



## Minutes of the Governing Body Meeting held on 25 March 2021 at 5.30pm via video conference

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| <b>Present:</b>       | Ian Looker (Chair)<br>Libby Bush<br>Helen Crews<br>Janet Dean<br>Rob Hickey<br>Donald Inglis<br>Kevin Moss<br>Lee Probert (Chief Executive and Principal)<br>John Robinson<br>Mark Rushworth (Staff Governor)<br>Fiona Thompson<br>Owen Trotter<br>Cathy Waters<br>Grace Morrison (Student Governor)<br>Naomi Watson (Student Governor)  |               |
| <b>In Attendance:</b> | Louise Doswell – Deputy CE/ Principal, Partnerships and Development<br>David Hawkins – Vice Principal, Finance and Professional Services<br>Glyn Jones – Vice Principal, Academic & Applied Education<br>Graeme Murdoch – Deputy Chief Executive and Principal, Quality & Student Experience<br>Sharon Smith – Vice Principal, Higher, Vocational & Professional Education<br>Elizabeth McClure – Director of Governance   |               |
|                       | <b>1. Apologies for Absence / Declarations of Interest</b>   | <b>Action</b> |
|                       | Apologies were received from Andrew Thomas, Jack Commandeur and Vicky Buckle.<br><br>There were no declarations of interest.   |               |
|                       | <b>2. Minutes of Previous Meeting</b>  |               |
|                       | <b>2.1 14 December 2020</b><br><br>The Governing Body reviewed the minutes of the meeting held on 14 <sup>th</sup> December 2021. The reference to changing the pay year was noted; this had not yet been put into effect.<br><br><i><b>The Governing Body resolved to approve the minutes of 14<sup>th</sup> December 2020.</b></i><br><br><b>2.2 20 January 2021</b><br>The Governing Body reviewed the minutes of the meeting held on 20 <sup>th</sup> January 2021.<br><br><i><b>The Governing Body resolved to approve the minutes of 20<sup>th</sup> January 2021.</b></i> |               |

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|  | <b>3. Matters Arising</b>  |  |
|  | <b>3.1 Action Summary</b> <p>The action summary was reviewed and noted. Substantive updates were included or would be updated under agenda items.</p>  |  |
|  | <b>4. Principal's Report</b>   |  |
|  | <b>4.1 Chief Executives and Principal's Report and SPA Project Update</b> <p>The Governing Body reviewed and noted the Principal's report.</p> <p>The Principal noted that awarding bodies had been slow to issue guidance around mechanisms for awarding qualifications this year. Processing the guidance was now eating into staff time and a compressed time-line meant that it was proposed that staff had a 'stand-down day'. This would provide dedicated time to facilitate this extra work. It was agreed that any significant updates in this regard should also be discussed with the Chair of the Q&amp;C Committee. The staff governors noted that this extra time would be extremely valuable and would reduce pressure to fit this work around teaching.</p> <p>It was noted that ESFA had adopted the recommendation for colleges to have an annual strategic conversation with the ESFA and the FEC. This was a positive development which would result in more strategic dialogue with the regulatory bodies, outside of the standard communications. The Principal noted that there were no other significant regulatory matters to report at present but noted that the pay to income ratio, as previously discussed, remained an issue.</p> <p>The Principal and Deputy CE/ Principal, Partnerships and Development provided an overview of the Treadmills Project, a partnership with an HEI in the Hambleton district. It was noted that this was viewed as a good opportunity for the college to develop a presence in a different area of North Yorkshire. There was currently very little Adult or post-16 provision in the area and the project sought to support market towns, upskill adults and benefit the community. The Governing Body questioned the level of financial contribution required of the college. It was noted that, for the first 18 months, the college would pay for service charges and rates only. Rent would become payable from year 2 which equated to <i>confidential</i> per annum; the facility was shared and therefore the college was only liable for half of the rental costs. A <i>confidential</i> lease with <i>confidential</i> break-clause had been agreed. It was noted that staff in the locality would provide the services and this was not expected to impact workloads of existing staff. Overall, the project was viewed as a low-risk opportunity for the college to explore a different market. The Principal confirmed that the VC of the University of Sunderland was interested in the project and had arranged a meeting to discuss it.</p> <p>It was noted that the Principal was currently chairing the York Skills Strategy Board on behalf of the City. The Board had been formed well in advance of the FE White Paper and sought to enhance local skills and build strong partnerships between educational institutions across the City. The Governing Body noted the year 1 commitments of the York Skills Strategy Board. <i>Confidential</i>. There was some tension about the proposed location of the business centre; there was discussion about</p> |  |

