



Northern College

THE BOARD OF GOVERNORS

Minutes of the meeting of the Board of Governors held on **20 December 2023**.

Present: Mark Sanders (Chair), Emma Beal (Principal), Tim Thornton, Seb Schmoller, Liz Stanley, Neil James (up to and including Min B23/298), Sue Horner, Bob Craig, Ann Corrigan and Colin Forrest.

In attendance: The Deputy Principal/Chief Finance Officer (Sue Saunders) (up to and including Min B23/298), the Assistant Principal - Student Experience (Diane Lawson) (up to and including Min B23/298), the Head of Human Resources (Elin Longley) and the Clerk to the Governors (Sarah Johnson).

Observing: Mike Firth (Department for Education).
David Saint and Sean Tulley (Action Planning - External Governance Reviewers)

Apologies: Neil Copley, Ray Low, Matt Stephens and Eve Bell.

DECLARATIONS OF INTEREST

- B23/253 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.

MINUTES AND MATTERS ARISING

- B23/254 The minutes of the meeting held on 29 November 2023 were approved as an accurate record.
- B23/255 The Board reviewed the action tracker and agreed that the planned progress had been made. It was noted that an update on high needs would be provided within the context report.

SELF-ASSESSMENT REPORT 2022/23 (Document 2i)

- B23/256 The Board considered the College's self-assessment report for 2022/23 which was recommended by the Curriculum, Quality and Student Experience Committee (CQSE) for consideration and approval, noting that:
- the draft had been considered by the CQSE Committee at its meeting November 2023 and the feedback received had been incorporated;

- feedback from the College's recent Ofsted inspection report had been reflected in the text;
- overall effectiveness had been self-assessed as good;
- an associated quality improvement plan was in development and would be considered by the COSE committee at its meeting in February 2024.

- B23/256 The Board particularly:
- explored the spikey achievement rates for some qualifications in Access to HE, Pre-Access and Society, Health and Development curriculums, which had been impacted by the low number of students registered against the qualification;
 - explored how the College was responding to local priority needs;
 - considered feedback from the chair of the COSE committee, noting that the committee considered that there was sufficient evidence to support the narrative and the grading.

- B23/258 The Board:
- requested that the report be amended to demonstrate progress made since the Ofsted inspection;
 - agreed that the report appropriately reflected the College's position and the areas for improvement identified were appropriate.

- Resolved:**
- i That the self-assessment report be amended to reflect progress made since the Ofsted inspection.**
 - ii With the inclusion of the amendment above that the 2022/23 Self-Assessment Report be approved, including the grades awarded and areas for improvement.**

FINANCE AND AUDIT 2022/23 (Document 2ii)

- B23/259 The Board considered the **Annual Report from the Audit Committee for 2022/23**, noting that:
- the report was provided to support the Board in completing its regulatory responsibilities regarding the production and signing of the College's financial statements for 2022/23;
 - the report provided a summary of the work of the committee in 2022/23, along with assurance to the Board regarding the College's systems of control and the annual opinion of the Audit Committee in respect of these matters.
- B23/260 The Board particularly considered:
- the assurance work undertaken by the committee during the year, and up to the signing of the financial statements;
 - the assurance provided and the opinion of the committee;
 - the significant issues section.
- B23/261 The Board confirmed the signing of the **regularity self-assessment for 2022/23**, noting that this had been considered in detail and approved at a previous meeting ahead of its submission to the financial statement auditors for use as part of their regularity audit.

- B23/262 The College's financial statements auditors, RSM, presented their **audit findings** for the 2022/23 financial statements, the Board particularly noted:
- that the audit was complete;
 - that the regularity opinion was unqualified and there were no areas of non-compliance;
 - that the financial statement's opinion was unmodified, but with material uncertainties in respect of going concern disclosed in the accounting policy;
 - that the auditors conclusion that the disclosures presented within the College's financial statements were appropriate and provided sufficient information about the basis of preparation of the financial statements and the existence of the material uncertainties;
 - that the findings had been considered in detail by the Audit Committee.
- B23/263 The Board reviewed its previous decision that the College's financial statements be prepared on a going concern basis, particularly in light of the further work undertaken by BDO, and concluded that this remained appropriate.
- B23/264 The Board agreed that the report from the Audit Committee, the Board's assessment of going concern and the audit findings report from the financial statement auditors provided appropriate assurance to enable approval of the financial statements and annual report for 2022/23 and their signing and submission to the relevant authorities.
- B23/265 The Board considered and approved the letters of representation.

