support gradings.
- B/17/133 Any additional actions for improvement will be added to the Quality Improvement Plan and existing actions will be updated with progress.
- B/17/134 The Corporation received and discussed the Review of College Performance; paper LMC/C/15/17 and agreed the overall grade for effectiveness should remain as requires improvement.**

STATUTORY ITEMS

LATEST MANAGEMENT ACCOUNTS AND FUNDING KEY PERFORMANCE INDICATORS

- B/17/135 The Vice Principal Finance and Resources referred Governors to paper LMC/C/16/17 and advised these are effectively the year-end accounts. The auditors have completed their fieldwork and not proposing any material adjustments, so the figures reported should be the same as in the annual financial statements.
- B/17/136 The overall deficit stands at £604k, which is worse than the initial budget but better than the in-year projection of £692k. Despite the accounting deficit due to so much depreciation, the impact on cash is neutral and the College will have made a very small cash surplus before capital expenditure on the new entrances and re-cladding of the Music and Media Centre. Trends remain the same but income is slightly reduced, mainly due to HE and apprenticeships. The College subcontracted more of its adult provision than anticipated, which did result in an overspend on the sub-contract payments. In addition, there were some unforeseen staff termination costs and one-off consultancy fees. Overall, the budget was not achieved but was better than the in-year forecast, which was recovered to some degree in year. The balance sheet remains strong and the key performance indicators are included, as requested.

In response to questions:

- B/17/137 The final reconciliation of the funding audit is due this week but, as it stands, no adjustments are proposed. The Principal advised that there had been an enormous amount of preparatory work to achieve this result and the Director of Apprenticeships and Employer Engagement (in her former role as CIS manager) and the CIS team should be credited for the very positive outcome.
- B/17/138 The Chair reminded Governors these accounts form the basis of the final annual accounts and the figures are true to those reported throughout the year.
- B/17/139 The Corporation received and discussed the Latest Management Accounts and Funding Key Performance Indicators; paper LMC/C/16/17.**

LEARNER SUPPORT FUND (INCLUDING 24+ DISCRETIONARY LEARNER SUPPORT FUND)

- B/17/140 The Vice Principal Finance and Resources referred Governors to paper LMC/C/17/17 and advised that the report illustrates the additional funds provided to support students with additional needs. This is a separate fund and is administered by Student Services. The report evidences how the funds were spent and for the purpose intended.
- B/17/141 Governors' attention was drawn to the underspend on free school meals built up over the last three years. Funding is allocated on a formula basis and the College is unable to spend all the allocation in line with the regulations and every college will be facing the same issue. The advice from the Education and Skills Funding Agency (ESFA) and the auditors is that the funds should be rolled forward to the next academic year but the College will still be unable to spend the full amount. The ESFA could request repayment of the funds, but is more likely that they will be brought back into College income. This has not yet been done on the basis of prudence.
- B/17/142 For 2017/18, the College is looking at how it can help more learners come to College and has reviewed an additional free bus route from Heysham. This would not be economical as five or six buses would be required, based on the number of students. As an alternative, the College will increase the family income threshold for learners to access free bus passes from £24k to £32k. Other items will be reduced in order to increase the spend on bus passes, so this will be monitored for effectiveness.

In response to questions:

- B/17/143 Governors were pleased that more learners will benefit from the increased availability of bus passes.

B/17/144 The Corporation received and discussed the Learner Support Fund (including 24+ Discretionary Learner Support Fund); paper LMC/C/17/17.

GOVERNANCE SELF-ASSESSMENT 2016/17

B/17/145 The Clerk to the Corporation referred Governors to paper LMC/C/18/17 and advised that the scores and gradings from last year's self-assessment have been included for comparison. The outcomes mirror those of the College, in that there is improvement but evidence and impact is not yet sufficient to be good. Some aspects of governance are good, e.g. corporate governance and audit, but the key strategic areas still require further improvement. Any additional areas identified as requiring improvement will be added to the governance quality improvement plan.

In response to questions:

B/17/146 A governance position statement, clearly setting out the strengths and areas for improvement, along with an updated quality improvement plan, will be presented at the next meeting of the Corporation for further discussion and approval.

B/17/147 The Corporation discussed the Governance Self-Assessment 2016/17 and approved an overall grading of 'requires improvement'.

REVIEW OF CONFIDENTIAL ITEMS 2016/17

B/17/148 The Clerk to the Corporation referred Governors to paper LMC/C/19/17 and advised there is a statutory requirement for the Board to review any confidential items and to decide whether any of these items can be released for publication. The College aims to keep confidential items to a minimum and the reasons for exemption from publication are detailed in the paper. No items are being recommended for publication.

B/17/149 The Corporation discussed the Review of Confidential Items, paper LMC/C/19/17, and approved that all listed items remain confidential for 2017/18.

DRAFT MINUTES FROM THE SEARCH COMMITTEE MEETING HELD ON 20 SEPTEMBER 2017

B/17/150 The Chair of the Search Committee, Roy Thorpe, referred members to paper LMC/S/20/17, which were fully reported at the meeting held on 20 September 2017.

B/17/151 The Corporation received and noted the Draft Minutes from the Search Committee meeting held on 20 September 2017; paper LMC/S/20/17.

DRAFT MINUTES AND PAPERS OF THE REMUNERATION COMMITTEE MEETING HELD ON 10 OCTOBER 2017

B/17/152 This is a confidential item for Corporation members only, under Section 40 of the Freedom of Information Act. Paragraphs B/17/153 to B/17/167 are, therefore, minuted separately.

ITEMS FOR INFORMATION

ANY OTHER BUSINESS

B/17/168 It is proposed to hold a 'Support and Challenge' inspection training session for Governors, prior to the next meeting. The training session will start at 4.45pm, with the main Corporation meeting starting at 6.15pm. The buffet will be available from 5.45pm.

DATES OF NEXT MEETINGS

B/17/169 Wednesday 15 November 2017 at 6.15pm
Wednesday 6 December 2017 at 6pm

The Corporation agrees that these non-confidential minutes are an accurate record of the meeting.

SIGNED:

NAME: (Chair)

DATE: