

Kirklees College Corporation

CORPORATION

Minutes of a meeting held at 15.00 on 23 October 2020 by Microsoft Teams videoconference

Present:

Mr G Hetherington	Independent Governor (Chair)
Mr H Aslam	Student Governor
Mr B Blank	Student Governor
Ms M Carabine	Independent Governor
Dr A Conn	Independent Governor
Prof S Donnelly	Independent Governor
Ms C George	Independent Governor
Ms M Gilluley	Principal & Chief Executive
Ms F Hussain-Butt	Independent Governor
Mr H Linn	Independent Governor
Ms L Precious	Staff Governor
Mr J Royle	Independent Governor
Mr N Taylor	Staff Governor
Mr M Varyani	Independent Governor
Dr A Williams	Independent Governor
Mr J Williams	Independent Governor

Attendance: 16/16 = 100% KPI 80% Quorum: 6 (40%)

In attendance:	Mr M Bennington	Vice Principal Corporate Operations
	Ms C Gonzalez-Eslava	Vice Principal Curriculum, Performance & Innovation
	Ms J Green	Clerk to the Corporation
	Mrs R Meara	Executive Finance Director

Item

**Action/
Synopsis Item**

PRELIMINARY ITEMS		
0	WELCOME AND INTRODUCTIONS	
i	The Clerk confirmed that due notice of the meeting had been given, that the requirement for all persons participating to be able to communicate with one another was satisfied and that the meeting was quorate. It was noted that the meeting had been initiated from the home address of Corporation Chair Mr G Hetherington.	
ii	The Chair declared the meeting open. Vice Principal Curriculum Ms C Gonzalez-Eslava (“CGE”) was warmly congratulated on gaining the role of Deputy Principal at Trafford College. Succession arrangements would be discussed later in the meeting.	
1	APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST	
i	No apologies had been received.	
ii	The Chair invited disclosures of interests. Dr A Conn (“AC”) and Mrs C George (“CG”) had an interest in their own proposed reappointments (Item 16). All confirmed that, other than this and except as previously disclosed, they had no direct or indirect interest in any way in the business to be transacted which should be disclosed.	

Item	Action/ Synopsis Item
2.0	MINUTES OF THE 10 JULY AND 9 OCTOBER 2020 CORPORATION MEETINGS
i	Action: To delete a small typographical error alongside the name of Staff Governor Ms L Precious in the minutes of 10 July and to amend the 9 October minutes to show that Mr B Blank (“BB”) had progressed to the Level 5 HND in animal management.
ii	<u>RESOLVED:</u> (i) Subject to the minuted amendments, to approve the minutes of 10 July and 9 October 2020 as an accurate record.
2.1	MATTERS ARISING NOT ON THE AGENDA
i	No matters were raised.
2.2	UPDATE ON AGREED ACTIONS
i	<u>Formal reporting on Equality, Diversity & Inclusion:</u> Agenda Item 17
ii	<u>Governor Succession Plan:</u> Agenda Item 14
iii	<u>Strategic Risk Session:</u> Still to be fixed.
iv	Action (rolled over): Date to be fixed for a strategic risk session.
v	<u>Search & Governance Committee to discuss Link Governor Roles:</u> The Maths and English Link role and the HE Link role to remain suspended for now, with the expectation that the HE Link role would be reinstated at some point this year, as part of the ongoing review of HE governance. While there was no requirement to have a HE Link Governor, it is recognised as good practice by the Quality Assurance Agency and would likely enhance the level of oversight by the Corporation.
vi	Action: To produce a draft role description for the HE Link Governor role.
vii	<u>Estates Strategic Advisory Group to determine the outstanding issue in the Halifax Road Heads of Terms:</u> This had been actioned.
viii	<u>Corporation Chair role description (amendment following approval of Major Incident Response and Business Continuity Plan):</u> This had been actioned.
ix	<u>Publish amended sub-committee terms of reference:</u> This had been actioned.
x	<u>Publish amended Standing Orders:</u> This had been actioned.
xi	<u>Notify Finance Committee Co-optee of change of Chair:</u> This had been actioned.
xii	<u>Publish Strategy Day date/time:</u> This had been actioned.
xiii	<u>Publish Senior Post Holder Remuneration Statement:</u> This had been actioned.
PRINCIPAL’S REPORT	
3	PRINCIPAL’S REPORT
i	Ms M Gilluley (“MG”) spoke to her Principal’s report, advising as follows: ➤ The Senior Leadership Team (“SLT”) had reviewed the College’s delivery arrangements at the end of week 4 as planned. Having already increased attendance for priority groups, the next step would be to increase face-to-face tuition generally; the SLT was timetabling accordingly for after half-term. ➤ There would be GCSE resits the first week in November and the following Monday.

