

Minutes from the June 2022

Board of Directors (Governing Body) Meeting

Meeting subject: Regular Termly Meeting of the Governing Body

Meeting date: Tuesday 14th June 2022 4-6pm (in-College)

Date of previous meeting: 15th March 2022

Ex-officio members:	Invitations GAC members:
David Game – Principal & CEO (Chair)	Jill Bainton (GAC Chair)
John Dalton – Co-Principal	Lindsay Badenoch
Funda Kavi – Director of Marketing & Operations	James Eytley
Dr John Sanders – Director of Higher Education (Deputy Chair)	Philippe Herszaft
Mansour Kaveh – UFP Director	
<i>Clerk to the Board – Mark Pester</i>	

Agenda Items

1. Welcome and introduction from the Chair
2. Apologies for absence, confidentiality and quoracy
3. Review of minutes from previous meeting, matters arising and actions
4. **Main Business**
 - 4.1 Special report – update on mental health and safeguarding developments (JD)
 - 4.2 Special report – update on DGHE marketing campaign (AW)
 - 4.3 Report from the latest meeting of the College Leadership Group CLG (JD)
 - 4.4 Report from the Higher Education Academic Board (JS)
 - 4.5 Strategic Direction
 - 4.5.1 GCSE/A levels – Boarding, Liverpool and international marketing/recruitment updates and developments (FK/JD)
 - 4.5.2 UFP developments (MK)
 - 4.5.3 Higher Education update - DGHE Strategic Plan 2023-2028 (JS)
 - 4.6 Financial Viability and Sustainability
 - 4.6.1 Draft Accounts (Jan 2022) and comparative income summaries 2021 and 2022 (JS/PH)
 - 4.6.2 Liquidity days forecasts (JS/PH)
 - 4.6.3 Restructure of company loans (JS/DG)
 - 4.7 Operational Risks
 - 4.7.1 Ofsted inspection (JD)
 - 4.7.2 QAA review (JS)
 - 4.7.3 UKVI licence for HE students and VAT implications (JS)
 - 4.7.4 Institutional Risk Register (JD)
 - 4.7.5 IT Risk Register (JS)
 - 4.8 Governance
 - 4.8.1 Board member resignation (DG)
 - 4.8.2 Appointment of Non-Executive Director (JS)
 - 4.8.3 GAC annual governance review (JB)

- 4.9 Key Performance Indicators
- 4.10 Regulatory Compliance
 - 4.10.1 OfS 'Approved (Fee Cap)' registration criteria
- 5. Any other business
- 6. Date of next meeting

Minutes

1. Welcome and introduction from the Chair

DG offered the Chair to JS. JS introduced the Head of Marketing for DGHE, who had been asked by the Board to attend the first part of the meeting and make a presentation on developments in her area. JD would review safeguarding issues for the benefit of the Board. JS welcomed the team to the meeting and outlined the agenda.

2. Apologies for absence, confidentiality and quoracy

JS confirmed the meeting was quorate. Apologies for absence from Lindsay Badenoch.

3. Review of minutes from previous meeting, matters arising and actions

The minutes were reviewed. JS advised the Board that good progress had been made on the action points raised at the end of the last meeting. Further specific comment would be offered during the meeting for a number of key ongoing action points including the UKVI student visa license for DGHE, the appointment of a non-executive director, preparations for the boarding school inspection, and preparations for the QAA Quality and Standards Review.

The minutes were approved.

4. Main Business

4.1 Special report – update on mental health and safeguarding developments (JD)

JD summarised developments in this area for the Board. JB had been working closely with JD on this work. JD was preparing a new, consolidated safeguarding policy. This was ready and would be implemented in September. JD had introduced a new category of Low-Level Concerns that were specific to staff comments made in the course of work. A new policy was planned in connection with this and would be finalised at a later date. A software solution called My Concern was in place to support safeguarding at the college. JD discussed Prevent in the context of safeguarding in the context of recent experiences. A new safeguarding app had also been introduced to support the college with boarding, social media, and other key priorities. The college's Safer Recruitment policies had been updated and recruitment for key posts had gone well, including for additional Designated Safeguarding Leads (DSLs). Interaction on safeguarding issues with local government was ongoing. JB agreed in her capacity as an advisor that DGC was making all possible efforts on safeguarding.

