



**MINUTES OF A MEETING OF THE LINCOLN COLLEGE BOARD OF CORPORATION
HELD AT LINCOLN COLLEGE ON TUESDAY 3 JULY 2018**

Present:	James Pinchbeck Abbie Bembridge Tim Calvert Neil Everatt Gary Headland Peter Horner Nick Lyons Ehsan Naeem Mark Platts Mike Simpson Mark Speed Sam Yates	Chair Student Vice President CEO Vice Chair and Chair of Finance Committee Student Vice President HE Staff Governor
In Attendance:	Sarah Adams Tom Dannatt James Foster Graham Harrison Mark Locking Jim Newall Jacqui Varlow Claire Love Lucie Hulme	Clerk to the Board of Corporation Director of Finance and Commercial Managing Director (International and Commercial) Director of IT, CIS and STEP Managing Director (Education and Training) Head of Marketing and Communications Director of Human Resources Financial Controller Staff Officer
Apologies:	Haydn Beeken Nick Cudmore Heather Fluck Dean Graham Daniel Wilkinson	Vice Chair and Chair of P&Q Committee Chair of Audit Committee Staff Governor

56/17 APOLOGIES FOR ABSENCE

Apologies were received from Haydn Beeken, Nick Cudmore, Dean Graham, Heather Fluck and Daniel Wilkinson.

Lucie Hulme and Claire Love joined the meeting.

57/17 ELIGIBILITY, QUORUM AND DECLARATIONS OF INTEREST

It was reported by the Clerk that notice of the meeting had been given and that a quorum was present. Accordingly, the meeting was declared open. There were no declarations of interests made.

58/17 MINUTES OF THE CORPORATION AND COMMITTEE MEETINGS:

Board of Corporation – 20 March 2018

The minutes of the meeting held on 20 March 2018 were taken as read. The minutes were reviewed on a page by page basis for accuracy.

There were no matters arising not included on the agenda. The minutes were signed as a true and accurate record.

It was noted that the Board had met on 22 May for a Development Day and no minutes had been taken.

Finance Committee – 9 May 2018 and 27 June 2018

The minutes of the Finance Committee held on 9 May 2018 had been circulated and were taken as read. A Finance Committee had also been held on 27 June 2018, together with a Finance Task and Finish Group (FTFG) comprising the Chair and Committee Chairs on 5 June. The FTFG had received and agreed a number of proposed measures to feed into the Financial Plan.

Nick Lyons gave an update on the items discussed at Finance Committee including:

- The Financial Dashboard had been revised to give more information on cashflow and lending.
- The management accounts for P9 had been discussed and it was noted there was little change from P8.
- The ESFA letter confirming Financial Health and attached financial dashboard received had been considered by the meeting and it was noted that this was very much based on forecasts rather than actuals.
- The ESFA letter received to confirm that the College no longer triggers early intervention criteria had been discussed. One key point to note was that the College is considered as a Group by the ESFA and therefore includes all subsidiaries including Lincoln College International.
- The draft budget for 2018/19 had been considered in detail and the Committee had agreed that the figures presented were challenging yet realistic.
- The two year Financial Plan had been presented and discussed and is on the agenda today for approval.

Performance and Quality Committee – 16 May 2018 and 20 June 2018

The minutes of the Performance and Quality Committee meetings held on 16 May and 20 June 2018 had been circulated for information. Nick Lyons gave an overview of the issues discussed including the analysis of the top level scorecard. It was reported that Apprenticeships is still a focus and that Gold Group had been discussed. It was noted that following a short operational pause, Gold Group had been reshaped and re-prioritised with new staff in place and the focus is on in-year performance and 2018/19 targets and structure. The CEO gave an update on the possible courses of action being worked through in relation to a sub-contractor which was noted as a potential risk which had been reported previously to the Board. It was explained that the ESFA is already being engaged with proactively. Student data is being worked through currently but there could potentially be an impact on data.

Search Committee – 7 June 2018

The minutes of the Search Committee meeting held on 7 June 2018 had been circulated and were taken as read. The Chair gave an overview of the meeting on behalf of the Chair who is a lay member. It was reported that Tim Godson, Audit Compliance Director at Duncan and Toplis, had been interviewed by the Committee and the recommendation of the Search Committee is that Tim is appointed as a lay Governor on Audit Committee for the initial term of a year to commence on 1 September 2018.

