

Minutes of the meeting of the Board of Governors held on **12 December 2019**.

Present: Bob Harrison, Yultan Mellor (Principal), Mike Bramhall, John Edwards, Colin Forrest, Liz Stanley, Frank Lord, Catharyn Lawrence, Kate Fleming (up to and including Min B19/161), Ann Corrigan and Brian Glasby.

In attendance: The Assistant Principal – Finance and Business Services (Joy Whistlecraft), the Assistant Principal – Student Experience (Diane Lawson), the Assistant Principal – Curriculum, Quality and Market Development (Emma Beal), the Head of Estates (Mark Barrett) (for Min B19/146/147) and the Clerk to the Governors (Sarah Johnson).

Apologies: Clive Macdonald, Tim Thornton, Neil James and Ken Richardson.

BOARD DEVELOPMENT SESSION

B19/123 The committee received a sector update from the Association of Colleges including information regarding devolution.

GENERAL BUSINESS

B19/124 DECLARATIONS OF INTEREST

Each governor present declared any potential interests related to items to be considered at the meeting. With respect to his role as chair of trustees John Edwards declared a non-financial interest in items which related to the Wentworth Castle and Stainborough Park Heritage

B19/125 It was agreed that no decisions to be taken would be affected by these interests and it was not considered necessary for the member to withdraw from the meeting.

B19/126 MINUTES AND MATTERS ARISING

The minutes of the meeting held on 26 September 2019 were approved as an accurate record.

B19/127 MEMBERSHIP MATTERS

Resolved: i **That Brian Glasby be appointed as student governor for a period of office from 12 December 2019 to 22 May 2020.**

B19/128 PERFORMANCE REPORT – 2018/19 OUTTURN (Document 4i)

The Board considered the **Final Outturn Dashboard for 2018/19** and noted that all areas were RAG rated as green with the exception of:

- recruitment in teacher education and pre-access as previously reported;
- ALLB Support Income as previously reported;
- FE accredited short courses application to enrolment conversion where there had been a slight dip of 3% compared to 2017/18, it was noted that the College was currently working on developing a robust programme to support IAG and the application conversion process;
- male participation, which was below target by 6%, it was reported that this was a sector wide issue but work was on-going to address the position, particularly in relation to further analysis and marketing;
- BAME enrolments which were slightly below target, it was reported that as previously discussed the College was undertaking work across all curriculum areas to ensure participation was appropriate, and further development of the outreach service;
- full cost/self-funded enrolments, the Board noted the complexities in relation to this target, how it relates to the unemployed target and agreed that the KPI should be reviewed to ensure it was meaningful;
- teaching staff absence as discussed previously and closely monitored by the Policy and Finance Committee.

The Board considered the **Financial Outturn Report for 2018/19**. An update was provided which included the 3% over delivery payment from the ESFA as previously reported, and the £58K settlement figure arising as a result of a legal claim. It was noted that this increased the surplus for the year by £47K, creating a 3.1% surplus against a target of 2.5%, and bringing staffing costs as a percentage of income down to 59% and therefore within the 60% target. The Board agreed that the overall position, cash position and current ratio reported were very healthy, though there remained significant uncertainties regarding pension provisions going forward and potential challenges resulting from changes in funding and devolution.

B19/129 The Board considered a tabled updated **reconciliation statement** which reflected the changes reported and presented a comparison of the management accounts against the published accounts.

B19/130 The Board considered the October 2019 **ESFA Financial health letter and dashboard** and noted that the College had been rated as outstanding for both 2018//19 and 2019/20. The Board particularly considered the forecasting data and its favourable comparison with the sector.

