

LEEDS COLLEGE OF BUILDING

CORPORATION MEETING

Minutes of the meeting held on Tuesday 19 December 2023 at 2.00pm, Meeting Room 1, North Street.

PRESENT:

Mark Roper (MR) – Chair
Sandra Burnhill (SB)
Steve Carmody (SC)
Nikki Davis (ND)
James Dunford (JD) (*attended via Microsoft Teams*)
Wasim Feroze (WF) (*attended via Microsoft Teams*)
Debbie Forsythe-Conroy (DFC)
Molly Fulton (MF) (Student)
Rachel Lindley (RL) (*attended via Microsoft Teams*)
Peter Norris (PN)
Mick Norton (MN) (Staff)
Dave Russell (DR) (*attended via Microsoft Teams*)
Matthew Shields (MSh) (*attended via Microsoft Teams*)
Julie Tolley (JT)
Sarah Wilson (SW)

ATTENDANCE: 15 / 17 = 88% (KPI 80%) Cumulative attendance: 25 / 32 = 78 %

IN ATTENDANCE:

David Pullein (DP) - Vice Principal - Finance & Resources) (*attended via Microsoft Teams*)
Richard Lewis (RLe) - RSM (*attended via Microsoft Teams for Item 9c, 9d & 9e*)
Steve Connell (SCo) - Assistant Principal - Study Programmes)
Rob Holmes (RH) - Assistant Principal – Quality & Student Experience) (*attended via Microsoft Teams*)
Chris Tunningley (CT) - Assistant Principal - Adults & Higher Education)
Jane Taylor-Holmes (JTH) - Director of Governance)
Nancy Fearnside (NF) - PA to Strategic Leadership Team) (Minutes)

Agenda items were considered in the order recorded in the minutes.

**ACTION
BY AND
TARGET DATE**

MR welcomed everyone to the meeting and introductions were made.

1. APOLOGIES FOR ABSENCE

Apologies for absence were received from Caroline Meehan and William Wallace (Staff).

Apologies were also received from Liam Mogan.

2. DETERMINATION OF OBSERVERS / ATTENDEES

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

3. CONFIRMATION OF ELIGIBILITY, QUORUM AND DECLARATIONS OF INTEREST

No notice had been received of any member becoming ineligible. The meeting was quorate. There were no declarations of interest.

4. MINUTES OF THE PREVIOUS MEETING

The minutes of the previous meeting held on 26 September 2023 were approved as a true and accurate record.

5. MATTERS ARISING

5.1 Ref Min 16 (summary of action points 11 July 2023)

A SAR external validation process was no longer required (due to Ofsted) but would be included in the 2023/24 process.

5.2 Ref Min 1B)

Actioned.

9. AUDIT & RISK

9c) Representation Letters to RSM Tenon for LCB

DP explained that the two representation letters (Audit of Financial Statements and Regularity Assurance Engagement) required signing by the Chair and Principal. The letters confirmed that all required information was supplied to the auditors. DP referred Governors to Item 7 regarding the going concern assessment.

The Board approved the Representation Letters to RSM Tenon for signing by the Chair and Principal.

9d) Audit Findings Report covering statutory & regularity audit for 2022/23

RLe presented the updated Audit Findings Report, which had been considered previously at the joint Audit & Risk and Finance & Resources Committee meeting on 28 November 2023. He confirmed that all audit work had now been concluded. The Report was unmodified, and this was the best opinion a College could obtain from an auditor.

The Regularity Audit had found no issues to report. The adjusted and unadjusted differences detailed in the report were noted and RLe confirmed these were not material.

The Report outlined the Significant and Higher Risks. Income Recognition and Management of Override of Controls were classed as significant. Higher Risks were Defined Pension Liability, Going Concern and Capital Grant Funding.

PN noted that ILR data was included on the Recommendation of Controls. DP confirmed that a new structure would be in place in February 2024 and he had no concerns. RLe emphasised that there was a requirement for all documentation to be in place, signed as appropriate and kept for evidence.

JT queried the risks identified and the management responses. DP explained that once the restructure was complete, a new Compliance Unit would be in place and regular quality / audit checks would be undertaken. Any training requirements and monitoring would be implemented as appropriate.

