

**FURTHER EDUCATION CORPORATION MEETINGS 2021/22**

**MINUTES OF THE FURTHER EDUCATION CORPORATION MEETING**

**Held at 4pm on Monday 20th September 2021**

**Room AC114 at Accrington and Rossendale College, and via Zoom**

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| **Members present:** | Stephen Barnes (Chair), Phil Wilkinson (Vice Chair), Mike Phelan, Tom Gee, Liz Sedgley, Zulfi Khan, David Whatley, Emma Schofield and Nadeem Rashid |
| **In attendance:** | David Rothwell (Deputy Principal – Finance and Resources)  Andrew Dewhurst (Chief Information Officer)  Sam Mercer (Assistant Principal – Planning and Performance)  Claire Jarvis (Assistant Principal – Finance and HR)  Andy Parkin (Assistant Principal – LAL)  Fionnuala Swann (Assistant Principal – Academic)  Morag Davis (Assistant Principal – Vocational)  Nicola Tattersall (Executive Assistant to the Principal)  Jayne Wynne (Director of Marketing)  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. Jayne Wynne was welcomed to the College and meeting as the newly appointed Director of Marketing for the Group. Apologies for absence were received and accepted from Amanda Melton CBE, Julie Turner and Tracey Baron (Deputy Principal). The Board asked for their condolences to be shared with the Principal, given her recent bereavement.  The Chair welcomed that this was the first face-to-face Board meeting since Covid-19 had necessitated a move to online meetings. It was noted that the following Board members were attending today through Zoom and still counted in quoracy (Mike Phelan), with a number of senior leadership team (SLT) members also attending online (Claire Jarvis, Fionnuala Swann, Sam Mercer and Andy Parkin).  **1.2** **Declarations of Interest**  Members and officers present declared they had no interests, personal, fiduciary, or otherwise in any item on the open agenda for the meeting – with the exception of those Board members who would stand for election as Chair and Vice Chair for 2021/22 in agenda item 1.5 – which the Director of Governance would manage in the meeting.  **1.3** **Minutes of the Previous Meeting (5 July 2021)**  *Submitted: ‘Minutes of the Board of Corporation Meeting held on 5th July 2021’ – both public and a confidential minute circulated in Board papers*  The minutes of the Board of Corporation Meeting held on the 5th July 2021, and confidential minute for the same, were reviewed and agreed as an accurate record, for the signature of the Chair, with 2 amends to be made to the public minutes by the Director of Governance relating to the value of reserves and timing of ESFA guidance.  **1.4 Matters Arising**  *Submitted: Reports (circulated in meeting papers)*  Fionnuala Swann joined the meeting via Zoom.  The matters arising log was reviewed, and the current position noted. The following written updates were received and considered by the Board:  1.4a) *Quality Strategy and Framework* provided by Tracey Baron (Deputy Principal)  1.4b) *Sexual Harassment and Violence* update for the Board by Tracey Baron (Deputy Principal)  1.4c) *Matters Arising Update – finance and performance* *targets* by David Rothwell (Deputy Principal)  Board welcomed the follow-up and assurance within the reports. In relation to the update on the College’s response to new requirements from Ofsted in relation to sexual harassment and violence, it was agreed that the Board will be updated at the October Board meeting on staff completion rates of the mandatory training introduced on sexual violence to receive assurance on effective roll-out. Emma Schofield (lead Governor for safeguarding and prevent) updated the Board and shared assurance resulting from her recent tour of the campus and review of arrangements and impact being made against safeguarding and prevent. This recent visit to the team and campus had included a review of the single central record, with examples shared and seen of how the College group continues to deliver its ambition to be ‘extraordinary’ and go ‘above and beyond’ the approach of other Colleges in this critical area.  In relation to the financial update provided by the Deputy Principal under matters arising, the Board welcomed assurance provided on the position against Restructuring Facility (RF) delivery targets and financial implications associated with recruitment. The Deputy Principal confirmed that the ESFA are aware of the current position, with regular monitoring arrangements in place.  **Resolved:** **to receive and note the updated Matters Arising log and 3 supplementary reports provided at the Board’s request** |
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|  | **1.5 Board membership**  *Verbal item*  Debbie Corcoran (Director of Governance) explained that the Corporation’s standing orders require the appointment of a Chair and Vice Chair at the start of each academic year. The existing Chair and Vice Chair are eligible to be re-elected. Following the Director of Governance having invited Board members to express an interest in standing for election, it was confirmed that the current Chair and Vice Chair would stand for consideration, and this was welcomed and seconded by the Board.  Stephen Barnes (Chair) left the meeting. The Board considered and unanimously approved his reappointment as Chair for the 2021/22 academic year. Stephen Barnes re-entered the meeting, was updated on the appointment and the Board shared their thanks and appreciation for his continuing in the role.  