

Further Education Corporation

Meeting of the Board of Governors

APPROVED MINUTES OF THE PART A (NON-CONFIDENTIAL) MEETING

Date	Monday 18th October 2021
Time	17.30: Discussion on the Link Governor role 18.00: Board of Governors meeting
Location	The Backstage Centre, High House Production Park, Purfleet
Present (Governors):	Elizabeth Sipiery (Chair) Angela O'Donoghue CBE (Principal and CE)
attending by Teams	Roland Anderson Gerry Bender Lee Freeman Dr Rod Gray Nikki Hill (Staff Governor) Rani Koya Jo McGee (Staff Governor) Rick Olver Louise Parr-Morley Bob Patterson Andy Ray* Sue Saxton Sarah Stone Gwynn Williams (Vice Chair)
In attendance	Anthony McGarel (Deputy Principal and CE) Susan Evans (Interim Director of Finance)* Brad Brooks (Assistant Principal Student Experience) Nicky Kelly (Assistant Principal Curriculum Operations) Jayne Sheehan (Vice Principal Curriculum (Growth & Performance)) Melissa Drayson (Clerk to the Corporation).
Apologies for absence	Maya West Adesola Orimalade (co-opted governor) Sarah Lane (Vice Principal Curriculum (FE & HE)) Matt Twitchett (Director of Performance and Standards)
Quorum (8)	The meeting was quorate throughout

Item	Action lead
-------------	--------------------

Pre-Board discussion – the role of the link governor

A full record of the discussion is provided as an appendix to these minutes. The following actions were AGREED:

That a revised Link Governor role description would be developed based on the Board's discussions and sector good practice.

1 Preliminary items

The Board welcomed Jayne Sheehan (Vice Principal Curriculum: Growth and Performance) and Brad Brooks (Assistant Principal: Student Experience) to the meeting. Round table introductions were made

The Board took time to acknowledge and reflect upon on the tragic murder of Sir David Amess MP the previous week. Several members spoke about their experience of working with Sir David and his genuine commitment to his constituency and its residents. The awarding of City status to Southend on Sea was welcomed.

Richard Launder's resignation from the Board was noted. The Board placed its thanks to Richard for his many years of service and support to the College, including several years as Chair of Governors.

1.2 Apologies for absence and declarations of interest.

Apologies were noted from Maya West.

There were no new declarations of interests. Previously declared interests would be carried forward.

1.3 Urgent other business notified in advance

Rick asked for update on senior staff changes – covered under confidential item.

2. Minutes of previous meetings

RESOLVED:

- (i) That the non-confidential Minutes of the Board of the Corporation meeting on 5th July be APPROVED as an accurate record.**
- (ii) That the minutes of the Special Board meeting on 13th July be APPROVED as an accurate record.**

3. Matters arising from previous meetings

It was confirmed that all actions and matters arising from previous meetings were either on the agenda or had been completed.

4. Strategic options

Supporting paper presented by the Principal/Chief Executive

The record of this item is recorded in a separate confidential minute on the grounds of commercial sensitivity.

Some background information was given on the IOT and it was:

AGREED: That a full briefing would be given to the Board of Governors on the Institute of Technology at the December meeting.

PCE

5. Curriculum, Quality and the Learner Experience

5.1 Initial Learner Outcomes Report 2020-21

Supporting paper presented by the Vice Principal Curriculum (Growth)

Governors noted the background to the report. Grades had been impacted by a further year of Covid-19 related lockdowns. The grading system had been different to the first year with the Teacher Assessed Grade process for many subjects. Students in practical based technical areas, such as Engineering and Construction, had suffered delays to their assessments as these could only be undertaken in college. For a further year, there would be no national benchmarks for comparison. Ofsted would not be using national benchmarks during an inspection but would interrogate college data instead.

