

**Minutes of the Corporation Meeting Held on
Monday 5 July 2021**

Present: Alison Ashworth, Damien Bourke, Phill Brown, Malcolm Bruce, Jonathan Frankham, Shayer Hussain, Karen James, John Lyne (Chair), Jackie Moores, Elaine Price, Joan Ryan

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), Suraj Rash (Student Representative)

	ACTION
<p>20/21.75 <u>Apologies for Absence</u></p> <p>The Board of Governors accepted the apologies of Chris Bird, Simon Boyle and Chris Rushton.</p>	Accepted
<p>20/21.76 <u>Declarations of Interest</u></p> <p>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.</p> <p>It was noted that John Lyne and Malcolm Bruce had an interest in the Chair and Vice Chair appointments.</p>	Noted
<p>20/21.77 <u>Minutes of the Meetings Held on 24 May 2021</u></p> <p>Resolved: The Board of Governors resolved to approve the minutes of the meeting held on 24 May 2021.</p>	Approved
<p>20/21.78 <u>Matters Arising</u></p> <p>There were no Matters Arising.</p>	Noted
<p>20/21.79 <u>Committees’ Report</u></p> <p>The Clerk to the Corporation reported the following points:</p> <p>(i) the report covered three committee meetings held during June 2021:</p> <ul style="list-style-type: none"> • Curriculum and Standards Committee, 7 June 2021 • Audit Committee, 14 June 2021; • Finance and Resources Committee, 21 June 2021; <p>(ii) Audit Committee:</p> <ul style="list-style-type: none"> • recommended to the Board of Governors for approval the proposed Risk Register for 2021/22; • recommended to the Board of Governors for approval the (External) Audit Planning Memorandum for the Year Ended 31 July 2021; • recommended to the Board of Governors for approval the revised Audit Committee Terms of Reference <p>(iii) Finance and Resources Committee:</p>	

- recommended the Budget 2021/22 (including Capital Budget) and Two Year Financial Plan to the Board of Governors for approval;
- approved the Tuition and Refund of Tuition Fee Policy.

Governors were content with the report as presented and noted that the proposed Risk Register for 2021/22 was only slight different to that of 2020/21, with 'Risk 10 – Recruitment and Staff Resource' no longer included as a strategic risk as it was being managed operationally. Instead, an additional risk had been added as 'Risk 13 – Information Security', owing to the increasing number of cyber-attacks that were taking place across the sector.

Resolved: The Board of Governors resolved to note the Committees' Report.

Noted

Resolved: The Board of Governors resolved to approve the Risk Register for 2021/22.

Approved

20/21.80 Principal's Report

The Principal reported the following points:

- (i) the necessary adjustments made to teaching and learning during the year in response to the COVID-19 pandemic;
- (ii) the College's finances remained strong;
- (iii) progress made with the Estates Strategy. This included:
 - the Construction Skills Centre, which was due for handover in the autumn term;
 - new teaching space on the top floor of the Victoria Building;
 - a new business support hub, boardroom and roof for the Waterloo Building;
 - a new Construction Skills Certification Scheme [CSCS] testing centre.
 - further work planned over the summer included relocating some creative courses into Tameside One to give room for growth at Clarendon Sixth Form Centre and new toilets in the Victoria Building;
- (iv) various capital bids, the outcomes of which were not yet known;
- (v) planning for 2021/22, including enrolment, results day, the new Target Outstanding teaching and learning model with associated staff development;
- (vi) partnership working activities.

Governors agreed that the College's achievements during a particularly challenging year were impressive. The Chair asked that Governors' thanks be passed on to those staff involved in the arduous process of securing the huge number of Centre / Teacher Assessed Grades (CAGs / TAGs) for College students.

