

CORPORATION BOARD

Minutes of a virtual meeting of the Corporation Board held on Monday 14 December, 2020 at 5pm

Present

Jacqui Canton, Principal	Ali Kennedy
Fay Croft	Gavin Maitland-Smith, Chair
Howard Dodd	Adam Mumford
Vicky Field	Nicolas Pagès
Roger File	John Revis
Nick Handy	Sean Wellington

In attendance

Mark Lay, Finance Director
Jenny Craig, Deputy Principal
Jo Milsom, Vice Principal, Student Engagement
Olivier Cognard, Vice Principal, Funding, Planning & Systems Improvement
Ruth Reavley, Clerk
Jennifer Lowe, Clerk and Governance Advisor elect

Governor questions are represented with bullet points, and management responses are italicized.

1. Opening comments, apologies for absence and new declarations of interest

The Chair welcomed members to the meeting. Jenny Lowe had joined as an observer, as Clerk and Governance Advisor-elect. Stephen Vickers had resigned as a governor, owing to other pressures of work. His contribution to the Board was noted with gratitude; he had expressed an interest in maintaining a connection in a mentor role.

A Governors' "At Home" agenda-less virtual meeting had taken place since the last Board, in response to governors' suggestions to arrange opportunities to meet informally. Several but not all had dropped in; it was an experiment worth repeating should virtual meetings be necessary for a further extended period.

Apologies had been received from Eduardo Pereira and Kathryn Schutterlin; Jessica Birkhead had internet connection problems and would join if it was possible. There were no new declarations of interest. The meeting was quorate.

It was customary at this meeting for the Financial Statement Auditor to join to advise the Board in any relevant matters related to the Financial Statements. The Chair reported that this year members of the Audit Committee had met privately with him, and had gained significant assurance from his observations on the outcome of the audit and the position of the College in comparison to many in the sector. The Chair, in consultation with the Chair of Audit and Chair of Finance & General Purposes, had decided it was not necessary to require his attendance at the Board this year.

Olivier Cognard, Vice Principal Funding, Planning and Systems Improvement, gave a brief introduction to his career to date in education, and his role at the College.

2. Minutes of the meetings

Members approved the minutes of 15 October 2020 as appropriate to sign.

3. Matters arising from the Minutes not covered elsewhere on the agenda, written resolutions and Action tracker

No additional matters arising were raised. One written resolution on 6 November 2020 had unanimously approved the appointment of Jennifer Lowe as Clerk and Governance Advisor. The action tracker was noted.

4. Principal's Report

The term had been dominated by Covid-19. The College was complying with government guidance to bring 50% of 16-19 year old learners on to campus. The impact of slightly lower 16-19 enrolment in 2020 was being worked through. A re-submission of the T-level bid was being prepared.

- What is special about the T-level work that requires refurbishment? *Additional technical facilities were required to mirror in Witney what is provided on Abingdon Campus, notably specialist nursing room and early years space.*
- The TUPE of the autism team was news. Were any other TUPE arrangement in progress? *This transfer of staff addressed a very particular opportunity for the College; there were no others in the pipeline.*
Were there pension implications? *Those TUPE'd over were members of the LGPS pension scheme, and were not teachers.*
- There had been an expectation that 16-19 student enrolment would be a larger number in 2020 given demographic upturn, so were the actual recruitment numbers a double disappointment? *That is true.*
- As the T-level bid had been rejected, what form would the re-submission take? *It was not a rejection of the provision but of proposed facilities. The re-submission would address DfE concerns.*
If the second bid failed, what contingency plans were there? *The College was confident that the DfE supported the proposed provision. If necessary, T levels could be offered solely on the Abingdon Campus, or a smaller range could be offered at Witney. The margin on T level delivery was smaller than on Study Programmes, but it was a policy development being promoted by the Government to which the College needed to respond.*
- Were there any amber areas of the Balanced Score Card which the Senior Management Team felt were not likely to be redeemed in-year? *Adult and Fee-based income streams were always a challenge. Apprenticeship growth has slowed during "Lock down 2", but there is continuing interest.*
What of adult learners? *The higher value ESOL and English and Maths courses have dropped off, but the leisure and pleasure courses have held up well.*

The Health & Safety Nominated Governor acknowledged the invaluable work undertaken by the Head of Occupational Safety and Health in developing an effective Risk-Assessment framework for the College during the pandemic. It is a great credit to him that his expertise is now being sought out by other Colleges.

5. Green Construction Centre update

The Principal gave a comprehensive presentation on recent developments within the Green Construction Centre project. The Board had previously approved the College incurring £50k of costs at risk related to professional fees. Planning permission was currently the greatest risk to the project.

