

# South Staffordshire College



## **BOARD OF GOVERNORS** **Minutes of the virtual meeting held on 7 May 2021** **9.00am to 12.00pm**

### **PRESENT:**

Steve Burgin (Chair)	) External Governors
Tim Legge	)
Andrew Elsby-Smith	)
David Isteed	)
Philip Atkins	)
Helen Simpson	)
Mike Rowley <i>Governor departed following minute 479</i>	)
Claire Boliver	)
Nicki Truman	Chief Executive & Principal (CEP)
Steve Oliver	Staff Governor (Business Support)
Adam Stamps	Staff Governor (Teaching)
Katy Buxton <i>Governor departed following minute 479</i>	Student Governor
(Attendance 80%)	

### ***In attendance:***

Kirk Hookham	Deputy Chief Executive
John Snow	Deputy Principal - Finance & Resources
Kim Vaughan	Assistant Principal – Learner Services
Karen Turley	Assistant Principal – Quality
Karen O'Reilly	Assistant Principal – HR
Chris Ashforth <i>Present under minute 427 to 429 only</i>	Head of Estates
Miranda Hughes	Clerk to the Corporation

## **PART 1**

### **APOLOGIES FOR ABSENCE**

425 Apologies were received from Andrea Chilton, Tony McGovern and Phil Tapp.

### **DECLARATION OF INTERESTS**

426 Helen Simpson declared an interest in the matter referred to under minute 464-466.

### **ESTATES PRESENTATION**

427 The Head of Estates provided an overview of the Estates Department, with specific emphasis upon areas of responsibility, its impact over a 24-month period and its objectives for the future.

428 A question was raised related to the main challenge that the Department faced, which was in turn reported to be related to financial constraints. However, to ensure that such limitations were managed, governors were advised that a heavy focus was placed upon the prioritisation and management of its resources which ensured its priorities and objectives were nevertheless achieved.

429 On behalf of the Board, the Chair congratulated the Head of Estates for a) an informative presentation and b) his department's contribution to the College in the provision of a safe operational environment for staff and students. The CEP echoed these comments and commended the Head of Estates for his leadership skills and his team's performance.

## **SAFEGUARDING & PREVENT**

430 As part of the Board's oversight in this vital area, the Assistant Principal for Learner Services/Designated Safeguarding Lead (DSL), together with the Link Governor for Safeguarding, provided an update on safeguarding matters following the submission of the Term One Safeguarding Report presented at the March meeting (*minute 369-371 refers*). The increased measures put into place to engage, maintain regular contact with and support learners as the country continued its journey on the roadmap out of lockdown were also shared, which included the additional support to fulfil statutory duties for the College's Looked After Children.

431 With regard to the subject of mental health, the Link Governor for Safeguarding reiterated the importance of the College being a warm environment where learners felt cared for and listened to. With this in mind, he went on to share that, from the Learner Voice meetings he attended during the course of the academic year, students unanimously reported that they felt safe within their learning environment and that the visible presence of senior management gave them extra confidence when on campus.

## **HEALTH & SAFETY**

432 The Deputy Principal – Finance & Resources updated the Board on Health & Safety matters (*also referred to under minute 461*), with particular regard to the wider re-opening of the College from 8 March. No incidents were reported.

433 As part of the Board's oversight of this important area, governors received confirmation that the College's internal auditor had undertaken an assurance review of Health & Safety during March 2021, which resulted in an assessment of 'Reasonable Assurance' with one 'routine', one 'operational' and six 'important' recommendations. The leadership team agreed with the recommendations and associated timescales, which had been reviewed by the Audit Committee at length in advance of the meeting and subsequently shared with the Board. As part of the work of the Audit Committee, progress against the implementation of audit recommendations would be regularly reviewed and monitored.

## **CYBERSECURITY**

434 The Board received a report on cybersecurity from the Deputy Principal, reviewed in advance of the meeting by the Audit Committee. It was confirmed that whilst the College had suffered some short downtimes due to cyber security issues, it had not suffered any losses of data or financial losses. Particular attention was drawn to the following:

- The education sector had been subject to a number of attacks following the Christmas break.
- A significant amount of work had been undertaken to ensure the College was robustly protected against cyber attacks, and as such, the Board received detail related to:
  - continuous staff training regimes;
  - the manner in which both software and hardware was handled, examined and updated;
  - progress on the consolidation, removal and updates of College systems;
  - the launch of a new College website; and
  - the standardisation of two-factor authentication on Office 365 systems.
- At the time of the meeting, the College was in receipt of the Cyber Essentials standard and worked towards the Cyber Essentials+ standard. Within the next two years, it was reported that the College intended to achieve ISO27001: the international standard that covered the management of information security.

435 The Deputy Principal was thanked for the update and confirmation was received that a further update would be provided subsequent meetings of the Audit Committee and Board.

## **COLLEGE REOPENING UPDATE**

436 The Deputy Chief Executive updated the Board with regard to COVID-19 impact, in light of the January 2021 national lockdown, which covered the period from the 2 March Board meeting to 7 May. The following information was highlighted:

- In line with government guidance, both staff and students returned to College from 8 March.
- Students had returned mostly via bubbled timetables, with many face-to-face sessions also being delivered via live stream.

- A College-wide lateral flow rapid testing programme, which included on site testing facilities at each campus for the first two weeks from 8 March, had ended; with one positive case reported out of a total of 2,756 tests administered.
- Lateral flow home testing kits were confirmed to have been issued for all staff and students across all sites for twice-weekly testing with further kits available for collection.
- At the time of the meeting, six positive cases had been reported following the reopening of the College from 8 March, of which eight members of staff and 60 learners were required to self-isolate.
- At the time of the meeting, confirmation was received that there were no active positive COVID-19 cases in College.
- All government COVID-safe requirements for educational settings issued at the time of the meeting had been adhered to, along with the safety measures detailed within the regularly updated COVID Risk Assessment.
- Regular communications continued to be issued to staff, which included reminders regarding the need to self-test and report results to both the NHS and College.
- Shielding for Clinically Extremely Vulnerable staff had ended and therefore all staff had returned to work, with flexible working supported.
- All students had returned and were in attendance at College, with the exception of landbased learners, who were following their bubbled timetable due to accommodating synoptic assessments. Confirmation was also received that veterinary nursing and teacher education learners also continued via largely remote delivery to meet students' needs.

437 **Resolved** that COVID-19 reporting be detailed within the Principals Report moving forward.

438 On behalf of the Board, the Chair congratulated all College staff in the successful navigation of the College through the health pandemic.

## COLLEGE VISION 2025

439 The CEP and Deputy Chief Executive updated the Board with regard to the work undertaken to develop and refine the College Vision 2025 following the reviews undertaken at the Board of Governors' Strategy Event held in November and Board meetings held in December and March. The following information was presented for comment/review, following the comments made at the last board, along with confirmation that the College KPIs would also be aligned in order to measure progress against the updated objectives:

- Vision:
  - A first choice college
- Purpose:
  - Transforming people's lives
- Strategic Objectives:
  - Performance – *Inspire our learners to develop high quality skills leading to sustainable careers; driven by excellent teaching and business.*
  - Participation – *Be the first choice college by meeting the needs of local and regional priorities.*
  - Prosperity – *Remain a financially robust, sustainable and resilient organisation that can continue to develop and invest in its facilities, infrastructure and workforce.*
  - Provision – *Deliver demand led, well sequenced, high quality vocational, technical and professional skills in collaboration with others that lead to sustainable careers and employment.*
  - People – *High staff engagement through reward and recognition, development and health and wellbeing interventions.*
- Values:
  - Supportive
  - Transparent
  - Ambitious
  - Respectful
  - Sustainable

440 Following a review of the document, governors made the following observations:

- Whilst the Board was pleased to see that, following previous feedback, the updated document both reflected and gave recognition to the individual identities of each of the College campuses, further articulation of why each College nevertheless operated under the wider SSC umbrella was required.
- Further articulation of the concept of cultivation of employability skills to be laced throughout the document.

441 **Resolved** that, subject to the amendments referred to under minute 440, the College Vision 2025 progress to the next stage for review at the June Strategy Event, in preparation for approval at the July Board meeting.

## PRINCIPAL'S REPORT

442 The Board received the Principal's Report which was intended to enable the CEP to highlight key developments with reference to each of the College's strategic objectives and to report on key strategic issues affecting the College. Particular attention was drawn to the following areas:

### Increase participation

- The College funded allocation for 16-18-year-olds for 2020-21 was reported to be 2261, against a budgeted number in the Financial Plan of 2323. At the time of writing the report, enrolments stood at 2525, which was significantly up on allocation and budgeted plan. As such, the CEP reported that 16-18 ESFA growth funding has been paid in year to the approximate value of an additional £692k.
- The CEP stated that Adult Education Budget (AEB) performance had tracked below allocation since the November lockdown and had struggled to gain momentum in early 2021. Confirmation was received that the 2020-21 ESFA AEB tolerance threshold had been reduced from 97% to 90%. Despite the decrease, the threshold was nevertheless reported to be high given the proportion of learning that had been completed in light of government COVID-19 restrictions in the 2020-21 academic year.
- Since the time of writing the report, the CEP advised that the gap between the worst-case predicted ESFA AEB funding position stood at between 82-84%, which equated to approximately £120k-£200k of financial exposure, should the ESFA threshold remain a 90%. The CEP stated that MPs had been written to in relation to the issue and the Secretary of State informed regarding the potential impact to the sector.
- It was reported that the tolerance threshold for WMCA AEB was, at the time of the meeting unknown, however confirmation had been received that thresholds would be determined on a college-by-college basis. The College was in regular communication with the Combined Authority, who would undertake a review of each provider separately before any decisions were made.
- Detail related to the ways in which the College had worked to minimise clawback was shared and confirmation was received that the performance of both contracts would be closely monitored to ensure that financial risk was minimised.
- The target for Apprenticeship income had been reduced in the College's most recent financial forecast from £2.35m to £1.85m, which was reported to be in line with the sector following the economic downturn owing to COVID-19. At the time of writing the report, the CEP reported that the College was in receipt of £1.56m of funding and anticipated achieving its revised forecast target.
- At the time of the meeting, applications and offers were reported to be up when compared to the same point in the previous academic year, with specific emphasis on the Cannock site. Keep Warm activities were also shared.
- The number of withdrawals had decreased by 25.7% when compared to the same point in the previous academic year.