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|  | <p>locating it in the City of York, the LEP area or the IoT footprint. It was noted that the business centre would facilitate interaction between education providers and employers to create a local skills improvement plan. It would be reciprocal in nature; business could also receive advise on their needs and training. The centre would be staffed by an existing network of volunteers in the council's community hubs. It was noted that the business centre may become a funding reporting requirement.</p> <p>The Principal provided an update on the impart of Covid. It was noted that the College continued to operate on the pre-Christmas model of delivery and there were still some difficulties inherent in the blended model, combined with anxiety around a wider return for staff. It was noted that it was simpler to have a fully remote or fully on-site model. The Principal was reassuring staff about the Covid safety measures which were being put in place. It was not possible to know accurately how many staff had been vaccinated without conducting a survey. It was noted that those who were required to shield would continue to do so and individual risk assessments would be completed where necessary. The student governors reported that it had been positive to return to the site and the staff governors confirmed that the staged return had been smooth. It was noted that there was a general positivity amongst staff and students regarding a return to the site after Easter.</p> <p>The Governing Body noted that the Deputy CE/ Principal, Partnerships and Development would shortly leave the college. The Principal proposed that recruitment would not begin until the outcome of the SPA Project was known. Responsibilities would be redistributed as an interim measure before the structure of the SLT could be considered in the context of the SPA outcome. The Principal noted the need to monitor SLT capacity during the transitional period.</p> |     |
|  | <b>5. Support for Students</b>  |     |
|  | <p><b>5.1 Student Association Report</b></p> <p>The Student Governors presented the Student Association Report. It was noted that there had been two meetings since the Governing Body had last received an update. The first meeting had centred on the career self-assessment framework. It has been agreed that the framework was positive but there had been feedback that there was a lack of awareness of careers information amongst the student body. This had since been publicised and there was now a dedicated careers Instagram page.</p> <p>The second meeting had considered the student involvement framework and the reasons behind the low response rates to student surveys. The consensus had been that students received so many emails, the survey emails were often ignored. The Deputy Chief Executive and Principal, Quality &amp; Student Experience was working on making the surveys more accessible and to improve the experience.</p> <p>The Governing Body questioned whether the query forms which had been added to the intranet had been well used. It was noted that there were no formal usage figures yet, but fifteen comments were received within the first week. It was agreed that usage figures would be presented at the final meeting of the year, which would reflect 6 months of use.</p>  | GAM |

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|  | <b><i>The Governing Body resolved to note the report.</i></b>   |  |
|  | <b>6. Marketing and Recruitment</b>   |  |
|  | <p><b>6.1 Learner Recruitment</b></p> <p>The Deputy CE/ Principal, Partnerships and Development presented an update on Learner recruitment. It was noted that the 16-18 figures were very good and 149 above target. Additional in-year funding had been received. The Apprenticeship numbers were steady but new-starts were below target (220 vs target of 364); income was, however, rising and new enrolments were beginning to come through. In terms of Adult provision, there had been several withdrawals and some poor engagement, largely attributable to limited access to the building during Covid and the nature of the provision. The Marketing Team was working proactively to increase Adult numbers with targeted campaigns.</p> <p>The Governing Body questioned the outlook for the next year. It was noted that applications were strong and there had been some shift from vocational to A-level applications due to the grade profiles resulting from teacher assessment. The College was experiencing a consistent level of growth, as anticipated by the AoC. It was noted that one effect of the pandemic had been a rise in people looking to obtain new skills and qualifications; economic uncertainty often resulted in increased applications.</p> <p>The Governing Body noted the reference to existing International Students and questioned where these students were from. It was noted that a majority were from Switzerland or Norway and were generally studying A-levels. It was noted that the number of international students was expected to increase next year, if Covid restrictions were eased, and there were high forecasts from partner organisations overseas.</p> <p><b><i>The Governing Body resolved to note the report.</i></b></p> |  |
|  | <b>7. Financial Sustainability</b>  |  |
|  | <p><b>7.1 Year End Financial Forecast and Management Accounts</b></p> <p>The Vice Principal for Finance and Professional Services provided an overview of the Financial Forecast. It was noted that the teachers' pension grant would now be funded until the end of the year, which amounted to £200k. There had also been additional in-year funding from ESFA, amounting to £308k. There had also been positive increases in relation to apprenticeship funding, high-needs funding and the job retention scheme grant, amongst other areas. The forecast now showed a reduced deficit of £847k.</p> <p>The Governing Body questioned why the cash position was projected to be much improved (£7.8m vs £6.4m at the last forecast). The Vice Principal for Finance and Professional Services noted that all money received would not be spent before year end and some planned capital expenditure in relation to construction would not happen before July; an extension to the Estates grant had been applied for. There had also been continued savings due to students not being on site. It was noted that some of the cash would be spent in the next year and therefore the cash forecast was artificially elevated to some extent.</p>  |  |