- It was a timely proposal. Where is the competition for provision? What challenges are there for the recruitment of specialist staff? *The nearest FE provision is in Dudley College, though the Board should expect other providers to move into the space given government policy. Stakeholders are clear that there is a genuine skills shortage. The staffing challenge was undeniable; the College was working hard to build relationships with employers, and involve them in curriculum design.*
There was a building-sector demand for skilled workers now. *Capacity at Bicester could be used to meet that demand before the Green Construction Centre was ready.*
- The Mayor of London had launched a Green New Deal which was stimulating College provision there. It could be beneficial for the College to open a dialogue with Oxford Brookes University's Professor Rajat Gupta, whose work on the difference

between “as designed” building performance and “as built” building performance was stimulating much debate. The focus was on building for climate change.

There was a collateral area of development with electric cars, and the skills-base necessary for installation of charging points.

The College intended to ensure trade collaboration was integral to its courses, and to promote transferrable skills.

- It was a timely development. Would pursuing it simultaneously with the Bicester Campus development compromise financial security or the College capacity to deliver? *An additional Estates team member was being recruited to support project management; the management structure at Bicester and Witney could be adapted to fit the new demands.*
- I’d expect competition to develop quickly. There is useful sensitivity analysis, but how vulnerable would the College be to local competitors? *The provision is mostly as lower levels. Typically students go to their nearest College for such courses. The main element of the funding is for lower level courses. Competition could be a more significant factor in adult provision.*
- Is the development too small? Will “Green” become dated? *The building is half as big as is needed, as only half the funding was made available; it is designed to make the addition of an extension straightforward. Covid had made an impact on how the College estate was used, and other space may be freed up. The “Green” name would not be very heavily branded.*
- How much would be new and additional provision, and how much replacement? *At present Abingdon students travel by bus to Witney for the course delivered there. Witney’s Construction Skills Centre is operating at capacity. The development of provision at Abingdon will free up student spaces for organic growth at Witney, and additional growth at Abingdon.*
- Was the cash drain now for a return on investment later of concern to the Finance Director given the whole-College context? *An unbudgeted income from the sale of Avenue One was now available; investment in T-level development appeared to be less expensive than projected. The Finance & General Purposes Committee had seen 2020/21 figures, which showed cash flow was not of concern. Present calculations indicated a better cash position in July 2021 than July 2021.*
- Would the curriculum allow for trained and practising tradespeople to develop new skills related to, for instance, heat pumps, alongside younger student entering the trades doing so? *The College will work with employers to ensure their needs are met. The sector was expecting changes to Apprenticeship Standards to reflect technology developments.*
- If the Heads of Terms have been signed, but Planning Permission not obtained, what then happens? *Obtaining Planning Permission is a key constraint. Without it, no LEP funding will be forthcoming. Planning Permission is one of a range of LEP conditions.*
- The development builds on existing strengths; funding is being offered; there is no strategic case for not going ahead.

Governors gave their unanimous approval to four decisions:

- i. That the College proceed with the development of the Green Construction Skills Centre at Abingdon, up to a College match funding amount of £400,000.
- ii. That the College accept the Heads of Terms from the LEP
- iii. That the Board delegate authority for signing the LEP contract to the Chair and Principal
- iv. That the Board approve the use of the College seal on the LEP contract.

Action	By Whom	Deadline
Complete transaction paperwork	Principal, Chair	As stipulated
Seal necessary paperwork	Incoming Clerk	As stipulated

6. College Self-Assessment Report

The Chair reminded governors that the SAR, along with the budget and the Financial Statements, were the three major areas of Board responsibility. Deputy Principal introduced the report, which had already been scrutinised by the Curriculum, Quality & Students Committee.

The Chair of CQS and the Board Vice Chair commented on the Committee stage. It was felt that the 2019 Working Group on the SAR had been a better forum for detailed scrutiny, though whether that was because the Committee had been held virtually was difficult to determine. The current infographic format presented a very detailed, but more accessible, report than the previous narrative report. The Committee had agreed with the scoring, and understood why it was not possible to award Leadership and Management a grade 1 when other strands were not judged to be grade 1.

