

**NON-CONFIDENTIAL MINUTES OF THE CORPORATION MEETING HELD ON 27 MARCH 2019**

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<b>Present:</b>	Caroline Vernon (Chair)	)
	John Butler (Vice Chair)	)
	Jan Fielding (Vice Chair)	)
	John Sidney	) External Governors
	Julie Barton	)
	Jonathan Lake	)
	Phil Huck	)
	Jim Rawnsley	Teaching Staff Governor
	Andrew Wren	Principal/Chief Executive
	Liz Kershaw	Staff governor (support/6 <sup>th</sup> Form)
<b>In attendance:</b>	Mark Nicholson	Deputy Principal Curriculum and Quality
	Nicola Cove	Deputy Principal Finance and Resources
	Karen Johnson	Clerk to the Corporation

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**APOLOGIES FOR ABSENCE**

**C/19/01** Apologies for absence were received from, Janet Garner (External), Mark Crowther (External), Abby Blakeborough (FE Student governor).

**APPOINTMENT OF GOVERNORS**

**C/19/02** The Board was advised of the recommendations of the Governance & Search Committee which had considered and recommended for Board to approve the appointment of the following governor roles:

- Phil Huck – External Governor, for a period of four years
- Jacob Last – FE Student Governor (Channelside), for a period of 2 years or until he ceases to be enrolled on a FE course with Furness College

**C/19/03 Resolved: The Board appointed Phil Huck (External) and Jacob Last (FE Student) to the Governing body**

Phil Huck was welcomed and asked to join the meeting and introductions were made to those members in attendance.

**C/19/04** In addition the Governance & Search Committee had considered and recommended Mike Phipps as a co-opted member of the Finance & Resources Committee. Mike had considerable financial and FE experience and his appointment would strengthen the expertise on the F&R Committee. As a co-opted member Mike would not be a serving governor and would attend the F&R Committee only and as a member rather than a governor.

**C/19/05 Resolved: The Board appointed Mike Phipps as a co-opted member of the Finance & Resources Committee for a period of 4 years**

**DECLARATIONS OF INTEREST/EQUALITY/DIVERSITY & HEALTH & SAFETY**

**C/19/06** The Chair drew Governors' attention to the two paragraphs at the top of the agenda, formerly agenda items reminding Governors of their responsibilities and to declare any interests relevant to agenda items, as that this also included responsibilities around Equality, Diversity and Inclusion. In addition governors were reminded of their duty to report any changes in year with regards to their declarations on the register of interest to the Clerk.

**MINUTES OF THE BOARD MEETING HELD 5.12.18**

**C/19/07** The minutes of the meeting held on 5.12.18 were considered and approved.

**C/19/08 Resolved: the minutes of the meeting held on 5.12.18 were approved and signed as an accurate record**

## **MATTERS ARISING**

### **Actions from the previous meeting:**

Principal's Report to include an update on Gender Pay (with latest data) at July Board – if the data is available at that point in time – **Completed. March 2019**

C/18/168 Clerk to add 6<sup>th</sup> Form College Prize Fund Annual Report including accounts to the cycle of business for the F&R Committee.

**Completed. This was taken to the March 2019 F&R Committee for noting**

C/18/168b Update on functional skills to be included within the performance monitoring update provided to Board by the DP C&Q.

**Completed. This is included within the updated provided at the March board meeting**

## **PRINCIPAL'S UPDATE**

**C/19/09** The Principal presented his termly report which provided an update on key areas of activity and made the following points:

Confidential items within the Principal's report have been noted under confidential minutes.

Gender pay gap update – the full report has been to F&R Committee for consideration and is due to be uploaded on to the College website by the end of March as per requirements

An explanatory note against any gaps identified is provided within the report, typically gaps are primarily due to the college having a number of traditionally lower paid roles, such as cleaning and catering, which typically engage with females rather than males.

This has been compared to other organisations and whilst the gap is larger, a large number of employers outsource cleaning and catering services and as such are not included within the analysis of those employers.

As the College has a predominantly STEM focussed curriculum this also impacts on the gender balance of teaching staff.

Applications for 2019-20: 643 to date and are continuing to be received.

The college will continue to enrol in year to increase income and in addition the college is in discussion with Inspira and the ESFA with regards to those learners who were enrolled with a local learning provider who has ceased to trade unexpectedly.

LEP: focussing on the Local Industrial Strategy for Cumbria, the College has been involved in this process to ensure that it is ready to meet the skill needs of the area.

**C/19/10 Resolved: The Board noted the Principal's Report**

## **PERFORMANCE MONITORING REPORT**

**C/19/11** The DP C&Q provided the Board with an overview of NEXUS which is the system that the College uses for data management and reporting. This had been a recommendation from the recent meeting of the Learner Experience Committee who were keen for Board to have an increased awareness of how the College monitors and reports on performance.

The DP C&Q informed governors that the system is live and provides a picture on performance within a series of metrics at any given point in time. The system is accessible to all staff.

This links to the corporate objectives which were previously agreed by Board as the targets for this academic year. The corporate objectives then link to the Strategic Plan for the college, a progress update of which is included within the governor pack this evening.

The DP C&Q drew attention to the 5/6 areas for improvement which have previously been identified and provided an overview of how the college actively monitors progress against sustaining improvements.

The DP C&Q gave a live demonstration of the depth and breadth of the data which sits underneath each of the metrics within the overall corporate objectives. The DP C&Q referred directly to one of the areas identified for improvement, retention of females on 2 year programmes, for this year retention is expected to be 91% and this is as a result of the direct action taken. Governors were then drawn to the Critical Success Factor (CSF) which directly relates to this within the Strategic Plan and how all the processes link together.

Demonstration of course applications and the tracking of these down to course level, this assists the College during the curriculum planning process, where the curriculum offer and associated staffing are identified.

Governors questioned how often the data is updated. The DP C&Q raised that the data underneath is live but the information which is pulled through to the headline data is updated once each day (overnight).

Governors questioned progress monitoring and asked how the college monitors progress. The DP C&Q raised that the college does monitor progress of learners down to individual level but at the present time whilst this data is collected and can be accessed for each individual student, overall the College does not aggregate this data upwards and so cannot collectively report on this. At course level this is being managed very well and the next phase will be to monitor this collectively.

**C/19/12 Resolved: The Board noted the NEXUS update on data and performance management**

**C/19/13** The Deputy Principal C&Q then presented the performance monitoring report which provided an update on performance against each of the corporate objectives (targets) and in particular drew Governors' attention to performance overall and key areas for improvement which had been identified, these had been reported previously to Board and remained:

- Apprenticeship achievement and particularly functional skills performance within apprenticeships
- Retention on adult learning programmes
- Retention on A level programmes

**C/19/14 Resolved: The Board noted the performance monitoring report**

## **STRATEGIC PLAN – Review 2**

**C/19/15** The DP C&Q presented the Strategic Plan with a review of progress to date against each of the identified critical success factors (CSF) which sit underneath the strategic aims of the strategic plan. Progress against meeting each of these had been BRAG rated.

The progress accurately reflects performance against each of the CSF and as discussed within the previous item how the data is monitored and reported on at any point in time.

**C/19/16 Resolved: The Board noted the progress against meeting the critical success factors within the Strategic Plan**

## **MANAGEMENT ACCOUNTS SUMMARY FOR THE PERIOD ENDED 31.01.19**

**C/19/17** The DP F&R referred to the management accounts for the period ending 31.01.19 and drew Governor attention to the following points:

To January 2019 (Period 6) the College has generated an operating surplus of £661K, which is £191K behind the budget assumption, which is an improvement on the prior year. The surplus after non cash transactions falls to £43K, again behind the budget by £232K.

Overall, income is broadly on budget, and variations in the period primarily relate to expenditure items where:

- Pay is currently underspent and this saving is expected to be consolidated through to year end; and non-pay items show an adverse variance against a flat budget, although these are a timing issue only and are expected to reverse by year end.
- Year-end expectations will inevitably change throughout the year, but now at this mid-point in the year, there are a number of known / predicted material variations across the cash based income and expenditure lines.

Variances are largely compensatory and the overall operating surplus at £1,145K is still forecast to be in line with budget (projected shortfall of £19K).

Some small adjustments are already known re depreciation and deferred capital grants following 2017/18 year end close, and as such the accounting position is currently predicted as a deficit of £84K for the year to July 2019. The College will work very hard to ensure that this currently forecast deficit falls into a surplus

February accounts are indicating a similar position to that presented in the January accounts,

Attention was drawn to the Adult Education budget – successful delivery of new courses from January has impacted positively on this and we will continue to work on this offer as the year progresses. We are also looking to work with a partner (previously approved by Board 'Back2Work'). These are learners on the edge of our travel to learn area and we need to ensure that learners who are recruited through this are not within a devolved area which affects the funding in future years.

Covenants – loan covenants which are in place for long term loan with Lloyds. The college is very comfortably operating within these covenants which is a very strong position to be in.

Following a question from the Board the capital budget to asset ratio was questioned and the DP F&R raised that as part of her budget outline to F&R, capital investment had been discussed and a 5 year strategy to increase the annual commitment had been given the go ahead. This will form part of the budget plan for 2019-20.

Following a question with regards to the learners which the college had picked up earlier in the year when NACRO pulled out of the area, Governors were advised that the college had received funding for 20 of these learners and a letter of comfort with regards to the remaining 30 learners, however the college had not received additional in year funds for the remaining 30 learners, which amounted to around £44k of funding not received.

The college was confident that they had done the right thing for young people of the area but is disappointed that it had not received the additional funding. Due to lag funding the college will receive funding for these additional learners in 2019-20.

The College had received this week a confirmation of financial rating, this will be brought to Summer term F&R and Board meetings but confirmed that the rating remains as Outstanding.

**C/19/18 Resolved: the Board noted the management accounts**

#### **AUDIT & RISK MANAGEMENT COMMITTEE UPDATE**

**C/19/19** The Board received a comprehensive overview of the key business and decisions made at the meeting held on 13.3.19. The following points were raised:

ICCA had presented to the Committee on the outcomes of internal audits which had been undertaken during the previous term. These had been very positive audit reports with only a few low level recommendations made.

All recommendations made are followed up later in the year by ICCA to ensure that the college is working towards closing the recommendations made.

In particular the Risk Management Internal Audit had been a very positive report with no recommendations received.

The Committee received the termly updated on the recommendations tracking report, this report tracks all previous recommendations made through to completion – 7 are outstanding, one of which is overdue but is planned for completion during the Easter period.

The Committee had been assured with the progress against closing off recommendations identified during previous internal audits.

The Committee had also received an overview of the recent process to appoint internal and external auditors, the Audit Committee had representation on the panel which had considered the companies which had responded to the tendering process. The Committee had subsequently approved the appointment of new companies for both internal and external audit service.

**C/19/20 Resolved: The Committee noted the Audit & Risk Management Committee update**

#### **WHISTLEBLOWING POLICY**

**C/19/21** The A&RM Committee had considered, approved and recommended the policy for full Board approval. The Policy is brought for annual approval with very minor material changes having been made.

John Butler added that there is new guidance within the public sector of having a person other than the Chair leading on any whistleblowing relating to a senior postholder or clerk and it was agreed that to follow this good practice the policy would be updated to reflect this.

**C/19/22 Resolved: The Board considered and approved the Whistleblowing Policy**

**Action: DP F&R to amend the policy in accordance with the suggestion at C/19/21**

#### **FINANCE & RESOURCES COMMITTEE UPDATE**

**C/19/23** The Board received a comprehensive overview of the key business and decisions made at the meeting held on 18.3.19. The following key activity had included:

A comprehensive update to the Committee with regards to the Insolvency Act which now applies to the FE Sector. The Committee had requested that the College has a process in place should there be a requirement in the future for the college to be in a position where it would need to report an issue with regards to the future financial stability of the college to funding bodies.

The Committee had received an overview of the Barrow 6<sup>th</sup> Form College prize fund accounts and how the prizes had been distributed this academic year.

The Committee had also received an overview of the Furness College Student Union finances, the Board were reminded that the FCSU does not have autonomy over its finances and the processes it uses mirror those used by the College

Gender pay gap and management accounts had also been considered and were as reported to Board under items C/19/09 and C/19/17. No concerns had been raised.

**C/19/24 Resolved: The Board noted the Committee update**

### **FEES POLICY 2019-20**

**C/19/25** The F&R Committee had considered, approved and recommended the policy for full Board approval. The policy sets out the approach to fee setting for the 2019-20 academic year.

**C/19/26 Resolved: The Board considered and approved the Fees Policy**

### **LEARNER EXPERIENCE COMMITTEE UPDATE**

**C/19/27** The Board received a comprehensive overview of the key business and decisions made at the meeting held on 20.3.19. The following key points were made:

Much of the data which was presented to the Committee has also been presented and discussed under items C/19/11-C/19/17

Detailed questioning had been made to the DP C&Q with regards to achieving the targets which had been set and in particular those under performing areas. Much of this focus had been around functional skills.

