

Minutes of the Governing Body Meeting held on 14 December 2020 at 5.30 pm via video conference

Present:	Libby Bush Shirley Collier (Chair) Jack Commandeur Helen Crews Janet Dean Rob Hickey Alex Hughes (Vice Chair) Donald Inglis Ian Looker (Chair Designate) Grace Morrison (Student Governor) Kevin Moss Lee Probert (Chief Executive and Principal) – from Item 7 John Robinson Mark Rushworth (Staff Governor) Andrew Thomas Fiona Thompson Owen Trotter Cathy Waters Naomi Watson (Student Governor)	
In Attendance:	Louise Doswell – Deputy CE/ Principal, Partnerships and Development David Hawkins – Vice Principal, Finance and Professional Services Glyn Jones – Vice Principal, Academic & Applied Education Graeme Murdoch – Deputy Chief Executive and Principal, Quality & Student Experience Sharon Smith – Vice Principal, Higher, Vocational & Professional Education Elizabeth McClure – Director of Governance	
	1. Apologies for Absence / Declarations of Interest	Action
	Apologies were received from Vicky Buckle, Staff Governor. There were no declarations of interest.	
	2. Minutes of Previous Meetings	
	2.1 Minutes of 21 October 2020 It was noted that a confidential version of the minutes had been circulated to Governors, excluding those who had a conflict of interest. There were no comments on either set of minutes. <i>The Board resolved to approve the Minutes of the Board meeting on 21 October 2020 without amendment.</i>	
	3. Matters Arising	
	3.1 Action Summary The Chair outlined the action relating the Remuneration Committee. It was noted that the Chair planned to send an email to members of the	

	<p>SLT outlining proposed changes to the way in which they would interact with the Remuneration Committee in future.</p> <p>The Chair of the Audit Committee confirmed that the issue of Cyber Security had been discussed at the Audit Committee on 2 December 2020 and that the Internal Auditors had produced a robust audit plan for the area.</p> <p><i>The Board resolved to note the Action Summary.</i></p>	Chair
	4. Principal's Report	
	<p><i>It was noted that the Principal had been unavoidably delayed; his report would follow when he joined the meeting.</i></p> <p>4.1 IHRA Working Definition of Anti-Semitism Proposal</p> <p>The Deputy CE/Principal (Quality and Student Experience) presented the IHRA's working definition of anti-Semitism. It was proposed that the College adopt the working definition in the wider context of the College's commitment to tackling racist and religious hatred and all forms of discrimination. The Governing Body welcomed the adoption of the definition and were pleased to note the point that that this did not undermine the College's commitment to free speech and respectful discourse which would also be clearly stated alongside the definition.</p> <p><i>The Board resolved to accept the definition.</i></p>	
	5. Support for Students	
	<p>5.1 Student Association Report</p> <p>Grace Morrison presented the Student Association Report. It was noted that the Student Association had been focusing on making the student voice more effective and enhancing communication between staff and students. A form for the intranet had been developed for student queries to provide another avenue of communication, alongside the Student Representatives.</p> <p>The Governors welcomed the improvement to student communication. The Board questioned if Covid-19 had impacted the student voice and participation; the Student Governors confirmed that it had but it was hoped that the easily accessible form would improve this. It was noted that the form was also available in hard copy at reception and would be advertised. The Board requested that the Student Governors report on usage trends and nature of student queries at the next meeting.</p> <p><i>The Board resolved to note the report.</i></p>	Student Governors
	STRATEGIC PLAN IMPLEMENTATION	
	6. Marketing and Recruitment	
	<p>6.1 Learner Recruitment</p> <p>The Deputy CE/ Principal, Partnerships and Development presented an update on Learner Recruitment. It was noted that recruitment for 16-18, HE and International was exceeding the targets. Adult and Apprenticeship recruitment was lower than anticipated, though it was anticipated that Apprenticeship recruitment would increase in the new year. It was noted that retention rates were positive this year.</p>	

