

FURTHER EDUCATION CORPORATION MEETINGS 2023/24

MINUTES OF THE FURTHER EDUCATION CORPORATION MEETING

Held at 8.30am on Thursday 23rd May 2024

The Dunkenhalgh Hotel (BB5 5JP)

Board Members present:

Phil Wilkinson (Chair), David Whatley and Helen Curtis (appointed Corporation Vice Chairs from item 3.2 onwards), Lisa O'Loughlin (Principal and Chief Executive), Steve Campbell, Gemma Marsh, Chris Kenyon, Melissa Conlon, Zulfi Khan, Tom Gee (Staff Governor), Gillian Sharples (Staff Governor), Emily Jayne Austin (Student Governor) and Simone Hartley-Gott (Student Governor)

In attendance:

David Rothwell (Deputy Principal – Finance and Resources)
Debbie Corcoran (Director of Governance)

Item 1.

1.1 Welcome and apologies for absence

Phil Wilkinson (Chair of the Corporation) welcomed everyone to the meeting. Apologies were received from Liz Sedgley (Board Member).

1.2 Declarations of Interest

Members and officers present declared they had no interests, personal, fiduciary, or otherwise in any item on the open agenda for the meeting, with the exception of:

- Item 2.2 relating to Senior Leadership Team (SLT) structures – given David Rothwell (Deputy Principal – Finance and Resources) is attending, and a member of SLT, however he was not participating in decision-making
- Item 3.2 Governance Report – membership (Helen Curtis and Melissa Conlon) and appointment of Corporation Vice Chairs (Vice Chair role on the Corporation – Helen Curtis and David Whatley) – who would step out of the meeting

1.3 Minutes of the Previous Corporation Meeting (26th February 2024)

Submitted: Draft minutes part 1 and part 2 (circulated in meeting papers)

The minutes of the part 1 and part 2 Board meetings on 26th February 2024 were reviewed by the Board, and approved as an accurate record, for the signature of the Chair.

Resolved: That the Board of Corporation approve the minutes of the part 1 and part 2 Corporation meetings on 26th February 2024

1.4 Matters Arising

Submitted: Reports (circulated in meeting papers)

The matters arising log was reviewed and the current position was noted. To support tracking and recording of decisions and assurance, [it was agreed](#) that the minutes of this Corporation meeting would also record the resolutions approved in the 2 day strategic planning awayday it is being held within, to support transparency, with any actions included in the matters arising log.

Resolutions approved during the May Awaydays: - **That the Board approves:**

- a) Continuation of the 2030 Strategy ‘vision, values and strategic curriculum intent’
- b) Headline Strategic Goals and purpose architecture, and their launch with colleagues and key stakeholders
- c) The under-pinning and contributory enabling strategies which were received and reviewed in the awaydays in the following areas: Curriculum, Marketing (including school liaison, 16-18 travel strategy and recruitment), Group Branding, Employer Engagement, Process Improvement, Learner Experience, Estates, Investment and also People (noting that the following will be received for additional assurance and final approval at future meetings following input from the Board and their ongoing development: People Strategy and associated People Plan, Capital and Estates Strategy, Investment Strategy linked to financial forecasts and additional financial planning)
- d) Further development of a business case and proposal for re-branding and name change for the College Group - with supporting visuals, business case and process timeline to be received at the July Corporation meeting
- e) Strategic Investment Reserve (SIR) timeline adjusted by a year to end July 2026, accommodating an additional £1.25 SIR allocation in support of major curriculum strategy works
- f) The framework and timeline for annual internal governance self-assessment
- g) That the Lead Governor role for Careers will be extended to also include Skills, given linkages, with Gemma Marsh thanked for continuing in the role and a revised role description [to be agreed](#) with the Chair and Principal on the Board’s behalf

Board minutes also formally record the engagement, input and assurance received during the Awaydays in the development of: a) a Board assurance framework and risk appetite (returning to the July Board meeting) and b) Board self-assessment against the new AoC Further Education Code of Good Governance.

Resolved:

- a) **That the Board of Corporation receive and note the matters arising log**
- b) **Resolutions are as above, actions within the refreshed matters arising log**

Item 2.

Principal’s Update

2.1 2024/25 Accountability Statement

Submitted: Report and presentation (circulated in meeting papers)

Lisa O’Loughlin (Principal and CEO) presented the report, which summarised the revised guidance for Accountability Agreements, which had been introduced following skills reform set out in the Government’s Skills for Jobs White Paper and the resulting funding and accountability consultations. Accountability Agreements are produced annually by FE Colleges, designated institutions and local authorities – and set out delivery in the year ahead and how they intend to support local, regional, and national needs. Part 1 of the Agreement is developed by Government and sets out national skill

priorities and expectations. Part 2 in response to this, has to be developed by the College, and this 'Accountability Statement' is then published on the website and made publicly available.

