

Minutes from the May 2024 Board of Directors (Governing Body) Meeting

Meeting subject: Regular Termly Meeting of the Governing Body

Meeting date: Tuesday 21st May 2024 17:00 – 19:00

Note: attendance by Zoom also permitted only where notice has been given in advance. (link to follow)

Date of previous meeting: 20th February 2024

Room: A203

Ex-officio members:	Invitations GAC members:
David Game – Principal & CEO	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 (Meeting Chair)	Philippe Herszaft
Mansour Kaveh – UFP Director	Bill Brown
Marie Clark – Non-Executive Director	
<i>Remi Ferguson - Clerk to the Board of Directors</i>	

Agenda Items:

1. Welcome and introduction from the Chair
2. Apologies for absence, confidentiality and quoracy
 - 2.1 Conflicts of Interest
3. Review of minutes from previous meeting, matters arising and actions
- 4. Main Business**
 - 4.1 Report from the latest meeting of the College Leadership Group CLG (JD)
 - 4.2 Report from the School Academic Board (JD)
 - 4.3 Report from the HE Academic Board (JS)
 - 4.4 Strategic plans and direction
 - 4.4.1 Boarding School developments (FK/JD)
 - 4.4.2 DGC Liverpool update (JD)
 - 4.4.3 New AI School Proposal (DG/JD)
 - 4.4.4 UFP developments (MK)
 - 4.4.5 Marketing updates (FK)
 - 4.4.6 Higher Education update (JS)
 - 4.5 Financial Viability and Sustainability
 - 4.5.1 Management Accounts & Liquidity days forecasts (PH/JS)
 - 4.5.2 Loan covenants (JS)
 - 4.5.3 Profit centre analysis, costs review and cash-flow forecasting (JS)
 - 4.5.4 Historical debt from Educom and recovery measures (JS)
 - 4.6 Operational Risks and Mitigation
 - 4.6.1 Safeguarding (JD)
 - 4.6.2 Risk & Issues (JD)
 - 4.6.3 Prevent (JD)
 - 4.6.4 ICT – audit (gap analysis) and external support (JS)

- 4.6.5 DGHE Risk Register (JS)
- 4.7 Governance
 - 4.7.1 Periodic Review of Governance Framework (JS)
 - 4.7.2 Register of Members and appointment terms
- 5. Any other business
 - 5.1 Management Accountant Vacancy
 - 5.2 Quality Cycle 2024/25
- 6. Date of next meeting – August 2024

Minutes

1. Welcome and introduction from the Chair

The Chair has welcomed all those present and has called the meeting to order in the usual fashion. The meeting commenced at 17:25.

2. Apologies for absence, confidentiality and quoracy

Apologies received from MC. The time difference between the UK and New Zealand is not workable for this meeting. MC has confirmed that all efforts will be made to attend the next one. All other directors and GAC members were in attendance. PH joined the meeting via Zoom. The Chair has deemed the meeting quorate.

2.1 Conflicts of Interest

No conflicts of interest were declared before the meeting commenced. All those present were reminded that if a conflict of interest was to arise, they should refrain from discussing the agenda item and should make a declaration to the Clerk prior to the agenda item discussion commencing.

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

The Chair has reviewed the actions in the previous minutes and the action plan has been updated accordingly.

The meeting have agreed that the minutes of the previous meeting are a true and accurate record and have been approved accordingly. Redacted minutes of the February 2024 meeting will be compiled and circulated via email for approval.

The Chair has shared, in brief, the results of the governance review conducted in April 2024. The review further evidences that a good governance framework is in place and most recommendations have been actioned. There is a continuing action point relating to student engagement at Board meetings, which needs to be given more consideration. The governance framework has been mapped against the IHE code of governance as the Board felt it was more suitable than other HE frameworks. Overall, it was a positive report. JS will update the governance framework in line with the recommendations. JB has raised the point that the BoD met three times last year and is only track to meet three times again this year. The Chair has asked if the Board and GAC would be willing to meet three times a year instead of four and if the Board would commit to holding monthly meetings to implement actions and review institutional operations. The Board discussed the proposal and its effect on the

overall governance of the institution. MK has asked if we can distinguished between the termly and monthly meeting. The Chair has stated that the monthly meeting is to discuss live projects and the termly meeting is to report and discuss wider cross-organisational issues.