	<p>The Board questioned which measures had been influential in improving HE recruitment. The Vice Principal, Higher, Vocational & Professional Education confirmed that forecasting for the years 2019/20 and 2020/21 had been much more reliable and sophisticated than the forecasting employed for 2018/19. The branding and marketing had also been more focused and improvements in Media Makeup facilities had improved retention significantly.</p>	
	<p>7. Financial Sustainability</p>	
	<p><i>The Principal joined the meeting.</i></p> <p>7.1 Year-end Financial Forecast 2020-21</p> <p>The Vice Principal for Finance and Professional Services provided an overview of the financial forecast and noted the following points:</p> <ul style="list-style-type: none"> - The position for year-end was close to budget, despite movements, and the pressure resulting from increased costs due to Covid-19 - Savings resulting from the ongoing restructure would become evident in the second half of year, though the restructuring budget had increased from £150k to £200k - The Adult allocation had not been achieved, likely due to Covid-19, and additional subcontracting had therefore been added to the forecast as approved in July 2020 - The cash forecast was in line with expectations outlined in July; the cash balance was expected to reduce from £8 to £6 million due to Covid-19 related costs, though investment was continuing. <p>The Board questioned how much of the deficit was attributable to costs incurred due to Covid-19. The Vice Principal for Finance and Professional Services confirmed that Covid-19 additional costs had been significant but the loss of income due to the pandemic was a factor. Income from commercial streams, catering, full cost work and adult learner loans had decreased and other factors such as free school meals bursaries being spent offsite had played a role.</p> <p>The Board queried how much uncertainty was left in the current forecast. The Vice Principal for Finance and Professional Services confirmed that the main area of uncertainty was around Adult learning but there was now a firm grip on the pay forecast which accounted for 70% of expenditure.</p> <p>The Board questioned whether work had commenced on planning the budget for next year, including strategies on how to return to a break-even position. The Vice Principal for Finance and Professional Services confirmed that this had recently started, and it was hoped that some preliminary work could be presented at the planned January Strategy Day.</p> <p><i>The Board resolved to note the forecast.</i></p>	DH
	<p>8. Note from the Chair and Fiona Thompson</p>	
	<p>It was noted that it was Shirley Collier's last meeting as Chair, having served as a governor for eight years and as Chair for the last six. The Chair wished to thank all governors, past and present, for all their hard work and to note the strong position of the current Board.</p>	

	<p>Fiona Thompson thanked the Chair for their care and stewardship and passed on kind words collected from all governors.</p> <p>The Principal also thanked the Chair on behalf of all staff and students and particularly noted the significant work she had done on the strategic plan and the influence of her emphasis on the staff and student experience.</p>	
	9. Principal's Report	
	<p>9.1 Principal's Report</p> <p>The Board scrutinised the Principal's report. It was noted that the Chancellor had announced a one-year spending review. Whilst there were significant positives for the further education sector, there were no specific policy details yet. It was also noted that any additional funding was likely to be conditional on multiple factors and may entail significant work.</p> <p>The Principal outlined the guidance recently released by DfE on summer examinations. It was noted that specifics were not yet clear but extra support was likely to be required for students. The Quality & Curriculum Committee would be informed as soon as further detail was provided.</p> <p>The Board questioned if there were any immediate opportunities following the spending review. The Principal explained that it was not yet clear; the National Skills Fund had written out some qualifications, but included others, such as construction. The Kickstart Scheme could offer some opportunity, but York had not traditionally benefited from initiatives like this. The Board queried whether there were any elements of the long-term plan which were currently unfunded which could now be funded following the review; the Principal confirmed that this would again depend on the rules of funding.</p> <p>The Board agreed that the spending review suggested a positive focus on further education but noted that further detail was required before any assessment of its impact on the College could be determined.</p> <p><i>The Board resolved to note the report.</i></p>	Principal
	<p>9.2 Restructure Update</p> <p>The Principal provided a verbal update on the restructure. It was confirmed that all staff affected by the restructure would know the outcome by 18th December 2020. All changes to Professional Services staff would be effective on 1st January 2021. Any changes to curriculum staff would come into effect on 1st August 2021; this was to avoid mid-year disruption and ensure any new roles were commenced at the start of the new academic year.</p> <p>The Principal confirmed that there had been a small number of voluntary redundancies but no compulsory redundancies, only redeployment or changes to role structure. The most significant delay has related to the progress coaches; the shift of the tutorial and welfare role moving to a specialist and dedicated team.</p> <p>The Principal reflected that the College would have been able to achieve the blended learning model more quickly and effectively if the restructured department model had already been in place prior to</p>	

