

**FURTHER EDUCATION CORPORATION MEETINGS 2020/21**

**MINUTES OF THE FURTHER EDUCATION CORPORATION MEETING**

**Held at 4pm on Monday 22 February 2021**

**Via Zoom**

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| **Members present:** | Stephen Barnes (Chair), Phil Wilkinson (Vice Chair), Amanda Melton CBE (Principal), Mike Phelan, Jane Cleaver, Stephanie Bridgeman, Tom Gee, David Whatley, Julie Turner, Liz Sedgley, Will Cook, Zulfi Khan, Rob Pheasey, Emma Schofield and Nadeem Rashid |
| **In attendance:** | David Rothwell (Deputy Principal – Finance and Resources)  Tracey Baron (Deputy Principal – Quality and Curriculum)  Andrew Dewhurst (Chief Information Officer)  Alison Rushton (Vice Principal – Adult Learning and Apprenticeships)  Andy Parkin (Assistant Principal – Lancashire Adult Learning)  Fionnuala Swann (Assistant Principal – Academic Curriculum)  Morag Davis (Assistant Principal – Vocational Curriculum)  Claire Jarvis (Assistant Principal – Finance and HR)  Debbie Corcoran (Director of Governance) |

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| **Item 1.** | **1.1 Welcome and apologies for absence**  Stephen Barnes (Chair) welcomed everyone to the meeting, and introductions were made. Apologies for absence were received and accepted from Neil Hart, Tim Webber MBE and Usman Muhammad.  **1.2** **Declarations of Interest**  The Director of Governance noted that the Chair of the Corporation had a related interest through his role as Chair of the Nelson Town Deal, in agenda item 2.1, as the Group may be considered and receive capital funding to support projects or schemes supported by its Estates Strategy from the fund, should the Board approve the Strategy and projects proposed within it.  Other than this, members and officers present declared they had no interests, personal, fiduciary, or otherwise in any item on the open agenda for the meeting.  **1.3** **Minutes of the Previous Meeting (18 January 2021)**  *Submitted: ‘Minutes of the Board of Corporation Meeting held on 18th January 2021’ - circulated in Board papers*  The Minutes of the Board of Corporation Meeting held on the 18th January 2021 were reviewed and agreed as an accurate record, for the signature of the Chair.  **1.4 Matters Arising**  *Submitted: Report (circulated in meeting papers)*  The matters arising log was reviewed, and the current position noted. David Rothwell (Deputy Principal – Finance and Resources) was thanked for sharing a summary forecast of the Group’s performance in 2020/21 against the outcome measures and targets agreed with the ESFA in respect of Restructuring Facility (RF) grant funding. The Board noted the RAG rating and variance against RF targets in relation to student numbers, and the clarification given in the meeting on Higher Education (HE) numbers and income.  The Chair of the Corporation took the opportunity at this point in the meeting to acknowledge that this would be Rob Pheaseys last Board meeting prior to his retiring from the Corporation, and personally thanked him for his dedication and commitment to the College and Group over a very valuable period of service. The Board echoed this thanks and recognition, and it was agreed to formally note the Boards sincere thanks and gratitude to Rob Pheasey for his long and distinguished service to both the College and the Board.  **Resolved:** **to receive and note the updated Matters Arising log**  **Resolved: to recognise and thank Rob Pheasey for his long and distinguished service to both the College and the Board of Corporation upon his retirement from the role** |
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| **Item 2.** | **STRATEGIC DISCUSSIONS** |
| **2.1** | **Strategic Discussion: Estates and Capital Investment Strategy** |
| *Submitted: Report and Presentation (circulated in meeting papers)*  David Rothwell (Deputy Principal Finance and Resources) presented this strategic discussion item - introducing Jon Horsfield (Estates Manager) who would be observing for this item, and Matthew Hirst (Fusion Project Management) who would be presenting the item with the Deputy Principal. The report for this item included a draft Estates Strategy for Board review and approval, along with information on opportunities to bid into the recently launched new FE Capital Transformation Fund (FECTF) and next wave of T level capital funding. Papers included detail on potential bids to these 2 competitive national funds, and into the Nelson Town Deal should funding be received by the local partnership from national Government – all of which is in line with the priorities and vision being proposed in the over-arching Estates Strategy.  An update was also given on progress delivering the programme of estates and capital work being supported by the College’s earlier successful bid into the FE Capital Allocation (FECA) fund. It was confirmed that ESFA have approved the Group’s request to extend works supported by FECA beyond the original deadline of the end of March 2021.  Matthew Hirst confirmed for the Board that the draft Estates Strategy has been developed in accordance with established good practice methodology. The Strategy provided an assessment of the College Group’s current estates position in terms of a variety of key factors such as condition, suitability and utilisation. Key issues for each College site were set out. Drawing on the key educational drivers and aspiration for the future development of the curriculum, the strategy then considered key priorities (‘preferred options’) for each campus, to guide and shape potential future investment up to 2025. Indicative high-level cost estimates were provided to support decision-making. The Board welcomed that development of the Strategy had been accelerated given the announcement of the new capital funding being made available to Colleges so that the over-arching framework is clearly set out, and there can be an evidenced strategic fit set out in any bids for funding.  Key criteria for applications to the FECTF fund and T level capital fund were shared with the Board, with confirmation of the minimum project value, match funding requirements, bidding process and timescales. In relation to the FECTF, the proposal set out for consideration by the Board was for an application to support development of the Accrington and Rossendale College site, namely a proposed Technical Skills Centre in the Hameldon building. The proposal for T level capital funding was for a bid to be progressed by the Group to support development of the Nelson and Colne College site through development of an Advanced Digital Academy, which would also be supported through an application to the Nelson Town Deal. A related investment in technical skills specialist equipment was also proposed and would be match funded via the Lancashire Institute of Technology (IoT).  David Rothwell (Deputy Principal) set out the indicative capital programme for 2020/21-2023/24, and supporting analysis of affordability which set out the College’s match-funding contribution. This was carefully considered by the Board, particularly in relation to the impact on the Group’s cash position by 2023/24. Discussions were focused on the proposed strategic direction and investment aspiration, alignment of the capital investment priorities to business strategy, and also key strategic and financial risks. The Board were assured that capital investment opportunities were only being considered or progressed where there is a strong and explicit fit and synergy with the Group’s estates vision, and also that a range of options had been considered to meet these strategic aims.  Board discussed the strategy in relation to the Nelson site and pressure on space at this campus. The Deputy Principal outlined options should expansion of this site be advisable, with possible options available including both changes within the existing site footprint or through acquisition or expansion of the footprint through a new additional site. The implications of Covid-19 on future estates strategy was considered, with opportunities in place to flex and utilise some areas of current under-occupancy at the Nelson site possible. The Board welcomed that the Estates Strategy had begun development of a medium-term view and vision. It was noted that a decision on the availability of funding for the Nelson Town Deal is likely by the end of May, and that the College were in discussions with Hyndburn Borough Council on opportunities to support regeneration and skills through a possible additional Town Deal.  When considering risks, it was noted that investment of circa £30k in professional fees to the remainder of the academic year was needed to progress bid development. The Board were keen to ensure that the Estates Strategy fully consider the sustainability agenda and green technologies, both in relation to the buildings and developments themselves and the provision that would be delivered in the College moving forward. Matthew Hirst set out the approach to ensure that buildings have a long lifespan, and how sustainability will be integral in every decision moving forward, including the contracting process, use of locally sourced and sustainable materials and related employment and training opportunities that will be progressed in successful contractors.  Following the thorough review, the Board resolved as follows:  **Resolved:** **to receive and note the strategic discussion item on estates and capital investment and:**   * **Approve the Estates and Capital Strategy** * **Approve applications to FE Capital Transformation Fund, T level capital wave 3 and Nelson Town Deal fund to the levels and in the areas outlined today, delegating sign-off and progress of bids or applications to the Chair and Vice Chair in line with the Corporation’s procedures**   The Deputy Principal and Matthew Hirst were thanked for the Estates Strategy, supporting reports and inputs this evening, and Matthew Hirst left the meeting. |
| **2.2** | **Strategic Discussion: Mid-Year Reforecast and Finance Report** |
| *Submitted: Report (circulated in meeting papers) and presentation (shared in the meeting)*  David Rothwell (Deputy Principal Finance and Resources) presented the strategic discussion item, beginning with thanks to the finance team – and in particular Claire Jarvis (Assistant Principal) and Judith Dand (Finance Manager) - for their key role in the mid-year reforecast. The financial position as at 31 December 2020 was confirmed, with the reported position against the financial key performance indicator measures being as follows:   |  |  |  |  | | --- | --- | --- | --- | | **Summary financial performance** | | | | | **Financial performance measure** | **2020/21 Mid-Year Reforecast** | **2020/21 Original Budget** | **Strategic Targets** | | Sector EBITDA as % of income | 4.5% | 2.2% | >/= 2% | | Borrowing as a % of income | 6.4% | 6.4% | <20% | | Cash days in hand | 116 | 105 | >50 | | Adjusted current ratio | 3.4 | 2.5 | >/=1.6 | | Staff cost / income ratio | 71.9% | 71.1% | </=70% | | Financial covenants overall compliance | Yes | Yes | Yes | | ESFA Financial Health category | Good | Good | Good |   Key risks for the current financial year and for 2021/22 were set out and considered by the Board. In relation to income and expenditure in the current financial year and performance against the key financial measures, the rising staff costs to income ratio was discussed and consideration given to strategies already in place and being progressed to manage performance in this area and bring it closer to the strategic target. Consideration was given to this in relation to the FE Commissioners target of pay costs being 65% of income, with the rationale for the College’s target being above this considered again.  Summary financial performance against the 2020/21 financial objectives was reviewed, and it was agreed that the March Board meeting will include an update on indicative or confirmed allocations for 2021/22 academic year, and April Board awayday will include consideration of next year’s budget and a more forward-looking consideration of finance including financial objectives.  Risks and sensitivities for 2020/21 were set out and carefully considered, particularly in relation to the Adult Education Budget (AEB), reduced apprenticeship activity and additional Covid-19 staff costs.  The Deputy Principal shared a summary position from the recently completed curriculum performance review and confirmed outcomes of margin analysis for 2020/21. This summary set out the Group’s overall position this academic year against the curriculum efficiency target of 40% and identified curriculum areas beneath this level of contribution, with discussion on the reasons for this. The Board welcomed that in future a quarterly curriculum dashboard will be shared as standard, to give assurance and oversight on the continued position in relation to curriculum efficiency, and that the planned Board deep dives into several curriculum areas will also update and give assurance on delivery.  Board considered the actual and forecast financial position compared to that set out in merger planning as at October 2018, noting the positive EBITDA position which had been enhanced by the impact Covid-19 had had on non-pay costs. Board members reflected on the continued positive reserves position, enabling continued investment in the estate and staff for the benefit of students and the community.  The Deputy Principal and Claire Jarvis (Assistant Principal – Finance and HR) were thanked for their thorough report, with the Board welcoming further consideration as set out above at the Awayday and future Board meetings.  **Resolved:** **to receive and note the strategic discussion item on finance and the mid-year reforecast**  **Resolved: to approve the mid-year reforecast** |
| **2.3** | **Strategic Discussion: 6th Form and Be Phenomenal** |
| *Submitted: Report and presentation (circulated in meeting papers)*  Fionnuala Swann (Assistant Principal – Academic Curriculum) presented this strategic discussion item. The item covered both the 6th Form curriculum offer – with input from joint lead Morag Davis (Assistant Principal – Technical Curriculum) – and also the Be Phenomenal programme of continuing professional development (CPD).  **2.3a) 6th Form**  The two Assistant Principals input, and discussions in the meeting, covered areas such as:   * the offer in place and routes available at level 3 (covering the academic, vocational and T level programmes) * the make-up of the A level study programme, including career aim being at its centre, plus tutorial, extra-curricular offer, academic personal and professional skills and the super-curricular programme which includes pre-professional programmes, a new scholar’s programme and subject trips, visits and speakers * further detail was given on the new and innovative scholar’s programme being led by an ex senior lecturer of Kings College, developing the academic confidence and cultural confidence of both academic and vocational students alike, recognised by the Board as a key priority for the Group given our student profile and ambitions   The Board welcomed the emphasis on a broader programme of development for learners outside of qualifications, and career aim at the centre of both the academic and vocational routeways – with this approach firmly set out in the Group’s values and strategic intent.  Members considered the approach being taken to decide which A levels to offer, the recent changes made and the rationale for these - linked to factors such as demand, employability, progression and destinations. Examples were considered of how the vocational offer has been directly shaped by LEP priorities, destinations, success rates and potential employment – with the example given of the development of the new Law Justice and Protective Services offer which had also benefited from input from Board members in its development, sharing their sector expertise and views as employers.  Development of T levels was discussed by the Board, with consideration of evidence of how employer demand and job opportunities are shaping delivery, and recognition of the challenge of ensuring high quality and valuable work experience placements are available to learners. Assurance was given on the joined-up approach being taken in this respect cross-College, with the T level team working closely with the apprenticeship employer engagement team on links with employers.  The Assistant Principals were thanked for their informative and interesting report and update.  **2.3b) Be Phenomenal**  Fionnuala Swann (Assistant Principal - Academic) then led the strategic discussion on Be Phenomenal, the continuing professional development (CPD) programme in the College Group supporting the College to ‘be extraordinary’.  The report and item covered the mission in relation to Be Phenomenal; background to the current position; outcomes of the review of Be Phenomenal and resulting actions for improvement in 2020/21; changes to teaching tools and how the Group had responded to the need to support staff throughout lockdown to develop their digital skills and online practice. Key elements of the offer were explained and the resulting impact and improvement shared, with elements including use of Microsoft teams, responding to teams need to further develop and embed staff and learners understanding of Prevent, CPD workshops and weekly twilight sessions. The plans for future actions and improvements were also set out and shared for review by the Board.  The Board welcomed that a Deep Dive was being planned on Be Phenomenal and would include meeting Advanced Practitioners supporting the programme and give the opportunity to directly hear staffs experience of the programme. The critical importance of the programme to the quality of learner’s experience and success was fully understood and supported by the Board, who recognised how Be Phenomenal is developing innovation and outstanding practice in teaching, training, learning and assessment through a strong and focused programme of CPD.  Discussions with the Board in the meeting included understanding and being assured on how the impact of Be Phenomenal is seen and measured – for example through Learning Walks identifying excellent practice and impact, QDP surveys on learner satisfaction and the additional learner survey which had been completed in December 2020 and gave direct learner voice on online learning. Consideration was given on how sustained improvement is being achieved, different learning styles recognised and influencing delivery, and the important role e-learning champions are playing in supporting staff and embedding practice. Board members asked and were assured of how the approach is consistent but also adapts to meet and recognise difference in practice and needs between individuals and different types of delivery, for example between that of Teachers and Assessors.  The Assistant Principal was thanked for the interesting update and assurance that had been given.  **Resolved: to receive and note the strategic discussion item on ‘Be Phenomenal’** |
| **Item 3.** | **Principals Report – including Key Performance Indicators (KPIs)**  *Submitted: Report (circulated in meeting papers)* |
| The Principal presented the report, which also included the key performance indicator (KPI) dashboard. The report and discussions in the meeting included an overview and key features of the recently published FE White Paper, update on the Lancashire Local Enterprise Partnership (LEP), the approach to summer assessments and also Covid-19 related matters including areas such as lateral flow testing. Board noted that the Government had announced today its roadmap out of lockdown and Colleges re-opening from 8 March. The principles the Group will adopt in this area were reviewed. Given today’s announcement and expectation of further guidance, it was agreed that the weekly governance emails provided to the Board will continue to give updates in this key area.  As part of this agenda item, the Group’s updated ‘People Strategy’ was also shared with the Board. Claire Jarvis (Assistant Principal – Finance and Resources) recapped on key areas of progress since this was last reviewed by the Board. Members fed back their view that the People Strategy is an excellent piece of work underpinned by assuring processes and engagement with staff, and recognised the value of seeing strategy and practice triangulated in the Plan. An update was given on the continued work and discussions with the JCC. The Principal recognised and thanked Emma Schofield (Board member) for her input to the development of the People Strategy, and additional Board members for sharing their experience and insight into reward and recognition practices since the last Board meeting to support development of the Group’s approach.  The KPIs were considered, with Board members reflecting that areas of focus in the framework had been considered in other agenda items today. The Principal and Deputy Principal were thanked for their continued work to develop the framework and to also take into account feedback that had been provided since the last meeting by the Corporation Chair and Vice Chair and is being incorporated.  **Resolved: To receive and note the Principal’s report including the Key Performance Indicators (KPIs) and People Strategy** |
| **Item 4.** | **Board to receive or approve** |
| **Policies for Approval**  *Submitted: Report (circulated in meeting papers)*  After consideration of the report, the Board decision was as follows:  **Resolved: to approve the updated Safeguarding Policy, Disciplinary Policy and Parental Leave Policy.** |
| **Item 5.** | **Any Other Business (AOB)** |
| There were no items of any other business. |
| **Item 6.** | **Review of meeting and reflections against the Group values**  Members considered today’s meeting, decisions and ways of working against the Group’s values. They reflected that the Estates Strategy consideration and forward look in relation to finance was productive and also critical to the Group’s forward approach. The agenda and approach through Board meetings continues to have a strategic approach which was welcomed, and agendas are focusing on the key strategic issues and areas of decision and oversight of the Corporation. The Board are looking forward to the Awayday and consideration of a new Strategic Plan for the Group moving forward after this. |

**Debbie Corcoran**

**Director of Governance**

**Signed as an accurate record:…………………………………………(Chair of Corporation)**

**Name:…………………………………………………………………………..Date:…………………**