



Northern College

THE BOARD OF GOVERNORS

Minutes of the meeting of the Board of Governors held on **27 September 2023**.

Present: Mark Sanders (Chair), Emma Beal (Principal) (up to and including Min B23/208), Neil Copley (up to and including Min B23/186), Tim Thornton Seb Schmoller, Liz Stanley, Neil James, Sue Horner and Bob Craig.

In attendance: Mark Thornton - BDO (up to and including Min B23/173), Raoul Lempriere (up to and including Min B23/173), the Deputy Principal/Chief Finance Officer (Sue Saunders) (up to and including Min B23/208), the Assistant Principal - Student Experience (Diane Lawson) (up to and including Min B23/208), the Head of Human Resources (Elin Longley) (up to and including Min B23/208 and the Clerk to the Governors (Sarah Johnson).

Observing: Mike Firth (Department for Education).

Apologies: Ann Corrigan and Colin Forrest.

DECLARATIONS OF INTEREST

B23/170 Each governor present declared any potential interests/conflicts of loyalty related to items to be considered at the meeting.

- 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 Metropolitan Borough Council (BMBC) in relation to items no 3ii estate strategy and no 3iii 16-24 high needs development. It was agreed that the approval of the estate strategy would not require the member to withdraw, but to ensure full transparency the member would not participate in the decision whether to proceed with the develop of high needs provision at the College.

MINUTES AND MATTERS ARISING

B23/171 With the inclusion of 'subject to the resolution of residential funding for 2024/25 and beyond' at min B23/152 the minutes of the meeting held on 20 July 2023 were approved as an accurate record.

B23/172 The Board reviewed the action tracker and agreed that the planned progress had been made, with the exception of the staff 'pulse check' which would be covered as part of the workforce report.

The Board agreed to re-order the agenda to take the confidential report from BDO at item 5iii first.

CONTINGENCY PLANNING (Document 5iii)

B23/173 A separate confidential minute was recorded.

POLICY AND CONTEXT UPDATE (Document 2i)

B23/174 The Board received an update setting out key developments in the context in which the College was operating, including:

- Reinforced Aerated Autoclaved Concrete (RAAC), including confirmation that the College did not have any and had undertaken the necessary site checks and completed the DfE RAAC Survey;
- update from Westminster;
- LSIF funding;
- AEB innovation fund;
- the WYCA (West Yorkshire Combined Authority) and SYMCA (South Yorkshire Mayoral Combined Authority) impact review;
- community learning in SYMCA;
- South Yorkshire Sustainability Award nomination.

B23/175 The Board particularly welcomed positive developments relating to the LSIF bid and the College's nomination for a sustainability award.

Resolved: i That no amendment to the College's strategic plan was required as a result of any of the developments reported.

OUTTURN PERFORMANCE 2022/23 (Document 2li)

B23/176 The Board considered outturn performance against the agreed key performance indicators for 2022/23, exploring retention and achievement data which was lower than target outturn, particularly:

- the issues which had contributed to the outturn;
- the correlation with data relating to staff turnover and absence data;
- the actions taken to ensure the issues had been addressed.

B23/177 The Board considered the outturn management accounts to 31 July 2023 particularly noting that:

- the forecast outturn was £122k better than reforecast 3 at £663k deficit, and whilst remaining a deficit was lower than the original budget deficit;
- the year-end balance at 31st July was £3,208k (£2,179k excluding unspent capital grants) which was £483k higher than RF3;
- all financial health indicators were rag rated green, with exception of performance (EBITDA as % of adjusted income) which was automatically moderated to RI due to negative EBITDA;

- there had been an error in the calculation of depreciation costs by the College's financial statement auditors, noting that agreement on how to treat this in the accounts was being explored.

B23/178 The Board particularly explored:

- variances from original budget and reforecast three;
- scenarios modelled and cash flow forecast;
- likely pension liabilities;
- any lessons to be learnt regarding budgeting going forward.

B23/179 The Board agreed that;

- the overall position continued to improve;
- there was an overall improvement in the cash position going into 2023/24;
- the position was considerably improved on 2021/22, and a better outturn than reforecast three had been achieved;
- whilst income remained below the original budget set the deficit from the previous year had been halved;
- if the same rate of improvement was maintained going forward the College would break even in 2023/24;
- the decision regarding residential funding for 2024/25 and beyond remained critical.

Resolved: i That the continued improving position be welcomed, but close and careful regular monitoring be maintained.

PERFORMANCE TO DATE 2023/24 (Document 2iii)

B23/180 The Board discussed and agreed **key performance indicators for 2023/24**, in reaching its conclusion the Board considered:

- outturn performance for 2022/23;
- key specific factors which had impacted on 2022/23 performance and how these were being addressed e.g. retention and achievement;
- how the targets supported delivery of the College's key strategic objectives and financial plan;
- risk factors;
- contextual information.

