

Kirklees College Corporation

CORPORATION

Minutes of a meeting held at 15.00 on 21 May 2021 by Microsoft Teams videoconference

Present:	Mr G Hetherington	Independent Governor (Chair)
	Mr B Blank	Student 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
	Ms L Precious	Staff Governor
	Mr J Royle	Independent Governor
	Mr M Varyani	Independent Governor
	Mr I Wainwright	Independent Governor (from 15.35)
	Dr A Williams	Independent Governor
	Mr J Williams	Independent Governor

Attendance: 13/17 = 76% KPI 80% Quorum: 7 (40%)

In attendance:	Ms J Arechiga	Vice Principal Curriculum
	Mr M Bennington	Vice Principal Corporate Operations
	Ms J Green	Clerk to the Corporation
	Mrs R Meara	Executive Finance Director
	Mr D Rayneau	Executive Director of Business Systems
	Mr P Singh	Observer

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.	
ii	The Chair welcomed everyone, in particular Mr P Singh ("PS") who was observing. It was noted that it was Ms M Gilluley's ("MG") last meeting as a Governor; she would step down as Principal on 7 June but would attend the 16 July Corporation meeting.	
01.0	APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST	
i	Apologies were received from Independent Governors Ms A Blake, Ms M Carabine, Mr H Linn and Staff Governor Mr S Stevenson.	
ii	Governor Mr J Royle declared an interest in a matter for discussion at Item 8. It was agreed that he should not be required to leave the meeting but would not take part in any discussion on the issue or count in quorum during such discussion.	
iii	All confirmed that, except for this and except as previously disclosed, they had no direct or indirect interest in any way in the business to be transacted at the meeting which should be disclosed.	

Item		Action/ Synopsis Item
02.0	MINUTES OF THE 26 MARCH 2021 CORPORATION MEETING	
i	<p><u>RESOLVED:</u></p> <p>(i) Subject to an amendment, as minuted below, to approve the 29 January 2021 minutes and restricted/confidential minutes as an accurate record.</p>	
ii	Action: To amend the March minutes, deleting ‘2020’ and substituting ‘2021’ at item 23.	JG
02.1	MATTERS ARISING NOT ON THE AGENDA	
i	No matters were raised that were not on the Agenda.	
02.2	UPDATE ON AGREED ACTIONS	
i	Governor Safeguarding Training: A Governor had asked whether prior learning in other roles could count as their mandatory safeguarding training if it was within the past three years. Due to a staff absence this question had not yet been answered.	
ii	Action (rolled over): To ask the Assistant Principal for Student Experience if the College can recognise Governors’ prior training in safeguarding, to avoid duplication.	JG
PRINCIPAL’S REPORT		
03.0	PRINCIPAL’S REPORT AND UPDATE ON THE COVID-19 RESPONSE	
i	<p><u>COVID Update</u></p> <p>MG updated Governors on the COVID-19 precautions, saying despite national guidelines changing, face coverings would remain compulsory in College in line with local guidance, Kirklees being close to the worst local authority for infection rates with 71 cases/100k individuals, the majority of which were in the 10-19 age group, with a rate of 179/100k.</p>	Synopsis Item 1
ii	Governors were pleased to hear that, despite this, the College was ranked sixth best in the country for COVID testing rates. Its success in achieving high rates of testing and thus preventing the spread of the virus had been recognised by the Education & Skills Funding Agency (“ESFA”), whose representatives had met with College managers to identify good practice to be shared.	
iii	Unfortunately, the official opening of Pioneer House had had to be postponed. Individual tours were still taking place and Governors were invited to contact the management team to arrange one, if they had not already visited.	
iv	In response to a question, Vice Principal Corporate Operations Mr M Bennington (“MB”) said management had recently launched a refresher publicity campaign, to combat any complacency about COVID safety rules and requirements.	
v	<p><u>Black FE Leadership Group (“BFELG”) Update</u></p> <p>Governors were pleased to hear that the College had already implemented several of the BFELG’s recommended good practice initiatives, including diversity champions/consultants, student diversity reps, and its Equality Diversity & Inclusion Strategic Group.</p>	
vi	<p><u>Engineering</u></p> <p>Information about the marketing and delivery of the Engineering curriculum was shared. Governors commented that they were pleased to see the area really beginning to thrive.</p>	
vii	<p><u>KC Chronicle</u></p> <p>The latest edition of KC Chronicle accompanied MG’s report.</p>	