9. **AUDIT & RISK** (continued)

9d) **Audit Findings Report covering statutory & regularity audit for 2022/23**
(continued)

DP updated Governors on the recruitment process underway in relation to the new Head of Compliance role. RLe commented on support received from the current Head of Apprenticeships and stated that without her assistance the 500 queries raised during the audit would not have been resolved.

JTH explained that the Audit & Risk Committee monitored outstanding audit recommendations at every meeting and would continue to undertake this role.

MR commented that the Regularity Report required updating as the discussion between himself and RLe had now taken place. RLe agreed to update the Report and send an amended version to DP.

RLe
Dec. 2023

The Board noted the Audit Findings Report for 2022/23.

9e) **LCB's Members Report and Financial Statements July 2023**

DP explained that RLe had provided a thorough and detailed explanation and examination of the Members Report and Financial Statements at the recent joint Audit & Risk and Finance & Resources Committee meeting. RLe provided a short overview to the Board.

The Audit Findings Report confirmed an unmodified opinion; the Financial Statements gave a true and fair view; the Regularity Audit had found no issues to report; the College was assessed as a Going Concern and had sufficient funds to meet its liabilities to July 2025; and the adjusted and unadjusted differences were not material.

The Statement of Comprehensive Income & Expenditure had been reorganised in a better format and showed a deficit of (£776k). The Consolidated Balance sheet showed current liabilities of £1,245. In terms of Key Performance Indicators these were slightly down on the previous year but the Financial Health rating was still Good.

DP reported that the operating surplus in the financial plan was £742k and the actual at the end of the year was £32k; a difference of (£710k).

DP informed Governors that the FE Commissioner (FEC) had put together benchmarks of where they expected good colleges to be. He confirmed that the only benchmarks where the College fell below these were Adjusted Operating Ratio and Staff Costs. He explained that due to the specialist nature of the College, staff costs were always likely to be above 65%.

In terms of Key Facts, DP reported that the College had dropped from 220 Financial Health Score points to 190 but this was still rated as good. He confirmed that all Bank Covenants had been met.

The Board approved the Members Report and Financial Statements for the year ending 31 July 2023 for signing off by the Chair and the Principal.

6. CHAIR REPORT & ACTIVITY REPORT FROM GOVERNORS

MR reported that unfortunately Katherine Naisbitt had resigned as a Governor due to personal circumstances. JTH confirmed that a Vice Chair of the Board would be required, together with a Chair for the People & Governance Committee (Search and Governance), a SEND Link Governor and another member of the Audit Committee to replace KN. This would be discussed at the Search & Governance Committee in January 2024 and a plan developed.

MR stated that he had chaired the University Centre's recent Employer Engagement Group.

PN reported that he had met with Lyndsey Priestley (Head of Marketing & Student Recruitment). She was new in post and currently focusing on student recruitment. She had some good ideas to move forward including a new website which was being progressed for early next year. She was also looking at how to keep students warm following open days and destinations. Another meeting was scheduled for March 2024.

MR thanked all Governors for their support during the Ofsted inspection and in particular for Governors' support to respond to requests for information and action. He noted that offers of support had been received following the Inspection, including from Carr Manor.

7. PRINCIPAL'S REPORT (INCLUDING KPIS)

ND explained that the Strategic Plan had been discussed at the Strategic Planning Day in September, with a view to reviewing the direction and development of a revised plan. It was agreed that a full review of the Strategic Plan would be deferred until 2024/25. This was agreed by Governors.

The Curriculum KPIS (as agreed by Governors in September) were provided for information; these were headline figures. The Strategic Plan KPIS were included in Appendix One.

It was noted that the Work-based Learning restructure would be delayed until February 2024. ND emphasised the need to ensure that the structure was appropriate and suitable for the College.

ND noted that the Audit Findings Report reinforced the work done by DP and CF and thanked them for their work.

ND provided an update in relation to the Chancellors Autumn Statement and explained that there were no specific references to FE. The increase to the National Minimum Wage would have some effect on the Career Families and a full review would be needed.