B23/181 The Board particularly noted:

- the significantly revised and refined curriculum offer for 2023/24 and the anticipated positive implications for retention and achievement;
- the positive trajectory for conversion rates;
- class size target acknowledging that whilst progress had been made, and the target was higher than previously this remained a critical area for further improvement.

B23/182 The Board considered an update on **student recruitment to date for 2023/24**, noting that:

- overall there was a mixed picture, and it remained very early in the year;
- recruitment for long course provision overall was strong, with a higher proportion of residential students than planned;

- based on current enrolments the indicative funding was expected to be £96k higher than budget;
- recruitment for short AEB courses was strong to date, with indicative funding £61k compared to the YTD target of £32k;
- community learning numbers were on target against plan;
- however, due to low recruitment numbers the decision had been made not to run the full time or part time year 1 HE provision for Teacher Education.

B23/183 The Board particularly explored:

- what arrangements would be put in place for the HE students enrolled;
- how the College would address the position regarding HE, agreeing to consider a proposal from the executive team regarding the approach to HE at a future meeting.

B23/184 The Board agreed that with the exception of the disappointing outcome in HE the position reported was encouraging and the College remained on track to deliver a sustainable future.

- Resolved:**
- i That the proposed key performance indicators for 2023/24 be approved.**
 - ii That with the exception of HE the positive student recruitment start to the year be welcomed.**
 - iii That a proposal to address the College's higher education provision in the future be presented at an appropriate meeting of the Board of Governors.**

WORKFORCE REPORT (Document 2iv)

B23/185 This item was deferred to the next core meeting of the Board in December 2023.

- Resolved:**
- i That consideration of the workforce report be deferred to the next meeting.**

WHOLE COLLEGE STRATEGY DELIVERY PLAN (Document 3i)

B23/186 The Board considered and approved a framework to enable it to maintain robust oversight of the delivery of the College's three-year strategic plan and one year strategy delivery plan, welcoming the clarity and clear links to the Board's KPI dashboard and strategic risk register.

- Resolved:**
- i That the whole College strategy delivery framework be approved.**

ESTATE STRATEGY AND CAPITAL TRANSFORMATION WORKS PROGRAMME (Document 3ii)

B23/187 The Board considered the final report from the **estates review conducted by FOCUS** on behalf of the College and Barnsley Metropolitan Borough Council (BMBC), noting that a detailed draft had previously been considered and the report had been used to inform the proposed estates strategy.

B23/188 The Board considered and approved a three-year **estate strategy** for the College, agreeing that it aligned with and supported the delivery of the College's three-year strategic plan.

B23/189 The Board considered a proposed capital works programme to be funded by the College's DfE Capital transformation Allocation. It was noted that the areas for the utilisation would be focussed on teaching space plus, energy efficiency, and remedial and safety works.

B23/190 A separate confidential minute was recorded.

B23/191 The DfE observer confirmed that the condition of supervised status was for the College to *inform* DfE in advance of any new financial commitments of £30,000 or more, either capital or revenue, not to seek DfE *approval*.

- Resolved:**
- i That the final report arising from the external estates review conducted by FOCUS be received and noted.**
 - ii That the estates strategy be approved.**
 - iii That a progress update against the estate strategy be presented to the Board of Governors for consideration at least annually.**

16-24 HIGH NEEDS DEVELOPMENT (Document 3iii)

B23/192 The Board considered an update on exploration to date regarding the development of a high needs offer for 16-24 years olds at the College, along with background information to aid decision making regarding next steps. The Board particularly considered:

- demand for the offer as outlined by Barnsley local authority;
- the need profile for the potential cohort;
- how an offer from the College would feature in the existing local offer;
- funding;
- curriculum development;
- the approval process and structural/legal requirements.

B23/193 The Board particularly explored:

- the fit of the proposed new offer with the College's mission, values and current offer, noting that it was likely that the College's charitable objects would require amendment to include provision for 16-18 year olds;
- the revised application process which was different from the one initially outlined by the DfE, particularly that:
 - as a new high needs provider the route for the College to access funding would be for it to set up a special post-16 institution (SPI), and that the earliest funding could be drawn down via this route would be September 2025;
 - that this would likely require the College to set up a separate entity from Northern College;
 - an initial year one contract from September 2024 could be funded directly by Barnsley LA;

- the financial support offered by Barnsley LA to support capital works required and set up costs;
- the capacity of the College to establish an offer at speed;
- the potential implications for contingency planning.

B23/194 The Board agreed that:

- the development was an appropriate one for the College and further work should be undertaken to establish a high needs offer for 16-24 year olds at the College;
- the likely required change to the College's charitable objects was supported in principle and further work to formalise and approve the change should be undertaken;
- further work to move forward the application process as described should be undertaken;
- further exploration of the implications of and process for setting up a separate entity as detailed in the high needs guidance should be undertaken.

- Resolved:**
- i That the further development of a high needs offer for 16-24 years olds at Northern College be approved.**
 - ii That a change to the College's charitable objects to include the scope of a high needs offer for 16-18 year olds be agreed in principle, and that further work to explore the change and approval process be undertaken.**
 - iii That further exploration of the implications of and process for setting up a separate entity as detailed in the high needs guidance be approved.**

RISK MANAGEMENT AND ASSURANCE - KEY STRATEGIC RISKS (Document 3iv)

B23/195 The Board considered the strategic risk register:

- recognising that the College's key strategic risks had been explored throughout the meeting;
- particularly considering the changes since the last review;
- agreeing that the key risks remained student recruitment, along with the future of residential funding beyond 2023/24;
- approving the removal of two risks related to pension balance sheet and recruiting with integrity;
- noting the combining of two risks relating to recruitment and clawback;
- agreeing that in light of performance reported for 2022/23 a risk relating to retention and achievement should be added;
- exploring the current position in relation to Covid and agreeing that the inclusion of a new specific risk was not required at this time, but the situation would continue to be monitored by the executive leadership team.

B23/196 The Board agreed that with the inclusion of the changes above the register was an accurate reflection of the risks faced by the College and the mitigating actions and controls were appropriate.

- Resolved:** **i** **That a new risk relating to retention and achievement be added.**
- ii** **That the risk register was an accurate reflection of the risks faced by the College and the mitigating actions and controls were appropriate.**

REGULARITY AUDIT QUESTIONNAIRE 2022/23 (Document 4i)

B23/197 The Board considered and approved the regularity audit self-assessment prepared by the College for use by the financial statements auditors as part of their 2022/23 regularity audit.

- Resolved:** **i** **That the regularity audit self-assessment questionnaire be approved.**

POLICIES FOR APPROVAL (Document 4ii)

B23/198 The Board considered and approved a range of policies.

- Resolved:** **i** **That the Safeguarding Children and Young People and Safeguarding Adults policies be approved.**

REPORT FROM LEAD GOVERNOR - SAFEGUARDING

B23/199 The Board received a verbal report on behalf of the Lead Governor - Safeguarding which provided an update regarding safeguarding and prevent arrangements, responsibilities and activity at the College. The Board particularly noted that:

- communication with the designated safeguarding lead remained at a high level;
- assurance regarding high quality safeguarding practice continued.

B23/200 The Board agreed that the update provided them with assurance that the College's Safeguarding and Prevent arrangements remained appropriate and effective.

- Resolved:** **i** **That the College's Safeguarding and Prevent arrangements remained appropriate and effective.**

GOVERNANCE MATTERS (Document 4iv)

B23/201 The Board considered the annual report for 2022/23 from the Remuneration Committee and agreed that it provided appropriate assurance that the committee was meeting its responsibilities undertaken on behalf of the Board, and that the College continued to maintain compliance with the Colleges' Senior Staff Remuneration Code. The Board approved the report for publication as its annual statement.

B23/202 The Board considered and approved its order of business for 2023/24, agreeing that the proposed schedule would enable the Board to meet all its statutory obligations and responsibilities, and have the opportunity to explore strategic issues, address challenges faced by the College and consider all the information it required to effectively govern the College.

- B23/203 The Board noted the planned schedule of work with Peridot to recruit a number of new governors.
- B23/204 The Board noted the upcoming governance self-assessment process which would feed into the governance annual review for 2022/23.
- B23/205 The Board considered and approved the proposed approach to the commissioning of an external review of governance, noting the planned January to March 2024 timetable.
- B23/206 The Board noted a range of external training and development opportunities for governors.

- Resolved:**
- i That the Remuneration Committee Annual Report to the Board for 2022/23 be received and noted.**
 - ii That the Remuneration Annual Statement for 2022/23 be approved for publication.**
 - iii That the order of business for 2023/24 be approved.**
 - iv That the proposed approach to governance reviews be approved.**

CONFIDENTIAL MINUTES AND MATTERS ARISING

- B23/207 The confidential minutes of the meeting held on 20 July 2023 were approved as an accurate record.
- B23/208 The Board reviewed the action tracker and agreed that appropriate progress had been made in all areas.

PAY AWARD PROPOSALS (Document 5iv)

- B23/209 A separate confidential minute was recorded.

STAFFING MATTERS (Document 5v)

- B23/210 A separate confidential minute was recorded.

DATES OF THE NEXT MEETINGS

- B23/211
- 25 October 2023 - 1.00pm
 - 29 November 2023 - 1.00pm
 - 20 December 2023 - 11.00am (development session 10.00 - 11.00am)
 - 31 January 2024 - 1.00pm
 - 28 February 2024 - 1.00pm
 - 20 March 2024 - 1.00pm
 - 24 April 2024 - 11.00am (development session 10.00 - 11.00am)
 - 22 May 2024 - 1.00pm
 - 28 June 2024 - 1.00pm
 - 17 July 2024 - 11.00am (development session 10.00 - 11.00am)