WHITE PAPER UPDATE		
04	DEPARTMENT FOR EDUCATION (“DFE”) SKILLS ACCELERATOR PROGRAMME	
i	The DfE had launched its Skills Accelerator Programme prospectus at the end of April. It was inviting applications from: <ul style="list-style-type: none"> - colleges to lead Strategic Development Fund (“SDF”) pilots; and - employer representative bodies to lead Local Skills Improvement Plans (“LSIP”) trailblazer projects. 	Synopsis Item 2
ii	MG explained the aims of the two initiatives. She said the two West Yorkshire chambers were planning a joint bid to lead a LSIP trailblazer project (they could only be led by employer representative bodies), while the College was working on an SDF bid with the West Yorkshire Consortium of Colleges ¹ to be submitted on 25 May. She said the SDF bid envisaged that each participating college would have its own local project/s which responded to their local skills needs: Additive Manufacturing in Kirklees’s case.	
<i>15.35 Mr I Wainwright joined the meeting.</i>		
iii	A Governor commented positively on the promotion of business and college collaboration, saying closer links would be beneficial. The Governor said winning the two project contracts would be good for Dewsbury, as engineering and manufacturing were what the local economy needed. MG agreed and said the Dewsbury campus was becoming increasingly well-established and impactful conversations were being had there with the support of Mr M Eastwood MP.	
QUALITY AND CURRICULUM ITEMS		
05.0	10 MAY QUALITY, PERFORMANCE & STANDARDS COMMITTEE REPORT	
i	The minutes were received and the items of report were noted. The Committee Chair, Dr A Williams, said, in addition to the items for discussion at Corporation, the Committee had received interesting reports on the careers advice provision and support for learners with sensory impairments. Both were discussed in the minutes.	
06.0	VICE PRINCIPAL REPORT: CURRICULUM AND STANDARDS UPDATE	
i	Ms J Arechiga, Vice Principal Curriculum (“JA”) presented her report and Governors noted as follows: <ul style="list-style-type: none"> ➤ The quality of teaching, learning and assessment remained ‘Good’, with most areas sustaining a positive improvement. Three were graded ‘Inadequate’, as detailed in the report. All were receiving support and showing signs of improvement. ➤ Although predicted achievement was predominantly in line with 2019/20, the pandemic had introduced unprecedented levels of uncertainty, so it was possible that the predictions could shift. For example, it was not yet known how ESOL² and functional skills students (a substantial number of learners) would respond to the news that they would sit exams after all; there was a risk of some non-attendance; ➤ There was a risk emerging around re-engagement post-lockdown and students’ ability to catch up on lost learning, with a potential impact on retention. Adult achievement in particular would almost certainly be below 2019/20 levels; ➤ A recent announcement that English and maths GCSE teacher assessed grades would require awarding body approval had introduced an additional element of risk and another stage to an already complicated new process. The Quality Team was expecting a small decline from last year in this area; 	Synopsis Item 3

¹ <https://www.westyorkshirecolleges.co.uk>

² ESOL: English for Speakers of Other Languages

Item	Action/ Synopsis Item
ii	<p>➤ Apprenticeships and qualifications with a licence to practice were at high risk of delay in achieving due to challenges around developing practical skills and completing end-point assessments. There was also a risk of apprenticeship redundancies post-Brexit leaving some learners unable to complete their training.</p> <p><u>Ofsted</u></p> <p>JA said the College's Ofsted Inspection window was March 2023, although an investigation could take place earlier should the College be identified as being 'at risk'. A task group would oversee preparations; its discussions would include Governor training and involvement.</p>
07.0	<i>There was no Item 7.</i>
GOING CONCERN – MATTERS OF FINANCE, REGULATION, LEGAL ISSUES	
08.0	<p>VICE PRINCIPAL CORPORATE OPERATIONS REPORT</p> <p><u>Corporate Operations Restructure</u></p> <p>i This was progressing after some pandemic-related delays. Substantial savings had been achieved and further restructuring was planned to achieve additional efficiencies. MB said, as this was an operational matter, Corporation approval was not required - but Governors should be aware that some posts were currently at risk; there would be redeployment opportunities, so compulsory redundancies should be minimal.</p> <p>ii A Governor sought assurance that the capacity of the careers and recruitment teams would not be adversely impacted by the restructure. MB said there would be no impact on delivery from the customer perspective; the changes were to management lines.</p> <p><u>Estates</u></p> <p>iii Plans were underway to accommodate increasing student numbers at Brunel House. MB said the level of capital spend (detailed in his paper) meant the project would be a major capital programme, the cost of which would be largely met from the 2020/21 capital allocation, subject to Corporation approval. Looking forward, a comprehensive condition survey had been commissioned to inform the 10-year estates investment strategy.</p> <p>iv <u>RESOLVED:</u></p> <p>(i) To approve the proposed capital spend for works at Brunel House as detailed in the Vice Principal Corporate Operations report, the cost to be largely met from the envelope of capital spend the Corporation previously approved.</p> <p>v It was noted that management was taking legal advice in respect of a potential dispute relating to a loss on an historical property transaction. Brief details were set out in MB's paper and the matter had been discussed at the Estates Strategic Advisory Group. No Corporation decision was required. MB said a further update would be provided in due course. JR's declared interest was noted.</p> <p><u>Environmental Sustainability and Carbon Reduction</u></p> <p>vi As part of a national effort to reduce emissions, there was a new requirement for colleges to adopt long-term environmental sustainability and carbon reduction strategies and annually monitor them, reporting progress on their public websites and in their annual Members' Reports. MB said the College was developing its strategy in consultation with stakeholders.</p>