Phil Wilkinson (Vice-Chair) then left the meeting. The Board considered and unanimously approved his reappointment as Vice Chair for the 2021/22 academic year. Phil Wilkinson re-entered the meeting, was updated on the appointment, and the Chair and Board shared their thanks for his ongoing contribution and support in the role.  Following this, the Chair explained that having reflected on the external policy position encouraging periodic refresh of Chairs of College Boards, as well as recommendations in the AoC Code of Good Governance on maximum terms of office, he planned to stand down from the role and Board in this academic year. Giving such advance notice would support the Board’s effective succession planning around the Chair role, and enable an effective handover to a new Chair, as well as supporting the same on the national roles he performs on governance for the AoC. The Board expressed and asked that their sincere thanks and significant appreciation to the Chair be formally recorded for the outstanding contribution he has made to the College throughout his tenure with both the Board and as Chair, his exemplary leadership and huge value he has brought to the role, College and our local communities through his stewardship.  The Director of Governance outlined for Board consideration and approval, the possible processes to appoint a new Chair, who would become a Chair designate in the interim. A clear and transparent process was needed and would be followed for this critical appointment. The Board considered if they should appoint a new Chair from their current members, as allowed in the Instruments and Articles, or consider external recruitment and advertisement of the Chair role. The Board noted that there is clarity on the role of both Chair and Vice Chair due to role descriptions being recently approved, also considering the strategic context of the College Group, and the skill set needed in these key roles to support decision-making on process. Considering this, and reflecting on the importance and value of organisational memory it was agreed that the Board will consider appointing a new Chair from amongst its current members. Upon advice from the Director of Governance, expressions of interest will be invited from Board members eligible to serve who feel they have the skills, experience and capacity to serve as Chair of the Corporation, to be received by 8th October, and for Board consideration at the 18th October meeting. To support succession planning, expressions of interest would also be welcomed at the same time, and through the same process in parallel, for the role of Vice Chair. Interested parties would have access through the Director of Governance to a conversation with the current incumbents about the roles ahead of the deadline for expressions of interest, to support understanding and inform applications.  **Resolved:**   * **To approve the recruitment and appointment of a new Chair of the Corporation during the 2021/22 academic year, through a transparent process approved which invites applications from those members of the current Board of Corporation eligible to serve in the role** * **To invite expressions of interest for the role of Vice Chair of the Corporation to support succession planning in this key role, through a transparent process approved inviting expressions of interest from those members of the current Board of Corporation eligible to serve in the role** |
| **Item 2.** | **STRATEGIC DISCUSSIONS** |
| **2.1 and 2.2** | **Strategic Discussion: Market Assessment and 16-18 Enrolment** |
|  | *Submitted: Report and presentation (circulated in meeting papers)*  Jayne Wynne (Director of Marketing) was welcomed to the meeting, and shared her background, style of working and immediate priorities following her recently moving into post. Through a summary presentation, the Director of Marketing shared insight into the recently completed Market Assessment report completed by RCU. The Board welcomed that the independent report offered valuable insight to support marketing positioning and strategy through information such as analysis of demographic trends, market share, learner volumes and travel to learn patterns relevant to 16-19, adult learning, apprenticeships and Higher Education (HE). The Board noted that RCU’s report used 2019/20 data, and that additional work had been completed to add and consider the current picture and position.  To supplement the RCU report, and support Board’s consideration, the Director of Marketing shared in her slide’s headlines on the current enrolment position for 16-18 learners, and insight into the competitive strategies and positioning of other Colleges in Pennine Lancashire. Board welcomed that the overall enrolment trend is an increase in 16-18 enrolment volumes between 2020-2021 for the Group, however shared a strong and stated desire that the reduction in market share in certain Pendle, Hyndburn and Rossendale schools must be addressed, and conversion of 16-18s from applications to enrolments improve. Board considered the current strategic relationships in place with local schools, and it was agreed there was an opportunity to further strengthen these, with Search Committee asked to consider opportunities for recruitment of a new Board member from local schools to the Corporation to support developing relationships with schools.  