



College

USP College Corporation

Minutes of the Meeting held on Tuesday 11 July 2023

Meeting held in the A Level Centre, Palmers Campus

Meeting commenced: 16.00hrs

Meeting ended: 18.00hrs

Present

Phillip Lennon	Independent Member	Chair
Roger Key	Independent Member	
Nicola Curtis	Independent Member	Attending remotely
Vikki Liogier	Independent Member	
Malcolm Bell	Independent Member	
Tony Wenden	Independent Member	
Ben Akande	Independent Member	
Dan Pearson	Principal & CEO	
Clare Smith	Staff Member	
Nick Patterson	Staff Member	
Harvey Wayland	Student Member	
Maisie Cosby	Student Member	

Apologies for absence

Andy Williams	Independent Member
Paul Dale	Independent Member
Ian Hockey	Independent Member
Michelle Kingsland	Independent Member

In attendance

Steve Hendy	Chief Finance Officer	Attending remotely
Clare White	Deputy Principal Corporate & Student Services	
Jon Briggs	Vice Principal Quality & Curriculum	
Toni Lewis	Student Member designate	
Evie Naylor	Student Member designate	

Clerk

Sue Glover	Clerk to the Corporation
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In the absence of the Chair of the Corporation, Andy Williams, members agreed that the Vice Chair of the Corporation, Phillip Lennon, would assume the role of Chair for this meeting.

The Chair welcomed everyone to the meeting, particularly Nick Patterson as the new Staff Member and the two student member designates who will be serving on the Board in the next academic year.

017.23 Declarations of Interest

Members and staff were reminded of the need to declare any personal or financial interest in any item to be considered during the meeting.

There were no declarations of interest.

018.23 Apologies for absence

Apologies for absence were received from:

- Andy Williams
- Paul Dale
- Ian Hockey
- Michelle Kingsland

The Corporation Board agreed to accept the apologies for absence.

019.23 Unconfirmed open minutes of the meeting of the Corporation Board held on 28 March 2023

The minutes of the meeting were approved and signed as a correct record.

020.23 Matters arising and action points from the minutes of the previous meeting

The Board reviewed the schedule of actions outstanding from the previous meeting and were advised that an update on the land sale with Persimmon would be covered under the budget item on the agenda.

It was agreed that all other Action Points had been satisfactorily completed and that there were no other matters arising from the minutes of the previous meeting.

021.23 Membership Report

The Clerk presented a report detailing issues relating to the membership of the Corporation Board.

Roger Key, Nick Patterson, Toni Lewis and Evie Naylor withdrew from the meeting

Reappointment of Roger Key

At the meeting of the Search and Governance Committee held on 6 June 2023, consideration was given to the application for reappointment of Roger Key. Members were reminded that Roger has been a member of the Board since merger, serving a total of 6 years to date. On this basis and in accordance with the recommendations of the Code of Good Governance and the Board's terms of reference that governors can serve up to two terms of 4 years, the Committee is recommending that he is reappointed for a further term of 2 years.

Reappointment of Andy Williams

At the meeting of the Search and Governance Committee held on 6 June 2023, consideration was given to the application for reappointment of Andy Williams. The Committee are recommending that he is reappointed for a second four-year term of office on the expiry of his current term on 30 September 2023.

Staff Members

There is provision for two staff members, one for each campus. As the staff member for the Palmers campus resigned in March, an election was held during the term among college staff. Nick Patterson has been nominated as the staff member.

Student Members

There is provision for two student members, one for each campus. The term of office for the current student members ends on 31 July 2023. Elections have been held during the term among the students and Toni Lewis has been nominated as the Student Member for Palmers and Evie Naylor as the Student Member for Sevic.

The Board unanimously agreed to the appointments and reappointments presented.

Roger Key, Nick Patterson, Toni Lewis and Evie Naylor rejoined the meeting

The Chair took the opportunity to congratulate everyone on their appointments to the Board.