Resolved: i **That the reports be noted.**

B19/131 **SELF-ASSESSMENT REPORT AND QUALITY IMPROVEMENT PLAN** (Document 4ii)

The Board considered the College's self-assessment report and quality improvement plan for 2018/19, noting that:

- the decision had been taken to write the assessment against the new Ofsted inspection framework and this had worked well;
- consequently, some areas didn't have as robust evidence as would be preferred due to them not being part of the old framework, but this would be developed going forward;
- the decision had been taken not to grade the report in line with the Ofsted approach, but it had been written in the language of an outstanding provider;
- a draft report had been considered by the Quality Committee at its meeting in November 2019 and the comments received had been incorporated into the revised draft.

B19/132 The Board considered the strengths and areas for improvement for each element in detail:

Leadership and Management

- key strengths included the overall retention rate (98%) and achievement rate (97%), uniformly strong data, a strong leadership structure focused on student experience, outcomes and sustainability, exemplary community engagement, a clear vision and strong accountability and monitoring at Board level;
- areas for improvement included a new for approach to teacher personal development plans to make sure they are developmental and practice led in order to ensure individual teacher performance progress is rapid, and implementation of a process to formally capture progression and destination data to ensure purposeful progression is clearly articulated for all College provision and all courses prepare people successfully for their intended destinations.

Quality of Education – Intent

- key strengths included a strong understanding of local, regional and national adult skills needs and driving forward an ambitious curriculum, the College mission is firmly understood by all staff and is translated into teaching leading to purposeful progression;
- areas for improvement related to reviewing the short course curriculum to ensure it enable students to take advantage of emerging local and regional skills priorities and focused recruitment to increase underrepresented student groups with a specific focus on the recruitment of male students.

Quality of Education – Implementation

- key strengths included the quality of teaching and support activities and excellent student achievement and the focused, residential, learning environment which supplements guided teaching and leads to outstanding quality in assignment based work;

- areas for improvement related to reviewing the utilisation of learning support staff, reviewing achievement rates for all Black, Asian and Minority Ethnic (BAME) groups to ensure parity of achievement rates across all groups and good practice sharing between teachers.

Quality of Education – Impact

- key strengths included excellent outcomes for students from disadvantaged groups, intensive and demanding provision which ensures progress from starting points is rapid and achievement rates at Grade 4 or above on English and Maths GCSE which are 18% above the national average;
- areas for improvement related to purposeful progression for short course students and internal target tracking systems which will improve the visibility of the progress required and the steps required to achieve learning goals thus improving rates of progress.

Behaviour and Attitudes

- key strengths included an environment of respect, valuing difference and no tolerance of bullying and harassment, a purposeful and engaging 24/7 learning environment, and the development of student resilience;
- areas for improvement related to scrutiny of attendance and punctuality to ensure any patterns of low attendance are dealt with swiftly and development of a new College skills for progression framework to ensure all students can demonstrate the character and employability skills needed for purposeful progression.

Personal Development

- key strengths included the extensive extracurricular programme and the focus on the development of character skills;
- areas for improvement related to parity of IAG and planning for Prevent and British values.

B19/133 The Board explored:

- current student behaviour and attitudes and the actions required to address any particular issues;
- the rationale for not awarding grades;
- how the Board gained assurance regarding scrutiny of the detail and data that supports the decisions and statements, it was noted that going forward reports from the new performance review framework, which would be considered by both the Quality Committee and the Board, would be designed to provide appropriate assurance on a regular basis and this approach would be periodically reviewed to ensure that it remained fit for purpose and afforded sufficient scrutiny.

B19/134 The Board considered the Quality Improvement Plan and were assured that it addressed all the areas for improvement appropriately.

B19/135 The Board welcomed the report and agreed that:

- it provided a good clear summary of the College's strengths and areas for improvement and the actions required;
- the evidence was appropriate;
- using the new framework provided a good platform for the future;
- the decision not to grade was appropriate.

Resolved: i That the Self-Assessment Report and Quality Improvement Plan for 2018/19 be approved.

