

## Preston's College

### Redacted/ abridged<sup>1</sup> Minutes of the Board Meeting held on 12<sup>th</sup> December 2019 at 4:30pm in the Board Room at Preston's College

#### Present:

Mr J Boydell	Chair
Dr E Smith	Principal and Chief Executive
Mr E Bassa	
Mr S Browne	
Mr M Collard	
Mr M Driver	
Ms J Garcia	
Mr J Jepson	
Ms J Jones	
Ms N Kirkbride	(Until item 11)
Mr J McMullin	
Cllr J Mein	
Mr D Patel	
Mr T Readett	
Mr J Taylor	
Mr J Wilson	

#### In attendance:

Ms M Haworth	Vice Principal Quality, Teaching, Learning and Learner Support
Ms D Ireland	Head of Curriculum (14-19) (for item 1)
Mr S Nixon	Executive Director Resources
Mr M Noblett	Vice Principal Curriculum Delivery and Planning
Mrs C Rayner	Clerk to the Board
Scholarship Students	For item 1

#### Apologies:

Mr S Edwards  
Ms L Hornsby  
Mrs L Mason  
Ms K Williams

#### 1. Meeting with Scholarship Students

Ms Ireland, Head of Curriculum (14-19), introduced the first and second year Scholarship Students and outlined the aims of the session.

The students split into four groups and governors rotated around the groups asking the Scholarship Students questions on their experience of studying at the College.

The Chair highlighted the importance of governors hearing directly from students and thanked the students on behalf of the Board for their time and contribution. He wished students well for the Christmas break and their future studies.

*The Scholarship Students left the meeting.*

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<sup>1</sup> Please note that any matters which the Corporation is satisfied should be dealt with on a confidential basis have been removed from these minutes.

Governors undertook to forward any comments and questions on the session to the Clerk for collation and discussion by the Board.

## **2. Welcome and Apologies**

The Chair welcomed everyone to the meeting.

The Board noted that Ms Kirkbride and Mr McMullin had been appointed as student governors between meetings. The Chair welcomed Ms Kirkbride and Mr McMullin to their first Board meeting.

The Board noted that apologies had been received from Mr Edwards, Ms Hornsby, Mrs Mason and Ms Williams.

It was noted that a quorum was present.

The Chair reported that this would be Mr Wilson's last meeting after completing a four year term as a governor. The Chair thanked Mr Wilson on behalf of the Board for his service and contribution as a Board member and member of the Audit Committee and wished him well for the future. Mr Wilson thanked governors and staff and wished the College well for the future.

The Chair reported that, due to time constraints, it was unlikely the Board would have time to discuss the Board evaluation collated survey and it would be deferred to the next meeting.

## **3. Declarations of Interest**

It was noted that Ms Jones had declared an interest in item 16, Induction Year Reviews, and would leave the meeting for discussion of her Induction Year Review.

The inherent interest of Senior Post Holders in the discussion on the Association of College's (AoC) Senior Post Holders Remuneration Code, item 16, was noted.

## **4. Minutes of the previous Board meeting**

The Board considered the minutes of the meeting on 17 October 2019 and agreed the minutes as a correct record.

**Resolved: The Board approved the minutes from the previous Board meeting on 17 October 2019.**

## **5. Matters Arising**

The Board noted an update report on progress of actions from previous meeting.

### **a) Minute 11 Governance Matters**

In response to a query, the Clerk gave a verbal report on the Governors' Question Time event held on Tuesday 4 December 2019 and referred to a summary of the event in her Governance Matters report. The Chief Executive and Principal and other governors who had participated in the session also reported on the event. It was noted that the event had been well attended and well received by students who had asked governors a number of questions.

The Clerk reported that a collated report of the questions and responses would be distributed to the Board in early 2020.

A governor who had participated on the panel requested further information regarding the distribution of food vouchers as it had been raised at both the Question Time event and the session by Scholarship Students. The Chief Executive and Principal explained that allocation of food vouchers was means tested. It was agreed to consider in more detail by the Resources Committee.

Following a brief discussion with Executive Leadership Team on other issues raised by students it was noted that the Board would have an opportunity to discuss the students' questions, alongside feedback from the earlier session with Scholarship Students, at the next Board meeting.

## **6. Principal and Chief Executive's Report**

The Principal and Chief Executive presented her report making reference to:

- the General Election and potential impact on further education;
- an overview of the main parties' positions on further education;
- the report on the AoC General Election manifesto and AoC lobbying.

Copies of *The News*, the College's newsletter for governors and staff, dated December 2019, were distributed at the meeting. The Principal and Chief Executive drew governors' attention to an article which celebrated the success of a SEND learner who had secured employment as an Apprentice Maintenance Groups Operative, as an example of how the College made a difference.

The Principal and Chief Executive recorded thanks to all staff for their hard work during a very busy and successful term.

**Resolved: The Principal and Chief Executive's Report was received and noted.**

## **7. Five Year Strategic Plan**

The Principal and Chief Executive, presented her report on the Five Year Strategic Plan which included headline deliverables and impact measures including RAG rating for risks.

The Board discussed the Five Year Strategic Plan report with management, and in response to questions, noted:

- the RAG ratings related to risk and not progress of the Five Year Plan;
- no issues had been raised with ELT following the introduction of a new staff appraisal process and appraisals had been completed quicker than in previous years. It was noted that the introduction of 30 hours of Continuing Professional Development (CPD) had been well received by staff.

Following discussion members requested:

- the orange and green text be revised to make the report more easily readable;
- as the report contained a lot of detail, it would be useful to have an 'at a glance' guide to assist governors in assessing progress and in particular when milestones had been met. A governor suggested a spider diagram would be useful.

**Resolved: The Board noted the report of the Five Year Strategic Plan.**

**Actions: The Five Year Strategic Plan to be revised to:**

- ensure coloured text was easily readable;
- show progress 'at a glance' and in particular when milestones had been met.

**8. Period 3 Management Accounts**

Mr Nixon, Executive Director Resources, presented his report on the Period 3 Management Accounts and commentary.

The Board discussed the Period 3 Management Accounts with management, and in response to questions, and noted:

- detailed analysis of variance to budget of enrolments by department took place during Business Planning. Whilst this level of detail was not considered by the Board it could be reviewed at a Resources Committee meeting;
- challenges faced by the College in Apprenticeships as the government moved from the current Level 5 qualifications to new standards, particularly as in practice employers still required qualifications, such as BTECs, which were not included in the new standards;

Following a suggestion it was agreed that consideration be given to introducing a sensitivity analysis. Mr Nixon undertook to consider how this information could be presented to the Board.

**Resolved: The Board noted the Period 3 Management Accounts and commentary.**

**Actions:**

- To consider introducing a sensitivity analysis.
- The Resources Committee to consider information of variance to budget of enrolments by department.

**9. Committee Minutes**

The Chair reported that, due to time constraints, Committee Chairs' verbal reports on the committee minutes would be deferred until the next meeting.

The Board noted:

- Minutes of the Audit Committee – 13 November 2019
- Minutes of the Search and Governance Committee – 14 November 2019
- Minutes of the Quality and Standards Committee – 21 November 2019
- Minutes of the HE Quality and Standards Sub-Committee – 21 November 2019.

**Resolved: The Board noted the committee minutes of: Audit Committee, Search and Governance Committee, Quality and Standards Committee and HE Quality and Standards Sub-Committee.**

**Action: The Clerk to add Chair's verbal reports to the agenda of the next Board meeting.**

**10. Safeguarding and Prevent Policy Review**

Ms Haworth, Vice Principal - Quality, Teaching, Learning and Learner Support, presented her report on the proposed changes to the Safeguarding, Child Protection and Prevent Policy.

