



### Confirmed Minutes

**Present:** Ms L Summers (Chair), Mr J Dawson, Mr K Webb, Mr A Nelson, Ms K Fleming, Ms M Boryslawskyj, Ms A Williams, Ms J Rowlands, Ms H Haigh, Ms H Richards, Mr A Leach Ms A Needham, Ms R Drury and Ms T Wright (attendance : 93%)

**In attendance:** Mr M Smith-Connor and Mr L Goddard (for agenda item 3 only)

**Clerk:** Mrs C Coupland

#### **1. Apologies for Absence/ Declaration of Interests**

Apologies of absence were submitted by Ms M Dean.

There were no declarations of interest recorded.

Ms Summers advised the Corporation that Ms J Clarke (CEO Pinnacle Learning Trust and Principal Oldham Sixth Form College) and Mr A Kilburn (Chair of Pinnacle Learning Trust) were unable to present to the Corporation this evening due to other commitments prompted by the Election. The Clerk is to reschedule a mutually convenient date.

Ms Summers also welcomed Ms Needham (External Governor) to her first Corporation Meeting. Time was taken for introductions to be made.

#### **2. Minutes from Meeting held on 12<sup>th</sup> November 2019**

##### **Resolved:**

- **That these be accepted as a true record of the meeting**

#### **3. Matters arising**

##### **Safeguarding Policy**

Mr Goddard advised the Corporation that the policy was last updated in November 2018.

Mr Goddard explained to Governors that to ensure the college's policy remains in line with local and national guidelines the review had been informed by the publication of Keeping Children Safe in Education 2019 and Kirklees Safeguarding Children Board policy rewrite 2019. Mr Goddard advised the corporation that, as had been noted at the Corporation's previous meeting, the KSCB's policy remains in draft form. However, to avoid further delay, the college had decided to proceed now with the amendment of our own Safeguarding Policy, whilst recognising that a further review of the college

policy may therefore be necessary once the KSCB policy is ratified. It is anticipated however that there will be no significant changes from the draft version.

When considering the proposed amendments, it was noted by the Corporation that the policy makes references to community hubs; this was assumed to be a school initiative and clarification was therefore sought on whether the college was indeed linked to a hub to gain support for identified additional unmet needs for a student that does not require intervention by social workers.

Mr Goddard confirmed that he had approached KSCB to ascertain which community hub HNC could access as and when necessary. He was, to date, still awaiting a response but will update policy with case worker contact details once confirmed.

**Resolved:**

- **That the changes to the Policy be approved**

**4. Cyber Security – Presentation to Governors**

Ms Summers advised the Corporation that Ms Thomas (Assistant Principal Curriculum Data and Planning) is to now undertake this presentation at a later date in order to maximise time for deliberations on key agenda items at this evenings meeting. All Governors present agreed with this decision.

**5. Self -Assessment Reviews and Quality Improvement Plans :**

**i) Governance SAR 2018/19 and QIP 2019/20**

Ms Boryslawskij (Chair of S&G Committee) encapsulated the discussions had at the Search & Governance committee to justify the recommended self-assessment grade of a secure 'Outstanding. The Committee remains confident that governance should again be assessed as Outstanding in respect of supporting and challenging the effectiveness of the leadership and management of the college as well as monitoring and reviewing the quality of the college's provisions in terms of student outcomes, teaching and learning, and student wellbeing.

The Corporation supported the judgements within the self-assessment review and agreed that robust evidence had been included within the SAR to demonstrate the rigour of the governance arrangements and to support the grade judgement reached.

The Corporation endorsed the Quality Improvement Plan as proposed by the Search & Governance Committee. All Governors were in agreement that the key areas for development had been identified in order to sustain outstanding governance going forward.

It was noted that the timing of the relevant Corporation and Search Committee meetings means that the Governance SAR and QIP sit outside the College's SAR validation process. It was agreed desirable for the Clerk to review whether the Governance SAR/QIP could be brought within the validation process or, if not, whether other means of external review could be found (such as a critical friend joining the relevant Search Committee meeting).

**Resolved:**

- **To assess Governance as Outstanding**
- **To approve the Governance Self-Assessment Review and Quality Improvement Plan.**
- **The Clerk to identify a means of external validation or review of the Governance SAR and QIP in future and report to Search & Governance Committee.**

**ii) Sign off College QIP 2018/19**

Mr Smith-Connor reminded the Governors that the QIP for 2018/19 was formally submitted for mid-year governor review in March 2019.

