



Northern College

THE BOARD OF GOVERNORS

Minutes of the meeting of the Board of Governors held on **9 March 2023**.

Present: Mark Sanders (Chair), Emma Beal (Principal), Liz Stanley, Tim Thornton, Ann Corrigan, Bob Craig, Neil James and Neil Copley.

In attendance: The Deputy Principal/Chief Finance Officer (Sue Saunders), the Assistant Principal - Student Experience (Diane Lawson), the Head of Human Resources (Elin Longley) and the Clerk to the Governors (Sarah Johnson).

Observing: Clive Howarth (Department for Education).

Apologies: Emma Norton, Sue Horner, Seb Schmoller, and Colin Forrest.

STRATEGY SESSION

B23/24 The Board held an initial strategic planning session in preparation for the further session on 22 March 2023.

B23/25 A separate confidential note was recorded.

DECLARATIONS OF INTEREST

B23/26 Each governor present declared any potential interests/conflicts of loyalty related to items to be considered at the meeting.

- Liz Stanley declared a potential conflict with respect to her role undertaking internal audits unconnected to the College for BMBC audit services on a self-employed basis. It was agreed that no decisions to be taken at the meeting would be affected and it was not considered necessary for the member to withdraw.
- With respect to his roles as Deputy Vice Chancellor at the University of Huddersfield and HE advisory member of the West Yorkshire Employment and Skills Committee Prof Tim Thornton declared a potential conflict of loyalty in items relating to the College's higher education provision. It was agreed that no decisions to be taken at the meeting would be affected and it was not considered necessary for the member to withdraw.
- Neil Copley declared a potential conflict with respect to his role as Director of Finance at Barnsley Council. It was agreed that no decisions to be taken at the meeting would be affected and it was not considered necessary for the member to withdraw.

MINUTES AND MATTERS ARISING

B23/27 The minutes of the meeting held on 15 December 2022 were approved as an accurate record.

POLICY AND CONTEXT UPDATE (Document 3i)

B23/28 The Board received an update setting out key developments in the context in which the College was operating, including:

- national funding strategy;
- accountability agreements;
- qualifications reforms;
- 2023/24 residential funding;
- FE Commissioner visit – 27 February 2023.

B23/29 The Board particularly explored:

- the outcome of the recent FEC visit, noting that the official feedback letter had not yet been received but verbal feedback had included:
 - the intention of the commissioner to seek to influence SY and WY Combined Authorities to escalate the pace of their strategic engagement with the College;
 - a request for the College to prepare a business case / curriculum change model to share with SY and WY, along with an ask to funders regarding what specific support the College needed;
 - encouragement for the College to establish the additional external advice required over the coming period;
 - a further stocktake to be scheduled for May / June 2023;
- the funding position, welcoming the developments with the MCAs reported;
- the requirements for the development of an accountability statement, seeking and receiving assurance that the College would meet the revised deadline for submission of 31 July 2023.

Resolved: i That the formal FEC feedback letter be shared with the Board at its next meeting.

PERFORMANCE TO DATE 2022/23 (Document 3i)

B23/30 The Board considered the **KPI dashboard 2022/23 to 23 February 2023** particularly exploring:

- student population by funding stream, noting that the proportion of residential students was slightly down on the last report as a result of the number of non-residential short courses delivered during the period, and the stronger performance in West Yorkshire;
- conversion rates, particularly performance in relation to the generation of an increased pool of initial enquiries, noting that progress in this area was varied and further work was required with a particular focus on community outreach where group enrolments would be most likely;
- the work being undertaken on conversion analysis and the targeting of those who did not enrol or who only attended once in order to better understand the position and further actions required;
- attendance data;
- best case achievement data.

- B23/31 The Board considered the **student recruitment report for 2022/23** to date, particularly exploring:
- performance against target by area/funding stream, particularly courses where recruitment continued to be challenging, and the actions being taken;
 - curriculum re-shaping activities.
- B23/32 The Board agreed that the position remained challenging, and should continue to be factored into future strategic considerations.
- B23/33 The Board considered the **management accounts to 31 January 2023**, noting that:
- the report was based on reforecast two, as approved at the previous meeting;
 - the forecast outturn was £312k behind forecast at £766k deficit.
- B23/34 The Board explored:
- the detail behind the deficit position reported, noting variances from previous reports;
 - pay savings, noting that these were largely due to unfilled vacancies and a reduction in sessional staffing due to cancelled courses;
 - capital expenditure plans;
 - the impact of inflationary pressures;
 - pay awards, noting that the position included the consolidated £500 previously approved, but did not allow for any further award in 2022/23;
 - the sensitivity scenarios and cash flow analysis.
- B23/35 The Board agreed that the accounts presented a challenging position which underpinned the strategic actions and decisions required.

Resolved: i That the performance reported be noted and considered in relation to strategic actions and further advice required.

CURRICULUM AND QUALITY REPORT (Document 3iii)

- B23/36 The Board considered a report which presented a **summary quality update**, progress against the **quality improvement plan**, and the externally validated **self-assessment report** and **skills statement** for consideration.
- B23/37 The Board:
- explored and welcomed the significant further development undertaken in the area of quality, particularly the external assurance and development input, CPD activity and work scrutiny;
 - considered progress against the actions in the quality improvement plan, noting the two new areas added and the detailed scrutiny undertaken by the CQSE committee;
 - approved the updated self-assessment report which had now benefitted from external input and validation and had been enhanced as a result rather than fundamentally changed;
 - supported the skills statement which it agreed reflected the College's position and had been scrutinised in detail by the CQSE committee.

B23/38 The Board considered the upcoming Ofsted inspection which the College had been notified would take place 14-17 March 2023, and were assured that appropriate preparations were being made.

Resolved: i That the updated self-assessment report be approved.

STAFF VOICE REPORT (Document 3iv)

B23/39 The Board considered the outcome of the recent staff survey, noting that:

- a longer-term approach to staff surveys was still to be agreed in line with the discussion at the Board meeting in March 2022;
- the results had arisen from an interim survey carried out during January 2023 consisting of a simplified, short, internal questionnaire covering employee experience in order to provide sufficient information to capture the staff voice and address any emerging themes;
- the response rate had been good at 65%.

B23/40 The Board considered the results, particularly the key themes identified and areas for development, and the proposed actions and next steps.

B23/41 The Board:

- welcomed the positive outcomes and the focus on quick wins;
- challenged the College to address communication between departments as this would be critical to achieving future sustainability;
- requested that a pulse check be carried out in 4-6 months to evaluate progress.

Resolved: i That a staff survey 'pulse check' be carried out in 4-6 months to evaluate progress.

STRATEGIC REVIEW AND PLANNING

B23/42 Following its earlier strategic planning session the Board agreed that the next steps would be:

- further consideration and development of the strategic priorities at the governors' session planned for 22 March 2023;
- to meet with West and South Yorkshire combined authorities to set out the College's position and priorities, and explore their appetite for strategic support for the College.

Resolved: i That the outline strategic priorities be further developed and considered at the governors' strategic planning session scheduled for 22 March 2023.

ii That a meeting be scheduled with West and South Yorkshire combined authorities to set out the College's position and priorities, and explore their appetite for strategic support for the College.

CONTINGENCY PLANNING (Document 5i)

B23/43 The Board considered and tested a risks and opportunities matrix which had been developed to present metrics to inform the Board's consideration of future financial sustainability, aide decision making and set out the potential financial impact and risk

score for all the key risks and opportunities relating to the delivery of the financial plan.

- B23/44 The Board considered changes since the last report, particularly those relating to:
- student recruitment;
 - additional professional advice;
 - pay award;
 - commercial;
 - inflation and utility costs;
 - use of agency staff;
 - project income;
 - delays to the commencement of the Stocksbridge project;
 - potential additional capital income;
 - estates review progress;
 - maximising income from increased interest rates.
- B23/45 The Board agreed that the report captured the relevant risks and opportunities, and that the College was addressing them appropriately.

Resolved: i That the report be noted.

FINANCIAL STATEMENTS 2021/22 (Document 5ii)

- B23/46 The Board considered the updated Annual Audit Committee Report to the Board which had been updated to reflect activity up to the point of recommending the 2021/22 financial statements to the Board for approval.
- B23/47 The Board considered the financial statements for 2021/22 for approval, noting that:
- the audit work and reports were substantially complete and were being recommended to the Board for approval by the Audit Committee which had considered the current version at its meeting on 8 March 2023;
 - the auditors anticipated issuing an unqualified audit opinion and an unmodified regularity conclusion;
 - work in relation to going-concern was almost complete and only finalisation of the wording for the report was now required;
 - the auditor had welcomed the detailed going concern assessment summary included and the scrutiny undertaken to reach the conclusion outlined;
 - RSM's final version of their audit findings report would be issued once the finalised version of the financial statements was confirmed, as the report had substantially been reviewed previously it was not anticipated that this would raise anything to prevent the signing of the statements;
 - the reports were therefore recommended for approval subject to final agreement of the going-concern wording with RSM which it was proposed would be approved by chair's action, along with a final proof-read;
 - it was also proposed that a short period be allowed to enable governors to reflect post-meeting, particularly on the going-concern statement, and raise any comments/concerns prior to final approval;
 - the College anticipated being able to meet the current 31 March 2023 deadline for submission to the ESFA.

- B23/48 The Board:

- sought and received assurance that the proposed approval process had been considered and endorsed by the external auditor;
- agreed that the draft tweaks to the going-concern wording reflected their agreed position;
- thanked the relevant staff for their work on concluding the statements.

Resolved: i That the financial statements 2021/22 be approved for signing subject to:

- **final confirmation of the going-concern wording being approved by chairs action;**
- **a final proof read;**
- **any comments/concerns raised by individual governors with the clerk by Monday 13 March 2023 at 2.00pm.**

POLICIES FOR APPROVAL (Document 5iii)

B23/49 The Board considered and approved a range of policies.

Resolved: i That the ICT acceptable use, disciplinary, flexible working and pay protection policies be approved.

RISK MANAGEMENT AND ASSURANCE - RISK REGISTER (Document 6ii)

B23/50 The Board considered the risk register:

- recognising that the College's key strategic risks had been explored throughout the meeting;
- noted that no new risks were proposed, and no risks were proposed for removal;
- noting that each committee had reviewed the risks allocated to it for oversight;
- particularly considering the changes since the last review.

B23/51 The Board agreed that the register was an accurate reflection of the risks faced by the College and the mitigating actions and controls were appropriate.

B23/52 The Board noted the **annual review of the College's risk management** processes undertaken by the Audit Committee at its meeting on 8 March 2023 and endorsed the view that the current approach to risk management remained fit for purpose.

Resolved: i That the risk register be noted.

SAFEGUARDING - UPDATE

B23/53 The Board received a verbal safeguarding report which provided an update regarding safeguarding and prevent arrangements, responsibilities and activity at the College including due diligence activity, training, and key actions.

Resolved: i That the safeguarding update be noted.

GOVERNANCE MATTERS (Document 7i)

B23/54 The Board ratified the decision taken by chair's action for the interim appointment of Colin Forrest as a member of the Audit Committee.

- B23/55 The Board considered and approved proposed changes to the governance framework for the remainder of 2022/23 and 2023/24, noting that:
- the next period would require a higher level of oversight and strategic decision making than was the norm;
 - it was therefore proposed that from May 2023 onwards monthly Board meetings would be held, and these would incorporate the remit of the Policy and Finance Committee in order to ensure that all governors were fully involved in robust financial oversight;
 - other committees (COSE, Remuneration and Audit) would remain unchanged;
 - guidance would be sought from individual governors regarding the most appropriate days/times for the additional meetings;
 - four meetings (in-line with normal practice) would be held in-person on campus, and the remainder would be held on-line;
 - a timetable would be issued in due course.

- Resolved:**
- i That Colin Forest be appointed as an interim member of the Audit Committee from 7 March 2023 to 10 March 2023.**
 - ii That monthly Board meetings be scheduled from May 2023 to July 2024 and a timetable issued asap.**
 - ii That from May 2023 until July 2024 (or until such time as the position is reviewed) the remit of the Policy and Finance Committee be incorporated into the Board of Governors.**

MINUTES FROM COMMITTEES (Document 6iii)

- B23/56 The minutes from the following meetings were received and noted:
- Policy and Finance - 15 September 2022, 10 November 2022;
 - Curriculum, Quality and Student Experience Committee - 5 December 2022;
 - Audit - 7 November 2022.

CONFIDENTIAL MINUTES AND MATTERS ARISING

- B23/57 The confidential minutes of the meetings held on 15 and 21 December 2022 were approved as an accurate record.

PAY AWARD PROPOSALS

- B23/58 A separate confidential minute was recorded.

CONTINGENCY PLANNING (Document 7iii)

- B23/59 The Board considered the initial findings report from FOCUS consultants who were undertaking the estates strategy project on behalf of the College and Barnsley Metropolitan Borough Council. It was noted that the findings from the report had been considered as part of the strategic development session prior to the meeting and would also be factored into the governors strategic planning session on 22 March 2023. It was noted that the final report was due at the end of May 2023.

CATERING SERVICE (Document 7iv)

- B23/60 A separate confidential minute was recorded.

CONFIDENTIAL MINUTES FROM COMMITTEES (Document 7v)

- B23/61 The confidential minutes from the following committees were received and noted:
- Policy and Finance - 15 September 2022;
 - Remuneration - 7 November 2022.

DATES OF THE NEXT MEETINGS

- B23/62 Strategic Planning Session - 22 March 2023
Additional meetings - May and June to be confirmed
20 July 2023 - 11.00am (strategic/development session 10.00 - 11.00am)