Key headlines were:

- The overall achievement rate had risen slightly to 85.1%. Once all qualifications had been claimed, it was anticipated that this would increase to 87%.
- 16-19 study programmes 16-19 had fallen by 2pp. primarily due to those categories where qualifications had experienced delays.
- GCSE English and Maths outcomes had also fallen. It was believed that this was due to the problems engaging students with entirely online teaching. This would be a clear area of focus for the 2021-22 Quality Improvement Plan.
- Functional Skills had also been impacted. The college was reviewing its qualifications framework in this area.
- Engineering and Construction had been significantly impacted, partly due to the delay, with a high number of assessments needing to be completed in a short space of time. The separate Quality Improvement Plan for this area would be reported under item 5.3.
- The impact on Apprenticeships, particularly with regard to End Point Assessment delays, would be explored further under item 5.2. In some subject areas, apprentices had remained on furlough for a long time and had therefore not been able to go on site to undertake assessments.
- Retention was high but this raised the question of whether students who were not going to gain their qualification should have been withdrawn from the course at an earlier stage. More specifically, it was noted that the college was good at keeping hold of L1 and L2 students who had failed elsewhere, but some were possibly on the wrong programme as they had not passed their qualification.

The Board was informed that similar issues were being experienced by colleges across the country. Staff stability was also a big issue.

Governors sought assurance that there was a robust recovery plan to move forward from Covid and asserted that, even if further Covid restrictions were put in place during 2021-22, there should still be a drive to move forward. Management responded that internal targets were in the process of being set to achieve improvement across the board.

A question was raised about the difference between predicted and actual student outcomes. Management had interrogated this and had identified pockets of curriculum who had over-predicted outcomes and where

improvement was needed in student tracking. These would be addressed via the QIP.

More information was sought about plans to re-engage students in English and Maths as this had been a perennial issue for a number of years. Delivery had moved back to face to face and attendance was currently high. Century software would enable close scrutiny of engagement. Governors accepted that English and Maths engagement and achievement was a sector-wide issue but, nonetheless, agreed that there should be a strong focus on tackling some of the obstacles to higher performance during the current year. This should include some of the issues around student mindset when they are given no choice but to retake a subject they had failed previously.

In response to a governor's question, it was confirmed that equality diversity and inclusion breakdowns would be reported once all data sets were complete, via the Self-Assessment Report and the Equality and Diversity Annual Report.

AGREED:

- a) Quality Improvement Plan 2021-22 to be reported to the November Curriculum and Quality Committee.**
- b) Focus on English and Maths at the Curriculum and Quality Committee.**
- c) EDI information to be reported through Self- Assessment Report and Equality and Diversity Annual Report in December/January.**

5.2 Apprenticeship Update

Supporting paper by the Vice Principal Curriculum (Growth and Performance)

Governors noted the key headlines from the report, in particular that:

- Achievement rates in 2020-21 had been significantly impacted by delays on end point assessments (EPA) for certain Standards, ie Engineering and Construction, Logistics and LGV. For example, the DVLA's decision to pause all driving tests had delayed completion of LGV apprenticeships.
- A significant number of apprenticeships that had passed their end dates had, therefore, been carried forward into 2021-21. In response to governors' questions, it was confirmed that there was no funding for these apprentices apart from achievement income once they completed.
- The college was still dealing with legacy issues of PROCAT apprentices having been taken onto Standards without adequate understanding of EPA. A new policy had been agreed that no new standard would be started without adequate arrangements for EPA.
- In order to mitigate the future risk, the College was looking to broaden its apprenticeship offer into a number of business-based areas that would be in line with local employer need. This was supported by the Board and a discussion took place about other potential opportunities.
- It was confirmed that the College continued to work well with local employers, including major employers such as Leonardo. A further external risk, however, was the high number of apprenticeship vacancies to which employers were having trouble recruiting.

Governors sought further information about the financial risk of delays to apprenticeship completion. It was acknowledged that additional costs would be incurred within Engineering and Construction to put students through their EPAs as quickly as possible. Management confirmed that the margins were tight and were being monitored closely. Further updates would be brought back to governors.

AGREED: Further updates on Apprenticeship completion, recruitment and financial impact to be brought back as required.