Mr Smith-Connor reiterated the areas being carried over into this year's plan. Consideration was also given as to the intended impacts of the different approaches now to be adopted by the college.

**Resolved:**

- **To receive the update and to formally 'sign off' the College's QIP for 2018/19**

**iii) College SAR 2018/19 and QIP 2019/20**

Following on from a healthy debate, Governors were satisfied that the summary report provided a fair and accurate assessment of the current position of the college.

Time was taken to reflect on the college's approach to self-assessment; it was agreed that it continues to be a robust process which is fully embedded within the college community at all levels. The Governors that had been involved in the SAR validation meetings, reported having witnessed a forensic analysis of each department's performance.

The Corporation reported to be confident that the self-assessment grades for 2018/19 were a true reflection of the Colleges performance and that robust evidence had been incorporated into the report to support the headline assessments and grade profile summary with an honest reflection of the Colleges key strengths as well as the areas requiring vigilance in order to remain Outstanding.

Governors noted that the College's headline figure for students progressing onto higher education is significantly above both the Kirklees and national averages. Governors were particularly pleased to also note the significant increase in students progressing to Russell Group universities this year (11% up, from 7% in the previous year). The Corporation agreed with the senior leadership Team's view that destination figures should however be read within the context of the College's inclusive ethos and the interests and aspirations of leavers which are often to study non-traditional subjects at modern universities or to reduce the financial burden of higher education by living at home. It was noted that the Destinations Report is available in January 2020 and will contain a full update on student destinations. This report will be presented to the Corporation at its next meeting.

Particular consideration was given as to how the College intends to effectively promote enrichment opportunities to students to enable them to benefit from a full study programme. All present acknowledged however that although the quality of education and engagement goes far beyond the primary qualification it cannot be at the expense of employability and outcomes. Governors also discussed how the college's quality assurance strategies are to be used to support Governors and Staff in confidently articulating the intent of the curriculum aligned to their role within the College. It was agreed useful for Mr Smith-Connor to support Governors by providing a short summary on curriculum pathways and the college's approach to reviewing tracking and monitoring student engagement and outcomes.

From the robust discussions had the Corporation were therefore satisfied that the areas identified for improvement within the overall Self-Assessment Report (SAR) had been properly reflected in the Quality Improvement Plan (QIP) for 2019/20. Governors agreed that the Quality Improvement Plan continues to be based on challenging targets to help sustain the areas of consistently good performance as well as continue to drive forward outcomes for learning in underperforming subject areas in order to maintain outstanding overall effectiveness.

**Resolved:**

- **The Corporation approved the College Self-Assessment Report and endorsed the Self-Assessment Grades awarded for 2018/19**
- **The Corporation approved the College Quality Improvement Plan for 2019/20**
- **For Mr Smith-Connor to provide Governors with a summary on curriculum intent and pathways.**

#### **6. ALPS Monitoring Point data – in year submission**

Ms Summers advised the Corporation that ALPS Monitoring Point One Report (AMP) had only been received by Mr Smith-Connor that afternoon. It was therefore agreed sensible for the report and executive summary to be forwarded onto Governors by Friday 20<sup>th</sup> December 2019. This time frame would therefore enable the Senior Leadership Team to analyse the raw data.

Further AMP reports (for points 2 and 3) are to be provided to the Corporation at its meetings on 30th April 2020 and 30th June 2020 respectively.

#### **Resolved**

- **For Mr Smith-Connor to circulate to governors the AMP1 report and explanatory commentary by 20 December 2019.**

#### **7. BAF: Poor quality teaching, learning and assessment leading to poor student progress and poor student outcomes**

After a full discussion the Corporation was satisfied that the actions being taken by the college to mitigate against this risk were robust and effective. The Corporation was also confident in the different levels of assurances identified. Governors therefore agreed that an overall green assurance level shall be assigned to this risk.

