

Corporation Board

Approved

**Minutes of Corporation Board
7 April 2022**

Board Members: B Kaczmarczyk (Chair) L Harris (Student Governor) S Martin Standley
J Battye J Hemper
P Bond E Pearson (Staff Governor - Support)
T Campbell L McKenzie
J Croot L Mycroft
W Davies L Needham (Staff Governor – Curriculum)
H Freeman J Richards (Principal and CEO)

In attendance: D Malone (Deputy Principal) H Taylor-Toone (VP – Finance & Corporate Services)
C Acaster (VP – People & Culture) J Rossa (VP – Quality Improvement & Assurance)
S Read (COM – Sixth form & Access to HE) R Whittaker (Adult Student – L3 Access to HE)
J Shore (Head of Governance)

Apologies: W Davies, L McKenzie, T Campbell, L Harris

CH = Challenge

44/2122 Declaration of Interest

Members were reminded of the need to declare an interest in any item of business to be considered at the meeting. Nothing was declared.

45/2122 Minutes of the Previous Meeting

The minutes of the previous Corporation Board meeting held 17 February 2022 were reviewed and agreed as a true and accurate record.

The action log was reviewed and matters arising were discussed, with actions updated and either marked as complete or carried forward as appropriate. (*Refer to Corporation Action Log – 7.4.22*).

Resolution: The Board **approved** the minutes of the previous meeting held 17 February 2022

46/2122 Staff & Student Focus: Access to HE

SR/RW joined the meeting.

Following the Board’s previous request to learn more about adult provision, S Read, Curriculum Manager for Sixth Form & Access to HE and R Whittaker, L3 Access to HE student (adult) provided the Board with an overview of the current activity and developments within the provision.

There has been significant growth in the area over the last 2 years following response to demand, particularly off the back of the pandemic which saw an increase in adults choosing to pursue Health and Social Care roles such as nursing, midwifery and professional counselling. The College has now also been approved to deliver Level 4 Counselling from September 2022, in addition to Levels 2 and 3 currently offered.

The College offers a Level 2 Pre-Access course which has been very popular and Student Voice feedback has praised how well the course has prepared students for Level 3. The Level 3 Access to HE course has been broadened to offer a variety of different pathways compared to just 3 pathways that were offered 2 years ago. Current pathways now include health professions, nursing, midwifery, health and social care, education, humanities, policing and criminology, business and law, science computing, sport, engineering, art and design and Psychology, which is a new pathway the College has helped to develop. The comprehensive offer now allows every student to pick the right pathway with the right set of units to progress on to the right university course and career pathway for them. This is reflected in the exceptionally positive student feedback from enrolment who have reported that that feel they are on the right course for them with the appropriate pathways.

The Board were informed that the L3 Access provision is intensive and prepares its adult students for the rigour of university and higher education. Access students complete their course over 2 days throughout 1 year, compared to 16-18 students who complete their full-time course over 2 years.

RW shared her own student experience as an adult with the Board, including the Midwifery course and career plan. RW commended the flexibility of the part-time course which allows her to study around her own family and childcare

commitments. RW has been accepted onto a university placement against 500 other candidates for 25 places and she advised the Board that after being out of education for 10 years, the Access course has prepared her for higher education in terms of assignment writing, including referencing which she wasn't taught at A-Level, English skills, including spelling and grammar, time management and collaborative working, such as group discussions and presentations. RW also noted the importance of the tutor feedback and support she receives, which has helped her to improve her grades and progress through the course. She added that lesson delivery and tutor support remained of high quality throughout the pandemic via remote learning, which allowed her to continue with her studies whilst managing childcare.

CH: On behalf of the Board, the Chair congratulated RW for her successful university offer, commending her determination to study and return to education after having a family, and wished her all the best in future studies and career. He asked RW what her key message to other adults who were interest in the Access course would be. RW stated that she would encourage them to pursue their ambitions and to not let their age deter them from applying, as learning and growth can continue at all ages.

CH: The Principal asked RW what she deemed to be the most positive aspect of her course and whether there was anything the College could improve on in relation to the Access course. RW advised that she was incredibly happy with the course and the skills and knowledge she has acquired and her improved confidence, as well as the life-long friends she has made. She advised that a faster turn-around for results would be beneficial as the feedback received helps with improvements for the next assignment. SR advised that the 15-day turnaround is currently required for the full moderation process, however, the volume of assignments (approx. 30) is currently being reviewed and alternative assessment methods which would provide faster written feedback are being considered. It was noted that students received verbal feedback in class.

The Board expressed thanks to SR/RW for attending the meeting and providing valuable information and feedback.

Resolution: The Board **noted** the Staff & Student Focus update.

SR/RW left the meeting.

47/2122 Safeguarding Policy

JD joined the meeting.

The Director of Student Experiencer & Welfare (JD) presented the updated Safeguarding Policy recommended for Board approval by the Safeguarding Committee, alongside the Equality Impact Audit Assessment which included a full list of policy changes.

The policy has been updated as part of its annual review and JD reported that no significant changes have been made, noting that general changes were in relation to job titles and recent guidance i.e. Keeping Children Safe in Education 2021, Fitness to Study, FE Prevent Duty Audit, Safer Recruitment training for managers and a strengthened message around peer on peer sexual abuse and harassment included within teaching and learning.

JD informed the Board that all off the associated Safeguarding Procedures have also been reviewed and updated.

CH: The Board enquired what the Fitness to Study Guidance was in practice. JD advised that the new structure provides due consideration to whether a learning environment may not be conducive to an individual's physical or mental health and wellbeing at that time, for both new applicants and existing students/apprentices where there has been a change in their circumstances. The consistent approach ensures that individual staff are not making isolated decisions as to whether an individual is fit to study and instead a risk assessment panel consider the case with the student/apprentices' best interest at heart, whilst also taking into account any potential risk to the College or employer.

CH: The Board asked whether the assessment could impact negatively on an individual's Access to Work funding or entitlements in terms of adjustments. JD provided assurance that it would not.

Resolution: The Board **approved** the updated Safeguarding Policy.

JD left the meeting.

48/2122 Performance Report

The Deputy Principal (DM) presented the Performance Report, which in addition to the key focus areas discussed below, included an update on curriculum areas, applications, student data and teaching, learning and assessment. It was noted that the updated report will be scrutinised in full by the Standards Committee at its next meeting on 3/5/22.

Employer Feedback

The results of a new College-wide survey for employer feedback, which was devised and introduced during 2021-22, were shared with the Board. There are several methods for collating the feedback, including monthly one-to-one discussions with employers linked with online conversations and technology to accommodate the busy schedules of many businesses. Overall, it was reported that results are fairly positive and any areas for improvement have been implemented within an action plan to address.

CH: The Board acknowledged the areas for improvement detailed within the report and asked what action was being taken with regards to employers who do not feel they are sufficiently involved in their employee's progress reviews or receive enough feedback on how their employees are progressing. DM advised that the College is stressing the importance of the

progress reviews with all employers and raising the importance of the tripartite agreement which requires everyone's involvement for success; the apprentice, employer and the College. It has also been agreed that feedback is regularly shared with the employer and following the progress reviews, ensuring the employer has reviewed the feedback and understands their apprentice's performance and what is required for them to progress, including support from the employer and the College, as well as how the College can support the employer. A follow-up procedure has also been put in place to combat the issue with short-notice meeting cancellations from busy employers, to ensure they still receive an update on their apprentice's performance and progress in the interim before the meeting can be rescheduled.

CH: The Board asked how the College plans to support employers, particularly smaller organisations who may feel they have less capacity to support their apprentice, and prepare them for End Point Assessment (EPA). DM advised that the EPA is a fairly new process within the sector and many apprentices and employers are currently going through the EPA for the first time and may not have previously fully understood the additional rigour of the Standards and EPA compared to the previous framework which many employers have worked with. Now that the College has been through the EPA process itself, it is in a stronger position to provide employers and apprentices with clear guidance on how the awarding bodies conduct the EPA. The Board asked whether the EPA process was covered in enough depth as part of the induction in order for the apprentice and employer to be aware of what is expected from them from the onset. DM advised that the whole on-boarding process is continually reviewed, including the depth of material and information provided at induction and during initial conversations. Apprentices have shown a greater understanding of the requirements compared to many employers and this will be addressed by the College through greater communication, as discussed above, as well as improved systems for information sharing through the development of the online portal for employers. JRo added that, following the survey, the College is now also clearer on which member of staff within the organisation it should target and communicate with to ensure that the apprentice's direct line manager is receiving the appropriate information.

College Collaboration Fund

The College has reached the final stage of the Collaborative College Fund (CCF) project in partnership with Lincoln College. The project aimed to improve support for learner and workforce mental health, resilience and wellbeing, increase student engagement and experience and improve the quality of the provision. The Board were provided with an overview of the three work streams which were undertaken to achieve this; Activity, Wellbeing and Employability.

The final activity for the project was the 'Aspire Fayre' held 30/3/22, involving participation from students, apprentices and staff in all areas of the College, and over £2k was fundraised for the DEC Ukraine Humanitarian Appeal.

The event was a huge success and overwhelmingly positive feedback has been received. Plans are already being considered to hold an event next year, which will link to the sustainability agenda.

On behalf of the Board, the Chair thanked JRo for leading on the project, EP and LEAP Team for their support and all of the staff and students who were involved in the fayre.

Ofsted Update

The College's stance is to be 'ever ready', which means ensuring that all provision is consistently good, helping to mitigate any variances in inspection/inspector approaches. It was recognised that the 'deep dive' approach is a potential risk if inspectors identify an area or individual student rated at risk by the College. Therefore, the focus remains on constantly improving provision across all areas, whilst also providing support and briefings to enable team to feel confident and prepared.

In order to support staff to feel confident and prepared, inspection preparation meetings are taking place across all areas which help to identify any areas where further work is required, and inspection support materials have been issued to teams. An 'Ofsted countdown' plan has also been developed to enable swift action upon notification of inspection.

Safeguarding

A new module of an internal reporting system has been launched to enable more streamlined and effective reporting of safeguarding and wellbeing concerns, including any safeguarding risk associated with Prevent. This system will enable more effective data reporting to the Safeguarding Committee and provides a centralised platform for safeguarding associated chronologies in line with Keeping Children Safe in Education guidance.

The annual Safeguarding Policy has been reviewed and updated and the annual S175 Safeguarding Audit has been approved by the Link Safeguarding Governor and submitted to the Local Authority.

The Prevent Duty audit and risk assessment were presented to Safeguarding Committee in February and work continues on these processes, led by the Designated Safeguarding Lead and supported by the DfE Regional Prevent Coordinator.

On behalf of the College, DM expressed his gratitude to the College's Designated Safeguarding Lead, J Down, for the tremendous work undertaken by herself and the Safeguarding Team, particularly in terms of safeguarding support and Early Help support assessments. It was flagged that safeguarding referrals continue to increase at a steeper trajectory since the start of the pandemic, which is a picture seen locally in other educational settings.

Resolution: The Board **received** and **noted** the contents of the Performance Report

The Vice Principal of Finance & Corporate Services (HTT) presented the Finance & Corporate Services Report and the following key items were raised and discussed with the Board. It was noted that the report had been scrutinised by the Finance & Corporate Services Committee on 5/4/22.

Management Accounts - Period 7

Based on the Period 7 (P7) rolling forecast, a full year deficit of £111k is anticipated; £258k lower than Reforecast 1 (RF1). As previously stated in the P5 accounts, RF1 forecasted a £147 k surplus, with a minimum surplus requirement of £108k in order to maintain 'Good' financial health. At the time of compiling RF1, income and cost risks totalling £585k were also identified and shared with the Board, which would result in a full year deficit of £477k. Unfortunately, these risks are now crystallising which has resulted in the reduction of the rolling full-year forecast compared to RF1. The main drivers of this variance are:

- Full-year Income is forecast to be £81k lower than RF1 due to a £78k reduction in apprenticeship income, £88k reduction in adult education budget (AEB) income and £88k lower grant income due primarily to an unexpected £81k clawback of the FY2020/21 Capacity and Delivery Fund (CDF). This has been offset by £84k employer contributions, with HE income due to be £12k higher and other income (including catering income) forecast to be £77k higher than RF1.
- Full-year Pay Costs are expected to be £72k above RF1. This is as a result of higher agency costs as the College is experiencing higher staff absence due to a significant increase in staff illness, primarily relating to the new Covid variant, the requirement for long-term sickness cover in key roles and increased pay scales in order to retain specialist skilled staff. Attrition. The attrition rate is also not as high as anticipated.
- Full-year Non-Pay costs are forecast to be £105k higher than RF1 due to £98k amortisation of Queen's Park prepaid rent, £58k reduction in the expected 4.2% non-pay cost savings and £94k increase in the bad debt provision. These reductions have been offset by the following savings; £40k licence fees, £29k travel and costs, £29k consultancy and £47k marketing, communications, printing and stationery.

The Chair of Finance & Corporate Services Committee informed the Board of the following challenge raised at the committee meeting:

CH: The Committee asked whether the College's financial situation was comparable with other college performance. The Principal assured the Committee that it was, which has been confirmed from speaking to other College Principals within the D2N2 and SCR LEPs. Colleges across the country are cautiously optimistic about progressing forward, however, they are still feeling the financial pinch from the adverse impact of the previous couple of years and have started the year with less apprenticeship carry-in funding. The key focus will be to grow the College's income and it was noted that there has been some significant non-pay savings, however, the cost of resources for students has increased and there is also an increased costs for staff cover due to Covid-sickness absence. HTT highlighted that the College will still end the year with £1.5m in the bank and the anticipated annual cash low-point of £387k in April 2022 is now expected to be c.£500k.

HTT assured the Board that all possible actions had been taken this year to address the forecasted deficit, without effecting delivery. However, the significant increase in pay and non-pay, including material costs particularly in Construction, were flagged and this was acknowledged by the Board.

CH: The Board asked whether there would be any implication for future capital expenditure. HTT advised that in order to maintain a decent cash-figure at year-end, all capital expenditure has been frozen, however, a lot of capex has already been spent in line with the plan.

Resolution: The Board **approved** the Period 7 Management Accounts.

Utilities

The College has signed a new 12-month contract with British Gas which was approved by the Principal and Chair and it was noted that the following day after securing the fixed rate, prices were increased by a further 35% following the Russian invasion of Ukraine. The new contract will result in a £227k annual increase based on current consumption. This cost increase was not included in RF1, however, as the college's gas consumption is higher in winter, this should have a relatively small impact in 2021/22 and will be included in the 2022/23 budget costs.

A further year remains on the fixed-term contract for electricity. However, this means that both the gas and electricity contracts will end on 31/3/23 and will be due for renewal at the same time. Price rises for both gas and electricity will be assumed in the 2022/23 budget in order to mitigate any increase in costs as far as possible.

The Principal advised that despite there being an increase to the funding rates in 22/23, the additional funding will likely not offset the additional costs of utilities, as well as the increased cost of student resources/supplies and the additional 40 delivery hours required.

Additional Report Items

An update on utilities, tender process for the new Finance system and overview of the developments within the corporate service support areas was provided within the report.

Confidential Items

Further confidential discussion is minuted under Part 2.

Resolution: The Board **received** and **noted** the contents of the Finance & Corporate Services Report.

The Principal (JR) presented the Corporate Report which, in addition to the key areas discussed below, included an update strategic relationships and events.

National Picture (Including Government Policy & Legislation)

The report provided a comprehensive summary on national government policy and legislation, including the Skills White Paper and how this will impact on the College and how it will deliver, the Spring Statement, the war in Ukraine and how this impacts not only the College's finances but cost of living for staff and students due to a significant rise in inflation. The Principal advised that a pay award will be budgeted to help support staff with rising costs.

As part of the Spring Statement, the Chancellor advised that there would be a review of the apprenticeship levy and, in response, JR has written to the ESFA as part of a consultation for the Autumn Budget, to strongly recommend that any review of the current apprenticeship methodologies and reforms regarding the use of levy funding ensures employers can access the qualifications they need to support their workforce for both now and in the future, without the restrictions of such employees having to achieve a full apprenticeship. Giving employers and providers the flexibility to address their workforce development needs in the most appropriate manner for their business, with very clear rules and accountability, would address much of what the Chancellor referenced in his Spring Statement. Concerns have also been raised regarding the lack of investment in funding for both apprentices and adult skills. In addition, formal communication has also been sent to the Secretary of State for Education, the Minister of State for Higher and Further Education, the Parliamentary Under Secretary of State (Minister for Skills) and the MPs for Chesterfield and North East Derbyshire, to encourage the government to revisit the apprenticeship levy and make it much more flexible for employers.

D2N2 has put in a proposal for a full mayoral combined authority and of the 9 pathway areas in phase one, the government are looking to award a full combined authority to 3 of them. In essence, this would mean a full devolution deal and so the Adult Skills project would be commissioned through the combined authority and a local skills plan for D2N2 would be required. At the request from the D2N2 Principal's Group, JB, who is the Director of Economy and Regeneration at Derbyshire County Council, is pulling together an employer engagement strategy to inform the skills plan which, if successful in securing a devolution detail, would need to be submitted to the government by August and implemented by April 2023.

The Board discussed the financial challenges across the sector, including staffing costs, pay rise, non-retention and recruitment issues, particularly in vocational areas, where staff are choosing to return to trade. JR highlighted some of the key actions being taken by the College to address this, such as addressing the flexible workforce and flexible benefits, investing in a management development programme, review of the teachers' pay scale in 22/23, and strategies to "grow our own future teachers".

ESFA Annual Strategic Conversation

The College had its first annual strategic conversation on 9/3/22 as part of a new initiative introduced by the Education & Skills Funding Agency to meet with the Senior Management Team to review strengths, challenges and opportunities, and share the strategy for the College moving forward. JR advised that the visit, which also included a member of the FE Commissioner's team, was successful and the ESFA have formalised their summary of the meeting in a report, which was shared with the Board for information.

It was noted that Covid-19 was added as a continued challenge for the College, following governor feedback from TC, and this has been included within the ESFA's report.

Key Performance Indicators

The Board received the full KPI summary, noting the commentary provided for each target. As at Period 7 (28/2/22), the KPI achievement was rag rated as 37% green, 23% amber and 40% red. It was noted that the financial KPIs have been realigned with Reforecast 1.

Resolution: The Board **received** and **noted** the KPI Update at Period 7.

Health & Safety

An update from the Health & Safety Committee was included within the report, including key actions, statutory audits and reports, Covid-19, mandatory training and legislative changes.

Covid-19 Update

The Vice Principal for People & Culture (CA) provided an overview of Covid-19 within the College, including a steep rise in cases in March, communications, guidance, risk assessments and protocols. The impact, including staff absence rates and increased sickness and pay costs were acknowledged by the Board.

Transformation fund

In light of the College successfully securing Stage 2 of the Further Education Capital Transformation Fund (FECTF) on 1/4/22, which the Board have been informed of, the Senior Management Team presented a further update to the Committee in relation to design and costs.

The College's bid was to develop a new advanced manufacturing and life sciences academy on Infirmary Road, together with the development of a new facility for hair and beauty in South Block. The funding in total is for £19.2m, including £1.9m matched funding from the College (a £0.6m reduction from the £2.5m put in the bid). The funding will transform the estate and facilities for staff and students, and enable delivery of the latest advancements in technology, complementing the new digital skills facility. The new facilities will improve the overall condition of the estate and attract more students, apprentices and employers to the College, in turn supporting income growth.

As previously discussed under the banking update, the College is now considering whether to borrow the matched funding or self-fund.

The bid has been approved in principle subject to the College submitting a piece of supplementary evidence in relation to the category and structural condition of South Block by 3/5/22. The Deputy Principal (DM) advised that this piece of work has been received by Bond Bryan and will be submitted by the end of the week. This will secure the funding agreement, which will be signed on 7/6/22. Once the contract is signed, the College will publicise through a press release.

On behalf of board, the Chair thanked all of the staff responsible for putting the bid together and commended the College for the tremendous opportunity it has secured.

Resolution: The Board **delegated authority** to the Finance Committee for approval of the FE Capital Transformation Fund Funding Agreement.

Resolution: The Board **received** and **noted** the contents of the Corporate Report.

51/2122 Governance Report

The Head of Governance (JS) presented the Governance Report which, in addition to the key items highlighted below, included ratified minutes from committee meetings.

Internal Audit

In line with the Internal Audit Plan for 2021/22, the College's Internal Auditors have conducted a review of the College's corporate governance arrangements. The full audit report was shared with the Board for information and the recommendations, which were predominantly housekeeping, were reviewed. JS advised that all recommendations have either been completed or will be complete in line with the annual business cycle

Terms of Reference

The Terms of Reference (ToR) for the Audit, Finance & Corporate Services and Governance & Search Committee have been updated to reflect the current membership, remit and quoracy. The draft versions have been reviewed by each Committee and were presented to the Board for approval. The ToR for the Standards & Performance and Remuneration Committees will be reviewed at the next respective committee meeting and brought to the Board for approval thereafter. All ToR will be reviewed on a bi-annual basis and scheduled as part of the annual business cycle.

Resolution: The Board **approved** the updated Terms of Reference for the above committees.

Standing Orders

The updated Standing Orders for the Corporation and Committees was shared with the Board for review. The document has been updated to reflect current processes, and now provide specific reference to the number of terms of office a governor can serve and the process for reappointment, including the role of the Governance and Search Committee. As well as more detailed reference to attendance expectations, including the overall target of 80%, in line with the internal audit recommendations.

Resolution: The Board **approved** the updated Standing Orders.

Chair's Action & Written Resolution

Since the previous meeting, the Chair has approved/signed for the following through the Board's delegated authority:

- 1-year gas contract with British Gas starting 1 April 2022.
- 55-month contract with MHR to provide fully managed payroll and pension admin services.
- T-Level Capital Fund (Wave 4) - confirmation of Board approval for the submission of the project application and assurance that the College will provide the appropriate infrastructure and support in order to manage the project alongside any other key priorities as described in the narrative.

The report included further detail of contract costs and signature dates.

Reports/Additional Updates from Committees

The Data Protection Report which was presented to the last Audit Committee on 15/3/22 was shared with the Board for information.

Resolution: The Board **received** and **noted** the contents of the Governance Report.

52/2122 Statutory Reporting

There were no updates reported in relation to Safeguarding, Equality, Diversity & Inclusion or Health and Safety.

EP/LH (Staff Governors) & DM/CA/JRo (SMT) left the meeting.

53/2122 Confidential Minutes of the Previous Meeting

The confidential minutes of Corporation Board meeting (Part 2) held 17 February 2022 were reviewed and agreed as a true and accurate record.

Resolution: The Board **approved** the confidential minutes of the previous meeting held 17 February 2022.

54/2122 Date of Next Meeting

19 May 2022

The meeting concluded.