Members were advised that the total number of independent members is currently 11, making the total membership of the Board 16. On the basis of the agreed membership level of 16, the Board carries no vacancies. However, the search for potential new members will continue.

Resolved

The Corporation Board:

- Agreed to receive and note the report;
- Endorses the recommendation of the Search and Governance Committee and approves the reappointments of:
 - Roger Key for a two year term to 31 July 2025;
 - Andy Williams for a second term of four years to 30 September 2027;
- Accepts the nomination for the staff member and appoints Nick Patterson for a four-year term to 31 July 2027;
- Accepts the nominations for the student members and appoints Toni Lewis and Evie Naylor for a one year term to 31 July 2024.

022.23

Chair's Action and approvals taken outside of meetings

The Clerk to the Corporation presented, for endorsement, details of the Chair's Action taken since the last meeting of the Corporation Board together with approvals taken outside of meetings.

Members were reminded that, in accordance with the Delegation of Powers of the Corporation of USP College, set out in the Manual of Governance, the Corporation has delegated authority to the Chair of the Corporation to take action on behalf of the Corporation on occasions when issues arise outside of a scheduled meeting. Any Chair's Action taken is to be endorsed by the Corporation Board at the next scheduled meeting.

The Board was advised that Chair's action was taken on 6 June 2023 to support stage 1 of the Local Skills Improvement Fund (LSIF) Agreement – the LSIF bid is in collaboration with other colleges in the area who are part of the Local Skills Improvement Plan (LSIP).

The Board was reminded that:

- on 21 April 2023, all governors gave their agreement to the Capital Loan Repayment holiday with the bank which agreed to the 6 month repayment holiday on the current loan with Barclays;
- on 22 May 2023, all governors gave their agreement to the College's annual Accountability Statement for 2023/24.

Resolved

The Board endorsed:

- Chair's Action taken on 6 June 2023 to support the stage 1 application of the LSIF agreement;
- Actions taken outside of meetings to agree:
 - 6 month repayment holiday on the current loan with Barclays;
 - the College's annual Accountability Statement for 2023/24.

023.23

Draft Budget and Capital Plan for 2023/24

The CFO presented the draft budget and capital plan for 2023/24 for consideration and approval.

Members were advised that:

- the draft budget and capital plan for 2023/24 had been considered by the Finance and Resources Committee at the meeting held on 27 June 2023 and is recommended for approval by the Corporation Board;
- the budget is deemed to be prudent with certain growth income areas excluded until a higher level of confidence can be applied.

Members reviewed each of the appendices:

- Appendix A – draft budget summary 2023/24
- Appendix B – draft budget summary – best case, likely case, worst case
- Appendix C – remaining actions to be completed
- Appendix D – high risk budget areas – worst case
- Appendix E – capital Investment 2023/24

It was noted that within Appendix B, the budget presented for approval is reported as 'likely case'. A full budget review will commence in January 2024 to ascertain the certainty regarding income growth and achievement of in-year targeted savings.

Members discussed the issues raised and, in response to questions, were advised:

- no contingency has been budgeted and no pay award has been assumed;
- the planned budget review in January 2024 will ascertain whether sufficient budget improvements have been made to allow a pay award; this will be subject to student recruitment and the lagged funding impact this may have on 2024/25;
- a deficit budget of £390k is presented for approval;
- the net reduction to income is £764k compared to 2022/23:
 - the reduction in HE income is due to the contract with OBC ending
 - apprenticeships no longer delivered; work placement funding reduced
 - advanced learner loans - £38k reduction against funding allocation
 - includes impact of full year pay award made in April 2023 (4%)
 - impact of LGPS rate increase and new posts included and bank interest rate increases
- the College's financial health would remain as 'good' under this draft budget. However, any deterioration would put this into 'requires improvement';
- the outstanding issues with Persimmon Homes have been resolved and the option agreement has been signed and is now with the legal team. The land sale generates £150k and, if completion is deferred to August, would have a positive impact on the 2023/24 budget.