Governors noted that A level students continue to have lower prior attainment levels than is typical in the sector, the average is still in lower quartile for SFCs. (5.9 on entry compared to SFC average of 6.2). However it is also recognised that for HNC the nature of the A level cohort has changed over the past 3-years (an increasing proportion of students with higher prior attainment, a smaller proportion of students with lower prior attainment); Governors did not believe that the change in cohort and associated challenges for staff had been appropriately captured within the assurance report, although governors involved in the curriculum SAR/QIP validation meetings had been assured to observe these issues being addressed . The staff assigned with monitoring and reporting on the risk were asked to review mitigating actions and associated assurance sources.

#### **Resolved:**

- **To assign Green overall assurance to this risk**
- **For the Clerk to update the Master BAF**
- **For the risk to be reviewed in light of the challenges presented by the changes to the nature of A level cohort.**

#### **8. Audit Annual Report 2017/18**

Mr Nelson (Chair of Audit Committee) advised the Corporation that the report is a summary of all the activities of the Audit Committee for the financial year 2018-2019 and covers all reports for that period.

The report confirmed to the Corporation that the Committee's work had involved the consideration of detailed reports from the College's internal and external auditors, and had provided challenge, sought

assurances and monitored progress. The focus of the report is on the main conclusions and issues arising from key documents. Mr Nelson confirmed that, prior to submission to the corporation, the report had been considered collectively by all members of the Committee with contributions from external and internal audit representatives.

Mr Nelson also advised the Corporation that it is the opinion of the committee and the auditors, that the College, despite the recent external fraud, continues to have an adequate and effective framework for governance, risk management and control, and has fulfilled its statutory responsibility for “the effective and efficient use of resources, the solvency of the institution and the body and the safeguarding of their assets”. The Committee were also of the opinion that the reported instance of external fraud had served to strengthen the college’s anti-corruption policies and procedures in place and has informed staff training and development needs to determine an effective counter fraud culture going forward. The committee shall continue to monitor outputs of the fraud response action plan and keep the Corporation informed on progress.

Furthermore, based on the work of the Audit Committee during the year and the External Audit review, it is the members’ opinion, that the Corporation’s responsibilities, as set out in the financial statements have been satisfactorily discharged

**Resolved:**

- **That the report be received.**
- **For the signed Audit Committee Annual Report to be forwarded onto the ESFA**

**9. Final Audit Findings Report and Management letters for Financial Statements and Regularity**

Mr Nelson (Chair of Audit Committee) advised the Corporation that the Final Audit Findings Report summarises Wylie & Bisset’s key findings in connection with the audit of the financial statements of the College and the regularity audit of the College in respect of the year ended 31st July 2019

As a result of work undertaken, unqualified audit opinions were received from Wylie & Bissett showing that:

In relation to the financial statements, they

- give a true and fair view of the state of the College’s affairs as at 31 July 2019 and of the College’s results for the year then ended and
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and in accordance with the requirements of the Further and Higher Education Act 1992 and directions made thereunder by the Skills Funding Agency and the Education Funding Agency.
- And that funds received have been applied for their intended purpose.

Wylie & Bissett also state that the work papers that they were provided with for their audit were of a good standard and increased the efficiency of their audit testing.

In relation to Regularity, Wylie & Bissett have issued a modification in relation to the regularity assurance opinion for the year ended 31 July 2019. In accordance with the Post 16 Audit Code of Practice issued by the Education Skills Funding Agency (ESFA) this work focuses on the regularity and propriety of the college’s income and expenditure.

The College's forecasts and financial projections indicate that the college has a reasonable expectation that it has adequate resources to continue in operational existence for the foreseeable future, and for this reason will continue to adopt the going concern basis in the preparation of its financial statements. In relation to Going Concern, Wylie & Bissett are satisfied that following a review of the forecasts and financial projections that the Board of Governors assessment of the going concern basis of preparation is appropriate.

As part of the audit, Wylie & Bissett also performed a review and assessment of the College's Corporate Governance systems relating to standards of conduct, openness and integrity. In addition, they reviewed the College's risk register and risk management arrangements along with the minutes of meetings of the Corporation and its Committees issued during the year. Wylie & Bissett have also considered the arrangements made by the College in order to address the requirements of the Bribery Act 2010 that came into force on 1 July 2011 in order to assess their appropriateness and adequacy.

The Corporation was satisfied that the audit approach adopted provided them with the required confidence that a thorough and robust audit had been carried out.

