

Preston College

Redacted and Abridged¹ Minutes of the Board Meeting held on 12 December 2024 at 5.30pm, Boardroom

Present:

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|---------------------------|-------------------------------|
| Mr Jose Sedano-Martinez | Chair |
| Mr Simon Nixon | Principal and Chief Executive |
| Mr Steve Browne | |
| Mrs Helen Curtis | |
| Mr Neil Fletcher | |
| Mr Malcolm Goulding | |
| Mrs Janet Harrison | |
| Ms Joanne Jones | |
| Mrs Sally Little | |
| Miss Marya Momand | Until Minute 14 |
| Miss Amanda Morey | |
| Mr Robert Marshall-Slater | Remote (Zoom) |
| Mrs Lynda Mason | |
| Mrs Jen Walters | |
| Mrs Andrea Willimott | |

Absent:

Mrs Jane Hilton
Mrs Laura Mason

In attendance:

| | |
|----------------------|--|
| Mr Mark Airey | Executive Director of Finance |
| Ms Giulia D'Ambrosio | Observer |
| Ms Marie Haworth | Vice Principal - Quality, Teaching, Learning and Learner Support |
| Ms Sue Hutchinson | Partner, Beever and Struthers (from Minute 7 to Minute 8) |
| Mr Mick Noblett | Vice Principal - Curriculum Delivery and Planning |
| Mrs Clare Rayner | Clerk to the Board |
| Mr Iain Stott | Vice Principal - Corporate Services |

Part 1 (a)

1. Welcome and apologies

The Chair welcomed everyone to the meeting. The Chair welcomed Mrs Andrea Willimott to her first Board meeting.

The Chair welcomed Ms Giulia D'Ambrosio as an observer to this meeting and explained that the Board would be asked to approve Ms D'Ambrosio's appointment to the Board as the new staff governor (academic) 2024- 2026 later in the meeting.

The Board noted that apologies had been received from Mrs Jane Hilton and Mrs Laura Mason.

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

It was noted that a quorum was present.

The Clerk reported that this would have been Mrs Jane Hilton's last meeting and read an email to the Board from Mrs Hilton thanking the Board and management for their support. The Board recorded thanks to Mrs Hilton for her contribution to the Board during her two year tenure as staff governor (Academic).

The Clerk reported that unfortunately no applications had been received for Student Governor HE or FE for 2024/25. She reported that the Quality and Standards Committee had considered some changes to the student governor constituencies and election process which would be considered by the Board at its next meeting.

2. Declarations of Interest

The Board noted the interests of:

- Mrs Helen Curtis, Mr Neil Fletcher and Mrs Janet Harrison in Item 15 Report of the Chair of the Quality and Standards Committee which included the appointment of link governors;
- Ms Giulia D'Ambrosio in part of Item 21 Governance Matters which included her appointment of staff governor (Academic).

It was noted that it was unnecessary for members to leave the meeting for these items.

3. Minutes of the previous meeting

A member highlighted a typographic error in Minute 6. It was agreed that the achievement rate for 2023/24 should be corrected to 90.8%. With this amendment the Board approved the Minutes of the Board meetings held on 17 October 2024 as a correct record.

Resolved: With the amendment agreed the minutes of the Board meeting held on 17 October 2024 were agreed and signed as a correct record.

4. Matters arising

The Board noted the report on progress of actions from previous meetings. The Clerk reported that some target dates had been moved to 2025, for example, the Board template would continue to be reviewed and adjusted during 2024/25.

Resolved: The Board noted the report on progress of actions from previous meetings.

5. Report on Decisions Between Meetings

The Clerk referred to her report on decisions taken and information sent between meetings. The Clerk:

- reported that the Pay Strategy 2024/25 had been approved by written resolution;
- reported that that the College seal had been applied to the HM Land Registry which had been approved by the Board on 18 September 2024;

- referred members to the report on items over £100k approved by the previous Chair of the Governing Body during 2023/24 and reported that this information would be shared annually with the Board going forward;
- highlighted other information sent to members between meetings.

The Principal and Chief Executive reported that following negotiations with the unions, the pay award for 2024/25 had been agreed. He reported that the pay award had been well received by staff and that, as agreed, the Board would consider the second part of the pay award in 2025.

The Principal and Chief Executive recorded thanks to the Board.

The Board noted the report.

Resolved: The Board noted the report on decisions taken and information sent between meetings.

6. Principal and Chief Executive's Report

The Principal and Chief Executive presented his Principal and Chief Executive's Report. The Executive Leadership Team reported:

- on positive enrolment for all provision and in particular that the College might recruit student numbers above the Education and Skills Funding Agency (ESFA) contract level if the College recruited 10% more students than contracted over the remainder of the academic year it might receive significant additional funding;
- on the College's Self Assessment Report (SAR) for 2023/24 which had been well received at the Quality and Standards Committee and would be reviewed later in the meeting;
- on the College's financial performance for 2023/24 with a significant level of surplus achieved and the benefits for the College;
- that for many years the FE sector had lobbied governments to provide assurance to pension schemes that if a college was in difficulty the government would intervene. It had been announced at the Association of Colleges (AoC) Conference on 12/13 November 2024 that the government would provide this assurance going forward. He explained that the College's contribution to the pension scheme would reduce as a result of this announcement;
- on changes to the way the College would record attendance going forward to enable the College to be able to more accurately benchmark with national attendance results and other colleges;
- that the Quality and Standards Committee would continue to monitor the College's approach to monitoring and improving attendance;

- the government recognised the importance of FE and skills and had announced that further education would receive an additional £300 million in revenue. However, further details were yet to be announced of how this would be distributed;
- the government's rapid review of qualifications had been published and a small number of national qualifications, with less than 100 students enrolled nationally, had been defunded.

The Board discussed the report with the Executive Leadership Team (ELT). In response to queries and comments from members, the Board noted:

- ongoing discussions with employers on the impact of the apprenticeship wage and the minimum wage increases;
- BaE delivered its own apprenticeship training due to its bespoke technical requirements;
- the College had held apprenticeship market share following Covid whilst most colleges were continuing to reporting difficulties in recruiting apprenticeships;
- the reasons apprenticeship numbers had increased including improved demographics, improved College reputation, student progression, increased engagement activity and because the College recruited throughout the year;
- the importance of capturing the reasons for success and that in light of progress made, the importance of the Board making sure the College's strategic plan remained fit for purpose and sufficiently ambitious. It was noted that the Board had a strategic planning meeting in 2025;
- the excellent work and results of the College in 2023/24 and to date in 2024/25.

The Board noted the report.

Resolved: The Board noted the Principal and Chief Executive's Report.

Ms Sue Hutchinson joined the meeting.

7. Report of the Chair of the Audit and Risk Committee

The Chair welcomed Ms Sue Hutchinson, Partner - Beaver and Struthers, to the meeting.

Mrs Sally Little, Chair of the Audit and Risk Committee, referred members to the draft minutes of the Audit and Risk Committee on 20 November 2024, at Appendix A, and reported that:

- the Committee had recorded thanks to management and staff on the College's financial performance in 2023/24;

- the Committee had agreed its Audit and Risk Committee Annual Report 2023/24 and could confirm that all audit work had been completed, with the exception of going concern which could not be finalised until the point of the auditors signing the accounts.

Mrs Little recorded thanks to the Principal and Chief Executive and the Executive Director of Finance and staff for their work on the financial statements.

The Board noted the draft minutes of the Audit and Risk Committee on 20 November 2024, at Appendix A, the Report of Audit and Risk Committee 2023/24 at Appendix B and approved the proposed changes to the risk register at Appendix C.

The Board accepted the Annual Report of the Audit and Risk Committee 2023/24 as a source of assurance.

Resolved: The Board:

- **noted the report and the draft Minutes of the meeting on 20 November 2024, at Appendix A;**
- **noted the Audit and Risk Committee Annual Report 2023/24 at Appendix B;**
- **noted that the Audit and Risk Committee had approved its Annual Audit and Risk Committee Report 2023/24, at Appendix B, and that all audit work had been completed and that the Board accepted the Annual Report of the Audit and Risk Committee 2023/24 as a source of assurance;**
- **approved the changes to the Risk Register at Appendix C.**

8. Financial Statements and Management Letter

Mr Mark Airey, Executive Director of Finance, referred members to the Draft Preston College Financial Statements 2023/24 at Appendix A and reported that:

- the draft financial statements 2023/24 had been reviewed by the Audit and Risk Committee and Resources Committee and recommended to the Board for approval;
- that the external audit had been completed and there were no audit recommendations;
- that, with the inclusion of the Local Government Pension Scheme (LGPS), the College had recorded surplus of £1.6 million;
- the ESFA reconciliation statement had been received by the College and whilst the final outturn was slightly higher than the financial statements, this was not material and no changes were required to the financial statements.