Motion: Reduce the number of yearly BoD/GAC meetings from four to three (remove the summer meeting and meet in October, February and May) and implement monthly BoD meetings.

Vote: All members voted in favour, no members voted against and there were no abstentions. The motion carries unopposed and takes effect immediately.

4. Main Business

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

JD has reported that the CLG have not met since the last BoD meeting but smaller informal meetings have taken place to ensure all college matters are addressed. JD has asked if he can discuss matters around the colleges secondary student capacity in place of this item. The chair has approved. JD has said that the College is near the 380 mandated student capacity. JD has asked GAC what happens if we exceed the number? BB has responded by saying that if the College think they might exceed the number then we should apply for a material change. JD thinks that we should apply for an upper limit of 420 . BB has said the College have to be able to demonstrate that it can meet the needs of the increased number of students which includes Safeguarding provision, SMSC, classes, staffing etc. BB also explained that the material change will likely trigger an inspection. BB has asked if we are near the 380 capacity. FK has responded by stating that we are one or two students off the upper limit. BB has suggested that we submit the application for material change as soon as possible. BB also states that it will take at least 20 days for Ofsted to consider the request. BB has also mentioned that an inspectorate will look at the admissions register to confirm the numbers of students and if they exceed the upper limit at any point during the year. The Chair has proposed that JD put together the application ASAP with the assistance of BB and LB as required. The Board have agreed this action point.

4.2 Report from the School Academic Board (JD)

Paper C. refers to this agenda item. This paper was circulated in advance and it has been accepted by the Board. JD has highlighted that the Academic Board and Academic Monitoring Committee have agreed to introduce a new GCSE (Global Citizenship).

JD has shared details on the proposed AI project. JD has shared that the project will commence in September 2024. A room in the sub-basement has been identified as suitable. JD has expressed concern that the AI project will bring in about 20 students, returning to the issue around capacity. Three Learning Coaches will be employed to supervise the group and a SEN TA will be employed for three days a week to support them. LB has asked why we are targeting SEN students as potential enrolees. JD has clarified that we aren't 'targeting' them however it's highly likely that this provision could be attractive to them. DG has

highlighted that if students don't take to the programme then they can transfer into conventional education. The Chair has asked how much needs to be invested to get the project off the ground. DG has said that it still needs to be worked out however, considering technological investment, staffing etc. it could be in the region of £200,000.00. The Chair has asked what the proposed tuition fee is. JD has said that the course fee could be approximately £25,000.00. A full announcement is yet to be made but it is foreseen that this could be the future of education delivery. LB has asked how it will be promoted. JD has said that media press releases should be effective. The Chair has asked if marketing materials could be shared more widely prior to their release. JD has agreed to this.

4.3 Report from the HE Academic Board (JS)

Paper D. refers to this agenda item. This paper was circulated in advance and it has been accepted by the Board. The Chair has highlighted that there is an ongoing IT project to enhance the e-learning provision and online content in all courses in DGHE. A Digital Learning Technologist was employed a few months ago but the project is too large for them to handle alone so a part time fixed term appointment will be made to assist them and the project as a whole. There were comments in paper D. about student results which has shown massive improvements in recent years. Continuation, completion and progression thresholds have been reviewed and discussed by the board. The Chair has shared that on the thresholds, we exceed on continuation, are slightly below on completion, and slightly below on progression however in other KPI's we are meeting the expectations. The Board appreciate the transparency being shown.

4.4 Strategic plans and direction

4.4.1 Boarding School developments (FK/JD)

FK has reported an increase in the capacity of boarding with 120 beds procured for September 2024. 18+ student accommodation will be moved to Urbanest City above the boarding house. 50 beds will be made available for 18+. Despite being located in the same building they will be completely separate from boarding with a separate entrance.