**Resolved:**

- **The Corporation approved the Final Audit Findings Report and agreed for it to be forwarded onto the ESFA**
- **For the representation letters to be signed by the Chair of the Corporation and the Principal.**

## **10. Financial Statements and Members Report**

Governors were informed by Mr Nelson that the Financial Statement and Members Report to 31st July 2019 had been jointly considered by the members of the Finance and Resources and the Audit Committees.

Mr Dawson (Chair of F&R Committee) brought to the Governors' attention the key points of the report reiterating the full compliance corporate governance statement and the unqualified audit opinion from the external auditors for the financial statements and a modified audit opinion for the regularity audit.

Mr Dawson explained that the statements had been modified to reflect the continued adoption of the Statement of Recommended practice for Further & Higher Education 2015 and FRS 102. Major impacts included a modified Statement of Comprehensive Income which now clearly highlights the actuarial WYPF loss for the year of £1516k, allowance for a holiday pay accrual of £380k within creditors < 1 year and the re- designation of deferred grants as liabilities < 1 year (£171k) and > 1 year (£5220k). The Corporation was reminded that the WYPF provision movements have a negative non-cash effect on the operating surplus by reducing it by £389k (£331k added to staff costs and £58k added to interest costs).

It was noted that the College still assesses itself as just 'Outstanding' financial health with a score of 250 under the current methodology. (The minimum for this grade is currently 240). It was acknowledged however that the major variance continues to be the impact of the revaluation of the West Yorkshire Pension Fund deficit which, in 18-19, had the effect of reducing college reserves significantly. All Governors present understood that this will continue to be a major uncertainty for the corporation and that going concern will be significantly impacted should this position continue. Governors agreed that given this uncertainty it may be beneficial for training to be undertaken on the Insolvency Regime to best support and inform Governors and senior leaders in their continued assessments of financial viability going forward in response to external financial pressures and factors.

Based on the advice of the Audit Committee and appointed auditors, the Corporation remains of the opinion that the College has an adequate and effective framework for governance, risk management and control, and has fulfilled its statutory responsibility for “the effective and efficient use of resources, the solvency of the institution and the body and the safeguarding of their assets”. The Corporation was however keen to ascertain that the statement included within the report, confirming that there were no instances of *material* irregularity, impropriety or funding non-compliance was accurate in light of the reported external fraud. Mr Nelson and the Clerk confirmed that expert advice had been taken by the college from the external auditors to ensure that the Corporation was being transparent and accountable for the reported external fraud. The members report had therefore been drafted with input from the External Auditors for assurance that the seriousness of the fraud had not been diminished. It is understood that although the level of external fraud had been significant enough to prompt an alert to the ESFA it is not a material significant value as this would have been brought to the Corporations attention by the auditors.

Post deliberations, it was agreed by the Corporation that the Financial Statement are to be approved and that the Chair should sign the approved document before it is submitted to the Education Skills Funding Agency (ESFA).

#### **Resolved:**

- **The Corporation approved the report and agreed for it to be forwarded onto the ESFA**
- **For Governors to undertake CPD training on the Insolvency Regime, for the Clerk to organise as part of governor training programme for later this year or in 2020/21.**

#### **11. Finance & Resources Committee (Meeting held on 26th November 2019)**

Mr Dawson briefed Governors on the additional business of the F&R Committee.

The Corporation welcomed the update on the Estates extraordinary request for additional finances to undertake the necessary repairs to the college campus. Mr Dawson confirmed that the committee was satisfied with the repairs undertaken to date. Mr Dawson confirmed that any variance in costings were also considered alongside progress updates.

Mr Dawson confirmed that management accounts are up to date and are available on Moodle for all governors to access. Mr Dawson advised the Corporation that all current targets are expected to be met by July 2020 and that the latest forecast cash position as at July 2020 of £2,242k, being £119k above budget. Mr Dawson explained that variances from the budget of £2,239k, were also considered by the Committee.

Mr Dawson advised Governors that the Committee had been alerted to the introduction of the ESFA's Integrated Financial Model for Colleges (IFMC). From January 2020 the model is to replace all existing ESFA financial return templates and is to introduce several new features. Ms Foster (Interim Finance Director) continues to receive updates on the IFMC, however the Sector has raised concerns to the ESFA about the work and resources required to complete the IFMC. The deadline for colleges to submit the IFMC to the ESFA this financial year is the 28 February 2020. From 2021 the return date will be 31st January on an annual basis. The Clerk confirmed that this will have an impact upon the meeting schedule for the spring term; the planned F&R Committee meeting and the Corporation meeting planned for March and April 2020 will have to be brought forward. The Clerk will keep the corporation informed on revised meeting dates in January 2020.