Agreed: The Board ratified the appointment of Tim Godson for one year.

The Chair explained that in line with good governance practice, the annual Governor and Board Reviews will take place at the end of July and one-to-one review meetings have been booked to facilitate this.

The Chair gave an overview of the discussions held at the meeting relating to succession planning. An update had been given on staff and student Governor positions. It was confirmed that Danielle Lister will return to the Board following her sabbatical year.

59/17 MATTERS ARISING AND NOTIFICATION OF URGENT BUSINESS

There were no further matters arising and no notifications of urgent business.

60/17 FINANCIAL PLAN 2018-2020

The Chair introduced the Financial Plan and thanked Tom Dannatt and the team for putting together a clear and thorough document. He felt the input of the Finance Committee and FTFG had given the Board a greater understanding of the plan and had been a valuable exercise. It was highlighted that the plan is the responsibility of the Board who have to understand, adopt and own it.

Dir(F&C) explained the plan presented was the Group Financial Plan, therefore including the College and all its subsidiaries including Lincoln College International LLC. The plan is underpinned by Lincoln College and Lincoln College International budgets which have been scrutinised by the Finance Committee. Four high level objectives were highlighted:

- Delivery of the College Strategy and particularly the curriculum plan which is based on growth.
- To comply with any Bank covenants which is a condition of borrowing.
- To achieve a Financial Health Grade of 'good' throughout the life of the plan.
- To provide enough cash generation to provide a cash buffer for capital investment and any movement in the I&E.

EBITDA was outlined and it was highlighted the surplus is greater than 4%. The level of the current ratio was also explained and the move to 1 by 2019/20 rather than the preferred 1.5.

The Finance Committee have reviewed the detail of the plan and a risk assessed I&E payment for Institutional Reviews has been included for this year but has not been included in the assumptions for next year. For this year confidence is high that IR income will be received but when this might be is not clear. This relates to £3.3m of income.

The Chair commented on the grades and scoring and highlighted the liquidity which brings the scoring down. The CEO reported on generating additional capital and the work being undertaken by Dir(F&C) to generate working capital with CBRE.

The CEO reported that the plan is in line with the Strategic Plan and although it is a challenging plan it is realistic and achievable. The three measures that can be taken to improve outturns were explained including increasing income, decreasing expenditure and flattening out borrowing and the actions taken against each measure. The plan and budget is challenging but the College are confident that it can be delivered. The Chair gave assurance to those not on the Finance Committee that the detail had been scrutinised. Mark Platts commented on the email received from the CEO giving a full update to staff which had been very helpful. It was agreed to circulate this to all Board members for information.

Action: CEO's email to be circulated to Governors.

The Chair asked if the format of the Financial Plan was a standard one and Dir(F&C) explained the spreadsheet section was standard but the narrative was the choice of the institution to give as much information as they wished.

The Chair again thanked the Finance Team for the hard work put in to producing the plan and proposed that the Financial Plan is approved for submission to the ESFA in line with the 31 July 2018 deadline. This was approved.

Agreed: the Board approved the Financial Plan.

[Claire Love left the meeting]

61/17 CEO'S REPORT

The CEO welcomed questions on his report. The discussions that followed related to staff and items of a commercial nature which are recorded separately in a confidential minute.

62/17 POLICIES FOR APPROVAL

The Fees Policy 2018/19 had been circulated for approval. The changes made from the current policy were highlighted in red. The key points were highlighted as:

- Students earning less than £15,736 per annum will now be entitled to full fee remission. Currently it is impossible to quantify the impact as salary information is currently not gathered but it may have a significant impact. This will need close monitoring.
- A Career Learning Pilot has been launched and a pot of money made available to subsidise some courses that are LEP priority at level 3 and above. There is no impact on College finances but will require additional administration to manage the fund.

The Chair asked what the impact of full fee remission would be and it was explained that it would depend on how the amount is funded as it will need to be managed and monitored. On a positive note this should help spend the AEB budget.

