

MORLEY COLLEGE LONDON

GOVERNING BODY

Minutes of a Meeting held at Morley College, 61 Westminster Bridge Road London SE1 7HT on Tuesday 19 March 2019 at 4.30 pm.

Present:

Dr Stuart Edwards, External Governor (Chair)
Mr Martin Bamford, Student Governor
Miss Justine Brian, External Governor
Mr Nic Durston, External Governor
Ms Heather Fry, External Governor
Dr Andrew Gower, Principal and Governor
Mr Luke Howson, Staff Governor
Dr Steve Ketteridge, External Governor
Mr Victor Olowe, External Governor
Ms Sara Robertson-Jonas, Staff Governor
Mr Mash Seriki, External Governor
Ms Heather Smith, External Governor
Dr Fiona Stephen, External Governor

In attendance:

Mr Kevin Jones, Director of Finance
Mr Marco Macchitella, Deputy Principal
Mr Nick Rampley, Vice-Principal
Mr Martin McNeill, Clerk to the Governing Body and Company Secretary

Absent:

Ms Pauline Egan, External Governor (Vice-chair)
Ms Marilyn McMenemy, External Governor

RESOLUTIONS

Subject to securing the required support of funders and strategic stakeholders and to subsequent full due diligence, to work towards a merger in which Kensington and Chelsea dissolves and transfers its staff, assets and liabilities to Morley College London, and to engage with the community throughout this process (Minute 7.5).

3. Overview of key documents and developments

3.1. The Board congratulated the Principal and SMT on preparing an excellent proposal which had set out very clearly the potential benefits to Kensington and Chelsea College (KCC) stakeholders of merger with Morley. The Board noted that the proposal had been submitted on 18 February alongside a stand-alone proposal commissioned by KCC, and had been accepted by the KCC Board following a recommendation from the Evaluation Panel chaired by the FE Commissioner.

3.2. The Chair said that he and the Principal had only been informed after the

delivery of 80 per cent of the planned curriculum (compared with the 85 per cent currently achieved at Waterloo).

- 4.3. - The Principal said that their importance was well understood by both the ESFA and the GLA; a key role for the implementation group envisaged in the email from the ESFA

extent they could be met. It would then be for the Morley Board to decide whether, over all, the conditions for a successful merger were likely to be satisfied.

- 4.4. Turning to the presentation to the Evaluation Panel (Item 4e), the Principal said that the Chair and he had emphasised two aspects of the proposal: the quality gains that Morley was confident could be delivered through the application of its successful Quality Enhancement Framework; and the three key risks of negative stakeholder reactions, a shortfall in recruitment and loss of staffing stability and expertise.

5. Information available subsequent to the evaluation event

- 5.1. Reviewing the letter of 7 March from the KCC Chair (Item 5a), governors welcomed the confirmation that the KCC Board had passed a resolution to adopt Morley as its preferred partner

5.5. It was agreed that the email from the ESFA (Item 5c) was helpful, but fell well short of giving the assurance that the Morley Board required. The Chair said that he had

met; while no commitment had been given, he believed that officials expected to be able to move forward within eight to ten weeks, and possibly sooner. He emphasised that KCC was being viewed within government as a special case, and there were no precedents to indicate what might be expected by when.

5.6. Noting that £70k of transition grant was still available to KCC and that the ESFA was encouraging KCC to work closely with Morley to decide how these funds might best be spent, governors asked the Principal to endeavour to ensure that some of the grant was used to fund the preparatory work outlined in Minute 3.3 above. It was understood that

