

**MINUTES OF SPECIAL CORPORATION MEETING HELD ON 23RD JANUARY 2025
PART ONE**

Members:

Paul Averis
Charlotte Bosworth (Chair)
Barbara Van Der Eecken
Heather Lodge
Mary Mahoney
Alexandru Marina
Stuart Pedley-Smith
Mykola Novnyi
Tony Sadla
Nelson Tanyanyiwa
Graham Ward
Garry Welborn

In Attendance:

Richard Brennan, Assistant Principal Curriculum
Kirsti Lord, Deputy Principal Curriculum, Innovation & Student Success
Jacky Leek, Interim Director of Finance
James Norris, Assistant Principal Adults & Work-Based Learning
Deb Rajania, Director of Operations & Resources
David Turner, Assistant Principal Quality & HE
Lesley Venables, Head of Governance

	CHAIR'S OPENING REMARKS	
200	The Chair welcomed back Heather Lodge following a leave of absence from the Corporation	
	APOLOGIES	
201	Apologies for absence were received from Edward Ng, Jat Sharma and David Wheeler.	
	DECLARATIONS OF INTEREST	
202	There were no declarations of interest in any specific agenda items.	
	LINK GOVERNOR ACTIVITIES	
203	Graham Ward reported that, together with the Head of Governance, he had met recently with the Assistant Principal MIS to discuss the development of the College's risk management process. A data dashboard was being developed for governors, which would be issued on a monthly basis to enable performance to be monitored.	
	FINANCE REPORT	
204	Governors received for information the Management Accounts to 30 th November 2024.	
205	The overall income level was £434K lower than the approved budget due to under-performance in apprenticeships/Adult Skills Fund, Higher Education, Free Courses For Jobs programmes and FE Loans. However, staff costs had decreased compared to the budget as a result of the cautious approach to filling vacancies and the delay/deferment of recruitment for non-critical posts.	
206	Non-pay costs had an adverse variance of £XK due to the timing of items such as examination fees. A new utilities contract was due to commence in April 2025 and would probably involve higher costs due to the external marketplace.	
207	EBITDA was currently 2% (against the target of 6% in the Budget) and the College's financial health rating as 'Good' (compared to the moderated assessment of 'Requires Improvement' at the time of the submission of the Financial Statements). Cash reserves exceeded £10m.	
208	Governors noted the recent capital expenditure on an upgraded CCTV system and associated servers/PCs.	

209	A number of pressures existed, including the National Insurance increase announced by the Government which was estimated to cost the College an additional £250K in 2024/2025 and £750K for 2025/2026 and each subsequent year. The Department for Education had undertaken to provide a level of support for FE providers to meet these costs, but an amount had yet to be confirmed and it was likely that the College would need to find a proportion of the increase from its own resources. The potential level of Government support should be notified to colleges by April 2025.	JL/KL
210	Income from T Level recruitment was below the College's allocation, but this was offset by the increase in the 16-18 cohort. However, there was no guarantee that the DfE would pay the College for the growth in 16-18 provision.	
211	The Interim Director of Finance presented a revised forecast to the year end, which incorporated all factors outlined above. This did not include an assumption for a pay award for 2024/2025. The overall outturn was projected at a surplus of £792K compared to a deficit of £322K in the original forecast submitted to the Corporation in July 2024.	
212	A governor asked whether a business case had been raised with the DfE for 16-18 growth and was informed that this was not necessary as the DfE would extract the necessary data from the College's RO4 return.	
213	In response to questions about the 'ideal' level of EBITDA to achieve a 'Good' financial health rating the Interim Director of Finance reported that XXX was the lower end of the scale, but ideally the College needed to be achieve 220 points	
214	Governors commented that investment in the College's infrastructure and teaching, learning and assessment was also necessary. Discussion took place on the acceptable level of EBITDA to achieve costs savings and quality improvements. The budget for 2024/2025 had identified a target of 3.53%, moving to 6% over the next 3 years (which equated to 'Outstanding' financial health).	
215	There was a high level of uncertainty in the external landscape currently, which impacted on the College's ability to make decisions, but the management team was commended on their work to date.	
216	It was recognised that FE Loans and higher education had continued to under-perform against the identified targets and these aspects of the College's provision would be considered separately.	
217	A governor requested further information on the breakdown of performance by different areas of the College. In addition, more details regarding potential energy costs would be useful. The Interim Director of Finance reported that the College was using a broker to identify the best deal on utility costs and that a robust procurement process had been put in place, the outcomes of which would be submitted to the Finance & Resources Committee at its next meeting.	
218	Governors received a summary sheet of financial performance. It was agreed that an EBITDA figure of less than 1% as contained in the 2023/2024 financial statements would be unacceptable in future. Management was being challenged to improve this and move the College's financial position away from the risks associated with being graded as 'Requires Improvement' by the ESFA.	