Mr Dawson explained that at the joint F&R and Audit Committee meeting the Principal had provided an update report to brief members on the progress made by the college in addressing recommendations made by the Audit Committee in respect of the external fraud. One specific action

point was for the college to propose an Anti-Fraud, Bribery and Corruption Policy and response plan, this was considered and approved by the Audit Committee at this meeting. The approved policy and plan subsequently prompted necessary amendments to the financial regulations, as recommended by the F&R Committee for corporation approval.

Mr Dawson also explained that the Clerk had briefed Members of the Audit Committee and of the Finance and Resources Committee on the findings of her compliance review of the issues raised within the FE Commissioner's Investigation Report on Bourneville College. All present at the meeting were satisfied that all points raised were satisfactorily met, however opportunities for practice development were identified with respects to the authorising and approval of Principal's expenses, as stated within the College's Financial Regulations. Time was taken for the proposed amendments to be considered by the Corporation; namely that the Financial Statements are to be amended to state that the Chair of the Corporation is to authorise the Principal's expenses claims going forward (not the Financial Director) and that the trigger value for significant expenses and overseas travel be reduced from £1,000 to £500.

**Resolved:**

- **That the minutes be received**
- **To approve the proposed changes to the College's Financial Regulations in relation to expenses and approved anti-fraud, bribery and corporation policy.**

**12. Audit Committee (Meeting held on 26th November 2019)**

Mr Nelson briefed Governors on the additional business of the Audit Committee.

- **That the minutes be received.**

**13. Search & Governance Committee (meeting held on 29<sup>th</sup> November 2019)**

Ms Boryslawskij briefed Governors on the additional business of the Search & Governance Committee

- **That the minutes be received.**

**14. Any other Business**

*Prevent Training for Governors*

The Clerk advised the Corporation that Prevent Training for Governors was to take place on Wednesday 26<sup>th</sup> February 2020 at 5pm.

*Chair's Update (External Governors only)*

Time was taken by the Chair to brief external Governors on the appointment process for the Director of Finance & resources as well as the resource capacity within the Senior Leadership Team.

**15. Learner Impact Reflection**

**The impact of discussion and scrutiny of the Corporation's work in improving the outcomes and experience for all learners was considered and the following agreed.**

- **Assurance received that the college continues to provide a welcoming, safe and supportive environment for all students to develop personally and academically.**

- Assurance that the college is maintaining strong financial procedures to ensure funding is allocated to the most appropriate areas, to maximise the student learning, experience and outcomes in a reducing funding external environment.
- Ability to financially support all elements of the Strategic Plan for the College, potentially impacting on all areas of student learning, experience and outcome
- An informed Board of Governors is effective in its scrutiny, challenge and support of the senior leadership team thus ensuring positive outcomes and progress for all students
- To continue to ensure that the college and the corporation publishes accurate and honest information about its activities and processes – this is particularly important in relation to information for parents, students and employers
- The corporation is committed to ensuring the effective control and due diligence takes place and that systems of delegation and accountability are in place.
- The Board continues to conduct its affairs as openly and as transparently as possible
- Assurance that the college strives to create a transparent, fair organisation that is attractive to work and learn at.
- Assurance received that the governing framework is compliant with statutory responsibilities and regulations.
- Assurance that the corporation continues to seek out best practice initiatives as well as to inform/lead best practice within the sector in order to remain outstanding in its performance.
- A high performing corporation is able to support the college to achieve its aims and objectives and secure positive outcomes for students.
- The pursuit of excellence in all of the Corporations activities as demonstrated by an uncompromising and highly successful drive to contribute to the colleges success and ambitions
- To continue to ensure that the college publishes accurate and honest information about its activities and processes.

#### **16. Determination of confidentiality**

Supporting papers for agenda item 7 were deemed to be confidential.

#### **17. Date of next meeting: Governor Strategy Day : Friday 28th February 2020 2019 10am-4pm.**