

Minutes



Leading learning and skills

Date 27 September 2007
Subject London East Council
Location Boardroom
Time 09:30
LSC office London East
Publication intent Internal

Present Sandra Moore – Interim Chair
Mohamed Omer
Mike Pettifer
Kenny Frederick
Mick Connolly

LSC staff Sandy Cotton
Richard Livingstone
Malcolm Rodrigues
Nicole Francis
Karen Powell

Apologies Apologies have been received from:
Roger Tucker
Mark Elliott
Geoff Pine
Janet Bywater
Andy Johnson
Trevor Cook

Item 1. Matters Arising

1.1 Tower Hamlets and Newham – Joint Venture Company – Joanna Gaukroger

JK explained that the colleges have been working together for a number of years, but they are different and the company will make this a strength. They will work more with employers, be more responsive and offer specialist and

general areas. For example, the Skills for Jobs bid was led by Tower Hamlets but involves 3 others – if this was done by the company it would be easier. As they are both strong colleges, the current position does not warrant a merger. Alongside the JVC, they would look jointly at improving quality so that they can go for self-regulation status in due course and joint Quality Improvement Unit. They will also be able to bid more directly for employer funds. No Business Plan available yet. Will run with a Board of 4 on secondment or fixed term contract – this will consist of the Principals and Chairs of Governors.

Sandy Cotton then explained the educational case – they are responding to the employer-led and skills agenda, and would have greater access to funds and staffing expertise. There would be a written guarantee that students would not suffer if the company was wound up.

Finance case – the risks are low as there is minimal funding/resources going in, and both colleges are rated ‘A’ for financial health.

Property case – there are no property issues at this stage.

Recommendation – it was recommended that the Council approve this proposal.

Questions

MO asked why they intend to apply for charitable status – JG explained that they had been advised to do this by their legal advisers. KF asked what would happen if the Principals changed – JG said that the governing bodies have agreed that a commitment to the company would be important in selecting a new Principal. The governors have met already, and they would bring them together occasionally to look at the company. MC said that in his experience, federations can be messy and asked if anyone had any examples of successes? SM mentioned FE Sussex, which was set up by 5 colleges to compete with private providers. MP explained that colleges around the country will have to bid for competitive funding in future and work across areas to provide a better service – this is the first in London. JG stressed that both colleges would have to agree on things. MO queried who would manage the finances – JG said that it would be Tower Hamlets, but the company would have their own auditors. They would be intending to submit bids in the next round in November/December. RL asked if they would move all of their employer responsiveness over – JG said no, they would look at it and decide – likely to be WBL and Skills for Jobs.

SM asked if there were any objections to the proposal – MO said that he had no problems in principle, but he would prefer to see a Business Plan. The recommendation was therefore approved by all present.

Action: Business Plan to be circulated to all Council Members as soon as possible. SM to provide SC with contact details for FE Sussex. Ratification of decision to be sought from members not present, as meeting was not quorate.

1.2 Bexley, Greenwich and Lewisham – Merger Proposal – Malcolm Rodrigues

MR explained that the college Principals saw the benefits of working together – they met MP in September and the governing bodies commissioned a report from Freshminds. This outlined the benefits, including engaging more learners, offering a broader curriculum, spreading good practice and using capital strategically.

MP explained they all have capital proposals being drawn up and they must ensure that a future collaborative model is factored into their plans.

The three governing bodies met individually and agreed that they should progress to the next stage which would be to submit an Initial Outline Proposal. This would be submitted to the LSC who if the proposal was approved would be required to run the formal consultation process. The three colleges would then need to carry out due diligence exercises on each other and develop a collaborative full merger proposal for future consideration by the Council.

The LSC will consult with all of the statutory partners and any additional stakeholders agreed with the three colleges. The three colleges will manage communications with their staff and learners working closely with the LSC.

KF asked if there would be input from learners – MR replied that there was a student rep on each of the governing bodies and that Freshminds involved learners too in their original study – the curriculum offer was very important to them.

The new college would still have a local presence in each borough. A new Chair, Board of Governors and Principal will be appointed to head up the new institution. There are plans for other colleges to come on board later – following the University of Arts model.

MO said that they are all large colleges, and queried whether a merged unit would be difficult to manage. MP explained that it was college led – the LSC would fund the consultation and 50% of the feasibility and due diligence studies and the Council would need to make a judgement based upon the findings. At this stage Council members were asked to look at the merits of the educational case and decide whether or not they would support the three colleges taking the proposal further.

All agreed that it was worth exploring the next stage. This would create the biggest college in London, so it would be high profile and attract top Principals. RL said that Lewisham had grown considerably and had a track record of success. MP said that all three colleges are reasonably strong financially, which is unusual for a merger, which could help reduce the inherent risks with any major change process.

Action: All members present agreed to support the proposal however final ratification of the decision would not be possible until at least one additional council member agreed the proposal. The recommendation of the members present plus the

supporting information would be sent electronically for a decision from those council members absent.

Any feedback on consultation document to go to MP.

Item 2. Minutes of Last Meeting

- 2.1 SM reported that due to the delays to the FE Bill, it is still business as usual for Local Councils. This has also delayed recruitment to the Regional Boards – timing still not known.
- 2.2 LSEB – Regional meeting has been postponed until the end of October as they are awaiting the strategic document.
- 2.3 Annual Plan – this was ratified by all members who were not at previous meeting.
- 2.4 Allocations – went out in May, tendering for other funding. Now looking at 08/09 – Mark Haysom is carrying out provider roadshows in November. Expecting reduction in adult numbers and substantial increase in employer focused provision. MO asked if there was funding for capacity building – MP said that this was available for providers/WBL – this was working and they were starting to turn around.

Item 3. Chair's update

- 3.1 SM commended LSCLE on the way they have conducted business and produced improvements for learners. She will keep members informed during the state of flux, but information was not forthcoming at the moment.

Item 4. Mike Pettifer's update

- 4.1 MP advised that there are currently 7 vacancies at LSCLE, which are going to be filled. The 2 final Partnership Directors have been appointed and both accepted the roles despite the changes – Mohan Chana, Bexley, joins 1st November, Claire Weiss, Havering, joins 3rd December. Equality and Diversity – MP to look at Regional data and do a comparison pre and post Theme 7 – confident it has improved.

Action: MP to send Equality and Diversity information out with the Minutes.

- 4.2 The ESF Team will be integrated with the Partnership Teams – going through the process of moving staff over at present – have finished first consultation meetings . The majority of staff will transfer to broadly similar roles, some on an increased salary – there are vacancies regionally for local staff to consider also.
- 4.3 Machinery of Government Changes (MOG) – DfES was split into two in June. In January 2008 there will be consultation on the new structure with FE colleges, led by DIUS, but DCSF will have an interest too. DIUS are carrying out a review, which the LSC is part of – this is positive/encouraging and there will hopefully be opportunities for shared working/secondments. MO asked if

LSCLE would just be on two floors – MP confirmed this and explained that the floors were currently being refurbished – the offices were a special case as they are based in Stratford. MO also asked if LSCLE were on course to meet its targets – RL explained that for 06/07, this will be known in December.

Action: Performance against targets to be reported on at next meeting.

Item 5. Future Role of Council

5.1 It is business as usual at present, and meetings will still only be called when decisions need to be made. SM thanked the members for their continuing support – due to the proposed college merger, this is even more important at the moment. Capital decisions are being delegated to the Regional Councils from 1st November.

Date of next meeting: Mid February 2008 – KP to check availability and arrange.

Meeting chair	Sandra Moore
Minute taker	Karen Powell
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