	<u>External Audit</u>	
ii	This was progressing on schedule. Two weeks in, no matters of concern had yet been identified. After half term, the auditors would start the 'going concern' work.	
	<u>2019-20 Financial Performance</u>	
iii	Attention was drawn to a table showing EBITDA ¹ performance (the key measure in the financial plan). RM reminded Governors that when the College went into lockdown in March 2020, they had approved an adjustment to the forecast outturn to reflect the then expectations around apprenticeships and full cost income. This had proved unnecessary. Thanks to the management team's concerted efforts to reduce the cost base, the College had slightly exceeded the financial plan assumption.	
iv	In terms of the financial plan targets, the College was returning a performance ahead of target for the third consecutive year. Cash flow had been well managed (taking account of a large adjustment around a grant claim) and the College was not only compliant with all covenants but also just short of £300k ahead of its restructuring fund operating performance target. Governors agreed that this was a phenomenal achievement.	
v	The outturn would positively impact the financial health score by 10 points relative to both the forecast and the 2018-19 outturn, yielding a total score of 140. Governors asked that their congratulations and thanks be conveyed to the wider management team.	
	<u>2020-2021 Revenue Performance – Early Indicators</u>	
vi	<p>Cautioning that it was early in the year to make reliable detailed assessments of income earnings, RM asked Governors to note as follows:</p> <ul style="list-style-type: none"> ➤ Early indicators were positive on 16-18 recruitment, with 3,711 enrolments at the date of the report. This was good news but it was likely that those additional numbers above the allocation would not be funded until 2021/22 through the lagged funding methodology. Should an opportunity present for in-year contract growth on the back of the over-recruitment, the management team would of course apply; ➤ The current assessment of the possible shortfall on apprenticeship income, based on learner numbers enrolled, was £300k, a concerning position but a positive one relative to the worst-case-scenario envisaged in July 2020 which anticipated a shortfall in excess of £1m.; ➤ Pay costs for the first two months of the year were well under budget, as were operating expenses. The College would need to resource areas that had significantly over-recruited, such as Health & Social Care; ➤ The application for Further Education Capital Allocation funding approved at the Special Corporation meeting had been submitted ahead of the deadline; and ➤ Updates on income forecasts would be communicated through the management accounts as usual; the September accounts would be released in the next few days. 	
	<u>Financial Benchmarking</u>	
vii	RM shared a benchmarking report resulting from a piece of work commissioned by the Association of Colleges on college financial plans. She drew particular attention to the debt-to-income and EBITDA as a percentage of income graphs, which showed that the College was performing very well compared to other respondents on its operating performance, yet was clearly an outlier in terms of the high level of debt it was carrying.	

¹ Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) is a measure of a business's operating performance which is used by the College in its financial planning and reporting.

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5.2	<p>ESTATES UPDATE</p> <p>i <u>Pioneer House</u>: This was due to complete and the expectation was that students would start using it from 23 November. The forecast overspend had increased (as detailed in the paper) and costs were being tracked on a weekly basis to manage the completion budget. RM shared recent photographs showing the fit-out at an advanced stage. A Governor member of the Estates Strategic Advisory Group praised the management team for their excellent work in the face of COVID restrictions and contractor insolvency.</p> <p>ii <u>Halifax Road</u>: Heads of Terms had been agreed and the sale was progressing slowly. Governors noted the details of the negotiations, which were set out in the paper.</p> <p>iii <u>RESOLVED:</u></p> <p>(i) To note the status of the ongoing estates projects.</p>	
6	There was no Item 6.	
7	<p>AUDIT COMMITTEE REPORT</p> <p>i The 21 September minutes were received and the items of report noted. The Committee Chair, AW, shared the findings from the recent internal audits and presented revised terms of reference for approval. Governors noted the Committee's concern about the accidents and incidents reporting framework review, which had yielded a limited assurance opinion. AW said a positive was that management clearly had a good grasp of the issues and was already addressing them. The Committee would oversee this.</p> <p>ii Independent Governor Mr J Williams ("JW") had volunteered to take on the Audit Committee chair during the 2020/21 financial year; he would need to be removed from the Finance Committee in order to be appointed to the Audit Committee.</p> <p>iii <u>RESOLVED:</u></p> <p>(i) To note the advice of the Audit Committee.</p> <p>(ii) To approve the proposed changes to the Audit Committee Terms of Reference and adopt the amended version with immediate effect.</p> <p>(iii) With effect from the end of the meeting, to:</p> <ul style="list-style-type: none"> • remove Dr A Williams as Audit Committee Chair; • appoint Mr J Williams to the Audit Committee; • appoint Mr J Williams as Audit Committee Chair <p>(iv) With effect from the end of the next meeting of Armytage's Technical School Endowment, to remove Mr J Williams from the Finance Committee.</p> <p>iv Action: Audit Committee Terms of Reference to be uploaded to the College website.</p>	<p>Synopsis Item 3</p> <p>JG</p>
8	<p>REGULARITY SELF-ASSESSMENT AND SUPPLEMENTARY BULLETIN ANNEX</p> <p>i The Corporation was required to provide a self-assessment of regularity to the external auditor, together with an additional annex addressing specific matters arising from the Covid-19 pandemic. The Audit Committee had reviewed both and recommended that the Chair of Governors and the Accounting Officer be authorised to sign them.</p> <p>ii <u>RESOLVED:</u></p> <p>(i) Having taken advice from the Audit Committee and being satisfied that the</p>	<p>Synopsis Item 4</p>

	College can evidence the statements made in the Regularity Self-Assessment questionnaire and in Annex A to the Supplementary Bulletin to the College Accounts Direction 2019-20 and the Post Audit Code of Practice 2019-20, to authorise the Chair of Governors and the Accounting Officer to sign them.	
9	STRATEGIC RISK REPORT	
i	RM presented the risk register, emphasising the importance of focusing on actions to reduce the risk scores. She said the risks had initially been assessed by individuals and they were subsequently reviewed and confirmed by the senior leadership team, to establish a baseline for the assessment of the risks for monitoring throughout the year. Governors commended management on the thorough, clear and transparent approach, agreeing that it was much more user-friendly.	
ii	MG highlighted that the Corporation report template, along with that used for SLT reports, now included a box for the author to identify relevant strategic risks and explain how the report addressed them. This provides an opportunity to demonstrate on-going risk management.	
10	INTERNAL AUDIT STRATEGY AND 2020-21 PLAN	
i	The Audit Committee had consulted with the internal auditor and management on the proposed Internal Audit Strategy and Plan for 2020/21. It recommended their approval.	
ii	<u>RESOLVED:</u> (i) To approve the Internal Audit Strategy and 2020/21 Plan.	
<i>16.20 A comfort break was taken. When the meeting resumed at 16.25, all re-joined. The Corporation Vice Chair Mr J Williams assumed the chair, as the Corporation Chair had been experiencing Internet connection problems.</i>		
GOVERNANCE		
11	SEARCH & GOVERNANCE (“SAG”) COMMITTEE REPORT	
i	The SAG Committee minutes were received and the items of report and agreed actions were noted. In particular, the meeting took note of the Committee’s conclusions in respect of the Office for Students reportable events guidance and the Charity Commission’s specific guidance on the reporting of ‘serious incidents relating to the coronavirus pandemic.	
ii	The SAG Chair JW shared some insights from the COVID-19 governance review the Committee had undertaken (the slides had been shared as part of the meeting pack). Governors were invited to comment on the Committee’s responses to the questions the Clerk had posed, which were recorded in the minutes and ‘Items of Report’. In discussion, there was broad agreement with the Committee’s conclusions, in particular the preference for a blended approach going forwards (with Governors attending some events and meetings in person and joining others remotely). A Governor commented on the many external factors which could impede remote governance, in particular the reliability of local internet connections.	
iii	The COVID-19 governance and leadership arrangements were strongly endorsed.	
iv	MG drew attention to an agreed action from the SAG meeting. The Committee would receive a proposal on Governor expenses and the provision of equipment.	
v	Action: To contact Governors to check they have adequate IT equipment and software.	JG
vi	In assessing the Sub-Committees’ effectiveness, the Committee had flagged a risk	

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vii	<p>arising from the Quality, Performance & Standards Committee membership being 57% Independent Governors and 43% Executive and Staff Governors. It was acknowledged that a sole Independent absentee could produce a 50-50 weighting at a quorate meeting but the Corporation was comfortable with this and emphasised that such meetings should go ahead.</p> <p><u>RESOLVED:</u></p> <p>(i) To note the advice of the Search & Governance Committee.</p>	
12	<p>CODE OF GOOD GOVERNANCE FOR ENGLISH COLLEGES COMPLIANCE</p> <p>i There was good overall compliance with the Code, albeit with some small issues owing to the pandemic. It was noted that the Statement of Corporate Governance and Internal Control (part of the Financial Statements) would need to include a declaration of compliance with the Code, with an explanation of any departures.</p> <p>ii The challenge of remaining compliant with the mandatory requirements around learner voice and the good practice guidance around stakeholder consultation in 2020/21 was noted; the College would likely remain subject to lockdown restrictions for some time. A Governor suggested that engaging with learners in smaller groups across the College sites might provide a way forwards. Student Governor BB offered to share student surveys and feedback, while CGE said there would be smaller focus groups this year, to which Governors would be invited.</p>	
13	<p>GOVERNOR ATTENDANCE TARGETS</p> <p>i <u>RESOLVED:</u></p> <p>(i) To accept the advice of the Search & Governance Committee and approve the proposed Governor attendance targets for 2020/21.</p>	Synopsis Item 5
14	<p>DRAFT SUCCESSION PLAN AND APPOINTMENTS PROCEDURE</p> <p>i <u>RESOLVED:</u></p> <p>(i) To approve the draft succession plan and appointments procedure and adopt it with immediate effect.</p>	Synopsis Item 6
15	<p>GOVERNOR ROLE DESCRIPTION AND PERSON SPECIFICATION</p> <p>i <u>RESOLVED:</u></p> <p>(i) To approve the draft Governor role description and person specification and adopt it with immediate effect.</p>	Synopsis Item 7
16	<p>GOVERNOR RE-APPOINTMENTS/APPOINTMENTS</p> <p>i The Corporation was carrying three vacancies and the SAG Committee, having no further confirmed candidates in the pipeline, was proposing:</p> <ul style="list-style-type: none"> ➤ for appointment, a Mr Ian Wainwright (his CV had been shared); and ➤ for reappointment, Independent Governors AC and CG. <p>ii There was unanimous support for the appointment of Mr Wainwright who, having held management roles at the Manchester College and Wakefield College, had experience of the Further Education (“FE”) sector. Being a trustee on the board of the grant-making charity The Penny Appeal, he also had experience of charity governance. As his areas of expertise were commercial development, driving innovation, strategic marketing, risk</p>	

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iii	management and leading structural change, he would complement the existing skillset. <u>RESOLVED:</u>	
	(i) In accordance with Standing Order 2 and being satisfied that all requirements relating to Governor appointments are met, to appoint Mr Ian Wainwright as a new Independent Governor from 1 December 2020 until 31 March 2024.	Synopsis Item 8
	<i>16.58 Dr A Conn and Mrs C George left the meeting.</i>	
iv	AC and CG, who were approaching the end of their first four-year terms, were recommended for reappointment. There was agreement that their attendance and contributions had been excellent and both had taken on key governance roles.	
v	<u>RESOLVED:</u>	
	(i) In accordance with Standing Order 2 and being satisfied that all requirements relating to Governor re-appointments are met, to re-appoint Dr A Conn and Mrs C George as Independent Governors from the end of their current terms of office in each case for a four-year term terminating on 31 March 2025.	Synopsis Item 9
	<i>16.55 Dr A Conn and Mrs C George rejoined the meeting.</i>	
vi	Reporting the Corporation’s decision to them, the Chair thanked AC and CG for their service to date and confirmed that each would now serve until March 2025.	
17	REPORTING OF EQUALITY, DIVERSITY & INCLUSION	
i	An action in the College’s Equality, Diversity & Inclusion (“EDI”) Action Plan (the “Action Plan”) required the Corporation (via its SAG Committee) to review the formal reporting to it of EDI matters. Accordingly, the SAG Committee had sought advice from the Audit Committee, gaining assurance that, subject to some agreed actions being taken to strengthen the framework, the current arrangements for EDI reporting were adequate and would operate effectively.	
ii	The SAG Committee had considered the Audit Committee’s advice and had also evaluated the arrangements in terms of: <ul style="list-style-type: none"> ➤ The priority of controlling for Strategic Risk 5: ‘Failure to ensure equality of opportunity across all College activity’; ➤ The adequacy and location of the expertise available on the Corporation and the value Governors acting as critical friends could potentially add in the area; ➤ The cost of administering the current framework and the need to achieve value for money in the use of public funds; and ➤ whether oversight of the EDI Strategic Group fit with the Quality, Performance & Standards (“QPS”) Sub-Committee remit and whether QPS added value. 	
iii	Based on an understanding (which Governors confirmed as correct) that the effective reporting of EDI matters was a key priority for the Corporation, the SAG Committee had advised that the current arrangements be retained.	
iv	<u>RESOLVED:</u>	
	(i) Being satisfied that the recommendation to retain the current arrangements for the reporting of Equality, Diversity and Inclusion was based on a thorough analysis of the effectiveness of those arrangements, to continue with the current arrangements going forwards.	Synopsis Item 10
v	MG said management had recruited ‘equality consultants’: volunteers from the current college workforce with an interest in representing EDI issues, to work cross College.	

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	There would be information about this in the HR report to Corporation in December; if possible, MG would arrange for them to do a five-minute slot at a future meeting.
18	PUBLICATION OF AGENDA PAPERS
i	<p><u>RESOLVED:</u></p> <p>In accordance with clause 18.2 of the Instrument, all items marked with an asterisk on the Agenda shall be confidential and excluded from publication, together with:</p> <ul style="list-style-type: none"> ➤ the confidential minutes of the 9 October Special Corporation meeting; ➤ both sets of confidential minutes of the Estates Strategic Advisory Group; ➤ the confidential minutes of the 20 October Article 10 Selection Panel; and ➤ the confidential minutes of the 16 October Search & Governance Committee.
19	USE OF CORPORATION SEAL
i	The report was received and the contents noted.
ii	<p><u>RESOLVED:</u></p> <p>(i) To ratify the use of the seal.</p>
CHAIRS' REPORTS	
20	CHAIR AND VICE CHAIR'S REPORTS
i	The Corporation Chair was part of a network of college chairs that had grown out of a learning set who were undertaking Education and Training Foundation Chairs' training. They had met recently with the Department of Education to discuss the forthcoming white paper and what might be in it. Themes were closer relationships with business employers and other colleges and (per the Augar Report) a more prominent emphasis on higher technical education.
EXECUTIVE EMPLOYMENT MATTERS	
21	EXECUTIVE EMPLOYMENT MATTERS
i	It was agreed that this Item should be taken last, as attendees would need to leave.
PAPERS FOR ASSURANCE/INFORMATION PURPOSES ONLY	
22	GOVERNANCE SELF-ASSESSMENT REVIEW PROCESS
i	The Clerk had shared the proposed questions for the 2019-20 self-assessment and outlined the process.
ii	Action: The Clerk to circulate the self-assessment questionnaire for completion.
JG	
23	ESTATES STRATEGY ADVISORY GROUP MINUTES
i	The minutes were received and the contents noted.
24	ARTICLE 10 SELECTION PANEL MINUTES OF 20 OCTOBER
i	The Committee Chair, Mr G Hetherington, reported that the panel had appointed the consultancy firm Protocol to support the College in the recruitment of its next Principal.
ii	Action: Clerk to circulate the Article 10 Selection Panel minutes for information.
JG	

Item	Action/ Synopsis Item
25	USE OF THE WRITTEN RESOLUTION PROCEDURE
i	The report was received and the contents noted.
26	DATE OF NEXT MEETING
i	Monday 14 December 2020 at 3pm.
EXECUTIVE EMPLOYMENT MATTERS	
21.1	INVOLVEMENT OF STAFF AND STUDENT GOVERNORS
i	The meeting discussed whether Student and Staff Governors should participate in the discussion and decision-making for Items 21.2 and 21.3.
ii	RESOLVED: (i) Pursuant to clause 13.5(d) of the Instrument of Governance, Staff Governors should be required to leave the meeting for Items 21.2 and 21.3. (ii) Pursuant to clause 13.9 of the Instrument of Government, Student Governors should be required to leave the meeting for Items 21.2 and 21.3.
<i>17.10 All non-Governors except for the Clerk, together with Ms L Precious, Mr N Taylor, Mr H Aslam and Mr B Blank left the meeting.</i>	
21.2	VICE PRINCIPAL CURRICULUM ROLE AND SENIOR POST DESIGNATION
i	<i>This matter is considered confidential and is restricted to Independent Governors only at this stage and therefore the discussion is recorded in a confidential annex marked Annex 1.</i>
23.3	SENIOR POST HOLDER REMUNERATION RECOMMENDATION
i	<i>This matter is considered confidential and is restricted to Independent Governors only, therefore the discussion is recorded in a confidential annex marked Annex 2.</i>

Synopsis

#	Details	Minute
1.	The Corporation reaffirmed the Business Critical Performance Indicators for 2020/21.	3(vi)
2.	The Corporation formally endorsed the 2020/21 Teaching, Learning & Assessment Development Plan.	4(iii)
3.	Audit Committee Chair Dr A Williams was, at his own request, removed from the office to concentrate on his work as Chair of the Quality, Performance and Standards Committee and the Quality Task Group and Mr J Williams was appointed in his stead.	7(iii)
4.	The Chair of Governors and the Accounting Officer were authorised to sign the Regularity Self-Assessment questionnaire and Annex A to the Supplementary Bulletin to the College Accounts Direction 2019-20 and the Post Audit Code of Practice 2019-20 on the Corporation's behalf.	8(ii)
5.	Governor attendance targets were determined for 2020/21.	13(i)
6.	The Corporation adopted a new Governor succession plan and appointments procedure.	14(i)
7.	The Corporation adopted a new Governor role description and person specification.	15(i)
8.	A new Independent Governor, Mr Ian Wainwright was appointed.	16(iii)
9.	Independent Governors Dr A Conn and Mrs C George were re-appointed for a second term.	16(v)
10.	The Corporation considered the outcomes of a review of its reporting framework for	17(iv)

Item**Action/
Synopsis Item**

	Equality, Diversity and Inclusion, taking advice from its Search & Governance and Audit Committees. Being satisfied on the basis of thorough analysis of the effectiveness of the existing arrangements, it determined that they should be retained.	
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