

<p style="text-align: center;">MINUTES OF THE BOARD OF GOVERNORS MEETING HELD ON WEDNESDAY 23RD OCTOBER 2024</p>
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Present: Ali Amirkhalili, Gary Baines, Gill Banks (Principal), Simon Wrigley (staff governor), Paul Gaskell, Karen Lowe, Debbie Wilkinson, Ian Evans (staff governor), Paul Smith, Penny Haughan (Chair), Phil Vickerman

In attendance: Christine Carter, Vice Principal – Curriculum
Phil Jones, Vice-Principal – Quality & Student Experience
Kevin Williams, Vice Principal – Finance, MIS & Estates
Lesley Venables, Governance Professional

APOLOGIES FOR ABSENCE

- 1 Apologies for absence were received from Jo Henney. The absence of Lucky Ali was noted.

DECLARATIONS OF INTEREST

- 2 Paul Smith declared a standing interest in relation to his employment by Wirral Metropolitan Borough Council and his spouse being a member of staff at the College.

MINUTES

- 3 **Resolved -** That the minutes of the meeting held on 8th July 2024 (Parts 1 and 2) be approved as a correct record and signed by the Chair

MATTERS ARISING

- 4 Governors received for information a progress report on actions arising from the previous meeting and noted that these were either under development or featured on the agenda.
- 5 In relation to minute 130 the Principal reported that development of the data dashboard had been delayed due to changes in senior staff.
- 6 Draft Sustainability and Change strategies (minute 170) would be submitted to the March 2025 Finance & Resources Committee meeting for recommendation to the Board. A detailed Estates Strategy would be submitted for approval at the Board's May 2025 meeting.

PRINCIPAL'S UPDATE

- 7 The Principal reported that predicted outcomes were 84.9% overall, which was a 3.3% increase on 2022/2023 and 0.7% above the National Rate. There had been an improvement at all levels and ages compared to the previous academic year.
- 8 Tracking and monitoring of progress had been an area for improvement throughout 2023/2024, particularly at Level 2 and Level 3 and it was noted that pass rates were 1% below the National Rate but 3.7% higher than in 2022/2023.

- 9 Governors were reminded that there had been legacy issues in Functional Skills and that management had previously decided that students could not continue into the next academic year. Consequently, approximately 150 adults had not achieved their qualifications in 2023/2024, but the College now had a realistic baseline.
- 10 Achievement levels for apprenticeships had improved by 10% compared to 2022/2023.
- 11 A GCSE awarding body (Pearson) had decided to change the grade boundaries for English courses by 11 points, which had impacted on progression and meant that there were 6 to 7 additional classes of students undertaking these qualifications for 2024/2025. The College had decided that it would use an alternative awarding body for English GCSEs from 2025/26.
- 12 Management was reviewing enrolment processes for the whole year, particularly for adult courses that had different start points. Recruitment on adult programmes had been lower than anticipated and in the past the College had not focused sufficiently on the financial value of these students. Trends were being examined to inform future planning decisions.
- 13 Enrolments on higher education programmes was 175 against a target of 197. apprenticeship enrolments were on target.
- 14 Governors were advised that a significant number of local 16-18s opted to study at City of Liverpool or Cheshire South & West Colleges and the challenge for college was to plan to retain more students on the Wirral.
- 15 It was noted that the St Helens Chamber of Commerce had been placed in liquidation and that responsibility for the Local Skills Improvement Plan had now been assumed by the Liverpool Chamber.
- 16 Nationally the Association of Colleges had written to the new Chancellor of the Exchequer, outlining a number of requests from the imminent Budget – support for a staff pay award in line with that provided to schools, VAT relief and 16-18 growth funding, together with a submission on skills development.
- 17 The proposals for the reform of Level 3 provision had been paused by the Government. The Department for Education would be assuming the responsibilities of the Education & Skills Funding Agency from 1st April 2025.
- 18 The Association of Colleges had made a recommendation for a national pay award of 2.5%. This compared to 5.5% for the school sector. The College's budget for 2024/2025 included an allocation of 3% for this purpose.
- 19 A flexible careers event had been held recently to attract skilled and experienced individuals into teaching. The College was one of 12 institutions nationally to be participating in a Powerful Pedagogy initiative. Three students had recently been successful in the Mission Zero Challenge.
- 20 The Chair thanked the Principal for the report and commented that the actions taken by the management team were deliberate and evidence-based, which provided a strong foundation for further success.

