

CORPORATION BOARD

Minutes of a virtual meeting held on Monday, 5 July 2021 at 5pm

Present

Jacqui Canton, Principal
Fay Croft
Howard Dodd
Vicky Field
Roger File
Kathryn Schutterlin

Gavin Maitland-Smith, Chair
Ali Kennedy
Sam Wolfe
Sean Wellington
Edward Collett

In attendance

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

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. Apologies were received from Nick Handy, Adam Mumford, Nicolas Pagès and Jessica Birkhead

2. Minutes of the meetings

Members approved the minutes of 22 March 2021 and 15 June 2021 as accurate and 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. A total of two written resolutions had been passed by the Corporation Board since the last meeting:

- 1) Wednesday 24 March 2021 the Board approved, by simple majority, the following written resolution:

That the Board approves submission of a capital bid of £649,000 to support the delivery of T Levels in the Business route.

- 2) Friday 18 June 2021 the Board approved, by simple majority, the following written resolution:

That the Board approves submission of the following two bids to the Post-16 Capacity Grant Fund, both bids to be made on the basis that there will be a 0% contribution from Abingdon & Witney College:

1. *Witney – Refurbishment of the first floor of Buttercross building including new roof, Extension to Buttercross Building, and Mezzanine floor in Construction Skills Centre – up to £3.8m*
 - a. *Common Leys – replacement of Log Cabin and Portakabin classrooms with a 3 classroom extension to the main teaching block and extension to the Animal Care Centre – up to £3m*

The action tracker was noted.

4. Project Why

The Principal gave a presentation updating governors on Project Why, giving an overview of the Project's aims and progress to date.

- How are you keeping staff engaged with project to maintain momentum? *We are providing regular updates through all staff briefings and reporting on progress with the resolving the 'Whys'*
- It might be worthwhile considering a way to share some costs savings with staff? Eg vouchers for meals out etc
- When does Project Why end and Kaizen begin? *We don't yet know, we are working through the Whys we have received and they are still coming in.*
- How has it been received by staff? *Staff have responded well. They have appreciated being asked for their opinion and have offered some great issues to look into.*
- Are you thinking of sending any staff to complete Six Sigma training? *That is something we could look into.*
- Are there any financial benefits? *Yes, we are looking to make efficiency savings and this is helped by encouraging departments to work collaboratively*

Governors thanked the Principal for the update and commended the initiative. Governors requested regular updates on the project as part of the Principal's Report at future Board meetings.

Action	By Whom	Deadline
Principal to include updates on Project Why in future Principal's Update reports to Board	Principal	October Board meeting and thereafter.

5. Principal's update and balanced Score Card

The Principal introduced her report and balanced scorecard.

- Are we expecting the red indicated on the scorecard for Community Learning to pick up? *Yes, we are expecting the courses to pick up as restrictions are relaxed but it is anticipated that it will take some time to recover to pre-Covid levels.*

Governors noted the report and wished to formally record their thanks to Pam Wilsher and Angela Hayles for their service to the College over many years.

6. Curriculum, Quality & Students Headline report

The Deputy Principal introduced the report and reiterated her gratitude to all staff for their efforts in ensuring that the Teacher Assessed Grade process was completed on time.

The Deputy Principal referred Governors to the addendum to her report regarding the decision to close the Digital Technology Solutions Degree Apprenticeship programme from 2 July 2021. There has been insufficient demand for the course, and the 6 apprentices currently enrolled have been transferred to other programme providers to continue their apprenticeships.

Governors unanimously approved the submission of the Reportable Event Form to the OfS to notify them of the course closure.

The report was noted.

6.2 Students Survey Report

The Vice Principal Student Engagement introduced the report and highlighted key outcomes.

- The results of the survey are extremely pleasing, particularly the high numbers of students reporting that they feel that they are being treated fairly and that they feel safe at College.

The report was noted.

6.3 Student Voice Report

The Vice Principal Student Engagement and noted that Student Voice was being expanded next year.

- How are adult learners included within student voice? *Feedback is gathered through questionnaires at the end of courses but those learner could be more involved.*
- Would governors be able to offer some time for mentoring as part of the initiative to improve employability skills amongst students? *Yes, this is something we could look into.*

The report was noted.

6.4 Equality Objectives

The Vice Principal, Student Engagement introduced the report and noted that the objectives had been reviewed again following the initial impact of the Covid pandemic, and felt that the previous objectives needed to be updated. A report on progress to date will be brought to the December Board meeting.

