

Chair	Irfan Umarji
Corporation Members	Danny Ridgeway, Femi Olatidoye, Paul Jackson, Jamie Purser
In Attendance	Chief Finance & Operating Officer (CFOO): Judith Abbott Interim Chief People Officer: Carly Rosser-Mayo (CPO) Deputy Principal, Student Experience, Safeguarding and NewVlc Curriculum: James Gould (JG) Interim Deputy Principal, Quality & Newham Curriculum: Sara Woodward (SW)
Director of Governance	Judith Nelson

Item No	Item of business
PRELIMINARY PROCEDURAL MATTERS	
1.	Chair's Welcome & Opening Remarks The Chair welcomed and thanked all for their attendance.
2.	Apologies For Absence None
3.	Declaration of Interests None
4.	a. Minutes of the Last Meeting held on 20 November 2024 Approved. b. Matters Arising and Action Points from the Meeting All matters were covered during the meeting.
ITEMS FOR CHALLENGE, MONITORING & REVIEW	
5.	Financial Update: a. College Management Accounts Governors reviewed and noted the following pertinent points: <ul style="list-style-type: none"> The first full set of management accounts together with a full year forecast for the merged college. The accounts were for a full 12 months, with prior year comparators restated to include NewVlc, to monitor overall performance versus annual budgets. An adjustment will be made at year end for statutory accounting purposes, to remove the 3 months of NewVlc pre-merger outturn. YTD EBITDA surplus of £3.1m which is 10% of income; £1.1m better than YTD budget and £1.1m better than prior year. Operating income YTD is £31.1m, which is £1.8m better than budget and £3.7m better than prior year. Staff costs to date do not include any cost-of-living increase however – the AoC recommendation for the sector is 2.5% and the London Living Wage rate (to be implemented by April 2025) has increased by 5.3% to £13.85/hour. The College has offered a pay increase of 2.5% backdated to 1 November which was rejected by the unions. An updated offer of 3% back- dated to November 2024 has been accepted by UCU. The cash forecast is under review and governors will receive an accurate forecast at the March board meeting.

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6.	<ul style="list-style-type: none"> ▪ The Principal has written to the DfE account manager, with the request to receive the agreed 100% in year growth as agreed prior to merger. ▪ The financial risks and opportunities to the forecast currently show a weighted net opportunity of £499k. ▪ Cash balance at end January is £30.5m and 193 cash days, however this includes £5.5m that we believe was paid in error and there are various potential future claw-backs of circa £3.5m to be borne in mind. There are also extensive capital investment requirements, including circa £6m committed to A Block that will reduce the cash balance over the next 12 months. Cash flow implications are under review. <p>Noteworthy points and recommendations from Governors:</p> <ul style="list-style-type: none"> ▪ In relation to the agency costs and staff shortages, the people plan to include agreed objectives specific to recruitment needs. ▪ Cash forecast review needs to be reflected at the March Board, with a more accurate forecast, which will give governors confidence and assurance. <p>b. 2026 Budget Planning Benchmarks and Funding Allocations</p> <p>Governors reviewed and noted the budget planning benchmarks, which reflected the College's long-term targets for financial sustainability and, despite a post-merger dip in forecast outturn in 2025. The targets for 2026 have been established broadly in line with previous years, fully recognising the need to meet FE Commissioner targets possible.</p> <p>The College has not yet received its ESFA 16-19 allocation for 2025/26. The College is now in receipt of the ESFA toolkit.</p> <p>The DfE issued a statement in February that it expected most provider-level allocations for core 16-19 and adult funding will be issued by end-April 2025. It is reasonable to assume that the GLA final AEB allocation will be similarly delayed.</p> <p>c. 2026 Draft Budget</p> <p>Governors reviewed and noted the draft budget, which also included the capital works long list of potential projects.</p> <ul style="list-style-type: none"> ▪ Based on these assumptions, income is projected at £58.6 million, £2.5m, which is worse than the current year's forecast. ▪ The draft I&E budget will change as allocations are confirmed, the curriculum plans, and bottom-up budgets are developed. Executive colleagues have a clear indication of areas where cost savings will be required unless income assumptions change significantly, which can be planned for in the coming months. ▪ Income is below the £60 million target ▪ Staff costs are considerably above targeted <65% of adjusted income ▪ EBITDA at £870k and 2% of income is below target of 7% of income ▪ This generates a bottom-line deficit which is not desirable and does not meet target ▪ Financial Health has not yet been calculated since a rolling cash flow for the combined college is not yet available ▪ Borrowing will be well within target, however ▪ The Principal has written to the Corporate Education Borough at LBN on the direction of travel regarding the Pre-16 provision. ▪ It should be noted that Femi Olatidoye arrived at 16:20. <p>Noteworthy points and recommendations from Governors:</p> <p>To have a tracker of all merger costs and in terms of agreeing next year's budget, governors will need to have a ballpark figure prior to approving the budget.</p>

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7.	<p>People Update</p> <p>Governors were pleased to receive an overview of the progress made within the HR team, post-merger activities, which set out the key people challenges:</p> <ul style="list-style-type: none"> ▪ 440 respondents to the recent staff survey, resulting in NewVic scoring markedly lower than Newham, on most questions. ▪ iTrent scoping to start the implementation plan starts on 5 April, with our main provider Midland HR. ▪ The roll out of the new sickness absence policy has raised the standards and expectations. ▪ An interim HR Manager has been appointed to standardize and modernise the HR service. This role will be key to ensuring line managers receive the necessary development as new HR policies are introduced. ▪ To complement the leadership development initiatives, a review of Tiers 5 and 6 (including Curriculum Managers) is currently underway <p>Noteworthy points and recommendations from Governors for the next report is to include:</p> <ul style="list-style-type: none"> ▪ Agency costs as a percentage of the headcount ▪ EDI data ▪ Employee relations updates relating to cases at tribunal stage
8.	<p>College KPIs – Finance & Resources</p> <p>Governors reviewed the KPIs noting the finance targets have been revised to reflect the merged college financial position.</p>
9.	<p>Estates Capital Improvements Progress Update</p> <p>Governors reviewed the estates improvement position update noting the following pertinent points:</p> <ul style="list-style-type: none"> ▪ The demolition of old A (Y) Block has revealed the insulation below the concrete render of C Block, and in December 2024 TSL alerted that it appeared to consist of a flammable substance (polystyrene). Subsequent laboratory testing has confirmed that both the polystyrene and a layer of woodchip cement are flammable (i.e. they exceed the threshold for limited combustibility). This is a health and safety concern, and the concrete render and insulation below it therefore needs to be removed and replaced with non-flammable insulation and cladding. An application for planning permission to change this is in progress, which is expected to take 8 weeks to approval. ▪ The single glazing in the building is severely hindering their effectiveness and there have been mechanical failures in the pumps. While these have been addressed under warranty, a longer-term solution to improve the thermal retention of the building is urgently needed before next winter so the pumps are not overloaded. The old Crittall windows are a problem in their own right too, as they contribute to a dismal student experience since the rooms are all too cold in the winter (even before the ASHP's) and too hot in the summer; and some windows don't even shut properly, resulting in water ingress when it rains. ▪ The proposed capital budget for the year ahead included a provision of £150k for professional fees to progress the BUG building designs, engage with LBN and appoint professional advisors as required. <p>The Committee resolved to recommend the Stratford C Block cladding and window replacement – proposal to the March Corporation Board for Approval.</p>
10.	<p>Meeting Schedule for 2025-2026 @ 4:30pm via Microsoft Teams</p> <ul style="list-style-type: none"> ▪ 02 July 2025 ▪ 19 November 2025 ▪ 11 March 2026 ▪ 01 July 2026