	<p>lockdown. Because departments had been able to implement their own models, there had been greater variation in the student experience, notably where students move between departments making difference more obvious. Despite this, staff have responded positively to the blended learning challenge; the amount of live/synchronous delivery has increased and the college has begun to receive more positive feedback from students and parents, including some parents who had previously complained about the blended model.</p> <p><i>The Board noted the progress in delivery of the blended model and the restructure.</i></p>	
	10. Risk Management	
	<p>10.1 Strategic Risk Monitoring</p> <p>The Vice Principal for Finance and Professional Services confirmed that the risk register had been reviewed by all committees and nothing had changed since.</p> <p>The Governing Body queried why a significant proportion of risk areas appeared to be increasing in risk. It was noted that any increase was marginal, rather than significant, but largely resulted from the impact of Covid-19.</p> <p>The Governing body noted that financial sustainability was identified as a 'red' risk and a net 'red' risk. The Vice Principal for Finance and Professional Services noted that this was due to the deficit caused by Covid-19 and also the fact that there may be increasing pressure on pension contributions in future years. The latter was not an issue at present but the Board needed to be aware that contributions were likely to increase following the next triennial valuation. This was an external risk, hence the 'red' net risk rating; mitigation would be difficult.</p> <p><i>The Board resolved to note the risk register.</i></p>	
	11. Pay Award Update CONFIDENTIAL	
	<p>11.1 Pay Award</p> <p>The Chair referred to an email previously circulated to all members outlining the Board's options surrounding the Pay Award. It was explained that the Board could chose to decide on the Pay Award at the meeting or elect to defer a decision until a later date. It was noted that there was provision in the budget for a 1% pay award, which amounted to a value of £200k. The matter had been discussed at Finance & General Purposes Committee and input had been received from staff governors, though no final recommendation had been reached. It was noted that the AoC recommendation on the Pay Award had been published; it was recommended that an award of 1% (or £250, whichever was greater) be granted to staff.</p> <p>The Governing Body discussed, with input from the Principal, the need to balance their fiduciary duty towards the college's financial position, which was currently showing a deficit for the year, and the impact on the workforce of going against a national recommendation to make the Pay Award.</p> <p>The Principal and Vice Principal for Finance and Professional Services outlined the Union position, having attended a recent JCC meeting. It was noted that the Unions had anticipated a more significant Pay Award as a result of last year's increased 16-18 funding. It was noted that the</p>	

	<p>Union view was that the AoC's recommendation for a 1% Pay Award was unsatisfactory and failed to recognise the work of staff, particularly during the Covid-19 pandemic.</p> <p>The Governing Body discussed whether to defer to the decision until the next meeting or agree a course of action at the current meeting. It was noted that there would be no further information forthcoming – the AoC had made their recommendation and the Union had put forth their view. The majority of the Governing Body agreed that a decision should be made immediately.</p> <p>The Governing Body discussed the matter further, paying particular attention to the need to balance the financial position of the College with an acknowledgement of the significant work done by staff over the past year and the AoC recommendation. The Governing Body agreed that the budgeted 1% Pay Award should be paid to staff.</p> <p><i>The Board resolved that the 1% Pay Award should be awarded to all staff.</i></p>	
	12. Corporate Governance and Assurance	
	<p>12.1 Appointment of Vice-Chair</p> <p>The Chair Designate noted that Alex Hughes would be stepping down as Governor and Vice-Chair following the meeting. Following a selection process, about which Governors had received several emails, it was confirmed that Helen Crews would be appointed as Vice-Chair.</p> <p><i>The Board approved the appointment of Helen Crews as Vice-Chair</i></p> <p>It was noted that the composition of the Committees would require some restructure following the departure of the Chair and Vice-Chair. This would be discussed at the next People & Governance Committee before being referred to the Board. Similarly, it was noted that a recruitment exercise would be required to maintain the number of Governors at 20; the Chair Designate would work with the Principal and DoG and keep the Board informed of progress.</p>	Chair Designate/ DoG
	<p>12.2 College FE SAR and QIP</p> <p>The Deputy Chief Executive and Principal, Quality & Student Experience confirmed that the FE SAR had been reviewed in detail at the recent SAR Meeting and comments had been incorporated.</p> <p>The Board reviewed the FE QIP and noted that the College had graded itself a '2' ('Good'); all the grades were the same, except one department which had improved and another – Digital Technologies - where grading was not yet complete. It was noted that regardless of the rating for this area, the overall grade for the College would remain a '2'. It was noted that the impact of some of the actions was not yet obvious and therefore the actions remained in the QIP until the outcomes could be measured.</p> <p>The Board queried whether there would be a cost implication of increasing evening learning capacity. The Deputy Chief Executive and Principal, Quality & Student Experience confirmed that this may not be necessary if staff timetables were reconfigured to grant time off at alternative times.</p>	