The Board noted that the names of the deputies in the policy had been updated and the policy had been amended to state that a governor was attached to the Lead Designated Safe Lead and Designated Safeguarding Lead as a 'critical friend' rather than a staff governor, to allow more flexibility and provide an external perspective.

The Board approved the Safeguarding, Child Protection and Prevent Policy.

In response to a query on governor safeguarding training, members was noted that:

- Tina Southworth, Student Services Manager and Designated Safeguarding Lead, had delivered Safeguarding and Prevent training at the March Board meeting;
- new members received Safeguarding and Prevent Training as part of their induction;
- additional refresher training sessions would be arranged around Board meetings and other meetings as required.

**Resolved: The Board approved the Safeguarding, Child Protection and Prevent Policy and noted that all governors must complete mandatory Safeguarding and Prevent training.**

## 11. Audit Committee Annual Report

The Chair of Audit Committee, Mr Driver, presented the Annual Report of the Audit Committee 2018/19, making reference to:

- work of KPMG, external auditors, during 2018/19;
- work of RSM, internal auditors, during 2018/19, including: management actions following advisory internal audit reviews of GDPR Governance, IT Strategy Governance and Payroll – Process Mapping and Control Design;
- the Audit Committee's ongoing monitoring of management actions from audits arising from internal audit reports.

In response to a query the Chair of Audit Committee provided background information on the Audit of Student Records: Attendance Monitoring and Withdrawals, the actions required to strengthen the controls in this identified area and management's response.

The Chair of Audit Committee reported that KPMG had completed its audit of the financial statements with a clean audit opinion and the Audit Committee recommended that the Chair and Principal sign the letter of representation. He also reported that KPMG had commended the preparation and response of College management before and during the external audit.

**Resolved: The Board accepted the Annual Report of the Audit as a source of assurance and noted the RSM Annual Internal Audit Report for the year ended 31 July 2019.**

## 12. Annual Report and Financial Statements

Mr Nixon presented his report on the final draft of the financial statements for the year ended 31 July 2019 and referred members to the draft financial statements. He made reference to:

- successful conclusion of funding assurance audit;
- impact of FRS pension adjustments;

- the external auditors had issued a management letter indicating that an unqualified opinion would be given when the financial statements were signed and referred to the external auditor's report to the Audit Committee;
- the employer contribution rate for the Local Governance Pension Scheme (LGPS) would increase by 3%, from April 2020 and the College would benefit from a reduction in deficit payments.

The Board discussed the Annual Report and Financial Statements with management, and in response to questions, and noted:

- the pension position could change in future years as the current position was based on a triennial review;
- the College's position regarding cash reserves and the College's Estates Management strategy;
- the College's exposure to EU funding projects given Brexit. It was noted that a small amount of projects had been part funded by European Social Funding and they would be funded until their end dates.

**Resolved: The Board:**

- **approved the financial statements for 2018/19 and recommended formal adoption by the Board;**
- **authorised the Chair to sign the letter of representation on behalf of the Board.**

**13. College Quality and Standards Review – October 2019**

Ms Haworth presented her report on the College Quality and Standards Review, making reference to:

- the Quality Assurance Agency (QAA)'s report on Preston's College: The QAA Quality and Standards Review for Providers Registered with the Office for Students, dated October 2019;
- the College had met all outcomes reviewed with high confidence from the Quality and Standards Review team;
- feedback provided by College management to the Office for Students (OfS) on the review process. The Board noted that feedback had also been provided by the Chief Executive and Principal to other bodies as appropriate.

In response to queries it was noted:

- that the College could not publish QAA's report as it was produced for OfS;
- all colleges offering HE must comply with OfS regulations and faced significant financial consequences if conditions were breached. The Board noted that OfS risks would be reviewed by the HE Quality and Standards Sub-Committee going forward.

