

CITY OF WOLVERHAMPTON COLLEGE

**Minutes of a Meeting of the Board of Governors held on
Monday 20 July 2020 at 5pm
Conducted via Microsoft Teams**

PRESENT

Mr Mike Hastings (Vice Chair)	Mr Mark Taylor (Chair)
Mr Clarence Crosdale	Mrs Amanda Newbold (Vice Chair)
Ms Alison Shannon	Mr Trevor Dutton
Ms Emma Bull	Mr Mal Cowgill
Ms Sally Slater (Staff)	

IN ATTENDANCE

Mr Peter Merry	- Vice Principal Business Success
Mrs Elizabeth Ball	- Clerk to the Board of Governors

It was agreed that Mr Mike Hastings would Chair the meeting.

73/20 APOLOGIES AND DECLARATIONS OF INTEREST (ITEM 1)

Apologies were received from Mr Ian Fegan.

Alison Shannon declared a conflict of loyalty in relation to the CLQ update.
Governors agreed that she should remain and take part in the discussion.

74/20 MINUTES OF THE MEETING HELD ON 22 June 2020 (ITEM 2)

The minutes of the meeting held on 22 June 2020 were approved as a correct record.

75/20 MATTERS ARISING (ITEM 2)

There were no matters arising which would not be considered as part of the meeting.

76/20 CORRESPONDENCE (ITEM 3) (CONFIDENTIAL MINUTE)

77/20 APPOINTMENTS

Appointment of the Chair and Vice Chairs

The Clerk to the Board of Governors reported that she had received nominations for the appointment of Mark Taylor as the Chair and Mike Hastings as one of the Vice Chair's and was seeking nominations for the second Vice Chair post.

A nomination was received for the appointment of Mr Clarence Crosdale as Vice Chair and each nomination was duly seconded.

Mr Mark Taylor, Mr Mike Hastings and Mr Clarence Crosdale left the meeting.

It was resolved that:

- **Mr Mark Taylor be appointed as the Chair of the Board of Governors for a period of 12 months from 1 August 2020 to 31 July 2021.**
- **Mr Mike Hastings and Mr Clarence Crosdale be appointed as Vice Chairs of the Board of Governors for a period of 12 months from 1 August 2020 to 31 July 2021.**

Mr Mark Taylor, Mr Mike Hastings and Mr Clarence Crosdale re-joined the meeting.

78/20 UPDATES (ITEM 5) (CONFIDENTIAL MINUTE)

79/20 STRATEGIC DEVELOPMENT IMPLEMENTATION PLAN REPORT (ITEM 6)

The Principal presented the Strategic Development Implementation plan and reported that whilst the content is derived from the self-assessment process and in year themes, as part of this year's planning, SMT members have reviewed two additional themes. These were their contribution to making a step change to improve performance across the Board, and learning from COVID-19 and implementing new working practices.

The Board of Governors considered the report and noted the revised EMT responsibilities and the 'step changes' identified for each area.

They were advised that the plan will be supplemented by a detailed action plan and key performance indicators and that whilst the usual KPI report was not presented at the meeting, reports on performance indicators were being provided in relation to staffing, finance and main college performance.

The Board of Governors fully endorsed the plan, but suggested that some of the wording could be revisited to fully identify actions to be taken in the coming year.

It was also suggested that a shorter version could be prepared which could be shared with stakeholders.

It was resolved that the Strategic Development Implementation Plan be approved.

2020/21 Curriculum Plan Supporting Commentary

The Principal highlighted key points from the commentary in relation to 16-19 provision, adult provision, apprentices and sub-contract provision.

16-19 Provision

It was noted that full time 16-19 applications at the end of June 2020 are 10% up in comparison to 2019. Governors noted that 16 to 19 year old forecast numbers continue to increase and that if applications increase against the plan the College would discuss in year growth funding with the ESFA.

Adult Provision

It was reported that the funding of adult provision is more complex particularly due to the funding mechanism and the different mix of provision. The Principal also reported that the West Midlands Combined Authority had now confirmed their allocation for 2020/21.