- The report was hugely detailed. It was of value to governors, and required by Ofsted, but was it also of use to College leaders and managers?
- The report was of enormous value in gaining insight into the College. What is the significance of the progress to Gatsby benchmarks? *Gatsby benchmarks are a framework for providing high quality careers advice and guidance for all students. There are 8 benchmarks. Progress towards them has been a condition of funding for several years. The College had performed very well, despite Covid restrictions making encounters with employers more difficult to deliver.*
- The mapping of curriculum against vacancies (slide 7) showed the College was under-delivering on Business and Finance and over-delivering on Engineering. Was that where the College wanted to be? *College provision is not mapped solely to vacancies in Oxfordshire, students aspire to University and to career progressions outside the county. Provision is also responsive to encouraging adults to re-engage in the job market.*
- Is there a mandatory content for the report? Does the College provide more than that? *Ofsted is the key external consumer. Their interest is in how well the College knows itself. There is no specific format. The report tells College managers what they already know, but the exercise of assembling evidence is a useful management one.*

The Chair invited comment from the Clerk-elect. How did the report compare with those of her former College? *It was along similar lines, and this was well set-out and user friendly; a good example of a SAR.*

- How was student feedback obtained? Was it representative? *Many methods were used, varying largely by provision type. Surveys were completed in College sessions by 16-19 students; HE students responded to the NSS survey; adults on substantive courses also responded to surveys. Faculty focus groups are used to explore findings more deeply.*
- Did the judgements proposed fit with the RAG ratings on progress against previous quality improvement plan? *They did. The QIP isolated very specific areas for focussed effort.*
Would it be better to consider moving that chart to later in the report – it could set a misleading tone for readers where it was currently positioned.
Did the Areas for further improvement (slide 19) assume that Covid restrictions would ease up? Covid had had impact, as noted, on outcomes and exams in 2019-20. *There was uncertainty. It was clear there would be no Centre Assessed Grades in 2020. The Areas for Improvement were right. Getting students back on campus would be a valuable contribution.*

- The Board self-assesses. Management and Leadership self assess. Yet there was no forum for a combined consideration of the findings and the interactions and shared enterprise. *The Nominations, Remuneration and Governance Committee could take that up. It could be a Strategy Away Day subject.*
- At Curriculum level, what proportion was “outstanding”? *about 25%*
Did any Business Support areas achieve “outstanding”? *Yes, Health & Safety and Estates.*

Concluding that the Board had addressed the questions suggested for governors to consider, governors unanimously approved the College SAR

Action	By Whom	Deadline
Consider leadership & management element for next Strategy Away Day	Chair, Principal, Clerk	Spring Term 2020
Consider moving progress against previous QIP to later in the report	Deputy Principal	Next SAR

7. Curriculum, Quality & Students Headline Report

The Deputy Principal introduced the report.

- What are the Reset and Boost small groups; who are the coaches? *The English and Maths Instructors already in post are currently being funded to work with 16-18 year olds who have yet to achieve a grade 4 in GCSE. An intensive 10-week course is being led by the Instructors, study skills coaches and vocational staff covering English Maths, vocational, general study and digital skills. The programme will run for the whole academic year.*
- Does the College policy and practice on Teaching Observations accommodate blended delivery? *Remote observation enables observers to increase the number of observations, as there is no travelling.*

The report was noted.

8. Finance & Resources

The Finance Director introduced his report.

i) Financial Statements

The draft had been reviewed by both the Finance and General Purposes and the Audit Committees, according to their respective roles. The F&GP Chair had undertaken a helpful detailed critique of the narrative report. The Financial Statements Auditors had not found any issues of note.

The Committee chairs commented. From an F&GP perspective, particular attention had been given to the negative assets and its relation to Insolvency legislation, as reported in the November Committee minutes. Technically, negative assets trigger a potential insolvency under the Insolvency Act 1986. However, the Audit and Assurance Faculty, in guidance to auditors in considering going concern, highlighted the distinction between pension fund accounting and pension fund cash flows. Where the reason for negative assets was purely the result of pension fund accounting, Governors need to consider the cash flow of the pension fund on the College. The Board can therefore confirm the College is a going concern based on cash flow. The Audit Committee were satisfied with the robustness of processes in place for the preparation of the Financial Statements.

There were no further questions from governors; the Chair observed that the Committee stage review had been very thorough.

- The Financial Statements were approved for signature
- The Letter of Representations was approved for signature

- The Regularity & Propriety Questionnaire was approved for signature
- Authority to sign the Financial Record, provided it was the same as the Financial Statements, and the 2020/21 forecast as reviewed by the Board in October 2020, was delegated to the Accounting Office, the Principal.

ii) Audit Committee Annual Report 2019/20

An updated version would be circulated for approval by written resolution.

iii) Remuneration Committee Annual Report 2019/20

The Report was approved by the Board.

iv) Management Accounts to 30 October 2020

The Finance Director introduced the paper.

