



Northern College

THE BOARD OF GOVERNORS

Minutes of the meeting of the Board of Governors held on **31 January 2024**.

Present: Mark Sanders (Chair), Emma Beal (Principal), Tim Thornton (up to and including Min B24/14), Seb Schmoller, Neil James (up to and including Min B24/28), Bob Craig, Ann Corrigan, Colin Forrest, Neil Copley, Ray Low, Matt Stephens and Eve Bell.

In attendance: The Deputy Principal/Chief Finance Officer (Sue Saunders) (up to and including Min B24/28), the Head of Human Resources (Elin Longley) and the Clerk to the Governors (Sarah Johnson).

Observing: Mike Firth (Department for Education).
Fliss Miller (South Yorkshire Mayoral Combined Authority)

Apologies: Sue Horner

DECLARATIONS OF INTEREST

- B24/1 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.
 - with respect to his role as Director of Finance for Core Services at Barnsley Metropolitan Borough Council (BMBC) Neil Copley declared a potential conflict of loyalty in items relating to the College's potential development of high needs provision.

It was agreed that no decisions to be taken at the meeting would be affected and it was not necessary for either member to withdraw.

MINUTES AND MATTERS ARISING

B24/2 The minutes of the meeting held on 20 December 2023 were approved as an accurate record.

B24/3 The Board reviewed the action tracker and agreed that appropriate progress was being made, or the actions were scheduled, except for B23/41 – staff survey pulse check – where it was noted that an update would be provided at the next meeting. It was also noted that an update on high needs would be provided within the context report.

GOVERNANCE MATTERS

- B24/4 It was reported that the external review of governance was continuing, with individual meetings between all governors and senior staff now completed or scheduled, and that the reviewer would present the outcome of the review at the meeting of the Board in March 2024.
- B24/5 A verbal update regarding the Governance Annual Report for 2022/23 was provided, it was noted that:
- at its meeting in December 2023 the Board had broadly supported the areas for development identified, but had agreed to review the report individually and feedback comments/proposals to the Clerk to the Governors, with a finalised report and action plan being presented at its meeting in March 2024, alongside the findings from the external review of governance;
 - feedback received to date had confirmed that the time was now appropriate to review the governance framework and a proposal would be presented for consideration at the meeting in March 2024.
- B24/6 The Board approved the appointment of Ray Low as a member of the Audit Committee for a fixed term until the review of the current governance framework was completed and implemented.
- Resolved: i That a proposal regarding a revised governance framework for 2024/25 be presented for consideration at the meeting of the Board in March 2024.**

POLICY AND CONTEXT UPDATE (Document 2i)

- B24/7 The Board received an update setting out key developments in the context in which the College was operating, including:
- the continuing work being undertaken on the development of a residential funding model for 2024/25 onwards by both the DfE and the regional Combined Authorities;
 - plans and progress with the College's current capital transformation project;
 - the development of the Stocksbridge Adult Skills Hub (Northern College in the Community) and the signing of a memorandum of understanding;
 - the College's work on profile raising;
 - developments relating to the College's potential high needs offer.
- B24/8 The Board particularly noted:
- the legal advice being sought regarding how the next tranche of the DfE Capital Transformation funding should be managed in the College's accounts;
 - the 2- to-3-year development trajectory for the Stocksbridge Adult Skills Hub;
 - that the College had been shortlisted as a finalist for a World Skills Award regarding its equality, diversity and inclusion partnership work.
- B24/9 The Board particularly explored the College's potential development of a high needs offer:
- noting that following the Board's decision at its meeting in November 2023 regarding the timescale for the introduction of a high needs offer at the

College, BMBC had agreed to contract with an alternative provider who was in a more advanced position, and therefore able to meet the September 2024 commencement date;

- noting that the potential offer had not been built into the College's financial plans;
- welcoming that there remained an opportunity for the College relating to adult high needs provision from September 2025 which would continue to be explored;
- agreeing that whilst it was disappointing, the decision taken by BMBC was totally understandable;
- exploring whether the College should have done anything differently, agreeing that the decision that the timeline for a September 2024 start had been too challenging to do well remained appropriate, but that discussions with multiple/more departments within BMBC would have been beneficial.

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)

- B24/10 The Board considered a progress report against the College's **key performance indicators** for 2023/24 and **student recruitment to date for 2023/24**, noting that:
- the funding performance graphs had been amended to show both the original and reforecast targets;
 - the College's recruitment targets for December had been achieved;
 - performance in community learning remained fairly static;
 - overall levels of recruitment were higher in West Yorkshire than South Yorkshire, and the College was mindful that it needed to meet all three of its funders' targets;
 - conversion data remained static;
 - attendance was at 89%;
 - staff absences and turnover were at a significantly lower level than the previous year.
- B24/11 The Board particularly:
- explored the achievability and robustness of the profile for recruitment for the remainder of the year, particularly April targets which were substantially higher than the previous months, and was assured that the forecast was prudent and realistic, there was no unrealistic backloading, and that the varying values of different courses impacted significantly on profiling both in cash and enrolment terms;
 - explored the profile compared to previous years in terms of loading, noting that the Summer term was always a buoyant period for the College, and noting the much improved position on 2022/23;
 - considered whether it would be possible to have an income line for each 'product' but agreed that there were too many offered to make this feasible;
 - agreed that it would be useful to consider the shape of the curriculum at its meeting in March 2024, with some form of financial banding.
- B24/12 The Board considered **management accounts to 31 December 2023**, noting that:

- a full reforecast had been undertaken, including a detailed review of the curriculum plan, with some areas increasing (AEB) and some decreasing (loans as a result of increased Free Courses for Jobs);
- community learning had not seen the increase hoped for, and whilst it was funded on a cost basis a prudent clawback had been provided for;
- overall, the operating surplus/deficit position remained in line with that reported for the previous month and slightly ahead of the original budget;
- YTD EBITDA was £37k better than budget and the full year forecast was for £44k worse than budget;
- the cash position had improved;
- the two relevant sensitivity scenarios had been updated to include the reforecast, in both cases resulting in an improved position.