CHAIR'S UPDATE

- 21 Governors received a verbal report on behalf of the Chair on recent activities that she had undertaken, including regular meetings/contact with the Principal and the Governance Professional and attendance at regional networking meetings.

2023/2024 OUTCOMES TO INFORM SELF-ASSESSMENT REPORT

- 22 The Vice-Principal Quality presented the College's outcomes for 2023/2024, which would inform the judgements in the Annual Self-Assessment Report.
- 23 Overall, predicted outcomes were 84.9%, 0.7% above the 22/23 published National Rates (NR), which was a 3.3% point improvement on 2022/2023 and a 2.4% point improvement compared to 2021/2022. A detailed analysis by qualification type, age, level, destinations and protected characteristics was underway to inform Teaching, Learning and Assessment and targeted interventions.
- 24 There had been a 3 year improvement in achievement rates for both 16-18 and adults, which were 81.6% and 88.6% respectively. Retention was 92.5% overall compared to 92.6% in 2022/2023. Governors noted the significant increase in student numbers at Level 1 which had impacted on retention levels.
- 25 In previous years pass rates had been problematic due to poor attendance levels of some students. These had now been withdrawn and rates had improved in 2023/2024. However, Level 1 Maths Functional Skills was a concern as this was difficult for many of the cohort. Overall, pass rates for 2023/2024 were 1% point below the NR but indicated a 3.7% point improvement compared to 2022/2023.
- 26 Governors were informed of the 16-18 areas that had good achievement levels (eg ESOL, Motor Vehicle) and those that were a cause for concern (eg Hair & Beauty, Health & Social Care).
- 27 Adult provision had been heavily dependent on taxi-driving courses to fill any performance gaps in the past. The College had now focused provision on areas that it delivered successfully.
- 28 Performance on GCSE Maths and high grades had improved significantly compared to 2022/2023. It was noted that the issue with the Pearson awarding body on GCSE English had impacted on achievement by 11%, which was 18%. There would be over 300 resits in November 2024.
- 29 A higher proportion of students would be studying GCSEs in 2024/2025 compared to previous years, which would impact on high grades.
- 30 Achievement on apprenticeships had improved by 10% and 9.6% above the National Rate, with more robust tracking and monitoring processes in place.
- 31 Governors congratulated the management team on these outcomes, which were a substantial achievement compared to 2022/2023.

STRATEGIC OBJECTIVES AND KPIs 2024/2025

- 32 Following the Board's approval of the 2024-2027 Strategic Plan in July 2024 the Senior Leadership Team had now devised a draft set of Strategic Objectives and associated KPIs for consideration by governors.
- 33 The Principal advised that a monitoring report on performance would be presented to the Board at the first meeting following end of term December, March and July. The Monitoring Plan also included a reference to the Accountability Agreement actions for 2024/2025 to enable governors to assess progress against each of these.
- 34 The next stage of development would be performance dashboards for both financial and quality indicators. These would be received at each meeting of the Finance & Resources and Quality & Standards Scrutiny Committees.
- 35 **Resolved –** That the Strategic Objectives and KPIs be approved

MANAGEMENT ACCOUNTS

- 36 Governors received for information the Management Accounts to July 2024. The College continued to be assessed as having 'Outstanding' financial health. The surplus at the year end was £2,577K, which was £1,759K higher than budgeted, mainly due to an adjustment on the Local Government Pension Scheme.
- 37 Income for 2023/2024 had increased by £2,057K and pay was £1,181K lower than anticipated but non-pay expenditure was £1,479K higher due to additional facilities, estates and IT costs and examination fees.

HEALTH & SAFETY POLICY

- 38 The Vice-Principal Finance & Resources presented a revised Health & Safety Policy for 2024/2025. This had been updated to reflect changes to job titles and some of the responsibilities for monitoring and recording of special equipment maintenance.
- 39 A governor sought assurance that staff job descriptions had been updated in line with the new policy, which the Vice-Principal would check. The risk assessment and implementation plan would also be amended to include dealing with infectious diseases.
- 40 Resolved - That, subject to some minor amendments, the Health & Safety Policy for 2024/2025 be approved.

GOVERNANCE & SEARCH COMMITTEE

- 41 The Chair of the Governance & Search Committee presented the draft minutes of the meeting held on 24th September 2024.
- 42 The Committee had considered the annual governance report, which included

information on membership changes during 2023/2024 and set out a series of priorities for 2024/2025. Further actions had been identified in the External Governance Review, progress against which would be monitored by the Committee.

- 43 Data on attendance levels had been received and the Committee had recommended a target of 85% for 2024/2025, rising to 90% in future years.
- 44 It had been agreed that draft dates for Board and committee meetings for 2025/2026 would be submitted for approval at the December 2024 Board meeting, to allow governors maximum time to assess their availability and for any changes to be made to the final schedule.
- 45 Proposals had been discussed for some amendments to the College's Instrument & Articles of Government. The draft documents would now be reviewed by Eversheds and any comments would be built into the final draft. The proposed changes included increasing the number of student governors from 1 currently to 2 from 2025/2026. A student governor mentoring programme would be put in place to support both individuals in their role.
- 46 The Committee had considered the composition, governance structure and succession planning issues.
- 47 Proposals for the re-classification of confidential minutes had been received and recommended for approval.
- 48 Resolved - That the following be approved:
 - a) Action plan for External Governance Review
 - b) Proposals for re-classification of confidential minutes

QUALITY & STANDARDS SCRUTINY COMMITTEE

- 49 The Chair of the Quality & Standards Scrutiny Committee presented a verbal report on the meeting held on 26th September 2024.
- 50 Good levels of achievement had been evidenced on HE programmes, but there had been a slight decrease in enrolments for 2024/2025 (as reported under an earlier agenda item). Some scores on the National Student Survey had fallen compared to previous years but the impact of relatively low numbers of students had been noted. Further work would be undertaken on this and reported to a future meeting,
- 51 Teaching, Learning & Assessment had been given a high priority, with new TLA coaches appointed and a focus on pedagogy and addressing inconsistent lesson observation profile. The aim was for all areas to be 'good or better' by the end of the academic year.
- 52 The Committee had received a report on predicted outcomes, which were positive for 16-18 and 19+, exceeding the national rates and performance in the previous academic year. There were good levels of retention.
- 53 Maths GCSE outcomes were 5% above the national rate. English was lower but there was still a good proportion of high grades. Apprenticeships English & Maths performance was 16.5% higher than the national rate overall.

- 54 Governors had received a presentation on the Aspiring Professionals' Programme, which was valued by young people and provided an accelerated pathway to Level 2 courses, building resilience and confidence levels.
- 55 Curriculum planning had commenced much earlier in 2024/2025 and the approach was integrated with business planning.
- 56 A detailed report on complaints was received, which enabled governors and management to identify any trends and initiative any interventions.
- 57 Enrolments for 2024/2025 had increased for 16-18s and T Levels, with Adult Social Fund and Apprenticeships on track to meet the profiled target.

FINANCE & RESOURCES COMMITTEE

- 58 The Chair of the Finance & Resources Committee gave a verbal report on the meeting held on 9th October 2024.
- 59 As reported earlier, the submission of the Estates/Climate Change/sustainability Strategy had been deferred from December 2024 to Mar 2025. Governors had noted the lack of investment in the estate (CCTV, cleanliness etc), environmental health issues in kitchens and the fact that no preparatory work had been undertaken on the capital grant awarded by the ESFA (£7.7m). There was a deficit of relevant data to support estate management and future plans, such as an asset register and room utilisation, all of which are being worked on by staff.
- 60 The Committee had discussed draft terms of reference (included in the papers) for a separate Capital Transformation Working Group to oversee the £7.7m development. It was proposed that this would report directly to the Board, as the latter was responsible for the overall spend on the advice of the F&R Committee.
- 61 The terms of reference provide a robust level of scrutiny, whilst also ensuring that The project can proceed at a suitable pace, due to the delegation of authority from the Board to the Working Group and to its Chair. It was agreed that any variations to budget over 3% would be reported to the Board.
- 62 The Committee had considered a proposal for the replacement of the College's CCTV system, using monies previously allocated for another project which will be funded from the College's resources. As this exceeded the authority limits of the Principal within the Financial Regulations, the Board was asked to approve this item.
- 63 There had been several security incidents at the TQ and WW campuses this term, which was reflected across the FE sector. This related to a minority of students pushing the boundaries of behaviour rules. There were plans to introduce electronic entry cards at each campus in the future.
- 64 Fire drills would be undertaken on each campus before the Christmas break. In response to a question about lockdown procedures the Vice-Principal reported that these were not fit for purpose and would be revamped as part of a Disaster Recovery Plan.
- 65 The Management Accounts to July 2024 had been discussed, noting that the College

continues to have 'outstanding' financial health and no debts. Income had increased by £3.8m in 2022/2023 partly due to the uplift in funding received from the DfE, most of which had been spent on the 7.5% pay award to staff for 2022/2023.

- 66 Work had already been undertaken on efficiencies particularly in relation to the staff/income ratio which was high compared to accepted benchmarks. Contribution rates, staff and room utilisation were now being controlled in a more systematic manner. Curriculum and financial planning were integrated, rather than separate as in the past.
- 67 A paper on debt write-offs had been received. This was for £82.5K and mainly related to laptops loaned to students in previous years which had not been returned after students' courses finished. There was now a more robust user agreement and follow-up process. Applications for student bursaries were not as consistent as they should be, but the process required modernisation, better communication with students and managers more accountable.
- 68 Governors had received a report on performance against a number of HR KPIs and noted the following:
- Sickness absence 5.92% (4.72% in 2022/2023) - benchmark of 3%
Turnover 19.4% (17.625 in 2022/2023) – benchmark 18%. One of the main issues here was pay, which should now improve as salary levels had been increased to make them more competitive.
- 69 The main challenges were the attraction and retention of high-quality staff (particularly in specialist areas such as Engineering and Computing, which was a sector-wide issue), some tough decisions required on the structure of delivery to address employer skills needs and the lack of any additional monies from the Government to fund a pay award for 2024/2025. There were also some legacy pay issues to be dealt with.
- 70 Benchmarking information on the gender pay gap report would be included in future versions and used to drive the action plan.
- 71 Recruitment decisions needed to be properly informed with appropriate justifications and a review of the grading, which would provide greater consistency and impact on future gender pay levels.
- 72 It was anticipated that all contracts for the Towns Fund would be signed by the end of November 2024. A total of 39% of the total grant had been spent to date, with a deadline of March 2025 for the remainder.

CAPITAL PROJECTS FUNDING FRAMEWORK

- 73 The Vice-Principal Finance & Resources presented a report on the proposed Funding Framework for Capital Projects. Based on a previous condition survey, the College had been allocated £7.7m by the DfE, which needed to be spent by 31st March 2026.
- 74 Additionally, the College had formally committed £3m of its reserves as match funding for the necessary capital works; bringing the initial value of the capital commitment to £10.75m in total.

- 75 A total of 5 capital works were included within the Capital Transformational projects: three at Twelve Quays, one at Conway Park and one at Hamilton Square. An analysis of the initial funding framework was provided to the Board and it was noted that the College's match funding would not be subject to the same delivery deadline as the DfE monies.
- 76 A number of the capital transformational projects will create new/related works (e.g. cost of removing the HE Block and creating new parking/landscaping as well as a need to create a new entrance at Twelve Quays). Governors received a full list of additional capital projects that would require funding from the College's own resources at a cost of approximately £3m (these were indicative and had not yet been tested).
- 77 In constructing an affordable funding framework, the Vice Principal Finance & Resources had reviewed the potential revenue budgetary pressures and the College's future cash/liquidity position. At the end of July 2024 the College's cash balance was c£23m and was forecast to reduce to c£12m at the end of July 2027 (i.e. post capital transformation projects).
- 78 Governors were advised that approving the full list of additional capital projects (c£3.3m) would reduce the estimated cash balance at end of July 2027 to c£8.7m (to repeat previous comment).
- 79 The Board also received information on the revenue projections, which indicated net cost pressures of c£334k to the end of 2025/2026 and a recurrent c£228k in subsequent years, which was felt to be a prudent assessment, which would result in a cash balance of c£8.4m at July 2027. This was still considered to be a strong cash balance for an FE college, particularly as the College had no debt.
- 80 The projects outlined would require robust governance oversight, as set out in the terms of reference presented under an earlier agenda item. Two of the projects had particularly tight completion dates, which would require governance to be agile and adaptive to the position at that time.
- 81 Resolved - That the following be approved:
- a) £6.3m contribution to the projects outlined above from the College's own resources
 - b) the proposed funding framework for the Capital Transformational works and related capital projects.
 - c) Terms of reference for the Capital Transformation Working Group

PURCHASE OF CCTV CAMERAS AND LICENCES

- 82 As outlined under an earlier agenda item, the College's CCTV equipment and software required replacement. The Financial Regulations required approval by the Chair of the Board for expenditure over £150K, however, this would exceed that amount and, consequently, approval was being sought from the Board. The total cost was £233K over a 10 year licence period and it was intended to use the remaining balance of the FE Capital Reclassification Grant (£251K) to purchase this item.

- 83 Resolved - That the purchase of new CCTV equipment and software as outlined in the report be approved

AUDIT COMMITTEE

- 84 The Chair of the Audit Committee gave a verbal report on the meeting held on 16th October 2024.
- 85 One Internal Audit report was received on the IT Security Controls Review, with detailed discussion and a high level of challenge on IT Security Controls review. A total of 5 recommendations had been identified, 1 of which was graded as 'high' priority, 2 of which were graded as 'medium' priority and 2 as 'low' priority.
- 86 There had been different perspectives between management and the Internal Auditors on the grading of this area of provision. Whilst the former's views had been taken into account, RSM were experts within this area, particularly given the large number of clients with which they dealt in the FE and public sectors. The Principal added that there needed to be an element of proportionality to the recommendations arising from this review.
- 87 One of the recommendations had been to draft a Cyber Security Risk Appetite Statement which was submitted for approval by the Board.
- 88 The Committee had also recommended the Regularity Self-Assessment Questionnaire for 2023/2024, which formed part of the assurance framework when the Board considered the annual Financial Statements.
- 89 Ongoing improvements in the risk management process were noted. An anti-fraud assessment for 2023/2024 was received for information.
- 90 Enhancements to the College's Whistleblowing Policy were suggested to make it more accessible to potential users. A revised version would be submitted to the March Committee meeting for recommendation to the Board.
- 91 **Resolved** – That the following items be approved:
- a) Cyber Security Risk Appetite Statement be approved
 - b) Regularity Self-Assessment Questionnaire 2023/2024

DATE OF NEXT MEETING

18th December 2024 4.30 p.m.



SIGNED

23rd January 2025

CHAIR