



Corporation Board

Minutes of the meeting held on 14 April 2015

Present:

Chris Bilsland (Chair)
Paul Archenoul
John Litchfield
Jo Lomax
Nigel Peet

In attendance:

Allison Howe, Clerk
Jean Inker, Interim Director of HR
Carole Kitching, Principal Designate
Ian Rule, Vice Principal Corporate Services

Items were taken as per the agenda

1. Apologies for absence

Apologies were received from Ade Adebambo, Elaine Hawkins Hilary Moore, Nathan McDermott, Kate Shoemsmith, Jaidah Thomas and David Wilson.

Apologies were also received from Stephen Lawes, Vice Principal Corporate Services and Rob Rees Interim Vice Principal Curriculum, Quality and Learner Experience.

2. Declarations of interest

Paul Archenoul declared an interest in Item 3.

3. Draft Organisational Review

The Chair explained Governors were not making formal decisions tonight, but were being briefed on the consultation document. The Chair also explained that he had already submitted his thoughts on the early draft of the proposal and two Governors unable to attend the meeting had also asked for attention to be paid particularly to English and maths.

A presentation was given by the Interim Principal which demonstrated the drivers for reorganisation: 77% income was spent on staffing. Curriculum contributions were supposed to be 55% but some areas did not reach that. Work had been undertaken on the curriculum in partnership with the Boroughs and key stakeholders.

An EMSI report was commissioned to give London Based EMI alongside a Vector report on travel to learn.

The restructure considered Ofsted Report and FE Commissioner's Monitoring Reports, the emphasis on employers, delivery methods and models, an employer focussed curriculum, growth of apprentices predicated by Work



Corporation Board

Agenda

14 April 2015

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| 1. | Apologies for absence | 5.30 |
| 2. | Declarations of interest | 5.35 |
| 3. | Draft Organisational Review
Paper attached
Carole Kitching and Jo Lomax | 5.40 |
| 4. | Any other business | |
| 5. | Date of next meeting
19 May 2015 | |

Experience in Study Programmes making everybody responsible and accountable.

The Interim Director of HR explained the process using a flow chart (attached at Appendix 1).

The Chair stated there was a need for a discussion with Governors once the response to consultations had been received between 24 and 26 June 2015 (ACTION 1). Governors would also need to approve the final structure prior to 17 July 2015 (ACTION 2).

It was noted that the FAQs would be updated on an ongoing basis. A record would be kept of the consultation responses and the management response to them, any major issues would be brought to Governors attention at the earliest opportunity.

The Vice Principal Corporate Services expressed a concern about the prolonged consultation period which was longer than the minimum requirement of 45 days which would result in increased expenditure of £300,000. This was because weekends and half term had been taken out of the 45 days. The Interim Director of HR stated that the Unions were very agitated and this was not a battle worth fighting. An argument would probably result in an extension. The Unions claimed we did not enter into meaningful consultation, by removing weekends and bank holidays, this would appease the unions and did not have a significant impact. The process was roughly three weeks longer than necessary. The Chair stated that this was about the College taking the moral high ground. The Unions would try to complicate the process, which would cost time and the Unions would be seen as being right and the College as being wrong.

The Interim Director stated that there were other contributory factors to the decision. The Organisational Review Policy stated a consultation period of 90 days. They would immediately state that management were not adhering to the policy, and that the policy had not been updated deliberately. The Unions had already stated they hoped that we would adhere to policy. Additionally a letter had been received to say that UCU were in dispute with us.

The Unions wanted the College to state that we would not make compulsory redundancies. This would enable the College to respond that it was doing the right thing.

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The Unions wanted the College to state that there would be no compulsory redundancies, however this was not practicable. The decision to remove weekends and the holiday would enable the College to respond that it was doing the right thing.

It was noted while there was a cost to this, Governors were adamant that the 45 days should not include weekends and the half term holiday. The Chair requested that if issues did arise during the process that Governors were alerted immediately (ACTION 3).

The Interim Director explained the result of the Equality and Diversity Assessment. There was a large percentage of disabled staff affected by the review, however, these came from one single department all of whom had to be put at risk.

The Chair asked how the impact on students was being assessed. The risk of negatives impact document highlighted the concerns. Further work on this would be undertaken the Director of Student Experience (ACTION 4).