Synopsis
Item 4

Item	Action/ Synopsis Item	
vii	<p>The College's first annual 'Streamlined Energy Carbon Report'³ (for 2019/20) was annexed to MB's paper. A Governor commented positively on this, saying the College was ahead of many organisations in producing that level of information. MB cautioned that COVID-19 had created some energy savings that would not be maintained.</p>	
	<p><u>Business Development Activities</u></p>	
viii	<p>It was noted as follows:</p> <ul style="list-style-type: none"> ➤ The new Employer Engagement Working Group would meet on 14 June; ➤ An Employer Satisfaction Survey had been launched, involving all employers who had had an apprentice with the College over the previous 12 months. The ESFA would not be doing its employer survey in 2020/21. 	
	<p><u>Business Critical Performance Indicators</u></p>	
ix	<p><u>Adult Funding (was 'Red' at the last reporting point; remains 'Red')</u></p> <p>This remained 'Red' following the DfE announcement of a 90% threshold rate for adult education budget ("AEB") under-delivery. In drawing up the revised budget, the College had assumed a tolerance of 80%. As a sub-contractor had picked up some additional work (as agreed), the anticipated clawback would be much reduced but still significant.</p>	Synopsis Item 5
x	<p><u>Apprenticeships (was 'Green' now 'Amber')</u></p> <p>While the allocation was expected to be achieved, it had become apparent that some of the activity would not be paid. It was explained that the total contract value was made up of several sub-sets, each with a cash value cap and the College had inadvertently exceeded the cap on 16-18 non-levy procured starts activity by around £60k. Representations had been made to the ESFA but there were no plans currently to cover any over-performance.</p>	
xi	<p>In response to a question, MB said there would be no additional funding for apprentices continuing beyond their expected finish dates into 2021/22. He agreed with Governors that it was unfair to expect colleges to soak up the additional costs but said there was currently no mechanism for the Government to provide additional funding.</p>	
xii	<p><u>Fees (was 'Red' against the original budget; now 'Amber' against the revised budget)</u></p> <p>As previously reported, fee income was severely impacted by the pandemic and the assessment was now 'Amber' against the revised budget forecast.</p>	
	<p><u>Staff to Income Ratio</u></p> <p>This was slightly above the phased budget, due to the dip in overall income.</p>	
	<p>16.33 A comfort break was taken. When the meeting resumed at 16.40, all re-joined.</p>	
09.0	AUDIT COMMITTEE REPORT	
	<p><u>Minutes of 26 April 2021</u></p>	
i	<p>The minutes of 26 April 2021 were received and the items of report noted. The Committee Chair, Mr J Williams ("JW"), said Members had been pleased to receive three internal audit review reports all yielding 'Reasonable Assurance' opinions (the second highest assessment grade).</p>	

³ The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 (the 2018 Regulations) implement the government's policy on Streamlined Energy and Carbon Reporting (SECR) requiring all companies to publish information about their energy use. Whilst FE corporations are outside of the scope of the 2018 Regulations, the College Accounts Direction encourages them to make equivalent disclosures on their websites.

