

MINUTES

Corporation Meeting No 182

Date: 24/09/2024 (Tuesday)

Time: 18:00–20:00

Venue: Rural Business Centre

Committee: Corporation

Present: Allison Jones, Andrew Massey, Debbie Clayton, Jane Booker (Chair), Karen Dewhurst, Robert Wallace, Robin Newton-Syms, Simon Gerrard, Sue Collinge.

Attending: Damian Stewart (Deputy Principal), Joanne Sherrington (Vice Principal) and John Wherry (Deputy Principal)

Clerks: Ron Matthews (Clerk)

Public Minutes

Item number:
(and category)

Item description:

84.24

Decision

Attendance of College Management

Standing Order 13 states that: As a matter of policy all meetings of the Corporation and its Committees will be held in private. The agendas, minutes and supporting papers of its public business will be made available to the general public. However: (a) The Principal shall be authorised to invite members of staff to attend in their employed capacity for both public and confidential business as appropriate and in accordance with Standing Order 25. (b) The Corporation may exclude members of staff from attending any business that it deems necessary. (c) Attendance by other persons shall be at the discretion of the Corporation following advice from the Principal or Clerk.

Resolved: That Management attend for the public, confidential and strictly confidential agenda items.

85.24

Record

Apologies for Absence

Apologies had been received from Karen Dewhurst, Barbara Godby, David Hall, Richard Morris, Kath Townsley and Wes Johnson, Principal. Tyler Cockerill was not present.

86.24

Record

Declarations of Interest

There were no declarations of interest made in respect of items on the public agenda.

87.24

Decision

Independent Board Review

The Corporation considered the Independent Board Review final report undertaken by Elton D'Souza on behalf of the AoC. Elton attended the meeting remotely and delivered a presentation outlining his findings from the review which included seven recommendations. The College was required to publish that the review had been undertaken on both the College website and within the narrative of the annual accounts. Following questions from Governors it was

Resolved: That the Board Review report be accepted and Elton be thanked for his approach and diligence in the production of the report.

88.24

Decision

Minutes of Previous Meetings

The public minutes of meeting number 181 held on Tuesday 2 July 2024 and published on the extranet were agreed and signed as a true and correct record of the meeting.

89.24 *Opening Remarks of the Chair*

Decision The Chair reported that she had been kept informed of national developments by attending video conferences with the North West Principals and Chairs Group. In addition she had attended Croxteth and Preston Awards events and been involved in the appraisals of both the Principal and Clerk. She had also met with the relevant officers in her role as Safeguarding Link Governor.

Resolved: That the report be received.

90.24 *Proposed Diary Change*

Decision The Association of Colleges Annual Conference 2024 was to be held in Birmingham on 12 and 13 November 2024 to which the Principal and Chair would normally attend. The first day of the Conference Tuesday 12 November, clashed with the evening session of Governor training, which would be considering the draft of the College Self-Assessment Report. Both the Chair and Principal were keen to attend the training so it was proposed to 'swap' the Audit and Governance Committee from Tuesday 5 November to Tuesday 12 November which would allow the training to take place on the evening of Tuesday 5 November.

Resolved: That the meeting of the Audit and Governance Committee be moved from 5 November 2024 to 12 November and the Governor training be moved from 12 November 2024 to 5 November.

91.24 *Governor Engagement Programme*

Decision The Deputy Principal, Education, circulated a schedule for a curriculum planning event arranged for the afternoon of 17 October 2024 and for a full day on Friday 18 October 2024. Individual departments were presenting their proposals throughout the two days and Governors were invited to attend at any point on either day.

Resolved: That the invitation be noted.

92.24 *Report of the Finance & Resources Committee of 11 September 2024*

Decision The Corporation considered the report of the Finance and Resources Committee of 11 September 2024.

MATTERS FOR THE INFORMATION OF THE CORPORATION

i) Election of Chair and Vice-Chair of the Finance and Resources Committee for 2024/2025

The Committee reappointed Sue Collinge as Chair and Karen Dewhurst as Vice-Chair for the 2024/2025 academic year.

ii) Strategic Plan Progress Report

The Principal introduced the item by indicating that the Committee needed to facilitate the KPIs that Governors would wish to see reported on in the future. This would also aid the development of the Strategic Plan for 2024/2025.

The Vice Principal outlined the five most relevant financial indicators as follows:

Strategic KPI's	Target	2023-24 Actual	2024-25 Budget	2025-26 Budget	2026-27 Budget
Adj Opg Surplus	>1%		0.5%	0.5%	0.5%
Pay costs as a % of Income	<57%	57%	58%	58%	58%
Productivity					
Income/FTE (> avge Landex figure)	>£77k	£68k			
No of students per FTE (FE & HE) (> avge Landex figure)	>8	6			
Cash Days in Hand	>31 days	140 days	129 days	107 days	119 days
Financial Rating	Good	Good	Good	Good	Good

The Deputy Principal, Resources, indicated that it was proving more difficult to identify KPIs for the areas of Human Resources, Health & Safety and the Farm. He was exploring any benchmarking information via Landex to assist with the process.