Key areas discussed included the process and effectiveness of employer links, strategies to build relationships with primary schools, and the determination and development of the Group’s offer in key economic and employment sectors now and in the future. Board members shared their perspectives and insight into curriculum intent and employer needs in the sectors they represent. The Group’s leadership team updated on how relationships have been strengthened with Hyndburn schools in particular, and the Group’s representation and work through key school networks in the local areas the College serves.  The Board welcomed that the Director of Marketing will be completing 3 key pieces of perceptions work in the immediate future to underpin and inform marketing strategy moving forward. This perceptions research will further improve understanding of the views of young people in particular, focusing on the learners we have, those who applied but didn’t enrol and also the views of those who didn’t apply to the Group to study. The Board recognised the critical importance of a strong and effective marketing strategy that increases market share where it has reduced, and promotes simple messages to share the extraordinary learning environments, teaching, learning experience and impact of the College Group. It was agreed that the Director of Marketing will confirm timings for the planned perceptions work, and both this and an overview and update of the resulting actions and strategies with associated targets and milestones will be shared with the Board for assurance. Board asked and were assured that there is sufficient capacity in place to support the necessary forward marketing strategy, and that full consideration will be given to cost/benefit considerations given this is a significant area of continued investment for the Group.  The Director of Marketing was thanked for the engaging and insightful update, in an area which the Board wishes to be kept updated on and be able to support and challenge throughout the academic year.  **Resolved: To receive and note the strategic discussion item on marketing and 16-18 enrolment** |
| **2.3** | **Strategic Discussion: Annual Outcomes and Curriculum Performance** |
|  | *Submitted: Report (circulated in meeting papers) and presentation in the meeting*  Morag Davis (Assistant Principal – Technical), Fionnuala Swann (Assistant Principal – Academic), Andy Parkin (Assistant Principal – LAL) and Sam Mercer (Assistant Principal and lead for Apprenticeships) presented the summary slides for this item. The report had been shared by Tracey Baron (Deputy Principal – Quality and Curriculum) who was absent due to attending an Ofsted inspection. It set out annual outcomes and achievements for the Group’s learners in the 2020/21 year, with supporting trend data, covering achievement of qualifications for 16-18 year olds, learners aged 19+, A levels, apprenticeships 16-18 GCSEs (grade 4 and above). Plus, an update on career focused destinations for young people, Lancashire Adult Learning (LAL) learners and apprentices.  The Board noted that there was a small number of areas where submission dates and checks being ongoing, meant that data was not absolutely final. In these cases, the volume of ‘results not yet known’ had been shared, and it was confirmed that changes would not be significant. The Board also noted that the Apprenticeship achievement rate had further increased since the report was produced, and was now at 64%, the target position set for 2020/21.  The Board considered the extremely positive results, and both thanked and recognised the teaching teams hard work and commitment, and the whole College approach, which had supported learners to achieve and move forward in their next steps. Board were delighted that every area of achievement was above the outcome level of 2019/20, with the exception of the A level pass rate which was 100% in 2019/20 and marginally less in 2020/21 at 99.7%. Considering this, and the excellent destinations data, the Board reflected that the years outcomes demonstrated the commitment to deliver against the Group’s values and strategic intent – delivering the extraordinary, being a big fat english and maths College, ensuring positive destinations and not just qualifications, being career focused, ensuring the right programme for every learner and that there is the highest quality always and everywhere.  The Assistant Principals took the opportunity through the item to also update on key new developments and innovations such as the Pivot Programme supporting mid-year changes to curriculum and study programmes, likely implications on the national move to qualification frameworks and possible implications for ALPs next year – as well as under-pinning investment in key areas and also sharing examples of changes in the sequencing of curriculum in-year to respond to employer, and learner needs.  Board thanked the leadership team for the update and extremely pleasing results, and asked that their thanks and congratulations also be shared with the Deputy Principal (Quality and Curriculum).  **Resolved: To receive and note the strategic discussion item on annual outcomes and curriculum performance** |
| **2.4** | **Strategic Discussion: Strategic Finance** |