- They are ambitious targets to close the gap – are they achievable? *Yes, we are restructuring the support particularly for students on our mainstream courses. Targeted interventions will be taking place as early as possible in the year.*

Governors unanimously approved the amended Equality Objectives

Action	By Whom	Deadline
Add Equality Objectives report to business plan for the December Board meeting	Clerk	As soon as possible

7. Finance & Resources

The Finance Director introduced his report.

7.1 Management Accounts to 31 May 2021

The Finance Director introduced the paper, noting that cash holdings at the end of the year were significantly higher than forecast. This is largely down to the sale of Avenue One, the timing of capital projects, and the delay in some supplier invoices being received due to the COVID lockdown.

The report was noted.

7.2 Budget review 2020/21

The Finance Director introduced the paper. Cash holdings at the year end are forecast to be significantly above budget as explained in the management accounts. This improvement has resulted in an improved forecast Financial Health Grade of "Good". Bank covenants will

continue to be met.

The revised forecast was noted.

7.3 Barclays Bank

a. Negative Reserves Letter of Waiver/Amendment

The Finance Director reported that Barclays have issued the College with a waiver and variation letter for each of the loans in place with them. The waiver is to remove any rights Barclays has to act on the covenant breach caused by the accounts to 31 July 2020. The variation is to remove any liabilities relating to the defined benefit pension scheme from the asset calculation.

The F&GP Committee have reviewed the paperwork and recommend the waiver and variation letter are signed.

The Board noted the content of the proposed resolution and resolved that Fay Croft, Vice Chair should sign the certificate confirming that the minute is accurate and that the signatures of the 2 people authorised to sign are genuine.

The Board approved the following resolutions:

Loan £1500k

There was produced to the meeting a waiver and variation letter (the Waiver and Variation Letter) from Barclays Bank UK PLC (the Bank) to the Borrower setting out the amendments to a facility agreement dated 15 July 2014 pursuant to which the Bank has offered the Borrower, the Facility (as defined in the facility agreement).

IT WAS RESOLVED

1. That the amendments set out in the Waiver and Variation Letter are in the interests of and for the benefit of the Borrower and are most likely to promote the success of the Borrower for the benefit of the members as a whole and that such terms and conditions of the Waiver and Variation Letter be and are approved and accepted.
2. That Gavin Maitland-Smith and Jacqui Canton are authorised to sign the Waiver and Variation Letter on behalf of the Borrower to indicate acceptance of the terms and conditions.
3. That the Bank is authorised to act in all matters concerning the Facility as amended by the Waiver and Variation Letter upon instruction from the Borrower, in its capacity as Borrower of the Facility, signed in accordance with the Bank's mandate for any of the accounts of the Borrower held with the Bank current from time to time.

Loan £6403k

There was produced to the meeting a waiver and variation letter (the Waiver and Variation Letter) from Barclays Bank UK PLC (the Bank) to the Borrower setting out the amendments to a facility agreement dated 13 October 2011 pursuant to which the Bank has offered the Borrower, the Facility (as defined in the facility agreement).

IT WAS RESOLVED

1. That the amendments set out in the Waiver and Variation Letter are in the interests of and for the benefit of the Borrower and are most likely to promote the success of the Borrower for the benefit

of the members as a whole and that such terms and conditions of the Waiver and Variation Letter be and are approved and accepted.

2. That Gavin Maitland-Smith and Jacqui Canton are authorised to sign the Waiver and Variation Letter on behalf of the Borrower to indicate acceptance of the terms and conditions.

3. That the Bank is authorised to act in all matters concerning the Facility as amended by the Waiver and Variation Letter upon instruction from the Borrower, in its capacity as Borrower of the Facility, signed in accordance with the Bank's mandate for any of the accounts of the Borrower held with the Bank current from time to time.

b. Overdraft Facility

The Finance Director noted that the College has a £500k overdraft facility in place with Barclays that is renewed annually. Barclays hold a legal charge as security over the Witney campus and charge £5k per annum for the facility.

The F&GP Committee have reviewed the paperwork and recommend the overdraft facility is retained.

The Finance Director noted that the Barclays manager has sent an identification check where the 2 nominated governors are required to provide their signature and this is witnessed by the Finance Director as a signatory on the mandate.