- Resolved:**
- i The Board received and considered the Annual Audit Committee Report to the Board for 2022/23, noting the assurance provided and the opinions of the committee in its consideration of the financial statements for 2022/23.**
 - ii The Board approved the letters of representation for signing.**
 - iii The Board approved the financial statements for 2022/23 for signing.**
 - iv The Board approved the regularity self-assessment for signing.**

ANNUAL REPORTS 2022/23 (Document 2iii)

- B23/266 The Board reviewed the **Health and Safety Annual Report for 2022/23** noting that this had been considered in detail by the Audit Committee and included:
- a compliance overview;
 - operational management arrangements;
 - outcomes of audit activity;
 - accidents and incidents data, including RIDDOR;
 - RAAC assessment activity and outcomes;
 - asbestos management;
 - health and safety considerations in relation to capital works.

- B23/267 The Board considered the **equality, diversity and inclusion annual report for 2022/23**, noting that this had been considered in detail by the CQSE committee, and included:
- progress against the College’s equality objectives;
 - student performance data with respect to a range of characteristics;
 - staff data with respect to a range of characteristics;
 - areas for action and further development identified for 2023/24.
- B23/268 The Board particularly explored the significantly lower that national average achievement rates for White and Black African, Indian, Pakistani and any other Black /African/Caribbean background reported and challenged why these had been classified in the report as not significant. The Board was assured that whilst the very small numbers of students in these groups meant that the data was statistically insignificant, the College would continue to review performance in detail to ensure that any true under performance was identified and addressed should it arise. The Board agreed that the report should be updated to more accurately reflect this position.
- B23/269 The Board considered the **Safeguarding and Prevent Annual Report for 2022/23**, noting that this had been considered in detail by the CQSE committee, and included:
- a summary of the Ofsted outcome with regards to Safeguarding and Prevent;
 - referrals data;
 - training and development activities;
 - Safeguarding and Prevent management and operational arrangements;
 - key actions and areas for development for 2023/24.
- B23/270 The Lead Governor for Safeguarding summarised the work he had undertaken during the year and the additional assurance activity undertaken with the Designated Safeguarding Lead (DSL), the opinion of the CQSE committee and the key priority area for 2023/24, particularly cyber security.

- Resolved:**
- i That the Board was assured that the arrangements in place for Health and Safety during 2022/23 were satisfactory and the actions identified for 2023/24 were appropriate.**
 - ii That the EDI report be amended to clarify the statistical position regarding the achievement rates for some BAME students.**
 - iii That the Board was assured that the outcomes and arrangements in place for equality, diversity and inclusion during 2022/23 were satisfactory and the actions identified for 2023/24 were appropriate.**
 - iv That the Board was assured that the outcomes and arrangements in place for Safeguarding and Prevent during 2022/23 were satisfactory and the actions identified for 2023/24 were appropriate.**

WORKFORCE REPORT 2022/23 (Document 2iv)

- B23/271 The Board considered the Workforce Report for 2022/23 which included:
- local demographic data;
 - staff composition data;
 - employee turnover and benchmarking;
 - workforce demographics;
 - recruitment data and equality monitoring arrangements;
 - sickness absence data;
 - trade union facility time.

- B23/272 The Board particularly explored:
- the 'other reason' data for staff turnover and why this was high for teaching staff at 63.7%, noting that this was due to the inclusion of fixed term contract/sessional staff, and agreed that this figure should be further explained in the report;
 - turnover against national and regional benchmarks, noting that the College figures were comparatively high compared to national data, noting that this was a key area of risk for the College and was already included on the strategic risk register, but that the position remained stable and the College continued to successfully make strong appointments to vacancies.

- Resolved:**
- i That the Workforce Report be amended to clarify the data regarding turnover reasons for teaching staff.**
 - ii That other than the risk regarding staff turnover which was already included on the strategic risk register no other areas of concern regarding the College's workforce data were identified.**

POLICY AND CONTEXT UPDATE (Document 2i)

- B23/273 The Board received an update setting out key developments in the context in which the College was operating, including:
- DfE Change to funding model for residential
 - regional funding model for residential
 - case conference meetings
 - review of the estate strategic partnership with the National Trust and BMBC.
 - the development of high needs provision.

- B23/274 The Board particularly noted:
- that the Board's decision regarding the timing of the introduction of a high needs offer at the College had been fed back to BMBC and an outcome of the cabinet decision in January 2024 was awaited;
 - the very positive meeting with Robert Halfon MP and his commitment to visit the College in early 2024;
 - the continuing work with the Combined Authorities (CAs) to establish the details regarding the funding for residential education from August 2024 onwards;
 - that the impact report commissioned by the CAs had not yet been received by the College.

B23/275 The Board agreed that the developments regarding future residential funding and the commitment from Robert Halfon were positive indications, and the position of the College continued to improve.

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

PERFORMANCE TO DATE 2023/24 (Document 2ii)

B23/276 The Board considered a progress report against the College's **key performance indicators** for 2023/24 and **student recruitment to date for 2023/24**, particularly exploring:

- performance in relation to AEB, community learning and Free Courses for Jobs recruitment;
- conversion rates;
- student recruitment data;
- retention;
- attendance;
- best case achievement data.

B23/277 The Board particularly:

- explored the decrease in conversion rates in relation to student recruitment data and the impact if it was extrapolated into the remainder of 2023/24, agreeing that whilst this was not as concerning as it had been previously it continued to require close and careful monitoring;
- welcomed the reported focus on conversion and the development of the curriculum offer;
- agreed that the next two to three months were critical in relation to student recruitment, noting however that this year the College had in place a pipeline for recruitment, with a significant level of active leads which was a different position to that in the previous year at this time;
- explored activities to diversify delivery locations and requested that this be addressed in more detail at a future meeting.

B23/278 The Board considered **management accounts to 30 October 2023**, noting that:

- the general direction of travel was positive;
- the College was slightly ahead of its original budget and the year end cash position had improved;
- the scenarios had been adjusted in line with discussion at the last meeting.

B23/279 The Board explored;

- the variances reported;
- the cash flow forecast, and particularly the cash low point;
- the risks and scenarios presented;
- community learning income and value for money.

B23/280 The Board:

- agreed that whilst the updated scenarios were more encouraging, in scenarios 4 and 5 the College's reserves would drop below £500k in 12 months or so time, and whilst there was no evidence at this time to suggest

that that would happen the Board needed to remain cautious and alert, and ensure continued close monitoring;

- explored the capacity for recouping under recruitment and agreed the position needed to be carefully reviewed in early 2024;
- agreed that the position reported continued to demonstrate an improvement on previous years.

B23/281 Overall, the Board welcomed the improving position reported, but agreed that a continued focus on effective student recruitment remained critical.

- Resolved:**
- i That the improving position reported be welcomed but a continued focus on effective student recruitment remained critical.**
 - ii That a progress report regarding the diversification of delivery locations be presented to a future meeting.**

ESFA FINANCIAL HEALTH ASSESSMENT (Document 3iii)

B23/282 The Board received and noted the ESFA financial health assessment and dashboard, and agreed that assurance could be taken from the alignment this demonstrated with the financial data reported throughout the year.

- Resolved:**
- i That no actions or adjustments to the College's strategy and one year delivery plan were required in response to the ESFA financial health assessment and dashboard.**

STRATEGY AND PLANNING (Document 4i)

B23/283 The Board considered progress against the College's strategic delivery plan for 2023/24, with a particular focus on areas that were rag rated as red. The Board reviewed:

- the development of community learning provision which aligned with funder priorities and a community engagement strategy;
- the development of a three-year HE strategy, noting that this had been slightly delayed in order to fully incorporate the outcome of the CAs impact review work;
- the development of a high needs offer, noting that the timeline had been amended to reflect the planned later start;
- creation of a three-year student enrichment programme;
- continuing work on a future funding model for residential education.

B23/284 The Board:

- welcomed the update which it noted would be presented to every meeting and agreed was helpful;
- noted that the impact of some of the development areas would be likely to occur over an 18-month timeframe;
- was satisfied that the actions to address areas rated red and amber were appropriate.

The Board considered an update against the College's single recovery plan, noting that:

- whilst the strategic delivery plan focussed on how objectives would be met, this plan was designed to evaluate whether the milestones had been reached;
- the key areas included in the plan were addressed in items for consideration throughout the Board's agenda;
- positive progress continued to be made.

Resolved: i That whilst acknowledging that there is further work required the Board is satisfied with the progress reported against both the strategic delivery plan and single improvement plan, and the further actions outlined.

AUDIT MATTERS - INTERNAL AUDIT PLAN 2023/24 AND 2024/25 (Document 5i)

B23/285 The Board considered and approved a proposal from the Audit Committee regarding internal audit planning for 2023/24 and 2024/25.

Resolved: i That the proposal to appoint an internal audit firm to undertake a funding assurance review in 2023/24 be approved.

ii That an appropriate process be followed to appoint an internal audit service provide for 2024/25.

POLICIES FOR APPROVAL (Document 5ii)

B23/286 The Board considered and approved a revised Health, Safety and Wellbeing policy, noting that changes included updating post holder names/signatures and minor text amendments.

Resolved: i That the health, safety and wellbeing policy be approved.

RISK MANAGEMENT AND ASSURANCE - KEY STRATEGIC RISKS (Document 5iii)

B23/287 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.

B23/288 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.

Resolved: i That the risk register was an accurate reflection of the risks faced by the College and the mitigating actions and controls were appropriate.

LEAD GOVERNOR - SAFEGUARDING UPDATE

B23/289 The Board noted that this item had been covered earlier in the meeting within the Safeguarding and Prevent Annual Report 2022/23.

GOVERNANCE MATTERS (Document 6i)

- B23/290 The Board considered a draft governance self-assessment for 2022/23, noting that this had been based upon:
- an overview of governance arrangements in place in 2022/23;
 - external feedback received during the period;
 - an evaluation of the College's compliance with its chosen code of governance during the year;
 - the outcome of the governor self-assessment questionnaire completed in Autumn 2023; and
 - included proposed key areas for development in 2023/24 for consideration.
- B23/291 The Board noted the proposed areas for development which focussed around:
- diversifying and developing the Board's membership;
 - reviewing the current governance framework and agreeing developments as appropriate, including the operation and scope of committees;
 - further developing member engagement;
 - further developing governance reporting.
- B23/292 The Board broadly supported the areas for development identified but agreed:
- to review the report individually and feedback comments/proposals to the Clerk to the Governors;
 - consider a finalised report and action plan at its meeting in March 2024, alongside the findings from the external review of governance.
- B23/293 The Board considered the revised Colleges' Code of Good Governance and approved a proposed approach to reviewing and agreeing which governance code it would follow from August 2024, noting that:
- the new code had been simplified and was based on six fundamental principles;
 - the AoC hoped that all FE institutions would be using the code for academic year 2024/25;
 - the College was required to adopt a governance code and the AoC code was one of three options open - with the other two being the Charity Governance Code and the UK Corporate Governance Code;
 - the Board would need to determine which code it wished to adopt from August 2024 onwards;
 - it was proposed that an evaluation of the three codes, along with an initial compliance check with the new FE code would be presented to the Board for consideration in March 2024, with a view to reporting against the chosen code from August 2024.
- B23/294 The Board considered the terms of reference for its committees, noting that no changes were proposed with the exception of the Remuneration Committee where the following amendments were proposed:
- addition of an introductory section to set out the purpose of the committee;
 - a re-write of section 4 - Responsibilities of the Committee - to align to the remuneration code and statutory requirements.

- Resolved:**
- i That governors review the annual governance report for 2022/23 individually and feedback comments/proposals to the Clerk to the Governors by 31 January 2024.**
 - ii That a finalised annual governance report for 2022/23 and action plan be considered at the meeting of the Board of Governors in March 2024, alongside the findings from the external review of governance.**
 - iii That an evaluation of the three governance codes available to the College, along with an initial compliance check with the new FE code, be presented to the Board for consideration in March 2024, with a view to reporting against the chosen code from August 2024.**
 - iv That revised terms of reference for the Remuneration Committee be approved.**
 - v That the terms of reference for all other committee remain as currently.**

CONFIDENTIAL MINUTES AND MATTERS ARISING

- B23/295 The confidential minutes of the meeting held on 29 November 2023 were approved as an accurate record.
- B23/296 The Board reviewed the action tracker and agreed that appropriate progress had been made in all areas.

CONFIDENTIAL MINUTES FROM COMMITTEES (Document 7ii)

- B23/297 The Board received and noted the following confidential minutes from its committees:
- Remuneration Committee - 20 September 2023

CONTINGENCY PLANNING (Document 7iii)

- B23/298 A separate confidential minute was recorded.

STAFFING MATTERS (Document 4iii)

- B23/299 A separate confidential minute was recorded.
- B23/300 The Board considered the resignation of Sarah Johnson from her role as Clerk to the Governors/Company Secretary, noting that her leaving date would be 31 March 2024. It was noted that this role was designated as a senior postholder and therefore a Board appointment. The Board requested that a proposed approach to the appointment to the role be presented for consideration at the next meeting.

- Resolved: i That a proposal and timeframe for the appointment to the role of Clerk to the Governors be presented at the next meeting for consideration and approval.**

OTHER BUSINESS

B23/301 It was noted that this was the last meeting for Liz Stanley whose term of office would end on 31 December 2023. The Board formally recorded its thanks to Liz for her important contribution to the College's governance over a number of years, particularly in respect of her diligent and professional work as chair of the Audit Committee.

DATES OF THE NEXT MEETINGS

B23/302 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)