



College

USP College Corporation

Minutes of the Meeting held on Tuesday 12 May 2020

Meeting held via Microsoft Teams

Meeting commenced: 16.00hrs

Meeting ended: 17.35hrs

Present

Gordon Haines	Independent Member	Chair
Phillip Lennon	Independent Member	Vice Chair
Ian Hockey	Independent Member	
Ralph Henderson	Independent Member	
Andy Williams	Independent Member	
Roger Key	Independent Member	
Jacob Smith	Independent Member	
John Baker	Independent Member	
Vikki Liogier	Independent Member	
Dan Pearson	Principal & CEO	
Julie Snelling	Staff Member	
David O'Donovan	Staff Member	
Emily Riseborough	Student Member	

Apologies

Graeme Loveland	Independent Member
Ruta Dubinskas	Student Member

In attendance

Steve Hendy	Chief Operating Officer
Mark Silverman	Interim Quality Consultant
John Revill	Vice Principal Partnerships, Funding & Business Planning
Clare White	Vice Principal Student & Corporate Services (item 8 only)

Clerk

Sue Glover	Clerk to the Corporation
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The Chair of the Corporation welcomed members to the meeting and suggested that, as one of the student members had been able to join the meeting, it may be appropriate, particularly under the current circumstances, to hear the views of students on how they felt they were being supported by the College at this time. The Board agreed and the student member would be invited to give feedback at an appropriate point in the agenda.

026/20

Declarations of Interest

Members and staff were reminded of the need to declare any personal or financial interest in any item to be considered during the meeting.

John Baker advised that he is a partner with Glenny LLP and a Director of Dovetail Architects Ltd.

Ralph Henderson advised that he is a Director of Rugby at Thurrock Rugby Club, President of William Edwards' Alumni and a member of the William Edwards' Trust.

There were no other declarations of interest.

027/20

Apologies for absence

The following were unable to participate in the meeting:

- Graeme Loveland
- Ruta Dubinskas

028/20

Unconfirmed minutes of the meeting of the Corporation Board held on 24 March 2020

The minutes of the meeting were approved and signed as a correct record.

029/20

Matters arising and action points from the minutes of the previous meeting

Members were presented with the action points arising. It was agreed that all Action Points had been satisfactorily completed and that there were no other matters arising from the minutes of the previous meeting.

030/20

Managing Covid-19

Members were given a presentation by the Principal, which reported on the measures taken by the College to manage the current situation and its impact, under the key headings of:

- Financial Impact
- Continuity of Education
- Student Voice
- Engagement Risk Indicator – Overview
- Examinations
- Admissions/Enrolment Plans
- Staff Wellbeing
- Staff Communications
- Student Safeguarding
- The Way Forward

Members were advised on the key points relating to the financial impact

- the sector is likely to see in excess of £150m loss of income
- the USP loss of income is expected to be circa £1m, work is currently in progress to mitigate the loss and currently £800k savings have been identified
- deficit is likely to be circa £500k - £350k
- a major part of the loss will come from Apprenticeships, despite ITEC achieving targets prior to the lockdown, as recruitment came to a halt at the start of the lockdown
- although the College is able to manage its position until the summer, discussions are taking place with the ESFA for support for next year
- Barclays have offered support by way of extending our overdraft facilities and refinancing our current loans

Members were advised on the key points relating to the continuity of education for students and the wellbeing of staff:

- Student engagement with the online learning process has been high at circa 85%
- Students not engaging are being actively contacted and support given where appropriate
- weekly training for those staff not engaging with students
- there have been innovative staff materials and virtual learning walks
- the focus has been on returning students to keep them engaged as second year completers are now winding down

- the Principal's Question Time and Student Union meetings have continued
- there has been good feedback from parents and students on how well the College is engaging with students
- A level examinations will have a calculated grade and students ranked by course, data produced and submitted to awarding bodies on 1 June and projections will be shared with governors
- vocational courses – there will be internal verification and further guidance is still awaited on outcome of consultation
- Admissions – all applicants have received invites (over 2400) to online transition courses, with Initial Advice and Guidance (IAG) interviews being held online with a target of 600 by the end of May
- engagement of all applicants is being rigorously monitored and those not engaging are being contacted by Admissions
- enrolment plans – the college is planning for three eventualities
 - Fully online
 - In College with social distancing
 - In College
- pre-enrolment day (welcome to College) is being organised online with TV guide style menu
- there have been a number of staff wellbeing initiatives put in place by HR to support staff
- there have been regular communications by way of newsletters, Principal's video messages and staff forums
- Student safeguarding remains a key focus and an addendum to the Safeguarding Policy has been put in place, with the creation of a well-being website, risk assessments for LAC and vulnerable students with a higher frequency of contact by well-being team
- the way forward will be to continually review guidance as it becomes available, the potential for face to face in July, and a September return to College, if there is a further spike in Covid-19 plan for another lockdown in the Autumn term
- continue to innovate and lead the way with online learning

