

**Minutes of the full Board of the Corporation  
FRIDAY 22 SEPTEMBER 2023 AT 14.00**

**Committee Room, Moulsham Street Campus, Chelmsford and via MS Teams**

**Members:** Amanda Montague (Chair), Trevor Bolton (Vice Chair), Jenny Beaumont, Jan Church, Rachel Cornwall, Richard Davidson, Sarah Noble, Christian Norman, Jaya Patten, Alan Pitcher, Paddy Reilly, Jon Selvage, David Warnes (CEO), Barbara Vohmann, Doug Zeeman.

**College Officers:** Debbie Garroway, Debs Hurst, Jo Styles, Mark Emerson

**Governance Advisor:** Ra Hamilton-Burns

	<b>Item</b>	<b>Action</b>
1	<p><b>PRESENTATION</b></p> <p><b>Lee Bird – Business Services Unit</b> presented an update of the Business Services Unit in three parts and the presentation is lodged with the minutes.</p> <p><b>Apprenticeships</b></p> <ul style="list-style-type: none"> <li>• 187 target for the year <ul style="list-style-type: none"> <li>○ 175 are matched to apprenticeships</li> </ul> </li> <li>• 125 to start in September</li> <li>• 50 to start in October</li> <li>• Total income target £1318k</li> <li>• Additional recruits will be targeted for January 2024</li> </ul> <p><b>AEB</b></p> <ul style="list-style-type: none"> <li>• Total income target £200k</li> <li>• Total learner numbers target 466</li> <li>• AEB innovation fund is invested in: <ul style="list-style-type: none"> <li>○ Green skills</li> <li>○ Essential business skills expansion</li> </ul> </li> </ul> <p><b>Commercial</b></p> <ul style="list-style-type: none"> <li>• Total income target £200k</li> <li>• Total learner numbers' target 377</li> </ul> <p>Governors asked if the College had based its apprenticeship targets on carefully researched opportunities rather than optimism. Lee Bird responded that a significant proportion is based on recruitment that has already been realised. For future enrolment, for instance it is planned that in HR and Operations management the courses will be co-delivered with the Business Team to larger companies and are planned to be day release.</p> <p>Governors noted the progress and thanked Lee Bird and the team. They asked how the unit is making sure that lecturers are appropriately upskilled and trained to deliver the new electrical courses. The College will use an associate to deliver this provision. Some of the innovation fund will support this need to upskill staff.</p>	

	<p>Governors noted the tension as the College has forecast income which is known but there will be unknown costs. They asked if the College considered not using the entire expenditure budget when some might be retained as a contingency against unknowns. The College has flexibility in assigning staff and potential use of expertise from an associate which provides for prudent control of expenditure. The College is working to bring provision into the College in order that it retains the revenue of courses it delivers.</p> <p>Staff reminded the Board that in the case of apprenticeships the College has to justify the cost of the course and itemise expenditure to underpin this justification so retaining funds is not possible.</p> <p>Governors asked if there is a risk that delivery associates might identify an opportunity to deliver directly and set up in competition with the College. There is a clause in the agreement which prohibits this. It is expected that the associates will want to maintain good relations with the College.</p> <p><i>Richard Davidson joined the meeting at 14.10</i></p> <p>The Chair thanked Lee Bird for his presentation and he left the meeting at 14.25.</p>	
2	<p><b>Apologies for absence</b>  Alan Pitcher, Jan Church, Barbara Vohmann, and Jon Selvage sent apologies.</p>	
3	<p><b>Declarations of interest and to notify any confidential items</b>  Ra Hamilton-Burns declared an interest in Item 4.</p>	
4	<p><b>Governor appointments</b>  Search, Governance and Remuneration met on 21 September 2023. It had previously interviewed candidates and recommended their appointments.</p> <p><b>RESOLVED:</b></p> <ul style="list-style-type: none"> <li>• <b>THE BOARD AGREED TO APPOINT RACHAEL CORNWALL AS A MEMBER OF THE BOARD FOR A TERM OF FOUR YEARS UNTIL 21.09.27</b></li> <li>• <b>THE BOARD AGREED TO APPOINT RUTH GILBERT AS A CO-OPTED MEMBER FOR A TERM OF FOUR YEARS UNTIL 21.09.27</b></li> </ul> <p><b>Appointment of Governance Services</b></p>	

	<b>RESOLVED: THE BOARD RESOLVED TO AGREE THE RECOMMENDATION OF THE SGR COMMITTEE THAT THE COLLEGE CONTRACTS WITH REMARKABLE THINGS LIMITED TO PROVIDE GOVERNANCE SERVICES.</b>			
5	<p><b>To approve the minutes of the meeting held on 11 July 2023</b></p> <p>Correction: Sarah Noble and Christian Noble should be included in the list of attendees</p> <p><b>RESOLVED: THE BOARD AGREED THAT THE MINUTES OF THE MEETING HELD ON 11 JULY 2023 WERE AN ACCURATE RECORD.</b></p>			
6	<p><b>Matters arising / actions</b></p> <table border="0"> <tr> <td style="vertical-align: top;"><b>Item</b> 1638.</td> <td style="vertical-align: top;"><b>Action</b> <b>FINANCE REPORT</b> <b>Subcontracting 23-24</b></td> </tr> </table> <ul style="list-style-type: none"> <li>• It was agreed that JP to work with DH on scenario planning for 23/24 for Board reporting</li> </ul> <p>Debs Hurst explained that several factors for 2023/24 have changed significantly from the original plan such as additional income of £747k from the ESFA, the need to pay for a 6.5% pay increase and impacts of inflation on costs. Therefore, the budget will need to be updated and this will include a sensitivity analysis on the achievement of income and keeping within expenditure budgets. This will be done within the CFFR and Debs Hurst will review this with Jaya Patten and then take this to the PSR Committee in November 2023.</p>	<b>Item</b> 1638.	<b>Action</b> <b>FINANCE REPORT</b> <b>Subcontracting 23-24</b>	DG
<b>Item</b> 1638.	<b>Action</b> <b>FINANCE REPORT</b> <b>Subcontracting 23-24</b>			
7	<p><b>Principal's Report</b></p> <p>David Warnes presented a paper informing the Board of key activities and actions over the summer and first three weeks of term summarised as:</p> <ol style="list-style-type: none"> <li>1. <b>Enrolment</b> activity, showing we are slightly up on enrolled 16-18 learners (2351 at the meeting date) which is an increase of 100 compared to the same point last year, with a similar number of adults enrolled to the number at this point last year. This meets both allocation and stretch target.</li> <li>2. <b>Achievement</b> data is still subject to final reconciliation until the hard close in mid-October, but headlines show a 1% improvement in overall, all-age achievement, as a result of small improvements to both 16-18 and 19+ provision. Apprenticeship achievement will be significantly lower than last year, but it is likely to be at or near the national rate.</li> </ol>			

3. The publication of the Essex **Local Skills Improvement Plan** and the College's Accountability Statement to align College provision to the priorities identified.
4. Consultation from staff, students and external stakeholders on the College's refreshed **Strategic Plan** has started and results will be shared with the Board at the October Development Day
5. An initial kick-off meeting with FEC on the **Curriculum Efficiency & Financial Sustainability (CEFFS)** support, has identified areas of focus for the team.
6. The College has been able to **benchmark** itself against a number of key metrics after the publication of several reports from the DfE detailed in appendices both in national (colleges similar to Chelmsford's profile) and local context.
7. A programme of **summer works** has concluded at both campuses, utilising some of the £2.1m of capital grants received recently.
8. Staffing and **workforce planning** continue to be a priority, ensuring that classes are fully staffed and that the overall staffing budget is adhered to. Industrial relations may be impacted by the outcome of a UCU national ballot on pay and conditions which closes on the 10 October 2024.

David Warnes thanked the IT and Estates Team for their hard work and commitment over the summer. He reassured the Board that the College has no RAAC<sup>1</sup> in any of its buildings and the DfE questionnaire was returned to them in March to confirm this.

**Staff /HR issues (recruitment/turnover)**

**ACTION: Governors were asked to circulate the [Inspire to Teach](#) link to their contacts.**

David Warnes recorded his thanks to the HR team for their work and commitment over the summer period ensuring that the College is fully staffed for the start of term. He noted that the College is down to just 13 vacancies. DBS checks are taking a long time to return.

David Warnes said that the AoC pay rise recommendation is for 6.5% and the College is working to model affordability and has committed to spend all of the extra allocation made for this purpose on pay awards.

Governors commented that Chelmsford teachers' average salary appears to be quite high. This may be that the survey is not comparing colleges accurately against each other. For example, there is no guidance in the CFFR where you should place teachers who are also managers and therefore, they are posted in different categories by different colleges and this

Board

<sup>1</sup> RAAC: No colleges forced to delay start of term, says AoC ([feweek.co.uk](http://feweek.co.uk))

leads to anomalies. It was noted that the salaries were competitive in terms of salaries being offered in the region. The top of the band for teachers is £38k and with on costs which bring it to £57k.

Governors asked why enrolment for engineering and electrical enrolment is down. The College assumption is that learners have swapped from the fulltime courses to the apprenticeships.

It was noted that the benchmarks do not correlate in many ways and that it is hard therefore to extrapolate meaningful information. Space is one of the anomalies and Governors asked if the College is operating at capacity which means it cannot recruit more due to space limitation. It would be possible to increase the occupation of existing spaces by increasing class sizes but problematic to put on extra, new provision.

### **Project Future update Curriculum**

- T level recruitment is around 57% of target but five out of the six routeways have sufficient learners to start delivery
- Distance learning delivery is now the responsibility of the Business development team

### **Finance**

#### **• Year-end 2022/23**

- Management accounts at 31.7.23 show a year-end deficit of £894k.
- Income at year-end was higher than budget at £18.63m.
- Both figures are subject to final reconciliation and external audit.
- AEB - Under-delivery of both subcontractors and BATs (now called Ambition) provision resulted in 92% of provision being met – 5% (£44k) short of the 97% target.
- Allocations for 16-18 provision in 2023-24 have been uplifted by £948k with the expectation from the DfE that this will fund a pay award of c6.5%
- Apprenticeship income met the target of £1.2m although this would have been higher if timely achievement had improved.

Governors expressed concern that the College has not met the AEB provision once again and disappointment that there was a clawback of £22k. This will be addressed by the recent devolvement of this target to directors who will address this and the target for 2023/24 to hit 109%.

Governors asked for an update on the performance of T Levels. FEDEC is experiencing the same enrolment profile as

	<p>Chelmsford College. It is thought that the concern of parents is a key issue in reluctant take up by learners, many of whom are choosing BTECs.</p> <p>Governors asked if there is a concern for learners who may wish to remain on BTECs going forward if they are stopped. This could be added to the risk register. DW has written to Vicki Ford and Robert Halfon to express concern. The AoC considers that the position is entrenched.</p> <p>It was noted that T levels are focused on exam outcomes where BTECs are more based on course performance which disadvantages a proportion of learners.</p> <p><b>ACTION: DW will draft a letter from the College and the Board to Robert Halfon expressing concern about the withdrawal of BTECS and limiting of learner choice.</b></p> <p><b>Governor visit reports (22/23 summer term)</b> There have been no visit reports since the July meeting.</p> <p>Amanda Montague added the thanks of the Board to HR, Estates and IT teams for their hard work over the summer term which is much appreciated.</p>	DW
8	<p><b>Key Performance Indicators</b> Many of the items covered had been included in other reports.</p> <ul style="list-style-type: none"> <li>• The area of concern is the performance of apprenticeships which has been discussed. It was noted that this may not represent learner failures but may be due to timely completion.</li> <li>• There are new performance update indicators that will be conflated into one report going forwards.</li> <li>• New measures for academic performance</li> <li>• Staff satisfaction reporting will change</li> </ul> <p>Governance expressed concern about outcomes particularly with Maths and English. Focus on attendance is hoped to address this.</p> <p>Governors asked if any useful lessons had been learned from the covid experience of the College. The following observations had been made:</p> <ul style="list-style-type: none"> <li>• Learners don't work online</li> <li>• Face-to-face teaching is more effective</li> <li>• CAGS and TAGS<sup>2</sup> aren't effective.</li> </ul>	

<sup>2</sup> [\(Teachers\) What is an assessed grade? Is this the same as a centre assessment grade \(CAG\) or teacher assessed grade \(TAG\)? – OCR](#)

	<ul style="list-style-type: none"> <li>• The College is here to provide skills which are not just about academic performance, so engagement is key</li> <li>• Employers have a responsibility to set the expectation with their apprentices that they should achieve Maths and English</li> <li>• Interventions put in with Functional Skills drove outcomes up by 20%</li> <li>• A full-team approach has addressed improvement and embedding English and Maths throughout the curriculum</li> </ul>	
9	<p><b>Risk Management Report</b></p> <p><b>Risk Register and Dartboard</b></p> <p>The dartboard shows that there are 14 risks in total of which three are red risks and two of these relate to finance and funding and HR in terms of hard-to-fill posts.</p> <ul style="list-style-type: none"> <li>• There is still a risk around energy contracts</li> <li>• Inflation is still high</li> <li>• The pay budget is affected by the national minimum wage in April and the pay award</li> <li>• Staff recruitment is an issue, but the College is at 13 vacancies which should allow the College to limit agency spend.</li> <li>• Lloyds Bank has received the July management accounts and will be sending a letter of representation as the College has breached its covenant. The loan is due to be repaid in 2027 but this letter will give them the right to review its position at any time.</li> <li>• The balloon payment of £930k is due and since ONS reclassification of colleges <sup>3</sup> the DfE is the only possible loan provider. They have stated that they will not look at any application until June 2024 which will make effective financial planning impossible. It could also negatively affect the current year's going concern position.</li> </ul> <p>Amanda Montague informed the Board that she and David Warnes will request a joint meeting at the end of October with the ESFA and the FEC to discuss the position and the possible conflict of interest between MPM and Project Future requirements.</p> <p>Governors asked what the banks could do realistically if they wish to call in the loans given the charge is on a property with a design that means it is difficult to realise the value. Prior to MPM<sup>4</sup> restricting colleges, the banks would have rebased the loans but this is no longer an option.</p>	

<sup>3</sup> [Education briefing - ONS Reclassification of Colleges \(eversheds-sutherland.com\)](https://www.eversheds-sutherland.com/en/insights/education-briefing-ONS-Reclassification-of-Colleges)

<sup>4</sup> [Managing public money - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/news/managing-public-money)

	<p>Governors recommended that this be discussed at the Audit Committee in terms of risk. It was agreed that this was not a new risk but was a matter of ensuring that the College is not penalised for its prudent accumulation of a reserve as required by Project Future. Debs Hurst reminded the Board that the College's deficit when she joined was £7.2 m and it is now £2.5m.</p>	
10	<p><b>Finance Report</b></p> <p>There has not been a great deal of change since July 6, 2023. There is a slightly better position and the key issues have already been discussed.</p> <ul style="list-style-type: none"> <li>• £500k of the deficit was due to increase in energy costs.</li> <li>• Aged debtors are due in the main from nursery bills unpaid. There is a plan to restructure the nursery charging process.</li> <li>• The College is showing as 'Good' financial health, but this is due to grants recently being received. Underlying is likely to still be 'requires improvement'.</li> </ul> <p>Governors asked why admin staff is so much higher than forecast.</p> <p><b>ACTION: DH to examine the admin staff costs and report back to the Board.</b></p> <p><b>ACOP Regularity Self-Assessment Questionnaire 2022-23</b> This is complete and the Chair and CEO are required to sign this.</p> <p><b>ACTIONS</b></p> <ul style="list-style-type: none"> <li>• <b>DH will open a fraud log to ensure the College is compliant</b></li> <li>• <b>CEO and Chair to sign ACOP Regularity return on 25 September 2023.</b></li> </ul> <p>Governors thanked Debs Hurst for the report and welcomed the fact that there had been no surprises.</p>	<p>DH</p> <p>DH</p> <p>DW/AM</p>
11	<p><b>Quality &amp; Learners' Matters</b></p> <p><b>Self-Assessment Report 2022/23 (draft)</b></p> <p>Debbie Garroway presented the first draft of the SAR and further work has been undertaken since this version. The process has been further improved this year and the document has undergone robust scrutiny by both internal senior managers and governors. There was a new format last year but has a new section this year to include stakeholders.</p> <p>The College is self-assessing as 'good' in all categories except apprenticeships.</p>	



There remain eight areas for improvement

- L2 and L3 retention
- Variability in quality of education in some areas
- Retention of LAC learners
- Attendance and punctuality
- Standardisation of engagement in learner enrichment across all areas
- Monitoring of apprenticeships on good progress and timely achievement
- Work related experience to improve employability
- Whilst nationally above in Maths and on benchmark for English – the College is still seeking to drive improvement

The final document will be uploaded in January 2024, but this is clearly too late to drive in-year improvement so the Quality Improvement Plan is already in draft and will go to the Quality and Learners' Committee. Ofsted will look at this document and will expect to see an action plan to address any areas of improvement.

The Board thanked Debbie Garroway and appreciates knowing and understanding what the areas for improvement are. The SAR will be final once the hard close data is received in October and executive summary of the QIP will be prepared.

Governors asked what the College can do to drive improvement in mental health support further? The College is working across curriculum areas to address learners' health and wellbeing, external agencies are visiting in two weeks to support a learner event (PRISE week) , the learner voice to develop and work to facilitate support continues. The resources are not infinite and focus is on education of learners to recognise their trigger points and put in place appropriate coping mechanisms. The senior team is visiting classrooms to ensure learners know where to access help and support. The holistic approach of curriculum and services is core to the improvement.

Governors asked if it is possible to monitor activity in a quantitative way. Students have a six-weekly review and there is a RAG rating. Personal development is hard to measure as the impact often doesn't manifest until the future, which Ofsted recognises. The College is seeking to find a system to monitor engagement with the matrix of activities. Governors suggested AI might be able to support data collection and measurement.

The College is about to pilot an AI programme on resource and lesson planning with teachers. Skills builder is based on 8 traits of personal development and the learner starts by recording

	<p>their baseline and this will track progress. STARs is also used to gather learner metrics and outputs inform support put in place by the College. The College is attending a meeting with a group of other Colleges and Amazon to discuss possible AI tools. Jo Styles added that if the personal development is effective, it is holistic and should be fed from the learners to Ofsted.</p> <ul style="list-style-type: none"> <li>• Summary achievement 84.2 up on last year 1pp</li> <li>• 16-18 – 82.8 0.6pp up on last year and national by 2.1pp</li> <li>• Adult 89.8 up by 0.4% and up on national by 3.6pp</li> <li>• Apprenticeships should finish somewhere between 53% - 57% down to historic withdrawals and late EPA's</li> <li>• Retention is a disappointment at 89.9% 0.5% below national</li> <li>• English and Maths functional skills out turned well, and FS Maths was in intervention</li> <li>• Exams 1.7% improvement and above national picture</li> </ul> <p>The Board passed on their congratulations on the English and Maths achievement. They added their thanks for the new version of the SAR which is more professional and informative.</p> <p><b>Student Exit Survey 2022/23</b> Students had been extensively surveyed throughout the year and engagement was dropping off by the summer of 2023. An online survey was offered, and focus groups were held.</p> <p>It was disappointing that this only included a quantitative return of 22% of learners. Student feedback was triangulated with a deep dive within personal development, governors' learners walks and a refresh of the personal development strategy. Governors acknowledged that is hard to survey a student about a teaching and learning experience as they tend to relate it to completion and achievement. They added that the College needs to be robust in providing learning that the student needs rather than just what they want. Governors recognised that the impact of the extensive work and improvement to the programme needs to be gauged going forward.</p>	
12	<p><b>Governance Matters</b></p> <p>a) <b>Governors' Self-Assessment Report summary</b> Governors noted the report.</p> <p>b) <b>Programme for Governors' development day 13/10/22</b> – Amanda Montague noted that she will be on holiday and Trevor Bolton has kindly agreed to Chair.</p> <p><b>RESOLVED: The Board agreed the programme for the Governors' development day on 13 October 2023.</b></p>	

	<p>c) <b>Governor Champions – expectations &amp; schedule for 2023/24</b> – David Warnes explained that there have been some changes to champions assigned to areas. The Board had commented that they wanted to ensure that the experiences from these visits was recorded to ensure impact is realised. A form has been produced for governors to articulate questions or observations and it will be a Microsoft forms. The senior management is also able to feedback. And a summary will go to Board meetings.</p> <p>Governors agreed that all members should participate, actively arrange a visit, and complete the record.</p>	
13	<p><b>Items recommended, or scrutinised, by the Search Committee – 21 September 2023</b></p> <p><b>RESOLVED: BOARD MEMBERS AGREED TO ADOPT ALL DOCUMENTS RECOMMENDED BY THE SEARCH COMMITTEE FROM ITS MEETING ON 21 SEPTEMBER 2023.</b></p>	
14	<p><b>Any Other Business</b></p> <ul style="list-style-type: none"> <li>• David Warnes said there is a new Board room at Princes' Road so future meetings will alternate between there and Moulsham Campus.</li> <li>• Debs Hurst said that Mazars has done a full funding audit for the first time since 2014-15. Formal feedback is awaited but it seems to have gone very positively. There has been a £50 underclaim in AEB and some small adjustments in apprenticeships. Auditors have been very complementary about College staff.</li> </ul> <p>The meeting closed at 16.50.</p>	
15	<p><b>Date of Next Meeting</b></p> <ul style="list-style-type: none"> <li>• Friday 13 October 2023 (Development Day)</li> <li>• Friday 8 December 2022 at 14.00</li> </ul>	