|  | *Submitted: Presentation shared in the meeting*  David Rothwell (Deputy Principal – Finance and Resources) presented the item, which set out for Board consideration and review the following key areas, also considered in the meeting:   * strategic financial considerations – including resource/investment priorities; new products, relationships and opportunities; securing student numbers and delivering contract volumes; controlling the cost base, particularly pay; ensuring value for money, managing risk and keeping control, and also managing stakeholders such as the banks and funders * an update in key areas of strategic financial importance or interest, such as financial results and a planning recap; ESFA policy and developments, plus the wider government position on College funding and finance * the financial results/planning position, with an update against the finance key performance indicators (KPIs) agreed with the Board – setting out 2020/21 outturn, 2021/22 budget and 2022/23 forecast against the Group’s strategic targets and also FE benchmarks * updated capital strategy in relation to investment and financing * ESFA policy and developments – such as Adult Education Budget (AEB) reconciliation and the latest on the Group’s business case to reduce AEB clawback in 2020/21; the latest on the RF performance monitoring, and also the revised financial health methodology being introduced, with Board noting its introduction in consultation/shadow in 2021/22 and full implementation in 2022/23 * the wider government position – including public finances (autumn spending review, levelling up and rising young population), and the strategic finance considerations arising through the FE Skills Bill   Following a thorough consideration, the Deputy Principal was thanked for the focused update supporting the Board to support and challenge in key areas of strategic importance.  **Resolved: To receive and note the strategic discussion item on strategic finance** |
| **3.** | **Principals Report - including Key Performance Indicators (KPIs)** |
|  | *Submitted: Report (circulated in meeting papers)*  David Rothwell (Deputy Principal – Finance and Resources) presented the Principal’s Report on Amanda Melton’s behalf. The report included an update in key areas of interest for the Board in relation to GCSE/A level results, destinations, enrolment, the start of the new academic year and implications of Covid-19, Ofsted and also estates – as well as the usual press review. The report also included the latest key performance indicator (KPI) dashboard.  In relation to KPIs, the Board approved the framework and 2021/22 targets, and it was agreed that the Quality and Standards (Q&S) Committee will review the 2021/22 KPI targets related to their area of oversight to ensure stretch, challenge and realism, on behalf of the Board, and share any recommendations back to the Board in this respect.  **Resolved:**   * **To receive and note the Principal’s Report** * **To approve the framework and targets in the KPI report for 2021/22, with an additional review by the Quality and Standards Committee in relation to those KPIs within their oversight on behalf of Board to support ambition, stretch and realism** |
| **4.** | **Items to receive/note/approve:** |
|  | **4.1 Finance Report**  *Submitted: Report (circulated in meeting papers)*  David Rothwell (Deputy Principal – Finance and Resources) presented the report, which included the draft financial position of the College Group as at 31 July 2021 and also confirmed notification of items still to be finalised, and shared the ESFA returns schedule for 2021/22. The Board noted that the last finance report received by the Corporation in early July had presented a final outturn projection for the year, which had been the basis for the Group’s annual ESFA financial planning return (the ‘CFFR’), along with the 2021/22 budget which was approved at the same meeting. This report presented draft outturn figures, with all comparisons being made to the final outturn projection. Board welcomed that the overall picture is closely aligned between the two points.. The Board noted that some items of income and expenditure are still to be finalised – which were detailed in the full report – and that the reported values are subject to the planned external audit of the financial statements in the coming months.  The financial KPIs were reported, and noted to be, as follows:   |  |  |  |  | | --- | --- | --- | --- | | **Summary financial performance at 31 July 2021** | | | | | **Financial performance measure** | **Current position** | **Projected Outturn** | **Original Budget** | | Sector EBITDA as % of income | 3.7% | 3.1% | 2.2% | | Borrowing as a % of income | 6.7% | 6.7% | 6.4% | | Cash days in hand | 143 | 142 | 105 | | Adjusted current ratio | 2.7 | 2.6 | 2.5 | | Staff cost / income ratio | 73.8% | 74.5% | 70.2% | | Financial covenants overall compliance | Yes | Yes | Yes | | ESFA Financial Health category | Good | Good | Good |   Following consideration, the Deputy Principal was thanked for the report and thorough update.  **Resolved:**   * **To receive and note the Finance Report.** |
|  | **4.2 Annual Insurance Report**  *Submitted: Report (circulated in meeting papers)*  David Rothwell (Deputy Principal) presented the annual report which provided members with assurance regarding the College’s insurance policy renewal for the 2021/22 year. The report confirmed that the existing policy has been renewed with the current provider, and is the final years cover under a 3-year agreement, therefore the intention is to complete a full market tender in advance of the 2022/23 renewal. A schedule of policy premiums was shared for information, and Board was assured that ‘market standard’ Governors liability insurance has remained in place.  Details of the 3 insurance claims made in 2020/21 were shared, and related costs. The Board was updated that as the Group’s current insurance provider had withdrawn from the cyber-security market, cyber-security cover for 2021/22 is now with a new third-party provider, with the Deputy Principal supported in this by input from the Group’s CIO to ensure fitness for purpose. The likely outline approach to tendering for 2022/23 renewal across the full policy was discussed.  In discussions, the Board welcomed transparency provided, and it was agreed that given their interest in understanding comparability with benchmark norms in the FE sector, the Deputy Principal will provide additional assurance to the Board on the College’s approach in this respect, clarifying how it is in line with sector norms.    **Resolved:**   * **That the Board receive and note the annual Insurance Report** |
|  | **4.3 Annual Complaints Report**  *Submitted: Report (circulated in meeting papers)*  Sam Mercer (Assistant Principal – Planning and Performance) presented the annual complaints report for Board consideration, assurance and approval. The report offered summary information on the volume, type and source of complaints received in 2020/21 and their resolution, with trend information provided.  The Board welcomed the report and information presented, however would value richer information and understanding to be assured there are no recurring themes occurring and to have a better understanding of complaints in 2020/21 relating to Covid-19 processes or approaches. Therefore, it was agreed that the SLT lead and support team will complete an additional review of complaints received in 2020/21 and confirm to the Board any recurring or significant trends, and how complaints are resolved. The next annual complaints report will provide richer information than this year including examples of lessons learned, ‘you said we did’ as a result of complaints and also compliments received.  **Resolved:**   * **To receive and note the annual complaints report** |
|  | **4.4 Governance Report**  *Submitted: Report (circulated in meeting papers)*  Debbie Corcoran (Director of Governance) presented the report, which confirmed 2020/21 Board and Committee attendance and offered an update on recruitment to the Board, both provided for information. The report also presented a draft role profile for the Lead Governor for Safeguarding and Prevent to support transparency on the role, which was considered and approved. In conversation, the Director of Governance explained the recording of an ‘authorised absence’ by a Board member in attendance statistics, and confirmed that this terminology is not used in public documents where Board and Committee attendance has to be recorded.  Following due consideration:  **Resolved: That the Board receive the Governance Report and**   * **Note the 2020/21 attendance position for the Board and Committees** * **Note the update on recruitment to vacant roles on the Board** * **Approve the role profile for the Lead Governor for Safeguarding and Prevent** |
|  | **4.5 Policies for Approval**  *Submitted: Report (circulated in meeting papers)*  Following consideration, the Board **resolved to approve the:**   * **Professional Development Policy** * **Grievance Policy** * **Maternity Policy** * **Safeguarding Policy** * **Student Disciplinary Policy** |
| **5.** | **Minutes and Recommendations from Committees** |
|  | *Submitted: Report (circulated in meeting papers)*  Debbie Corcoran (Director of Governance) presented the report which offered Board the unapproved minutes from the Quality and Standards (Q&S) Committee meeting on 23rd June 2021. Mike Phelan, Chair of Q&S Committee drew attention to areas of note, highlighting any key areas of risk or update.  **Resolved:**   * **To receive and note unapproved minutes from the Quality and Standards Committee of 23rd June 2021** |
| **6.** | **Any Other Business** |
|  | None |
| **7.** | **Review and reflections on the meeting against Group values** |
|  | The Chair invited reflections from Board Members and leadership team on today’s meeting, decisions and ways of working against the Group’s values.  Board members fed back that they had enjoyed meeting face-to-face and would like more opportunities to do this through the year. It was agreed that additional opportunities for Board meetings to be held to face-to-face with the option for colleagues to dial-in will be explored. It was also agreed that at their first meeting of the year, Committee Chairs will review and agree if they will meet online, face-to-face or in a hybrid model.  Board members reflected that today’s reports and presentations had further confirmed how fantastic the College is, whether considering learning experiences and outcomes, estates or finance. The discussion on marketing and positioning had been enjoyable and Board looked forward to the follow-up around key areas of challenge.  With this, the meeting was closed. |
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**Debbie Corcoran**

**Director of Governance**

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

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