



CONFIRMED MINUTES OF THE

BOARD OF GOVERNORS MEETING

HELD ON THURSDAY 15TH DECEMBER 2022

Present: Lucky Ali, Gary Baines, Lucy Barrow, Sue Higginson (Principal), Tim Kelly (Chair), Phil McKeown, Ian Parkinson, Paul Smith, Simon Wrigley (staff governor)

In attendance: Ste Bailey, Executive Assistant Principal – Student Services
Christine Carter, Vice Principal – Curriculum
Phillip Jones, Vice Principal – Quality
Nikki Leising, Financial Controller
Rory McCall, External Auditor (minutes 45 to 100)
Ryan Morris, Administrator to Governors
Michael Norton, Deputy Principal
Lesley Venables, Clerk to the Governors

APOLOGIES FOR ABSENCE

45 Apologies for absence were received and accepted from Jayne Winders (external governor), Gary Doyle (external governor) and Richard Mawdsley (external governor). The absence of Gill Roberts was noted.

DECLARATIONS OF INTEREST

46 The following standing interests were declared:

- Lucy Barrow – employed by Liverpool City Region Combined Authority.
- Tim Kelly - any matters relating to the Merseyside Pension Fund and member of Unison
- Paul Smith – employed by Wirral Council and spouse works for the College's Employer Engagement department

BOARD MINUTES

47 **Resolved** That the minutes of the meeting held on 20th October 2022 (parts 1 and 2) be approved as a correct record and signed by the Chair.

48 Governors received a progress report on the actions identified at the previous meeting and noted that all of these had been completed, were in progress or not yet due to be implemented.

49 In relation to minute 13 the Deputy Principal confirmed that it was possible for the College to carry forward any unspent bursary monies to the following academic year. A revised policy had been approved by the Chair under Chair's Action. Management would consider whether the increase to the amount for Free Meals should continue on a longer-term basis, to provide some relief for students in the current 'cost of living crisis'. Governors commended the College's decision to extend this scheme over the Christmas period.

WRITTEN RESOLUTION

50 The Board noted the outcome of the recent written resolution on the process for the recruitment of a new Chief Executive Officer and the salary level, which had been approved remotely by a majority of external governors.

PRINCIPAL'S UPDATE

51 The Principal gave a verbal update on recent College activities and national developments within the FE sector.

52 The College was leading the Skills Development Fund Bid on behalf of the Merseyside Colleges' Association. Work centred around the development of green energy and sustainability skills and was progressing in line with the agreed timetable.

53 The Principal had also been asked to assist the Chamber of Commerce (as an employer-representative body) in the consultation for the Local Skills Improvement Plan, which aimed to ensure that education providers were meeting the needs of employers.

54 Progress on the Towns Fund bid process was slower than anticipated, but the College had developed plans to establish a community hub in the Hamilton Campus in partnership with key local stakeholders, such as the NHS. This would provide outreach courses for students and progression routes to higher levels of study in a cost-effective and accessible manner. The Principal felt that this was a good example of partnership working in the locality.

55 A new link with Liverpool Museums had been forged and would align curriculum development in the areas of Visitor Economy and Travel & Tourism with opportunities for disadvantaged groups to participate in cultural activities.

56 Governors were informed of the recent suicide of a College student, which highlighted the significance and continuing high level of safeguarding issues. Both staff and students had received support in dealing with this and the Principal commended the Safeguarding Team for their outstanding work in this challenging area.

57 Unison members had recently voted for strike action in relation to the College's pay award, in line with national trends within the public sector. The Principal had emphasised to the recognised representatives that the College had already paid staff as much as it could afford at this time without destabilising the organisation which was a consolidated 7.6% average..

58 The College had received notification that the Liverpool City Region had approved a growth request for £499K of Adult Education Budget funding in respect of 2022/2023, however, this would not be consolidated into any future funding allocation at this stage, This amount was the maximum that the ESFA could distribute at any point in the academic year and the additional money would be used to fund growth outside grant funding.

CHAIR'S UPDATE

59 The Board received for information a report on the Chair's activities since the October 2022 meeting. Since this had been circulated the Chair had also met with the Police & Crime Commissioner and with the local MP.

60 Governors were advised of the recent decision by the Office for National Statistics to re-classify colleges as 'public' rather than 'private' sector entities. Initial guidance focused on the requirement for colleges to seek ESFA permission to enter into any loan arrangements and the appointment of senior postholders on salaries in excess of £150k per annum. It was agreed that a detailed overview of the implications of this decision would be provided at a future board.

SELF-ASSESSMENT REPORT 2021/2022 AND QUALITY IMPROVEMENT PLAN 2022/2023

61 The Vice-Principal (Quality) presented the Self-Assessment Report (SAR) for 2021/2022 and the Quality Improvement Plan (QIP) for 2022/2023, the format of which aligned to Ofsted's Education Inspection Framework.

62 The 'Quality of Education' across all areas had been graded as 'Good' and High Needs provision had been judged as 'Outstanding'. The College was the largest provider of Special Education Needs provision in the Borough and it was felt that the work undertaken was instrumental in supporting young people to overcome challenges to learning and improve independent living and progression into employment, as appropriate,

63 Governors noted that Personal Development was now graded as 'outstanding' and much had been invested in developing this with and for students, to include overseas trips and work experience. The impact of Teacher Assessed Grades, awarded during the COVID-19 pandemic period, had had a significant impact on the College's English and Maths provision (which remained a challenging area) and many students were functioning below the level suggested by the Teacher Assessed Grades they had received at school. Detailed analysis had been carried out and was included in the SAR. In response to questions from governors the Principal advised that this had, in particular, affected students' ability to cope with Level 3 programmes. It would be expected that school leavers would be performing at Level 2, however, the College had enrolled a significant number of students operating at Level 1 and entry Level. Management was reviewing the curriculum and teaching and learning methods to meet the needs of these students, including how behaviour impacted on their achievement rates.

64 The Principal reported that the data underpinning the SAR would not be finalised until the end of December and could, therefore, change slightly. Each department had prepared its own SAR/QIP which would be monitored through the Performance Review process.

65 A governor asked about the balance between the College's fitness to study policy and ensuring that disciplinary issues were dealt with satisfactorily. The Executive Assistant Principal (Student Support) reported that students were set targets to ensure their behaviours were in line with the College's expectations. However, if they were suffering from a mental health issue or an illness, where behaviours related to a student's health, the fitness to study policy was used and the College would deal with the student through methods such as an individualised timetable and a multi-agency approach, rather than just using the disciplinary policy.

66 Deep dives had been undertaken in each curriculum area and the SAR/QIP highlighted the strengths and areas for improvement, which were RAG-rated. A number of common themes had emerged for further work and these were being addressed by the Assistant Principals. Progress against each element of the QIP would be monitored at each Quality & Standards Scrutiny Committee meeting.

67 The SAR set out a positive position, with continuing growth of students from areas of high deprivation, students from Black and Minority Ethnic Groups (BAME) and many other

under-represented and vulnerable groups. This demonstrated the College's vision to be an inclusive, outstanding college.

68 **Resolved** – That the Self-Assessment Report for 2021/2022 and the Quality Improvement Plan for 2022/2023 be approved

PROGRESS AGAINST STRATEGIC PLAN

69 The Board received for information a summary of the actions and impact of the 2021/2022 Objectives. The Principal also presented a set of strategic objectives for 2022/2023 against which progress would be monitored by the Board on a termly basis, with a monthly update provided within the management accounts and balanced scorecard (both of which were circulated to governors).

70 A governor asked about the benefits of the enhanced Schools Liaison provision and was advised that the College had taken a proactive approach to encouraging applications for under 16s to apply for a study programme. The staff also worked with young people in the 2 years prior to them enrolling at the College as part of the transition process. This also provided a useful link with careers advisers in schools, with students becoming more informed of their options for post-16 education. The statutory requirements on schools to enable organisations such as the College to have access to their pupils was noted.

71 In response to questions about the Government's decision to terminate the traineeships scheme with effect from 1st August 2023 the Principal reported that the College would be looking to engage young people in study programmes. However, many of the likely intake would not be ready for such an in-depth programme of learning and this was an unintended consequence of funding reform. The College would present plans to the April QSS Committee meeting.

72 **Resolved** - That the Strategic Objectives for 2022/2023 be approved and termly reports on progress be provided to the Board

GOVERNOR FINANCIAL DASHBOARD

73 The Deputy Principal presented the ESFA's financial dashboard for the FE sector and how the College compared, which was a requirement of the funding agreement. The information it contained was at a high level and aimed to confirm the outcomes of the financial returns provided to the ESFA and some comparison of the outturn to forecasts.

74 The dashboard supported the ESFA's assessment that the College's financial health was 'Outstanding, which it had been for the last 3 years and was expected to maintain in future. The College's forecasts were consistent with the outturn performance, with a slight improvement in each year.

75 COVID-19 and the associated additional funding received had been beneficial to the College, as income had been received for which there was no corresponding expenditure. This position had now started to reduce as costs are now being incurred, the upward pressure on staffing budgets and the lack of uplift to the unit rate. More significant pressure would become evident in 2023 and beyond due to further staff inflation costs and an increase in the National Minimum Wage.

76 The ESFA benchmark for staff costs in comparison to turnover was 70% for sixth form colleges and 65% for GFE colleges. However, the evidence from the dashboard suggested that 80% and 70% were more appropriate. Governors were advised that the other key financial factors related to turnover in comparison to estate size, lease costs and debt interest.

BALANCED SCORECARD

77 The Vice Principal – Quality presented the Balanced Scorecard for 2022/2023 as at 31st October 2022.

78 Attendance levels, particularly for English and maths, had been challenging within the first term of 2022/2023, however a significant proportion of students had attendance of over 90%. Staff had introduced a number of strategies to address this issue, including changes to the timetable so that students attended for one 2-hour session rather than 2 separate lessons each week.

79 Initial diagnostic assessments were undertaken for English and maths to check attainment levels against their qualification grades. Staff had also identified students who required extra support and provided catch-up sessions to improve understanding, confidence and self-esteem. Attendance was monitored on a daily basis, with rapid, targeted interventions for those student poor attendance levels. Curriculum areas with the lowest attendance levels for English and maths would receive a 'deep dive' into teaching and learning to identify any improvement issues.

80 For some students it was difficult to grasp the contextualisation within Functional Skills, but it was noted that following work by the relevant head of department, students on Motor Vehicle programme had distinctly improved their performance and attendance.

81 The College had enrolled a total of 2221 16-18 students against a target of 2346, which was 15 higher than at the same point in 2021/2022.

82 Apprenticeship achievement had started to improve and the College was working with employers to actively recruit apprentices.

83 Governors received information on recent student successes and activities, such as the welcome event held in October and partnerships with local employers. It was also noted that the College had recently appointed a new Health & Safety Manager.

EQUALITY, DIVERSITY & INCLUSION

84 The Executive Assistant Principal (Student Services) presented the closedown of the 2021/2022 Equality, Diversity & Inclusion action plan and provided the Standards and Actions for Implementation for 2022/2023. Both documents had been reviewed recently by the College's EDI Committee at which the Chair was the governor representative, to provide an additional layer of scrutiny.

85 A revised EDI Policy was submitted for implementation in 2022/2023.

86 The Board asked whether the College's fulfilment of its socio-economic duty was included in the remit of the EDI Committee, together with individuals with several protected characteristics. The Executive Assistant Principal responded that the College reviewed any gaps in performance in students to include protected characteristics and those from areas of deprivation and how measures such as the College's bursary fund could be used to improve achievement and retention.

87 **Resolved** – That the EDI Policy for 2022/2023 be approved

MANAGEMENT ACCOUNTS

88 Governors received for information the Management Accounts for October 2022, which had been considered in detail by the Finance & Resources Committee at its meeting in December.

APPOINTMENT OF STUDENT GOVERNOR & MEMBERSHIP ISSUES

89 The Clerk reported that Becky Penfold had been elected by the Student Union for the position of Student Governor for 2022/2023.

90 Governors were advised that Gill Roberts had tendered her resignation as an external governor with immediate effect, due to increased work commitments. Gill had agreed to continue to act as an ambassador for the College and the Chair wished her well on behalf of the Board.

91 A second staff governor (from a teaching background) would be sought in the New Year.

92 **Resolved -** That Becky Penfold be appointed as Student Governor until 31st July 2023

AUDIT COMMITTEE – 23RD NOVEMBER 2022

93 The Chair of the Audit Committee provided a verbal summary of the meeting held on 23rd November 2022.

94 The External Auditor presented the Management Report on the Financial Statements for 2021/2022. Governors received the Financial Statements for 2021/2022 and the Letters of Representation, which had been previously reviewed by the Audit Committee.

95 The report summarised the College's financial activity and stated that the College had reported an overall operating surplus of £1,350k (compared to £2,028k surplus in 2020/2021). This excluded an actuarial pension gain of £13,820K and had resulted in Total Comprehensive Income of £15,166k for the year. Once these items had been taken into account, the College had generated an operating surplus for the year of £856k (compared to a surplus of £3,109k in 2020/2021 which had been an outlier, during Covid19).

96 No new control recommendations had been made for the year ending 31st July 2022, which was commendable given the challenging circumstances in which the College had operated. The External Auditor was satisfied with the Board of Governors' assessment that it was a going concern and that the College would remain operational for the foreseeable future.

97 A number of minor issues highlighted at the Audit Committee meeting had now been completed and unqualified opinions had been issued for both the Financial Statements and Regularity Audits, which enabled the Financial Statements to be approved by the Board and signed by the Chair and the Principal.

98 The Board also received for information the Audit Committee's Annual Report for 2021/2022, which summarised the work of the Committee and concluded that the Committee had discharged its responsibilities in accordance to the Terms of Reference.

99 The Committee had received an internal audit report on the College's Hospitality & Catering provision, which had highlighted a number of significant recommendations for improvement. Management's action plan for the area would be monitored by the Committee at each meeting and would form part of the follow-up work undertaken by the Internal Auditor.

100 **Resolved** That the Financial Statements and the Letters of Representation for both the Financial Statements Audit and the Regularity Audit for 2021/2022 be approved and signed by the Chair and the Principal and be forwarded to the Education and Skills Funding Agency (ESFA).

Rory McCall left the meeting at this point.

FINANCE & RESOURCES COMMITTEE – 1ST DECEMBER 2022

101 The Chair of the Finance & Resources Committee provided a verbal report on the meeting held on 1st December 2022.

102 The Committee had been advised that a positive meeting had taken place with the LCR on performance against the College's AEB allocation and a bid for further growth would be submitted shortly.

103 Management was reviewing every vacant post within the staffing structure to identify any potential expenditure savings. Competition for attracting quality staff was high amongst local colleges and the sector as a whole was suffering from the effects of the relatively static unit funding rate and pay settlements. It was agreed that information on possible future pay structures and costs should be kept under review.

104 Progress reports had been received on capital projects/bids and the HR Strategy.

105 The Board received for information a letter from the Department for Education on the reclassification of further education colleges to the public sector. Further guidance on the implications and practicalities would be issued shortly and would be shared with governors when available.

106 Revised Terms of Reference were recommended for approval. These had been updated to enable the Chair and Vice-Chair to have delegated authority to approve any urgent capital projects/works, as had been the case for the Capital Projects Working Group

107 Following a detailed tender process involving governors and members of the Senior Leadership Team the preferred bidder for the catering contract was recommended for approval by the Board.

108 **Resolved -**

- 1 That the Committee's revised terms of reference be approved
- 2 That Caterlink be appointed as the catering contractor

ANY OTHER BUSINESS

109 Governors noted that Gill Roberts had tendered her resignation as an external governor, due to increased work commitments. The Chair wished her well for the future and recognised that she would continue to have links with the College through the work being undertaken by her employer, Morgan Sindall.

DATE OF NEXT MEETING – Wednesday 29th March 2023

Signed: T. Kenny Date: 4.5.23

Chair