The Chair congratulated management of behalf of the Board for the successful outcome of the Quality and Standards Review.

**Resolved: The Board noted the report QAA: Quality and Standards Review for Providers Registered with the Office for Students report, dated October 2019, and update report.**

#### **14. Risk Management Register and Annual Report**

Mr Nixon presented the Risk Management Register and Annual Report making reference to:

- rewording of two risks: to reflect the importance of planning for the new Education Inspection Framework (EIF) rather than solely focusing on the outcome of the last Ofsted inspection, and the risk of breaching General Data Protection Regulation (GDPR) rather than risks relating to implementation;
- the introduction of a new risk which focused specifically on Brexit. It was noted that whilst Brexit continued to be a watching brief in the short term, it was possible that wider economic uncertainty could lead to employers reconsidering their ability to support apprenticeship programmes.

The Board noted the Risk Management Register and Annual Report.

**Resolved: The Board noted the Risk Management Register and Annual Report.**

#### **15. The Annual Corporate Self-Assessment Report 2018/19**

Mr Noblett, Vice Principal - Curriculum Delivery and Planning, presented the Annual Self-Assessment Report (SAR) 2018/19, making reference to:

- the SAR had been produced during a transitional period as the new EIF embedded;
- the Quality and Standards Committee had supported the proposed change in provisional grade for Apprenticeships from 'Requires Improvement' to 'Good' and in making this recommendation the Committee had considered improved learner achievement and improved quality and delivery;
- Quality and Standards Committee members had also provided feedback in writing on Leadership and Management which had been incorporated into the SAR.

The Board discussed the SAR with management and discussed how the College validated its SAR grades. In response to whether an external perspective would be useful the Board noted:

- in addition to scrutiny by the Quality and Standards Committee and the Board, the College also conducted deep dives into subject areas;
- the Vice Principal Quality, Teaching, Learning and Learner Support, had been invited to peer review the SAR of a neighbouring college and the College would ask another college to peer review its SAR;
- use of external consultants in some Schools;
- the College's participation in local quality networks.
- discussions with the Education and Skills Funding Agency (ESFA) on the College's provision, including some outstanding elements, had provided further external validation to College management.

Following discussion, the governors were assured that the SAR had been sufficiently validated and commented positively on progress made, particularly in improving apprenticeship provision.

**Resolved: The Board endorsed the Corporate Self-Assessment Report and its indicative grades.**

## **16. Governance Matters**

The Clerk referred to her Governance Matters report.

### **a) Board and Committee Membership**

The Board noted the current Board membership and Term of Office and Committee membership.

The Clerk reported that Mrs Mason would be unable to attend Corporation meetings until c. September 2020 for personal reasons. It was noted that, under the Corporation's Instrument and Articles, a board member could not be absent from meetings of the Corporation for a period longer than six consecutive months without the permission of the Corporation Board. The Board approved Mrs Mason's absence until c. September 2020.

The Clerk outlined the succession planning activities and timetable for recruitment of a new governor. It was noted that most recruitment activities would be launched in January 2020. In order for the new governor to be able to attend the March Board meeting, the Board agreed it would approve the appointment of a new governor in writing ahead of the next Board meeting, should a suitable candidate be identified and recommended by the Search and Governance Committee between meetings.

The Board approved the draft governor role portrait which would be used in communications to promote the governor vacancy. Members were asked to contact the Clerk if they had any further suggestions. It was noted that a governor person specification would also be developed.

### **b) Induction Year Reviews**

The Clerk reported that the Search and Governance Committee had completed Induction Year Reviews for Ms Jones, Ms Williams and Mrs Mason. She reported that the Search and Governance Committee had agreed that Ms Jones, Ms Williams and Mrs Mason had completed a successful induction year and recommended they should be appointed for a further term, i.e. to continue to serve their four year term. The Board noted the report which outlined their Board and Committee attendance, training completed in 2018/19 and other activities during their first year on the Board.

The Board approved Induction Year Reviews for Ms Jones, Ms Williams and Mrs Mason.

*Ms Jones left the meeting for the discussion of her Induction Year Review.*

### **c) Governance Codes**

#### **i) The AoC Code of Good Governance for English Colleges**

The Clerk outlined plans for a working group to assess the AoC Code of Good Governance for English Colleges and propose rag ratings. The Clerk asked members to contact her if they were interested in joining the working group.

## **ii) AoC Senior Post Holder Remuneration Code**

The Clerk reported that the Search and Governance Committee had recommended, in principle, that the Board should adopt the AoC Senior Post Holder Remuneration Code (SPH Code) and the Clerk should continue to develop the draft documentation required.

The Clerk outlined the main tasks required for the College to adopt the Code including:

- stating how the College met the principles in which the College 'must' and 'should' comply in order to abide by the SPH Code;
- establishing a Remuneration Committee;
- establishing a policy on SPH income derived from external activities;
- developing a more detailed annual statement on SPH remuneration.

The Board noted that it would review and approve any draft documentation and policies. Following discussion, the Board noted that, if it adopted the SPH Code, it would not necessarily need to comply with every element but would need to explain why it had taken an alternative approach.

The Board agreed in principle that it should adopt the AoC Senior Post Holder Remuneration Code and the Clerk should progress the drafting of appropriate documentation for review by the Search and Governance Committee ahead of review by the Board.

## **iii) UK Corporate Governance Code 2018**

The Clerk referred to her report on the UK Corporate Governance Code 2018 which came into effect in January 2019. The Clerk explained that whilst the Board had adopted the AoC Code of Good Governance for English Colleges, it also had regard for the UK Corporate Governance Code insofar as it was applicable to the further education sector. She referred to her report which outlined the changes to the UK Corporate Governance Code.

The Clerk also drew members' attention to the FRC's Guidance on the Corporate Governance Code, which was available to download from the Training section of the Governors' Portal, as it included useful questions which Boards and committees could ask management.

## **d) Review of Bournville Investigation Report**

The Board noted the Audit Committee and Search and Governance Committee had considered the report of the Bournville Investigation report.

## **e) Whistleblowing – annual report**

The Clerk reported that, as per the Whistleblowing Policy and Procedure, she should report annually to the Board on whistleblowing disclosures. She reported that the Whistleblowing Policy and Procedure had not been invoked since she had joined the College as Clerk to the Board on 26 February 2019 and she had not been made aware of any historic disclosures.

The Clerk also reported that the Resources Committee had approved a revised Whistleblowing Policy and Procedure at their meeting on 28 November 2019 which had been renamed as Whistleblowing Policy and Procedure for Speaking Out and was available on the Governors' Portal. She outlined the rationale for the changes made.

In response to queries the Clerk confirmed that communications were planned to highlight to stakeholders that the Whistleblowing Policy and Procedure for Speaking Out had been revised and to also highlight her role as the key contact for whistleblowing. During discussion it was noted that students, employees and others stakeholders could contact the Clerk, the Chair of the Corporation or the Chair of the Audit Committee with whistleblowing disclosures.

**f) Strategic Planning event – 30 January 2020**

The Board noted the suggested themes for the strategic planning event suggested by the Search and Governance Committee were: impact of Brexit on FE colleges; College brand and reputation and challenges faced by staff due to a more diverse student body. The Board agreed that the Clerk could progress arrangements for the Strategic Planning event.

**g) Governors' Question Time – 4 December 2019**

The Board noted the report on the Governors' Question Time event which had been discussed earlier in the meeting.

**h) Trust in the Boardroom**

The Clerk referred to a report entitled 'Trust in the Boardroom' which had been produced by RSM, the College's internal auditors on governance best practice. It was noted that the Audit Committee had considered the report and requested that it was distributed to all governors for information. The Board noted that the report was in the Training section of the Governors' Portal.