Item	Action/ Synopsis Item	
ii	<p>The Corporation was pleased to hear that, since raising concerns at a previous meeting about the effectiveness of some operational health and safety controls, the Committee had satisfied itself that target levels of compliance were being achieved. JW said the Committee was receiving compliance reports at each meeting to monitor the position.</p>	
	<p><u>Terms of Reference</u></p>	
iii	<p><u>RESOLVED:</u></p> <p>(i) To approve the proposed amendments to the Audit Committee Terms of Reference and to adopt the amended version with immediate effect.</p>	Synopsis Item 6
	<p><u>Re-appointment of External Auditors</u></p>	
iv	<p><u>RESOLVED:</u></p> <p>(ii) To approve the reappointment of the College’s External Auditor, Grant Thornton, for the 2020/21 financial statements audit.</p>	Synopsis Item 7
10.0	EXECUTIVE DIRECTOR OF FINANCE REPORT	
	<p><u>Financial Position</u></p>	Synopsis Item 8
i	<p>The Executive Finance Director Mrs R Meara (“RM”) reported on performance against the revised budget (approved in March 2021). Governors noted that the College was maintaining a stable position and the headline key performance indicators remained positive, although the forecast year end EBITDA⁴ outturn had been marginally downgraded to reflect the risks (discussed above) around the AEB and the non-levy Apprenticeship activity.</p>	
ii	<p>RM said there were no current concerns about the achievement of the 2021 EBITDA target or about solvency; the final Pioneer receipt (previously in the cash flow in December 2021) had just arrived, so cash flow was healthy.</p>	
iii	<p>The March 2021 management accounts were received. They showed how capital approved for release at the March Corporation meeting had been deployed. RM said a substantial amount of the balance had been allocated to the Brunel refurbishments; the significant growth of Construction was putting pressure on teaching accommodation.</p>	
iv	<p>In response to Governor questions, RM said:</p> <ul style="list-style-type: none"> • Non-pay spend was lower than usual because, due to lockdown, curriculum areas and many service areas were purchasing fewer resources, using less energy, etc. • The level of trade debtors was normal for the time of year; they were tracking more or less the usual pattern. • She would check and confirm that ‘Stock Balance’ in the accounts referred to laptop purchases to support learner digital access. • In terms of the subcontracted provision, while the main subcontractor Castleview was on target to achieve its full contract, others were doing less well; one important strategic partner was struggling to recruit to its 12 week programmes currently. 	
iv	<p>An explanation was sought and provided of actuarial pay costs and their FRS102 treatment.</p>	

⁴ 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.

v	<p><u>Compliance with Reporting Obligations</u></p> <p>A return submitted to the ESFA in April (Appendix 2 to RM's report) explained variances from the cashflow forecast and indicated that solvency remained strong. In response to a question, RM said an additional debt repayment referred to in the return was made in compliance with the loan agreement; it would reduce the amount of the final repayment.</p>	
vi	<p><u>Compliance with Future Reporting Obligations</u></p> <p>Governors were pleased to hear that the ESFA was retiring its widely unpopular planning tool the Integrated Financial Model. RM said a new tool, due for release on 7 May, would be used to return the 2021/22 financial forecast in July 2021 and would provide dashboard data that could be used to report to the Corporation.</p>	
vii	<p><u>Forthcoming change to Financial Health Grading</u></p> <p>The new benchmarks being adopted by the Further Education Commissioner team had been added to the management accounts key performance indicators. RM said the ESFA was also looking to revise its financial benchmarks against which colleges were measured. Although no formal consultation had yet been released, from what was said at the launch event for the new financial planning tool, it seemed the proposal would be to change the debt to income ratio measure, instead allocating points based on the lower of debt service cover and cash generated from operations.</p>	
ix	<p><u>RESOLVED:</u></p> <p>(i) To note the contents of the Executive Finance Director's report.</p>	
11.0	<p>STRATEGIC RISK REPORT</p>	
i	<p>RM spoke to her paper, reminding the meeting of the new approach the College was taking to risk management. Attention was drawn to the summary report, which showed movements in the risk scores. There was agreement that the movements reflected the detail of reporting to the Corporation and there were no surprises. RM said, additionally, the risk register had been the subject of scrutiny at Audit Committee, as a result of which one or two changes had been made (as identified in her cover paper).</p>	Synopsis Item 9
ii	<p><u>RESOLVED:</u></p> <p>(i) To note the status of the key strategic risks.</p>	
12.0	<p>SUBCONTRACTING POLICY</p>	
i	<p>RM reminded Governors that the Corporation was required to annually approve a subcontractor supply chain policy for publication on its website. She presented the proposed document for 2021/22, highlighting minor changes from the previous year's version. She said it contained all necessary requirements and had been reviewed and agreed by the Subcontract Management Group. It would sit alongside information published annually on subcontractors worked with, size of contract and funding paid and retained for the academic year.</p>	
ii	<p><u>RESOLVED:</u></p> <p>(i) To approve the Subcontractor Supply Chain Policy 2021/22 for publication.</p>	Synopsis Item 10
SAFEGUARDING, WELFARE AND MENTAL HEALTH		
13.0	<p>8 MARCH SAFEGUARDING COMMITTEE MINUTES</p>	
i	<p>The Safeguarding minutes of 10 May were received and the items of report noted.</p>	

Item	Action/ Synopsis Item	
ii <u>RESOLVED:</u> (i) To approve the proposed role description for the Mental Health & Wellbeing Link Governor and adopt it with immediate effect.		
GOVERNANCE		
14.0 2021/22 CALENDAR OF MEETINGS – PROPOSED DATES		
i	The Clerk had carried out a survey of all Governors' availability for an alternative day for meetings to replace Fridays. She said a large majority were available on Monday afternoons and this would be explored further. Most Governors had indicated a preference for late afternoon or evening meetings.	
ii	It was noted that the draft calendar and schedules would be reviewed at Sub-Committee level before being brought back for Corporation approval with a recommendation from the Search & Governance Committee.	
15.0 GOVERNOR TRAINING AND ACTIVITIES RECORD		
i	Governors reported as follows: <ul style="list-style-type: none"> • Mr I Wainwright and Mr A Williams had attended a webinar on the new Charity Commission 'quick read' guides, delivered by Shoosmiths Solicitors. • Mrs C George had attended the Black FE Leadership Group conference and had also attended an AoC webinar on sexual harassment in colleges. • Mr A Williams had attended a training on preparing for Ofsted and had completed online safeguarding training. • Prof S Donnelly had completed a course in Cyber Security and Ransomware. 	
ii	Action: To update the Governor training record.	JG
16.0 PUBLICATION OF AGENDA PAPERS		
i	<u>RESOLVED:</u> (i) All items marked with an asterisk on the Agenda shall be deemed confidential and excluded from publication in accordance with clause 18.2 of the Instrument of Government.	
17.0 USE OF CORPORATION SEAL		
i	The report was received and the contents noted.	
ii	<u>RESOLVED:</u> (i) To ratify the use of the seal.	
18.0 CHAIR AND VICE CHAIR'S REPORTS		
i	There were no items of report.	
19.0 APPOINTMENT OF MR S STEVENSON TO QPS COMMITTEE		
i	<u>RESOLVED:</u> (i) To appoint Staff Governor Mr S Stevenson to the Quality, Performance & Standards Committee with immediate effect.	Synopsis Item 11

Item	Action/ Synopsis Item
20.0	PROPOSED DELEGATION IN RESPECT OF STUDENT UNION CONSTITUTION
i	As the Student Union had not completed its redraft of its constitution in time for the meeting, it was proposed that authority should be delegated to the Search & Governance Committee to review and approve it at its 25 June meeting, following which it would be proposed for ratification by written resolution. This was agreed.
ii	<p><u>RESOLVED:</u></p> <p>(i) To delegate to the Search & Governance Committee authority to approve on the Corporation's behalf the Student Union's refreshed constitution, subject to ratification of the same by Corporation by written resolution in due course.</p>
ITEMS FOR ASSURANCE/INFORMATION PURPOSES ONLY	
21	ESTATES STRATEGY ADVISORY GROUP MINUTES
i	The minutes of 21 April were received and the contents noted.
22	USE OF THE WRITTEN RESOLUTION PROCEDURE
i	The report was received and the contents noted.
23	DATE OF NEXT MEETING
i	16 July 2021 at 3pm

Synopsis

#	Details	Min
1.	The Corporation received a report and gained assurance in respect of the effectiveness of the College's COVID-19 response.	3
2.	The planned response to the Department for Education Skills Accelerator Programme prospectus was discussed.	4
3.	The VP Curriculum presented a report which covered the quality of teaching, learning and assessment, predicated achievement, key risks and the prospect of an Ofsted visit.	6
4.	The VP Corporate Operations presented a report on significant operational risks and opportunities, including an update on Project T and a briefing on new national requirements around environmental sustainability and carbon reduction. Capital spend for a programme of works at Brunel House to increase capacity was approved.	8
5.	The Corporation monitored its Business Critical Key Performance Indicators	8ix
6.	Proposed amendments to the Audit Committee Terms of Reference were approved and the new version was adopted.	9iii
7.	The College's External Auditor, Grant Thornton, was reappointed for the 2020/21 financial statements audit.	9iv
8.	The Corporation received a report on the current financial position.	10
9.	The Corporation received a report on the status of the key strategic risks.	11
10.	The Subcontractor Supply Chain Policy 2021/22 was approved for publication on the College website.	12ii
11.	The new Academic Staff Governor Mr S Stevenson was appointed to the QPS Committee.	19