	<i>The Board agreed to approve the grading of the College as specified in the QIP.</i>	
	<p>12.3 HE SED Fiona Thompson provided a brief update on the HE SED, which had been reviewed in depth by the Board at the previous SAR meeting. It was noted that it had been agreed that the format would be revised for next year. The current version had been revised to take into account all comments and was now complete.</p> <p><i>The Board noted the update agreed to approve the HE SED.</i></p>	
	<p>12.4 Audit Management Letter The Board reviewed the Audit Management Letter. The Chair confirmed that she has spoken to the Auditors and fully reviewed all financial information.</p> <p>The Vice Principal for Finance and Professional Services confirmed that the report from RSM was positive. The Board were asked to note the reference to the pension scheme error; this was an actuarial error resulting in the restatement of figures in early September and not an issue for the College. The reference to Corporation Tax was noted and discussed; it was agreed that, should the college require any tax advice, this would be sought as needed.</p> <p><i>The Governors were satisfied that the College was a going concern; the Audit Management Letter was approved for signature by the Chair.</i></p>	
	<p>12.5 Audit Committee Annual Report Helen Crews, Chair of the Audit Committee, confirmed that the report had been scrutinised by the Audit Committee and one suggested amendment had been incorporated.</p> <p><i>The Board approved the Audit Committee Report</i></p>	
	<p>12.6 2019-20 Financial Statements and Letter of Representation It was noted that the Financial Statements had been reviewed by the Finance & General Purposes Committee and the Audit Committee. Following scrutiny, the Governing Body had no additional comments.</p> <p><i>The Board approved the 2019-20 Financial Statements and the Letter of Representation.</i></p>	
	<p>12.7 Appointment of Financial Statements and Regularity Auditors The Vice Principal for Finance and Professional Services confirmed that no change was recommended. The auditors had completed an excellent job this year and it was recommended that they continue.</p> <p><i>The Board approved the continuing appointment of the auditors.</i></p>	

	POLICY AND OTHER MATTERS	
	13. Policy Reviews The Board scrutinised the Risk Management Policy which had been reviewed by the Audit Committee. <i>The Board approved the Risk Management Policy.</i>	
	14. Committee Chairs' Report	
	Items for report to the Board from P&G Committee The Board noted and agreed the following: <ul style="list-style-type: none"> - Two new governors, with the appropriate skills and expertise, would be recruited - The Governance Model was appropriate and would remain in place - The investigation into the conduct and fitness to act of a governor was noted and the conclusion approved. It was noted that the auditors had been informed. Items for report to the Board from the F&GP Committee The Board noted that the Pay Award had previously been discussed and approved. Items for report to the Board from the Audit Committee The Board noted and approved the recommendation that GDPR remain under the remit of the F&GP committee for detailed review, with oversight by the Audit Committee.	
	15. Subcontracted Partnership Policy Update	
	The Deputy CE/ Principal, Partnerships and Development presented an update to the Subcontracted Partnership Policy for 2020-21. <i>After scrutiny, the Board approved the Subcontracted Partnership Policy.</i>	
	SUMMARY MATTERS	
	16. Any Other Business The Board confirmed that there were no comments on the Part 2 agenda item. The Healthy & Safety Report was therefore noted and approved. The Governing Body thanked Alex Hughes, who was due to step down from the Board, for her service as Vice-Chair. There being no further business, the Meeting ended at 19.20.	
	17. Date of Next Meeting:	
Signed	Approved remotely as an accurate record – 25 March 2021	
Name:	Ian Looker (Chair)	
Date:		