VP

5.3 Engineering and Construction Update

Supporting paper presented by the Principal and Chief Executive

Governors noted and welcomed the Action Plan that had been developed specifically for Engineering and Construction. It was generally agreed that issues had been going on for too long, with considerable management time and resource being spent on addressing them, and that this was unsustainable.

Management reported that the drive to support managers to complete qualification achievements was bearing fruit.

The Action Plan had been widely shared with staff at a development day to encourage high levels of ownership. The plan included a specific emphasis on giving industry specialists the tools to teach through training and ongoing support.

There was detailed discussion of staff turnover and recruitment in these subject areas. There was considerable competition for high quality teaching staff between colleges with some offering financial incentives to work for them. Governors asked if the Pay and Reward review that was currently taking place should be accelerated for this curriculum area. Management confirmed that there was now stability at management level and that the supportive approach was beginning to have an impact on performance. It was confirmed that exit interview data was shared with the Policy and Resources committee in order to monitor reasons for leaving.

The Action Plan was subject to monthly monitoring by SLT, and a progress report would be presented to Curriculum and Quality Committee as a standing item. Governors agreed that Board level focus should be retained through the CQC report to each meeting.

In response to questions, it was confirmed that there was a collective responsibility for driving performance at SLT level. It was suggested that target dates should be realistic and manageable rather than over-optimistic, and might be staggered. The Board agreed that it was most important that the improvement was well managed. Future questions included whether the future focus should be on apprenticeship rather than study programme delivery.

6. Finance and Resources

6.1 Policy and Resources Committee report and recommendations

Supporting paper presented by the Chair of PRC

The minutes, headlines from the discussions and recommendations were considered by the Board.

Governors noted the summary of the July management accounts that was contained within the report. However, it was agreed to be important that full management accounts should be made available to each meeting of the Board, regardless of whether they had been scrutinised previously at committee level.

Governors noted the summary financial position: the year-end deficit was positive to forecast, due to additional income commercial activity and the release of the Lennartz VAT refund, which offset underperformance in apprenticeships, HE and Adult Learner Loan income. All banking covenants had been met, along with most of the FE Commissioner benchmarks for financial health. The financial health grade had now been restored to Good.

Governor raised questions about staff utilisation and costs and were reminded that the pay to income ratio was reported monthly as one of the finance KPIs. Agency staff numbers continued to be monitored closely and reported in the termly HR report.

It was noted that this had been Rod Gray's last meeting as Committee chair and that Lee Freeman had been appointed as Chair for 2021-22. Rod was thanked for his time and contribution as Chair.

The Committee self-assessment had identified no areas of non-compliance or concern and there were no changes recommended to the Terms of Reference.

RESOLVED: That the following recommendations of the Policy and Resources Committee be APPROVED:

- i) **To note the appointment of Lee Freeman as Committee Chair and Rod Gray as Vice Chair for 2021-22.**
- ii) **To agree the following HR KPIs for the year:**
 - a. **Sickness absence average of 7 days a year or less**
 - b. **A 3% or more reduction in sickness absence overall**
 - c. **Staff turnover of 17% at 31 July 2022 (reduction of 1pp)**
- iii) **To ratify approval of the following policies:**
 - a. **Health and Safety Policy 2021-22 (Item 4.2)**
 - b. **Risk Management Policy 2021-22 (Item 7)**

AGREED: That the July 21 Management Accounts would be sent to all governors and full management accounts included in all future board packs.

Clerk

6.2 Learner Numbers update

Presented by the Deputy Principal and Chief Executive

Headlines were:

- 16-18. Current numbers were 20 above funding target. The focus would be maintaining numbers up to the 42 day census point in early November in order to maintain future funding allocations levels.

- Apprenticeships - September new starts were currently estimated to be at approximately 75% of target. The remainder of the budget was made up of learners already on programme and those due to complete during the year. In addition, there were 191 carry-in learners who had passed their end point assessment date. If these all completed, an additional £281k would be generated.

It was noted that the budget would be reforecast following the November census point.

AGREED: That the budget reforecast would be brought to the Policy and Resources Committee in November.