Sam Yates asked for clarification on the Career Learning Pilot and if the money pulled down takes away from learning loans and is a big administrative task what is the value of it. Graham Harrison explained that it was not a choice as the support has to be provided for those doing a NVQ 3 and it will have a positive impact. It was clarified that eligibility is for Lincoln students coming to Lincoln or Gainsborough students going to Gainsborough. It was noted that Newark does not qualify as it is within Nottinghamshire. The Government are trialling different methods to see if they change the funding whether student numbers increase. It is seen as positive for students.

The Clerk explained that the Learner Support Fund Policy had been approved by the Board last July and has been reviewed for the 2018/19 Academic Year. No material changes have been made with only percentages refreshed according to the levels of support available.

The Board were asked to note and approve the Fees Policy and Learner Support Fund Policy for 2018/19 and this was agreed.

Agreed: the Fees Policy 18/19 and Learner Support Fund Policy 2018/19 were approved.

63/17 STUDENT PRESIDENT'S REPORT AND PRESENTATION

Ehsan Naeem had circulated his report which was taken as read. Ehsan also gave a presentation to the meeting. He thanked everyone who has supported the Student Union over the year. He expressed his gratitude to the Board at being given the opportunity to have access to confidential information and Board discussions to enable him to raise the Learner Voice in the College. He also thanked the CEO and College staff who had given him the confidence to take on his role.

An overview of the work carried out by the Student Union during the year was given and also the opportunity to represent the national voice noted. Attendance at the NUS Annual Conference was reported on and visits to Newark and Gainsborough Colleges.

Ehsan reported on the feedback received from the staff and students, specifically in relation to HE. Ehsan reported that it had taken a year to become totally 'up to speed' with his role and what can be done by the Student Union and learner voice and he felt it was important to have a permanent member of staff to give some stability and continuity when currently the student representatives change on an annual basis.

The roles of the LCSU Officers were explained. There is a new post of Clubs and Societies Officer. Currently the posts of Newark and Gainsborough Officer remain unfilled. One problem highlighted was that most students leave at 5pm which is problematic for putting on events and increasing involvement of the students.

Questions were welcomed. Nick Lyons asked if NUS provide much guidance or structure or is there learning available from other Colleges. It was explained that FE is very different from HE and there are no examples of a perfect SU in FE. There is an NUS Liaison Officer who visits once a year to help with development.

It was agreed there is a challenge comparing a SU post and the role in FE and that in HE. Mark Platts asked if the University of Lincoln would perhaps be interested in a research project into the SU as they are always looking for research projects. This was agreed but there would need to be a contact point at the College.

The Chair asked if there was a main message that the Governors should take away. Ehsan reported he was very impressed with the College and that the position of Student President was a fabulous opportunity to be involved in. Nick Lyons asked if an administrative type role supporting the SU staff would be helpful in giving continuity. It was agreed wholeheartedly that this would be a great benefit.

Ehsan Naeem was thanked for his presentation and the hard work he had put in during the year. It was agreed that the learner voice needs to be looked at and invested in and heard more clearly.

A vote of thanks was offered on behalf of the Board to Ehsan for stepping into the role of Student President.

64/17 SEARCH COMMITTEE RECOMMENDATIONS TO BOARD

The report and recommendations were considered under item 58/17 – minutes of the Search Committee Meeting held on 7 June 2018.

65/17 DRAFT MEETING SCHEDULE 2018/19

The Clerk had drafted the meeting schedule for 2018/19 for consideration. It was agreed to add dates for the Big Welcome and other events such as the Musical Instrument Crafts end of year events to the calendar.

It was reported that the MIC event had been attended by the Chair and Vice Chair last weekend and had been an excellent evening.

The Graduation and Awards Ceremonies were highlighted as key events in the year, taking place on 26 September and 29 November respectively.

Agreed: The Board approved the meeting schedule for the year.

66/17 URGENT BUSINESS

There were no items of urgent business considered.

67/17 DATE AND TIME OF NEXT MEETING

The next meeting will be held in the Autumn Term. Diary invitations will be sent out.

The Chair reported on a very busy year and thanked all staff and Board members for their input and commitment over the year.

The meeting closed at 17.54 hours.

Signed:

Date: