

MOULTON COLLEGE

Minutes of the Corporation meeting held on Thursday, 8th December 2022 in M6

Present: Mr D McVean (in the Chair), Mr A Clarkson, Mrs C Harris, Miss L Knapp, Mr M Knibbs, Miss I Knowles, Mr C Matts, Miss M McArdle, Mr T Neville OBE, Mr A Thomson, Mrs K Squires and Mr M Wakeford

In attendance: Mr D Aldridge, Miss A S Bruce, Mr M Dawson (KPMG), Mrs G M Hulley, Mr M Smith and Ms F Williams

SECTION A – ROUTINE AND STANDING ITEMS:

22/80 Apologies for absence (Agenda item 1)

Apologies were received from Mrs P Hawkesford, Mrs S Ijewsky, Dr P Jones and Dr M Saeudy.

22/81 Declarations of interest (Agenda item 2)

Mr Neville declared an interest in agenda item 7.

22/82 Minutes of last meeting (Agenda item 3, Paper A)

The minutes of the meeting held on 3rd November 2022 had been circulated previously and were approved as a true and accurate record.

22/83 Actions from last meeting and matters arising (Agenda item 4, Paper B)

Of the two actions outstanding, one was now closed and the other was subject to discussion as part of the Finance and Resources (F&R) Committee update. In response to a question about the national agricultural proposal discussed at the last meeting, the Principal confirmed this was not going ahead in May 2023. Such an event could be considered in the future.

22/84 Governance self-assessment report 2021-22 and Improvement plan 2022-23 (Agenda item 5, Paper C)

A governance self-assessment report (SAR) was produced on an annual basis with any actions from the plan captured in an improvement plan which was monitored by the Search and Governance Committee throughout the year. The evaluation framework to inform the SAR was aligned to the AoC Code of Good Governance. This process provided qualitative and quantitative evidence in support of the Clerk to the Corporation's annual review of evidence to support the 'must statements' from the AoC Code of Good Governance.

The Chair of Corporation confirmed that this report had prompted a discussion at the last Search and Governance Committee in relation to succession planning arrangements for the Clerk to the Corporation to ensure there was sufficient capacity going forward. A governance accountability framework would also be developed. A proposal would be presented to governors via the Search and Governance Committee in March 2023. The Principal confirmed that following the recent ONS reclassification announcement, no changes to the current Corporation arrangements were expected.

The Corporation requested that further thought should be given to whether any other benchmarks should be taken into account (**Action 201** – Clerk) for future reports. Where the Governance Improvement Plan was concerned, a meeting planned for February 2023 may inform changes to the College's Strategic Plan and any

associated adjustments to KPIs. A recent meeting of the TLA Committee had confirmed an action to be taken away about the extent to which the new governor dashboard captured everything that was needed by governors.

Resolved: To approve the Governance Self-Assessment Report 2021-22; the Governance Improvement Plan 2022-23; and, the proposed grade of good.

SECTION B – AUDIT:

22/85 Audit Committee (Agenda item 6)

a. Minutes of meeting held on 28th November 2022 (Paper Da/Db)

Key points to note from the minutes of the meeting held on the 28th November 2022 were:

- a. **Risk management:** The risk profile of the College had improved during 2022.
- b. **Internal audit recommendation tracker:** The College was now only monitoring actions from 2021-22 and 2022-23 going forward. Overall, 42% of current recommendations had been implemented or partially implemented with a further 39% in progress or not yet due.
- c. **Board assurance framework:** The College had continued to provide governors with high quality data rich information which had increased confidence in management reporting, internally and externally. The IT risk rating had been changed to Amber and some additional notes had been added. The report confirmed that there were good levels of assurance: good quality information and data from management; reports from the internal audit process; and, external agencies (Landex peer review) and FE Commissioner. The Chair confirmed that there were sufficient assurances from a range of sources.
- d. **Internal audit:** Two reports were planned (H&S and GDPR) that were due for reporting in March 2023.

The following reports had been subject to scrutiny and challenge at the Audit Committee meeting. As a result, the Committee recommended each one for approval by the Corporation:

a. Audit self-assessment regulatory questionnaire and Audit Committee annual report (Paper D.1): Completed as part of the regulatory audits.

Confirmed compliance with the financial memorandum between the College and the ESFA.

- #### **b. Moulton College financial statements (Paper E):** The accounts were prepared on a going concern basis reflecting the impact of the recent loan restructuring agreed with the bank. Additional paragraphs were included in the strategic report with reference to the ONS reclassification and final amendments to the audit report. The 2021-22 accounts for Moulton College had been reviewed by the Audit Committee at its last meeting and also scrutinised by the F&R Committee.

Resolved: To note the minutes from the last meeting; to receive the reports from the last meeting of the Audit Committee and approve Papers D.1 and E.

22/86 Financial Statements Auditor: External audit (Agenda item 7)

- #### **a. Audit Highlights Memorandum and Management Letter (Paper F.1):** This had been subject to scrutiny at the Audit Committee. The financial statements auditor confirmed that the audit was now complete and all areas that were in progress at the time of the Audit Committee, had now been completed. A clean opinion would be issued. A wording change had been requested in relation to going concern. This was to confirm the College was complying with all bank loan covenants as at 31st July 2022.

- b. **Draft Letter of Representation (Paper F.2):** The updated Letter of Representation had been received.

Resolved: To approve the Audit Highlights Memorandum and Management Letter; and, to approve the Letter of Representation.

Mark Dawson left the meeting.

SECTION C – FINANCE:

22/87 Finance and Resources Committee (Agenda item 8)

a. **Minutes of meeting held on 5th December 2022 (Paper Ga/b)**

Key points to note from the minutes of the meeting held on the 5th December 2022 were:

- **Action outstanding:** confirmation was received of the asset valuation that had been requested. A copy of the valuation report had been sent to the Chair of F&R.
- **Business support and FRP KPIs:** the Committee recommended that KPIs for staff turnover and absenteeism were changed to reflect the current direction of travel.
- **Financial statements / External audit reports:** To recommend the Audit Highlight Memorandum and Management Letter; Letter of representation; and, financial statements 2021-22 to the Corporation for approval.
- **IT Plan:** the importance of a detailed action plan with clear milestones was emphasised. The action plan needed to be monitored by the Corporation.
- **Management accounts:** detailed management accounts to be uploaded to the Governor dashboard.
- **Risk management:** following the ONS announcement, there was a need to revisit the risk around reliance on the bank and understand implications and/or changes.

b. **Revised College budget 2022-23 (Paper G.1)**

The report confirmed the outcome of the detailed budget review undertaken and specified the areas and amounts of proposed adjustments to the 2022-23 budget to be reflected in the management accounts and cash flow forecast from P3 and proposed increases in capital budgets to fund improvements in the IT infrastructure utilising the promotor premium payment. In terms of investment in IT infrastructure, an amount of £950k over a 2.5 year period had been identified. RO4 was submitted on 6th December; confirmation was awaited of any in-year growth funding. Further modelling was required to calculate impact of increases to minimum wage and calculation of holiday pay. A reforecast was planned for January 2023.

Where the ONS reclassification was concerned, the DfE would produce a handbook that would clarify implications for the sector. A conversation was also needed with the bank to understand any implications from their perspective. The Chair of F&R confirmed that the revised budget had addressed many of the Committee's requests; further modelling was required to calculate the impact of increases to minimum wage and calculation of holiday pay. The Committee had also emphasised the importance of a signed contract from the land promoter. The COO would find out what the signing authorities were in terms of any delegated authorities. In response to a question about other commercial activity, the Chair of F&R explained that this had been discussed at the meeting. There were a number of contracts for summer lettings; and, residence occupancy was on the increase. Commercial activity was moving in the right direction. The Principal

confirmed a new role that would soon be advertised. This person would be outward facing with a focus on bringing in new opportunities to the College, for example, via grants and from working with job centres. It was also important that every member of staff in the College started to think about what commercial opportunities were available in their own area. Staff should be actively encouraged to share their ideas.

Terry Neville was retiring from the Corporation. The Chair of Corporation thanked him for his significant contribution as an independent governor, member of several Committees and Chair of the F&R Committee. A presentation would be held after the meeting.

Resolved: To note the minutes from the last meeting; and, to approve the revised College budget 2022-23.

22/88 IT Update (Agenda item 9)

The report confirmed that the College's IT would support the delivery of the strategic plan and corporate objectives through providing a stable and secure IT infrastructure that enabled learning and management and back office functionality within the resources available. It was recognised that the infrastructure needed significant investment to deliver a better more modern experience for students and staff. The priority in the next 2 years was to improve the speed and stability of the infrastructure and better utilise the tools and software i.e. Microsoft 365, Power BI data visualisation and Microsoft infrastructure security and compliance suite through upskilling of staff. The COO updated the Corporation with details of additional funds that the College was likely to receive over the coming months for energy efficiencies and estate improvements. The Director of Teaching, Learning and Assessment had produced an ILT plan that would be presented to the next TLA Committee as part of an IT update. An action plan would be produced in due course.

The Corporation emphasised the importance of the COO ensuring that the internal auditors provided feedback on the plan as they were completing an advisory internal audit of ILT. A lot of work was still required and the Corporation recommended that a governor had early sight of reports including a detailed action plan to give feedback. Mark Wakeford volunteered for this role alongside David McVean.

Resolved: To receive the IT update.

SECTION D – STAFF AND STUDENT VOICE:

22/89 Governor feedback (Agenda item 10)

a. Student governor feedback:

Student governors would welcome opportunities to gather feedback from other students. A meeting would be arranged with Ann Simson. Student governors also welcomed the plans that had been outlined previously to develop an enrichment programme. This would help with timetabling issues previously raised.

b. Staff governor feedback:

Feedback had been gathered following research with curriculum and commercial teams. Workload was raised as an issue and the impact this was having on wellbeing. Certain processes could be improved, for example: cross-departmental communication; and, technology. Another area for development was around staff recognition and the positive impact that could have on wellbeing. The College currently recognised staff through awards and there were other local initiatives being developed in other parts of the organisation. Staff questioned whether there were further opportunities to further develop: the agile

working policy; how to share knowledge across College; and, sustainability including a strategy and identified goals.

The Chair confirmed the recognition mechanism from governors involved notes to staff. Managers were reminded to send any names to the Clerk to the Corporation. The Executive Director HR confirmed a report on cost of living would be brought to the next meeting (**Action 202** – EDHR).

Resolved: To note the staff and student governors' feedback.

SECTION E – PRINCIPAL'S UPDATE:

22/90 Operating Plan: Progress update and KPIs (Agenda item 11, Paper I)

The report explained that in-year funding for student growth was still to be confirmed. Income and expenditure were largely on target with an improved EBITDA forecast. Staff costs were lower than anticipated due to skills shortages. Staff turnover and absenteeism were impacted greatly by the cost of living crisis and the Covid-19 effect, however, recent AOC statistics suggested that the College's KPI data was below national average. In terms of the quality KPI's, student retention was currently high, but there was a need to address pockets of poor attendance. The Office for National Statistics (ONS) had confirmed the reclassification of further education colleges into the public sector retrospective to 1993. The Principal outlined some key implications for the College. The Chair of Corporation confirmed there was a risk with ONS reclassification would diminish the College's ability to be creative in a commercial environment.

Resolved: To receive the report on the Operating Plan: Progress update and KPIs.

22/91 Research: The art of possibility – future focus (Agenda item 12)

The Principal provided an update on actions taken since Pauline Odulinski had presented her research findings in July 2022. The original report focused on a strategic options appraisal that included: mapping opportunities currently available to Moulton; key considerations; partnerships/collaboration opportunities; potential funding sources; and, estates/capital. The Principal confirmed a meeting was arranged for next week with a person recommended from the report. A number of staff had visited other colleges to look at really good practice. The wider team had spent some time exploring potential opportunities in the report and this would be reported on in January 2023. In terms of top priorities, the Principal confirmed these were IT; finance; and, ensuring high quality Apprenticeship provision.

Resolved: To note the research report.

SECTION F – COMMITTEE REPORTS AND RECOMMENDATIONS FOR APPROVAL:

22/92 Minutes of Teaching, Learning and Assessment (TLA) Committee meeting held on 29th November 2022 (Agenda item 13, Paper J)

Key points to note from the minutes of the meeting were:

- **KPIs 2022-23:** The Committee welcomed the report and agreed that the new Governor Dashboard would offer governors with an opportunity to scrutinise the granular detail.
- **Apprenticeships and Commercial:** Good progress being made; no issues identified.

The following reports had been subject to scrutiny and challenge at the TLA Committee meeting. As a result, the Committee recommended each one for approval by the Corporation:

- a. **College SAR 2021-22 and QIP 2022-23 (Paper J.1):** An excellent summary of the actions that needed to be taken.
- b. **Residential SAR (Paper J.2):** A comprehensive report which confirmed that the student experience was good.
- c. **First impressions survey (Paper J.3):** A detailed report. The Committee had asked to see more stakeholder engagement including alumni and employer voice. In a wider discussion about different approaches to capturing student voice, the Corporation was informed of termly industry skills boards (ISBs) which were being organised. These would be chaired by employers with an involvement from curriculum staff. It would be important that any feedback from these groups were factored into any stakeholder voice schedule considered by the TLA Committee.
- d. **Equality, diversity and inclusion (Paper J.4):** Where achievement rates of groups with protected characteristics were concerned, the Committee requested whether over time, more differentiation could be introduced.
- e. **CEIAG Annual Report (J.5):** The Principal confirmed that the enrichment team would ensure there would be no gaps in student timetables.

Resolved: To note the TLA Committee minutes; and, to approve reports (a) to (e) above.

SECTION G – CLOSING ITEMS:

22/93 Any other items of urgent business (Agenda item 14)

- a. **Audit:** The Chair of Audit Committee confirmed a retender exercise for internal and external audit would be completed in spring 2023. Start dates would be September 2023 and August 2024 respectively.
- b. **Governance:** The Vice Chair highlighted the different challenges for governors in FE colleges. If any governor wished to complete any training for this role, forward any requests to the Clerk to the Corporation.
- c. **Health and Safety policy:** The Executive was asked to check the current version on the website. Every effort should be made to ensure accuracy of reports that are submitted to Governors.
- d. **Landex conference:** The Vice Chair of Corporation reported on the conference he had attended the previous day. The Principal had been commended for her incredible leadership which resulted in the significant improvements at Moulton. The Corporation was also thought to be a very effective governing body. He also brought to everyone's attention that Moulton had been responsible for the flower displays during the event and at the evening dinner. As the conference clashed with the Corporation meeting, a request was made to avoid this in future years.

22/94 Date and time of next meeting (Agenda item 17)

Thursday, 26th January 2023 at 9.30 am.