It was noted that the revised guidance from DfE had simplified arrangements. Development and publication of the Accountability Statement will now also additionally express how College Corporations will meet the requirements in the new statutory duty on meeting Local Needs as set out in Section 52B of the Further and Higher Education Act 2022. It was also noted that in 2023/24, the College's Strategic Review was the framework for the Local Needs requirement to be considered and evidenced. A draft 2024/25 Accountability Statement had been shared with the Board for consideration today. As required, the Accountability Statement looks further ahead than just the next academic year, and had considered the College's role in the wider context of other local providers.

The Board welcomed that the draft 2024/25 Accountability Statement is being considered within the 2-day strategic planning event for the Board, where members are revisiting some of the findings of the Strategic Review and considering more detailed plans underpinning the new College 2030 5 to 7 year Strategy. The Board asked and it was confirmed that the draft Statement is fully aligned to the Strategic Review and the College's 2030 Strategy. Board asked and it was confirmed that the draft meets all statutory requirements in the guidance. The Board closely reviewed the section on contribution to national, regional and local priorities to ensure there was sufficient clarity on alignment to the Strategic Review findings, and how priorities are being taken forward, particularly in light of the Local Skills Improvement Plan (LSIP). Priority areas for performance improvement had been included as required, and evidenced – and Board discussed and were in agreement that they aligned with the key performance indicators (KPIs), ambitions and priorities approved by the Board.

The Principal and senior team were thanked for developing the 2024/25 Accountability Statement, with Board expressing that it was a helpful public summary of strategy and priorities.

Resolved: That the Board receive and approve the 2024/5 Accountability Statement for Nelson and Colne College, and its submission to the DfE, and subsequent publication

2.2 Senior Leadership Team (SLT) Structures

Submitted: Report (circulated in meeting papers)

Lisa O'Loughlin (Principal and CEO) presented the report, which followed on from discussions in the previous Board meeting on succession planning for the College Group's senior leadership team. A proposal had been developed for Board consideration, with the context, proposed changes and also key risks and mitigations set out and then carefully considered in the meeting. This included reviewing a proposed change in the number of Senior Postholders (SPH), requiring Board approval.

Members considered the proposal, with questions asked and confirmation given in the following areas: that the revised number of SPH roles is in line with usual practice in the sector; that there is sufficient capacity in the team, and succession plans are in place if the change is approved; and that satisfactory arrangements are in place for continued support from the current Deputy Principal – Quality and Curriculum after her retirement from a full-time role at the end of July 2024. HR processes for the appointment to new roles were confirmed, and endorsed by the Board as being appropriate and robust. Member's feedback on the visual representation of the new structure was welcomed and will be taken into account by the Principal.

Resolved: That the Board approves a change in the number of Senior Postholders (SPH) from September 2024 onwards, to 3 roles: Principal and CEO, Deputy Principal-Finance and Resources, and Director of Governance

2.3 Key Performance Indicators (KPIs)

Submitted: Report (circulated in meeting papers)

Lisa O'Loughlin (Principal and CEO) presented the report, which shared KPIs with performance information as at the end of March 2024. The Principal updated that development of the KPI Dashboard for 2024/25 will include sharpening the data methodology that predicts out-turn for each indicator, with closer consideration of in-year trends. Members scrutinised the performance position, and asked that the new KPI framework be clear on what point of the year the end position is definite and cannot be impacted, to support clarity and focus on areas where improvement can still be made. The Board supported a framework with fewer KPIs and asked that there is an explicit read across to the Accountability Statement KPIs for assurance.

Performance against the KPI for 16-18 and 19+ attendance was discussed, with Steve Campbell (Chair of Quality and Standards Committee) sharing feedback and assurance from the deep dive the Committee had completed in this area at their 18th March 2024 meeting, recapped in today's Triple A report as an 'alert'. Given the continued area of priority focus and risks, and high ambitions expressed in the Committee and of the Board, the need for additional assurance and oversight will be considered. The sector performance was noted to be 85% - College performance is above this, at 87%, however the ambition and KPI is 93%, so Board sought ongoing assurance of a continued drive for improvement due to the importance of attendance on learner outcomes and success.

Resolved: That the Board:

- a) receive and note the current KPI position
- b) feedback will be considered in the 2024/25 KPI dashboard
- c) will review and revisit additional assurance needed in any areas RAG rated as red, such as attendance as reviewed in the meeting

Item 3.