It was noted that the weight of cuts would impact on adults due to the 24% cuts on the adult skills budget cuts.

The Vice Principal Corporate Services presented the financial drivers of the organisational review. It was noted that funding of FE had dropped dramatically since 2009-2010. Lewisham's weighting to adult funding meant this college was impacted more than most.

A benchmarking exercise had been undertaken with 17 other Colleges and this College had the second highest costs. The breakdown of expenditure showed us being above benchmark in every area.

Learner Services and Premises were the highest, along with Libraries, IT and Central Admin. There had been a 5% increase in costs of employing teachers due to increases in both the Teachers' Pension Scheme and National Insurance contributions.

The Vice Principal Corporate Services presented a draft budget for 2015/16 with a deficit of £1.7m based on the proposals. With one off exceptional items being discounted, that would bring the College into a break even basis.

The budget included £1m contingency. The Chair stated that contingency should not be used as a slush fund. The Vice Principal Corporate Services agreed, however he had put this amount of contingency in as it was early to be preparing a budget for 2015/16. As certainty grew, the amount of contingency would decrease.

The Vice Principal Corporate Services explained that the budget income included the actual allocations for EFA and SFA, adding that there was a plan to over deliver on 16-18s by 5%. For SFA funding, there was no benefit in over delivery, so the plan was to deliver to budget.

Income figures for 2015/16 budget did not include apprenticeship income within the departmental budgets as it was being moved out.

Care had been taken in respect of 24+ loans and fees due to the difficulties experienced in previous years.

The Interim Principal explained that the structure of the curriculum would demonstrate some further savings, as the budget did not yet reflect the new structure. The Chair asked why the curriculum delivery costs and income did not reflect the new structure. The Vice Principal Corporate Services explained that the structure had been agreed too late to reflect the costs back. He was however confident that the figures within the budget were right. The Vice Principal Corporate Services assured Governors that the final 2015/16 budget would deliver this budget or better.

The Vice Principal Corporate Services explained that there might be further in year savings depending on the funding for apprenticeships.

The Principal Designate introduced the proposed structure, pointing out that the current structure had a number of layers. The Principal Designate explained that the current structure also included a large number of differing titles including Managers, Heads of and Directors which enabled accountability and responsibility to be pushed upwards. There was a need to move away from a heavy management structure.

The Vice Principal Finance and Vice Principal Estates were currently in one box as these were ordinarily a single post. However, due to the size of the Estates Strategy, it was useful to have Vice Principal focus on this. The Vice Principal Curriculum Teaching and Learning did not have Quality within the title as this would be reflected at all levels. The Vice Principal Development and Planning's role was to promote growth and development, which would include work based learning and apprenticeships. There would be a robust income diversification strategy. The Head of Learning Technology was under this role as the College did this well and there was potential to earn the College income.

Vice Principals also had a campus assigned to them to give greater consistency and parity. The Principal Designate explained that to her it felt that this was a very Lewisham focused College and there needed to be greater emphasis on Lewisham Southwark College. The Principal would work from all of the sites.

The Structure showed three faculties with a mix of courses and income of equivalent sizes. The Faculty Leaders would be responsible for quality and the profitability of the area. This proposal would give faculty leaders 0.5 remission and other remission would be by exception. The current level of remission was unsustainable.

The Head of Teacher Education and Development would be responsible for the Head of English and Maths. Within the Corporate areas, the titles would all be Heads rather than the mix of heads and directors.

It was noted that the Heads of IT, Finance and Performance reported to the Vice Principal Finance with the Head of Estates Facilities reporting to the Vice Principal Finance Estates. The diagram needed to be amended to make that clearer (ACTION 5).

It was noted that while there was a large change in the management structure, the proposed structure was a fairly standard structure within FE.

It was stated by the Interim Director of HR that there were cultural issues, reporting issues, systems and process issues that needed resolving, and would be resolvable with this structure.

Concern was expressed that there were four Vice Principals when it should be three in a College of this size, however the estates strategy warranted this.

The Interim Principal identified the problematic issues across curriculum areas. Initial assessments were either not undertaken or were done incorrectly. This meant students started on incorrect entry levels. There was not sufficient entry level provision, the same courses had been offered over a

number of years. The curriculum strategy dealt with this. The College had an issue with differing levels in English and maths groups.