An overview of the QUIP and progress against meeting each area for improvement identified

The Committee had also received the analysis of the Q1 learner survey which had been largely positive and any areas found to have lower satisfaction are actioned and this is taken forward by the Quality Team with the areas concerned.

The Committee had also received the Destination of Leavers 2017-18 report and were pleased to note that the level of positive destinations to employment or progression within FE or on to HE was very high at 97.5%

**C/19/28 Resolved: The Board noted the Committee update**

### **ANNUAL EQUALITY REPORT**

**C/19/29** The LE Committee had considered the Annual Equality Report and had recommended this for Board approval. The DP C&Q advised that the report contains the performance of learners against each of the protected characteristics of the Equality Act, along with an overview of how the college had performed in meeting the equality objectives which are set annually and directly relate to areas where the college had identified a gap and put actions in place to close this over the following academic year. All of these had been met with the exception of one which will be carried forward to the following academic year. In addition to the annual report the college monitors performance by each equality strand in year.

**C/19/20 Resolved: The Board considered and approved the Annual Equality Report**

### **EQUALITY, DIVERSITY & INCLUSION POLICY**

**C/19/21** The EDI Policy had been considered, approved and recommended for full Board approval by the LE Committee. Other than minor material changes the policy remained the same.

**C/19/22 Resolved: The Board considered and approved the EDI Policy**

### **ADMISSIONS/IAG POLICY**

**C/19/23** The Admissions/IAG Policy had been considered, approved and recommended for full Board approval by the LE Committee. The policy sets out the approach by the college during the IAG and application process for those wishing to enrol on a course at Furness College.

Traditionally the policy had not been taken for governor approval but to meet requirements this had now been included within the Governance Cycle of Business. The LE Committee had requested that Board agree for the approval of this policy be deferred to the LE Committee and only brought to Board should the Committee wish Board to consider any updates. Approval of this policy in future years will be reflected in the Committee updates which are brought to Board,

**C/19/24 Resolved: The Board considered and approved the Admissions/IAG Policy.**

**Furthermore, the Board delegated future approval of this policy to the LE Committee**

**GOVERNANCE & SEARCH UPDATE**

**C/19/25** The Board received a comprehensive overview of the G&S Committee which had been held on 7.2.19, the following points were made:

The Committee had reviewed the membership of the Corporation including committees and compared this to the levels identified within the Standing Orders. Whilst the levels are at or above minimum levels there are some gaps, it was agreed that that further membership should be sought but at the same time being mindful of the skills and experience required. There were a number of other suitable options discussed and actioned to be explored with regards to governor memberships.

Following on from the mapping exercise against the Code of Good Governance and the annual self-assessment of the Board, the Committee considered the metrics which could be utilised to further review the performance of the Board. These will be implemented at the next performance review, which is planned for the Summer period 2019 and the outcomes of this will form the basis of Board self-assessment

The Committee considered the analysis from the recent skills audit survey of Governors, which maps governor's skills and knowledge against a set proforma. The Committee considered the skills of Governors by Committee to ensure that each Committee has the appropriate range of skills to fulfil its role and then considered the generic skills of the Board in general. From this analysis a number of areas were identified to be included at the upcoming Governor Development Session in March. In addition, there are a range of short, online, themed courses which have been produced by the AoC and are available via the GovernorZone. Governors could complete these as they wish in order to expand their knowledge of governance and the FE sector in general. In addition the Governor Zone also has a range of useful resources for Governors.

**C/19/26 Resolved: The Board noted the Committee update**

**CONFIDENTIAL ITEMS**

It was noted that there were several items which should remain confidential and these related to Items within the Principal report.

**CONFIDENTIAL MINUTES OF BOARD MEETING HELD 5.12.19**

This item was for external governors only and is noted within the confidential minutes of the meeting

**DATE OF NEXT MEETING**

It was agreed that the next Board meeting should be held on 3.7.19, 5pm with a development session (strategy) held at 12 noon on 17.5.19. These were in line with the annual schedule of meetings.

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The Corporation agrees that these minutes are an accurate record of the meeting.

SIGNED: .....

NAME: ..... (Chair)

DATE: .....