

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 9th December 2022 at 2.00pm

PRESENT: Amanda Montague (Chair)
David Warnes (Principal)
Jenny Beaumont
Trevor Bolton (Vice Chair)
Peter McKerchar
Christian Norman
Jaya Patten
Paddy Reilly
Doug Zeeman
Barbara Vohmann
Alan Pitcher
Paolo Chaffey (Student Governor) Till 3pm

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

A presentation was given by Steve Hope on the Annual Health & Safety Report.

In addition to the report, Steve detailed the ongoing management of Covid and the new issue of Scarlet Fever, particularly regards to the Nursery. Governors noted:

- the risks under the Health & Safety Inspections.
- assurance has been received from External Audits and are complementary on the policies and processes in place, such as the Lock Down process.
- Allianz reporting, including the outstanding observations, none of which are high risk but are good practice.
- accident reporting is reduced at Moulsham Street, but there has been an increase of medical type incidents, such as anxiety related issues, over and above the typical slips and trips. Closer auditing of these types of incidents is to take place.
- there were no RIDDOR incidents
- staff training has increased for H&S, with high level of attendance of staff
- the SLA from ESS is under discussion to ensure ongoing H&S support at Chelmsford
- alarm systems have strobe lights to be compliant for those with hard of hearing and have different alarms for fire and lockdown

Governors questioned the one recommendation from the Fire and Rescue Service. This will be reported back to the Board.

FORMAL MATTERS

1594. APOLOGIES FOR ABSENCE AND WELCOME TO NEW GOVERNORS

Apologies were received from Sarah Noble, Susan Hughes, Jan Church, Ned Laurinavicius, and Richard Davidson.

1595. DECLARATIONS OF INTEREST AND TO NOTIFY ANY CONFIDENTIAL ITEMS

No new items were declared.

1596. URGENT BUSINESS

See confidential minute

The Board resolved to approve the sub-contracts and the bank covenant agreement.

1597. TO APPROVE MINUTES OF MEETING HELD ON 23RD SEPTEMBER 2022

The minutes were approved as a correct record of the meeting.

1598. MATTERS ARISING

A list of stakeholders will be circulated early in the new year, to help support governor engagement with stakeholders.

FOR INFORMATION ONLY

1599. PRINCIPAL'S REPORT

ONS reclassification

There are 16 new controls around various measures of consent now required from government. Corporations remain autonomous, and the sector is waiting to see how much central control will be implemented. The supposed benefits such as reclaiming VAT and a reduction in pension liability, have not materialised yet.

There will be a smoothing over of profile payments to support colleges from going into overdraft, typically in the Spring term.

Some capital funding will be brought forward based on a formula allocation.

Further updates will be provided at the Board development day.

Student Ambassadors

These are now in place. Management are keen to hear their priorities to help steer strategic thinking i.e., sustainability, which will help drive forward the AoC's Climate Action Roadmap. Management are collecting views and opinions on this to form a strategy on this that will come to the Board in the spring, and training is being planned on this topic.

Ofsted readiness

This is continuing, particularly in regard to stakeholder engagement.

Staff wellbeing

This forum has ongoing detailed discussions and activities, and continues to provide support for staff.

Additional closure dates of the college for 2022-23 from Tuesday 20th have been made in recognition of the hard work of staff over the challenging term, and also to contribute to less energy use.

Construction IoT centre

This is nearly ready, and the formal launch will take place on 3rd February.

LSIP

A new Stakeholder Scrutiny Committee is being set up to help support the new Board requirement to write an accountability agreement, which will set out how the Corporation are meeting local skills needs. This management committee will be made up of external business members, members of SLT, and some governors.

Recruitment for a Director of Governance

This is ongoing – the closing date in early January.

Governors:

ONS – it would be useful for the Board to have an opinion from a legal firm following the ONS review versus the duties of governors. Governors hold responsibility in law, but if they can now be over-ridden by government, where does responsibility fundamentally lie? There are lots of unknowns around this and the sector awaits legal advice. DfE are still drafting their guidance for colleges. There are seminars in place to advise on this, and the Governance Professional will attend and advise accordingly. There is potential for more complex governance arrangements as well as greater controls, compliance, and regulation.

College closure days, are these for 2022 only? Yes, this is not a permanent change.

Is the Stakeholder Scrutiny Committee a management committee or a board committee? If it is in a board committee, is it line with the board's standing orders?

ACTION: The governance professional and CEO to explore the structure and Terms of Reference of the Stakeholder Scrutiny Committee.

1600. PROJECT FUTURE

Reaching the 2250 learner number target is the key focus, and the college is on track to hit this number, although the make-up of the funding elements of this will negatively affect future funding income. The college has gone back out to early dropouts to re-engage them onto college programmes.

Cost pressures are still high, such as energy fluctuations, and government policy for any support in this area is unknown, so it is hard to plan effectively at present. The increase cost of consumables also adds to financial pressures. Mitigation processes has started to save or reduce costs, such as controls on agency staff.

The current risks were noted.

Governors:

The next Board meeting will be one year from the launch of Project Future. Could governors have an update what we have achieved, where we are on the timeline for achievement, for the board to understand where the risks are and what the mitigations are. This will be reported to the FEC in February as part of ongoing quarterly discussions, and this information will be provided to the Board. Operationally, Project Future started in September 2022. The college's Strategic conversation with ESFA and FEC is taking place in February 2023, for which KPIs will be reported on.

ACTION: FEC member to attend a corporation meeting. This will give the Board an opportunity to hear an external perspective on progress to date.

The take up for T-Levels is below expected, what is the explanation for this. The Education and Childcare T Level is being run alongside the current programme, so managers are

discussing whether to only deliver the T Level going forward. For T Level completion, students need English, Maths and Science at grade 4 and above. The question is where does this leave the students that do not have those qualifications? They are likely to take up an apprenticeship instead. There is a programme called Transition Year to get up to this level, but the transition year does not have a qualification attached to it. The students who achieve this may still not transition and therefore they've studied for a year and not achieved any specific qualification. English & Maths at the level 4 is the biggest barrier to T-Level achievement.

Advice and guidance is taking place in schools on T-Levels to help encourage take up of this style of qualifications.

Does the running of the dual programmes mean our resources are becoming more thinly spread? Potentially, which is why this is under discussion by management.

TO DISCUSS / APPROVE

1601. SELF-ASSESSMENT REPORT 2021/22

The SAR was presented to Q&L committee, and governors noted the document. Overall, the college is judged as a grade 2 – Science and ICT at a grade 1. Grade 3 areas were noted, and the interventions have been discussed. Curriculum Area Review Board meets every 6 weeks where areas in intervention are discussed. The curriculum plan is good and does cater for specialist areas of provision, which has aspects of outstanding provision. There is still some inconsistencies which are being monitored and managed accordingly. Destination data is very positive and statutory requirements are well managed. There is improvement in extra curricular activities and in the timeliness of some apprenticeships, but this area requires further improvement.

Governors:

Part-time adult learner engagement on personal development programmes seems limited. The resources are available for them but getting greater engagement can be a challenge.

1602. COLLEGE IMPROVEMENT PLAN 2022/23

5 priorities with 31 overarching actions were noted. This year's CIP is more focused on Project Future, the workforce development strategy, and the new learner experience strategy. Many of the actions are well on the way to completion, and the impact of these will be monitored in-year and reported to the board.

Governors complemented staff on the well-written plan.

1603. FINANCE REPORT – Presentation filed with the minutes.

- a) Management Accounts 31st October 2022
- b) Budget 2022-23 – progress to date and reforecast
- c) Learner numbers and financial implications 2022/23
- d) ESFA Finance Record
- e) Capital – Dovedale Sports Hall

The headline report which detailed indicators, status, and impact, where noted. About £300k is to be taken out of reserves to cover energy costs. The Minimum Wage increase cost is noted at an extra £75k per annum.

Cashflow is £2.4m at 31.10.22, which is £1.8m more this year. The Board has previously agreed to a £1.1m spend and £700k to commit to reserves, but given current pressures, this may be difficult to achieve. The new smoothing of funding on profile recently announced, will help the income dip in March, so cash is in a good position at this time. Thanks was expressed to Peter McKerchar's support on producing the new graphs.

Financial KPIs are noted as currently rag rated as green, although it is early in year.

Enrolment numbers and programmes were noted, giving a £200k shortfall in funding next year, due to the mix of courses students choose to take i.e., T-Levels enrolments are lower than expected but attract a higher level of funding.

AEB budget is currently behind projected, and the college will be looking at further January starts, supported by the Business Support Unit. Governors noted that this is now all sub-contracted and is forecast to be on target.

Apprenticeships show that the target will be met at this stage in the year.

ESFA finance record for year-end asks for significant benchmarking to be completed in the return, such as energy costs, class sizes, staff utilisation. This will be pulled from the financial annual report.

Governors:

Do KPI figure on borrowing include creditors? No, only bank borrowing. Governors expressed caution on the cash numbers whilst there are still a high level of creditors.

Sport Hall update:

See confidential minute

1604. ANNUAL REPORT & FINANCIAL STATEMENTS 2021/22

The Deputy Principal, Finance & Corporate Services presented the Draft Annual Report and Financial Statements for the year ended 31 July 2022 for the College Group, comprising the College and Dovedale Nursery CIC (the College's wholly owned subsidiary company) and the College's share of the results and the assets and liabilities of Essex Shared Services Limited (joint venture company with South Essex College). The audit of the College Group Accounts is complete, and Price Bailey indicated that they will provide an unqualified opinion on the accounts.

Updates post PS&R/Audit committee:

Post balance sheet event – ONS classification has been detailed and approved by auditors

Related party transactions – forms being updated and will be submitted

ESS Ltd – pension issue of £28k, not material so accounts are not being changed

Emissions for CO₂, scope 1 and 2 – slightly up, probably due to college open more, although gas consumption gone down due to new boiler.

The Board considered the following:

- Going concern report
- Audit highlights memorandum
- Draft financial statements 2021/22 college group -

- Draft financial statements for Dovedale Nursery CIC 2021/22
- Draft financial statements for ESS Ltd 2021/22
- Letter of support: ESS Ltd
- Teachers' pension agency return
- Letters of representation
- Regularity audit opinion

The Accounts were accompanied by a detailed commentary explaining the variances from budget. The Financial Health table with detailed calculations of the scoring on the ESFA methodology was provided to members. The Board noted that the deadline for submission of the final audited Accounts and Report to the ESFA is 31 December 2022. The regularity audit is complete, and an unqualified report will be issued by Price Bailey. They did not identify any material audit adjustments during the audit.

Governors discussed:

- the college as a going concern, with good debt management which is reducing and modest growth. An energy efficient culture is being driven forward, whilst inflationary pressures remain.
- the audit highlights, including the unqualified Auditor opinion.
- The accounts for Dovetail Nursery have been approved at a directors' meeting prior to this meeting.

The Board approved the Going Concern statement, the Group Financial statements, and noted Dovedale nursery and ESS Ltd accounts.

1605. HUMAN RESOURCE REPORT

Governors noted:

- National Minimum Wage gives an annual cost increase, and differentials will need to be explored.
- Recruitment and retention is at 32%, slightly above target
- Absence management shows 6.6 days, slightly higher than normal.
- Good audit of Health and Wellbeing and the college have put in for an award in this area.
- Achievement to date of KPIs

Governors:

Are there HR comparisons on data from across the sector? There has been an AOC report, but it is already 18 months out of date. There has been a workforce survey by DfE so this will be reported on when received.

What extra help can be given on recruitment? The DfE are undertaking a recruitment drive and job fair at Chelmsford College in January. The college will be looking closely at how it can utilise apprentices for the Nursery to help recruitment.

Where there has been a sexual harassment claim that led to the person resigning, how can the college act to help prevent such continuing into the future? There are complex legal issues around what can be put on the reference.

ACTION: Management will have a discussion with the legal team and insurers about what the college's position can be on staff sexual harassment claims, and report back.

Turnover rate of 32% - what is the detail in retention - is it the same roles that struggle to retain? 64 people started new roles this year and 2 left within the year. Is there a lesson learned record in HR which show themes around retention that can be monitored? It is captured in the exit interviews but not collated in detail.

ACTION: HR to collate detail from exit interviews and report on any themes to PS&R committee.

1606. EQUALITY & DIVERSITY ANNUAL REPORT 2021/22

This report has been to Q&L committee for discussion. It will be reviewed given new staff members that have recently joined. A new management committee for EDI is being established in-house, and a governor will be invited to observe that committee.

Key issues noted:

- Gender gap reduced marginally for 16-19 male and female students in favour of more male students
- Achievement of 19+ decreased – the difference down to 0.8%
- Female achievement dropped, due to reduction in attendance
- Female apprenticeship achieve better but most apprenticeships are male
- Those from an ethnic heritage group do 2.9% better than white British students – ethnic group numbers are small in the college
- Learners 19+ disability shows those without a declared disability did 3% less well

The findings of this report will form part of an action plan for the new EDI report.

- Staff 2/3 female and 1/3 male
- Part-time more likely to be female
- Learning support staff are a majority of female
- No ethnic minorities in Executive roles
- Disability is low - 16 declarations across the college, which is above FE sector as a whole

Governors:

How will the Management EDI committee report to governors? It will drive the EDI plan and feed into Q&L and full board where appropriate.

ACTION: Staff equality gender analysis. Governors asked for the percentage figure in the form to be checked and revised as necessary

1607. ANNUAL HEALTH AND SAFETY REPORT 2021/22

See first Item

TO APPROVE

These items have already been reviewed by the relevant Committee and are recommended for formal approval by the Board. It is not proposed that they be discussed but questions are welcome.

1608. FROM Q&L COMMITTEE

- **Annual Safeguarding Report 2021/22**

Exam anxiety – this year's cohort haven't done any exams for a while, are there any resources to support them? This has been discussed at management, and the link between mental health and safeguarding is a growing agenda and the use of resource is constantly revised. The sector is reporting more referrals this year. The report highlights resource need – there is not sufficient resource. The Board needs to consider this, and the risk/benefits need to be considered. Safeguarding refers to retention too, and behaviour also links to mental health. This is being reviewed and more detail on how this is being resourced is to be reported back to the Board.

Governors suggested exploring access to further external resources that could be utilised i.e. MIND.

ACTION: Resourcing of safeguarding and mental health support to be reported to Strategy Away Day.

1609. FROM AUDIT COMMITTEE

- **Annual Report of the Audit Committee 2021/22**

This was approved and signed by the Committee Chair

- **Annual Data Protection Report 2021/22**

Approved.

1610. FROM PSR COMMITTEE

- **Financial Regulations – Delegation schedule**

Approved.

- **Management Accounts – 31 October 2022**

Approved.

TO RECEIVE AND NOTE ONLY

1611. KEY PERFORMANCE INDICATORS (PROGRESS UPDATE)

Covered under other items on the agenda.

Governors stated they are pleased with the updated style of reporting.

ACTION: Include KPIs under CEO's report in future.

1612. 23/24 CURRICULUM PLANNING

Presentation noted and filed with minutes

Noted:

- Key national influences
- Curriculum planning process – inform, collect, develop, and deliver
- College's curriculum intent
- Curriculum outline timeline for 2023/24
- Key considerations

Governors:

How does this fit in with marketing and student applications? This planning is for 23/24 and beyond. Marketing is always ongoing, such as T Levels are already being promoted, January starts are already on the website, etc.

How far into the future do you ask people to scope their curriculum planning? 5 years into the future.

Do staff receive sufficient time and resources to be able to take the long-term future? Difficult with ongoing challenges. Management have introduced workshop sessions into current training time to make space for this.

What are the sources for labour market information? LSIP region has identified what its skills needs are for the years' ahead. This comes from industry and local government information. Also, the use of data sources from sector and outside agencies. Most useful, are probably the insights from direct conversations with stakeholders, and the college then captures this data through networking.

Stakeholder group – there should be a representative from a school on this group as curriculum in schools is changing fast and choices at GCSE level are changing. The group is made up of persons from civic, community, employer, and education groups.

1613. RISK REGISTER AND DARTBOARD

The risk register and dartboard were noted, and that the ONS reclassification will be added. The risk of new CEO & SMT recruitment will be removed, along with Bank Covenant, as these are now resolved. Strep A will be added as a new risk.

1614. GOVERNANCE MATTERS

- Governor visits (if any)
- Governors' development day 3/2/22 - all day at Princes Road. Agenda items currently being considered include, sustainability, Safeguarding and Prevent, student voice, LSIPS, project future, ONS, risk management, launch of the IoT.
- Minutes of committee meetings (unapproved) - Q&L 8/11/22 (17.1), SG&R 8/11/22 (17.2), Audit 22/11/22 (17.3), PSR 1/11/22 and Report of Board Development Day 14/10/22 (17.04)

The above were noted.

1615. ANY OTHER BUSINESS

None.

DATE OF NEXT MEETINGS

24TH MARCH 2023

6TH JULY 2023

PART 2 AGENDA

See confidential minute