

# MORLEY COLLEGE LONDON



## GOVERNING BODY

Minutes of a Meeting held by Microsoft Teams on Monday 14 December 2020 at 4.30 pm.

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### **Present:**

Dr Stuart Edwards, External Governor (**Chair**)  
Ms Pauline Egan, External Governor (**Vice-chair**)  
Miss Justine Brian, External Governor  
Miss Shola Bryan, Student Governor  
Mr Nic Durston, External Governor  
Ms Gill Evans, External Governor  
Ms Heather Fry, External Governor  
Dr Andrew Gower, Principal and Governor  
Mrs Gail Le Coz, External Governor (from Item 6)  
Ms Susan Lindsey, Student Governor  
Mr Victor Olowe, External Governor  
Mrs Debbie Ryle, Staff Governor  
Ms Heather Smith, External Governor  
Charlotte Thompson, Staff Governor  
Mr James Ward, External Governor

### **In attendance:**

Mr Marco Macchitella, Deputy Principal  
Mr Ralph Moran, Chief Finance Officer (CFO)  
Mr Matthew Cunningham, Chief Marketing and Engagement Officer (CMEO)  
Mr Craig Hanlon-Smith, Interim Centre Principal, North Kensington (Items 1-7 only)  
Mr Gerald Jones, Centre Principal, Waterloo (Items 1-7 only)  
Mr Matias Shortcook, Centre Principal, Chelsea (Items 1-7 only)  
Mr Martin McNeill, Clerk to the Governing Body and Company Secretary

### **Absent:**

Mr Pedro Dias Ferreira, External Governor  
Mrs Irene Lax, Co-opted Governor  
Ms Moyra Samuels, External Governor

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## RESOLUTIONS

- To confirm the minutes of the meeting held on 2 November 2020 with two amendments (Minute 4.1)
- To approve the draft Strategic Plan for publication on a provisional basis, subject to a number of amendments (Minute 7.1)
- To approve the 2019-20 Self-assessment Report (SAR) for publication on the College website, subject to one amendment (Minute 9.5)



#### **4. Minutes of 2 November meeting**

4.1. The minutes of the meeting held on 2 November 2020 (including the confidential minutes) were confirmed as a correct record subject to two amendments:

a correction to Minute 7.11 to place on record that the Committee stressed the importance of agreeing a realistic programme and making clear to staff that failure to adhere to it could have significant cost implications; and

a correction to Minute 12.2 to record that Charlotte Thompson had been appointed to the Quality and Standards Committee and Debbie Ryle to the Finance, Resources and Fundraising (FRF) Committee.

4.2. It was agreed that the amended minutes should be signed by the Chair.

#### **5. Matters arising**

##### 30 March 2020 Minute 1.2 Apologies for absence and quorum (retiring governors)

5.1. The Board agreed that, if possible, an event should be organised towards the end of the College year to thank long-serving governors who had left the Board in the last two years.

##### 30 March 2020 Minute 5.13 Principal's Report (3D model)

5.2. The Board was pleased to note that the plans for the North Kensington Centre (see Appendix 1) included three-dimensional perspectives of the Centre (and parts of it) and that these were available in digital form.

##### 30 March 2020 Minute 11.1 Safeguarding

5.3. The Board noted that the annual safeguarding report would now be considered by the Audit Committee (not the Quality and Standards Committee, as shown) at its March meeting.

##### 13 July 2020 Minute 12.5 KPIs

5.4. The Deputy Principal told the Board that a new suite of reports was being produced from the beginning on 2020-21 that would allow analysis of KPIs by mode of delivery. His report to the March meeting of the Quality and Standards Committee would include full Term One data and preliminary indications for Term Two.

2 November 2020 Minute 3 Pre-meeting presen(ho)3(m)Minute 1

that all parties were aware of how the College was continuing to respond to the challenges posed by the pandemic.

2 November 2020 Minute 10.5 Budget and financial plan (opportunities for cost savings)

5.9. The Board was satisfied that opportunities had been explored by the FRF Committee at its 1 December meeting as requested.

2 November 2020 Minute 11.3 Strategic Planning

5.10. The CMEO thanked the four governors who had sent in further comments. These had been reflected in the latest draft (Item 7).

6.6. In relation to Strategic Goal 2 (deliver an outstanding student experience), the Board was encouraged by the findings of the Ofsted interim visit (reported in the minutes of the Quality and Standards Committee – Item 12a) as well as by the numerous staff and student successes listed in the Principal's Report. Governors were also pleased to note the progress being made in implementing Phase 1b of the Waterloo

ordering throughout the Plan of the names of those centres: North Kensington, Chelsea and Waterloo;

the omission from that diagram of the centre descriptors, other than that of the Chelsea Centre, which it was agreed to designate as the Chelsea Centre for the Creative Industries;

more explicit references to some of the means by which the College planned to realise its vision: the property and fundraising strategies and the Quality Enhancement Framework;

less emphasis on organisational growth and rather more on the development of

been significant increases in income from advanced and higher learning, with HE exceeding and advanced learning coming close to meeting the ambitious targets that had been set. Governors were also satisfied that staff costs had been kept below 69 per cent of income and that the contribution target had been met; they noted, however, that a much more ambitious contribution target had been set for 2020-21.

- 8.5. Where KPIs had not been met, this was largely due to the impact of the pandemic (which had led to reduced room utilisation because of the need for social distancing, as well as to lower enrolments on many unaccredited courses). The financial health target of 'good' had also not been met because negative EBITDA – even though recognised in the merger financial plan as an inevitable short-term consequence of the merger – required the ESFA to record an assessment of 'requires improvement'.

## 9. SAR and QEP

- 9.1. Commending the draft SAR and QEP, the Chair of the Quality and Standards Committee referred to the discussion that had taken place at committee about the judgement of leadership and management as 'requires improvement'. As set out in its minutes (Item 12a), the Committee had recommended a prudent approach, but had requested some amendments to the SAR to highlight some very good performance in this area. The Committee Chair told the Board that, following careful consideration, the Committee had been satisfied that the actions outlined in the draft QEP were well designed to deliver the improvements required.
- 9.2. Asked to comment on the reference in the Leadership and Management section of the SAR to a 'need to strengthen financial governance and risk management, taking account of the recommendations of funding and regulatory bodies' (page 103 of the Board Pack), the Chair said that this reflected one of the five Areas for Improvement that the Board had agreed should be included in the 2020-21 Governance QEP. The recommendations referred to were general recommendations addressed to all governing bodies by the FE Commissioner and the Chief Executive of the ESFA, and reflected good practice that, in almost every respect, the Morley Board had already adopted. The Board had, however, recognised that further work was still required to embed its Risk Management Framework and that action to secure the appointment to the Board of a second financially-qualified governor (as recommended by the FE Commissioner in May 2019) was not yet complete.
- 9.3. Referring to the 'Quality of Education' section of the SAR (pages 92 to 97 of the Board Pack), a governor asked why student satisfaction levels were apparently so high when in many areas student outcomes needed to improve. The Deputy Principal explained that:

The great majority of responses to the termly surveys came from students on unaccredited courses, who accounted for the bulk of the student population; outcomes from these courses were generally excellent, and the accredited provision where standards need to improve accounted for only a small proportion of what the College delivered in a normal year;

These surveys (and the annual survey) were conducted in-year, and it was possible that some students who had rated their courses as 'good' or 'excellent' nevertheless failed to achieve; and

The average response rate of just over 30 per cent was large enough to be statistically significant, but it was possible that a disproportionate number of responses were from highly satisfied (or, for that matter, highly dissatisfied) students.

- 9.4. The Board noted that the Quality and Standards Committee had discussed a number of ways of improving survey response rates and garnering more useful information from students that would help to drive improvement. Further suggestions were put forward, including the use of independent tutors to facilitate the completion of surveys.
- 9.5. Following further discussion, the Board resolved to approve the SAR and QEP subject to a change in the wording of the Leadership and Management section of the SAR to clarify the issue raised in Minute 9.2 above.
- 9.6. In answer to a question, the Clerk confirmed that it was the practice of the College (and generally accepted good practice) to publish the SAR (but not the QEP) on the College website. Governors agreed that, as the SAR was primarily a technical document, it was not appropriate to repurpose it for a wider audience, but recognised that there was a danger of some of the messages contained in the SAR being misinterpreted. The Principal was asked to ask the relevant staff to ensure that the SAR was clearly marked as a technical document and that it was not to be used for any other purpose. The Principal was asked to ensure that the SAR was clearly marked as a technical document and that it was not to be used for any other purpose.



the FRF Committee. On that basis, final versions of the annual reports and financial statements of the two colleges would be considered at an extraordinary board meeting in mid-January.

- 11.3. The Committee Chair emphasised that the Committee was satisfied with the improvements that had been effected in the financial capability of the College, but recognised (as did the external auditor) that the unusual circumstances created by the merger and the pandemic had made completion of the accounts within the normal timetable substantially more difficult this year.
- 11.4. The Board then agreed, on the Committee's recommendation, to approve the three completed Regularity Self-

which had helped the College to respond swiftly and effectively to the challenges posed by the Covid-19 pandemic. The Supply Chain Fees and Charges Policy was approved.

- 13.2. The Committee Chair, supported by the CFO, explained the approach that the Committee had taken to reviewing the revised forecast for 2020-21, on the basis of which it had recommended that no change be made to the agreed budget. The revised forecast deficit of £1.8 million, to each element of which the Committee had given careful scrutiny, represented an improvement on budget of some £520k. This was largely due to some £360k of staff savings that had already been achieved and the expected benefit to be derived from sub-contracting provision outside London that the College was not currently in a position to deliver. Income would also be boosted by additional HE fees and through the receipt of post-merger grant that was not required for capital spending, but these benefits would be fully offset by a reduction in fees for co-funded courses which had been severely impacted by the pandemic, as well as by lower demand for community learning services.
- 13.3. In considering the Committee's recommendation to leave the budget unchanged, the Board took account of the College's strong cash position (currently £7 million, but projected to be in excess of £3 million at the year-end: in consequence, there should be no need to draw on the ESFA's restructuring facility in 2020-21). The CFO reported that, since the FRF Committee meeting, he had received confirmation of a further £486k grant from the GLA which would be applied to planned investments in the Waterloo estate that the College would otherwise have had to finance from cash. This would further strengthen the cash position: if, in addition, the College were able to realise the in-year cost savings of £430k that he believed to be achievable, the College would begin 2021-22 in a slightly stronger cash position than the (pre-Covid) merger financial plan had envisaged.
- 13.4. While accepting the recommendation, governors asked that narrative accounts as provided in the committee minutes should in future be supplemented by summary financial data. The CFO said that it was his intention to ensure that monthly management accounts were made available to all governors as soon as possible after the month-end. As well as placing the accounts in the Information for Governors library, he would also email individual copies to each governor.
- 13.5. Questioned about the possible impact of this year's shortfall in 16-18 recruitment (largely a consequence of the decision to terminate an arrangement with a sub-contractor that had delivered study programmes to some 180 students in 2019-20), the CFO said that there was some limited scope to grow numbers this year; however, pursuing discussions with the ESFA to find a way of avoiding a reduction in the College's 16-18 funding entitlement and would report further to the FRF Committee.
- 13.6. See confidential minutes

## **14. Succession planning**




**17. Date of next meeting**

Confirmed as Monday, 18 January 2021 at 4.30 pm by Microsoft Teams (later changed to 28 January at 6.00 pm).

The meeting ended at 7.10 pm

Martin McNeill  
Clerk to the Governing Body

Confirmed as a correct record at the meeting held on 28 January 2021

and signed by  (Stuart Edwards) (Chair of that meeting)