DPCE

6.4 Insurance renewal

Supporting paper presented by the Deputy Principal and Chief Executive

It was noted that the latest renewal reflected increased cover for new risks (eg new buildings) at a moderate costs. There was discussion of the exclusion of cover for terrorism as a Force Majeure. Governors sought assurance that the risk level was low and clarification about what was classed, under the policy, as an act of terrorism.

AGREED: That clarification would be sought from the College insurers about the definition of terrorism and the level of risk attributed to this, and that this would be reported back to governors.

DPCE

6.5 Capital Programme Update

Verbal update by the DPCE

It was noted that the Policy and Resources Committee had received a detailed progress report. An update was provided on the increased costs relating to elements of the Southend capital redevelopment. This was largely due to the increase in the costs of materials, and a cap had now been agreed with the contractors. Savings had been found in other areas of the refurbishment to offset these cost increases.

The work to replace further boilers with air handling units, following Board approval in July, had gone ahead over the summer.

7. Audit and Risk

7.1 Audit and Risk Committee report

Supporting paper presented by the Chair of ARC

The Board noted the discussion, actions and recommendations from the meeting on 13 September as detailed in the Minutes. The chair highlighted the following:

- An increase in audit days had been agreed for 2021-22 and future years. This would allow the auditors to provide a full year-end opinion.
- The Whistleblowing Policy had been discussed in detail before going to the Policy and Resources Committee on 27th September.
- The Terms of Reference had been reviewed and the Committee had been advised by the Clerk that it had complied fully during the year.

RESOLVED: That the revised Audit and Risk Committee Terms of Reference be APPROVED.

7.2 Risk register

The Audit and Risk Committee commended the new model risk register to the Board. This had been further improved over the summer with input from committee members. A discussion had taken place about the treatment of risks that had achieved their target score. The Board supported the ARC proposal that these risks should not be removed from the risk register.

It was requested that the register should be highlighted in a different colour where there was a change from the previous version.

8. Search and Governance

8.1 Search and Governance Committee report

Supporting paper by the Clerk

The Board noted the discussion, actions and recommendations from the meeting on 17th May, as detailed in the minutes. Members were encouraged to complete their skills audit and self assessment forms as soon as possible.

There was also encouragement to members to access and undertake the ETF Governor Development programme. Those who had reported that the modules were short and helpful.

The Board supported the recommendation to remove the temporary uplift to the number of governors and to allow the Board size to revert to the determined number in the Instrument and Articles of Government through natural attrition.

RESOLVED: That the Committee Terms of Reference for 2021-22 be APPROVED.

8.2 Nolan Principles Report

Supporting paper by the Clerk

The proposed actions against the recommendations made by the Chair of Audit and Risk Committee were noted and supported.

An update was provided that the scope of the internal audit of retention of key records had been discussed with the auditors that morning.

Governors supported the need for the Whistleblowing Policy to be highly visible and clear on the matter of the procedure to follow if a Whistleblowing issue was raised. Governors should be included within its scope. Members of the Audit and Risk and Policy and Resources Committees had already fed into the review, and other governors would now also be invited to contribute.

The importance was stressed of a strong internal audit function as a primary source of assurance. There was discussion that whilst the Audit Code of Practice did not make internal audit mandatory there was a clear

expectation from the ESFA that a Corporation would have a strong Board assurance framework in place.

AGREED: That the Whistleblowing Policy would be sent to all governors for comment before final approval in December.

Clerk

9. Forthcoming events

Noted.

10 Evaluation of Meeting

Due to shortage of time, governor feedback would be collated via email.

It was suggested that Board meetings should be face to face and Committee meetings online. Governors mentioned the positive benefits of meeting face to face and requested that the next Curriculum and Quality Committee meeting should be in person. It was noted that the hybrid AR Committee meeting had worked well at Luckyn Lane.

11. Dates of future meetings 2021-22

Monday 13 December 2021 at 17.45 - Stephenson Road, Leigh
Monday 28 March 2022 at 17.45 - Basildon Town Centre
Monday 11 July 2022 at 17.45 – Southend Campus

The meeting closed at 20.30

Signed (Chair)

Date