JD discussed the appointment of a Mental Health Lead and the expansion of policies and structures around mental health to prepare for boarding. The new college nurse would likely also have a role in this area. Reporting on mental health would occur every quarter and this reporting would be presented to the Board of Directors.

4.2 Special report – update on DGHE marketing campaign (AW)

DGHE's Head of Marketing made a short presentation on DGHE's current efforts with recruitment and marketing activities. The HM discussed recent challenges with enrolment numbers in the context of Brexit and COVID disruption. Factors included an artificial increase in the 2020-21 intakes due to last minute Euro students and the popularity of online learning, which caused a bulge of

recruitment in 2020. Thereafter EU students could no longer apply for settled status and online learning was discontinued. Agents found our admission standards too high, and many competitors had lowered their standards for entry. JS and DGHE's leadership team were unwilling to compromise quality and admission standards in this way. These factors led to a reduction in student numbers. The HM also noted that there was fierce competition in all course areas except Public Services.

The HM advised the Board that the marketing department has grown substantially over the last year. Branding and the DGHE website had both been updated. SEO had significantly improved as a result and was currently 98%. A range of new content had been produced, and the student ambassador programme was created to promote the division further. DGHE was also attending exhibitions such as UCAS and was cooperating with DGC staff in this area. Preparations for international recruitment continued. Further efforts were being made on open days, online placements, and advertising. Google Ads provided the best conversion rate. Efforts on social media were also expanded, including TikTok and digital influencers. Email campaigns following up on leads continued for a year after exhibitions. Commissions supporting student word of mouth recruitment were further developed. Further efforts had been made to reach out to other schools and agents in DGC Group. A range of other measures were also discussed, including community outreach, which was important for the Access and Participation Plan. Events were also run to improve the student experience.

The HM discussed the progress on digital campaigns, including engaging an external agency to develop expertise at DGHE. Spend on digital had been increased. Traffic had considerably increased as a result, and quality was up. Performance tracking was working well.

The HM discussed the implication for admissions, as a large number of leads were generated but not closed. The entire admissions follow up process was under review so improvements could be made. Any friction could kill a lead. Further sales training was planned for the admissions team.

The HM also discussed DGHE's research and product development evaluating market trends. There was increased demand for online delivery of courses. The Public Services HND was the most popular because it was not offered by many competitors. Interest in the proposed new course on Health and Social Care Leadership and Management appeared strong. Prospects for international recruitment also appeared strong. Investigations were ongoing on post-graduate programmes including an MBA, fraud and cybercrime, and global health. Research was ongoing on further possible courses.

MK asked if the marketing department's expertise could be shared across the college. The HM discussed efforts in this area and JS agreed he would discuss this with MK to see where there were opportunities for further collaboration. MK also asked about performance targets set by DGHE for the marketing and admissions teams and the HM confirmed these were in place.

JS discussed the overall effort to move away from relying on agents for leads. He stressed that this was an ongoing effort, particularly on branding. He noted that the application cycle for younger students was considerably longer than that for adult students, so time would be needed to see results. FK and the HM discussed the expanded range of potential students being considered.

4.3 Report from the latest meeting of the College Leadership Group CLG (JD)

JD noted that the CLG meeting had been delayed until after the inspection date on the 27th of June, a critical date for the boarding project. The minutes for the last CLG meeting would be circulated shortly after the BoD meeting.

4.4 Report from the Higher Education Academic Board (JS)

JS reported on the DGHE Academic Board's latest meeting and highlighted the range of staff and student representatives present at the AB. This broad range of voice was important to ensure that academic standards were maintained and that students enjoyed a quality learning experience. JS stressed that increased scholarly research activity was a key priority, with particular significance for any future application for degree awarding powers. Online learning resource provision was also discussed, along with the establishment of a working group to promote these. JS also advised the Board that a professional development day had been introduced at DGHE, and marking guidelines had been adjusted to consider students with specific learning difficulties.

4.5 Strategic Direction

JS stated that the strategic direction agenda for the College could be split into 3 sections each relating to one of the departments, namely GCSE/A levels, the UFP department and its higher education provision (DGHE) and invited each department lead to make a short presentation on updates and recent developments.

4.5.1 Boarding School developments (FK/JD)

FK discussed marketing efforts for the boarding school, with many important events being held over the next few months. Students were shopping offers of discounts between institutions and some competitors were accepting international students from year 10 to their A-level programme. DGC was not willing to pursue this option as it would involve diluting the curriculum. FK and MK discussed the role of discounts further.

The BoD as a whole discussed the problem of some universities diluting standards for recruitment and putting students in situations where they would likely fail. JS noted that the level of competition across FE and HE was very high and many competitors were cutting corners. JS discussed this in the context of friction points for recruitment. This had implications across the DGC group. JS suggested this issue be discussed further between DGC and UFP admissions and marketing at a later date. The ongoing efforts in international marketing and recruitment were also discussed.

4.5.2 UFP developments (MK)

MK discussed ongoing efforts franchising the UFP course in various markets. The franchise in Bangladesh had to close as a result of local political restrictions, though this might be revisited if the political environment changed. MK had major difficulties with a lack of reporting from the franchise in Dubai. MK noted efforts on franchises in Chinese universities, including major names, which was very promising. However, there was considerable disruption as a result of COVID. Parents also requested for the programme to lead into Hong Kong University, but this was very challenging to deliver. Other new markets were also being considered. Promising efforts were being made in Vietnam. The franchise in Korea was not progressing, as the school involved was focused on their A-level course. JS and MK discussed a range of students who progressed from UFP to UK HE. MK confirmed that 110 students were with UFP in London, and 43 students were franchised internationally. There were opportunities for further growth. MK noted that an important webinar on medicine was occurring on the 30th of June. This would be delivered alongside a new HE partner institution and addressed a key market for UFP following the loss of UFP's previous partner in this subject.

4.5.3 Higher Education update - DGHE Strategic Plan 2023-2028 (JS)

JS highlighted the DGHE Strategic Plan, which he had circulated for the group. Key priorities included introducing more full undergraduate degree courses and more differentiated courses that provided a unique offering. Validations for postgraduate degrees and international recruitment was needed.

The student body needed to be diversified. The goal was to be ready to apply for degree awarding power after five years. JS would need to plan the implementation of these goals and structural shifts including more full-time academic staff, more scholarly activity, and evidence of success at delivering full degrees as well as sound academic governance.

JS also outlined necessary changes to DGHE practice in order to prepare for a Degree Awarding Powers application:

1. Increased use of FT staff rather than freelance/PT
2. Increased research and scholarly activity
3. Demonstrable track record of delivering full degrees and post-graduate courses
4. Evidence robust academic governance structures

The BoD approved the DGHE Strategic Plan.

JS suggested the formal creation of a strategic plan for DGC as a whole. The role of other London institutions in the DGC group were discussed, and it was agreed that these should be included in the strategic plan. JD noted that the use of space in the college building could cause increasing friction between departments as they grew, and careful planning would be needed to address this.

4.6 Financial Viability and Sustainability

4.6.1 Draft Accounts (Jan 2022) and comparative income summaries 2021 and 2022 (JS/PH)

JS noted a slight increase in turnover since 2021 across a range of departments, with the exception of DGHE. On the whole the business was healthy and growing, as PH confirmed. PH advised the Board that the accounts would be audited soon and PH would be available to discuss these in the beginning of July. The Board agreed to meet and discuss the audited accounts.