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|  | <p><b><i>The Governing Body noted the management accounts for the seven-month period to 28 February 2021.</i></b></p> <p><b>7.2 Potential 2021-22 Budget Challenges</b></p> <p>The Governing Body scrutinise the budgetary challenges, noting the main areas of challenge were:</p> <ul style="list-style-type: none"> <li>- Recovery; the challenge of returning to a break-even position next year, after the significant deficit incurred this year.</li> <li>- Covid; the uncertainty around continued impact on the next financial year</li> <li>- Pay Award; the increased pressure to continue to make improved Pay Awards</li> <li>- Pay Costs as a percentage of income</li> <li>- Site Maintenance; further demands for capital investment and maintenance expenditure.</li> </ul> <p>It was noted that the staff restructure would begin to be reflected in the budget next year and trading income should also increase. The aim was to reach a break-even position again next year.</p> <p>The Governing Body noted that certain areas of Estates management needed to be prioritised. It was noted that work on addressing this, including painting the building, should commence in Spring.</p> <p>The Governing Body noted that the staff restructure had concluded and questioned why the college's pay to income ratio remained stubbornly high. It was noted that the college's workforce was very experienced and had long service in comparison to sector averages; this meant many staff were at the top of the salary scale. The Governing Body noted that was a valid reason for the ratio and the Principal confirmed that this would be communicated to the regulators during the annual conversation on pay. It was further noted that the salaries were significantly lower than those in local schools; the college could more accurately be benchmarked as sitting somewhere between a sixth-form and an FE college.</p> <p>The Governing Body noted the reference to increasing pressures around the Pay Award. The Vice Principal for Finance and Professional Services confirmed that there was pressure from the Unions; there was an expectation that the decreased deficit and the increase in funding received would be reflected in increased Pay Awards.</p> <p>The Governing Body noted that a new Director of Student Experience had been appointed and questioned whether there would be budget allocation for this. It was confirmed that the Director of Student Experience would be asked to provide feedback on any resourcing requirements.</p> <p>The Governing Body agreed that a return to a break-even position needed to be a priority for the College next year.</p> |  |
|  | <b>8. Corporate Governance and Assurance</b>  |  |
|  | <b>8.1 Governing Body Standing Orders</b>   |  |