The Board of Governors noted that adult forecast numbers continue to increase and that the applications confirmed at the end of June 2020 support this. In addition, it was noted that the College needs to review its mix of Adult Education Budget and prepare for the potential for in-year growth.

Apprentices

The Board of Governors noted the uncertainty in relation to apprenticeships due to their dependency on employers and the impact of the COVID-19 outbreak. Whilst the full impact of COVID-19 is yet to be realised and the targeted number of new starts would be more difficult to achieve, it was reported that the College is maintaining regular contact with all employers and offering full support via the Account Managers.

Sub-Contracting

The Board of Governors noted the current sub-contracting arrangements including the geographical area and rationale for engaging with those partners together with the range of due diligence processes that take place.

It was also noted that in accordance with the Government's June 2020 consultation levels of sub-contracting are continuing to decrease.

2020/21 Financial Commentary

The Vice Principal Business Success presented the commentary which provided the background to the College's unique position.

It was noted that the financial forecast was to be submitted to the ESFA by 31 July 2020 and that the commentary would form an important part of this submission.

The Vice Principal Business Success reported that the Board of Governors were being asked to approve the budget for 2020/21 and the key points and sensitivities were highlighted including:

- An operating surplus compared to a COVID-19 influenced forecast deficit and a statutory surplus of £40k
- Increased income as a result of the increase in funding rate and increased student numbers
- An assumed increase in adult numbers with the potential for opportunities for people looking to re-skill. There are risks, however, associated with the need for social distancing etc.

- Predicting the level of apprenticeship income is challenging as a result of the circumstances surrounding the COVID-19 outbreak and the number of apprentices currently furloughed or on a break in learning. New starts will depend on the number of employers, but the Government has introduced a number of incentives.

The report provided the Board of Governors with a detailed analysis of income, pay and non-pay expenditure and it was noted that currently the budget did not make provision for a staff pay award.

The Vice Principal Business Success advised that the College was able to operate within its means and manage its cash during the traditionally low period in March and April.

He also advised that the Board of Governors should be fully aware of the sensitivities surrounding the budget and that in submitting it to the ESFA he would have to provide projections taking those sensitivities into account.

Governors questioned whether provision for a staff pay award should be included in the budget and whether the position was such that there was no capacity for investment in the College estate.

In relation to a staff pay award, it was noted that this would be reviewed at the half year point when consideration could be given to the College's financial position and the ability to make an award.

The Vice Principal Business Success advised that some investment will be possible in view of the capital funding that has been announced by the Government and which will be allocated on a formulaic basis. Governors commented that instead of re-valuing the estate, it would be more beneficial for the expenditure to be used on a condition survey, but it was unlikely that this would be agreed.

Governors asked whether the budget represented the best or worst case scenario and whether it was the most likely or optimistic view.

The Vice Principal Business Success reported that a balanced budget had been established but that it was important to ensure that management information remained up to date and that the College was responsive in making necessary adjustments.

Governors also asked about the budget that had been included for restructuring and whether this would potentially affect all staff and if not used would it offset any staff pay award.

The Vice Principal Business Success replied that the provision had been made as a contingency and that no large-scale restructuring was envisaged. If it was not used there was potential for this to offset a pay increase.

Governors questioned the provision for agency staff which was at the same level as the previous year and whether this was because the College was planning to employ the same number of agency staff.

They were advised that this provision reflects the minimum ask for agency staff and in particular related to additional learning support needs where specialists are employed by the College. Apart from that the provision is to provide headroom to be able to flex the staffing requirements.

It was highlighted that there is no significant contingency built into the budget.

Governors asked that where risks were identified as 'red' they are clearly highlighted in reports to ensure that they are given sufficient consideration.

It was noted that there was only a modest increase in the budget for computer software equipment and Governors asked whether, in view of the emphasis on teaching differently, that spend was related to the College campus or for supporting students at home.

The Vice Principal Business Success reported that it was a combination of both but that the College was also pushing for more bursary funding to provide capacity to buy equipment for students.

Governors questioned whether there was any provision in the budget for cyber security and were advised that there was no specific allocation, but that the College is staying alert and vigilant to phishing and other types of attack and had increased insurance cover in this area.

