

## Preston's College

### Abridged/ redacted<sup>1</sup> Minutes of the Board Meeting held on 17 October 2019 at 5:30pm in the Board Room at Preston's College

#### Present:

Mr J Boydell	Chair
Dr E Smith	Principal and Chief Executive
Mr S Browne	
Mr M Collard	
Mr M Driver	
Ms J Garcia	
Mr S Edwards	
Mr J Jepson	
Ms J Jones	
Cllr J Mein	
Mr D Patel	
Mr T Readett	
Mr J Taylor	
Ms K Williams	
Mr J Wilson	

#### In attendance:

Ms M Haworth	Vice Principal Quality, Teaching, Learning and Learner Support
Mr S Nixon	Executive Director Resources
Mrs C Rayner	Clerk to the Board
Ms G Thornton	Head of Human Resources

#### Apologies:

Mr E Bassa	
Ms L Hornsby	
Mrs L Mason	
Mr M Noblett	Vice Principal Curriculum Delivery & Planning

#### 1. Welcome and Apologies

The Chair welcomed everyone in attendance to the meeting, noted all apologies received and welcomed Cllr Mein to her first meeting.

It was noted that a quorum was present.

#### 2. Declarations of Interest

Mr Driver declared an interest in agenda item 11; the Board's consideration of his re-appointment.

#### 3. Minutes of the previous Board meeting

The Board considered the minutes of the meeting on 11 July 2019 (part 1 and part 2) and agreed the minutes as a correct record.

**Resolved: The Board approved the minutes from the previous Board meeting on 11 July 2019 (part 1 and part 2).**

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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.

#### **4. Matters Arising**

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

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

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

- the College had progressed to stage 2 for the AoC Beacon Award: RCU Support for Students Award and the finalists would be announced in November;
- the College had been sample selected for a funding assurance audit for the 2018/19 year which had now been completed.

The Board noted correspondence to College Principals/Chair of Governors from:

- Lord Agnew Parliamentary Under-Secretary of State for the Schools System and Richard Atkins CBE, Further Education Commissioner, dated 4 October 2019. It was noted Lord Agnew had retained his ministerial role for schools and had been given further responsibilities in respect of FE and Skills;
- Eileen Milner, Chief Executive, Education and Skills Funding Agency, dated 4 October 2019, regarding subcontracting the delivery of education and training using ESFA post-16 funds.

The Principal and Chief Executive, Dr Smith, and the Vice Principal Quality, Teaching, Learning and Learner Support, Ms Haworth, shared their reflections on the recent OfS Quality and Standards Review (QSR) on the College's HE provision.

During discussion, the Board noted:

- the QSR was very new and the College had been one of the first colleges to be reviewed;
- the College had submitted 287 pieces of evidence and over 200 pieces of marked work over three days;
- the College's experience had been discussed with the OfS and the Association of Colleges (AoC);
- the outcome of the review would provide a judgement as to whether the College met the Conditions for Registration and was expected on Friday 25 October 2019;
- the experiences of a staff governor who had participated in the review;
- significant senior management time required during the review;
- consideration would be given to allocating dedicated management resources, other than members of the Executive Leadership Team, to act as review co-ordinator for future reviews, particularly as the Vice Principal Quality, Teaching, Learning and Learner Support, as the 'designated sponsor', had been unable to contribute during QSR meetings.

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

## 6. Draft Outturn 2018/19

Mr Nixon, Executive Director Resources, updated the Board on two separate ongoing audit processes. Members noted that:

- the Annual financial statements audit, undertaken by KPMG commenced on Monday 7th October 2019, with most field work expected to be completed in two weeks;
- the funding assurance audit, undertaken on behalf of Education and Skills Funding Agency (ESFA) by Mazars commenced on 16th September 2019, with a number of follow up visits;
- any recommendations from the audits would be reviewed by the Audit Committee.

Mr Nixon presented a report on the Draft Outturn 2018/19 making reference to:

- the draft outturn operating surplus. However, this could change depending on the outcome of the funding assurance audit. It was noted that cost savings had contributed to the improved financial position;
- pension adjustments were required to public sector pension schemes following the McCloud adjustments;
- the Local Governance Pension Scheme was fully funded. However, 1-2-1 meetings would be held to consider future payments;
- the Regularity Self Assessment Questionnaire, included in the report, would be sent to KPMG as part of the Audit process.

In response to questions from governors on the report the Board:

- noted the approximate materiality set by KPMG, which would be confirmed at the next meeting;
- agreed to explore whether the Financial Regulations should include a requirement for Board approval for redundancy payments, or other severance payments such as settlement agreements, to staff which were over a specified amount.

### **Resolved: The Board:**

- **noted the draft outturn position, subject to both funding and financial statements audits;**
- **noted the Regularity Self Assessment Questionnaire to be provided to KPMG, which would be signed on behalf of the Board by the Chair and Principal.**

**Actions - To explore whether the Financial Regulations should include a requirement for Board approval for redundancy payments/ severance payments to staff over a specified amount.**

## 7. Capital Budget Outturn 2018/19 and Budget 2019/20

Mr Nixon, Executive Director Resources, presented a report on the Capital Budget Outturn 2018/19 and Budget 2019. Mr Nixon made reference to:

- capital budget expenditure in 2018/19 and the rationale for underspend due to the planned investment in IT during 2019/20;
- the Board had approved the capital allocation budget for the new IT strategy by written resolution in August 2019; ;
- an update on the ongoing implementation of the new IT system with a further update at the Board meeting in December.

**Resolved: The Board noted the Capital Budget Outturn 2018/19 and Budget 2019/20 report.**

## **8. Curriculum and Quality Update**

Ms Haworth, Vice Principal Quality, Teaching, Learning and Learner Support, presented a report on Curriculum and Quality. Ms Haworth made reference to:

- there was a change to the reporting structures this year for Classroom-based learning, with Non-Regulated Learning Aims being removed from Qualification Achievement Records (QAR) data, which would potentially affect achievement rates nationally;
- on overall positive outcome, with anticipation that the College's overall achievement rate for 16-18 study programme, including non-regulated aims and utilising the new reporting methodology, would be 87% compared to 2017/18 of 87.5% and the National Average of 82.1%;
- for Adult provision College learners performed well in 2018/19. It was expected that the overall achievement rate would be 92%, falling in-line with performance in 2017/18. The forecast would reduce to 89.5% when removing nonregulated aims, but again this creates a favourable comparative position when measuring against 2017/18 outcomes of 87.76% and the National Average of 88.3%;
- the College continued to recognise apprenticeship provision as a key area for improvement, and continued to promote positive change in improving the management, delivery and monitoring of provision. In terms of learner achievement, a small improvement from 70% to 71% would be achieved in 2018/19. It was noted that this outcome represented another step forward and would move the College to over 3% above the National Average (67.3% QAR). However, the drive for further improvement continued;
- there would be a reduction in achievement rates for 19-23 year old apprentices, predominantly due to the impact of the JTL partnership;
- an improving trend in maths and English GCSE results, particularly English;
- initial reflections on the new Education Inspection Framework (EIF).

Mr Nixon reported:

- early indications for student recruitment in 2019/20, as per the email issued to the Board on 3 September 2019,;
- the current the attrition rate.

Management responded to questions and comments from governors on:

- given Ofsted had identified apprenticeships as a key area of improvement, how the College had sought to improve the apprenticeship learner experience. During discussion

it was noted that many apprenticeships went into employment rather than progressed their studies;

- how the College implemented positive interventions for students.

During discussion, governors commented positively on the improved performance of the College in 2018/19 both quantitatively and qualitatively and noted:

- the decline in student numbers had stabilised and could further increase in future years as the demographic percentage of 16 – 18 year olds increased;
- changes made in the Schools approach had yielded positive impact in year which was expected to continue to improve in future years;
- there would continue to be a watching brief on HE numbers and a focus on HE recruitment. However, many learners had been signposted to Higher Apprenticeships, where it was considered more appropriate, which affected student numbers;.
- an update on student loan provision.

Governors requested the inclusion of the following data for future reports:

- upper quartile national averages to provide the Board with context;
- actual numbers year on year to allow for 'at a glance' comparison.

**Resolved: The Board noted the Curriculum and Quality Update.**

**Actions: The Board agreed that future reports should include:**

- **upper quartile national averages to provide the Board with context;**
- **actual numbers year on year for comparison.**

## **9. Five Year Strategic Plan**

Dr Smith, Principal and Chief Executive, introduced the re-designed Five Year Strategic Plan which included headline deliverables and impact measures, including RAG rating for risks. It was noted that the Board and committees would continue to monitor progress through use of KPI reports and comprehensive qualitative reports.

The Board considered the new format of the Five Year Strategic Plan report and agreed it would be very useful in reviewing progress.

Members discussed with management how the Five Year Plan reflected the objectives required for the College to achieve 'outstanding' at the next Ofsted inspection. Members noted that, as inspections take place nationally against the EIF, ELT and the Board would develop a clearer view of the requirements to achieve 'outstanding.'

Members suggested that the plan should include more narrative on the EIF requirements and, as the EIF embedded, it should be adjusted to include deliverables and milestones required to achieve an Ofsted Grade 1. A governor suggested a spider web diagram might help with scenario planning.

**Resolved: The Board:**

- **Noted the progress of the Five Year Plan;**

- Reviewed the format of the new report and agreed the milestones and impact measures;
- Agreed more narrative should be included on the requirements of the new EIF and, as inspections took place nationally, to add deliverables and milestones required to achieve 'outstanding' at the next Ofsted inspection.

## 10. Risk Management Register

Mr Nixon presented a report on the Risk Management Register, dated October 2019. Mr Nixon made reference to:

- the introduction of a new risk on Brexit, specifically indirect risks such as employers reconsidering their ability to support apprenticeship programmes;
- the removal of three risks related to recruitment, the workforce and implementation of GDPR;

Mr Nixon explained that, whilst there were still some risks attached to these issues, they were no longer felt to be significant enough to merit inclusion on a corporate risk register and would instead be addressed through specific departmental plans.

Following discussion with management, it was agreed that:

- whilst the risk to adequately implement General Data Protection Regulation (GDPR) was not required, there were other potential risks related to GDPR, and, given the potential for huge fines by the Information Commissioner's Office, a more general GPR risk should be introduced;
- consideration of a risk relating to the move to the new EIF and related costs;
- the Audit Committee would review Risk 9 - Pressure on funding limits non levy earning potential.

It was noted that the Audit Committee would review changes to the Risk Register.

**Resolved: the Board noted the Risk Management Register, dated October 2019, and that the Audit Committee would review changes to the Risk Register.**

## 11. Governance Matters

The Clerk presented her report on Governance Matters. She referred to:

- the Search and Governance Committee would review the Skills and Experience Audit at their next meeting and asked any members who had not yet completed the audit to do so;
- a report on Board membership and Terms of Office, dated October 2019. She reported that the University of Derby had proposed that Helen Boulton join the Quality and Standards Committee and HE Sub-Committee following the resignation of Dr Carr;
- forthcoming training and development opportunities for governors outlined in the report.

The Board:

- noted an update on Committee membership and the recommendation of the Search and Governance Committee that Cllr Mein should join the Audit Committee. The Board approved the appointment of Cllr Mein to the Audit Committee;

- approved arrangements for the appointment/election of student governor/s to enable student governors to attend the next meeting of the Quality and Standards Committee ahead of the December Board meeting;
- noted the recommendation of the Search and Governance Committee that Mr Driver be reappointed for a second four year term and a report which outlined Mr Driver's Board and Committee attendance, his appointment as Chair of the Audit Committee in June 2019, training completed in 2018/19 and other activities he had been involved in whilst a member of the Board. The Board approved the re-appointment of Mr Driver for a term of four years; *(Mr Driver left the meeting for discussion of this item)*
- noted plans for a review of the approval routes for the College's policy and procedures alongside the review of the Committee Terms of Reference which was scheduled for early 2020. The Board approved a proposal for the review and approval of the Admissions Policy to be delegated to the Quality and Standards Committee in the interim.

The Board discussed with management ways to encourage and engage student governors going forward. The following suggestions were made:

- governors could act as mentors to student governors. Ms Garcia, staff governor, volunteered to support the new student governors;
- pre-briefings to be held prior to meetings to go through the Board / committee packs with governors;
- student tailored packs provided to student governors alongside full papers;
- governors could attend future Student Council meetings to talk to students about the work of the Governing Body and its committees and answer questions from students.

During discussion the Board noted:

- that the Clerk had attended two meetings of the Student Council to discuss the opportunity to stand for election as student governor and ensure that students had a good understanding of the role and the commitment involved;
- the Clerk's commitment to supporting the new student governors. She welcomed offers by other governors to support students prior to and during Board and committee meetings;
- student governors would be encouraged to attend internal and external training and external events where they would have the opportunity to meet other student governors;
- as detailed in the report, a Question Time event would be held on 4 December 2019 at which students could meet governors and ask questions. Members were asked to contact the Clerk if they were able to participate.

**Resolved: The Board:**

- **noted the current Board membership, Terms of Office and committee membership including that Ms Boulton would join the Quality and Standards Committee and HE Sub-Committee as the representative from the University of Derby;**

- approved the appointment of Cllr Mein to the Board the Audit Committee;
- approved the re-appointment of Mr Driver to the Board for a second term of four years;
- approved arrangements for the appointment of student governor/s in order for them to be invited to attend the Quality and Standards Committee meeting in November 2019;
- delegated the review and approval of the Admissions Policy to the Quality and Standards Committee.

**Actions:**

- The Clerk to progress suggestions to support student governors;
- Members to contact the Clerk if they were able to attend the Governors' Question Time event on Wednesday 4 December 2019.

**12. Board Forward Work Programme 2019/20 and Internal Audit Plan 2019/20**

**a) Draft Board Forward Work Programme 2019/20**

The Clerk outlined the draft Board Forward Work Programme 2019/20 making reference to:

- further details of pre-board training and development sessions would be added to the Forward Work Programme following the Search and Governance Committee's review of the training and development plan;
- the December Board meeting would include a session with scholarship students;
- governance milestones and targets would be added to the Five Year Plan following completion of the Board's review of the College's compliance with the AoC Code of Good Governance for English Colleges and Board and Committee evaluations.

The Board approved the Board Forward Work Programme.

**b) Internal Audit Plan for 2019/20**

The Board approved the Internal Audit Plan for 2019/20.

**Resolved: The Board approved the Board Forward Work Programme 2019/20 and the Internal Audit Plan 2019/20.**

**13. Board Evaluation – Draft Board Effectiveness Review**

The Clerk referred to ongoing reviews of effectiveness by committees. The Board considered and approved the draft Board Effectiveness review template. It was noted that the template would be issued as an electronic survey and the outcomes would be considered by the Board at the next Board meeting.

**Resolved: the Board approved the draft Board Effectiveness template.**

**Action: The Clerk to issue the survey for completion by governors ahead of the next Board meeting.**

**14. Date of next Board meeting**

The Board noted that the next Board meeting would be held on 12 December 2019.