

**CHELMSFORD COLLEGE  
BOARD OF THE CORPORATION  
6<sup>th</sup> July 2023**

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**Approved Minutes**

Minutes of a Meeting of the Board of the Corporation held in the Committee Room, Moulsham Street Campus, Chelmsford and via MS Teams on 6<sup>th</sup> July 2023 at 2pm

**PRESENT:** Amanda Montague (Chair)  
David Warnes (Principal)  
Trevor Bolton (Vice Chair)  
Jaya Patten (Teams)  
Doug Zeeman  
Barbara Vohmann  
Alan Pitcher  
Susan Hughes  
Paddy Reilly  
Sarah Noble  
Christian Norman  
Jon Selvage (Staff)  
**IN ATTENDANCE:** Jan Church (Staff)

Debs Hurst (Deputy Principal, Finance & Corporate Services)  
Debbie Garroway (Vice Principal, Curriculum & Quality)  
Fiona Chalk (Interim Clerk to the Corporation) (Teams)

**PROCEDURAL MATTERS**

**1632. APOLOGIES FOR ABSENCE AND WELCOME TO NEW GOVERNORS**

Apologies were received from Jenny Beaumont and Richard Davidson.

**1633. DECLARATIONS OF INTEREST AND TO NOTIFY ANY CONFIDENTIAL ITEMS**

JP declared an interest in item 14 – Governor re-appointments.

**1634. TO APPROVE THE MINUTES OF THE BOARD MEETING HELD ON 24<sup>TH</sup> MARCH 2023**

The minutes were agreed as a correct record of the meeting. (Sarah Noble's attendance to be noted).

**1635. MATTERS ARISING**

All actions have been completed.

Governors asked for an update following the loss of life of a student off campus. Students and staff are offered supportive counselling as a result of the incident, and a bench is to be erected on site.

## 1636. PRINCIPALS REPORT

Governors noted:

- Student and staff award events have taken place.
- Have recruited to 80% of posts arising from the re-structure, with £300k of savings made with £80k direct costs incurred.
- Consultations are taking place for the strategic plan. The September board meeting will receive a draft strategic plan, a further iteration will come to the October board meeting, and the final version will be presented to December Board.
- Curriculum planning is considering more work on employability skills, as this is high on the priorities for Essex. A Higher Technical qualifications bid is being submitted for level 4 and 5 for digital, engineering and construction.
- Predicted achievements were noted as being at or above last year, apart from Apprenticeships, although these are ahead of sector average
- Applications are up on the same point last year (2212 compared to 1938), but the caveat is that applications do not equal enrolments.
- WellFest took place on 5<sup>th</sup> July, with about 50 topics on offer for staff.
- A revision of the QIP is being undertaken to be more focused on impact rather than activity and will come to Q&L in the Autumn Term.
- Additional Christmas closure days were noted and approved as part of the college's commitment to address workload issues for staff.
- The estates projects for the summer were noted.

Governors asked to be involved again in the SAR meetings – dates to be made available in advance so governors can attend.

Governors stated that restructuring can be really unsettling, so how are staff handling it? The Executive have tried to fast track the structure, so staff had certainty over the summer, so it has been an intensive process. There has been some impact on staff, particularly where there are still some roles unappointed to. The college has contingency plans to ensure all areas can function from September. English, Maths, and Electrical are key risk areas. Staff governors commented that the re-structure was quite sudden and unsettling, although staff are aware of the financial pressures and Project Future targets, it is still hard for those staff affected. Staff spoke about the willingness to continue to work on building a forward-looking culture, to deliver for students.

Governors asked for their thanks to be passed for staff who organised the student awards event, and they stated how impressed they were with the students who spoke at that event.

There was discussion about staff roles and responsibility in the new structure, and the impact this will have.

The Governor Champion visit reports were noted.

### **1637. PROJECT FUTURE KEY PERFORMANCE INDICATORS 22/23**

The FEC visited in June and the college requested a reset of some to the targets given the context of energy costs etc. in year. The FEC were largely in agreement with this reset put forward by the Board for the 22/23 targets now being the 23/24 targets. As part of the FEC active support, the college will be accessing CEFSS, which is an efficiency tool and benchmarking exercise to support the college in its effectiveness. The FEC would like to see a bit more ambition around income targets, for example on AEB and Apprenticeships. These growth plans will be brought to the Board in September.

The budget for 2023/24 currently shows a deficit, inclusive of LGPS adjustment, of £175k compared to the original plan in Project Future for a surplus of £62k – a variance of £237k. Governors recognised that the college needs to reset the milestones for Project Future financial targets due to the costs incurred for energy, inflation and substantial increases in agency fee costs which were not assumed in the Project Future planning document.

The increase in capital grants was noted.

The risks are noted as: a full ESFA Audit, putting pressure on the finance team over the next month or so; and ONS changes that are having implications around loans, etc.

Ofsted are expected at the start of the Autumn Term. A briefing for governors is being arranged, and the Portal is up to date with the relevant college information.

**The Board resolved to defer the targets in Project Future, to achieve financial resilience, from July 2024 to 31st July 2025.**

### **1638. FINANCE REPORT**

- Management Accounts to 31 May 2023 (including Outturn 2022-23)

Governors noted:

- a) The total payroll budget is expected to be met, although the balance between agency and permanent staff may vary in year depending on recruitment.
- b) £500k energy costs this year against budget of £180k, has put the non-pay costs over budget.
- c) Still waiting to hear about VAT following ONS reclassification.
- d) £600k adverse to budget on outturn at year-end. The budget line variances were noted.

- CFFR Return 2022-25 (ESFA)
- Financial Dashboard issued by ESFA
- ESS Ltd Risk Management Report
- Risk Management Report
- Risk Register – Key Risks
- Bank covenants – Lloyds and Barclays

Governors noted the target figures in the budget, mostly fixed figures, and the growth target for apprenticeships, although sub-contracting is being decreased. The commercial

income is the nursery and school out of hours provision. A reduction in energy costs is expected given a new contract with a £28k monthly saving, although still higher than previous years. Governors discussed growth targets, particularly commercial targets.

Governors asked about the biggest risk to current financial planning. On 13.12.2024, a £953k repay balloon payment is due. There is expected to be £2m in the bank as part of the Project Future target of £3m by next July. However, these funds might be taken rather than the DfE giving a loan to pay off the balloon payment. This will have direct implications for the Project Future milestones. Following ONS reclassification, the college can only go to DfE for loan as no commercial lending is allowed. Therefore, colleges may not get to keep any surpluses. The college will be in Good financial health if the cash remains in the bank (it has been at Requires Improvement for 22/23).

Governors asked if bank covenants are at risk. The Board was assured that they are not as the college will have sufficient cash of its own in the bank at the necessary times.

**The Board resolved to approve the 23/24 budget with an operating surplus of £175k, after LGPS; and the submission of the CFFR.**

#### **Subcontracting 23-24**

Governors noted the proposed sub-contracting is within the 25% cap of learner numbers and income requirements. Following the procurement process Skills Network and Learning Curve Group – who are existing subcontractors are proposed to be appointed, with £143k split between the two, and contracts starting on 1.8.23.

**The Board resolved to approve Skills Network and Learning Curve Group as the sub-contractors for 23-24, subject to the due-diligence process.**

The financial dashboard of the ESFA, was noted. Governors asked if the forecasting was robust for Project Future. Income targets have been hit; it is the expenditure that has slipped, mostly on energy costs and salaries (such as the living wage increase), both which have to a degree been outside of the college's control.

Governors asked if it would be useful to do scenario planning so governors can see what a poor outturn looks like? In the CFFR there is a sensitivity analysis i.e., if the AEB targets are not met, or if additional income is achieved. Governors agreed it would be useful to know what potentially the worst outcome would be, this could help guide remedial action. Inflation for example, is an example of where things can change.

**It was agreed that JP to work with DH on scenario planning for 23/24 for Board reporting.**

The ESS Ltd split costs are still in place under the Joint Venture (JV) document. There are some issues of having provision within the JV rather than directly in the college, such as the significant amount of financial reporting that now needs to be done means that having an inhouse information provision could be beneficial. Therefore, it is recommended a review of the service takes place. A report will come back to the Board in December on the findings of the review.

## **Risks**

There are 7 Red Risks, 18 Amber risks of which 3 are Red risks that have moved to Amber and 5 Green.

The key risks are

- Ofsted preparation and curriculum intervention areas
- Achievement of financial forecast targets with continuing energy/inflation costs and achievement of apprenticeship income.
- Electrical staff

The bank covenants are all noted to be met, and cash continues to be the biggest risk.

## **1639. CURRICULUM AND QUALITY**

### **College Improvement Plan**

Governors noted that there has been some significant progress made against the five College priorities, resulting particularly from greater interaction with students and external stakeholders and recruitment and retention of staff, which has improved, with lots of work being undertaken with staff through the staff survey, CPD, and other activities.

The plan shows there are 22 Green, 9 Amber, 0 Red areas identified, which shows and improvement since this was last reviewed in May 2023 as the plan has improved +4 green actions.

Governors noted predicted outturns, and that retention has been a challenge given the cost of living crisis, which has led to some students leaving to go into work.

Governors asked how staffing recruitment issues that remain, may impact the plan's achievement and the planned curriculum provision for 23-24. It was advised that SLT are constantly considering this and are thinking about how provision can be delivered differently to meet this challenge – taking on part-time staff from industry to deliver specific elements of programmes for example.

Governors noted that Priority 1 & 2 have been impacted by aspects outside of the college, and the college has in fact made considerable progress in these areas. Significant progress has been made on Priority 3, reasonable progress on Priority 4, and sound progress on Priority 5.

Governors asked if the areas in intervention this year have made the progress as expected? The action plans have not brought about the changes to the degree as expected – much of this has been due to staffing issues. Will these areas remain in intervention next year? This will become clearer once the final outcomes are noted.

## **Curriculum Plan**

Governors noted the draft curriculum plan, which has been to Q&L committee for discussion; the updates since Q&L; and the curriculum intent was referenced, noting the LSIPs priorities.

Governors asked how the Plan translates into the delivery programmes in September? A process takes place between Nov – March, with staff writing a course file ready for delivery the following September. This process depends on course start dates. As part of this process, the college works with awarding bodies on changes in programmes, delivers professional development for staff, is working with ETF T Level ambassadors to help support new curriculum delivery, and has a whole planning week in July.

Governors asked how given the staff changes, do senior leaders ensure that everyone comes along on the journey to deliver the Plan effectively? Staffing structures are in place to support this, with clear accountability running through the staff structure.

**The Board resolved to approve the Curriculum Plan for 2023-24.**

## **PROGRESS REPORTS/UPDATES**

### **1640. POLICY SUSTAINABILITY & RESOURCES COMMITTEE REPORT & RECOMMENDATIONS**

The Board noted the Chair's report and assurances given.

The proposed Pay Award was discussed – an overall 3% from September, excluding Nursery Staff, who've already received their pay award. This is 4% for teaching staff, 2.5% for support staff with an extra week's holiday, and 2% for senior staff, excluding the senior team. This is subject to affordability when detailed budget analysis has been completed over the summer.

It is noted that the finance KPIs are aligned to the CFFR, which are being monitored by the ESFA. The HR KPIs were discussed

**The Board resolved to approve the committee recommendations:**

- **Tuition Fee Policy & Nursery Charges**
- **Capital & Estates Plan 23/24**
- **Pay Award**
- **HR & Financial KPIs 23/24**

### **1641. AUDIT COMMITTEE REPORT & RECOMMENDATIONS**

Governors noted the areas for internal audit focus for the upcoming year. It was also noted that the upcoming funding audit will replace some of the work Scrutton Bland usually do as part of the year-end audit.

**The Board resolved to approve the committee recommendations:**

- **Risk Management Policy**
- **Internal Audit Plan 23/24**

## **1642. QUALITY & LEARNERS COMMITTEE REPORT & RECOMMENDATIONS**

Governors noted that going forward, the impact of the intervention reporting will be made much clearer for the committee, in order for the committee to scrutinise improvements in the quality of education.

Monitoring of the new Accountability Agreement is a new piece of work the committee will be undertaking.

**The Board resolved to approve the committee recommendations:**

- **Updated Terms of Reference (to note the new Duty to Review - how well the college is meeting local and national skills needs)**

## **1643. HUMAN RESOURCES REPORT**

- HR Report

Governors note that the restructure has been delivered to timetable and the Board complimented Debbie Garroway and Beverley Mahoney on the results with only 4 posts required to be filled. There has been a significant amount of time spent with the affected staff through the process and the college are confident that there are the right people in post to take the college forward.

A new flexible working policy will be worked on over the summer.

## **1644. SEARCH GOVERNANCE & REMUNERATION COMMITTEE REPORT & RECOMMENDATIONS**

- Appointments/Re-appointments – Jaya Patten’s first term of office is noted as up for renewal. The Boardroom muted discussion for Jaya’s re-appointment as he attended on line.
- Currently have 3 persons interested in governance positions: 2 as full governors and 1 as a co-optee: The ToR of the SG&R committee state that no members will be appointed without first consideration by the SG&R committee. The next meeting is not until late November and the Board would like to have these people in post from the start of the new academic year, particularly given the likelihood of having Ofsted visit in the Autumn Term. The Board agreed for a SG&R committee to take place in early September to consider appointments only, with a recommendation going to the September Board for approval.
- The Board thanked Susan for all her efforts over her term of office. Susan stated she has enjoyed her time, particularly as the Safeguarding Link governor.

**The Board resolved to:**

- a. approve the re-appointment of Jaya Patten for a further 4-year term**
- b. approve the schedule of business and meeting dates and times for 23-24**
- c. approve the appointment of the Association of Colleges to undertake an external review of governance in Spring 2024.**

**1645. GOVERNANCE MATTERS**

Governors noted the written resolution outcomes since the last board meeting:

Resolution: It is hereby resolved that the Corporation of Chelmsford College approve the Accountability Statement for 2023, as recommend to it by the Policy, Sustainability, & Resources Committee. (12 positive responses, 0 negative responses)

Resolution: The Board hereby resolves to approve the submission of a collaborative Expression of Interest by Chelmsford College in the Essex Local Skills Improvement Fund. The Revenue funding is for 3 projects, namely Essex Teacher recruitment; Essex Talent Pipeline; and Essex Bespoke. The Capital funding received by Chelmsford College will be invested in digital, green skills technologies and bespoke employability support areas in the Learner Resource Centre. (12 positive responses, 0 negative responses)

**1646. CONFIDENTIAL ITEMS**

See confidential Minutes

**CLOSING ITEMS**

**1647. ANY OTHER BUSINESS**

There was no other business to discuss.

**1648. DATE OF NEXT MEETINGS**

The date of the next meeting is 22<sup>nd</sup> September at 2pm.

Signed:

Dated: