

Approved

Minutes of Corporation Board – Part 1 20 October 2022

Board Members:	B Kaczmarczyk (Chair) J Battye P Bond T Campbell E Cheshire (Student Governor) J Croot H Freeman	J Hemper E Pearson (Staff Governor - Support) S Martin-Standley L McKenzie L Mycroft L Needham (Staff Governor – Curriculum) J Richards (Principal and CEO)
In attendance:	D Malone (Deputy Principal) C Acaster (VP – People & Culture)	H Taylor-Toone (VP – Finance & Corporate Services) J Shore (Head of Governance)
Apologies:	J Battye; P Bond; H Freeman; L McKenzie	

CH = Challenge

- 5/2223 Declarations of Interest
Members were reminded of the need to disclose an interest in any item of business to be considered at the meeting. A declaration was made for one of the confidential items minuted and the member withdrew from the meeting for this item. (Minuted under Part 2)
- 6/2223 Confidential Items
Confidential discussion is minuted under Part 2.
- 7/223 Membership Update
The Head of Governance (HOG) informed the Board of Wesley Davies' resignation from the Board on 31/8/22. The HoG has written to WD on behalf of the Chair and Board to express thanks for his service and contribution to the College and Corporation Board during his time as governor.

The HoG introduced and the Board welcomed new Student Governor, Emma Cheshire. EC is the Student Union President and is undertaking her second year of the Level 3 Extended Diploma in Health & Social Care.
Resolution: The Board **noted** the membership update.
- 8/223 Minutes of the Previous Meeting & Matters Arising
The minutes (Part 1) of the previous Corporation Board meeting held 7 July 2022 were reviewed and agreed as a true and accurate record.

The action log was reviewed and there were no matters arising. Previous actions were updated and either marked as complete or carried forward as appropriate. (*Refer to Corporation Action Log – 20.10.22*)
Resolution: The Board approved the minutes (Part 1) of the previous meeting held 7 July 2022.
- 9/223 Performance Report
The Deputy Principal (DM) provided an overview of the Performance Report, which included an update on student data in terms of outcomes for 2021/22 and key strengths and areas for development recruitment in 2022/23 and start-of year performance data, Quality Key Performance Indicators outcomes for 2021/22, Teaching and Learning, and Safeguarding and Prevent. It was noted that the updated report will be scrutinised in full by the Standards & Performance Committee (SPC) at its next meeting on 18/10/22.

It was noted that there are 3 new student representatives on SPC for both Further Education and Higher Education.
2021/22 Self-Assessment - Key Areas of Strength & Improvement
DM presented the key areas of strength and improvement identified in the draft Self-Assessment Report (SAR) for the College and Learning Unlimited Derby. The Board were advised that the draft SAR has been reviewed by the SPC and feedback has

been requested by 9/11/22. The final draft of the SAR will be circulated to Board for approval.

The College has self-assessed as 'Good' against all judgement aspects and the new skills judgement for meeting national and local skills has been self-assessed as 'Exceeds Expectations'. It was reported that Behaviours and Attitudes was previously graded as 'Outstanding', however, whilst the majority of student behaviour is exemplary there has been some low-level disruption and a reduction in the expected behaviour from new students who had not been in education immediately prior to joining the College due to Covid. This has been reflected within the SAR.

CH: In relation to achievement, the Board advised that the College should promote and provide examples of the impact in terms of the student support provided by the College including initial assessment, catch-up programme and exam preparation. This will support the College's data which shows it has maintained the 16-18 vocational achievement since the last normal academic year pre-Covid in 2018/19 (0.2% variance). DM agreed and advised that the impact will be demonstrated.

Inspection Preparation for Governors

DM advised that an aide memoire is being composed for governors in preparation for the impending inspection. This will be shared with governors once finalised.

A preparation meeting with allocated governors has also been held to discuss the new skills element of the inspection.

Resolution: The Board **received** and **noted** the contents of the Performance Report, including the self-assessment overview and inspection preparation update.

10/223

Finance & Corporate Services Report

The Vice Principal of Finance & Corporate Services (HTT) presented the Finance and Corporate Services Report. Confidential matters which are minuted under Part 2.

Period 12 Management Accounts – 2021/22 Outturn

The Period 12 (P12) Management accounts were shared with the Board and it was noted that the draft year-end figures are currently subject to review by the external auditors.

Based on the draft figures, the Group has ended the year with a deficit, before FRS17 pension, of £0.4m compared to the P11 forecast of £1.1m deficit. This £0.7m upswing is because of £0.3m release in a non-cash provision and £0.4m of additional apprenticeship income identified in the P13 ILR. The College is still awaiting the closure of the P14 ILR and anything material will be posted in FY2122.

The full year income ended £0.5m ahead of RF1 due to additional Grant income (£0.2m) and Other income (£0.3m which includes the release of a non-cash provision). For the full year, non-pay costs are forecast to be £764k higher than RF1 and pay costs were £0.3m more than RF1.

Based on the draft P12 year-end, the operational leverage and debt service bank covenants will both be passed. The Group has achieved a draft ESFA Financial health score of 160, which is the top end of Requires Improvement.

The year-end cash balance was £1.6m; which is a £0.2m positive variance against the P11 forecast due to the timing of year-end payments. However, it was noted that this does not represent a cash saving as the cash outflow occurred in August 2022. Throughout 21/22, there was a net cash outflow of £1m which has resulted in 22/23 starting in a significantly lower position than the £2.5m at the start of FY2122. The Board acknowledged that the Group's cash position must be managed even more closely.

A detailed balance sheet as at 31 July 2022 was shared with the Board. The accruals and deferred income balance has fallen by £0.5m since July 2021; £0.3m of which represents a non-cash provision that has been released, and the remainder is due to the timing of invoices received. The prepayments and accrued income balance (is materially in line with July 2021 and the Apprenticeship debtor has been scrutinised to ensure accuracy.

Resolution: The Board **approved** the P12 Management accounts.

Procurement

Following a review of the College's procurement processes with support from a procurement service specialist company, it has been advised that the College should increase its threshold in which three quotes are required to make a purchase from £2.5k to £5k in line with most other colleges. This would also reduce the amount of time spent by the Finance Team checking the compliance against the procurement procedures and help to prevent order delays.

In addition to the change in threshold, it was advised that the College's current 'Single Tender Justification' form is replaced with an 'Exceptional Circumstances' form, which was shared with the Board for information. The new form can be used in all

circumstances and all thresholds by end-users who can justify exemption from the procurement procedures. This will help to both streamline the process and provide a clearer and more robust process.

Resolution: The Board **approved** the change to the procurement threshold limit and the single tender justification.

Enrolment

The report included an update against enrolment figures and the associated financial implications. Enrolments for both 16-18 and adults is strong at present, with 16-18 already ahead of target.

Infrastructure

An overview of the new senior management infrastructure was provided, following the resignation of the current Deputy Principal who will be leaving the College in December 2022.

Working Time Directive Judgements

The Board were informed of a judgement passed by the Court of Appeal in relation to hourly paid (or zero hours) staff. In summary, regardless of the number of hours worked over a 12-month period, staff who are employed are entitled to be paid 28 days' annual leave (minimum under the Working Time Directive) and employers cannot pro-rata the 28 days.

Following quantification of the various variable-hours staff and determination of the College's liability, a further update will be provided to the F&CS Committee.

Corporate Services

An overview of the key developments within the corporate service support areas was provided within the report.

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

11/223

Corporate Report

The Principal (JR) presented the Corporate Report which, in addition to the key areas discussed below, included an update on the National Picture (including Government Policy & Legislation) and Strategic Relationships & Events.

Devolution – East Midlands

A county deal devolution arrangement has been secured for D2N2 (Derbyshire/Derby City/ Nottinghamshire/Nottingham City) which will transfer the adult education budget (AEB) and skills powers to local leaders. The area will have a directly elected mayor and £1.14 billion over the next 30 years. This will include a fully devolved Adult Education Budget from 2025/26, subject to parliamentary approval, although this will not cover apprenticeships or traineeships and the size of the AEB has not yet been confirmed. The East Midlands Mayoral Combined Authority (MCCA) will also support and provide input into the new Local Skills Improvement Plans (LSIPs).

Along with the Principals of Derby College and Burton & South Derbyshire College, JR has met with the Federation of Small Businesses (FSB) who will be developing the Local Skills Improvement Plan (LSIP). The colleges will be invited as key stakeholders in the development of the plan and the approach was pleasing in terms of addressing the needs of employers and the local communities with a much greater focus on small and medium enterprises (SMEs). From the initial meeting, it was clear that the FSB values the input and voice of the further education sector. Further updates will be provided to the Board as appropriate.

Health & Safety

An update from the Health & Safety Committee was included within the report, including agreed actions, statutory audits and reports, and mandatory training. JR advised that all mandatory training and risk assessments are up to date for the academic year.

Annual Health & Safety Report

The Annual Health & Safety Report was shared with the Board for information.

Annual HR Report

The Annual HR Report was shared with the Board for information.

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

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Governance Report

The Head of Governance (JS) presented the Governance Report which, in addition to the key items highlighted below, included ratified Committee minutes, policies approved at Committee-level, governor training and development opportunities.

Mandatory Safeguarding & Prevent Training for Governors

The Board were reminded of the importance of completing the mandatory Safeguarding and Prevent training following the online training session delivered by the Director of Student Experience & Wellbeing (Designated Safeguarding Lead) on 29/9/22. Full details of the outstanding requirements were provided within the report, including completion by 25/10/22.

Membership

The Board were informed of changes to membership across the Board and its Committees, including recommendations for appointment made by the Governance & Search Committee.

Resolution: The Board **approved** the appointment of Simon Wright as the Independent Co-opted Chair of Remuneration Committee.

Board Self-Assessment 2021/22

As part of the revised self-assessment process, the Board has adopted a new self-assessment review questionnaire which has been provided by the ETF as part of a governance self-assessment toolkit commissioned by the AoC. Following review and recommendation by the Governance & Search Committee (GSC), the Board were asked to review and approve the evidence and judgements provided against the self-assessed criteria.

Following Board approval, the Chair and HoG will produce the Self-Assessment Report (SAR) and Quality Improvement Plan (QIP) for the Board. The SAR will include feedback from the individual governor self-assessment survey and annual governor appraisals will be incorporated in to the report. Individual Committee Self-Assessment and Annual Reports will also be implemented as part of the new self-assessment process and the HoG will also undertake a compliance checklist against the AoC's Code of Good Governance to be reviewed by the GSC.

The draft SAR and QIP will be reviewed by the Governance & Search Committee on 6/12/22 and presented to the Board for approval at its meeting on 14/12/22.

Resolution: The Board **approved** the Self-Assessment Review and the judgements made, as recommended by the Governance & Search Committee.

Link Governor Scheme 22/23

The Link Governor Scheme has been reviewed for the academic year 22/23 and it was proposed by the HoG and Principal to keep the assigned governor allocations the same as 21/22, due to limited engagement within College in 21/22 because of Covid-19 restrictions, which the Board agreed.

A new link governor role has been created for Sustainability and as part of this role, JH will join the College's Sustainability Working Group.

Feedback from link governor visits at the start of term was shared with the Board via the governor portal. Governors were reminded to complete the feedback form following all link governor engagement.

Resolution: The Board **approved** the Link Governor Scheme, for 2022/23.

FE Governance Guide

The updated FE Governance Guide (June 2022) was shared with the Board for information. The guide summarises the legal and regulatory requirements that apply to FE college and sixth-form college corporations, together with recommended practice. The updated version reinforces expectations in some key areas, in line with the Skills for Jobs white paper themes, and it provides new material as requested by the sector, including strengthened guidance on equality, diversity and inclusion. This includes an emphasis on good recruitment practice for governor and senior leader appointments, to secure a diverse range of candidates with the right skills mix. The guide also covers the new governance funding requirements introduced this year, and the new legal duties arising from the Skills and Post-16 Education Act 2022.

The guidance has been reviewed by the HoG and discussed with the Principal with a number of agreed actions to address, including mandatory EDI Training for Governors, EDI to be a standard item within the Performance Report alongside Safeguarding, annual EDI Review to be published on the College website and a review of provision in relation to local needs (at least 3-yearly) to be published on the website.

Corporation Attendance 2021/22

Overall attendance for Board and Committee meetings for 2021/22 was 82%; which exceeds the Board's KPI of 80%. For individual governors, the average attendance was 80%, the highest overall attendance was 100% and the lowest overall attendance was 56%. From a total of 102 responses via the National Clerks' Network, the overall mean average across other FE colleges was 82.49%, with average attendance ranging from 63% to 96.5%.

Written Resolution/Chair's Action

The Board were informed of the following Chair's Action which has been taken since the previous Board meeting:

- 14/7/22: Approval of the Letter of Variation for the extension of the College's loan facility (*approved in principle by the Board prior to the paperwork from the bank being received*)

There has been no written resolutions made by the Board since the previous meeting.

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

13/223 Statutory Reporting – Link Governor Updates

Safeguarding

Safeguarding referrals remain high after the significant increase post-Covid, in particular mental health. However, the Safeguarding Team can now drill down into the causes which will help support with proactive measures to be taken in order to address. LMy commended the amazing work of the LEAPs and assured the Board that the College holds due concern for the wellbeing of staff, particularly those linked to safeguarding. EP advised safeguarding support should also include the LEAPs as they are often the students' first point of communication.

CH: The Board asked whether there was a desire to review the general state of health of young people in Chesterfield and Derbyshire. DM advised that this was considered by the College as part of the Aspire Programme, supported by the LEAPs, in terms of a healthy living focus and additional activities for both students and staff. The Chair proposed that survey may be beneficial. **Action: DM to further consider a survey re healthy living for students and staff.**

In terms of College's response to the cost of living crisis and support for staff and students, EP advised that the Breakfast Club has been expanded, there is a Food Pantry which is well utilised, as well as Clothes Swap events; all of which are available to staff and students. JR also noted that that the Principal's Charity for this year was Food Bank.

CH: The Board asked whether the College was linked to Social Prescribing and students' Link Workers. EP confirmed that it was.

There were no statutory updates for Health & Safety or Equality, Diversity and Inclusion.

Resolution: The Board **noted** the statutory updates.

14/223 Date of Next Meeting

14 December 2022.

The meeting concluded.