Going forward, all students would undergo an initial and diagnostic assessment, the courses would be explained to learners and they would undergo a skills test. Conditional offers would be made depending on whether qualifications were achieved. The curriculum would consist of employer focussed work experience.

Governors were pleased to see that the plan to appoint Heads of English and maths was now going to be progressed. The Interim Principal informed Governors that there would be centralised timetabling of English and maths and co-ordinated staffing. This would enable consistent delivery, consistent staff development and the sharing of good practice. This would be underpinned by entry into correct level courses and classes of the same ability. With improved monitoring and recording, it was anticipated that this would result in increased success rates.

A Governor commended the work that had been undertaken. The papers reflected two themes, the high cost base and historical under recruitment, under marketing and lack of employer knowledge, how would Governors know that the model was sustainable. This would be discussed at an away day to be arranged later in the year (ACTION 6).

A Governor asked what was being done about marketing, as the consultation document was silent. There was a need to be proactive about marketing due to the year on year decline in student numbers. Most Colleges were losing 16-18s because of the schools holding onto them. There would be an increase in staffing in marketing. There had to raise perception of marketing in the College.

All managers should be responsible for marketing; there was a need to focus on marketing at departmental level. The Principal Designate would lead on culture change across the organisation with managers taking greater responsibility for all aspects of their management area. Staff needed to be given ownership for decision making and that would release creativity.

The Staff Governor was happy that the process was clear. He said there would be a noticeable senior management presence at the different sites. He was also pleased by the classes of same ability which would make the lives of teaching staff easier.

Staff were congratulated on the amount of work. A Governor asked what the impact of the College was on supported learners. The Interim Principal stated that supported learners would be a continuing area, but there had to be proper referral from the boroughs. 14-16 was also a potential growth area, this had to be done in partnership with the boroughs.

The Chair stated that there was a need to focus on the leadership skills of the senior team. He was of the view that senior leaders should only be appointed if they were able to demonstrate leadership behaviours. He also stated that the HR process was admirable, particularly due to the way staff would be helped through the process. There was now some comfort about the financial plan, having received the assurance from the Vice Principal Corporate Services that it would be delivered to budget. There was still work to be done on an equality impact assessment in respect of students.

Governors positively endorsed the process to go out to consultation. This had to succeed within the timetable proposed.

4. Any other business

There was none

5. Date of next meeting

19 May 2015

Actions

Date of meeting	No.	Action	Who	Date	Status
24 March 2015	1	The Clerk to remind governors about the Organisational Review steering group and date of meeting	AH	30 March 2015	Complete
24 March 2015	2	The Curriculum Strategy would be provided to the next meeting	JLo	5 May 2015	On agenda
24 March 2015	3	Success rates data assessment to be reported to next meeting	RR	5 May 2015	Item 13 on agenda
24 March 2015	4	Student survey results to be reported to the next meeting	RR	5 May 2015	Item 13 on agenda
24 March 2015	5	Equality Impact Assessment to be undertaken in respect of Fees Policy	IR	30 April 2015	
24 March 2015	6	Clerk to research whether staff governors are linked to curriculum areas in other Colleges	AH	31 March 2015	Complete
24 March 2015	7	Clerk to send out a revised list of link areas	AH	27 March 2015	Complete
24 March 2015	8	A new Equality Action Plan would be devised and brought to a subsequent meeting	JLo	24 June 2015	On agenda plan
24 March 2015	9	Prevent training materials used by SLT to be circulated to Governors	RR		Circulated

14 April 2015	1	Governors to discuss revised proposals	AH/C B	26 June 2015	
14 April 2015	2	Governors to approve final structure	AH/C B	7 July 2015	
14 April 2015	3	Governors to be alerted immediately if issues of concern arise	JL	ASAP	
14 April 2014	4	Equality Impact on students to be undertaken by Director of Student Experience	DT	ASAP	
14 April 2014		Structure diagram to reflect line management responsibilities of VP Estates and VP Finance	JL	15 April 2015	Complete
14 April 2014		Awayday to be arranged to consider sustainability of structure	AH/C B	August/ Sept 2015	

Redundancy and Restructure Process