Members commended the various actions taken by the Principal and the senior management team, and agreed these gave reassurance to the Board that all issues associated with Covid-19 and its impact were being robustly managed and would establish a good foundation for College operations going forward. It was agreed that the Quality Committee would continue to monitor and review the various actions in place to ensure the continuity of education for students. It was pleasing to note that the College had supplied circa 260 college laptops to disadvantaged students to ensure they could continue with their learning.

031/20

Financial Impact

The Chief Operating Officer presented the Financial Update April 2020 together with the summarised budget re-forecast, detailing the Covid-19 impact on key budgets and the mitigating actions taken.

Members were advised that

- there is a requirement for the College to reforecast its financial position to ascertain the financial impact of the current lockdown. Expectations from the ESFA are that colleges will complete this process by May 2020 and report through appropriate channels
- the forecast assumes the College will not reopen in full by July 2020 and updates will be in line with lockdown changes

- the summarised budget re-forecast is based on a best, worst, likely case scenarios, noting that
 - Like case indications are that the College will report a consolidated deficit in the region of £500k, with cash flow impacted as a result with forecast between £900-£1m by 31 July 2020
 - a worst case of circa £950k, cash flow would be impacted significantly with forecast between £500-£600k by 31 July 2020
 - best case of circa £100k if everything achieved, cash flow would improve with forecast between £1.4m-£1.5m by 31 July 2020
- the college has made an application for Job Retention Scheme funding and Post-16 Supplier Relief Scheme funding
 - Job Retention Scheme – indications are that the College may be able to claim for approximately £47k per month for April, May and June, this would equate to £154k including the backdated claims for March – the College has furloughed 54 staff and the initial application for £58k has been accepted and paid and included in likely case and if paid up to June included in best case
 - Post-16 Supplier Relief Scheme – a claim has been submitted for £76k covering April, May and June, the claim is not guaranteed and may be capped to £60k
 - these funds (£230k) have been included in the budget reforecast
- the college is currently showing a consolidated YTD operating deficit before exceptional items of £628k (compared to a budgeted deficit of £254k) and an overall historic deficit of £654k (budgeted historic deficit £250k)
- this adverse variance is mainly due to ITEC apprenticeships not meeting target and Adult Full Cost not materialising
- the revised forecast outturn for 2019/20 now shows an operating deficit of £562k compared to the original operating surplus of £4k and the revised mid-year deficit budget of £350k. The revised outturn does not take into account the full impact of the Covid-19 lockdown as work on reforecasting is ongoing and the outcome, once approved, will be reported in the April 2020 management accounts
- the college was in overdraft at the end of March 2020 in line with expectations (£74k)
- the cash forecast for the end of the financial year is now stated as £1.28m but likely to change as the College is adversely impacted from the lockdown. Revised cash forecast will also be reported in the April management accounts
- ITEC is reporting a YTD deficit of £42k against the YTD budgeted surplus of £280k, which is £322k below expectations due to non-achievement of the Adult Tuition Fee targets and funding delays relating to apprenticeships
- the forecast profit for ITEC for 2019/20 remains at £40k, but the impact of reductions to income has meant the service charge/gift aid has reduced significantly (£236k), meaning ITEC are expected to report a loss for this financial year end of approximately £200k
- Cash position
 - cash held during January and April is at its lowest with an overdrawn position reported in March
 - during March, the College has used both its bank overdraft and Whitehall Finance.
 - the overdraft will be cleared in April and funds owed to Whitehall Finance will be repaid in May and June
 - forecast cash at end of 2019/20 is now £1.28m

- the impact of the Covid-19 may mean this forecast position will deteriorate further with worst case forecast currently £900k

The Board was advised that the Finance Executive had met recently and undertaken a deep dive into the summarised budget re-forecast presented. It had been accepted that, at this time, it is difficult to assess the full impact and to put in place measures for mitigating the risks. However, it was felt that this financial update and forecast should be presented to the Board to give assurance that the College was doing all that it can at this time.

