



Northern College

THE BOARD OF GOVERNORS

Minutes of the meeting of the Board of Governors held on **20 March 2024**.

Present: Mark Sanders (Chair), Emma Beal (Principal), Tim Thornton (up to and including Min B24/49), Seb Schmoller, Neil James, Bob Craig, Ann Corrigan, Colin Forrest, Sue Horner, Matt Stephens and Eve Bell (up to and including Min B24/55).

In attendance: The Deputy Principal/Chief Finance Officer (Sue Saunders), the Head of Human Resources (Elin Longley), Vice Principal - Student Experience (Diane Lawson) and the Clerk to the Governors (Sarah Johnson).

Observing: Mike Firth (Department for Education).
Fliss Miller (South Yorkshire Mayoral Combined Authority)

Apologies: Neil Copley and Ray Low.

DECLARATIONS OF INTEREST

B24/3 2 Each governor present declared any potential interests/conflicts of loyalty related to items to be considered at the meeting:

- with respect to his roles as Deputy Vice Chancellor at the University of Huddersfield and HE advisory member of the West Yorkshire Employment and Skills Committee Prof Tim Thornton declared a potential conflict of loyalty in items relating to the College's higher education provision.

It was agreed that no decisions to be taken at the meeting would be affected and it was not necessary for either member to withdraw.

MINUTES AND MATTERS ARISING

B24/3 3 The minutes of the meeting held on 31 January 2024 were approved as an accurate record.

B24/3 4 The Board reviewed the action tracker and agreed that items were either complete/included on the agenda or scheduled for the core meeting of the Board in April 2024 (not March as indicated in the minutes which was an additional meeting). The Board noted that the action regarding amending the College's charitable objects was no longer required due to the change in planned approach to the development of a high needs offer for a younger age group.

GOVERNANCE MATTERS (Document 2i)

- B24/35 The Board considered proposals to amend the governance framework for 2024/25 onwards, noting that:
- the current arrangement had been put in place on a temporary basis due to the challenges faced by the College and an agreed requirement for increased oversight by the Board of Governors;
 - it was proposed that the Audit and Curriculum, Quality and Student Experience Committees remain unchanged, the Remuneration Committee be extended to include oversight of governance and become the Remuneration and Governance Committee, a Finance and Resources Committee be introduced to replace the previous Policy and Finance Committee and the Board of Governors revert to its previous four meetings per academic year;
 - a meeting schedule and terms of reference for the proposed framework were presented for consideration.
- B24/36 The Board:
- explored the appropriateness of the framework to ensure a robust assurance and scrutiny could be achieved in an effective and efficient manner;
 - particularly explored the role of the Board in relation to strategic oversight and ensuring that it retained its own robust agenda, agreeing that the proposed model had worked effectively previously;
 - agreed that appropriate membership of the revised committee framework would be critical.
- B24/37 The Board noted that the report arising from the on-going external review of governance would now be presented by Action Planning at the meeting of the Board on the 24 April 2024.

- Resolved:**
- i That the revised governance framework and terms of reference for the Remuneration and Governance Committee and Finance and Resources Committees be approved with effect from 1 August 2024.**
 - ii That Governors indicate any preferences regarding their membership of committees to the Clerk by 12 April 2024.**
 - iii That a proposal for membership of committees be presented to the Board for approval, and the relevant governance documentation (standing orders, order of business, scheme of delegation) be updated to reflect the revised structure and presented to the Board for approval.**

POLICY AND CONTEXT UPDATE (Document 3i)

- B24/3 8 The Board received an update setting out key developments in the context in which the College was operating, including:
- an update on the development of a revised funding model for residential education, including proposals regarding transitional arrangements for 2024/25;
 - development of the South Yorkshire Skills Strategy;
 - the Barnsley Pathways to work commission;

- the Spring Budget/ Convention of the North and key announcements for the work of the College.

B24/3 The Board particularly:

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- welcomed the partnership and working relationship with SYMCA in the development of the funding methodology for residential education which was being devised with the intention of finding a sustainable future model and provide transition support where appropriate;
- noted the upcoming agenda item regarding the approval of residential rates;
- explored and welcomed the potential opportunities for the College related to Pathways to work Commission.

Resolved: i That no amendment to the College's strategic plan was required as a result of any of the developments reported.

