

**Notes of the Barnfield Further Education Corporation Board Meeting held on Wednesday 29<sup>th</sup> August 2018 at 11.30am in the Board Room, Barnfield College, New Bedford Road, Luton LU2 7BF.**

Governors	Cumulative Attendance	Present at this Meeting
Alex Bain-Stewart (Vice Chair)	13 of 13	✓
Nick Barrett	8 of 13	Apologies Received
Elaine Battams (Staff)	10 of 12	✓
Louise Ellis	9 of 13	Apologies Received
David Filby (Staff)	3 of 3	✓
Peter Hill	12 of 13	✓
Marc Hulbert	10 of 13	Apologies Received
Chris Nicholls	3 of 3	✓
Gavin O'Brien (Vice Chair)	9 of 13	✓
Ann Rowswell	3 of 3	✓
Martin Sim (Interim Chair)	4 of 4	✓
Trevor Warrs	13 of 13	✓
	Percentage Attendance to date (97/116) <b>83.6%</b>	Percentage Attendance this Meeting (9/12) <b>75%</b>

**In Attendance:** Susan Evans – Interim Finance Director, Vicky Ganley (Senior Manager, FE Group Territorial Team (South East Midlands, EFSA), Lisa Milligan – Director of Teaching, Learning and Assessment, Caron Montague – Clerk to the Corporation, Kylie White (Director of Human Resources)

### 1. Welcome and Apologies for Absence

Chair welcomed all members and introduced Vicky Ganley from EFSA who was attending in Stuart Parkes absence. Apologies for absence had been received in advance from Nick Barrett, Louise Ellis and Marc Hulbert and were accepted. The meeting was quorate.

### 2. Declarations of Financial and Non-Financial Interests

The Chair asked Members to declare any financial or non-financial interests, there were none.

### 3. Notification of Items of Any Other Business

No additional items of business were notified.

### 4. Merger with West Herts College. Update from first Merger Steering Group Meeting

The first Merger Steering Group (MSG) meeting took place on 28<sup>th</sup> August 2018. The group consists of five Governors from West Herts, three from Barnfield and both Principals. Jane Spurgin has been appointed as Project Manager for the merger; Jane is experienced in the merger process and will give a lot of transitional support to both colleges. Available financial streams have been accessed to help with merger costs.

The vesting date will be 1<sup>st</sup> February 2019. MSG will be advisory making decision recommendations for agreement by each Board. To allow for speed it was decided that decisions may be agreed via email to keep to the tight timetable. Harmonisation will continue after the vesting date with common platforms agreed. Students and stakeholders will be advised that Barnfield have as much to offer as West Herts. Both Colleges are committed to the merger and business as usual. Barnfield are expecting visits from both Ofsted and the FE Commissioner during the autumn term. The tight timetable will ensure focus for all parties involved.

Progress has been made during the summer with staff needing to note that structures may change and Barnfield must be very mindful of the forthcoming insolvency regulations, which could have a significant impact on the college if the merger were to fail. Barnfield staff have welcomed West Herts as the merger partner and are keen to make it work for Luton Learners.

### **Due Diligence**

Chris Nicholls enquired as to whether first stage Due Diligence risks have been evaluated and whether we were anticipating any significant issues to arise. Martin Sim explained that risks in the first stage were low as it was predominately legal and finance. There will be a combined business plan moving forward. Barnfield has already reduced staffing by £2.2m as part of balancing the budget work that has taken place. There could be a risk around this year's admission numbers and learner management. We did not deliver the AEB budget last year with probability of 97% being a moveable figure. West Herts did buy in into a plan of £5.5m debt which has been significantly reduced. Barnfield only has the one debt to ESFA, currently sitting at £0.6m with indications of rising by another £1m, still notably lower than expected. There was risk around operating performance; as part of our restructure, we created a defined structure with capacity to contribute to the merger process.

### **Apprenticeships**

The College is making process to get all apprenticeship business typed to West Herts as quickly as possible. There are some ILR concerns which are being balanced.

A senior member of staff from West Herts will be seconded to Barnfield to work with Lisa Milligan and the Apprenticeship Team. Both Colleges wish to keep support for Luton Learners with West Herts taking on all aspects of the programme, as Barnfield are no longer eligible to deliver.

### **Transitional Process**

A Senior Manager will be seconded from West Herts to assist on the transitional process. This will give understanding to a L1/L2 College, what works well at Barnfield and local culture.

Alex Bain-Stewart questioned whether there was a risk to Barnfield's assets. Martin Sim responded that Fusion RM are undertaking due diligence on West Herts on Barnfield's behalf and as part of this they will check that funds are in place for the merger with no reliance on estates to pay for current building works at West Herts. West Herts require a great depth of due diligence on Barnfield with KMPG responsible for finance, Pinset Mason legal and Lambert Smith Hampton estates.

West Herts have already commissioned a condition survey on Barnfield's estates enabling an informed decision of estate options. There is huge demographic growth planned for Luton and Barnfield needs to ensure it does not lose out to Central Bedfordshire College clawing back learners and reputation.

### **Governance**

Membership at West Herts is similar to the Board here at Barnfield. Wider discussions will take place as to Governance moving forward which will emerge during the merger process. In a Type B merger, it is customary to offer two or three places on the Board. West Herts do have some Governors who are due to retire. The Board will have the power to make decisions on what is best for its learners going forward.

Chris Nicholls asked what the public responsibilities were if Luton Learners were abandoned after merger and whether bodies such as the FE Commissioner, ESFA or LBC had any influence. Martin Sim responded that if there was a negative Ofsted inspection that would have significant influence. ESFA have no real influences with the FE Commissioner only if the College were to breach certain conditions. All indications are that West Herts would not want Barnfield to fail, as it would affect the whole group not just this College.

West Herts will have a new Chair of Governors, Phil Thompson, from 1<sup>st</sup> September 2018 who has been Chair at Oakfields College for a number of years. The need to integrate the different cultures and cohort is understood between both Colleges.

### **MSG Terms of Reference**

Clerk tabled a secondary version which included changes agreed at the MSG meeting. They have been agreed by all interested parties and based on AoC guidelines amended to reflect our merger.

All members present unanimously AGREED the tabled MSG Terms of Reference. Proposed by Alex Bain-Stewart and seconded by Peter Hill.

### **Public Consultation**

Clerk tabled a draft document, which was discussed in depth at the MSG. One area it was felt had not been included was Governance and how local stakeholders would be represented after merger. This had been highlighted at MSG with a request for inclusion in the next draft.

Members present undertook a detailed discussion regarding the consultation document with comments and minor changes suggested (see Appendix 1). Clerk to forward to Jane Spurgin as a matter of urgency. All comments will be collated with an updated draft circulated for agreement.

### **Action Point – Clerk as above.**

The Public Consultation will commence on 14<sup>th</sup> September 2018 for one month. Responses will be considered by MSG with a response to the consultation made available to the public via each College's website on 14<sup>th</sup> November 2018.

### **Resolve to Agree Electronic Communication**

All members present unanimously AGREED that due to the short time scale of recommendations to review agreements could be made through electronic communications would be co-ordinated by The Clerk.

## **5. Sub-contracting**

Sub-contracting papers tabled by Martin Sim. When Barnfield received its Notice to Improve in December 2017 funding conditions applied where contractors have to be approved; this was a recent change. Vicky Ganley has been very supportive and we are now applying regularised sub-contracting arrangements. Barnfield has undertaken what ought to have taken place which is technically due to circumstances and turmoil of recent months.

To fit ESFA guidance and to avoid repeating past issues the Board has approved subcontracting for £1.875m with papers now making us in line with updates. The subcontracting amount is less than last year, which gives challenge in the business plan with AEB being addressed. We are looking to subcontract through Luton Borough Council to third parties.

The Board is asked to:

- REVIEW the Policy document with tracked changes for ease of use.
- NOTE in particular Section 7, Fees and Charges – this is in line with the 2018-2019 budget approved by the Board and provided to the ESFA.
- APPROVE the Sub-contracting (supply chain) Fees and Charges Policy 2018-2019.

The Board is asked to note that it must approve and publish its sub-contracting Policy prior to entering into any subcontracting arrangements for 2018-2019. Our sub-contracting audit will be reviewed at the next Audit Committee meeting.

Chris Nicholls noted that top slicing undertakes 20%-30% whereas the policy directs 15%-20%. Martin Sim replied that the budget has been reduced and set at 20%. A percentage of the contract value is held back to address any discrepancies. It is not entered into ILR until evidence is complete. After discussion, it was AGREED that 100% should be withheld and to have this reflected in the policy. Sub-contractors payments are made based on delivery to ensure that it is real people and a real provision. It is not paid until all evidence documentation is received then it will go through ILR where invoice amounts are advised. This is standard practice.

Many of our sub-contracted learners live in Greater London which will become a devolved authority in 2019-2020. There will be no guarantees that Barnfield will be funded to continue with this work. The ESFA have advised us to cut 49% AEB (£2m) which equates to sub-contracting figures. This is timely, as this strategic action should not affect AEB core provision. The Executive Team are aware for planning and budgeting purposes.

The Fees and Charges Policy 2018-2019 was unanimously AGREED by those members present with Lisa Milligan to incorporate changes of 100% of payments withheld until evidence and clarity agreed.

**Action Point – Lisa Milligan as above.**

### **Any Other Business**

#### **Training**

Clerk reminded all members to complete outstanding training requests recently issued covering Safeguarding, Prevent and the new Keeping Children Safe in Education update.

#### **Governance after Merger**

Chair asked all members to consider whether they would wish to be considered for a place on the Board post-merger and advise The Clerk accordingly.

It was confirmed that Beth Taylor had implemented many changes for a smoother admissions process to ensure students are on the right courses and levels. The new Attendance Team are addressing changes with an effective disciplinary system in place giving more gravitas. Systems are simple and staff are ensuring they are leading from the front. High expectations are in place for staff to start classes on time setting the example for students. Admission numbers are steady with an anticipation that we will meet last year's numbers.

### **6. Date and Time of Next Meeting**

The next Meeting of the Board will take place on Tuesday 25<sup>th</sup> September 2018 at 6.30pm. The meeting closed at 13.29. Chair thanked members and staff for their work, patience and continuing support for Barnfield College and the learners of Luton.

**Signed:**



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**Peter Hill, Chair of the Board of Governors**

**02.10.18**

**Date:** \_\_\_\_\_

**Appendix 1**

General	No reference to governance which was felt should be included.
Page 3	Editing – delete inverted comma in front of West Herts College. Add a full stop to end of last para, ‘thank you for your interest.’ Foreword. Include photographs of both Chairs and Principals raising profile for Gill in the Luton community and adds warmth to document.
Page 4	Under priorities, add a new bullet point above ‘it will return Barnfield College....’ <ul style="list-style-type: none"> <li>• Students and learners</li> </ul>
Page 5	Editing – Capital C for commerce. Include the word ‘including’ after Barnfield College will engage with all stakeholders including: Delete new and include ‘enlarged’ in fifth bullet point ‘a new talent pool of teachers and specialists’. It sounds as if all staff are being replaced.
Page 6	Editing – add full stop to end of second paragraph, full-time employment.
Page 7	First paragraph is repeated, delete second one. Best opportunities in Luton add ‘and beyond’ or delete in ‘Luton’. It seems too limiting and that there would only be opportunities in Luton.
Page 8	1 <sup>st</sup> line, 1 <sup>st</sup> para. Barnfield College ‘will always be’ change to ‘will remain as’. 2 <sup>nd</sup> para. ‘With new opportunities for Barnfield College staff driving much of this forward’ delete ‘new’. More of what matters – courses and skills for local jobs delete ‘local jobs’ and replace with ‘employment’. It is not ambitious for the learners.
Page 9	To help with cohesion number the five campuses 1 to 5 to show integration and being part of a whole. Second paragraph to change as discussed at MSG. Campus is spelt with a capital C elsewhere in booklet it is spelt with a lower case c. All agreed map should be more inclusive as discussed at MSG.
Page 11	Consultation feedback published – move 15 November 2018 to one line.
Page 12	Editing – add full stop to end of last para.
Page 14	Question repeated in survey; it is different in original draft.
Page 15	Editing – add full stop to end of second paragraph.
Page 16	<a href="mailto:xxxx@barnfield.ac.uk">xxxx@barnfield.ac.uk</a> . Use <a href="mailto:executiveoffice@barnfield.ac.uk">executiveoffice@barnfield.ac.uk</a> . 01582 xxxxx. Use 01582 569569.