Items to Receive or Approve

3.1 External Board Review (EBR)

Submitted: Report (circulated in meeting papers)

Debbie Corcoran (Director of Governance) was asked to summarise headlines from the report, produced at the request and agreement of the Corporation Chair and Principal. There had been a full discussion and related recommendations proposed to the Board from Search and Governance Committee, following their meeting on 25th April. The Committee was thanked for their thorough and considered approach, as reflected in Committee minutes and the triple A report received today. The report for this item shared the finalised EBR, recommendations extracted from it which were supported by the Board for delivery through a refreshed Governance Development Plan (GDP), and also the outcome of a second moderation. Board fully supported the recommendations from Search and Governance Committee, which included commissioning a further EBR for completion in a timescale which would allow for findings to be included within the 2023/24 accounts. An update was given on the latest position in relation to feedback to the contractor, and the approach supported by the Board.

Resolved: That the Board:

- a) receive and note the External Board Review (EBR) report, including the final commissioned report and recommendations, which are being progressed and included in a refreshed Governance Development Plan (GDP)
- b) endorse the feedback shared with the contractor
- c) delegate to the Chair and Principal approving on their behalf any public updates or statements on external Board reviews, as required in DfE guidance
- d) approve commissioning of a new external Board review (EBR) with delegations to the Search and Governance Committee for the selection of the provider and oversight of the process – with timings supporting a governance self-assessment grade to be agreed by the Board in December 2024, and reporting in the 2023/24 financial statements

3.2 Governance Report

Submitted: Report (circulated in meeting papers)

Debbie Corcoran (Director of Governance) shared the report and summarised recommendations. Search and Governance Committee recommendations in relation to membership were considered, along with supporting information, with Helen Curtis and Melissa Conlon leaving the room for discussion on their terms of office, and returning for that of other members. In line with the Committee's recommendations:

Resolved: The terms of office for Helen Curtis and Melissa Conlon (Board members), and Helen McVey (co-opted Committee member) are extended to 31 May 2027, and Amer Ansar was thanked for his service and support as a co-opted Committee member as his term of office had ended

In relation to the appointment of 2 new Vice Chairs, Helen Curtis and David Whatley were thanked for their expressions of interest, and left the meeting to allow Board consideration. After consideration, and on their return, the Board thanked Helen and David for stepping forward for these important roles, and confirmed the unanimous decision being as follows:

Resolved: To appoint the following members as Vice Chairs of the Corporation:

- a) Helen Curtis, with a term of office as Vice Chair ending 31 May 2027
- b) David Whatley, with a term of office as Vice Chair ending 31 July 2025

It was agreed that the Chair will meet the Vice Chairs and be supported by the Director of Governance to agree any respective responsibilities within the Vice Chair role description, given there are now 2 appointments. Induction arrangements, and any learning and development support will also be considered given the change in roles.

The Board were updated on the current position and received the 2022/23 Report of the Trustees and Financial Statements for the Year Ending 31st July 2023 of the Barbara Anne Memorial Prize Trust Fund, of which it is the corporate trustee. These were approved, and it was agreed that given the increase in the funds available to deliver against the charitable purpose, options will be shared at a future Board meeting on how best public value can be achieved through the fund, in line with its purpose and aims.

Resolved: That the Board, as corporate trustee, receive and approve the Report of the Trustees and Financial Statements for the Year Ending 31st July 2023 of the Barbara Anne Memorial Prize Trust Fund, for signature by the Corporation Chair and onward submission to the Charities Commission

The Board considered that the revised DfE governance guide published 12th Feb 2024 has introduced a recommendation that FE College Boards should have a lead Governor for SEND. Given this, the Board approved the creation of a new Lead Governor for SEND, and the associated role description. The Board considered the skills mix and expertise of its current members, all of whom could be considered for the role – and also the extremely experienced co-opted members of Quality and Standards Committee, who are actively engaged in Board Strategy days and forward planning. Given this, the Board asked that Peter Nangle, co-opted member of Quality and Standards Committee be invited to fulfil the new lead role. As Peter did not routinely attend Board meetings, his input into a termly update for the Board in this area was particularly important, with the opportunity for Board to ask questions etc - and he will be invited to attend Corporation meetings where there is an update on SEND or closely related areas.