PERFORMANCE TO DATE 2023/24 (Document 3ii)

B24/4 The Board considered a progress report against the College's **key performance indicators** for 2023/24 and **student recruitment to date for 2023/24**, particularly noting that:

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- starts by funding stream were behind target in all areas except adult learner loans and Free Course for Jobs (FCFJ);
- a growth case for FCFJ had now been approved;
- CQSE Committee was undertaking robust monitoring of conversion rates, performance had improved from the previous report and the data collection and analysis methodology was being further developed;
- attendance remained below the 91% target at 87%;
- average class size had increased and was slightly below target.

B24/4 The Board particularly:

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- explored 'no-show' and conversion rates agreeing they were critical indicators of College performance, noting the work being done to further support conversion, recognising the specific needs of the College's cohort and the inevitable variation between different areas of the curriculum offer, exploring the appropriateness of the target and the benchmarking work being undertaken;
- interrogated the data relating to community learning enrolment and the actions being taken to address under recruitment, noting the new curriculum offer being developed, challenges relating to staffing,
- explored targets for March, April and May and how these would be achieved, including new partnership opportunities;
- considered the profile of enrolments compared to previous years, and the changing nature of the adult cohort;
- explored the actions that could be taken by the Board to support achievement of the targets for 2023/24;
- considered whether any changes were required to the relevant strategic risks, agreeing that funding remained the highest risk for the College, along with staffing capacity and achievement of student enrolment targets.

B24/4 The Board considered **management accounts to 31 January 2024**, noting that:

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- the full reforecast undertaken in December 2023 was reflected in the report;
- there was no significant change from the position reported at the last meeting;

- overall, the forecast outturn was at £263k deficit, which was £1k worse than reforecast 1;
- income was £19K higher than reforecast 1;
- EBITDA - the YTD was £31k better than reforecast 1, the full year forecast was a deficit of £195k (4.5% of total income), which was £11k worse than reforecast 1 due to a reduction in Multiply funding;
- opening cash balance was £372k higher than original budget, and YTD cash was £1,239k higher than original budget, and £77k higher than reforecast 1;
- performance against KPIs remained largely in-line with the previous report;
- the trust fund account for capital funds had now been agreed as previously discussed.

B24/4
3 Overall, the Board was relatively assured that the right actions were being taken to ensure that targets were met but agreed that the position was challenging and continued careful monitoring was required.

Resolved: i That the continued focus on effective student recruitment remained critical.

STAFF PULSE CHECK

B24/4
4 The Board received a verbal update regarding the staff voice pulse check undertaken by the College at the request of the Board, in support of the full staff survey undertaken in 2023. It was reported that:

- the focus of the pulse check had been on communications, and in-particular interdepartmental;
- it had been timed to allow for the embedding of changes in the curriculum team;
- there had been a very similar response rate to the full survey;
- responses and comments had been broadly positive regarding communications, and there had been a slight positive increase regarding interdepartmental communications;
- work was on-going with the leadership team, and whilst inter departmental communications remained a thorny issue and the pace of change could be challenging, this was not unusual in the sector, and overall 61% of respondents indicated that interdepartmental communications were good, so a proportionate approach to development was being adopted.

B24/4
5 The Board welcomed the report and supported the approach being adopted by the management team.

Resolved: i That the management approach to the outcome of the staff pulse check be supported.

STRATEGY AND PLANNING (Document 4i)

B24/4
6 The Board considered progress against the College's strategic delivery plan for 2023/24, with a particular focus on areas that were rag rated as red or amber, and:

- noted that good progress was being made overall and welcomed the positioning of the action plan as a live element of the working life of the College;

- explored progress in the establishment of new provision and changes to the curriculum offer, particularly in relation to meeting AEB and Community Learning targets;
- supported the change in actions relating to the higher level skills strategy, noting that the College continued to work through the financial planning relating to its proposed higher level skills strategy which would be considered by the Board at its meeting in April, and explored the progress made by the COSE committee in its consideration of the draft strategy;
- agreed that the action relating to adults with complex barriers programme should remain red;
- noted the on-going work regarding the development of a commercial business plan and use of derelict and under-used parts of the estate, and agreed with its rating of red and the need to pick up the pace of development in this area;
- supported the moving of the actions relating to use of the natural environment to red;
- noted the positive financial savings relating to energy costs;
- noted the positive work being undertaken regarding the College's profile;
- agreed that reference to the College's inclusion in the top 3 for the World Skills EDI award should be included;
- explored the actions regarding digital infrastructure, noting that this related to both infrastructure and capacity, with the aim of leading to developments in both the curriculum offer and modes of delivery.

