

CCN BUSINESS COMMITTEE MEETING

CONFIRMED MINUTES OF THE CCN BUSINESS COMMITTEE MEETING HELD ON TUESDAY 19 MARCH 2019 AT 5.30 PM IN ROOM D21A, IPSWICH ROAD, NORWICH

Committee members:

Andrew Barnes (Chairman), Corrienne Peasgood (Principal), Andrea Blanchflower (Committee representative)

In attendance:

Martin Colbourne (NES MD), Jerry White (Deputy Principal), Hilary Bright (HR Director) for agenda items 6.1; 10.1 and 10.2 only, Jodie Mitchell (Head of Professional Services) – for confidential agenda items 10.1 and 10.2 only, Sue Millions (Administrator)

1. Apologies for Absence

The Chair thanked Andrea Blanchflower for attending the meeting to ensure it was quorate.

Apologies were received from Ian Webb, Julia Buckland, Luke Mitchell, Denise Troughton, Travis Plane and Jacky Sturman (Interim Clerk to the Corporation) for the meeting.

It was noted that a quorum was present, and the meeting had been convened in accordance with the articles of association of the company.

2. Declaration of Interests

There were no new declarations of interest received at the meeting.

3. Draft Minutes of the Meeting held on 22 January 2019 (Paper 02)

The minutes of the meeting held on 22 January 2019 were agreed as a true record of the meeting and will be signed by the Chairman at the next meeting.

4. Matters Arising from the Previous Minutes (Paper 03)

Action 1 (Business 3 – 23.01.2018): *The Principal agreed to use the Code of Governance to check Terms of Office renewals. The Clerk to the Corporation and Principal are meeting on 27 March 2018 and it was agreed that this will be carried forward to the next CCN Business Committee meeting taking place on 8 May 2018. The Principal has asked the Head of Professional Services to speak with the TEN Chair regarding a TEN Group Policy confirming length of service. This will be presented to CCN Board when available. Please see agenda items 10.1 and 10.5. Action completed.*

Action 1 (Business 2): *A review of how Debtor Days are measured to take place before next year's budget is set. This will be completed during the budget setting process in Spring 2019. Action on-going.*

Action 3 (Business 2): *The Principal to explore the appointment of a new Governor with property experience. Action on-going.*

Action 4 (Business 2): *The Principal to review the new AoC Guidance for Governors before the next Business Committee Meeting taking place on 22 January 2019.*

The Committee were notified that a paper is being prepared for the next Board Meeting taking place on 5 February 2019. Please see agenda item 10.1. Action completed.

Action 9 (Business 2): The Principal to liaise with Hilary Bright on adopting the new AoC guidance with regard to Senior post-holder remuneration. Please see agenda item 10.2. Action completed.

Action 10 (Business 2): Ofsted Guidance to be reviewed following the release of the new Framework. Ofsted are consulting on the new Education Inspection Framework and the five-minute update will cover this topic at the next full Board Meeting. Action completed.

Action 12 (Business 2): The Chair to liaise with the Principal on her 2018/19 targets. Please see agenda item 10.2. Action completed.

Action 1 (Business 3): The Principal to review the Risk Register process and update the full Board at their next meeting taking place on 5 February. Action completed.

Action 2 (Business 3): The Principal will circulate the AoC responses to all Governors for feedback. Action completed.

5. Section A

5.1 Estates and Facilities Update

(Paper 04)

The Estates and Facilities Report, prepared by Jon Bonham, Head of Estates and Facilities, was previously distributed and the following highlighted:

- The Principal informed the Committee that the report is discussed by the Executive Team on a monthly basis.
- The Committee were informed that IT testing took place on 20 February 2019 in an attempt to recreate the recent power outage and understand the reasons for it. Various combinations of testing were carried out and as a result, although only five years old, the UPS battery was replaced. Two IT relays were found to be faulty and replacements have been ordered. It was agreed that overall it was a positive day, which also gave those staff on site a complete “system free” day to carry out housekeeping duties. It has been agreed that this process will be conducted on an annual basis and added to the Risk Register as a high risk.
- The final decision on the LEP bids for the Digi Tech buildings is expected on 27 March 2019.
- It was noted that there are no cladding issues on the site.
- Fire Marshall training is on-going and all Dardan staff are fully trained should any areas need additional Fire Marshalls. Further training will increase cover in more vulnerable areas.
- The question was asked regarding mobility issues and it was confirmed that all necessary personal evacuation plans are in place and the appropriate pastoral staff are fully trained on evacuation processes.
- All incidents are reviewed weekly by the Executive Team and safeguarding issues are feed into Helen Richardson’s Report to the Curriculum and Standards Committee Meeting. Data published is used to ensure availability is placed in the correct areas at the right time.

The full content of the report was noted.

5.2 Procurement

5.2.1 Cleaning Contract Extension

(Paper 05)

The Cleaning Contract Extension was distributed previously and the following highlighted:

- The current cleaning contract between Norfolk Educational Services and Churchills Contract Services commenced on 1 September 2016 and the initial contract length was for three years, thereby expiring on 31st August 2019. The contract allows for an extension for a further period of one year plus one year should the Group consider that the Contractor has achieved all service and performance standards during the duration of the contract.
- It was noted that Churchills have improved their performance and it is much better than it was and is generally good. Churchills are also cleaning at Paston and have been since November 2018.
- It has been suggested that the anticipated extension will commence on 1st September 2019 and run for 1 year, expiring on 31st August 2020, with the possibility of extending for a further 1 year.
- The extension was formally agreed by the Committee for full approval by the Board at their next meeting.

Action 1: The cleaning contract extension to be approved by the Full Board at their meeting taking place on 26 March 2019 (CP / JS).

5.2.2 Manage Print

(Paper 06)

The Manage Print Tender was distributed previously and the following highlighted:

- A tender for a Managed Print Service for TEN Group organisations using the Crescent Purchasing Consortium framework (CPC) is currently underway and the agreement on the CPC framework demonstrates excellent value for money, has standard terms and conditions for all suppliers and is also recommended to academies by DFE.
- The current contract value is approximately £700,000 over a 4-year term including a further 6 months of variable charges. This includes CCN, Attleborough, Fakenham and Wayland Academies.
- It was noted that the Director of IT wishes to grant a 4-year contract with an option to extend to 5.
- The Invitation to Tender document was issued on 21 January 2019 using the CPC's tendering service and the tender closed on 18 February 2019. Both Konica Minolta (incumbent supplier) and Ricoh attended to present their solutions on 7 March 2019 and the Evaluation Panel agreed to go with the current incumbent and the new managed print solution will save 17-21% on the cost of the previous solution over its life.
- The Manage Print Tender was formally agreed by the Committee for full approval by the Board at their next meeting.

Action 2: The Manage Print Tender to be approved by the Full Board at their meeting taking place on 26 March 2019 (CP / JS).

5.2.3 Network Infrastructure

(Paper 07)

The Network Infrastructure Report was previously distributed and the following highlighted:

- It was noted that following a successful tender process, three valid responses were received from three different suppliers, proposing different solutions. It was noted that whilst the three solutions were all fit for purpose, only one demonstrated the best value for money.

- The winning bid is over £100,000 below the nearest solution cost and the winning bidder, SwitchShop, is also partnered with our incumbent manufacturer, HPE.
- The winning bidder shows a significant reduction on the budgeted £250,000 of around £35,000.
- The Network Infrastructure tender was formally agreed by the Committee for full approval by the Board at their next meeting.

Action 3: The Network Infrastructure Tender to be approved by the Full Board at their meeting taking place on 26 March 2019 (CP / JS).

5.3 Finance Reports

(Papers 08-10)

The monthly management accounts for the six months to January 2019, as previously circulated, were discussed and the full content noted, with the following highlighted:

- Operating surplus for the month January 2019 - a deficit of £130k compared to a budgeted surplus of £52k, producing an adverse variance of £182k.
- It was noted that staffing costs are at a high level of spend during this period. The adverse variance of £230k is being reviewed.
- Information has been provided to allow management to analyse the financial position in detail and it was agreed that pay will be the focus going forward.

The weekly CCN cash flow forecast was presented as circulated previously and the full content noted for information.

The full content of the Finance Report was noted.

5.3.1 Management Accounts January 2019 – emerging picture

The emerging picture was explained by Martin Colbourne and the content and amendments discussed. It was noted that currently the income is settled, apprenticeship delivery is buoyant, tuition fees have levelled out and agency cover and payroll continue to be the pressure points.

The Chair agreed that remedial action is needed to ensure the figures become favourable going forward and it was agreed that a two-fold challenge is required to make savings on agency staff and the core payroll. Substantive changes are necessary and in particular it is important to resolve inconsistencies. The Senior Management Team continue to understand the pressures and are managing the impact on students.

5.3.2 Debtor's Report

(Paper 11)

The weekly CCN debtor's report was presented as previously circulated, the full content was noted for information and the following was highlighted by Martin Colbourne:

- The total debtors' balance as at 7 March 2019 stands at approximately £3,211,017, this is over £300,000 lower than the same period last year.
- The historic debt was discussed, and it was agreed that it will be reviewed at the next Business Committee Meeting taking place on 7 May 2019.

The full content of the Weekly Debtors' Report was noted.

5.4 Fees Policy

(Paper 12)

The CCN Fees Policy was presented as circulated previously, received and noted. Jerry White informed the Committee that the purpose of the revised policy is to set out the key fee rates of the 2019/20 FE course fees and an eligibility statement, to provide effective advice and guidance to students for the upcoming academic year. In addition, the paper proposes the 2020/21 HE fees in order that they might be published in a timely fashion and can inform funding body submissions required by HE funding bodies. It was noted that there are no changes to FE funding body rules for consideration this year in proposing FE fees. It has been a long-standing practice of the College that inflationary increases should be applied to categories of fees where the market allows this to happen. The current Consumer Price Index figures as of November 2018 was 2.2%, therefore a fee increase of 2.5% is proposed.