- What impact will the Bicester Construction Skills Centre, and the proposed Green Construction Centre, have on the balance sheet? *Both are largely funded by the LEP, and the grant received will be released to the Income and Expenditure over the same period as the depreciation, so there will be little impact on the balance sheet overall;*
- What is the breakdown of the £25k aged debtors? *The Credit Control team keep a close eye. Typically it is made up of students' unpaid materials fees, instalment plan defaulters who have left the College part-way through classes, and other individual students.*

The report was noted.

v) Budget 2020/21

The Finance Director introduced the paper; a 6+6month forecast would be prepared in January for the F&P and Board in March 2021.

- The Board committed to reviewing the staff pay award at this meeting. What was the situation? *The Senior Management Team was not recommending an award at this point, as the forecast is not sufficiently ahead of budget for it to be affordable. The Association of Colleges had recommended 1% of £250. The Principal hoped to be able to recommend an award later in 2020/21.*
Governors and Senior Managers were in agreement that the staff deserve such an award. It was with reluctance that one could not be awarded now.

The report was noted.

Action	By Whom	Deadline
Submit signed Financial Statements and associated documentation to ESFA	Finance Director	31 January 2021
Complete Audit Committee Annual Report and arrange for written resolution approval	Clerk	Prior to 31 December 2020
Add Staff Pay award to March Board Agenda	Incoming Clerk	For March 2021 meeting

9. Risk

i) Risk Appetite

The Finance Director introduced the proposals for a statement of Risk Appetite.

- This was welcome. There had been several attempts over recent years, and this was the most useful, understandable and focussed.
- Reflecting on how the discussions had been held on Bicester and the Green Construction Centre, it was close to how governors did consider risk

- It was a huge step forward. Determining risk appetite was tricky; this document gave a framework and basis for discussion.

The Risk Appetite Statement was unanimously approved.

ii) High Level Risk Register

The Finance Director introduced the Register.

- The auditors had recommended a RAG rating prior to control; one governor would prefer to leave such assessment to post-control. The newly approved Risk Appetite would inform the register in future.

The Finance Director commented that in future the Risk Register could reflect the structure proposed in the Appetite Statement:

Area of activity	Adverse	Minimalist	Cautious	Open	Hungry
Compliance	X				
Reputation			X		
Financial		X			
Reach and Relevance				X	
Student Experience			X		
Economic Development				X	

Governors preferred not to have risk grouped by appetite. Better debate and conversation would be achieved by continuing to consider risk by areas of activity.

It was possible to re-introduce a paragraph on risk appetite in the template papers for Board and Committees; this would be followed through by the incoming Clerk. It could be particularly helpful in briefing governors on new projects.

The Chair suggested that a “hand list” of the Board’s risk appetite viz a viz the Strategic Plan would be a helpful document going forward.

The register was noted.

iii) TIAA extension of contract

The Board approved an extension of contract to 31 July 2022; the Audit Committee was satisfied that TIAA had responded well to constructive criticism. The College would possibly source a different provider for Learner Number audits, using budgeted money set aside for additional Internal Audit work.

iv) Board Assessment of Fraud Risk

- In section 3, the first sentence of the answer should refer to Board or Committee meetings.

With that amendment, the Report was approved.

Action	By Whom	Deadline
Develop “hand list” of risk appetite in relation to Strategic Plan	Chair, Finance Director, Clerk	Alongside new Strategic Plan
Implement TIAA contract extensions	Finance Director	immediate
Amend Board Assessment of Fraud Risk and submit to MHA MacIntyre Hudson	Finance Director	immediate
Consider amending Board & Committee paper template to include risk element	Incoming Clerk	January 2021

10. Annual Reports

Four Annual Reports were considered: the Internal Audit Report 2019-20, the Anti-Bribery Report 2019-20, the Subcontract Annual Report 2019-20 and the Fraud Prevention Report 2019-20.

- Does staff training on Anti-Bribery take place? When first introduced, the legislation triggered a volume of commercial sector training. *It is covered for aspiring College leaders in the Leadership Development Academy module. There is no all-staff course. It is mentioned in new Staff Induction, and when staff are promoted to, or appointed to, posts with budgetary responsibility. All staff with budgetary responsibility sign up to the Financial Regulations.*
The greatest area of risk is within the finance area. *The training is not currently formalised, but could be.*
- How do governors ensure that their responsibilities to ensure that all subcontracting we undertake meets our strategic aims and enhances the quality of our offer to learners? *Operationally every subcontract is scrutinised at Senior Management level.*
What about governors? *The Value for Money Report which goes annually to Audit Committee covers the topic at a strategic level.*
This year the Subcontracting report as included in this meeting was discussed at Finance & General Purposes Committee. When the ESFA first increased its interest, the concern was more financial, related to value for money. The concern appears now to be more about robustness of process, and the report will in future be made to the Audit Committee. There has been independent Internal Audit work also undertaken. The Internal Auditors issued the requisite certification for submission to the ESFA.