**Resolved: The Board:**

- **noted the current Board membership and Term of Office and Committee membership;**
- **approved Induction Year Reviews for Ms Jones, Ms Williams and Mrs Mason;**
- **approved absence of Mrs Mason from the Board and committees until c. September 2020;**
- **noted succession planning activities and timetable for the recruitment of a new governor and agreed it would approve the appointment of a new governor in writing, should a suitable candidate be recommended by the Search and Governance Committee ahead of the next Board meeting;**
- **approved the governor role portrait;**
- **noted plans for working group to assess the AoC Code of Good Governance for English Colleges and propose rag ratings;**

- agreed in principle to adopt the AoC Senior Post Holder Remuneration Code pending development of appropriate policies and documentation;
- noted an update on the publication of the UK Corporate Governance Code 2018;
- noted the Audit Committee and Search and Governance Committee had considered the report of the Bournville Investigation report;
- noted that the Clerk had not received any whistleblowing disclosures since she joined the College in 26 February 2019 and had not been made aware of any historic disclosures;
- noted the suggested themes for the strategic planning event and agreed the Clerk could progress arrangements.
- noted an update on the Governors' Question Time event;
- noted RSM's 'Trust in the Boardroom' report.

**Actions: Members to contact the Clerk if they were interested in joining the working group to assess the AoC Code of Good Governance for English Colleges.**

#### **17. Education and Skills Funding Agency Financial Health letter**

Mr Nixon referred to his report on the correspondence from Adrian Brook, Deputy Director – Assurance Provider Market Oversight at the ESFA, dated 23 October 2019. Making reference to:

- financial health from 2018/19 was assessed by the ESFA as “Good” based on the College’s submission;
- a financial dashboard compiled by ESFA from the information that the College and other colleges had submitted, which could be used by the Board to review performance.

The Board noted that the method and timing by which the ESFA collected data would change from 2020 onwards. In order to meet the new ESFA deadlines the Board agreed to hold an additional Board meeting on Thursday 27 February 2020, starting at 5:30pm. The Clerk undertook to update the meeting schedule and distribute to members.

**Resolved: The Board noted the report, correspondence from ESFA and dashboard and agreed to hold an additional Board meeting on Thursday 27 February 2020.**

**Actions: The Clerk to update the meeting schedule and distribute to members.**

#### **18. Office for Students – Compliance with regulatory deadlines**

Mr Nixon presented his report on OfS – Compliance with Regulatory Deadlines, making reference to:

- correspondence from Susan Lapworth, Director of Competition and Registration at OfS, dated 21 October 2019, entitled Compliance with Regulatory Deadlines: reminder for governing bodies;
- areas of non-compliance which applied to the College, the reasons for this and mitigating action taken;
- clarification that the College had actually responded to OfS with action taken to ensure future compliance by 9 August 2019 and the OfS had been informed of this.

The Board discussed the report and OfS correspondence and noted the risks associated with non-compliance with OfS regulatory deadlines. The Board agreed that minute extracts of the discussion could be sent to OfS to confirm that the Board had discussed the correspondence.

**Resolved: The Board:**

- **noted the report and correspondence from OfS;**
- **agreed the proposed actions outlined in the report;**
- **authorised that minute extracts of the discussion could be sent to OfS.**

**19. Date of next Board meeting**

The Board noted that the next Board meeting would be held on 27 February 2020.

The Chair recorded thanks on behalf of the Board to the Executive Leadership Team and College staff for all their hard work in the autumn term and recorded best wishes for Christmas and New Year.

The Chief Executive and Principal recorded thanks to governors for their time and commitment and wished them well for Christmas and New Year.

The Chair of Audit Committee reported that all governors were invited to attend an Audit Committee session with finance colleagues which would take place on 11 March 2020. The Clerk undertook to email governors with further details.

*The meeting closed at 7.05pm*