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|  | <p>The Governing Body reviewed the Standing Orders, as approved by the People &amp; Governance Committee. It was noted that attendance targets had been removed and replaced by the presumption that all Governors should aim for maximum attendance; any issues with attendance would be resolved at the discretion of the Chair.</p> <p><b><i>The Governing Body approved the Standing Orders.</i></b></p> <p><b>8.2 Review of Board and Committee Membership</b></p> <p>The DoG presented a review of Board and Committee membership, also approved by the People &amp; Governance Committee. The following recommendations were considered:</p> <ul style="list-style-type: none"> <li>- Recruitment, which had been paused due to the SPA Project, would recommence immediately with a view to appointing 1-3 Governors over the next 18 months.</li> <li>- The Chair would consider the election of a new Chair of the Q&amp;C Committee from amongst the Governing Body – or from newly recruited Governors – following the departure of Fiona Thompson in August 2021.</li> <li>- The Chair would consider strengthening the Audit Committee through the appointment of a new member with accountancy expertise, perhaps via recruitment of a new Co-Optee.</li> <li>- The Terms of Reference of the People &amp; Governance Committee would be amended to allow additional members of the Governing Body with an expertise in People/HR matters to join the Committee (see Part 2 agenda item 11.2).</li> </ul> <p><b><i>The Governing Body approved the recommendations.</i></b></p> |    |
|  | <b>9. Risk Management</b>  |    |
|  | <p><b>9.1 Strategic Risk Monitoring</b></p> <p>It was noted that the Strategic Risk Monitoring document was reviewed by each Committee in relation to the relevant 'Pillars' of the Strategic Plan. It had been agreed that an executive summary would be added to provide the rationale for any changes in the direction of risk.</p> <p>The Governing Body noted that the recent National Cyber Report had indicated a spike in attacks on educational institutions. It was noted that this had been discussed at length at the Audit Committee and the Internal Auditors were due to commence an eight-day cyber audit in the Spring. The Governing Body agreed that IT Infrastructure and security should be viewed as equally important as Finance and People. It was agreed that the Internal Audit report required in depth scrutiny and, in the interim, any immediate concerns should be escalated to Governors.</p>  | DH |
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|  | <b>10. Committee Chairs' Report</b>  |    |

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|  | <p><b>10.1 Items for report to the Board from Q&amp;C Committee</b></p> <p>The Governing Body noted the latest OfS developments. The Principal noted that the OU validation process would require some specific updates to policy documents. These updates would be minor and not substantive. The Governing Body agreed that Fiona Thompson, as Chair of the Q&amp;C Committee, would be granted delegated authority to approve any such amendments.</p> <p><b>Items for report to the Board from F&amp;GP Committee</b></p> <p>The Governing Body noted the update, most of which had been covered under the agenda items. The need to ensure a replacement for the DPO and SIRO was noted.</p> <p><b>Items for report to the Board from P&amp;G Committee</b></p> <p>The Governing Body noted the update, most of which was covered under item 8.2.</p> <p><b>Items for report to the Board from RemCo Committee</b></p> <p>The Governing Body noted the update. It was confirmed that a meeting had been scheduled for May to sign-off the DSP Policy.</p> <p><b>Items for report to the Board from Audit Committee</b></p> <p>The Governing Body noted the update. It was noted that open internal audit issues were being monitored, having been delayed by Covid. Cyber Security had been discussed previously; it was anticipated that the full Cyber Audit would be considered in June.</p> |    |
|  | <b>Other Matters</b>   |    |
|  | <p><b>10.2 Confirmation of Financial Health Assessment</b></p> <p>The Vice Principal for Finance and Professional Services confirmed that this had not yet been received; this would be presented at the next meeting.</p>   | DH |
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|  | <b>Part 2</b>  |    |
|  | <p>The Board had no comments on the Part 2 agenda items. The following items were approved by the Governing Body:</p> <ul style="list-style-type: none"> <li>- Health &amp; Safety Report</li> <li>- People &amp; Governance Revised Terms of Reference</li> <li>- Members Code of Conduct</li> <li>- Schedule of Delegation</li> <li>- Governor Role Description</li> <li>- Public Value Statement</li> </ul>   |    |
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|  | <b>SUMMARY MATTERS</b>   |    |
|  | <b>12. Any Other Business</b>  |    |

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|        | It was noted that it was the Deputy CE/ Principal, Partnerships and Development last meeting before leaving the College. The Governing Body thanked them for their work and contribution to the College and wished them well for the future. |  |
|        | <b>13. Date of Next Meeting – Wednesday, 7<sup>th</sup> July 2021</b>  |  |
| Signed | Approved remotely as an accurate record - 7 July 2021  |  |
| Name:  | Ian Looker (Chair)   |  |
| Date:  |  |  |