B19/136 PERFORMANCE REPORT – 2019/20 (Document 4iii)

The Board considered the **Dashboard to 31 October 2019**, noting that the key areas for consideration at this stage in the year were enrolments, finance, equality, diversity and inclusion and HR. It was noted that all areas were RAG rated as green with the exception of:

- teacher education long course enrolments – which was rated amber as the area was below target (69) at 61;
- pre-access short course enrolments – which was rated amber due to January 2020 enrolments not yet being included;
- digital short course enrolments – which was rated red as courses had been withdrawn due to low application numbers and the area was being reassessed;
- community learning short course enrolments - which was rated red due to lower than planned recruitment numbers at this stage in the year resulting from very bespoke locally focussed work which recruited low numbers, it was noted that work would be undertaken to aim to balance this with the delivery of larger group project work;
- local authority short course enrolments – which was rated amber;
- male participation – which remained below target, with work to address the position on-going as previously discussed;
- co-funded enrolments - which was rated amber.

B19/137 It was noted that in-year profiling would be added to the report as systems developed, thus avoiding apparent inconsistencies where areas were rated green when there were significant variances from target due to year to date figures being compared against full year targets.

B19/138 The Board considered the **Financial Report to 31 October 2019**, noting that:

- the position reported was early in the financial year;
- lower than planned student enrolments in HE would mean that tuition fee income would be £15K below budget, it was noted that this had been considered in detail by the Policy and Finance Committee;
- a number of staff vacancies should result in pay costs balancing over the year;
- there had been an increase in utilities costs but this was likely to be as a result of increased usage by the National Trust which would be recovered in recharges.

B19/139 The Board welcomed the overall position reported and the actions being taken to address the issues identified.

B19/140 The Board received a briefing regarding the College's new **Performance Review Framework**, noting that:

- the framework was designed to enable the College to efficiently understand its overall performance in all areas and the impact on teaching, learning and the student experience, and to encourage and share good practice to underpin improvement;
- reviews would be undertaken tri-annually, would cover resourcing (efficiency) and development (quality) and would include all areas of the College split into curriculum and business services;
- the outcomes and subsequent actions from each group of meetings would reported to the Board and committees as appropriate.

B19/141 The Board welcomed the new approach and looked forward to the enhanced performance management analysis it would provide.

Resolved: i That the new Performance Review Framework be noted.

B19/142 **RISK REGISTER – KEY STRATEGIC RISKS** (Document 4iv)
The Board considered the Risk Register – Key Strategic Risks and noted that:

- a detailed overhaul of the risk management framework was planned for July 2020 in conjunction with the College's internal audit service provider;
- a new risk F4 - Failure to manage the loss of ESFA funding following the DFE review of Learner Support Funding – had been added as a result of their planned review.

B19/143 The Board considered the nature of the DFE review of learner support funding and the potential risks and implications in detail, noting that:

- the regularity audit undertaken by the College's financial statements auditor had been undertaken annually and no issues regarding the use of funds had been raised;
- it would be a positive step for a detailed set of guidance and funding rules to be developed.

B19/144 The Board supported the addition of the new risk and was satisfied that the College was taking appropriate steps to mitigate and plan for any risk implications.

Resolved: i That the risk register be noted.

B19/145 **STRATEGIC PLANNING – NEXT STEPS**

The Board considered an update following the strategic planning session held on 14 November 2019 noting that:

- based on the session a new strategy would be drafted;
- consultation sessions with staff and key stakeholders would take place early in 2020;
- a draft plan would be presented to the Board for consideration at its meeting in March 2020.

Resolved: i That a draft strategic plan be presented to the Board for consideration at the meeting in March 2020.

B19/146 **PROPERTY STRATEGY**

The Board received a verbal update from the Head of Estates which outlined his initial impressions since taking up the post in November 2019 and key priorities, requirements and opportunities. Areas explored included:

- safeguarding and site security;
- development of the site and currently unused/under used buildings;
- curriculum needs and opportunities;
- opportunities to generate additional income;
- future proofing;
- creating an environment for high tech and new provision;
- maintaining the experience of the surroundings and maximising historical opportunities;
- opportunities for health and wellbeing activities;
- transforming data collection and ways of working;
- the planned approach to the development of a new strategy and master plan.

B19/147 The Board welcomed the vision and ambition and looked forward to the development and implementation of an appropriate strategy in due course.

Resolved: i That the report be noted.

B19/148 **AUDIT MATTERS** (Document 6i)

The Board considered the **Annual Audit Committee Report to the Board for 2018/19** which:

- presented a summary of the work of the committee during the year;
- included the committee's opinion that *'Based on the work undertaken by the committee during the year it is the Audit Committee's opinion that the Board of Governors can be satisfied with the adequacy and effectiveness of the College Corporation's assurance arrangements, framework of governance, risk management and control processes for the effective and efficient use of resources, solvency of the institution and the safeguarding of its assets'*;
- confirmed that no significant issues or matters of internal control had been raised during the period.

B19/149 The Board noted the report, thanked the committee for its work during the period and agreed that it provided them with appropriate assurance.

B19/150 The Board considered the **Regularity Self-Assessment for 2018/19**, no issues were identified.

B19/151 The Board considered the **Internal Audit Annual Report for 2018/19** and noted that:

- the report provided the head of internal audit's annual opinion on the adequacy and effectiveness of the College's internal control arrangements based on the work of internal audit during 2018/19;
- internal audit coverage did not guarantee to detect all errors, systems or control weaknesses or indeed identify all of the opportunities for improvements in management arrangements that might exist;
- based upon the limited agreed annual programme of risk based audit coverage and management's implementation of recommendations an adequate (positive) assurance was provided;
- although the plan at 8.5 days was limited, the work undertaken had been broad ranging in nature and therefore had enabled the auditor to gain a general opinion of control arrangements across the organisation.

B19/152 The Board noted the report and agreed that it provided them with appropriate assurance.

B19/153 The Board considered the **Internal Audit Service Plan 2019/20** which was recommended to them by the Audit Committee. It was noted that the plan had been developed on a risk basis in consultation with the Audit Committee and Executive Leadership Team and the areas planned for 2019/20 were proposed as:

- information governance;
- risk management;
- cash and bank;
- contract management/procurement;
- financial regulations;
- casual and sessional staff;
- journals;
- follow-up of previous audit recommendations.

B19/154 The Board welcomed the inclusion of contract management and procurement and agreed that the plan was appropriate.

B19/155 The Board considered recent coverage of staffing issues in the public domain at Grant Thornton and agreed that there was no evidence that the local team was involved and the issues did not directly impact on the College.

- Resolved:**
- i That the Annual Audit Committee Report to the Board be received and noted.**
 - ii That the Regularity Self-Assessment be approved for signing.**
 - iii That the Internal Audit Service Annual Report be received and noted.**
 - iv That the Internal Audit Service Annual Plan for 2019/20 be approved.**

B19/156 **FINANCIAL STATEMENTS AUDIT 2018/19** (Document 6ii)

The Board considered the **Audit Findings Report** and noted that:

- the audit was substantially complete and there were no matters of which the auditors were aware that would require modification of their audit opinion or regularity report conclusion;
- the anticipated audit report opinion would be unmodified;
- the audit findings report had been considered by the Audit Committee at its meeting on 11 November 2019 which had concluded that from their point of view there are no issues that should prevent the Board of Governors from approving signing of the financial statements for 2018/19.

- B19/157** The Board considered and approved for signing the **Financial Statements 2018/19**, noting that:
- they had now been updated to include the ESFA over delivery payment as previously discussed and £58K costs in relation to the settlement of a legal claim;
 - overall the statements reported a £540K deficit which was as a result of pension adjustments as previously discussed and did not reflect the College's operating financial position or impact on its ability to trade in relation to going concern;
 - they were recommended to the Board for approval by the Policy and Finance Committee.
- B19/158** In light of the College reporting a net deficit position after the pension provision of £396,000 and a net asset of £4,560,000 prior to defined pension provisions a formal **Going Concern Evaluation** was considered. The Board agreed that:
- accounting adjustments required under FRS102 fluctuated on an extraordinary scale from year to year and the College had little or no control over this;
 - it believed that the College could manage the effects of these uncertainties;
 - the College had achieved strong surpluses for a number of years which had resulted in cash balances and short term investments of £3,658,000, nil borrowings and an ESFA financial health rating of good or outstanding;
 - the College's forecasts and financial projections indicated that it would be able to operate for the foreseeable future;
 - on this basis the College should continue to adopt the going concern basis in preparing its financial statements.
- B19/159** The committee considered and approved the **letter of representation** for signing, particularly noting the inclusion of point xii which provided confirmation that the staff governors who held a position on the Board were not deemed key management personnel for the purpose of disclosure in the financial statements.
- B19/160** The Board received a verbal update regarding the new ESFA **Integrated Financial Model for Colleges (IFMC)** which had been introduced at short notice and was required to be completed and approved by the Board of Governors and submitted by the College to the ESFA by a deadline of 28 February 2020. It was reported that:
- the stated aim of the new model was to enable better decision making and help facilitate the prevention of college financial distress;
 - it would replace the longstanding biannual returns - the December College Finance Record, the July College Financial Plan and the Cash Flow Against Debt Servicing (CFADS) return and cash flow template;
 - the template to be completed was very detailed and required the financial plan for the College to include a further additional year to that previously submitted.
- B19/161** It was proposed that as the submission would almost entirely replicate the financial plan which was approved by the Board for 2020/21 at its meeting in July 2019 approval should be delegated to the Policy and Finance Committee, who could consider the submission in detail at its meeting on 6 February 2020. It was agreed that this would enable the College to meet the very tight deadline without any risk that appropriate detailed consideration of the return was undertaken. It was agreed that Board approval would be sought by written resolution should there be any notable variation from the already approved and submitted financial assumptions and budget/financial plan.

- Resolved:**
- i **That the Audit Findings be received and noted.**
 - ii **That the Financial Statements 2018/19 be approved for signing.**
 - iii **That the letter of representation be approved for signing.**
 - iv **That the College continue to adopt the going concern basis in preparing its financial statements.**

- v **That approval of the IFMC be delegated to the Policy and Finance Committee, with approval by written resolution being sought from the Board of Governors prior to submission should there be any notable variation from the already approved and submitted financial assumptions and budget/financial plan.**

B19/162 POLICIES FOR APPROVAL (Document 6iii)

The Board considered and approved minor amendments to the **Financial Regulations** which had arisen as a result of the Board's adoption of the AoC Senior Staff Remuneration Code. It was noted that a full review of the regulations was scheduled for 2019/20.

Resolved: i That the revised Financial Regulations be approved.

B19/163 COMPLIANCE ANNUAL REPORTS (Document 6iv)

The Board considered the **Health and Safety Annual Report 2018/19**, noting that;

- the report had been considered by the Audit Committee at its meeting in November and was recommended to the Board for consideration;
- overall compliance levels were satisfactory;
- two audits of health and safety had been undertaken in October 2018 and all recommendations had been completed;
- a further audit by the College's retained health and safety consultants - A Hill Safety Advice Ltd (HSA) – was planned for November 2019;
- one RIDDOR reportable accident/incident had occurred during the year;
- the total number of accident/incident report forms (including College and non-College related incidents) fell slightly from 51 in 2017/18 to 50 in 2018/19;
- the number of College related incidents/accident report forms decreased from 30 in 2017/18 to 27 in 2018/19, a fall of 10%;
- a review of out of hours cover was being undertaken;
- the new Head of Estates had been appointed and would take responsibility for health and safety management going forward.

B19/164 The Board considered the **Safeguarding and Prevent Annual Report for 2018/19** which provided an update on the work carried out in support of safeguarding students and children and in compliance with the responsibilities of the Prevent Duty at Northern College during the 2018-19 academic year, noting that:

- the report enabled the Board to monitor compliance with the requirements of section 157 and 175 of the Education Act: 2002;
- Safeguarding was graded as 'outstanding' within the College SAR 2018/19, with a proposed grade of 'outstanding' for 2019/20;
- the College worked effectively during 2018/19 with strategic partners including Barnsley Safeguarding Adults Board, Barnsley Silver Prevent and Doncaster Early Years to ensure compliance with legislative requirements and local safeguarding standards;
- as part of a due diligence process the new Assistant Principal Student Experience had undertaken a Safeguarding and Prevent oversight exercise, finding that all activities were compliant with legislation and there had been no breaches or control losses which could result in financial or safety implications;
- a detailed safeguarding and Prevent action plan and risk assessment were maintained and provided for consideration;
- overall underpinning compliance was in place, however there were areas that required action including strengthening reporting from the Children's Centre, developing student ambassadors and ensuring cyber security;
- an annual due diligence check was scheduled;
- the College had mental health first aiders in place and would be developing a student experience strategy which will include a mental health and wellbeing strategy.

B19/165 The Lead Governor – Safeguarding reported that he had been assured that the interim arrangements and handover to the new Designated Safeguarding Lead (DSL) has been appropriate and the previous experience of the new DSG would ensure that the College was in a strong position going forward.

B19/166 The Board considered the **Data Protection Annual Report for 2018/19**, noting that:

- the report had been considered by the Audit Committee at its meeting in November and was recommended to the Board for consideration;
- overall an adequate state of compliance was believed to have been achieved, although there were a number of areas of on-going work;
- during 2018/19 the management restructure, appointment to new posts and work on the allocation of responsibilities had created an environment which would support increased robustness in relation to the protection of data;
- planned work on the development of business processes and the student journey were expected to further enhance this position;
- compliance would be more formally tested in 2019/20 via the completion of an information governance internal audit which will provide an external evaluation of compliance, controls and areas for development.

B19/167 The Board was assured that appropriate arrangements were in place for all three compliance areas, and there were no significant areas of concern.

Resolved: **i That the reports and assurance provided be received and noted.**

B19/168 **GOVERNANCE REPORT** (Document 7i)
The Board considered the **Governance Annual Report – 2018/19** and **self-assessment outcome report** and agreed that areas for development included:

- membership and succession planning;
- addressing diversity in Board membership;
- garnering more external input, for example from the AoC or LEP;
- developing strategies to enable governors to further engage with staff and students to inform strategic decision making;
- implementation of developmental annual conversations with individual board members.

B19/169 The Board agreed that the self-assessment process had provided a very useful summary of strengths and areas for improvement and would be useful tool for new governors, in particular the new chair.

B19/170 The Board considered and approved revised **terms of reference** for the Policy and Finance Committee.

Resolved: **i That the Governance Annual Report be noted.**

ii That revised terms of reference for the Policy and Finance Committee be approved.

B19/171 **REPORTS FROM COMMITTEES** (Document 7ii)
The Board received and noted the following minutes from meetings of its committees:

- Policy and Finance Committee – 19 September 2019

B19/172 **SUCCESSION PLANNING – PROGRESS UPDATE**
The Board received a verbal update regarding progress with succession planning.

B19/173 **REPORT FROM LEAD GOVERNOR SAFEGUARDING**
This item was covered under B19/165.

B19/174 **CONFIDENTIAL MATTERS**

Confidential minutes of the meeting held on 26 September 2019 were approved as an accurate record.

B19/175 The Board received and noted confidential minutes from the following committees:

- Policy and Finance Committee – 19 September 2019

B19/176 **DATES OF THE NEXT MEETINGS**

12 March 2020 – 11.00am (development session 10.00am to 11.00am)

9 July 2020 – 11.00am (development session 10.00am to 11.00am)

Signed		Date	
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