All four Reports were approved.

11. Governance Matters

11.1 The satisfactory completion of the recruitment for a Clerk was noted. The Selection Panel had been in a position that several candidates had been appointable; it had been a hard decision.

11.2 The Chair and Principal had discussed the Principals' objectives in detail since the last Board meeting, and a proposals would be prepared for the Nominations, Remuneration and Governance Committee in Spring Term 2021.

11.3 An External Governor recruitment campaign had been undertaken in October/ November 2020, with one enquiry from an FE specialist having been received. In addition, a speculative enquiry from an HE specialist with FE governance experience had been received. The Nominations, Remuneration & Governance Committee would meet informally following the Board to consider next steps. Currently there were three external governor vacancies.

Succession management was discussed. A Property specialist would reach the end of a second term of office in June 2022; his offer to seek out similarly qualified potential governors was welcomed. All governors were encouraged to keep a watching brief for potential governors.

The Clerk spoke about the forthcoming AoC survey on Board membership, inclusion and diversity, positioned as a dataset to inform the Department for Education’s policy development on FE Governance. Data was to be collected in Spring 2021.

11.4 Four policies were approved: Fraud Prevention, Compliments & Complaints, Financial Regulations, and Expenses.

11.5 Committee minutes were noted.

Action	By Whom	Deadline
Follow through two possible external governor recruits	Nominations, Remuneration & Governance Committee	December 2020/ January 2021
Identify potential governor with property experience	All governor	ongoing
Issue Fraud Prevention, Compliments & Complaints, Financial Regulations, and Expenses policies.	Clerk	immediate

12. Any Other Business

None was raised.

13. Future Business and Reflection

The Future Business Plan was noted. The Chair reflected that the agenda had been full, as was typical for this time of the academic year, and thanked governors for their participation. All recognised that virtual meetings enabled business to be completed but lacked the nuance of inter-personal communication afforded by face to face meetings. The latter would be resumed at the earliest opportunity. There was a case for dealing with policy-approval by written resolution in future.

On behalf of the Board, the Chair thanked the Clerk for her contribution over 8 years and wished her well in her retirement.

The term had been immensely challenging for staff, and the Board extended their thanks and appreciation to all staff for the efforts which they had made to keep students and staff safe and to provide a stimulating and supportive learning environment in unprecedented times. The Board wished staff a restful and happy Christmas.

The meeting closed at 7.55pm

External governors remained for a further meeting with the Principal, which was followed by an informal meeting of the Nominations, Remuneration and Governance Committee.

Approved for signature (meeting date)

Signature

Date

Matters arising from the Board meeting, 14 December 2020

Item & Title	Action	By whom	deadline
6 Green Construction Centre	Complete transaction paperwork	Principal, Chair	As stipulated
	Seal necessary paperwork	Incoming Clerk	As stipulated
6. College SAR 2019-20	Consider leadership & management element for next Strategy Away Day	Chair, Principal, Clerk	Spring Term 2020
	Consider moving progress against previous QIP to later in the report	Deputy Principal	Next SAR
8. Finance & Resources	Submit signed Financial Statements and associated documentation to ESFA	Finance Director	31 January 2021
	Complete Audit Committee Annual Report and arrange for written resolution approval	Clerk	Prior to 31 December 2020
	Add Staff Pay award to March Board Agenda	Incoming Clerk	For March 2021 meeting
9. Risk	Develop "hand list" of risk appetite in relation to Strategic Plan	Chair, Finance Director, Clerk	Alongside new Strategic Plan
	Implement TIAA contract extensions	Finance Director	immediate
	Amend Board Assessment of Fraud Risk and submit to MHA MacIntyre Hudson	Finance Director	immediate
	Consider amending Board & Committee paper template to include risk element	Incoming Clerk	January 2021
11 Governance	Follow through two possible external governor recruits	Nominations, Remuneration & Governance Committee	December 2020/ January 2021
	Identify potential governor with property experience	All governor	ongoing
	Issue Fraud Prevention, Compliments & Complaints, Financial Regulations, and Expenses policies.	Clerk	immediate