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

Noted

20/21.81 Management Accounts – 30 April 2021

The Executive Director Finance and Estates reported the following points:

- (i) the April management accounts forecast a year-end outturn of a £2,037k surplus, up from the forecast £1,786k surplus at the mid-year review;
- (ii) the £251k improvement included the following movements:
 - £357k increase in expected income, mainly driven by the GMCA Adult Education Budget (£200k) and the Maths Premium Pilot (£111k);
 - £74k increase in staffing costs, mainly driven by agency costs;
 - £32k increase in non-pay costs.
- (iii) the additional surplus that was forecast for 2020/21 would support the estates masterplan over the next five years. The value of this investment would be determined once the outcome of the FECTF and T Level capital bids were known;
- (iv) the ESFA's Financial Health Confirmation and Dashboard confirmed that they agreed with the College's Financial Health assessment of 2019/20 actuals and 2020/21 budget and that the College remained financially outstanding. The ESFA also confirmed that they had reviewed the College's audited financial statements, financial statements, management letter and the annual report of the audit committee and had not identified any significant financial control concerns.

Issues considered by Governors included:

- (i) that while this set of Management Accounts had been scrutinised by the Finance and Resources Committee, from next year (2021/22) following the cessation of this Committee, the Board would take full responsibility for scrutinising the accounts;
- (ii) the difficulty faced by management a year ago in proposing a budget for 2020/21, given the uncertainty at the time. It had been reported at the time that the College could potentially swing to a significant surplus or deficit during the year and that was what had transpired. That it was appropriate to treat the significant surplus as a windfall, to be reinvested back into the College estate for the benefit of students;
- (iii) that the College's ESFA Financial Health grade of outstanding was excellent and was becoming increasingly important.

Resolved: The Board of Governors resolved to note the Management Accounts – 30 April 2021.

Noted

20/21.82 Budget 2021/22 (including Capital Budget) and Two Year Financial Plans

The Executive Director Finance and Estates outlined the following points:

- (i) a proposed budget surplus of £526k in 2021/22, which compared with a forecast outturn of £2,036k in 2020/21;
- (ii) outstanding financial health based on the FE Commissioners' benchmarks;
- (iii) key assumptions:
 - the College planned to meet the full AEB budget allocation;
 - the 16-19 tuition fund allocation for 2021/22 had not been received and therefore the College had included the same amount as in 2020/21 (£375k). It was thought likely that the allocation would be higher;
 - apprenticeship income had been increased by approx. £450k (when compared to the forecast outturn for 2020/21), but still felt to be prudent;
 - staffing budgets had been calculated using curriculum plan and staff utilisation information. All posts had been calculated on a full year basis with no assumed slippages. There had been an increase of 15.5 fte for 2021/22 budgets due to curriculum growth and associated posts needed in support;
 - the budget incorporated a 2% pay award which would be paid in January 2022;
 - subcontracting budgets were higher than previous years due to new contracts;
 - College capital of £650k was included in the balance sheet and cash flow figures;
 - the remaining investment for Phase 3 which was due to complete in December 2021 had been included in the balance sheet and cash flow figures;
 - an additional £1,040k had been included in the capital spend figures for 2021/22 that would allow the College to proceed with the estate masterplan on a phased approach. The capital figures had been included on the assumption that no capital grants would be received however should the College receive notification that it had been successful in the FECTF and T Level bid then this would be reviewed and board approval would take place at a separate meeting;
 - the College's cash position was expected to fall from £10m at 31 July 2021 to £6.9m by 31 July 2022;
 - the College planned to remain in Outstanding Financial Health for the whole of the financial plan period;
- (iv) key risks, which included not achieving various income targets and increased staffing costs beyond the College control (such as National Insurance or pension costs). The College's Financial Plan ensured the cash balance remained above £3.5m at all times, which was well above the £2m agreed lower limit.

Governors considered the following issues:

- (i) that the Finance and Resources Committee had given prior scrutiny to the budget and had recommended it to the Board of Governors for approval;
- (ii) the reasons for the significant decrease in forecast surplus compared with the current year but were content with the proposed direction of travel;
- (iii) that the budget for 2021/22 appeared prudent in what seemed to be a slightly less uncertain environment (compared with the previous year);
- (iv) that the budget being presented for approval did not take into account any capital funding the College might receive from its current funding bids.

Resolved: The Board of Governors resolved to approve the College 2021/22 Budget and Two Year Financial Plan, including £650k capital funds and £1,040k additional capital for the estates master plan on the assumption that no capital funding was received.