443 With regard to ESFA in-year growth funding, a governor asked if the additional £692k fully covered the costs associated with the additional students. Given that the total cost related to the additional students equated to approximately £1.2m, confirmation was received that this was not the case. Despite this and due to the lagged funding methodology, the CEP stated that the College would be in full receipt of the total funding in 2021-22, however further growth could be expected.

444 Further detail relating to what the College had done differently to reduce the withdrawal rate was requested and confirmation was received that the College had switched to telephone interviews due to the COVID-19 pandemic which in turn served as a more regular means of contacting potential learners when compared to the previous requirement of physical interviews. The Assistant Principal – Learner Services advised that the new method would be used going forward, with opportunities to view the sites at physical

open days when government restrictions permitted. Confirmation was also received that the College had also implemented a new Learner at Risk procedure, which included a variety of actions to prevent withdrawals, including staff intervention, which had also improved withdrawal data.

445 The impact of the work to reduce withdrawals was noted and all staff involved were congratulated.

*Current priorities for this objective:*

- *Recruit adults to new programmes to ensure the funding target is achieved*
- *Recruit 16-18-year-old students early for 2021-22 intake*

### **Deliver outstanding teaching, learning and business services**

*(Reported on under Teaching, Learning & Assessment)*

*Current priorities for this objective:*

- *To support staff with implementing the new TAG process*
- *To support Curriculum Managers with qualification adaptations*
- *To close down teaching, learning and assessment action plans; conduct learning walks on any staff who have not received one and review processes for 2021-22*
- *To closely monitor learner attendance and engagement in ASPIRE meetings and set actions*
- *To reinforce the new Quality Monitoring and Improvement process for 2020-21, focusing on the new ABC standards procedure and our learners at risk procedure*
- *Develop enrichment opportunities further for learners*
- *Deliver the migration training programme for Microsoft Teams*
- *Support quality improvement in apprenticeship provision*
- *Review QIPs for end of term two*

### **Deliver excellence**

*(Reported on Quality Improvement Action Plan)*

*Current priorities for this objective:*

- *To continue to monitor attendance and retention*
- *To continue to monitor learner progression and achievement.*
- *To plan for learners to return to campus from 19 April onwards to engage with and complete practical assessments*
- *To complete curriculum timetabling to quantify staffing requirements*
- *To monitor recruitment to adult programmes during the summer term to maximise AEB funding achievement*

### **Develop a highly engaged and skilled workforce**

446 The work undertaken to drive forward improvements within HR was observed and the team were congratulated for their progress.

*Current priorities for this objective:*

- *To continue to chase lecturers' contracts and will be starting the distribution of the Business Support Contracts.*
- *The project implementation plan for the new system needs to be worked up with MHR to prepare the data to move into the new system*
- *To complete and run training sessions for managers on managing performance*
- *To submit Armed Forces Silver Covenant Award by the end of April 2021*

### **Achieve financial stability and improve efficiency**

*(Reported on under Management Accounts to 31 March 2021 and Budget Assumptions for 2021-22)*

*Current priorities for this objective:*

- Cash levels at over £2.67m at March month end, which is the month end with the lowest forecast cash balances.
- Strong 16-18 recruitment which supports growth in 16-18 income in 2021/22. Currently the College has 2,497 enrolments against an internal target of 2,697 (-7.4%) and against an allocation of 2,261 (+10.4%).
- Higher education and Adult Learner Loan recruitment are particularly strong and have already exceeded budgeted total. The Adult Learner Loan allocation increased by the ESFA to cope with demand.
- Agency staff costs increased due to the costs of running the COVID testing centres in March 2021. The total cost of running the centres was £42,000.
- The College was able to submit grant requests in line with the expectations of SSLEP and GBSLEP for the Digital Hub and Motion Capture projects respectively. The total of the claims was £454k.
- Some of the income areas which were showing adverse variances are beginning to improve. Commercial income is a good example, where income has remained steady and more activity is forecast in the summer term (specifically the opening of the Visitor Centre and a number of equine events).

### Other updates

447 The Principal's Report also detailed a number of other important updates, related to capital investment, the Tamworth estate and college catch up funding for remote education. Confirmation was also received that the College anticipated the first annual ESFA strategic conversation from the summer term and that DfE had announced the appointment of Shelagh Legrave as FE commissioner, with Frances Wadsworth as interim whilst Shelagh served her notice period as CEO of Chichester College Group.

448 The CEP also shared detail related to collaborative working with other colleges within the region, with an aim to secure funding from both the College Collaboration Fund (CCF) and UK Community Renewal Fund. The Board fully endorsed this approach and the commitment to working with partner colleges throughout the whole programme of work, should the bids be successful.

### KPIs

449 The updated KPIs report for 2020-21 was presented, which comprised of both dashboard screenshots and national average data. The Deputy Chief Executive drew attention to the following areas:

- The percentage of total Adult Education Budget, inclusive of WMCA, stood at 86% and therefore below the period profiled target due to the impact of COVID-19 and the January 2021 national lockdown (*also referred to under minute 442 and 475*).
- As per the March Board, total Apprenticeship Funding and Non-Levy funding stood below the period profiled targets which were confirmed to be largely as a result of the impact of COVID-19 restrictions and as such, the College remained hopeful of improvement in this area following an ease of government restrictions.

450 With regard to assessor staff utilisation under Strategic Objective four, a question was asked as to whether individual assessor caseloads had been reviewed and addressed as part of the remedial work with the apprenticeship team (*minute 457 also refers*). Confirmation was received that a review had been undertaken and, at the time of the meeting, caseloads were being addressed.

451 The Board noted that the College would not be in receipt of monthly funding beyond planned end dates until apprentices within this category achieved. Further detail regarding the number of learners past their planned was shared along with confirmation that a remediation plan in place to support this (*minute 457 also refers*).

### LEARNER INVOLVEMENT

452 The Assistant Principal – Quality provided an update on Learner Involvement, reviewed in advance of the meeting by the Quality Improvement Group. The following information was highlighted:

- As a direct result of learner feedback, the College launched a programme of enrichment on Wednesday afternoons previously entitled Supporting Social Isolation and rebranded The Social Sessions; delivered by progression coaches. Governors were advised that the College anticipated

moving a number of sessions to a face-to-face environment, once government restrictions had eased, which included a trip to Drayton Manor Theme Park towards in the summer term.

- Since the time of writing the report, the Learner On-Programme Survey had gone live and the Apprenticeship Survey had closed. Findings from both surveys would be presented at the next meetings of both the Quality Improvement Group and Board.
- The Assistant Principal reported that whilst four questions from the Part Time Learner Survey were reported to have fallen below national benchmarks, all key satisfaction areas were equal to or above external benchmarks.

453 A governor present at the most recent Learner Voice session at Rodbaston confirmed that the meeting was positive and that it was clear that the College had taken action to address feedback shared at the previous meetings. As such, all staff involved were congratulated for the work undertaken to support the student experience at the College.

### **QUALITY IMPROVEMENT ACTION PLAN (QIP)**

454 The updated 2020-21 QIP was received and confirmation received that the headline information had been shared with the Quality Improvement Group in advance of the meeting. The following points were highlighted:

- Attendance and engagement was reported to be 91.5% (1.5% above KPI) at the end of March: 2.4% above the attendance rate when compared with the same point in the previous academic year.
- Retention stood at 93.5% in March 2021: an improvement of 1% when compared to March 2020 data. The Assistant Principal confirmed that the College remained focused on this area which ensured that support was provided to learners who required it, via the Learner At Risk procedure.
- Teaching, Learning and Assessment (TLA) was reported to be good with 89% of sessions meeting or exceeding College expectations, of which 12.5% exceeded (*also referred to under minute 456*).
- SSA3 continued to make good progress, with good attendance above College KPI and in excess of 90% of learners on track.
- Since the time of writing the report, confirmation was received that Landex had undertaken an external validation review of landbased provision, the findings of which were reported to be positive, which included confirmation that significant progress had been made within the area and that the quality of education was found to be good. Confirmation was received that the review covered a four-day period and in excess of 20 learning walks and meetings with all management and teaching staff within the area. Further detail to be shared at the next meeting of the Quality Improvement Group.
- English and maths continued to make positive improvements but remained an area for continued development.
- Apprenticeship provision remained an area of focus for improvement (*minute 457 also refers*).

### **TEACHING, LEARNING & ASSESSMENT (TLA)**

456 A report on TLA was received, reviewed in advance of the meeting by the Quality Improvement Group. Particular attention was drawn to the following:

- A total of 204 learning walks had been completed, which consisted of 73 face-to-face, 108 remote and 23 with a mixture both.
- Using a 'no prior notice' method, 89% of learning walks that focused on the learner progress standard were judged as good or better.
- Three members of staff remained in the re-observation process from 2019-20 and the reasoning for this was shared.
- A total of 34 probation observations have been completed since September, on 30 members of staff.
- A successful CPD Day took place in January which focused on using Microsoft Teams as a Digital Learning Environment (DLE).
- Since the time of writing the report, confirmation was received that a subsequent CPD day was held on 4 May which was focused upon bespoke training for each team, focused upon the development of technical skills.
- The focus for term three related to a review of the use of Proobserve for 2021-22, to close down TLA action plans, the completion of remaining learning walks and a review of processes in preparation for the 2021-22 academic year.

## QUALITY OF APPRENTICESHIPS PROVISION

457 The Board received an update related the quality of apprenticeships provision, reviewed in advance of the meeting by the Quality Improvement Group. Attention was drawn to the following:

- An interim appointment had been made, for the position of Director of Apprenticeships.
- Individual Assessor Review Boards had taken place, led by the Head of Quality Improvement with actions set and followed up.
- Team Programme Review Boards were reported to be in progress and led by the Interim Director of Employer Engagement.
- A robust review of all apprenticeship records had been undertaken, and a sharp focus remained on the quality of reviews and targets set, which incorporated a review of Functional Skills planning and a continuation of monitoring apprentices with both Out of Funding (OOF) and Off Track statuses.
- Good progress had been made with forward planned sessions and overdue reviews:
  - Planned sessions: A reduction from 431 apprentices without a forward planned review in January to 49 in March.
  - Overdue reviews: A reduction from 138 at the last update in February to 15 in March; which in turn had resulted in 98% of reviews completed.
- During the month of April, the Quality team had focused upon Internal Quality Assurance training, which encompassed the production of individual training needs analysis for every member of the Apprenticeships team, with business managers also offering weekly short themed CPD slots, which included both quality and compliance sessions.
- Moving forward it was reported that a review all functional skills processes would be undertaken.
- Following the completion of individual training needs analysis, internal quality assurance refresher training would be undertaken for all staff and individual digital CPD plans were to be created.

## MINUTES

### Board

458 **Resolved** that the minutes of the meeting held on 2 March 2021 be approved as a true and accurate record.

### Action Grid

459 The Board reviewed the action grid, noting the one item closed and the progress report on the one remaining action still in progress.

### Written Resolution

460 The Clerk reminded governors of the approval of a Written Resolution, passed on 29 March 2021 in regard the authorisation of a number of payments over £75,000.

### Audit Committee

461 The Committee Chair reported in detail the business considered at the Audit Committee meeting held on 31 March 2021. The following matters were highlighted:

- Neither auditor had any issues to raise with the Committee in private.
- It was resolved that the Board be recommended to approve the Business Continuity Policy
- The findings of the assurance review of Health & Safety resulted in an assessment of 'Reasonable Assurance' with one 'routine', one 'operational' and six 'important' recommendations which led to full and robust discussions which included the dates by which recommendations would be completed.
- The College Internal Audit Action Grid was reviewed, where there had been specific focus upon the remediation plan following the externally commissioned mock review of learner numbers. Funding and covenant risks were also scrutinised.
- A review of the College corporate and COVID-19 risk registers and associated action plans had taken place whereby the Committee resolved that the Corporate Risk Register be updated prior to the May Board meeting to reflect increased financial risk following the Government announcements related to the Adult Education Budget (AEB) tolerance threshold.

- The Committee received an update on potential risk related to covenant compliance where it was confirmed that further review in advance of the May Board meeting would be undertaken following the outcome of both the Apprenticeships records' review exercise and the ESFA AEB tolerance threshold announcement.
- It was resolved that the Board be recommended to approve the re-appointment of the Internal Auditor for a further year.

462 The appropriate timeframe by which the tender of internal audit services should be undertaken was discussed and confirmation was received that, unless specific concerns had been raised in relation to the quality of service, it would be appropriate to retender at the end of their contract. The benefits and associated efficiencies related to the same firm carrying out two cycles of the internal audit programme of work was also raised.

463 **Resolved** that TIAA be re-appointed as the Internal Auditor for a further year.

## **EXTERNAL AUDIT TENDER**

464 The Board received a report which detailed the proposed updated process by which the College were to appoint the College External Auditor, recommended for approval by the Audit Committee in advance of the Board meeting. The Deputy Principal advised that the tender process had been delayed due to the protracted approval process of the 2019-20 accounts, combined with issues raised by the third lockdown. Confirmation was also received that, since the December meeting, the Crescent Purchasing Consortium (CPC), had adopted new regional frameworks for the procurement of external audit services and as such, only the West Midlands participants were detailed within the updated document.

465 The Deputy Principal advised that the firm KPMG had declared that they had withdrawn from the process which in turn ruled out a conflict of interest previously raised with the governor, Helen Simpson.

466 **Resolved** that the changes to the external audit tender process appointment process be approved.

## **Finance Improvement Group**

467 The minutes of meetings held on 1 April 2021 were received. The Chair of the Group reported that the major areas of focus centred upon 2021-22 budget assumptions, covenant compliance, AEB and apprenticeships income and capital projects, all of which were confirmed were to be covered throughout the course of the Board meeting.

## **Quality Improvement Group**

468 The Chair of the Quality Recovery Group presented the minutes following the last meeting held on 21 April 2021 and commented that many of the points discussed during the Board meeting had previously been covered at length at the latest meeting of the task group (illustrated within the minutes), where the quality of apprenticeship provision remained an area of sharp focus. Attention was also drawn to an update received related to the requirements in place for awarding grades and qualifications in the summer term following the release of awarding body guidance, known as Teacher Assessed Grades (TAGs).

469 Feedback following virtual governor classroom visits to student groups, which was reported to have been very positive. As such, the Chair of the group confirmed that, given the positive findings, the Group had raised a question regarding whether the groups of students had been hand selected. The leadership team assured governors that student groups had been selected at random.

470 The Chair thanked those governors who had participated in virtual classroom visits for their valuable feedback.

## **Governance & Search Committee**

471 The Chair of the Governance & Search Committee reported on the business that had taken place at its last meeting, held on 6 May 2021 in which four new governors were recommended for appointment in order to fill the identified gaps from within the Board's existing skills mix. Details of the candidates were shared with the Board.

472 A comprehensive induction would be arranged for all new appointees collectively where it was suggested that this be open for any other governors who wished to attend.

**473 Resolved**

- 1 that the number of governors be increased to 17 by the addition of one governor in the external category of membership.
- 2 that Dipal Patel and Gail Steptoe-Warren be appointed as governors in the external category for a four-year term of office from 1 June 2021.
- 3 that Hannah Montgomery be appointed a governor in the external category for a four-year term of office from 1 October 2021.
- 4 that Yvonne Bradshaw be appointed a governor in the external category for a four-year term of office from 1 November 2021.
- 5 that appointments be made as follows:
  - Dipal Patel – Audit Committee
  - Gail Steptoe-Warren – Quality Improvement Group
  - Hannah Montgomery – Special Interest in Careers and Employability
  - Yvonne Bradshaw – Quality Improvement Group
- 6 that Hannah Montgomery and Yvonne Bradshaw be invited to be ‘in attendance’ at Board meetings prior to the start of their term of office to support their governor development at the College.
- 7 that a programme licence be purchased to enable governors to benefit from learning and development materials offered by the Education & Training Foundation Governance Development Programme, run by Foundation Online Learning.

474 The following matters were also highlighted:

- It was resolved that the Board be recommended to approve the following documents:
  - Governor Recruitment, Appointment & Succession Planning Policy
  - Amendment to Article 5.1
  - Amendments to the standing orders
- Colin Horwath, Audit Committee co-opted non-governor, intended to step down from his responsibilities at the College effective from the end of the 2020-21 academic year. The role description of the co-opted non-governor was reviewed by the Committee who agreed that the advertisement would be publicised with Governors for Schools, Women on Boards and Indeed; in addition to the College website, social media channels, LinkedIn and Inspiring FE Governance.
- The Clerk’s notice of resignation had been accepted and as such, her last working day at the College would fall on 16 July 2021. The Committee reviewed an updated job description for the role which was reflective of the sector and had due regard to the AoC model job description.
- It was resolved that the Board be recommended to approve timetable of meetings for 2021-22.
- An updated version of the AoCs Code of Good Governance was in consultation phase. Amendments included a greater alignment to the Skills for Jobs White Paper, sustainability and EDI with further details shared in due course.

**MANAGEMENT ACCOUNTS TO 31 MARCH 2021**

475 The Board received the management accounts to 31 March 2021. The operating position detailed within the document presented showed a surplus position of £73k against a forecasted profiled deficit of £143k. The following information was highlighted:

- the presentation of the management accounts had been updated to report against the College’s most recent financial reforecast, on a month-by-month basis, inclusive of associated variance.
- Cash levels stood at over £2.67m at March month end: the month with the lowest forecast cash balances.
- Key Performance Indicators were reported to be largely on track despite increased staff costs, which had been attributed largely due to the costs of running the COVID testing centres in March 2021.

- A number of income areas which were previously showing adverse variances, such as Commercial income, were reported to be beginning to improve with further improvements anticipated in the summer term as government restrictions eased.
- The College was reported to be in line to achieve the covenant requirements of its lending banks, however the risk of AEB funding clawback (*minute 442 and 449 also refers*) along with risk related to the debt servicing covenant for Yorkshire Bank could put some of the measures at risk. Confirmation was received that the College continued to monitor the situation closely and continued to meet with its lending banks on a monthly basis to review covenants.
- Given the lagged ESFA funding methodology, strong 16-18 recruitment was confirmed to ensure growth in 16-18 income for 2021-22.
- ESFA financial health for 2019-20 and 2020-20 was reported to be Good.

476 On behalf of the Board, the Chair thanked the Deputy Principal for the work undertaken to with regard to the improvement of College finances and also the clear transparent way in which financial information was reported.

## **DRAFT BUDGET ASSUMPTIONS FOR 2021-22**

477 Governors received a report which detailed the possible factors and assumptions that would influence the 2021-22 budget, reviewed in advance of the meeting by the Finance Improvement Group. The main sources of income for 2020-21, their projected values for 2021-22 and the level of risk inherent in that projection were presented. It was confirmed that whilst some income lines had been verified, other income lines would be subject to in-year performance. Attention was drawn to the following information:

- The current estimate for total income in 2021-22 was £24.3m, compared to £23.3m in 2020-21.
- Whilst staff costs stood at 69% against a benchmark of 65%, the College could nevertheless produce an operating profit and increase cash reserves whilst still investing in fixed assets.
- To consider where the College was overstaffed and to identify potential cost savings, the College would consider externally commissioning an independent contractor to benchmark staff against sector averages to make an impartial assessment.
- Whilst the College had good levels of cash and a strong balance sheet, profit and loss measures were reported to be less comparable, with the root cause related to staff costs.
- Since the time of writing the report, confirmation was received that applications and offers for 2021-22 were reported to be up when compared to the same point in the previous academic year and as such, the College was at risk of occurring additional growth-related costs above that of its ESFA allocation as a consequence of teaching additional students.
- ESFA Financial Health prediction for 2021-22 was estimated at Good against the revised FE Commissioner benchmarks that defined a financially strong college.

478 A robust discussion took place with regard to staff costs as a percentage of income along with the feasibility of achieving the FEC benchmark. Whilst the Board recognised that the College was not typical of a single site college, it determined that the reasoning and benefits of having higher staff costs must nevertheless be fully understood and as such, endorsed the suggestion of conducting an external benchmarking exercise against other multi-site colleges. Despite these costs, which the Deputy Principal stated were heightened by the additional teaching costs associated with increased numbers of learners in 2020-21 and a pay increase for the whole workforce to align the organisation with the AoC recommended pay scales, it was observed that the College nevertheless continued to see growth and a positive impact of investment in staff.

479 The topic of pension costs was raised by a governor, particularly in regard to whether pension risk had been factored into budget assumptions in order to mitigate future negative impact upon the College operating position. The Deputy Principal advised that revaluations that would affect contribution rates were not expected in 2021-22 and as such, the College would continue to pay a set sum towards pension costs. Further consideration would be given to this matter within 12 months.

## **ANNUAL REPORT OF THE REMUNERATION COMMITTEE**

480 On behalf of the Chair of the Committee, the Clerk presented the Annual Report of the Remuneration Committee to the Board, which summarised the work of the Committee within the 2020-21 academic year and also provided confirmation that the Committee had met the requirements of the AoC SPH Remuneration Code

## **RISK MANAGEMENT**

## Corporate Risk Register & Action Plan

481 The Board received both the Risk Register and Action Plan, reviewed in advance of the meeting by the Audit Committee; where the 20 key business risks facing the College spread across its five strategic objectives, based on financial impact, reputational impact, and impact on learners were discussed along with associated trend analysis. Confirmation was received that the document had been further updated since the Committee meeting to reflect increased financial risk following the Government announcements related to the revised ESFA AEB tolerance threshold of 90%. Attention was also drawn to the risk related government procurement rounds for Apprenticeships and 19+ Traineeships.

## COVID-19 Risk Register and Action plan

482 The COVID-19 Risk-Register and Action Plan was received, reviewed in advance of the meeting by the Audit Committee.

## GDPR

483 A report on GDPR was received, reviewed in advance of the meeting by the Audit Committee, which provided detail related to GDPR arrangements at the College. Attention was drawn to the fact that Staffordshire County Council had been engaged to act as the College's Data Protection Officer (DPO) service and that a gap analysis had been undertaken which provided assurance that the College had systems and procedures in place to ensure it was compliant, with the requirements of the GDPR, at the time of the meeting. Areas of further development as a result of the exercise were also shared.

## THE ENVIRONMENTAL AND SUSTAINABILITY REPORT

484 The annual report which detailed the College's environmental and sustainability activities in the previous year was received by the Board. The following information was highlighted:

- The College was committed to further work within this area, which formed part of the Prosperity strategic objective, detailed in the revised 2025 Vision, due to be considered for approval at the July Board meeting.
- It was confirmed that the base measurement for CO<sub>2</sub> would be established to enable the College to track its Carbon Reduction Plan.
- The College would report back annually on progress on carbon reduction and its other environmental and sustainability targets.

485 The importance of this area was recognised by Board members and a discussion took place with regard to supporting and participating in environmental and sustainability projects to support the long term carbon neutral aim, once the carbon output of the College had been established.

486 A question was raised with regard to whether the FE sector had access to framework agreements for energy reduction suppliers, that would in time deliver annual savings to the College via funding projects. The Deputy Principal advised that whilst there was no specific framework agreement at the time of the meeting, there was the potential to approach local authorities to share their suppliers in such circumstances. Alternatively, he advised that an organisation named SALIX provided low interest rate loans to fund environment projects.

487 **Resolved** that the College sign up to the Environmental Association of Universities and Colleges (EAUC) UK FE Climate Action Roadmap.

## POLICY APPROVALS

488 The Board received the following new and revised policies that were due for (re)approval:

- i. Environmental & Sustainability Policy
- ii. Business Continuity Policy
- iii. Supply Chain Fees & Charges Policy
- iv. Admissions Policy
- v. Media Handling Policy
- vi. Governor Recruitment, Appointment and Succession Planning Policy (*minute 495-496 refers*)

489 Governors were advised of any material changes to the policies, including feedback from student governors where appropriate. Equality Impact Assessment (EIA) analysis had been reviewed by a member of the Board in advance of the meeting with records shared within the electronic Governors' Area for reference.

490 With regard to the Environmental & Sustainability Policy, a governor noted learners were expected to abide by the policy and as such suggested that a student friendly version of the document be produced, particularly for LLDD learners. The Assistant Principal – Learner Services stated that, for the policies that students must abide by, the SEN Team would work on student friendly bitesize iterations over the summer break.

491 It was observed that the Environmental & Sustainability Policy would present further opportunities for student engagement in developing specific projects and as such, a governor asked if there was a role for a student governor on the group. The Clerk advised that this could be considered however reminded the governor that, to be eligible to be a student governor, learners must firstly be a student representative and as such, would already be involved in projects from this angle via their involvement within Learner Voice and therefore advised that due consideration of student governor time commitments must be given in this regard.

492 In reference to the Admissions Policy and the associated EIA, the Board noted that the College had taken into account feedback from a governor in advance of the meeting regarding a) the benefits of a more overt statement related to Equality, Diversity and Inclusion within the policy, b) clarification regarding accessibility and c) clarification regarding how sensitive information was handled by the College. As such, the updated documents were shared.

493 A question was raised regarding confidentiality and the circumstances in which the College would not engage with the media. Confirmation was received that the policy covered such eventualities. The relevant information was shared.

494 **Resolved** that the policies be approved.

## **GOVERNOR RECRUITMENT, APPOINTMENT & SUCCESSION PLANNING**

495 The Clerk presented a paper related to governor recruitment, appointment and succession planning, recommended for Board approval by the Governance & Search Committee. The Clerk advised that the Association of Colleges (AoC) Code of Good Governance for English Colleges set out an expectation for a formal and open policy regarding the recruitment of Board members and that the Board must satisfy itself that appropriate plans were in place for work in this area to be undertaken to the required levels of expectation. As such, three documents were presented for consideration:

- Governor Recruitment, Appointment & Succession Planning Policy and accompanying EIA, developed in line with the AoC Code and examples of best practice from within the sector.
- An amendment to Article 5.1, which proposed to remove the requirement to appoint the Chair and/or Vice Chair from only within the Corporation's membership to give the Corporation the power to recruit externally. The Clerk advised that, by having this freedom, the Corporation had the means to look beyond that of its existing membership when succession planning to ensure that a) Corporation leadership remained of the highest quality, b) equality of opportunity and diversity was fostered and c) appointments were made in a fair, open and transparent manner (Nolan Principles). A consultation process had been undertaken in advance of the meeting.
- Proposed amendments to the Standing Orders:
  - Role and responsibilities of the Vice-Chair and Co-Opted Non Governor incorporated into the document.
  - Inclusion of the provision to externally advertise for both Chair and Vice-Chair positions.
  - Expansion of the Governance & Search Committee's work relating to succession planning.
  - Provision for the election process to be brought forward to any point within the academic year to meet the needs of the Corporation as necessary.
  - The introduction of the completion of a nomination form for any member standing for election of Chair or Vice-Chair, outlining the skills and experience relevant to that of the post, to be considered by the Governance & Search Committee and circulated to Board members thereafter.
  - Voting for the election of the Chair and Vice-Chair to be conducted via an anonymous ballot
  - Revised role and responsibilities of the Clerk incorporated into the document.
  - Minor formatting and typographical alterations throughout the entirety of the document for accuracy.

496 **Resolved** that the following documents be approved:

- i. Governor Recruitment, Appointment & Succession Planning Policy
- ii. Amendment to Article 5.1
- iii. Amendments to the standing orders

#### **APPOINTMENT OF CHAIR & VICE-CHAIR FOR 2021-22**

497 Succession planning developments from within the current membership were discussed by the Committee and, as a consequence of the work undertaken by the Governance & Search Committee within this area, confirmation was received that Mike Rowley was the governor willing to stand for the role of Chair for 2021-22. Mike Rowley was not present for discussions related to this item.

498 Consideration was given as to whether or not to operate the procedure within the Standing Orders for the election of the Vice-Chair. It was confirmed that the Clerk would write to governors seeking expressions of interest in advance of the July meeting, where she advised that, should there be more than one nomination for the role, an anonymous ballot will be held in order for governors to declare the candidate for whom they wished to vote. A closing date for voting will be given and responses received after that date will not be counted. Following this process, the name of the successful candidate will be shared in advance of the July meeting. Confirmation was received that time would be set aside at the July meeting to formally appoint the Chair and Vice Chair for 2021-22.

#### **TIMETABLE OF MEETINGS 2021-22**

499 The proposed timetable of Corporation meetings for 2021-22 was reviewed where a discussion took place with regard to the benefits and flexibility of virtual meetings.

500 **Resolved**

- 1 that the 2021-22 meeting timetable be approved.
- 2 that, with the exception of Strategy Events, all governance meetings to be convened virtually in 2021-22.
- 3 that meeting arrangements be reviewed on a regular basis moving forward.

#### **ANY OTHER BUSINESS**

##### **Student Governors**

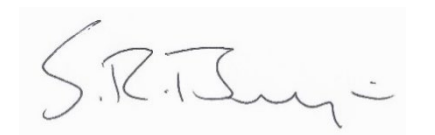
501 On behalf of the Board, the Chair thanked the student governors for their contribution to the Board over the past year and wished them well with their future endeavours.

##### **Celebration Event**

502 The CEP announced that a staff celebration event would be held on 15 July at the Rodbaston campus. All governors would be invited and further details would be shared in due course.

#### **DATE OF NEXT MEETING**

Strategy event: 9am Monday, 21 June 2021, Board meeting: 9am Friday, 9 July 2021.



Chair

6 July 2021

Date