



**Minutes of the Meeting of the Corporation
held on Tuesday 13 July 2021**

Present: - Igor Andronov (Chair)
Sally Cassels
James Caird
Julia Cotton
Tony Ford
Laura Johnston
Alan Layng
Jeremy Nicholls
David Williams (Principal)

In attendance: - Mrs Jo Ricketts (Deputy Principal)
Mr Edward Gwillim (Director of Finance)
Mrs Debra Baldwin (Director of Personnel)
Mrs Linda Watkins (Clerk to the Corporation)

The meeting was quorate as nine Governors were present at the meeting which was held remotely.

	Action
<p>1. I. Apologies for absence Apologies were received from Debbie Lambert and Adam Matthews.</p> <p>II. The Chair welcomed everyone to the meeting.</p> <p>III. Declaration of Interest Igor Andronov and Alan Layng declared interests regarding the appointment of Chair and Vice Chair.</p>	
<p>2. I. Minutes of the last Meetings The Board agreed that the Chair should sign the minutes of the meetings held on 27 April 2021 and 15 May 2021 as true records.</p> <p>II. Matters arising There were no matters arising.</p> <p>III. Notes from Governors' Workshop: 27 April 2021</p> <p><u>The Board agreed: -</u></p> <ul style="list-style-type: none">• To approve the minutes	
<p><i>Discussion</i></p> <p>3. Principal's Report</p> <p>I. The Principal had prepared a written report with specific points discussed. The AoC Regional Director has been appointed Editor of FE Week; AoC have commenced the recruitment</p>	

process for a replacement. The Principal has discussed training provision, work placements for Level 3 students and apprenticeships with Wye Valley NHS Trust which is a major employer in the area. A further meeting has been arranged with the Deputy Principal to discuss delivering relevant curriculum intent for ESOL, English and Maths. Meetings have been held with Shropshire DWP and Herefordshire DWP to discuss delivery of Sector Based Work Academies for the unemployed. The Principal has forged a positive relationship with AICO, the UK's market leader in fire alarm production, to work with the College. Pembrokeshire College informed the Principal that they are not able to accept new apprenticeship starts following changes to their WAG (Welsh Assembly Government) contract. This has resulted in the College's inability to support employers in Powys, Wales. On the advice of WAG, further meetings have been arranged with Welsh prime contact holders. The College is discussing the possibility of working in partnership with Derwen College to better support Entry Level and Level 1 learners at the Walford Campus.

- II. Covid-19 guidance has been received from Government. There have been a few cases of the delta variant with a gradual regular increase; however, there had not been an institutional breakout at any campus. CMT are planning for national changes from 19 July and planning for September 2021 opening. It is possible that there will be further changes at short notice.
- III. The Skills White Paper has progressed to the FE Bill which reinforces relationships between FE and employers, places a duty on governing bodies to communicate with other boards.
- IV. The College is waiting for the DfE's response to capital bids submitted for two projects. The Principal reported that the DfE had received c.200 bids from 120 organisations which is taking significantly longer to select. Confirmation had been received that there will not be an opportunity to bid for additional LEP funding which is being allocated to local growth fund projects.
- V. The Assistant Principal Community Studies will be retiring in December with an appointment made following a recruitment process.
- VI. ESFA correspondence: financial statements, finance record 2019/20 and dashboard. The Director of Finance explained that the College is required to submit financial statements to ESFA which are used to calculate the College's financial health. This showed that the College was categorised as 'requires improvement' in 2018/19 following merger with NSC when the model had not taken account of the funding received from the Transaction Unit. The College's financial health remains 'good'. Benchmarked data was also provided with colleges showing that the EBITDA is lower compared with the sector as the College has multiple sites. It is important to keep borrowing levels down.

The Board agreed: -

- To note the report
- To note ESFA correspondence regarding the financial statements, financial record 2019/20 and dashboard

4. **KPIs**

The Deputy Principal presented the reports. Cumulative attendance to May 2021 was 90.9% which had improved by 1.9% from the previous year. In contrast, GCSE English, Maths and Functional Skills attendance had fluctuated during the year which had been affected by online delivery during the pandemic. This will have an impact on achievement as some students had insufficient evidence for submission to Awarding Bodies. It was noted that despite this the number of grades 9-4 achieved is expected to be similar to last year.

Overall retention was good at 96.2%, a 0.8% increase compared to last year. Withdrawal patterns are different to the previous year due to the pandemic with some students leaving who had secured employment; this is notable in the Faculty of Technology's Level 1 construction trades.

Teacher Assessed Grades (TAGs) for GCSE are anticipated to reduce overall achievement grades based on definitions from the Awarding Body. In contrast, some students have taken advantage of online resources for English and maths resulting in achievement of 9-4 grades anticipated to increase.

Data for apprenticeships showed the best-case overall achievement was 71.3% against the target of 76% and timely achievement of 41.5% against a target of 61%. The pandemic had resulted in challenges to retain students until their end point assessments with some apprentices furloughed by their employers. This affected their timely progress.

A Governor asked if retention and secure evidence is anticipated to affect colleges nationally. Nationally, colleges have responded to the additional expectations placed upon them in different ways. HLNSC took the decision to maintain small curriculum bubbles by delivering the majority of English and maths online. Others developed solutions suited to their own particular circumstances. As such, whilst differences in performance are likely, we are not able to assess the impact on average performance nationally.

The Board agreed: -

- To note the KPIs and progress to date

Decisions

5. **Finance: Budget 2021/22 and forecast**

The budget 2021/22 was presented by the Director of Finance explaining that the College is required to submit a budget and financial forecast to EFSA by 31 July 2021. It incorporated principles of funding which had been discussed by the F&E Committee.

Comparisons of the 2021/22 budget were outlined with the year ended 2021 including the latest forecast out-turn. Income and assumptions were provided noting fluctuations in 16-19 funding and that £300k catch up covid funding had been assumed. A reduction in the AEB was anticipated as sub contracting had reduced. In 2020/21 other grants included £916k maintenance and repairs income which will not be repeated in 2021/22. There are a number of

changes to other income streams including the TPS funded this year. In summary the budget was broadly in line with the current year and forecasted an operating surplus of £153k reducing to £59k taking account of the LGPS pension deficit payments.

A Governor requested clarification about the enhanced pension payments. These are payments to top up the pensions of staff who have been made redundant in previous years when, at the time, the colleges chose not to pay the strain costs up front. The accounts include a provision for these payments but the many variables involved mean that there is often a charge to the I&E in the year. The current college policy (which the main college has followed for many years) is for strain costs to be paid in full at the time of the redundancy.

There was a question about the reasons for the £1M fees increase. The Curriculum Resource Model (CRM) showed a small increase in course costs of £200k and increased full cost course fees. The increase also reflects the more appropriate allocation of some HE income which had been included in "contract Income" in last year's budget. There are some early indications that HE provision may not meet the CRM level based on applications.

The draft budget included allocation for a 1% staff pay increase and a general provision for restructuring.

The Board agreed: -

- To approve the budget 2021/22 which would be submitted to ESFA in the new College Financial Forecasting Return (CFFR) by the 31st July 2021
- To thank the Director of Finance for preparing the budget and explanation

6. **Governance**

Recommendations were made by the Audit Committee and Search and Governance Committee.

The Board agreed: -

- To approve the Internal Auditor's Strategy 2021/22-2023/24
- To approve Mazars Audit Strategy Memorandum to 31 July 2021 noting that the fees are subject to change due to an additional funding audit with confirmation awaited
- To appoint Igor Andronov and Alan Layng as Chair and Vice Chair of the Corporation respectively for 2021/22

7. **Personnel: Support Staff Holiday Entitlement**

The F&E Committee had discussed the policy which would introduce a consistent and fair policy for support staff holiday entitlement which was recommended to the Board for approval.

The Board agreed: -

- To approve the Support Staff Holiday Entitlement

Information

8. **Risk Register - noted**

- 9. Minutes from Committees - noted**
- I. Audit Committee: 14 June 2021
 - II. Quality and Standards Committee: 23 June 2021
 - III. Finance and Employment Committee: 30 June 2021
 - IV. Search and Governance Committee: 23 June 2021:
- 10. Management Accounts to 31 May 2021 - noted**
- 11. Reports - noted**
- I. Health and Safety Report
 - II. Staff Report
 - III. Quality Improvement Plan
 - IV. Enhancement Action Plan (SED) for HE
 - V. Safeguarding and Child Protection Report
 - VI. Equality and Diversity Report
 - VII. AoC Code of Governance: Principles and Values
- 12. Board and Committee Calendar of Business 2021/22 – noted**
- 13. Any other business and comments**
- The Chair recorded appreciation to James Caird for serving as Vice Chair and Sally Cassels who had served as Staff Governor for several years. CMT's immense work to lead the College during a difficult year was recognised with gratitude to staff and students for their ongoing hard work and achievements during the pandemic, which they should be proud of. Governors concurred with this.
- 14. Date and Time of Next Meeting**
- Tuesday 19 October 2021: Governors' Workshop commencing at 2.30 pm and the Board meeting at 4.00 pm. The Clerk would confirm arrangements.

L Watkins

[Staff and Student Governors left the meeting; the confidential agenda followed]