Governors commented that they considered the presentation of the information in the report to be very helpful, allowing Governors to understand the risks and the sensitivities surrounding the budget.

The importance of monitoring cashflow was again emphasised and the Principal reported that it would be beneficial for the College to receive ESFA funding on a 'flat' profile. It was agreed that the Vice Principal Business Success would model the position if funding was received in equal amounts during the year and report back to Governors at their next meeting.

Action: Vice Principal Business Success

It was agreed that in finalising the submission to the ESFA, the Vice Principal Business Success would liaise with a small group of Governors.

It was resolved that the budget for 2020/21 be approved.

80/20 COLLEGE REPORT (ITEM 7)

The Principal presented the report and provided an update on the progress the College is making during the COVID-19 closure.

Student Engagement

Applications

The Board of Governors noted the interviews that had taken place with students, the high conversion rate to applications and that applications received for full time courses overall remain above those received at the same time last year.

It was also noted that applications for part time provision continue to be significantly higher than the previous year.

Safeguarding Report 2019/20

The Principal reported that the Safeguarding Policy would be presented at the meeting of the Board of Governors in September 2020 and proposed that consideration of the Safeguarding Report be deferred to that meeting.

The Safeguarding link Governor reported that his meeting with the College Safeguarding lead was to be re-arranged and that in view of the current situation the number of safeguarding referrals had reduced.

It was resolved that the Safeguarding Report 2019/20 be deferred for consideration by the Board of Governors at their meeting in September 2020.

Student Success

The Board of Governors noted the report on the arrangements for students to complete their vocational assessments.

It was reported that the COVID-19 outbreak is impacting significantly on apprentices and that 435 students are currently engaged in learning and not furloughed with a further 132 on a break in learning.

Governors noted that these students could return to the College next year and that there are significant numbers interested in taking an apprenticeship in 2020/21 if employers could be identified.

However, in view of the uncertainties it is important for the College to be responsive in relation to apprenticeship provision.

Governors were advised that in relation to curriculum planning a lot has been learnt from the introduction of online learning and this will support the ongoing development of blending and hybrid learning.

People Engagement

The Principal reported that staff had agreed to return two weeks early following the summer break and will be taking part in CPD events that usually follow the end of term.

It was noted that the College is not experiencing high levels of sickness providing confidence that it will be able to open on site within the next 3-6 months.

The Principal reminded Governors that the post of Assistant Principal People Engagement remained vacant and that as a result of discussions with members of the Senior Management Team it was proposed to maintain the current position until Christmas.

Whilst supporting the proposal, the Board of Governors commented that as the post remained in the budget, action could be taken to provide additional support if required.

It was resolved that the report be noted.

Business Success

Insurance Procurement

The Vice Principal Business Success reported on the process that had taken place to procure the College insurance services.

Governors noted that as a result of the process, significant savings had been generated and the recommendation was the appointment of FE Protect Ltd.

The Vice Principal Business Success confirmed that whilst FE Protect Ltd were relatively new to the market, references have been taken from other Colleges who had given very positive feedback.

MHR (Payroll and HR) Replacement

The Vice Principal Business Success reported that whilst the College was undertaking a procurement exercise there remains the potential to stay with the current provider subject to appropriate safeguards.

It was noted that the tender process closes on 28 July 2020 and that the method of approval will be considered once the outcome has been decided.

Management Accounts and Cashflow

The Vice Principal Business Success reported that the headline results for May 2020 had been shared with the Board of Governors at their meeting in June 2020 and formed an appendix to the report.

It was noted that the June 2020 Management Accounts would be circulated to Governors as soon as possible and the Vice Principal Business Success confirmed that the College's cashflow position continues to be monitored carefully.

Governors noted the updated cashflow forecast to the end of the year and that the College continues to take advantage of government grants that are available including the Job Retention Scheme and the Provider Relief Fund.

Whilst Governors recognised the importance of managing payments to creditors they were reassured that payments were up to date as delays in payments can have an impact of supplier relationships.