Recommendation: That the Board:

- a) approve the introduction of a Lead Governor for SEND, and the supporting role profile
- b) invite Peter Nangle as a co-opted Governor to fulfil the role, with appropriate 2-way communication and attendance where needed to fulfil the role, at Corporation events or meetings

The following were **formally noted:**

- Chairs action - Appointment of Ainsworths to complete an annual independent examiners report of the 2022/23 financial statement of the Barbara Anne Memorial Prize Trust Fund
- Application of the College Seal to the contract with Rosslee Construction to create a new centre for T Level Engineering at Nelson campus, at a value of £1,702,333.63 inc. VAT

3.3 Finance Report

Submitted: Report (circulated in meeting papers)

David Rothwell (Deputy Principal – Finance and Resources) summarised the report, which provided members with an update on the consolidated financial performance and position at 31 March 2024 (so including the College’s 2 subsidiaries, NCCPS Ltd and NCCES Ltd). Full management account schedules were provided, and the strategic finance KPI position was noted as follows:

Financial performance measure	YTD	Current Forecast	Budget /Target	Variance	RAG	Movement	Strategic target	Prior Year
Education Specific EBITDA as % of income	4.6%	3.6%	3.9%	-0.3	Yellow	↔	>=6%	4.8%
Borrowing as a % of income	4.0%	10.3%	3.9%	6.40	Green	↔	<20%	4.4%
Cash days in hand	128	111	99	12	Green	↔	>75	148
Adjusted current ratio	2.8	2.1	2.1	0.0	Green	↔	>=2.0	2.7
Staff costs as a % of income	66.8%	68.5%	69.8%	-1.3	Yellow	↔	</=70%	69.0%
Staff Utilisation	96%	97%	97%	0.0	Yellow	↔	</=97%	97%
Financial covenants overall compliance	Yes	Yes	No	-	Green	↔	Yes	Yes
ESFA Financial Health category	Good	Good	Good	-	Green	↔	>/=Good	Good

	<p>The Deputy Principal confirmed there had not been any adverse movements since last reporting, and that the out turn position had strengthened and is back to the level of the original budget. Adult Education Budget (AEB) position was updated, and confirmed as not yet fully secure – ESFA allocations were confirmed for 2024/25, and headline implications set out. EBITDA continues to be closely managed, with detail on significant cost pressures and implications being set out at headline level, and noted to be being fully considered by the Board in the awaydays.</p> <p><u>Resolved:</u> That the Board receive the Finance Report, and note its content and areas of update.</p> <p><u>3.4 Triple A Report</u> <i>Submitted: Report (circulated in meeting papers)</i></p> <p>The Triple A report was summarised by Committee Chairs for Board assurance and awareness, and covered the following meetings:</p> <ul style="list-style-type: none"> • Capital and Estates Committee (7th March 2024) • Audit Committee (25 March 2024) • Quality and Curriculum Committee (18 March 2024) • Search and Governance Committee (25 April 2024) <p>Members noted that all areas of ‘alert’ in the report had been actively discussed in today’s meeting, or are being included in the awaydays. All recommendations from the Committees were approved, with recommendations from Search and Governance Committee in relation to the EBR detailed above, and others being as follows:</p> <p><u>Resolved:</u> That following recommendations from the relevant Committee/s, the Board:</p> <ol style="list-style-type: none"> a) approve appointment of RSM as financial statement auditors for the College in 2023/24 and the associated fee b) receive and note for information RSM’s summary of risks and opportunities in FE 2024 c) approve the addition of a discrete annual Learner Voice report to the Corporation meeting planner
Item 4.	<p><u>Any Other Business</u></p> <p>There were no items of any other business.</p>
Item 5.	<p><u>Review and Reflections on the Meeting Against a) Group Values and b) Risks</u></p> <p>The Chair invited reflections from Board Members on today’s meeting, decisions and ways of working against the Group’s values. Helen Curtis (Vice Chair) summarised key strategic risks discussed in the meeting:</p> <ul style="list-style-type: none"> • Accountability Statement gives assurance on curriculum meeting local and regional skill needs, brief but impactful • Succession planning risks highlighted in relation to SLT and also curriculum staff – considered in the meeting against specific SLT roles, to be picked up in awaydays generally and People Plan • Financial risks clearly set out, understood, mitigated and planned for – forward approach to be reviewed in awayday and approach for 2024/25 financial plans and associated investment strategy/priorities

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| | <ul style="list-style-type: none">• Qualification reform – considerable flux and need to mitigate risks to learners, delivery and sustainability of some areas of provision• External Board Review (EBR) risks clear, considered and mitigated – with valued assurance through the Search and Governance Committee |
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With this, the Chair thanked members for their attendance and inputs, and the meeting was closed.

Debbie Corcoran
Director of Governance

Signed as an accurate record by the Chair of Corporation



Name: Phil Wilkinson
Date: 8 July 2024