The Board approved the following resolution:

There was produced to the meeting a document containing the key terms as well as terms and conditions for a sterling overdraft facility (together the Facility Agreement) from Barclays Bank PLC (the Bank) to the Borrower setting out the terms and conditions upon which the Bank is prepared to make available to the Borrower, a sterling overdraft facility (the Facility).

IT WAS RESOLVED

1. That the borrowing of the Facility by the Borrower (subject to any limits contained in the Facility Agreement) on the terms and conditions set out in the Facility Agreement is in the interests of and for the benefit of the Borrower and is most likely to promote the success of the Borrower for the benefit of the members as a whole and that such terms and conditions be and are approved and accepted.

2. That Gavin Maitland-Smith and Jacqui Canton are authorised to sign the Facility Agreement on behalf of the Borrower to indicate acceptance of the terms and conditions.

3. That the Bank is authorised to act in all matters concerning the Facility upon instruction from the Borrower signed in accordance with the Bank's mandate for any of the accounts of the Borrower held with the Bank current from time to time or, where permitted, by telephone from any person specifically authorised to give such instructions.

c. LIBOR Transition Letter of Variation

The Finance Director reported that LIBOR is no longer available as a benchmark from the end of 2021. Currently new legislation is being proposed to replace the calculation methodology, however this is not yet ratified. Therefore Barclays are proposing interest charges from the start of 2022 to be calculated by reference to the Bank of England Rate.

The F&GP Committee have reviewed the paperwork and recommend the Letter of Variation is signed. The Board noted the content of the proposed resolution and resolved that the authorised signatories would also be authorised to sign the certificate required by Barclays to confirm that the College's constitutive documents have not changed since 12 April 2021 and that Fay Croft could sign to confirm that the minute was accurate.

The Board approved the following resolutions:

£1.5m LIBOR transition

There was produced to the meeting a letter of variation (the Letter of Variation) from Barclays Bank UK PLC (the Bank) to the Borrower setting out the amendments to the facility letter/agreement dated 15 July 2014 and any related terms and conditions (the Facility Document(s)) pursuant to which the Bank has offered the Borrower(s) the Facility. Unless otherwise stated, terms and expressions defined in the Letter of Variation have the same meanings herein.

IT WAS RESOLVED

1. That the terms and conditions (including the Amendments, the related transition away from LIBOR and, where relevant, the security representations) set out in the Letter of Variation are in the interests of and for the benefit of the Borrower and are most likely to promote the success of the Borrower for the benefit of the members as a whole and that such terms and conditions of the Letter of Variation be and are approved and accepted.
2. That the Borrower has considered whether it needs to obtain independent professional advice (legal, financial or otherwise), prior to resolving to enter into the Letter of Variation and (whether on the basis of such advice or otherwise) it has made its own independent decision to enter into the Letter of Variation and understands the terms, conditions and risks involved.
3. That Gavin Maitland-Smith and Jacqui Canton are authorised to sign the Letter of Variation on behalf of the Borrower to indicate acceptance of the terms and conditions.
4. That the Bank is authorised to act in all matters concerning the Facility as amended by the Letter of Variation upon instruction from the Borrower signed in accordance with the Bank's mandate for any of the accounts of the Borrower held with the Bank current from time to time.
5. That, if applicable, any Security provided by the Borrower and any other Security Providers will continue to guarantee and/or secure the Facility Document(s) as amended by the Amendments.

£6.403m LIBOR Transition

There was produced to the meeting a letter of variation (the Letter of Variation) from Barclays Bank UK PLC (the Bank) to the Borrower setting out the amendments to the facility letter/agreement dated 13 October 2011 and any related terms and conditions (the Facility Document(s)) pursuant to which the Bank has offered the Borrower(s) the Facility. Unless otherwise stated, terms and expressions defined in the Letter of Variation have the same meanings herein.

IT WAS RESOLVED

1. That the terms and conditions (including the Amendments, the related transition away from LIBOR and, where relevant, the security representations) set out in the Letter of Variation are in the Corporation Board 2020-21
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interests of and for the benefit of the Borrower and are most likely to promote the success of the Borrower for the benefit of the members as a whole and that such terms and conditions of the Letter of Variation be and are approved and accepted.

2. That the Borrower has considered whether it needs to obtain independent professional advice (legal, financial or otherwise), prior to resolving to enter into the Letter of Variation and (whether on the basis of such advice or otherwise) it has made its own independent decision to enter into the Letter of Variation and understands the terms, conditions and risks involved.