- B24/13 The Board;
- explored the variances reported, particularly noting vacancy savings, reduced USS pension contributions, other savings;
 - considered and approved the reforecast position.

- B24/14 Overall, the Board welcomed the continuing improving position reported, but remained clear that a continued focus on effective student recruitment was critical.

- Resolved:**
- i That the budget reforecast be approved.**
 - ii That the improving position reported be welcomed but a continued focus on effective student recruitment remained critical.**
 - iii That the shape of the curriculum with some form of financial banding be considered at the Board meeting in April 2024.**

STRATEGY AND PLANNING (Document 3i)

- B24/15 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, in particular:
- development of adults with complex barriers programme;
 - development of a curriculum business development strategy that will detail who the College works with and how;
 - identifying training and development opportunities within the natural environment as part of our commercial offer; and noting that
 - staff capacity was the key barrier to progress in all areas.
- B24/16 The Board also reviewed areas of strong progress, particularly:
- PR and partnerships;
 - growth in external activity which was positively impacting on curriculum;
 - development with community learning partners.
- B24/17 The Board:
- welcomed the progress reported;
 - supported the further actions planned;

- sought and received assurance that no actions that were rated amber or green were showing signs of stalled progress which would be likely to impact on the ability to meet targets in a timely manner;
- suggested areas for strengthening the presentation of the impact of reputational and social purpose developments the College was creating;
- again requested the inclusion of job titles rather than initials in the lead for each action;
- requested the reference to the QIP be expanded to ensure that the document could stand alone.

B24/18 The Board considered an update against the College's single recovery plan, noting that:

- there were two key updates to note - the sign-off of the financial statements as a going concern which was now complete;
- whilst the action remained outstanding there was strong and impactful engagement on-going with the target to model and operationalisation a new residential policy;
- the document was part of the FEC intervention model to review progress and allow the College to move out of its current intervention status.

B24/19 The Board agreed that the achievement of the actions in the plan was a key measure of the College's progress and it was essential that the actions were all achieved in a timely manner.

- 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.**
 - ii That the progress made in relation to the impact of reputational and social purpose developments the College was creating be reflected in future updates of the strategic delivery plan.**
 - iii That job titles replace initials for the lead for each action in the strategic delivery plan.**
 - iv That the reference to the QIP in the strategic delivery plan be expanded to ensure that the document could stand alone if required.**

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

B24/20 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;
- noting the addition of a new risk relating to the successful appointment of a governance professional;

- exploring but rejecting a suggestion that there was more progress than was represented with the development of the HE strategy, but noting that a draft strategy would be considered by the CQSE committee at its meeting in February 2024 which would help to clarify the issues and set a clear future strategy and approach.

B24/21 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.

IMPACT REVIEW (Document 3iii)

B24/22 The Board considered the Northern College impact review which had been conducted by York Consulting on behalf of South Yorkshire Mayoral Combined Authority (SYMCA), noting that:

- the leadership team accepted the conclusions of the report and was pleased to hear the positive feedback from students and stakeholders, and accepted the recommendations of the report with the exception of eligibility checks which it believed ran counter to the policy approach agreed with funders;
- feedback had been provided to SYMCA related to eligibility and referrals, financial information, the scope of the report, and the use of the findings.

B24/23 The Board:

- welcomed the report and the positive feedback from stakeholders;
- agreed that there should be more emphasis on the impact on adult learners of the alternative to mainstream FE offered by the College;
- explored the approach to potential future residential funding options and the process for agreeing a revised funding model, along with the potential impact of any reduction in cash terms on the College's sustainability;
- stressed the need for absolute clarity and documentation of the detail of a future residential funding methodology;
- welcomed the commitment from SYMCA to finding a sustainable model for residential funding which offered value for money;
- welcomed the collaborative and supportive partnership in place between the College and SYMCA.

Resolved: i That the report be welcomed, the matters raised in response be supported and the collaborative work with the combined authorities to arrive at a sustainable future funding model for residential provision be continued.

FINANCIAL REGULATIONS (Document 4i)

B24/24 The Board considered revisions to the tender levels in the financial regulations which were proposed in response to significant inflation levels which had resulted in more items of expenditure exceeding the current £5,000 limit in place and therefore requiring 3 quotations.

- B24/25 The Board approved the following revisions:
- the spend threshold for all expenditure requiring 3 quotes is increased from £5,000 to £7,500;
 - the spend threshold for expenditure relating to capital projects only is increased from £5,000 to £10,000, with any spend over £7,500 to be approved by either the Deputy Principal/CEO or the Principal/CEO;
 - update to 21.13.5 - DfE have confirmed that as part of the supervised status new spend does not require approval by the DfE but they should be notified only.

Resolved: i That the above amendments to the financial regulations be approved.

CONFIDENTIAL MINUTES AND MATTERS ARISING

B24/26 The confidential minutes of the meeting held on 20 December 2023 were approved as an accurate record.

B24/27 The Board reviewed the action tracker and agreed that appropriate progress had been made.

CONTINGENCY PLANNING (Document 5iii)

B24/28 A separate confidential minute was recorded.

STAFFING MATTERS (Document 5iv)

B24/29 A separate confidential minute was recorded.

GOVERNANCE MATTERS

B24/30 The Board agreed that the additional meeting of the Board provisionally scheduled for February 2024 would not now be required.

DATES OF THE NEXT MEETINGS

B24/31
 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)