Ms Hutchinson referred members to the Draft Management Letters at Appendix B, the Letter of Representation at Appendix C and D.

Ms Hutchinson reported:

- that a low level recommendation had been made on the Individual Learner Record;

- that all activity had been completed and the going concern would remain ongoing until the point the auditors signed the accounts;
- on the additional paragraph added to the management letter which had been discussed earlier in the meeting;
- that the auditors could give an unmodified opinion on the accounts and the regularity audit.

Ms Hutchinson recorded thanks to the finance team at the College for their assistance during the external audit process.

The Board noted the Regularity Self-assessment Questionnaire 2023/24, at Appendix E, which had been signed by the Chair of the Governing Body.

The Board approved the Financial Statements 2023/24 and authorised the Chair to sign the letters of representation on behalf of the Board.

On behalf of the Board the Chair of the Governing Body recorded thanks to Ms Hutchinson and her colleagues and to Mr Airey and his team for their work on the external audit.

Resolved: The Board:

- **approved the Financial Statements 2023/24;**
- **authorised the Chair to sign the letters of representation on behalf of the Board.**

Ms Hutchinson left the meeting.

9. Strategic Plan Progress

The Principal and Chief Executive referred members to the Strategic Plan Progress report. He reported that ELT had reviewed the reporting to the Board on progress against the strategic plan at its away day and that an alternative report format, which included KPIs from Resources, Quality and Standards and other measures and metrics, would be developed for review at the next meeting.

The Board noted the report.

Resolved: The Board noted the Strategic Plan Progress report.

10. Health and Safety Annual Report 2023/24

Mr Stott presented the Health and Safety Annual Report 2023/24. He reported:

- that the report had been considered by the Audit and Risk Committee and Resources Committee;
- the Board had approved the General Statement of Intent at its meeting on 4 July 2024;

- there had been no Reporting of Injuries, Diseases and Dangerous Occurrences Regulations incidents (RIDDOR) during 2023/24;
- near misses had reduced by one compared to 2022/23.

A member commented that whilst the reduction in near misses at the College compared to the previous year was marginal, the overall number of near misses appeared low for an organisation the size of the College and that reporting of near misses by both staff and students was good practice and indicative of a healthy culture. Management discussed initiatives that had been introduced to make reporting of new misses easier and other options being considered.

A member also suggested providing reports to all staff on actions that had been taken as a result of near miss reports in a similar way to the College already provided in response to suggestions from Staff Voice meetings.

Following discussion, management undertook to review communications on near miss reporting and agreed to highlight to staff the importance of reporting near misses at the next Staff Development Day in January 2025 and in future ELT briefings.

The Board noted the report.

Resolved: The Board noted the Health and Safety Annual Report 2023/24.

Action: Management to highlight to staff on the importance of reporting near misses at the next Staff Development Day and ELT briefing and to review communications of near miss reporting.

11. Report of the Chair of the Resources Committee

The Chair of the Governing Body gave a verbal report of the Resources Committee meeting held on 28 November 2024 which he had chaired as the Chair of the Committee had joined remotely. He reported that, as already discussed, the Committee had reviewed the draft financial statements 2023/24 and the Health and Safety report 2023/24. He reported that the Committee had reviewed the draft Freedom of Information Policy at Appendix B and the Reserves Policy at Appendix C and recommended the policies to the Board for approval.

In response to a query, it was noted that changes would be made to the next set of management accounts to enable the Committee and the Board to monitor underlying cash reserves with the capital growth funding removed.

The Board approved the Freedom of Information Policy and the Reserves Policy.

Resolved: The Board approved the:

- **Freedom of Information Policy**
- **Reserves Policy.**

12. Procurement Strategy

Mr Airey presented the Procurement Strategy report. He reported that:

- the draft strategy had been reviewed by the Resources Committee and the Audit and Risk Committee;
- management had been waiting for the Procurement Act 2023 to come into law before proposing the final version to the Board for approval. However, due to the change in government, this had been delayed until February 2025 and therefore the decision had been taken to ask the Board to approve the version of the Procurement Strategy at Appendix A;
- further amendments might be required in 2025.