The Committee agreed the financial KPIs and noted the ongoing work to identify the KPIs for Human Resources, health & Safety and the Farm.

iii) Financial Position Statement including Income and Expenditure, Investment Funds and Interest, Capital and Revenue Cash Flow, Ventures and Capital Expenditure for Period Ended 31 July 2024

The Committee received the above regular report on the various aspects of the College finances for the period ended 31 July 2024. The report was presented by the Director of Finance who pointed out that it was a first draft which did not include the year-end adjustments and reconciliations which would be presented in the final audited Financial Statements as at 31 July 2024.

The accounts at the current time showed a loss of £68k, prior to FRS102 pension costs, which was £83k behind the control budget. Pay costs were 57% of income and financial health was 'Good'.

The farm was showing a loss of £405k against a forecast loss of £247k and a programmed budget loss of £99k. The report outlined some of the reasons behind the increased losses.

Apprenticeship income was behind control budget. However, the team was confident of reaching forecast.

Whilst significant cost savings continued to be implemented, current forecasts would achieve a small surplus when the final accounts were confirmed. Overall, College income was £38.14m against a control budget of £36.7m. Cash balances at the period-end remained strong at £14.466m with cash days at 140 days remaining very strong.

The accounts continued to meet the FE Commissioner's financial benchmarks and it was confirmed that the College remained a Going Concern.

On a positive note:

- Delivery of devolved funding in Liverpool was strong;
- Commercial income was robust;
- Negotiations with the trade union were concluded;
- The balance sheet remained strong.

Attached appendices 9a to 9f were reports from Mercer Actuaries who had undertaken an independent actuary review of the LGPS pension fund available to support staff.

The approved capital expenditure for the year was £3.886m with £2.040m being brought forward from monies unspent in 2022/2023. An in-year allocation of £172k had been agreed with £122k grant funding and £50k of College funds, plus LSFI monies of £95k making a total of £6,193m. Underspend for the year was £2,154m which would be carried forward into 2024/2025.

Following questions the Committee received the reports and confirmed that at this stage the College would appear to be a 'Going Concern'.

A copy of the Financial Statements Report, and appendices, as at 31 July 2024 are attached for the information of the Committee.

iv) External Audit Regularity Questionnaire

The Committee considered the above questionnaire and the responses provided by the College. The document would be used as the basis for the Regularity Audit by the Independent Auditors. It was required to be signed by the Chair of Corporation and the Accounting Officer in advance of the reporting of the audit in compliance with the Post 16 Audit Code of Practice.

The Committee noted the responses to the questionnaire and authorised the Chair and Accounting Officer to sign the document.

v) Review of the College Value for Money Statement

The Vice Principal presented a report on a review of the College Value for Money Policy. The report included details of the savings achieved during the last twelve months.

The Deputy Principal, Resources confirmed that the College used a broker for such elements as energy to ensure that the best possible prices were obtained.

The Committee approved the report.

vi) Strategic Risk Register

The Committee considered the Strategic Risk Report as at September 2024 presented by the Vice Principal.

Included in the report were references to the risk appetite statement, risk assessment framework and risk heat map. The report identified the top five risks for the College although their priority had changed since the last meeting.

These were as follows:

- Failure to deliver Quality Improvement and achieve successful outcomes at OFSTED;
- Reputational Damage;
- Failure to deliver financial stability that supports strategic objectives;
- Breakdown of Myerscough/UCLan and other Partnerships;
- Technological (IT) Failure / Loss of data. Failure of Cyber Security control measures.

The Committee received the report.

vii) Review of the Subcontracting Policy and Procedure, Including Supply Chain Fees and Charges

The Committee considered the report of the Vice Principal on a review of the Subcontracting Policy and Procedure Including Supply Chain Fees and Charges

The aim of the policy was to ensure that all sub-contracted provision was managed effectively and efficiently whilst focusing on quality. Only minor amendments had been made.

The policy governed all sub-contracting within the College. Roles and responsibilities for the College and sub-contractors were clearly defined from the outset of the partnership and all sub-contractors were required to agree and sign both a Contract and Service Level Agreement.

The report also detailed the subcontractors the College would be working with during the 2024/2025 academic year. The College would no longer be working with Pinehurst due to them not meeting the required quality standards. In addition, it had been agreed to enter into a subcontracting arrangement with the Scottish Racing Academy. In summary the programme for 2024/2025 would include Employability Solutions, Groundwork Greater Manchester, Scottish Racing Academy and Siemens Mobility, 116 new start learners in total.

Due to the change in partnerships for 2024/2025 a copy of the report is attached for the information of the Corporation.

The Committee agreed the Subcontracting Policy and Procedure and endorsed the partnership arrangements for 2024/2024.

vi) Review of the Health and Safety Policy

The Committee considered the review of the College Health and Safety Policy.

There were no significant amendments to the policy other than to update contacts and job titles and to include reference to negotiations with the relevant trade unions, otherwise it was judged to remain fit for purpose.

The Committee agreed the revised policy.

viii) Annual Cycle of Business 2024/2025

The Committee approved the annual cycle of business for the coming year.

Resolved: That the report be received.

93.24

Strategic Risk Register

Decision

The Corporation considered the overall Risk Policy developed by the Vice Principal. The policy outlined the approach to the risk appetite statement, the risk assessment framework and the use of the risk heat map. The report also identified the top five risks which remained as previously reported but their order of priority had recently changed. **Resolved: That the risk report be noted and the Risk Policy be agreed.**

94.24

Annual Health & Safety Report

Decision

Corporation considered the Annual Report on Health and Safety for 2023/2024 presented by the Deputy Principal, Resources. The report provided assurance that Myerscough College was discharging its duties relating to the health, safety and welfare of its employees, learners and visitors and that appropriate systems were in place to ensure compliance with the Health & Safety at Work Act and associated regulations.

Resolved: That the Health and Safety report for 2023/2024 be received.

95.24

Annual Farm Report 2023/2024

Decision

Corporation considered the Annual Farm Report for 2023/2024. Members noted Key Strengths:

- Improving performance
- Good engagement with industry through a range of events and activities
- Utilisation of technology to drive improvement
- Promoting agriculture and the College to a wide range of people and potential future students

Areas for development included:

- Overall financial performance
- Further improvements to enterprise performance
- Continuation of cost control measures
- Refine the size and skills of the farm team

The Corporation noted that the farm was forecast to register a loss of £366,222 against a budget provision of £247,445, an increased loss of £118,777. This would need to be confirmed once the final accounts had been processed. Governors sought views on the viability of the farm. The Deputy Principal indicated that farming was changing and was challenging as it was moving away from managing subsidy to becoming environmental land managers. Whilst this may be a contentious issue amongst farmers it remains to be seen if the requirement for food becomes important. The report outlined activities over the year including

the development of the remote milking provision. It was stressed that the farm remained a valuable teaching resource.

Resolved: That the Annual Farm Report be received.

96.24

Sustainability Report

Decision

The Corporation considered a report on Streamlined Energy and Carbon Reporting (SECR) for 2022/2023. As a requirement of the FE Climate Action Road Map, on 17 March 2023, Governors had agreed to set a net zero target for 2040. Following on from this decision the report informed the Corporation that a baseline of carbon emissions had now been established working with partners Inenco. The report went on to outline the various elements of this baseline including measures taken to improve the College's energy efficiency. The carbon action plan would seek to drive down emissions by reducing energy consumptions through efficiencies and the increased use of renewable energy.

Resolved: That the report be noted and that an annual report on progress made towards the carbon reduction targets be presented to the Corporation annually.

97.24

Review of the Whistleblowing Policy and Procedure

Decision

The Clerk presented an updated Policy and Procedure in relation to Whistleblowing. There were no major changes to the original documentation. However, there was a recognition from Officers that there was a need to ensure a greater awareness of the policy amongst staff.

Resolved: That the review of the Whistleblowing Policy and Procedure be agreed.

98.24

Cyber Security Update September 2024

Decision

The Corporation considered the report of the Deputy Principal, Resources, on an update of measures taken to ensure the security of the College's IT network.

Much of the current work of IT and MIS had been to update the underlying elements of the virtual estate to enhance cyber security and to drive compliance.

Resolved: That the report be received.

99.24

Annual Report on Human Resources for 2023/2024

Decision

Corporation considered the Human Resources Annual Report for 2023/2024. The report provided a summary of matters reported to the Finance & Resources Committee during the year and included further information and statistics concerning Human Resources over the same period. Staff turnover was 20.80%, an increase of 2.57%, from 19.23% in 2022/2023. A total of 131 employees left the organisation in 2023/2024

an increase of 3 compared to the previous year. The average working days lost to sickness was 10.63 compared to 6.45 for last year with a 4.09 (2.48) lost time percentage. The number of vacancies advertised was a challenging 305 compared with 245 in 2022/2023, an increase 21.8%, of which 41.5% had to be readvertised. New starters totalled 207 the remaining 98 being readvertised or ongoing. Following questions Corporation noted the strengths, targeted improvements and actions taken. Corporation expressed satisfaction with the report.

Resolved: That the Human Resources Annual Report for 2023/2024 be received.

At 8.00pm, following consideration of the above item, the meeting was terminated due to the lack of a quorum.