4.6.2 Liquidity days forecasts (JS/PH)

JS referred the Board to the liquidity days calculated he had circulated. He noted that as of 31.01.2022 the liquidity days were calculated as well above the OfS target.

4.6.3 Restructure of company loans (JS/DG)

JS reminded the Board that they had discussed the possibility of moving the variable rate repayment loan with Barclays from a variable rate to a fixed rate in the past, but this had not been pursued at the time. JS advised the Board that a fixed rate loan would now be considerably more expensive given the interest rate environment, so the opportunity had largely passed to secure a cheap fixed rate. JS asked the Board whether it was worth securing a fixed rate for part or all of the loan over the next four years. This was discussed by the Directors, and in response to questions JS confirmed that one option was to fix half of the loan. After careful consideration, the Directors voted to fix half of the loan.

4.7 Operational Risks

4.7.1 Ofsted inspection (JD)

JD discussed the position of DGC on the Ofsted inspection of the Boarding facilities. JB confirmed that expert advice had been taken and the college was in a strong position. JD agreed that DGC's position was strong on paper and there was every hope of success. The Board discussed the consequences of failure and grounds for appeal by making improvements to policies. College leadership was very confident of success but had contingency plans in the event of any difficulties.

4.7.2 QAA review (JS)

JS noted that good progress had been made on the self-evaluation document for the QAA review, which had been drafted by the HoC with contributions from both academic and professional teams plus the critical eye of an external consultant. The SED was on track to be submitted by the July deadline and prep for the September review visit was going well. A mock panel would occur on 15.06.2022 to prepare staff for likely lines of questioning.

JS anticipated success in the review process but DGHE was not complacent and staff were working hard to prepare.

4.7.3 UKVI licence for HE students and VAT implications (JS)

JS updated the board on efforts in this area. JS referred members to the circulated correspondence with solicitors and the UKVI and was pleased to report that it had been confirmed that DGC would be able to issue CAS for HE courses. There was a technical process to go through to achieve this but it was secure and importantly international students would have work rights when issued a visa – which had been a concern. The amendment might cause a gap in the ability to issue CAS for GCSE/A levels, though in theory the change should be seamless. As international recruitment would not begin until 2023, there was no urgency in this area, so JS proposed to wait until after the start of the new academic year to modify the license. This would reduce the risk, however small, of something going wrong. FK suggested waiting until February 2023 and JS agreed this would be possible.

There was also a question on whether the amendment had implications for DGC's VAT-exempt status. Solicitors had been consulted on the question of the VAT exemption, but had yet to reply. FK asked if DGHE could be placed under a different company. JS agreed that if VAT was an issue, DGC could consider this solution, but he suggested that this should not be done prematurely. It was agreed to keep the issue under review pending further advice from solicitors.

4.7.4 Institutional Risk Register (JD)

JS advised the Board that efforts in this area built on previous risk assessments at the departmental level. JS highlighted a range of risks that should be on the agenda for the Board of Directors, including strategic planning, financial management, as well as IT and data security.

JS requested suggestions for further risks to be considered by the Board. JD suggested reputational risk was a priority for the Board. It was agreed that these 4 risk categories would come under BoD ownership.

4.7.5 IT Risk Register (JS)

JS highlighted the creation of an IT risk analysis. The DGC IT lead had created this after consultations with the DGHE Operations Manager. The DGHE Operations Manager had further requested probabilities and an impact assessment for each risk, as well as costing for risk mitigation measures. Work on this was ongoing. When complete, budget approval would be required to put in place the various risk mitigation measures. JS suggested this be revisited at the next Board meeting.

4.8 Governance

4.8.1 Board member resignation (DG)

JS confirmed that NP had resigned from the Board and DGC to pursue other opportunities. After discussion on whether to appoint a replacement, the Board agreed to continue with the existing five executive directors.