Student successes were noted. ND commented that Zara Dupont had been awarded Apprentice of the Year by the Plaisterers Guild and she had also recently achieved her L2 Functional Skills in English. Governors congratulated students on their successes.

7. PRINCIPAL'S REPORT (INCLUDING KPIs) (continued)

SCo explained that the FE Maths Challenge would help raise the profile of maths in the College. This was the first time the College had been involved in this, in collaboration with other colleges.

ND reported on the National Finals of Skill Build; nine students took part, students had been very successful and achieved one Gold in Plastering and two Bronzes in Bricklaying and Roofing, together with a Highly Commended in Wall & Floor Tiling.

The College had received a number of grants to spend over the next two years and these were detailed in the report. PN asked if any of the grants required match funding? ND explained they did not, but there were some outputs required for some funds.

It was acknowledged that attendance was a key issue. There were discussions around the length of time students had been at the College (for first year students, 7 weeks), that for some students this had been the first time students had engaged with education for a significant time, and the lower than average starting points of some students. The student demographic was discussed along with the significant proportion of students living in poverty.

JD commented that he was part of the 14-19 Strategic Partnership and there was some very positive work being undertaken by the College in supporting NEETs (Not in Education, Employment & Training).

PN commented on the work going on across College regarding attendance strategies and it was acknowledged that some students had very good attendance.

The Board received the Principal's update.

8. QUALITY, CURRICULUM & PERFORMANCE

8a) Overview from Committee Chair

The Teaching, Learning & Assessment Strategy had been discussed and it had been felt that links to employability, partnerships, adaptations in curriculum etc. could be incorporated to strengthen the Strategy.

The first formal set of data had also been discussed.

In relation to Maths and English attendance, this was currently around 69%, the setting of KPIs around attendance was discussed. This would be progressed through the Quality, Curriculum and Performance Committee.

It was noted that an additional Quality, Curriculum and Performance Committee was being arranged to ensure that progress was monitored.

The Board received the update from the Quality, Curriculum & Performance Committee meeting.

9. AUDIT & RISK

9a) Overview from Committee Chair

MSh explained that auditors had been on site regarding the Financial Statements. The key area of concern for both External and Internal Auditors was Apprenticeship Funding. The Committee had received an update on the Work-based Learning restructure.

Internal Audit Reports had been presented by ICCA and significant progress had been noted regarding Learning Support Funding actions.

A Risk Management update had been given by DP. The number of Risks continued to be reduced and a deep dive on a key risk was agreed.

It was agreed that the risk register would be presented to a future Board meeting.

DP
July 2024

MSh confirmed that the joint Committee meeting of Audit & Risk and Finance & Resources had received an overview of the Financial Statements from RSM. The positive working relationships on site had been highlighted.

The Board received the update from the Audit & Risk Committee meeting and the joint Committee meeting of Audit & Risk and Finance & Resources.

9b) Audit Committee Annual Report 2022/23

JTH confirmed that the Audit Committee Annual Report had been discussed at the Audit & Risk Committee previously and recommended to the Board for approval.

This was to be submitted with the Annual Financial Statements.

An amendment was agreed to the table of attendance with the headings, 'possible and attended' being swapped around.

JTH / NF
Dec. 2023

Subject to the amendment, the Board approved the Audit Committee Annual Report for 2022/23.

10. FINANCE & RESOURCES

10a) Overview from Committee Chair

MSh provided an overview of the recent Finance & Resources Committee meeting. The Terms of Reference had been amended to include Human Resources and Staff Well-being.

Updates were received from Estates, Health Safety & Environment and IT. MH had presented the IT update and it had been agreed that other managers would be asked to present their reports going forward. Risks regarding any building work were discussed and DP had confirmed that these would be assessed as appropriate.

10. FINANCE & RESOURCES (continued)

10a) Overview from Committee Chair (continued)

The Going Concern paper had been discussed and recommended for approval by the Board.

MSh noted that both the Audit & Risk Committee and the Finance & Resources Committee were seeking Vice Chairs. He explained that he was only standing in as Chair of Finance & Resources on a temporary basis.

The Board received the update from the Finance & Resources Committee meeting.

10b) Going Concern

DP presented Item 10b) and confirmed this had been discussed at the recent Finance & Resources Committee and recommended for approval by the Board.

The Board approved the paper on Going Concern.

10c) Department for Education: College Financial Forecasting Return 2023-2025

DP reported that the College had submitted the College Financial Forecasting Return (CFFR) to the ESFA. This has been reviewed by the ESFA and the appropriate assessment grade, based on the College financial plan, had been assessed as:

- Good for 2022/23 (the latest outturn forecast year), and
- Good for 2023/24 (the current budget year).

The Board noted the Department for Education letter: College Financial Forecasting Return 2023-25.

11. PEOPLE & GOVERNANCE

11a) Overview from Committee Chair

JTH provided an overview of the recent People & Governance Committee meeting held on 10 October 2023. Items discussed included:

- Recruitment & Membership
- Staff Survey Results
- HR & People Strategy
- Governance update
- External Board Review update
- Senior Post Holder targets
- Pay Award (confidential).

JTH explained that she had circulated the link to complete the Board Skills Audit to all Governors with a view to reviewing the outcome in advance of the Search and Governance Committee meeting in January. The RAG rating on the Governance Improvement Action Plan would be updated later in the year.

11. **PEOPLE & GOVERNANCE** (continued)

11b) **Governance Update report** (continued)

JT queried the Governor Link relationship. JTH explained that email introductions had been sent to most Governors; she would ensure that the remaining Governors received email introductions to their Link Manager so they could arrange a meeting.

JTH
Jan. 2024

The Board received the update from the Finance & Resources Committee meeting and the Governance Update report.

12. **STANDING ORDERS**

JTH explained that a summary of the amendments to the Standing Orders had been included in the Executive Summary and a final, untracked version was attached.

PN noted the reference to Clerk, rather than Director of Governance. JTH explained that this was Eversheds standard terms and Clerk also meant Director of Governance as described in the descriptions clauses.

The Board approved the revised Standing Orders.

13. **COMMITTEE TERMS OF REFERENCE 2023/24**

JTH presented Item 13. Following a review by the current People and Governance Committee and the Finance and Resources Committee it had been recommended that the People and Governance Committee would revert back to Search and Governance Committee; the Finance and Resources Committee would include people and HR related matters and a new Committee, Senior Post Holder Employment & Remuneration, would be formed. The Terms of References for all these Committees had been updated and were recommended for approval.

JTH explained that a schedule of meetings was required for the new Committee and suggested that the Senior Post Holder Employment & Remuneration Committee would be held on the same date (23 January 2024) as the Search & Governance Committee (which was previously the People & Governance Committee).

The Board approved the revised Committee Terms of Reference 2023/24.

14. **WRITTEN RESOLUTION – APPOINTMENT OF NEW GOVERNORS**

JTH presented Item 14 (Written Resolution). It was noted that the appointments of Steven Carmody, Robert Grice and Laurence Kendall were approved by a majority of Governors via written resolution.

The Board approved the Written Resolution to appoint the new Governors noted above.

15. TUITION FEES 2024-25

DP presented Item 15 (Tuition Fees 2024-25). The Strategic Leadership Team recommended that tuition fees (excluding Apprenticeships) be increased by 7%, with Apprenticeships being charged at 5% of the maximum of the funding band.

It was agreed that, in future years, Tuition Fees would be considered by the Finance & Resources Committee.

**Action: F&R
Committee
Autumn 2024**

The Board approved the Tuition Fees for 2024-25.

16. IMPACT OF DECISIONS MADE ON STUDENTS, STAFF AND STAKEHOLDERS

Board members discussed the purpose of the College and the desire to continue supporting students, employers and communities within the City with a particular focus on trying to address the risk of inequity.

Staff Governors and members of the SLT left the meeting at this point.

17. CONFIDENTIAL ITEM

See separate notes.

DATE OF NEXT MEETING

MR thanked everyone for attending and wished all a Happy Christmas and New Year.

The next meeting is scheduled for Tuesday 19 March 2024 at 4.00pm, Meeting Room 1, North Street.

The meeting finished at 6.15pm.