The 16 proposals were discussed in detail and the following recommendations were suggested before the Fees Policy is presented to the full Board for their approval.

Classroom based part-time tuition fees – it is proposed that the College increases 2018/19 fees by 2.5% and Jerry White and the Principal agreed to review the courses within band descriptions to see if any could be increased by more than 2.5%.

The Government has announced in their Spring Statement that the non-Levy paying employer contribution rate will decrease to 5% from 1 April 2019. Therefore, the 5% contribution rate has been added as the College is required to implement this from 1 April 2019 and for the 2019/20 academic year.

Proposal 13 to read College Executive Team and not management team as typed.

Proposal 14 should read for 14-16 not 14-18 as typed.

The nursery charges were discussed and Jerry White suggested that Governors approve the charges as previously agreed and embed for one further year. It was noted that the College are reluctant to increase again this year, as around 50% of parents are College staff and students. It was suggested that perhaps fees could be increased for the community category. Jerry White agreed to put the suggestions to the executive team and to bring back to the full Board.

Following additional discussions, Jerry White agreed to review any proposals which are not capped before the full Board Meeting.

Action 4: The fee proposals to be reviewed and brought back to the full Board Meeting taking place on 26 March 2019 (JW).

5.5 Gender Pay Gap Report

(Paper 13)

The CCN Gender Pay Report was presented as circulated previously, received and noted.

Hilary Bright informed the Committee that all organisations employing 250+ staff are required to publish on their websites statutory calculations each year which illustrate the pay gap between male and female employees. All the data in this report is based on the snapshot date of 31 March 2018 and calculated using the standard methodologies set out in the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

The following was discussed and agreed:

- Jerry White informed the Committee that no member of staff is paid differently because of their gender at CCN, in any role. There are currently 780 paid staff, 510 who are female and 270 male.
- It was agreed, as last year, that the College will upload an additional narrative explaining that it has a wide range of working staff in order to clarify the median gap figure of 27.49%. The Committee asked what the target gap should be and it was agreed that it will be realistic to be nearer 25% and that 30% would be unacceptable.
- It was noted that the College will be advertising in a variety of media to showcase roles that currently do not attract many male candidates to make the information more real, e.g. Nursery Nurses, Kitchen Assistants, etc.
- It was agreed that the document will be presented to the full Board Meeting taking place next week.

Action 5: The Gender Pay Gap Report to be presented to the full Board Meeting taking place on 26 March 2019 (CP/JS).

5.6 Governance and Search Update

It was agreed at the last meeting to approach possible new Governors with property expertise and it was noted that Andrew Barnes and Corrienne Peasgood have a shortlist of two possible Governors and discussions will take place shortly.

The possibility of bringing Noel Bartram onto the Business Committee was discussed and it was agreed to talk with him about this prospect.

As Toby Wilson is still unable to join Governors, it was agreed that if Noel Bartram joined the Business Committee then Toby Wilson would be invited to join the Audit and Risk Committee.

Action 6: The Principal and Chair to explore the appointment of a new Governor with property experience and hold discussions with Noel Bartram with regard to joining the Business Committee (CP / AB).

5.6.1 Updated Skills Audit

The requirements of the Committees were discussed under agenda item 5.6 of the agenda.

6. Section B

6.1 Workforce Development Report (Paper 14)

The Workforce Development Report was presented as circulated previously and the full content noted.

7. Section C

7.1 Staff Forum Minutes (Paper 15)

The minutes from the Staff Forum Meeting which took place on 12 December 2018 were presented as circulated previously and the full content noted.

8. Other Urgent Business

The Principal informed the Committee that College staff will receive an additional 1% pay rise on 1 April 2019 following their previous 1% pay rise in August 2018 and it was noted that the NES Board have also agreed an additional 1% pay rise for all NES staff on 1 April 2019.

9. Principal's Summary for the next Full Board Meeting (Paper 16)

It was agreed to prepare a short update of today's meeting for the next full Board Meeting, linked to the Strategy Aims to include:

Aim 2: Tender for infrastructure.

Aim 3: Gender Pay Gap; terms of Office; Estates processes.

Aim 4: Finances; pay rise; savings in procurement; position on cashflow.

10. Confidentiality

Please see the confidential minutes regarding agenda items 10.1; 10.2; 10.3; 10.4 and 10.5.

10.1 Adopt Revision to Code of Governance (Paper 17)

Please see confidential minutes.

10.2 Remuneration Code, Senior Post Holder and PRP

Please see confidential minutes.

10.3 Easton and Otley College Update

Please see confidential minutes.

10.4 Union Meeting Minutes (Paper 18)

Please see confidential minutes.

10.5 Term of Office (Paper 19)

Please see confidential minutes.

11. Date of Next Meeting

Business Committee: Tuesday 7 May 2019 at 5.30 pm

All business having been concluded, the meeting finished at 7.15 pm.

CHAIRMAN:
(signed)

DATE: