



EALING, HAMMERSMITH AND WEST LONDON COLLEGE FE CORPORATION

1.	APOLOGIES FOR ABSENCE David Round had sent apologies for absence. The Clerk confirmed that the meeting was quorate. The Chair welcomed Becky Cauldwell to her first meeting of the FGP Committee.
2.	DECLARATIONS OF INTEREST There were none.
3.	MINUTES Page 6 correction – KR said that the action should read that ‘the CEO will ask the ESFA to make the IBR report available to governors.’ The previous minutes from 21 April 2020 were approved as an accurate record.
4.	MATTERS ARISING The matters arising report tracking actions from the previous minutes was received and noted.

¹ In accordance with governmental social distancing guidelines owing to the Covid-19 public health crisis and as permitted under Instrument 1f

5.	KEY PERFORMANCE INDICATORS This item was deferred pending the development of an online dashboard system.
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	<p>Governors asked if the £500k was loss of income or expenditure. AN explained that the overall loss of income had been £1.5m and the lower amount was the net effect after mitigation.</p> <p>Governors asked KR for her view of the impact of Covid 19 risks for next year. KR said that the College is more concerned about next year as it is difficult to predict the effect on income and what learning behaviours will be like in September 2020. The College is focusing on a targeted enrolment campaign and, like other colleges, the College has moved to online open days. It has confirmed as many applications as possible with firm offers but the outcome of this is uncertain. Applications are reduced against the same time last year currently but work to address the shortfall continues. DW reported there were 900 learners fewer than in July 2019 when total applications were 4,900.</p> <p>RESOLVED: the management accounts for May 2020 were noted.</p>
7.	<p>PAY REVIEW</p> <p>AN presented a paper which outlined the reasons for not planning or budgeting for a pay increase for the staff for this year.</p> <p>Governors asked if any benchmarking information was available and also how this would impact the morale of staff or the potential to recruit high-calibre staff. KR said she had not reviewed the benchmark staff pay position for about 18 months but at that time the College paid slightly higher than other institutions for teachers. The recent AoC pay survey for managers shows that the College does pay above average salaries at that level. She acknowledged that there will be an impact on staff morale and whilst she did not believe that staff will expect a pay rise this year, this should be a priority as soon as it is possible. When she joined the College, she had proposed a modest increase for staff but this had been challenged by the FE Commissioner which had been understandable.</p> <p>Governors asked when the last unilateral pay rise had been given. This had been in 2017 except for contractual increments.</p> <p>Governors asked for clarification that pay is determined by the College rather than nationally across FE. KR explained that an attempt to implement a harmonised pay scale had been set aside decades ago, and that the salary scales are those of the College. The Association of Colleges works with the unions and makes a recommendation.</p> <p>BC asked if any other colleges are making a nil award and if there are other staff rewards that might be made in place of a pay increase. KR said that she has been working with unions to implement alternative benefits such as extra days holiday at Christmas. She is also looking at the possibility of working from home for some staff. She pointed out that FE Colleges have been subjected to an income freeze since 2013 against a background of</p>

pension increases and other cost pressures. Schools received more income per student 16-18 than FE colleges which is not acceptable.

Governors asked how the pay scales and bandings worked. KR advised that most staff were on an incremental scale but some, e.g. senior managers, were on a spot salary with no incremental rise. Governors also asked what percentage of the staff were on a spot salary, receiving no incremental increase. KR estimated that would be less than 20%. The salary bands differ by function and some are wider than others. Governors asked if incremental progression was automatic, or had to be applied for. KR responded that it was automatic other than point 37 on the lecturer scale, which had to be applied for and which the College has not utilised in the time she had been at the College. The College has a good relationship with unions and occasionally they request point 37 to be brought back into use but this had been declined on affordability grounds.

It was agreed that, when possible, **(Action)** KR would collate the following data for governors:

- ◁ Benchmarking salary information for London
- ◁ Percentage of staff receiving incremental increases

RESOLVED: The Committee agreed to recommend a nil pay award to the Board at its meeting of 23 July 2020.

8. **COLLEGE BUDGET 2020/212 AND INTEGRATED FINANCIAL MODEL FOR COLLEGES (IFMC)**

AN presented the updated IFMC. The key changes are the forecast for the current year and show the projected out turn of £4m deficit.

- ◁ For next year and the year after the position remains as presented to the Board meeting in May.
- ◁ The ratios are going in the ri

He cautioned members that there are risks for the next year in recruiting and commercial

	<p>made by March 2021. Governors remarked that funders are often looking for projects. KR advised that colleges have not had a dedicated capital fund since the Coalition government but the manifesto of the current government did include £1.5b funding and the AoC successfully lobbied to bring this forward, hence the £200m. The amounts of grant are included in the current College forecasts, so would be in addition and it is likely that it will come with criteria so we await further detail.</p> <p>KR had a positive meeting with the Leader of Ealing Council and a senior planning representative to develop a new construction centre. The Leader will be taking a borough-wide leisure and sport strategy paper to Cabinet in November 2020.</p> <p>IBR – the independent business review commissioned by the Provider Market Oversight team within the ESFA. The IBR team (BDO) has recently communicated with AN and sent a raft of requests for information. He is working closely with BDO.</p> <p>The Committee noted the report.</p>
11	<p>EMPLOYMENT REPORTS – DEFERRED This item was deferred.</p>

12	SUBCONTRACTING REPORTS
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- 12.1 Subcontracting update – subcontracting supply chain, fees and charging policy**
DW gave a report which contained an update on proposed subcontractors and presented Subcontracting².
- ◁ The College is proposing to subcontract with seven independent training providers in 20-21 for both AEB and apprenticeship provision
 - ◁ The providers were listed as:
 - Learning Curve Group Ltd
 - Best Practice People Ltd
 - Integer Ltd
 - Chelsea Foundation
 - Bounce Back Foundation
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DW outlined the detail of the policy for delivery of subcontracting. This outlines the rationale for subcontracting, the companies proposed, and the services the College provides for the management fee. It includes all the detail required by the funding rules and once approved the policy will be posted on the College website.

He said that in terms of the ESF1ewebconsultation they have now issued ten recommendations since the paper was written. The senior team will be mapping College provision and the document against this but some of the detail is awaited. An updated version of the report will be presented to the Board next week.

Governors commented that they were pleased to see that the College is taking delivery of provision in-house.

Governors commented that CSTA is listed as providing subcontracting to the value of £63k and suggested that as they do mainly underground works this would be a good bolt on for the construction academy. DW explained that the College already provides a proportion of the qualification and for this supplier it already delivers 40% in-house. The remainder is delivered by CSTA as they have the expertise whilst the College develops its capacity and skills. CSTA will eventually deliver in the Midlands and the College will supply provision in London.

Governors asked when all subcontracting provision will be brought in-house. It is thought that within four years it will be reduced to £2m. KR explained that, whilst the College has an intention to deliver as much as possible themselves, the strategy had been impacted by unintended consequences of policy reform. Historically the entire AEB budget used to

13	POLICIES
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13.1	Financial regulations
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AN presented the Financial Regulations which had not been reviewed for a few years. These had been updated and are presented to the Committee. They are 50% shorter than the previous version and are updated to reflect current requirements and the management structure.

Action: Governors will review them and send any comments to the AN and the Committee by the end of the week.

RESOLVED: The Committee agreed to delegate to Philip Kerle final review and recommendation of the financial regulations to the Board at its meeting of July 23 2020

13.2	Tuition fees policy
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AN presented the rationale and structure for charging fees.

Governors asked how the fees have been derived. AN said these are based on prior years and competitive information. The fees are remaining the same as last year.

Governors commented that in a competitive market it would be unwise to increase the fees in any significant amount.

RESOLVED: The FGP Committee agreed to approve the tuition fees policy.

16	DATE OF NEXT MEETING The next meeting is scheduled to take place on Thursday 15 October 2020 at 18.00
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Chair's signature **Date**.....

File ref: