

FE Corporation Minutes

Meeting held on Thursday 14th January 2021 at 5.30pm via Zoom

Governors: Sam Beel, Stuart Blackett, Subhash Chaudhary, Phil Cook (Chief Executive and Group Principal), Louise Davies, Martin Gray, Ethan Harper, Katy Ludgate, Russ McCallion (Chair, Finance and Employment Committee), Rob Mitchell, Richard Poundford (Chair, Audit Committee), Dot Smith, Aman Toor, Anne Vickers, Mark White (Chair), Norma Wilburn (Safeguarding Link Governor and Chair, Search and Governance Committee) and Gary Wright.

Officials: Phil Blewitt (MD NETA), Liz Boynton (Group Director of Quality), Abigail Clay (Interim Group Head of Student Services, for Part 1 only), Jason Faulkner (College Principal, RCC), Lesley Graham (College Principal, SRC), Phil Hastie (Group Executive Director Planning and Infrastructure), Erika Marshall (Group Director of Marketing), Gary Potts (Group Vice Principal Business, Innovation and Partnerships), Ben Robinson (College Principal, Bede), Fiona Sharp (Group Executive Director Finance), Kay Taylor (Group Director of HR), Sarah Thompson (Clerk to the Corporation) and Sam Young (Governance Support Officer).

Apologies: There were no apologies for absence from governors

Part 1: Annual Safeguarding Update training

21/1 Agenda Item 1 – Governor Safeguarding Update

The Interim Group Head of Student Services, also Designated Safeguarding Lead (DSL), presented the annual safeguarding update to governors. The following key areas were outlined:

- the legislation and guidance framework, including the 2021 consultation on Keeping Children Safe in Education (KCSiE);
- trends from the Children in Need census including a rise in parental and child mental health as factors for referral;
- emerging situations and issues as a result of COVID-19, including poverty and trauma, loss and separation;
- the value of information sharing through Serious Case Reviews (SCRs);
- governors' responsibility for safeguarding and reflection questions to gain assurance of Etc.'s safeguarding culture and compliance and the recent positive outcomes of the Safeguarding internal audit;
- links to Etc. training of interest to governors – Babcock 1-minute guides and Home Office Prevent.

In response to governors' questions, the Interim Group Head of Student Services confirmed that both the Safeguarding Link Governor and Corporation Chair had initiated contact with her when she took up post and that she was pleased with the group's positive professional relationships with the two local authorities. The College Principal Bede, also Strategic Lead for Student Services, added that, although the feedback from the internal audit and the Ofsted monitoring visit had been reassuring, plans to restructure student services to ensure its work was future-proofed

demonstrated that Etc. was not at risk of complacency. The Interim Group Head of Student Services confirmed that, in addition to a personal response in her own professional capacity, the Etc. Student Services team would be responding to the KCSiE consultation and that she would be happy to work with the Safeguarding Link Governor on a response on behalf of the Corporation.

A governor commented on the importance of multi-agency work particularly in dealing with early help and signs of neglect and asked if Etc. made use of local networks. The Interim Group Head of Student Services outlined the wide range of community groups and charities accessed and how such information was shared across the group. She added that the team had worked hard throughout term time and over the Christmas holidays to ensure that learners' needs in terms of meals, IT equipment and travel were met and that tutors were also proactive in alerting the team to learners' needs; more strategic concerns and partnerships were actively followed up by College Principals as needed.

The Safeguarding Link Governor also commented on the positive external feedback from Ofsted and the internal audit and the importance of adapting safeguarding practice to cope with the changing needs and environment created by COVID-19. She emphasised the importance of all governors maintaining an awareness of current safeguarding issues, including through the regular updates to Corporation and committees.

In response to a governor's question, the Interim Group Head of Student Services confirmed that departments rigorously monitored safeguarding standards for learner placements and that safeguarding was integral to learner outcomes. High levels of questioning by all staff demonstrated the inquisitiveness crucial for maintaining a safeguarding culture.

Governors **noted** the safeguarding update and the Clerk **agreed** to record all governors' attendance for the Single Central Record.

Abigail Clay left the meeting.

Part 2: Formal Corporation meeting

21/2 Agenda Item 2 – Strategic Update including COVID-19 Update

The Chief Executive and Group Principal gave a verbal Strategic Update, accompanied by a presentation, giving governors an overview across the organisation. He outlined current arrangements for learners, levels of staff furlough, current confirmed cases of COVID-19 and the recent start of the testing pilot, though he noted that the level of reported cases for learners could be understated. He detailed the Strategic and COVID-19 specific sub-groups, including lead officers and meeting cycles, giving governors assurance of the effective management of both strategic business planning and current operational needs. Several capital developments, some at very early stages, were outlined, including a Preparing for Adulthood (PFA) room at Stockton Riverside College (SRC); the Chief Executive added that senior postholders' capacity would be carefully considered when taking these projects forward. Key partnerships were also noted, including work on the Tees Valley Young Creatives and The Girls' Network initiatives. Under systems and processes, he highlighted the high-level financial review, with learner recruitment and Adult Education Budget (AEB) both a key focus; the appointment of an Interim Director of Quality; and consideration of the Learning and Development Strategy at a Senior Management Team (SMT) awayday. Teaching and training expectations had been clarified and emphasised for teaching staff and retention, particularly for vulnerable groups and apprentices, was being carefully monitored.

In summary, the Chief Executive concluded that, whilst not business as usual, significant progress towards Strategic Goals continued to be made; governors were invited to ask questions at the meeting or approach him at any time.

In response to a governor's question, the Chief Executive confirmed that a 1% pay award had been agreed and staff notified the previous week. A governor asked for the reasons for not making a permanent appointment to the Group Director of Quality post and the Chief Executive explained that [redacted] an interim appointment had been.

A governor asked if consideration had been given to student's apprehension of both the vaccine and testing and combatting misinformation and conspiracy theories. The Group Executive Director Planning and Infrastructure explained that, as testing was at the pilot stage, this had not been identified as an issue but that he and the Group Director of Marketing would consider how to address this in messaging for the full rollout. He added that testing was currently in operation at SRC and Redcar & Cleveland College (RCC) for those staff working on site; just over 60 staff had been tested that week and all tests had been negative. Though currently using staff volunteers to run testing, an agency would be engaged for mass testing given the volume of staff needed. The College Principal Bede added that information would be embedded in the enrichment and pastoral programme. A governor added that reliance on social media for news and information was broader than just COVID-19 and the College Principal Bede agreed to follow up the development of tutorial materials on identifying false information and unverified statistics, possibly in partnership with the English department.

Governors **noted** the Strategic Update.

Russ McCallion left the meeting.

21/3 Agenda Item 3 – Restructuring Facility Submission and Business Case

The Group Executive Director Finance confirmed that work was ongoing on the latest Restructuring Facility (RF) monitoring submission due to the Education and Skills Funding Agency (ESFA) by 29 January 2021; the final proposed submission would be circulated to governors for information and comment. This submission would include an updated Integrated Financial Model for Colleges (IFMC) with actuals to 30 November 2020 and updated financial forecasts to July 2023. She added that, as the basis of the original business case for the RF funding agreement was considered outdated, the ESFA had agreed that the Group could submit a request for the terms to be updated, supported by a business case and supplementary evidence. Robert Griffiths, who acted as Turnaround Director as part of the merger with RCC, was assisting with the business case which would also be circulated to governors for comment before submission. The Group Executive Director Finance outlined the specific Key Performance Indicators (KPIs) that had been impacted by COVID-19, including class sizes for which no directly comparable data was available for 2019-20 and 2020-21; the rationale had also been discussed with the Chair of the Finance and Employment Committee and a member of the Audit Committee with financial experience.

Governors thanked the Group Executive Director Finance for the transparent and thorough paper and verbal explanation. Governors **noted** the progress of the submission due to the ESFA by 29 January 2021 and **approved** the submission of the IFMC, subject to final circulation for comment.

21/4 Agenda Item 4 – Annual Accounts and Financial Statements

The Group Executive Director Finance confirmed that the Annual Accounts and Financial Statements for 2019-20 had been considered at the Corporation meeting held in December 2020 but that, due to COVID-19, the going concern judgement had been subject to independent review by a second partner at RSM, the Group's external auditors. This had now been completed with no issues; however, following the Prime Minister's announcement of lockdown 3 on 4th January, RSM had requested a review of updated forecasts in relation to going concern and this had been noted in the Audit Findings Report and a statement added to the Etc. Financial Statements, as circulated with the meeting papers. She noted that, under Income Recognition, the Group had assumed that there would be no clawback of AEB funding from the Tees Valley Combined Authority (TVCA) but were still awaiting direct written confirmation of this. In terms of management judgements, income recognition had been considered as having a low impact and, purely due to the risks of COVID-19, going concern had been considered as medium impact.

A governor noted that going concern had been considered a real issue in many sectors and that there had been increased scrutiny by both accountants and auditors; he added that this could remain the case for several years. The Chair of the Audit Committee added that the accounts had been audited thoroughly by RSM.

Governors **approved** sign off of the annual report and final accounts for the Education Training Collective for the year ended 31 July 2020 (Group consolidated accounts) and **approved** the audit findings report from the auditor of the financial statements and the management representations letter for the Education Training Collective.

21/5 Agenda Item 5 – Feedback / recommendations from Search and Governance Committee

The Chair of the Search and Governance Committee outlined a recommendation from the committee that Rob Mitchell and Louise Davies become members of the Corporation Leadership Succession Planning Working Group. Governors **approved** the recommendation.

21/6 Agenda Item 6 – Any Other Business

The Chair noted that it was the Group Director of Quality's last meeting of the Board before her retirement and thanked her for her work driving quality improvement at Etc. and as an outstanding officer of the Board. The Group Director of Quality thanked her and added that she appreciated the opportunities given to her at the Etc. and especially her work with the Standards Improvement Committee.

21/7 Agenda Item 7 – Approval of Documents for Public Inspection

It was **agreed** that the agenda and supporting documents of the current meeting be made available for public inspection with the exception of the reports for Agenda Items 2 and 3 which were considered commercial in confidence. Minutes would be made available following approval and consideration at the next meeting.

21/8 Agenda Item 8 – Date, time and venue of next meeting

Governors' Strategic Conference: Friday 5th February 2021, to be held via Zoom

FE Corporation: Thursday 4th March 2021, to be held via Zoom

21/9 Agenda Item 9 - Key Themes

- All governors were in attendance for the annual Safeguarding update given by the Designated Safeguarding Lead;
- Restructuring Facility submission and business case considered, with final documents to be circulated to governors for comment before submission by 29 January 2021;
- Annual Reports and Final Accounts for the year ending 31 July 2020 approved, along with the audit findings report and management letters of representation;
- Formal thanks from the Board to Liz Boynton on her retirement as Group Director of Quality

(The meeting ended at 7.15 pm)

Approved at a remote meeting held on 4 March 2021