FK also reports that an additional House Parent is needed for September 2024 and that this role is currently being advertised.

FK was pleased to report an increase in marketing recruitment activity. FK reports that enquires are up by 35%, agent applications are up by 40%, direct applications are up by 80%. FK mentioned that foundation applications are low but we expect them to increase nearer to A-Level and GCSE results day. FK concluded her report by sharing that currently over half the available beds for September 2024 are occupied.

4.4.2 DGC Liverpool update (JD)

JD was pleased to share that capacity for LILA has gone up to 35 students. The Board hope to reach this number by January 2025 which would then prompt LILA Management to us to ask for an increase in capacity. JB has asked if FK can explain how LILA works in practice. FK has given a comprehensive update on the LILA operations and how they work with the

DGC structure. The Board heard that the agreement implemented at the start of the venture is no longer fit for purpose and a new agreement around shareholding and ownership is being worked out. An update will be given at the next meeting of the Board.

4.4.3 New AI School Proposal (DG/JD)

This point was discussed under a previous agenda item.

4.4.4 UFP developments (MK)

MK has reported that he is in negotiations with academic centres in Manchester and China. The negotiations revolve around running the foundation programme as a franchised partner which includes the art and design provision. DG has asked if the school in China is a Designated Friendship School (DFS)? MK has said that the centre that he is currently in talks with is not a DFS. The Chair has if MK was still going to run the Art and Design pathway in London owing to the last conversation around discontinuing it in-house. The Board questioned how credible it would be to discontinue Art and Design in UFP London which is the 'headquarters' but then offer it in other centres. The Board have discussed sending the Head of Art and Design Foundation to China to run the Art and Design programme. The Chair has said that if the UFP discontinue Art, then JS would be willing to take part in an internal franchise in light of the DGHE Art School closing next year. The Board agreed to keep this under consideration.

MK was pleased to share that the franchise agreement for Vietnam (referred to as UFP Hanoi) has been signed. The Board also heard that two schools in Morocco have approached MK about running the foundation programme there. This will continue to be explored and the Board can expect an update at the next meeting.

MK reported that a progression agreement with University of Nicosia has been signed. MK has shared that the University have expressed frustration that we haven't sent any students to them yet but MK is pushing students to apply to their medical programmes. The University carry very strong associations such as membership of AMSE, RCSE, RCGP, EUPHA, AMEE and others.

MK has shared that UKCN have withdrawn from offering the foundation programme in China. The Chair has asked, if UKCN are no longer running the foundation programme, could GS then run it instead? MK was not warm to this idea. The Chair has asked what targets MK hopes to achieve in terms of the number of centres established around the world, number of global students etc. MK has shared rough figures but will return to the Board with a draft business plan. The Board have encouraged MK to recruit the appropriate infrastructure to cope with the increased logistics burden. MK is looking for someone to effectively coordinate international affairs. FK has asked if we could charge a lump sum upfront for franchise projects. MK has

explained the fee model adopted for franchised agreements and has confirmed that a non-refundable start up fee is charged once all parties sign the licence agreement.

MK has shared that all student university offers are nearly in for this academic intake. MK has shared that 20 offers have been given by Kings College London, 10 from the University of Manchester, 7 from the University of Edinburgh, 3 from University of Bristol, and offers 43 from the University of Leeds (28 of which are for UFP China). MK was also pleased to share progress has been made with the Saudi Government and relations with the Saudi Arabia Cultural Bureau have improved. The Minister of Education for Saudi Arabia was in the UK and some of the students had an audience with him. MK has reported that the Deputy Director of the SACB has written to the Saudi Arabian Government to improve access to the course. The Board were pleased to receive this report with thanks given to MK and his team. DG and FK has shared that Iraqi government representatives from the ministry of education are expected next week. The visit will include key note speeches, lunch and tours.

4.4.5 Marketing updates (FK)

This point was discussed under a previous agenda item.

4.4.6 Higher Education update (JS)

The Chair has shared that the Art and Design school has two remaining cohorts of students due to finish their studies in February 2025. The students are officially being taught out. In its place, DGHE are instituting the 'School of Digital and Creative Technologies'. This will include a HND in Digital Technology with the option to specialise in AI and cyber security. The Chair reported that DGHE could possibly include Web Design in its offering in January 2025. The Board discussed resource needs and investment requirements and heard that the IT Manager ZA has confirmed that current resources are fit for purpose. The Chair states that DGHE will continue explore franchise opportunities to procure top up degrees in related fields.

The Chair was pleased to report that the current student numbers are 546 with over 50% on business courses, 36% on public services courses and health. The Chair has shared that there approximately 40 students doing resits. This leads to a total of approximately 580 active students. The Chair also reports that the May 2024 intake of students was good with 82 new students joining across the HE provision. The Chair explained that September 2023 was positive in terms of recruitment but January 24 fell short of the same success. Post Graduate courses are still currently under development and will go to the accrediting universities for initial approval on 6th June this year. The Chair has said that its DGHE's hope that they are validated in December 2024 with a prospective launch date in September 2025. The Chair also mentioned that a policing course was in the pipeline but it was discontinued by PEARSON.

The Chair has reminded the meeting that DGHE still need to sort out a licence to recruit international students. The Chair reports that a dialogue has been opened with our legal advisors and that multiple reminders have been sent to them chasing updates. The Chair shared an email that was circulated to the Board on a few occasions relating to the advice received from the legal advisors. It states that policies and procedures will need to be in place for when the students arrive and that an inspection is likely to follow. JD has reminded the Board that he is responsible for anything do with UKVI and the College policies for maintaining compliance with our sponsor responsibilities. JD will share the relevant policies with the Chair for review and adaption. The Chair has shared the HE Risk Register with those present. The Board have expressed thanks to the Chair for the comprehensive report.

4.5 Financial Viability and Sustainability

4.5.1 Management Accounts & Liquidity days forecasts (PH/JS)

Paper E and E1 refer to this agenda item. This paper was circulated in advance and it has been accepted by the Board. The Chair mentioned that the accounts were published in January 2025 and has asked PH to surmise the statement. PH thanked the Chair and explained that there has been a significant upturn compared to the last quarter. PH reported that the liquidity days have improved and Barclays are satisfied with our financial position. PH explained that Glazers are now in the process of doing the statutory audit and that they are awaiting final figures however, they shouldn't be significantly different from the management accounts. PH has recommended that, once the accounts have been produced, the directors review them forthwith. The Chair and Board thanked PH for his summary. The Chair has raised some questions around the liquidity days and PH has clarified the college position to the satisfaction of the Board.

The Chair has also mentioned the need to appoint a Management Accountant. PH agrees and has said that the growth of the company and trajectory of the company including the compliance needs have outgrown the current accounting service provision. The Board have heard that an FD or MA would meet their commercial needs and broadly agree to support the appointment of such a person.

The Chair has asked if there any questions regarding this. FK states that she has no questions and supports the idea. MK has asked if we can have at least two candidates to compare to which the Board agrees.

The Chair has mentioned that within our governance framework, there are two sub committees: risk & audit and finance. The Chair has recommend that these two sub committees are constituted as separate (whereas currently they are assumed by the Board) and are chaired by himself or the new FD/MA.

Motion: Constitute the Risk & Audit and Finance Sub-committees as separate to the Board, Chaired by JS or the new FD/MA.

Vote: All members voted in favour, no members voted against and there were no abstentions. The motion carries unopposed and takes effect immediately.

FK has asked if The Board were willing to meet Martin to review the nominal accounts. PH will make arrangements with FK.

The Chair has thanked PH for his service and advice and duly concluded the report.

4.5.2 Loan covenants (JS)

This item was not covered in the meeting and will be tabled for discussion at the next Board meeting.

4.5.3 Profit centre analysis, costs review and cash-flow forecasting (JS)

This item was not covered in the meeting and will be tabled for discussion at the next Board meeting.

4.5.4 Historical debt from Educom and recovery measures (JS)

The Chair has asked the Board about the historical debt incurred by Educom. MK has reported that Educom has been engaging with the UFP Bookkeeper regarding its historical debts. PH has suggested that the auditors go through the accounts and extract the figure that is owing by Educom, then Educom is approached with the figure and are asked to account for it. The Board agree to this course of action and have tasked PH with sourcing the figures. MK reports that Educom have collected fees but have not passed them onto the College. The Chair has raised concerns around the length of time that the debt continues to be outstanding. The Chair has asked the Board to proactively support MK in recovering the debt.

LB retired from the meeting at this point (18:48) owing to travel needs. The Chair and Board thanked LB for her participation and wished her safe travels.

4.6 Operational Risks and Mitigation

4.6.1 Safeguarding (JD)

JD has confirmed that a Safeguarding report has been compiled. All other areas of the Safeguarding provision have been reviewed and have been returned as 'complimentary'. The Board would like to record their thanks to the exemplary Safeguarding team for their tireless work supporting and protecting vulnerable students.

4.6.2 Risk & Issues (JD)

JD has shared that risk assessments continue to be generated as and when risks arise and are reviewed accordingly.

4.6.3 Prevent (JD)

JD holds the role of Prevent Officer for DGC and its constituent departments and reports that several systems have been reviewed to ensure that the College can enact a lockdown system. A telephone notification system was reviewed but it was extremely expensive. JD has asked the board to seriously consider what arrangements could be made to implement a successful lockdown system. The Board have discussed a number of options and were wondering whether this was necessary if the College installed turnstiles/barriers at access and egress points. JD explained that a lockdown system would still be needed even if barriers were installed.

MK retired from the meeting at this point (18:58) owing to care responsibilities. The Chair and the remaining members of the board expressed thanks and gratitude for his participation.

The Chair has asked what arrangements are in place at Albemarle College and if he could share good practice with DGC. JE has shared that Albemarle College has one entrance and the front office staff would alert the rest of the building to any issues that arose.

The Board agree to continue to review the College Lockdown provision and options to secure the entrances and implement controlled access measures. JE has encouraged the Board to consider either a tannoy system or mobile push notifications. The Board have tasked JD with reinvestigating the prices of the mobile phone lockdown system with the hopes of getting the price down.

4.6.4 ICT – audit (gap analysis) and external support (JS)

The Chair has shared that this matter is still a work in progress and that feedback will be shared outside of this morning.

4.6.5 DGHE Risk Register (JS)

This item was not covered in the meeting and will be tabled for discussion at the next Board meeting.

4.7 Governance

4.7.1 Periodic Review of Governance Framework (JS)

Paper G and G1 refer to this agenda item. This paper was circulated in advance and it has been accepted by the Board.

4.7.2 Register of Members (RoM) and appointment terms

The Clerk explained that the appointment terms for GAC members has not been constituted in the governance framework and has recommended that their appointment terms are aligned to that of a non-executive director.

Motion: Appoint GAC members on a three-year term with a maximum of 3 terms.

Vote: All remaining members voted in favour, no members voted against and there were no abstentions. The motion carries unopposed and takes effect immediately.

An updated ROM will be circulated in due course.

5. Any other business

5.1 Management Accountant Vacancy

This point was discussed under a previous agenda item.

5.2 Quality Cycle 2024/25

The Clerk has circulated dates of the upcoming academic year and has asked all Board and GAC members to give consideration to potential meeting dates.

6. Date of next meeting – August 2024

As per agenda item 3. the Board will move to three meetings a year on a termly basis with monthly BoD meetings taking place to action day to day operational issues. Thus the August 2024 meeting of the Board of Directors will not take place.

The meeting was closed at 19:14 with thanks given to all member in attendance.