The Board approved the strategy.

Resolved: The Board approved the Procurement Strategy.

13. Period 3 Management Accounts

Mr Airey presented the Period 3 Management Accounts. He reported:

- that whilst Period 3 was early in the financial year, the accounts showed an initial indicator of performance 2024/25;
- that government funding for 16-18 students was capped;
- on savings made to date that had helped fund the increased pay award;
- that the management accounts now included an additional tab on financial health;
- that, as discussed earlier in the meeting, the next set of management accounts would include two lines of on cash balance so the Board could monitor the College's underlying cash balance;
- on the budgeted surplus for 2024/25, which was considered achievable.

The Principal and Chief Executive reported that whilst in previous years the College had moved between ESFA "good" and "satisfactory" the College was now a much stronger "good." Mr Airey outlined the reasons that the College had outperformed the budgeted surplus for 2023/24. The Board discussed with management the importance of a realistic but conservative surplus balance.

The Board discussed the report with the ELT. In response to queries and comments from members, the Board noted:

- the response from regulators if colleges either didn't meet or exceeded budgeted surplus. It was noted that unless colleges were rated inadequate and were being closely monitored, colleges were not assessed at this level of detail;
- catering had made a surplus in 2023/24 and to date in 2024/25. However, it was important to maintain a careful balance when setting food prices as students would

often cite College food prices as an issue. The Board also noted that increasing the Foundation Living Wage disproportionately impacted the costs of the catering provision, compared to other College departments, as a higher proportion of staff were on lower wages. The Board noted that keeping services such as cleaning and catering in house, rather than outsourcing as many colleges did, had other benefits, including improvements in the quality of the catering service.

The Board noted the Period 3 Management Accounts, at Appendix A, the Commentary at Appendix B and the Key Performance Indicators Report dashboards at Appendix C.

Resolved: The Board noted the Period 3 Management Accounts.

14. Telephony Replacement

Mr Stott presented his Telephony Replacement report.

Following discussion, management undertook to provide a revised report.

The Board noted that later in the meeting, the Board would be asked to agree that an additional Board meeting be held on 23 January 2025 alongside the strategy meeting and that a revised report could be considered at this meeting. The Board approved the proposed approach.

Miss Momand left the meeting.

Action: Management to provide a revised report.

15. Report of the Chair of the Quality and Standards Committee

The Clerk gave a verbal report of the Quality and Standards Committee meeting held on 21 November 2024. The Clerk highlighted that:

- the Committee had reviewed the College's SAR 2023/24 at its last two meetings had provided feedback to management including a suggestion to review the language in the SAR to better highlight the College's strengths and achievements;
- the Committee was fully supportive of the revised grading in the SAR which reflected the progress of the College since the Ofsted inspection in 2023;
- the Committee had agreed that the supportive culture of the College and engagement of staff and students was evident in the teaching, learning and assessment report;
- the Committee had been pleased to note the outcomes of the EDI Student Review;
- the Committee had reviewed detailed data on student attendance.

The Clerk reported that the Committee had agreed to recommend to the Board:

- the appointment of Mrs Helen Curtis as Safeguarding and Prevent Link Governor;
- appointment of Mrs Laura Mason as Careers Link Governor;
- the appointment of Mr Neil Fletcher and Mrs Janet Harrison as Curriculum and Skills Link Governors.

The Board noted the report and the draft minutes from 10 October 2024 and approved the recommended appointments.

Resolved The Board:

- noted the Minutes of the meeting on 10 October 2024 (Appendix A);
- approved the appointment of Mrs Helen Curtis as Safeguarding and Prevent Link Governor;
- approved the appointment of Mrs Laura Mason as Careers Link Governor;
- approved the appointment of Mr Neil Fletcher and Mrs Janet Harrison as Curriculum and Skills Link Governors.

16. Self Assessment Report 2023/24

Mr Noblett referred members to the Self Assessment Report (SAR) 2023/24. He reported:

- that the College SAR had been developed from School SARs and had been reviewed by the Quality and Standards Committee at its two previous meetings;
- on key areas of strength and areas for improvement which had been identified;
- on the recommendation that “Provision for students with high needs” and “Adult learning programmes” were graded as “1” “Outstanding;”

A member commented positively on the proposed increased grades, particularly for Provision for students with high needs, which reflected the excellent support provided to students by College staff.

In response to a query, Mr Noblett explained that the figures in brackets in the SAR related to growth in numbers compared to the previous year.

The Principal and Chief Executive recorded thanks to Ms Haworth and Mr Noblett and teams for their work in producing the SAR.

The Board approved the SAR 2023/24.

Resolved: The Board approved the Self Assessment Report 2023/24.

17. Quality Improvement Plan Close-down 2023/24

Mr Noblett presented the Quality Improvement Plan (QIP) Close-down 2023/24 report. He reported that actions identified during the Ofsted inspection had been integrated into the report and completed and the QIP for 2024/25 was under development.

In response to a query, the Board noted that the risk referred in the report was a potential risk if the Board did not monitor the QIP as during an Ofsted inspection, inspectors would look for evidence of robust monitoring of College performance.

The Board noted the report.

Resolved: The Board noted the Quality Improvement Plan Close-down 2023/24

18. Higher Education Update

Mr Noblett presented the Higher Education Update report. He reported:

- on the role of the College as a founding member of the Lancashire and Cumbria Institute of Technology;
- on the strong results of HE students at the College 2023/24;
- that Mrs Curtis had volunteered to support the College's work on the HE Annual Review.

Following discussion, management undertook to update the table in the next report to identify which courses were HNC courses.

The Board noted the report.

Resolved: The Board noted the report.

Action: To label the HNC courses in the next report.

19. Any other business - Valediction

As this was Lynda Mason's, Vice Chair of the Governing Body's, last meeting before her retirement, the Chair recorded thanks to the Vice Chair on behalf of the Governing Body and the College for her valuable contribution and difference she had made at the College for six years as a governor, Vice Chair of the Governing Body, Safeguarding and Prevent Link Governor and member of a number of College committees.

The Principal and Chief Executive recorded thanks to Mrs Mason for her contribution to the College and in particular, for her advice and support to the management team.

The Clerk recorded her thanks to the Vice Chair for her support to her as Clerk to the Board.

Mrs Mason thanked the Board and management for their best wishes and commented that she was proud of the College which had an amazing management team, Board and staff and wished everyone well for the future.

On behalf of the Board, the Chair wished everyone a happy Christmas.

Mr Airey, Ms Haworth, Mr Stott and Mr Noblett left the meeting.

Part 1 (b)

20. Report of the Chair of the Search and Governance Committee

The Clerk referred members to the draft minutes of the Search and Governance Committee meeting held on 11 November 2024. She reported that the interviews for the independent governor roles had been postponed until the new year to allow time for the Committee to interview all 12 candidates. She explained that the postponement of the Search and

Governance Committee meeting had delayed the implementation of some actions from the External Governance Review Action Plan which would be completed in the next meeting cycle.

The Board noted the report and the draft minutes of the Search and Governance Committee meeting held on 11 November 2024.

Resolved: The Board noted the report and the draft minutes of the Search and Governance Committee meeting held on 11 November 2024.

21. Governance Matters

The Clerk reported:

- that the notes from the Deep Dive Session on 30 October 2024 were available in the Additional Reading area of the Governors' Portal;
- on a request for the Board to hold a short Board meeting alongside the strategy meeting on 23 January 2023 to consider the Senior Post Holder Remuneration Committee Annual Report and Statement and any other urgent matters as agreed by the Chair of the Governing Body;
- that an election had been held for Staff Governor (Academic) and Ms Giulia D'Ambrosio had been elected by academic staff;
- that following Mrs Mason's retirement the College would not have a Vice Chair of the Governing Body. The Clerk asked members to contact her or the Chair of the Governing Body if they were interested in being appointed to this role.

The Board noted the report and agreed an additional Board meeting could be held on 23 January 2025.

The Board approved the appointment of Ms Giulia D'Ambrosio as Staff Governor (Academic) 2024 – 26 to the Board from 16 December 2024.

Resolved: The Board noted the Governance Matters report and:

- **approved the appointment of Giulia D'Ambrosio as Staff Governor (Academic) 2024-26**
- **agreed that a Board meeting could be held on 23 January 2025 alongside the strategic planning meeting.**

Action: Independent governors to contact her or the Chair of the Governing Body if they were interested in being appointed as Vice Chair of the Governing Body.

18. Date of next meeting

The Board noted that the next meeting would be held on 23 January 2025.