The Board of Governors noted:

- **The continuing work being undertaken by staff and students in response to the COVID-19 circumstances.**
- **The continuing analysis of the applications for next year.**
- **The College's May financial results and revised full year projection and the year end cashflow reforecast.**

It was resolved that:

- **Consideration of the Safeguarding report be deferred to the meeting of the Board of Governors in September 2020.**
- **The contract for Insurance Services be awarded to FE Protect Ltd.**

81/20 REPORT FROM THE AUDIT COMMITTEE (ITEM 8 a)

The Chair of the Audit Committee presented the report and advised that the minutes of the meeting which took place on 8 July 2020 would be circulated as soon as possible.

External Audit Plan

The Chair of the Committee reported that the External Auditors had attended the meeting and presented their report. It was noted that the fee for the External Audit had not been increased from the previous year, but that there was an additional fee in relation to the subsidiary company.

It was also noted that whilst there would be a particular focus on going concern there was no expectation that there would be a need to carry out any additional work at extra cost.

It was resolved that the External Audit Plan be approved.

Internal Audit Reports

The Board of Governors noted the outcome of the Internal Audit reports which had been considered by the Committee.

It was resolved that the Internal Audit Reports be noted.

Risk Management update

The Board of Governors considered the risk management update which was appended to the report and in particular the high-level risks identified in the risk register and the COVID-19 register.

Governors commented that they considered the risk register to be thorough and comprehensive.

It was resolved that the Risk Management update be noted.

Anti-Fraud Checklist

The Board of Governors noted and supported the actions identified in the Anti-Fraud Checklist

It was resolved that the Anti-Fraud checklist be noted.

Approval of Policies

The Board of Governors reviewed the updated Anti-Fraud Policy and Anti-Bribery Policy and noted that these were to be circulated to staff together with a briefing.

Action: Clerk

It was resolved that the Anti-Fraud Policy and Anti-Bribery Policy be approved.

Appointment of Internal Audit Service

The Board of Governors noted the report on the appointment of the Internal Audit Service.

It was resolved that TIAA Ltd be approved as the College's Internal Auditors on a 3+2 year basis.

82/20 REPORT FROM THE SEARCH AND GOVERNANCE COMMITTEE (ITEM 8 b)

The Board of Governors received the minutes from the meeting of the Search and Governance Committee held on 29 June 2020.

The Board of Governors considered the recommendations from the Committee.

It was resolved that:

- **Mr Clarence Crosdale be re-appointed for a period of 2 years from 1 August 2020 to 31 July 2022.**
- **The Governor Training and Development plan 2020/21 be approved.**
- **The membership of Committees for 2020/21 be approved.**
- **The Governor links for 2020/21 be approved and that vacancies be filled on the appointment of new Governors.**
- **The process for self-assessment 2019/20 be noted.**

Appointment of Governors

The Clerk to the Board of Governors reported that two members of the Committee had recently met with four individuals who had expressed an interest in being appointed to the Board.

The Search and Governance Committee had met on 15 July 2020 and given full consideration to the skills and expertise of the potential members before making recommendations to the Board of Governors on appointments.

It was resolved that:

- **Ms Nisha Rai be appointed as an Independent Governor for a period of 4 years from 1 September 2020 to 31 July 2024**

- **Mr John Bradford be appointed as a business governor for a period of 4 years from 1 September 2020 to 31 July 2024**
- **Mr Phil Leivers be appointed as a Local Authority nominee for a period of 4 years from 1 September 2020 to 31 July 2024.**
- **Mr Ian Evans be appointed as an Associate Member of the Audit Committee for a period of two years from 1 September 2020 to 31 July 2022.**

83/20 ANY OTHER BUSINESS

It was reported that this was the last meeting that would be attended by Amanda Newbold as she was leaving the area to take up a new post.

Governors thanked Amanda for her contribution as a Governor and as Vice Chair and wished her well for the future.

84/20 CONFIDENTIALITY

It was resolved that the following items would remain confidential;

- **Correspondence (item 3) – report and minutes**
- **Updates (Item 5) - minutes**
- **College report (Item 7) – Insurance Procurement and MHR (Payroll and HR) Replacement report**

85/20 DATE AND TIME OF NEXT MEETINGS

Thursday 10 September 2020 at 5pm

Monday 28 September 2020 at 5pm