3. That Gavin Maitland-Smith and Jacqui Canton are authorised to sign the Letter of Variation on behalf of the Borrower to indicate acceptance of the terms and conditions.

4. That the Bank is authorised to act in all matters concerning the Facility as amended by the Letter of Variation upon instruction from the Borrower signed in accordance with the Bank's mandate for any of the accounts of the Borrower held with the Bank current from time to time.

5. That, if applicable, any Security provided by the Borrower and any other Security Providers will continue to guarantee and/or secure the Facility Document(s) as amended by the Amendments.

7.4 Budget 2021/22

The Finance Director introduced the draft budget and noted that it had been reviewed at F&GP Committee and recommended for approval.

- Following discussions at F&GP, committee members were reassured that a large contingency could be held back at the beginning of the year.
- Due to the fact that the budget is close to break even, Governors will need to monitor closely at Board. Governors would need to receive early warnings if things aren't going to plan.
- What are the early warning signs? *These would be the performance of the variable income streams and capital projects.*

Governors unanimously approved the Budget for 21/22.

7.5 Staff Pay Award (CONFIDENTIAL)

The Finance Director noted that the proposed budget includes an allowance for a 1% pay award for 2021/22. It was proposed that a pay award decision should be deferred pending confirmation of key income lines and enrolment numbers in line with the cautious approach governors wished to take with the budget.

Governors noted their wish to approve a staff pay award as soon as it was possible to do so.

Governors unanimously approved the recommendation to delay the decision regarding a staff Pay award to December 2021.

7.6 Capital Projects Update

The Principal presented her report and gave an update on progress with regard to the capital projects outlined in the paper.

Action	By Whom	Deadline
Submit signed documents to Barclays	Finance Director	As soon as possible

Submit Budget	Finance Director	31 July 2021
Add Staff Pay award to the agenda for December 2021	Clerk	As soon as possible

8. Risk Management and Board Assurance

i) High Level Risk Register

The Finance Director introduced the updated risk register.

- Has the cyber risk increased due to an increasing number of attacks in the sector? *Yes, although we are proactive in this area. We have an extremely competent head of IT and are very reactive to changing guidance.*

The register was approved.

ii) Board Assurance

The Finance Director referred governors to the audit strategy provided By Macintyre Hudson which had been reviewed at Audit Committee.

Governors approved the appointment of Macintyre Hudson and the proposed audit strategy for 2020/21.

The report was noted.

9. Governance

The Clerk & Governance Advisor introduced the report, asking Governors to consider and offer approval to the recommendations.

Governors approved the following matters:

1. Deferring consideration of a pay award for Principal and Clerk in line with the recommendation to defer the decision regarding the annual staff pay award
2. the draft Governing Body business plan for 2021/22
3. the draft Governing Body calendar of meetings for 2021/22
4. the ratification of the appointment of Edward Collett as the new business support staff Governor

10. Policies

Governors approved the following policies which had been circulated in advance of the meeting.

- Financial Regulations
- Health & Safety Policy
- Safeguarding Policy
- Subcontractor Fees & Charging Policy
- Standing Order - Appendix 5: Declaration of Eligibility

Action	By Whom	Deadline
Issue approved policies	Clerk	As soon as possible

11. Any other business

None had been raised

12. Future business and reflection

Governors approved business items for the next meeting.

The Chair gave thanks on behalf of the Board to all at staff at the College for their continuing dedication during another extremely challenging year.

13. Date of next meeting: Tuesday 12 October 2021 at 5pm.

The meeting closed at 7.30pm

Approved for signature (meeting date)

Signature

Date

Matters arising from the Corporation Board Meeting, 5 July 2021

Item & Title	Action	By whom	deadline
4. Project Why	Principal to include updates on Project Why in future Principal's Update reports to Board	Principal	October Board meeting and thereafter.
6.4 Equality Objectives	Add Equality Objectives report to business plan for the December Board meeting	Clerk	As soon as possible
7.3 Barclays Documents	Submit signed documents to Barclays	Finance Director	As soon as possible
7.4 Budget 2021/22	Submit Budget	Finance Director	31 July 2021
7.5 Staff Pay award 2021/22	Add Staff Pay award to the agenda for December 2021	Clerk	December Board Meeting
10 Policies	Issue approved policies	Clerk	As soon as possible