B24/4 The Board:

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- welcomed the progress reported;
- supported the further actions planned, particularly in relation to those areas that had been moved to a red rating.

B24/4 The Board considered an update against the College's single recovery plan, and:

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- assessed progress made since the last meeting;
- noted that no ratings had been moved either up or down;
- agreed that actions relating to contingency planning needed to be progressed and retained on the Board's radar.

B24/4 The Board agreed that the achievement of the actions in the plan was a key measure of the College's progress and it was essential that the actions were all achieved in a timely manner.

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Resolved: **i That whilst acknowledging that there was further work required, particularly for elements which were rag rated as red where the pace of progress needed to increase, the Board was satisfied with the progress reported against both the strategic delivery plan and single improvement plan, and the further actions outlined.**

RESIDENTIAL RATES (Document 4ii)

B24/5 The Board considered a proposed residential rate per night for provision for 2024/25
0 which was in-line with the DfE requirement as set out in their letter of November 2023,

which required the Board to approve rates on an annual basis. The Board explored the costs included in arriving at the rate proposed and whether they were reasonable and justifiable, and based on relevant and appropriate costs.

B24/5 The Board:

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 - welcomed the detailed work undertaken;
 - recapped the history regarding the review of residential funding and the future expectations of funders;
 - explored the detail of how the costs had been arrived at and the proposed approach to utilising learner support funding;
 - noted that based on the level of growth planned in the current forecast for 2024/25 the average nightly rate would change from £382.02 to £332.09 which assumed a 25% contribution towards indirect costs;
 - noted the impact of this which would be a reduction in anticipated funding of £254,377;
 - noted that the change to the nightly rate would have a negative impact on the operating position for 2024/25 unless other cost savings could be identified, and additional income could be claimed through learner support;
 - noted that the proposal had not yet formally been shared with funders;
 - agreed that the College had undertaken extensive cost saving activity over the previous 3 years, and this had resulted in some capacity challenges, and further costs saving activity would be marginal;
 - explored the potential for using learner support funding, but noting that it was unlikely to achieve the level of income originally expected by funders;
 - explored the need to ensure that there were no audit risks for the College in the way that the funding methodology was formally recorded;
 - noted that the combined authorities had committed to working with the College to ensure that the learner support policy developed was sufficiently robust;
 - clarified the period the rate was being set for, noting that whilst it was annual the rate would be reviewed in-year depending on student numbers and costs.

Resolved: i That the Board approved a residential rate per night of £332.09 for provision for 2024/25 and subject to review and feedback from funders, its use for planning the 2024/25 budget.

RISK MANAGEMENT AND ASSURANCE - KEY STRATEGIC RISKS (Document 4iii)

B24/5 The Board considered the strategic risk register:

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 - recognising that the College's key strategic risks had been explored throughout the meeting, particularly in relation to performance and funding;
 - particularly considering the changes since the last review;
 - explored the workforce risk relating to the appointment of the clerk, noting that interviews were scheduled for the 9 April 2024;
 - noted that in line with the internal audit plan an external provider had been appointed to undertake a funding audit, which would report to the Audit Committee in June 2024;
 - agreed that risk 8 regarding capacity should be fine-tuned to reflect the potential impact on curriculum.

B24/5 The Board agreed that the register was an accurate reflection of the risks faced by the
3 College and the mitigating actions and controls were appropriate.

Resolved: i That with the inclusion of the agreed amends to risk 8 regarding capacity the risk register was an accurate reflection of the risks faced by the College and the mitigating actions and controls were appropriate.

CONFIDENTIAL MINUTES AND MATTERS ARISING

B24/5 The confidential minutes of the meeting held on 31 January 2024 were approved as an
4 accurate record.

B24/5 The Board reviewed the action tracker and noted that both actions were complete.
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CATERING SERVICE (Document 6iii)

B24/5 A separate confidential minute was recorded.
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CONTINGENCY PLANNING

B24/5 A separate confidential minute was recorded.
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STAFFING MATTERS

B24/5 A separate confidential minute was recorded.
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GOVERNANCE MATTERS

B24/5 The Board agreed that the strategic planning session scheduled for 24 April 2024 be
9 rescheduled to better fit the planning timetable.

DATES OF THE NEXT MEETINGS

B24/6 24 April 2024 - 1.00pm
0 22 May 2024 - 1.00pm
28 June 2024 - 1.00pm
17 July 2024 - 1.00pm