

LEEDS COLLEGE OF BUILDING

CORPORATION MEETING

Minutes of the meeting held on Tuesday 15 December 2020 at 3.45 pm via Microsoft Teams.

PRESENT:

Julia Evans (JE) Chair
Peter Norris (PN) Vice Chair
Simon Bray (SB)
Andrew Kenny (AK)
Derek Packer (DPa)
Professor Dave Russell (PDR)
Derek Whitehead (DW)
Jackie Wignall (JW)
Sarah Wilson (SW)

IN ATTENDANCE:

David Pullein (DP) (Vice Principal – Finance & Resources)
Nikki Davis (ND) (Vice Principal – Teaching, Learning & Quality)
Michaela Beardsall (MB) (Clerk to the Corporation)

**ACTION
BY AND
TARGET DATE**

1. CHAIR'S AND GOVERNORS' COMMUNICATIONS

There were no communications.

2. APOLOGIES FOR ABSENCE

Apologies for absence were received from Rachel Lindley and Caroline Meehan.

3. DETERMINATION OF ATTENDEES / OBSERVERS

The Corporation agreed attendees / observers at the meeting as per the attendance list.

4. DECLARATION OF INTEREST

Staff members declared an interest in Item 12.

5. MINUTES OF THE PREVIOUS MEETING

The minutes of the meeting held on 24 November 2020 were approved as a true and accurate record.

6. MATTERS ARISING

6.1 Ref Min 1.1

Letter of thanks to be sent to M. Tyson

**JE
Jan 21**

6.2 Ref Min 6.2

Taken under Item 15.

6.3 Ref Min 6.3

Taken under Item 13.

6. MATTERS ARISING

6.4 Ref Min 6.6

Actioned.

6.5 Ref Min 6.7

Governor Interaction Programme

Positive feedback was received from governors (MR, DP, PN) who had made initial, remote contact with managers within College. It was an opportunity for staff to showcase the good practice happening within the College. The programme will continue after the Christmas break. Face to face visits would be preferable, however social distancing and health and safety guidelines will need to be in place.

**Link
Governors
Meetings as
per Interaction
Programme**

6.6 Ref Min 6.9

This item would be carried forward.

6.7 Ref Min 8

Actioned.

6.8 Ref Min 9

This item would be carried forward.

6.9 Ref Min 9

Taken under Item 14.

6.10 Ref Min 9

This item would be carried forward.

6.11 Ref Min 20

This item would be carried forward.

7. MANAGEMENT ACCOUNTS NOVEMBER 2020

DP gave a verbal update on the Management Accounts for November 2020 and noted the level of comfort given. A number of Apprentices still needed to be included. DP stated that the College is in a better financial position than planned.

DP reported that with regard to South Bank 1 and Pythagoras, an adjudication / formal process for resolution is likely. Rob Hardy / Walker Morris are representing the College and have advised that the College is in a strong position. All the required information has been sent to Pythagoras and legal advice taken as needed.

AK noted that Pythagoras have used this tactic before and tend to be speculative. He recommended that the College presents an early defense at adjudication.

DP had requested clarification in terms of the key issues in dispute. DW clarified that the College has incurred costs of approximately £500k. However, Pythagoras have disputed all costs. It was noted that it is 5.5 years since the works were completed. MR requested clarity on costs and other intangible expenses.

7. MANAGEMENT ACCOUNTS NOVEMBER 2020 (continued)

A response is expected from Pythagoras' legal representatives by the end of the week.

The Board noted the Management Accounts for November 2020 and the update on South Bank 1.

8. ESFA COVID NOVEMBER CASHFLOW RETURN AND COMMENTARY

DP presented the COVID November 2020 Cashflow return and commentary which was required by the ESFA. An additional return is due in April 2021.

The Board noted the ESFA COVID November 2020 Cashflow Return and Commentary.

9. AUDIT FINDINGS REPORT COVERING THE STATUTORY AND REGULARITY AUDIT FOR 2019/20

D Pullein reported that K Doherty (Grant Thornton) had presented the Audit Findings Report at the Audit Committee. The final funding confirmation is yet to be received from the ESFA.

DP explained that the recent Going Concern work has been significant as a result of COVID19 and also the accounting standards have increased. The College has been challenged heavily. Grant Thornton have reversed stress tested the budget version 2b and version 3 (worst case scenario). Grant Thornton had noted the following:

- Positive cash flow
- Bank covenants met
- October management accounts indicate the College is above target
- Grant Thornton noted DP's prudence
- Happy to recommend the Going Concern to Governors for sign off.

A thorough discussion followed. PN noted that the Audit Committee had been assured of serious challenge including sensitivities and reverse stress tests. The cost analysis, headroom and cash position are good. Governors should feel comforted. PN highlighted and thanked DP and the Finance team for the diligent work, especially given the wider context.

AK - gave his thanks and congratulations and noted that in the circumstances, the work is remarkable.

JE gave her thanks and also noted R Butterfield's work during her first year at the College during a global pandemic.

The Board approved the Audit Findings Report for 2019/20.

10. MEMBERS REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDING 31 JULY 2020

DP gave an overview of the PowerPoint presentation regarding the Members' Report and Financial Statements for the year ended 31 July 2020 for Leeds College of Building Group, LCB Enterprises Limited and Achieve Through Learning Limited.

Key audit findings to note:

- Unqualified judgement
- Regularity passed with no issues
- Increased challenge in future Going Concern work
- Operating surplus of £1.4m
- Adult Education Funding has been received
- Feedback regarding remote teaching is positive
- Pension deficit has doubled.

Construction of South Bank 1 and 2 meant that cash reserves were lowered as planned. However, the progress made to build cash reserved is significant. 2021 cash balance will be stronger and therefore the College is more resilient.

DP reported that good progress has been made on the KPI's. The College is coping with the adverse effects of COVID-19 and moving in the right direction.

DP stated that, compared with the budget, income is down but expected expenditure is also lower. The budget for 2019/20 gave a financial health score of Requires Improvement, however the outturn is provisionally (pending the finance record submission) 220 points (Good). 240 is Outstanding.

MR queried the implications of the Pension deficit. DP explained the impact of the West Yorkshire Pension Scheme for support staff.

DW thanked DP and the wider College team and acknowledged that the College is in a stronger position than expected.

MR queried the number of cash days in hand; DP confirmed that this was 59 days at the end of November 2020.

DP noted that Achieve Through Learning is in the final year in terms of Going Concern. DP would send the relevant forms to Companies House.

DP
Feb. 2021

The Board approved the Members' Report and Financial Statements for the year ended 31 July 2020. The electronic versions would be circulated as appropriate for signing.

11. TUITION FEE LEVELS FOR 2021/22

D Pullein presented the proposed Tuition Fee Levels for 2021/22. The Executive Team have recommended that Tuition Fees (excluding Apprenticeships) are increased by 2% across the Board. Apprenticeships (where a fee applies) to be charged at 5% of the maximum of the funding band.

JE requested clarification in terms of the revenue generated. DP confirmed a £60k/£70k increase.

11. TUITION FEE LEVELS FOR 2020/21 (continued)

MS queried how this compared with other colleges. DP did not know what other colleges were doing as this information is not available.

The Board approved the Tuition Fee Levels for 2021/22.

12. CONFIDENTIAL ITEM

See attached minute (SB and JW left the meeting for this item).

13. COLLEGE FINAL SELF-ASSESSMENT REPORT

ND presented Item 13; the final version of Leeds College of Building's Self-Assessment Report (SAR) and Quality Improvement Plan (QIP) for 2019-20.

The SAR had been presented to the Board previously. ND explained that the QIP will be updated throughout the academic year. The journey to outstanding will be the focus alongside responding to COVID-19. Regular updates will be given to Governors.

ND stated that progression and destination data will be included in the next SAR update.

ND
23 March 2021

PDR thanked ND for the clear and succinct report. The significant level of support for students is clearly set out for the upcoming academic year.

MR raised a query regarding timely achievements for Apprentices. ND clarified that the move to Standards is not part of the timely achievements rate calculation; however, there is work to do to ensure achievement is timely. The biggest risk is in Joinery but ND noted that the College has a 100% pass rate currently.

MR noted the RAG rating for work placements. In order to support students with this he suggested a meeting with himself and CM in the new year. ND would arrange to meet with MR and CM in January 2021.

ND
January 2021

ND explained that some virtual placements have been offered to students and they have been very well received.

PN questioned how English is embedded in practical subjects. ND referred Governors back to the presentation from M Bailey in November, and also highlighted the staff development sessions delivered in this area. This is an area for development for the College rather than a concern.

The Board approved the Self-Assessment Report and Quality Improvement Plan.

14. PERFORMANCE MANAGEMENT REPORT

ND presented Item 14 (Performance Management Report). She noted that no external QAR data is available. The AoC have provided benchmark data and this illustrates that the College has performed well. However, the comparative data is not directly like for like, due to the specialist nature of the College.

Significant improvements can be seen in Maths and English when compared with other colleges, and the data for Level 2 Apprenticeships indicates improvements where there have previously been concerns.

Current developments – the College continues to pursue a Degree Apprenticeship with Leeds Beckett University. Links with the Northern Gas Network are being targeted; the company is keen on social mobility and Apprenticeships.

MR prompted a lengthy discussion regarding attendance, wellbeing, safeguarding and SEND enquiries. ND brought to the attention of Governors the increased number and severity of concerns. S Ryan makes regular checks on students including those who are affected by COVID and/or furloughed. ND stated that comparison data would be available after this year.

MS prompted a discussion about the introduction of T Levels to the College. ND gave a lengthy explanation of the current developments, preparation and marketing strategies. MS offered support in terms of providing placements and asked if other Governors could do the same in due course. DW stated that CM had offered similarly through the Federation of Master Builders, although there are mixed views of T Levels and concern regarding the Industry Placement which is equivalent to 45 days.

PDR prompted a discussion regarding the ongoing pastoral care offered to students, Safeguarding concerns and referral to external agencies. All are significantly higher than previously experienced

The Board noted the Performance Management Report.

15. KEY PERFORMANCE INDICATORS

DW presented Item 15 (Key Performance Indicators) and gave a brief summary of the KPI's and their RAG ratings. Key points to note were:

- High Timely Achievements
- Apprenticeships – will achieve but might not be timely
- Maths & English results (as per M Bailey's presentation) are improving
- Financial targets – all green
- 14-16 enrolments – down on the target of 122
- Some destination data was still being reconciled.

DW suggested that the 2019/20 KPI's should now be closed out; any outstanding bits would be reported through ND's performance management reports, which Governors agreed.

JE expressed her thanks to all staff at every level, in what has been another challenging year.

DATE OF NEXT MEETING

The next meeting is scheduled for Tuesday 26 January 2021 at 3.45pm.