

**Minutes of the Corporation Meeting Held on
Tuesday 12 October 2021**

Present: Chris Bird, Simon Boyle, Phill Brown, Jonathan Frankham, Shayer Hussain, Karen James, John Lyne (Chair), Jackie Moores, Elaine Price, Chris Rushton

Nils Elgar, Clerk to the Corporation

In Attendance: Leon Dowd (Vice Principal Quality and People), Vicky Hayhoe (Executive Director Finance and Estates), Nicola Welland (Acting Vice Principal Curriculum)

	ACTION
21/22.01	
<u>Apologies for Absence</u>	
The Board of Governors noted the apologies of Damien Bourke and Malcolm Bruce. It was noted that Simon Boyle would be joining the meeting slightly late.	Noted
Apologies were also given for the Head of Estates and Property Strategy. It was noted that the Executive Director Finance and Estates would lead on the Health and Safety Annual Report.	
21/22.02	
<u>Declarations of Interest</u>	
It was noted that Jonathan Frankham had a standing declaration that he was an employee of the Education and Skills Funding Agency (ESFA), the College's principal funder and regulator.	Noted
It was also noted that John Lyne had an interest in the agenda item where his re-appointment to the Droylsden Academy Governing Body was recommended (see minute 21/22.09).	Noted
21/22.03	
<u>Minutes of the Meetings Held on 5 July 2021</u>	
Resolved: The Board of Governors resolved to approve the minutes of the meeting held on 5 July 2021.	Approved
20/21.04	
<u>Matters Arising</u>	
There were no Matters Arising.	Noted
21/22.05	
<u>Principal's Report</u>	
<i>Simon Boyle joined the meeting during this item.</i>	
The Principal reported the following points:	
(i) start of term:	
<ul style="list-style-type: none"> • a settled but busy start to the new academic year, aided by fewer staff and student absences due to COVID-19 compared with the previous year. However, there were rising cases of COVID-19 at Clarendon Sixth Form; 	
(ii) recruitment:	
<ul style="list-style-type: none"> • recruited +51 16-18 students compared with the previous year. 16-18 numbers were now 3,275, some 610 above 	

allocation and equivalent to £3m in unfunded provision. However, the College expected to lose about 10-12% of enrolled students within the first 42 days, some to other institutions and others to apprenticeships. If the College retained 60% of these additional students, this would equate to an additional £1.7m in funding. It was not yet known whether the College would receive any in-year growth funding as it did in the previous year;

- subcontracted provision, although relatively small, would bring in additional numbers;
 - a clearer position on the College's position with respect to adult enrolments would not be known until the October half-term;
 - HE numbers were +30 to target, which was pleasing;
- (iii) teaching and learning:
- all learners were taught to use Microsoft Teams in case teaching and learning had to move online;
 - the College had launched its 'Target Outstanding, Teaching and Learning Strategy with teachers;
- (iv) results 2020/21:
- the majority of results in 2020/21 were teacher assessed grades (TAGs);
 - at 93%, the 16-18 achievement rate was above target, above the previous year's results and above the (now dated) national average;
 - at 91%, the adult achievement rate was also above target, above last year's results and above the (similarly dated) national average;
 - at 53% currently (with a potential maximum of 61%), apprenticeships results showed a third year of decline. This poor result was not linked to TAGs, however, but a consequence of furlough or job loss / redundancies due to COVID-19. Because some apprenticeships were of several years duration, COVID-19 would have an impact on achievement rates in 2021/22 and 2022/23. A forensic analysis had been undertaken to determine the precise cause of low achievement rates to ensure that COVID figures were not masking under-performance. However, it had been determined that withdrawals due to COVID amounted to a -18%-points impact on the overall achievement rate. This meant that the achievement rate for 2020/21 could have been as high as 79%. There were still 15 apprentices awaiting their end-point assessments, but it was proving difficult to get them booked as all available slots were taken. Further detail would be brought to a future Board meeting;
- (v) value added:
- a successful value-added project had seen value-added improve across College provision in 2020/21;
- (vi) finance – this would be discussed elsewhere on the agenda.

Issues considered by Governors included:

- (i) whether the furloughed apprentices were recorded as having a “break in learning” and so avoided being recorded as a fail and restart. It was noted that the College had continued to engage with apprentices who had lost their employer, for example ensuring they completed their functional skills classes. However, the College only had 37 days to find a new employer to avoid having to record a fail and restart and this was not always possible;
- (ii) whether there was a leadership issue in apprenticeships. It was noted that apprenticeships were the biggest priority for the College going forward and more resource was going into this area;
- (iii) that the College might not have its Ofsted inspection for a couple more years, but it would ideally need to show a trend of improvement, not just one year of data;
- (iv) at what point would space become an issue with increasing student numbers. It was noted that space was already an issue for the College. Capital works over the summer had increased the size of some classrooms at Clarendon and T1 and this now permitted larger class sizes. In some areas, the College had taken on additional teachers;
- (v) that in any Ofsted inspection, Governors needed to be clear about the College’s strengths and weaknesses. In the case of any weaknesses, Governors needed to be able to evidence their scrutiny and ensure that effective management action was being taken to bring about improvements.

Resolved: The Board of Governors resolved to note the Principal's Report. **Noted**

21/22.06 **Management Accounts – 31 July 2021 (Provisional Outturn 2020/21)**

The Executive Director Finance and Estates reported the following points:

- (i) the April management accounts forecast a year-end outturn of a £2,036k surplus. The provisional outturn (July management accounts) was for a £1.922m surplus, a £114k negative variance. This was subject to audit;
- (ii) KPIs were on track and indicated outstanding financial health;
- (iii) the surplus would help fund the College’s Estates Strategy;
- (iv) the College had been successful in securing a £487.5k T level capital grant for the renovation of C-floor of the Victoria Building (50% contribution) for Health and Science;
- (v) the College had been successful in its stage 1 bid for the Further Education Capital Transformation Fund (FECTF). Stage 2 bids were due on 8 October with a requirement on the College to make a 10% saving on its Stage 1 bid. This would mean, if successful, the College’s contribution would rise from 50% to 55% for the £14.3m project;

Issues considered by Governors included:

- (i) that in the absence of the Finance and Resources Committee the whole Board now needed to understand and provide scrutiny to the College finances;
- (ii) the provisional outturn of a £1.922m surplus was a substantial improvement on the original budget for a £132k surplus;
- (iii) whether the College might have to tap into its reserves to fund operational costs. It was noted that while this was not expected to be the case for the College, this was the reality for some other colleges;
- (iv) that the College's pay ratio was moving in the right direction (63% in 2020/21 compared with 65% in 2019/20). It was noted that future pay pressures might include a decision by Government not to continue to fund the recent Teachers' Pension Scheme (TPS) increases. An additional £100k would be required to cover the increase in National Insurance contributions from April next year;
- (v) whether teaching remained an attractive profession at a time of some significant pay rises in the private sector. It was noted that it was difficult to recruit construction staff, and that the College was unwilling to compete with some other colleges in terms of pay, citing an example where one college was paying £55/hour for a construction assessor;
- (vi) the potential for strike action in relation to staff pay. It was noted that there was a chance that the AoC recommended pay award would be greater than 1%, but the College had already budgeted for a 2% pay award;
- (vii) that additional learners meant that teaching / support staff were working harder if additional staffing was not provided. It was noted that if some in-year growth funding was received then additional staffing resource could be secured;
- (viii) Special Educational Needs and Disability (SEND) funding. It was noted the College received its SEND funding from the local authority, which was £5m overspent in this area and faced significant operational challenges. This represented a risk for the College. A view was expressed that, nationally, the SEND policy and funding was not fit for purpose;
- (i) that the capital bids represented a significant piece of work. The Principal extended her thanks to the Executive Director Finance and Estates, the Head of Estates and Property Strategy and the wider team for their work. It was noted that other deserving colleges did not get through the stage 1 bid.

Resolved: The Board of Governors resolved to note the Management Accounts – 31 July 2021 (Provisional Outturn 2020/21).

Noted

21/22.07 **Health and Safety Report 2020/21**

The Executive Director Finance and Estates outlined the following points:

- (i) traditional work place evacuations had been suspended during the COVID-19 pandemic, with virtual training now embedded into student inductions;

- (ii) COVID-19 risk assessments were taking place in line with Government and local authority guidance;
- (iii) there had been a decrease in accidents over the past year, despite an initial increase within Aspirations that had been addressed. Notably, there had been no RIDDOR reportable accidents;
- (iv) attendance at H&S Champions' meetings had dropped from Term 1. Management would consider how to improve this going forward.

Governors noted that attendance at the H&S Champions' meetings was an issue. It was suggested that because these meetings were held via Teams, attendance should have been made easier, especially as the meetings had been moved to Wednesday afternoons when no teaching was taking place. The Principal commented that these figures were disappointing and suggested that the priority at the time was to get people back into College after lockdown.

Resolved: The Board of Governors resolved to approve the Health and Safety Report 2020/21.

Approved

21/22.08 Property Update

The Executive Director Finance and Estates reported the following points:

- (i) the Construction Skills Centre (CSC) project new build was ahead of schedule, and expecting to complete on 15 November, with the building open in January 2022;
- (ii) further asbestos had been found in the existing plant room and ducts, however, which had caused additional costs and delays in the overall programme;
- (iii) the original budget of £11.245m had risen and was projected to be £11.59m, a £338k adverse variance. The additional costs would be funded from existing College capital funds unspent from 2020/21 and budgeted for 2021/22;
- (iv) in terms of lessons learned, additional costs for asbestos removal had been built into the College's FECTF capital bid for a new automotive centre.

Governors considered the following issues:

- (i) that within the CSC project, the plant room had long been recognised as a problem;
- (ii) whether the rapidly rising prices in materials was likely to impact further on the CSC build. It was noted that the new build was sufficiently close to completion that no additional costs were anticipated. Only some interior work remained outstanding, together with the demolition of the plant room and ground work. However the rising costs would impact on future bids;
- (iii) that the construction sector was concerned about the future in terms of materials and logistics;

- (iv) that any new bids for capital funding should accurately capture the increased costs of construction;
- (v) that the plans for the new Automotive Engineering Centre were exciting, but the reality was that the College would have to halve its current size. The plans currently included a mezzanine floor for classrooms and it was possible that these might need to be removed with classroom based learning taking place within the Victoria Building.

Resolved: The Board of Governors resolved to note the verbal Property Update report. **Noted**

21/22.09 Re-appointment of Sponsor Governor to Droylsden Academy

The Clerk to the Corporation recommended that John Lyne, Sponsor Governor at Droylsden Academy be re-appointed for a further term of office so that he could see out the remaining time that Droylsden Academy was a standalone (single academy) trust. It was noted that Droylsden Academy was expecting to convert to a multi-academy trust from January 2022.

Resolved: That John Lyne be re-appointed as a Sponsor Governor at Droylsden Academy for a four year term of office. **Approved**

21/22.10 ESFA Letter to Accounting Officers of College Corporations

Governors noted that on the consultation on further education funding and accountability, the Greater Manchester Consortium of Colleges (of which the College was a part) had made a joint submission. Despite a new ministerial team at the Department for Education, a view was expressed that the direction of travel would be unlikely to change much.

Resolved: The Board of Governors resolved to note the ESFA Letter to Accounting Officers of College Corporations.

21/22.11 Items to Note

(i) Chair's Action

Resolved: The Board of Governors resolved to note that no Chair's Actions had been taken since the date of the last meeting. **Noted**

(ii) Use of the Seal of the Corporation

Resolved: The Board of Governors resolved to note that there had been no use of the Seal of the Corporation since the date of the last meeting. **Noted**

(iii) Final Report on Governor Attendance 2020/21

Resolved: The Board of Governors resolved to note the Final Report on Governor Attendance 2020/21 (90%). **Noted**

Before College officers and the Staff Governor withdrew from the meeting, the Chair thanked the Executive Director Finance and Estates for her contribution to the College over the past six years and especially over the last two and a half years in her current role. It was noted that although she would be finishing at the College shortly, but would be available for the Audit Committee meeting on Tuesday 23 November.

21/22.12 Confidential Minutes of the Meeting Held on 5 July 2021

Resolved: The Board of Governors resolved to approve the Confidential Minutes of the Meeting held on 5 July 2021.

21/22.13 Update on Senior Post Holder Recruitment

The Principal provided Governors with a brief update on the progress to date with the recruitment of Senior Post Holders, which now included the Deputy Principal and the Executive Director Finance and Estates.

Although previously advised of the Governor availability and expressions of interest, the Board of Governors formally appointed the Selection Panels, each comprising the Principal and three other Governors:

Appointed

Deputy Principal: Jackie Moores, Damien Bourke, Malcolm Bruce, Chris Rushton.

Executive Director Finance and Estates: Jackie Moores, Simon Boyle, Jonathan Frankham, John Lyne

21/22.14 Strategic Conversation

The Principal reported that the College was due to have its 'Strategic Conversation' with the FE Commissioner's Team and the ESFA on Wednesday 10 November. Currently this would involve the Executive Team and John Lyne. This meeting was routine and not as a consequence of being identified as a college of concern.

21/22.15 Date of the Next Meeting – Tuesday 16 November 2021

John Lyne passed on his apologies for the next meeting and confirmed that Malcolm Bruce would chair this meeting.

Minutes formally approved by the Corporation:

Chair

Date