Approved

20/21.83 Subcontracting Annual Report and Supply Chain Fees and Charges Policy

The Principal reported the following points:

- (i) the report presented an overview of the College's subcontracted provision in terms of income and the providers the College had worked with in 2020/21 and those the College proposed to work with in 2021/22, with an accompanying rationale for each;
- (ii) the ESFA had determined that the volume of subcontracting in the sector would reduce significantly, with a cap to be applied that was thought to be in the region of 25%. By comparison the College's proposed subcontracting provision in 2021/22 would be under 3%;
- (iii) the College's subcontracting in 2020/21 was to the value of £120k, which was less than what was planned due to the COVID-19 pandemic, where some subcontractors were unable to deliver provision and had furloughed staff;
- (iv) by contrast, subcontracting provision in 2021/22 was expected to be to the value of £836k, where existing partners were expected to deliver greater volumes and several new partners were proposed: Eliteform (ESPFA) and Oldham Athletic Football Club. The rationale for working with these two new providers were explained, together with due diligence and audit checks that had been undertaken;
- (v) aspects of the Subcontracting Supply Chain Fees and Charges Policy were outlined.

Governors noted the planned growth in subcontracting provision in 2021/22, but that this remained very modest and well below the expected cap to be imposed by the ESFA. Governors also noted the due diligence undertaken on the proposed new subcontractors, the

contingency plans the College had in place for learners and the actions taken to reduce any audit risk.

Resolved: The Board of Governors resolved to approve the proposed supply chain subcontractors for 2021/22.

Approved

Resolved: The Board of Governors resolved to approve the Subcontracting Supply Chain Fees and Charges Policy 2021/22.

Approved

20/21.84 Audit Planning Memorandum for the Year Ended 31 July 2021

The Executive Director Finance and Resources reported the following points:

- (i) the purpose of the mandatory audit was for the External Auditor to obtain sufficient, relevant, and reliable audit evidence to enable them to express opinions on the financial statements of Tameside College for the accounting period under review;
- (ii) due to additional funding assurance work required by the ESFA for 2020/21, additional substantive testing would have to be undertaken prior to the financial statements audit in October 2021. The level of testing required and therefore the cost of this additional work was not yet known as ESFA guidance was still awaited;

Governors considered the following issues:

- (i) that the Audit Committee had previously considered the Audit Planning Memorandum and had recommended it to the Board of Governors for approval;
- (ii) that the Audit Planning Memorandum included only the standard risk areas that had been identified for the sector and that there were no additional risk areas that related to the College.

Resolved: The Board of Governors resolved to approve the Audit Planning Memorandum for the Year Ended 31 July 2021.

Approved

20/21.85 TRET Update

This minute is confidential as it contains commercially sensitive information.

20/21.86 Annual Review of College Governance Arrangements

The Clerk to the Corporation reported the following points:

- (i) the Corporation's Standing Orders had been reviewed, with changes proposed that addressed:
 - proposed changes to the College's governance arrangements, including the discontinuation the Curriculum and Standards Committee and the Finance and Resources Committee into the next academic year;

- an Internal Audit Service (IAS) recommendation arising from their review of corporate governance relating to the target for Governor attendance at meetings;
 - a proposal from the Vice Principal Quality and People to increase the number of Student Governors from one to two as part of the wider Target Outstanding strategy to improve the student voice;
- (ii) individual committees had reviewed their terms of reference, with changes proposed by the Audit Committee and Search Committee;
- (iii) that the proposed rules by which the Student Governors were to be appointed included the following:
- seeking expressions of interests from all students;
 - interviews with candidates (by management and to include at least one Governor);
 - election by student body.

Governors considered the following issues:

- (i) the prior scrutiny of the committees in respect of committee terms of reference;
- (ii) the drivers behind the proposed changes to the Corporation's Standing Orders;
- (iii) the view of the Student Representative that greater student representation on the Board should be welcomed. The Student Representative also suggested that consideration should be given to the Student Governors having a standing agenda item where they could report on student activities.

Resolved: The Board of Governors resolved to approve the proposed changes to the Corporation's Standing Orders and terms of reference of committees.

Approved

Resolved: The Board of Governors resolved to approve the proposed rules by which Student Governors were to be appointed.

Approved

20/21.87 Draft Calendar of Meetings and Schedule of Business 2021/22

The Clerk to the Corporation reported the following points:

- (i) the proposed calendar of meetings and schedule of business for 2021/22 reflected the proposed changes to the College's governance arrangements:
- all meetings were scheduled for Tuesdays;
 - Board meetings would start at the slightly earlier time of 5.30pm;
 - it no longer included meetings of the Curriculum and Standards Committee or Finance and Resources Committee;
 - an additional Board meeting had been included in November to manage the expected workload;
 - a Budget Scrutiny Working Group meeting was included for June 2022, to review the proposed budget prior to Board approval in July;

- the inclusion of two Governor Development Sessions in the year – in November and March, which would be held as required;
- (ii) one less meeting for the Audit Committee in the autumn term, resulting in termly (three) meetings over the year;
- (iii) all proposed meeting dates were subject to scrutiny by the Executive Team as the College calendar had not been finalised at the time the paper was circulated;
- (iv) the schedule of business should be considered a live document and while indicative of the proposed business, would be continually updated as required, especially in the context of the cessation of the C&S Committee and F&R Committee.

Governors were content with the proposals as presented.

Resolved: The Board of Governors resolved to approve the Calendar of Meetings and Schedule of Business for 2021/22.

Approved

20/21.88 Proposal for Governor Self-Assessment

The Clerk to the Corporation reported the following points:

- (i) the proposal for a Governor Self-Assessment had come about from an IAS recommendation arising from their review of corporate governance;
- (ii) the emphasis of the self-assessment – that this represented an annual opportunity for Governors to reflect on the year just ended on a range of issues such as personal effectiveness and value-added (to the Board), development needs and ambitions for the future, including that for leadership roles.

Governors considered the following issues:

- (i) the time commitment required of the Chair to review and comment on each Governor's self-assessment, which would be increased greatly if this was to include meetings with individual Governors;
- (ii) that the Corporation had tried various self-assessments in the past with varying degrees of success. It was agreed that the 2020/21 self-assessment would be viewed as a trial and that there needed to be a clear value-added arising from the self-assessment process for it to continue.

Resolved: The Board of Governors resolved to approve the proposed Governor Self-Assessment template and agreed the first review to be done in respect of 2020/21.

Approved

20/21.89 Governors Appointments

The Clerk to the Corporation reported the following points:

- (i) that the positions of Chair and Vice Chair needed to be confirmed for the period ahead. The current Vice Chair, Joan Ryan, was standing down as a Governor at the end of her

term of office on 31 August 2021 and so a new Vice Chair was needed. Malcolm Bruce had indicated that he would be willing to take on the role if the Board felt this would be helpful;

- (ii) proposed changes to committee membership.

Resolved: The Board of Governors resolved to approve the appointment of John Lyne as Chair of Governors for a further one year term of office ending 31 August 2022. **Approved**

Resolved: The Board of Governors resolved to approve the appointment of Malcolm Bruce as Vice Chair of Governors for a two year term of office ending 31 August 2023. **Approved**

Resolved: The Board of Governors resolved to approve the following committee memberships from 1 September 2021: **Approved**

Audit Committee

Damien Bourke (Chair)
Simon Boyle
Jonathan Frankham
Elaine Price
Tom Wilkinson

Remuneration Committee

Malcolm Bruce
Karen James
John Lyne (Chair)
Chris Rushton

Search Committee

Malcolm Bruce
Karen James
John Lyne (Chair)
Jackie Moores

20/21.90 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) Interim Report on Governor Attendance 2020/21

Resolved: The Board of Governors resolved to note the Interim Report on Governor Attendance 2020/21 (91%). **Noted**

20/21.91 Confidential Minutes of the Meeting Held on 24 May 2021

Resolved: The Board of Governors resolved to approve the Confidential Minutes of the Meeting held on 24 May 2021.

20/21.92 Proposal for Replacement of Deputy Principal

This minute is confidential as it contains personal information about a member of Academy staff.

20/21.93 Date of the Next Meeting – Monday 5 July 2021

On behalf of the Executive Team, the Principal thanked Governors for their support during a difficult year.

The Chair thanked retiring Governors, Alison Ashworth and Joan Ryan, for their commitment and contribution to the College over the past 12 years, citing their involvement in key activities and developments during this time.

The Chair thanked everyone for their work over the past year and wished everyone a safe and enjoyable summer break.

Minutes formally approved by the Corporation:

Chair

Date