The Chair of the Finance and Resources Committee commented that the Finance Executive had robustly reviewed the budget re-forecast presented and will continue to monitor the financial position as appropriate. The re-forecast had demonstrated that the College is able to cope financially until July so that adequate time can be given to considering an approach to the ESFA for financial support for the next academic year. The Board was advised that whatever case is followed, it is expected that income will be down by circa £1m, but with the planned compensating savings it is hoped that the deficit would be around £350k.

Members discussed the issues raised and, in response to questions, were advised that the initial thoughts with regard to support from Barclays is that existing loans are converted into one loan over 15 years with a 12-month capital repayment holiday. It was agreed that the outcome would be shared with the Board when finalised.

032/20

Chair's Action

The Clerk to the Corporation presented, for endorsement, details of Chair's Action taken since the last meeting of the Corporation Board.

Members were reminded that, in accordance with the Delegation of Powers of the Corporation of USP College, set out in the Manual of Governance, the Corporation has delegated authority to the Chair of the Corporation to take action on behalf of the Corporation on occasions when issues arise outside of a scheduled meeting. Any Chair's Action taken is to be endorsed by the Corporation Board at the next scheduled meeting.

The Board was advised that following the closure of the College due to the Covid-19 Pandemic, this resulted in the closure of areas such as the gym and canteen. The Government's Job Retention Scheme was extended to FE Colleges and consequently the college wished to furlough a small number of staff working in these areas. The Chair of the Corporation gave agreement, under Chair's action, during his discussion with the Principal on 3 April 2020.

The Board endorsed the Chair's Action taken, noting that full details of the Job Retention Scheme and the furloughing of staff had been covered under the financial update item at this meeting.

Resolved

The Board endorsed the Chair's Action taken to furlough a small number of staff under the Government's Job Retention Scheme

033/20

Student Voice

Members agreed that this would an appropriate point during the meeting to invite the student member to give feedback on the views from students.

Members were advised that students felt they were being very well supported by the College at this time, in particular

- Students had been given advice pre-lockdown on how they would be continuing with the learning
- there has been excellent communication from the College to students on social media
- the Principal's question time had given responses to lots of the questions raised by students which had put them at ease
- the online teaching has been exceptional
- the two current student members will be completing their courses at College at the end of the academic year and consequently finishing as student members. Elections are currently taking place to elect a new student president for each campus, and in turn appointed as the student members

The Board agreed that there were very positive comments from the students, which demonstrated the excellent way in which the College has adapted to online learning and supporting students during Covid-19.

034/20

College Marketing Strategy

The Vice Principal Student & Corporate Services gave a presentation on the College Marketing Strategy, which had been deferred from the last meeting.

Members were updated on:

- Marketing activities
- Impact over last 15 months
- Budget allocation for 2021/22
- Key focus areas
- USP media platforms

In discussion, members agreed that the presentation gave a very comprehensive overview of the marketing activities undertaken and those in place for the forthcoming academic year. Members commented on other platforms that could be used and it was agreed that the student members would be asked to consider these to ensure that all the relevant ones for students were covered.

Members were advised that there are new Accessibility Regulations coming into force in September, which means the college will need clear accessibility statements and action plans for all its sites. The Vice Principal Student & Corporate Services agreed to ensure these are put in place.

Agreed

The Corporation Board agreed to receive and note the report

035/20

Any Other Business

Members commented that as the College's Business Continuity Plan would now be following a different direction, we must not lose sight of the progress of this. It was agreed this would be re-evaluated in due course in the light of the current situation.

On behalf of the staff, the staff member gave thanks to the College for the support given to staff during this time.

There was no other business.

036/20

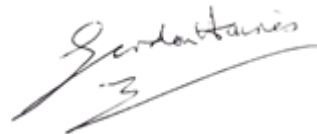
Schedule of Meetings 2019/20

Tuesday 14 July 2020, main Board

All meetings commence at 4pm.

At the conclusion of the Part 1 meeting, the Corporation Board moved into a meeting restricted, in accordance with the requirements of the Instrument and Articles of Government and with Section 22 of the Freedom of Information Act 2000, to the independent members of the Board and to the senior postholders.

SIGNED AS A CORRECT RECORD:

A handwritten signature in black ink, appearing to read 'Sordattanis', with a horizontal line underneath it.

DATE: 14 July 2020