219	The additional report set out a number of best- and worse-case scenarios and their implications for the College. The risks linked to each of these would be considered by the relevant committees and performance against financial KPIs would continue to be monitored. The Chair of the Audit Committee commented that a considerable amount of work had been undertaken on the risk management process which would enable this to be effective.	
STUDENT ISSUES		
220	The Interim Director of Finance reported that the College was in discussions with the DfE regarding payment of bursary funds in previous years following a recent audit of this area. In the past the College had expedited payments to students as quickly as possible, but supporting evidence had not always been provided and, in some cases, such as the provision of wifi facilities, it was not possible to prove that the service was only used by the bursary recipient. There was a potential clawback of £XK in respect of historic funding claims.	
221	Management felt that the College's communication of the evidence requirements for bursaries could be improved and processes were being updated to increase their robustness.	
222	The Head of Governance presented a report outlining proposed amendments to the Student Union Constitution and the Terms of Reference for the Student Voice Committee. Both documents had been discussed and recommended for approval at the recent Student Voice Committee meeting.	
223	It was suggested that the election of the full Executive Committee should be moved to the first half of the Summer Term in each academic year. This would provide an opportunity for Committee members to be fully inducted and trained, with a handover from existing officers and is also in line with the process for the SU President and Deputy President.	
224	The Corporation noted that the term of office for the SU President in their capacity as one of the student governors will remain as 1 August to 31 July (para 5.4). The change to the timing of the election process would enable the second student governor (nominated from the members of the SU Executive Committee) to be appointed at the July Corporation meeting in each year	
225	A number of minor amendments to the wording of the Constitution and job title changes had also been included in the revised version.	
226	Governors requested the following additional amendments: SU Constitution a) Re-wording of para 9.1 to make it more user-friendly. b) The descriptors for the protected characteristics contained in the Constitution would be checked for consistency and amended if required. Student Voice Committee Terms of Reference c) Ensure that every site and type of provision was represented in the membership, with a gap analysis undertaken to confirm this had taken place d) Director of Maths & English to be amended to the individual's name or 'the senior leader with responsibility for Student Voice issues'	LV

	e) Para 2.1 – Removal of the number of student representatives, in recognition of the size of different areas of provision and the difficulty in obtaining sufficient volunteers from areas such as apprenticeships. f) Remove Para 2.4 as the SU Executive already represented EDIB groups. g) Para 2.6 – updated to reflect new job titles.	
227	The Head of Governance was also asked to ensure that any future documents clearly highlighted the proposed amendments.	
228	Resolved - 1 That, with the above amendments, the Student Union Constitution and the Terms of Reference for the Student Voice Committee be approved 2 That the Chair be given delegated authority to approve the final versions of both documents	
DATES OF FUTURE MEETINGS		
	4th February 2025 Search & Governance Standards Committee 4th February 2025 Governor Training 11th February 2025 Finance & Resources Committee 27th February 2025 Learning & Quality Committee 11th March 2025 Audit Committee 13th March 2025 Student Voice Committee 27th March 2025 Corporation	

The staff governor, student governors and members of the Executive Team left the meeting at this point.