5.7. The Board then considered a note of the points prepared by the Save Wornington College Campaign (SWC) following

Risk sharing and withdrawal options

- 5.17. The Board went on to explore the relationship between the risks being assumed by government agencies and those that would be borne by Morley if the Government would be putting at risk a significant volume of public funding. It followed that it would be keenly interested in the outcomes, and anxious to see the merged college thrive and deliver benefits, particularly for the people of North Kensington, where (the Board assumed) it would have a substantial long-term investment in the form of the (refurbished) Wornington Road building. .
- 5.18. It was therefore unsurprising that the ESFA and other agencies had scrutinised the financial projections closely, and it was encouraging that they appeared to be satisfied with what they had seen. Nevertheless, while this provided some assurance, governors recognised that the onus was on the Morley Board to get the numbers right, as it was Morley and not the Department for Education that would be taking over the assets and liabilities of KCC and committing to deliver a sustainable service at the Kensington and Chelsea centres.
- 5.19. In discussion, governors noted that the balance of risk was very different before and after merger. Up to the date of merger, Morley had some leverage and would be Board that if it were to become apparent at any stage prior to merger that Ask 8 the (see Item 4d) was likely to be unachievable, for example because of a significant deterioration position, that might be a reason to withdraw. Thereafter, however, Morley would be exposed to operational risks (such as under-recruitment or cost over-runs) that government would be reluctant to share.
- 5.20. It was essential, therefore, that the business case should be robust. In particular, it must include a full analysis of all the risks financial, operational and reputational associated with the North Kensington centre. While the proposal was for Morley to take on KCC as a whole, it might be necessary to consider other options even to the extent of withdrawing altogether from merger negotiations if unacceptable risks case showed the current projections to be unrealistic.

Stakeholder communications and engagement

- 5.21.

6. Transition arrangements

6.1. The Board approved the transition arrangements set out by the Principal, including

Committee, and noted the sequence of steps necessary for KCC to dissolve and merge. Asked if heads of terms would be agreed in writing, the Principal explained that the initial agreement between the two colleges would be by exchange of resolutions. Morley governors had the details of the KCC resolution (see Minute 5.1) and any resolution passed at this meeting would be conveyed as quickly as possible to the KCC Board.

6.2. It was agreed that the Morley Board should have a further opportunity to consider its merger decision at the end of Stage 2a, following further research and on receipt of clear commitments from KCC and funding bodies to meet would, however, be much that Morley would need to do before that point was reached, and the Principal was asked to press for some transition funding to be available, either out of the KCC allocation (see Minute 5.6 above) or as an advance of the transition funding to be paid to Morley at Stage 2b.

7. Resolution

7.1.

- 7.5. Governors then considered the wording of the draft resolution and agreed that it should contain a specific reference to community engagement. Following further discussion, the following amended resolution was passed without dissent:

Subject to securing the required support of funders and strategic stakeholders and to subsequent full due diligence, the Governing Body of Morley College London resolves to work towards a merger in which Kensington and Chelsea dissolves and transfers its staff, assets and liabilities to Morley College London. It further commits to engage with the community throughout this process.

- 7.6. It was agreed that this resolution should be included in a letter to be sent to the Chair of KCC within 24 hours. The remainder of the letter should be as set out in the draft presented (Item 7b), but with the inclusion of a paragraph expressing a positive view of the alternative, stand-alone proposal that had been considered by the KCC Board (see Minute 3.3 above). This additional paragraph should also make

community, as well as the need to consider the long-term sustainability of any proposals that might emerge.

8. Next steps

The Board agreed that, if possible, a joint statement should be issued on behalf of the governing bodies of Morley and KCC within 24 hours, referring to the decisions taken by the KCC Board on 4 March and the Morley Board today, and including an explicit reference to the impact of the Grenfell Tower tragedy on the North Kensington community. Further steps should be taken to set up the transition arrangements as set out in Item 6, subject to the availability of funding where required.

9. Appointment of Student Governor

- 9.1. The Chair invited the Student Governor present to remain in the room for this item, subject to his not taking part in any discussion.
- 9.2. The Board noted that, in the recent Student Governor election, Susan Lindsey had been returned unopposed. It was agreed that, subject to her completing a declaration of eligibility and to the Clerk undertaking the necessary checks, she be appointed to serve as a Student Governor until 30 November 2020.

10. Other business

None.

11. Date of next meeting

Confidential 5(1) notes 35 TmouJETBT1ting

SCHEDULE OF OUTSTANDING ACTIONS

Minute	Action	Responsible	By when	Progress
19 March 2019				
5.6/ 6.2	Seek early access to transition funding	Principal	ASAP	
7.6	Send amended letter to Chair of KCC, including resolution	Chair/ Clerk/ Principal	20 March 2019	
8.0	Issue joint statement with KCC	Chair/ Principal	20 March 2019	