4.8.2 Appointment of Non-Executive Director (JS)

JS reminded members of previous discussions about the appointment of a non-executive director in order to meet OfS conditions of Fee Cap registration. He had interviewed 4 candidates and one in particular stood out. JS had circulated her CV to the Board and he highlighted her relevant background. JS discussed the role of NED with the other Directors. JB was in favour of the candidate, who made a positive impression on her and had good ideas. JS also endorsed her and discussed the importance of a NED appointment in the context of DGHE's strategic goals. JD seconded the proposal. The Board agreed to appoint the candidate as a NED. JS planned to introduce the candidate to PH, who would take care of the necessary process and documentation to confirm her in the NED role.

JD and JB discussed appointments made in safeguarding roles.

4.8.3 GAC annual governance review (JB)

JB updated the Board on the GAC review. JB conveyed LB's regret that she had only limited opportunities to provide her expertise on the boarding proposal. JS discussed this point further and noted that the Board of Directors was largely a reporting activity, which made it difficult to engage in discussion at length. JS solicited feedback on how to change this dynamic. JD suggested a more regular opportunity for the GAC members to meet with Directors before the official meeting, as this would provide a chance for the GAC to provide further feedback and advice. JS suggested putting reporting exercises in paper before meetings, but JD said he still saw value in reporting during the board meeting itself. The Board discussed how more feedback could be taken at the Board meeting. The role of the CLG was discussed, and JD noted that in the BoD meeting decisions were actively discussed rather than presented as fait accompli. JS agreed that the Board would further discuss how to get the most value from feedback and discussions at their meetings.

4.9 Key Performance Indicators

No additional discussion was offered on this point at this time.

4.10 Regulatory Compliance

4.10.1 OfS 'Approved (Fee Cap)' registration criteria

JS stated that the additional OfS requirements for fee cap registration were well advanced on being met, namely:

1. Successful QAA review
2. Appointment of NED
3. Demonstrable track record of governance with regularity, propriety and value for money

The governing body ensured that there are adequate and effective arrangements in place to ensure public funds are managed appropriately. JS confirmed that this role was already being fulfilled by the Board, but he advised that it could feature as a more prominent agenda item at the next meeting.

5. Any other business

JD discussed the current status of negotiations on rent with the landlords. DG provided further context on the negotiations. JD suggested writing to the Board of the landlords and this step was agreed.

JS raised the issue of difficulties recruiting for new staff for DGHE. Part of the problem was the lack of a strong benefits package, which made recruitment challenging and retention a concern. JS would circulate proposals to the Board for expanded benefits for HE staff at the college. JS suggested a range of possible benefits:

1. Increase employer pension contributions
2. Death in service insurance
3. Medical insurance
4. Bike/ride to work scheme
5. Travel loan – i.e. an interest free season ticket loan
6. Increased holidays for admin staff

JS requested further suggestions for possible benefits. JB suggested childcare vouchers and JS agreed to investigate this further. JB also suggested target-related pay.

JS would circulate proposals for feedback and approval from the Board in due course.

6. Date of next meeting

October 2022

BoD Meeting Actions/ Matters Arising (from 14/06/22)

Action Point	Deadline	Person Responsible
Prepare reporting on mental health for the next BoD meeting	31/8/22	John Dalton
Circulate minutes for the CLG meeting	31/7/22	John Dalton
Hold interdepartmental discussion on current issues in marketing and recruitment	30/9/22	Funda Kavi Mansour Kaveh
Complete a strategic plan encompassing the DGC group	30/9/22	Dr John Sanders John Dalton
Meet to discuss audited accounts	15/7/22	Executive Directors
Arrange restructuring of Barclays loan	30/9/22	Dr John Sanders
Obtain further legal advice on implications of UKVI license for VAT-exempt status	30/9/22	Dr John Sanders
Circulate proposed new DGHE benefits package for approval	31/7/22	Dr John Sanders