Members discussed the risks associated with the draft budget, particularly around staff savings of £400k and the cash position if additional funding is not secured to cover capital project cost increases.

The Finance and Resources Committee had considered that the budget presented was cautious in the light of the current climate, agreed it was realistic and that the proposed deficit budget of £390k should be presented to the Corporation Board. The Board agreed with the recommendation and concurred with the Finance and Resources Committee to support a pay award for staff if possible, acknowledging that this would be heavily dependent on savings within the staffing budget and the ability to create a level of general contingency.

The Board reviewed the proposed capital plan for 2023/24 for £832,552, noting that the final amount is less than the original amount proposed due to savings made in IT. Members agreed that the capital plan was acceptable.

Resolved

The Corporation Board endorses the recommendation of the Finance and Resources Committee and approves the draft deficit budget and capital plan for 2023/24 (acknowledging that this will be subject to a high level review in January 2024 and any subsequent approval by the Corporation Board).

024.23

College Financial Forecasting Return (CFFR)

The CFO presented for consideration and approval the CFFR.

Members were advised that:

- the College is required to submit the CFFR to the ESFA by 31 July 2023, which reports on the 3 year financial plan for the College;
- the CFFR is prepared on the basis of the forecast outturn for the year ending 2022/23, a budget for 2023/24 and a forecast for 2024/25;
- the CFFR reflects the budget recommended for approval by the Finance and Resources Committee following the meeting held on 27 June 2023.

The Board confirmed that, between the management accounts and the Financial Report, they were satisfied they had been receiving full and adequate information regarding the finances of the College. The CFFR presented is in line with the budget approved at this meeting and the current year-end outturn forecast for 2022/23.

Agreed

The Corporation Board approved the CFFR, which is to be submitted to the ESFA by 31 July 2023.

025.23

Internal and External Audit Provision

The Chair of the Risk and Audit Committee advised the Board that, at the meeting of the Risk and Audit Committee held on 21 June 2023, consideration had been given to the internal and external audit provision.

Internal Audit

Letter of Engagement and Internal Audit Strategy and Annual Plan for 2023/24

Members were advised that the planned total number of days is 33.5 for 2023/24, equating to total fees of £19,390.14 + VAT. The Committee had agreed that there was a good level of cover for the relevant areas required.

The Letter of Engagement from the internal auditor, Scrutton Bland, is recommended by the Committee and presented to the Board for acceptance and approval. It was noted that the Letter of Engagement is submitted on an annual basis and carried over from the previous year with no changes.

External Audit

Letter of Engagement and Financial Statements External Audit Strategy for 2022/23

Members were advised that the Letter of Engagement from the Financial Statements auditor, Buzzacott, and the Financial Statements External Audit Strategy for 2022/23 is recommended by the Committee and is presented for acceptance and approval. It was noted that the Letter of Engagement is submitted on an annual basis and carried over from the previous year with no changes.

Members noted the fees proposed for 2022/23, which are exclusive of VAT:

Financial Statements audit and regularity assurance	£31,180
Teachers' Pension audit	£1,175
Audit of the subsidiary's accounts (ITEC)	£2,475

The Chair of the Risk and Audit Committee took the opportunity to reiterate to members that it is the Corporation's responsibility to certify and assure on the going concern status of the College.

The Board was advised the Committee had agreed that, although the mandatory external governance review which is a requirement for all FE College Boards is planned for the Spring 2024, the internal Governance audit included in the annual internal audit plan will take place as it may help to identify any areas that need to be addressed prior to the external governance review taking place.

Resolved

The Corporation Board endorses the recommendations of the Risk and Audit Committee and approves:

- the Internal Audit Strategy and Annual Plan for 2023/24;
- the Letter of Engagement between the internal audit provider, Scrutton Bland, and the College, without amendment;
- Letter of Engagement between the College and Buzzacott LLP, without amendment;
- the External Audit Strategy for the year ending 31 July 2023 for the College and its subsidiary company, ITEC, and the fees quoted at this meeting.

026.23

Strategic Plan/Principal's report

This Principal presented his report which updated the Board on recent sector developments affecting the College's Career Focused Strategy and other College business.

Members were advised that the Executive Director Information Systems & Funding, his exams team together with the curriculum and support teams have ensured that the College has provided students with a high level of support to enable them to complete their course and exams and are to be thanked for all their efforts.

Strategic Plan KPI Update

The Board reviewed the strategic key performance indicators, noting the progress made against each of the strategic aims for term 2 and agreed there has been good progress made towards achieving each of the measures set; thus, indicating that the College is on track to meet targets for the year.

Proposal for delivery at Palmer's campus

The Board was advised on a number of proposals, which were being considered to address the current decline in student numbers and help regain market share at the Palmer's campus.

Collaboration and Partnerships

Members were further advised on the following strategic alignment with Universities and other Colleges as part of a wider scan on collaboration and partnerships, such as:

- The potential to seek University status for the Xtend and any future Lakeside campuses as part of the USP College growth plans for HE and around the Lifelong Learner Loans;
- Seek to have strategic conversations with existing partners, such as University of Hertfordshire and Writtle University and continue dialogues with Roehampton and Coventry Universities.

Curriculum Efficiency & Financial Sustainability Support (CEFSS) review

The Board was informed on the Curriculum Efficiency & Financial Sustainability Support (CEFSS) review, which the College has been invited to carry out by the FE Commissioner's office.

The College decided this was timely to request this type of support to ensure the revised curriculum planning model and supporting budget setting is at the level expected. It is a 3-stage review and the College can withdraw at any time, with the expected timeframe if all three stages are completed of 3-4 months. The College has agreed to commence stage one with a scoping meeting scheduled for 10 July 2023.

In discussion, members were supportive of the review and agreed this was timely to ensure that the curriculum planning model and supporting budget is at the right level and looked forward to receiving details of the outcome of the review in due course.

College Strategic Plan update (Xtend and 'Emerging technologies and Jobs of the future')

The Board was further informed on the College's strategic plan update 'emerging technologies and jobs of the future', which focused on:

- Xtend facility expansion and commercialisation
- VR campus collaboration and monetisation
- Integration with the Lifelong Learning Entitlement
- Business development and sustainability

In discussion, the Board agreed that the proposals put forward presented some very exciting opportunities for the College and, whilst there were the obvious implications associated with costs, timescales, capacity and priorities to be considered, were supportive that these should be pursued with further relevant research. It was agreed that a structured paper for detailed consideration by the Board would be presented in due course.

The Board thanked the Principal for a very informative update.

Agreed

The Corporation Board agreed:

- to receive and note the Principal's report;
- that good progress has been made towards achieving the measures set to monitor each of the strategic aims;
- to support the further investigation of the proposals put forward for the development of the College.

027.23

Learner Voice

Student activities during the Summer term 2023

The student members gave a presentation on some of the activities being undertaken by the students at both campuses during the term.

Members were informed on:

- Progress this year
 - Improvements made to Learner Voice turnout
 - Feedback and action
- Feedback from Spring term Student Conference;
- Moving forward for next year and the induction of the new student governors for 2023/24;
- Introducing Achievements by outgoing student governors in 2022/23.

Student Union Development Plan for 2023/24

The student members presented the Student Union Development Plan for 2023/24.

Members were informed on:

- changes to make the Student Union (SU) more efficient;
- the roles of SU members to maximise their time within the SU;
- development of the way to include the wider student body within the SU.

The Board thanked the student members for an excellent presentation, which gave members first hand insight into the activities of students at the College. The Board commented on the excellent way the induction for new student governors has developed.

It was encouraging to see the approach taken by the students on developing the Student Union for 2023/24 and thanked the students for sharing this with the Board.

Resolved

The Board noted the update from the student members.

028.23

Governor Self-Assessment

The Clerk presented a report outlining the governors' self-assessment process and questionnaire for 2022/23.

Members were advised that the self-assessment process and the questionnaire had been considered by the Search and Governance Committee at the meeting held on 6 June 2023 and is recommended for approval by the Corporation Board.

The Clerk advised that a review of the effectiveness of each of the Committees will also be undertaken at the same time and presented a further questionnaire for consideration.

Members reviewed both questionnaires and agreed these were appropriate with no changes required. It was noted that the outcomes will be considered at the Governors' Training and Development meeting on 26 September 2023 and will form the basis of the Governors' Quality Improvement Plan, which will be developed following this meeting and monitored by the Search and Governance Committee during the year. The questionnaires will be circulated to members by the Clerk outside of the meeting for completion before the meeting on 26 September 2023.

Resolved

The Corporation Board endorses the recommendation of the Search and Governance Committee and approves the process for Governors' Self-Assessment and questionnaire for 2022/23.

029.23

Link Governors

Each Link Governor was invited to report on the activities undertaken during the term in their capacity as a Link Governor.

Link Governor for Safeguarding – Ian Hockey

In the absence of the Link Governor for Safeguarding, there was no report.

Link Governor for Careers and Employer Engagement – Andy Williams

In the absence of the Link Governor for Careers and Employer Engagement, the Vice Principal Quality & Curriculum updated on:

- Sector Board development
- Development of Employer network to provide
 - Work experience placement
 - T level placement
- Student CPD days and governor involvement
 - 12 October 2023
 - 12 February 2024
 - 24 April 2024

Members commented whether Artificial Intelligence (AI) was having any impact and advised not currently, but a summary would be prepared in due course for the Quality Committee to consider.

It was agreed that the Clerk would circulate the Student CPD dates outside of the meeting so governors can consider their involvement.

030.23

Search and Governance Committee

Meeting of the Search and Governance Committee held on 6 June 2023

In the absence of the Chair of the Search and Governance Committee, the Vice Chair of the Corporation reported on the key issues considered at the meeting and those recommended for approval:

- Skills Audit update
- Annual review of Governance documents
 - Manual of Governance for 2023/24, which included the Committee's Terms of Reference for 2023/24
 - Annual Cycle of Business for 2023/24
 - Scheme of Delegation
- Code of Good Governance update
- Termly review of attendance at meetings in term 2
- Governors Development and Training programme

031.23

Quality Committee

Meeting of the Quality Committee held on 20 June 2023

In the absence of the Chair of the Quality Committee, Vikki Liogier reported on the key issues considered at the meeting and those recommended for approval:

- Higher Education update
- Cross college student survey feedback
- Key Performance Indicators for
 - Attendance
 - Retention
 - Projected achievement
- Destinations and Progression
- Careers and Skills Education update
- USP College Quality Improvement Plan
- College self-assessment for 2022/23 – initial timeline
- Termly Safeguarding report
- Terms of Reference and Annual Schedule of Business for the Quality Committee for 2023/24

032.23

Finance and Resources Committee

Meeting of the Finance and Resources Committee held on 27 June 2023

The Chair of the Finance and Resources Committee reported on the key issues considered at the meeting and those recommended for approval:

- Termly Health & Safety report
- Termly Human Resources report
- Xtend – Wellset Repro Limited – Collaboration Agreement
- Curriculum and support area performance – CEFSS review
- ONS return for period 29.11.22 to 31.03.23
- ESFA letter dated 29 March 2023 confirming financial health
- Management Accounts to 30 May 2023 and financial update for June
- Capital Loan Scheme application
- T Levels project update
- College policies
 - Fees, Loans & Refunds Policy
 - Reserves Policy
 - Treasury Management Policy
 - Financial Regulations
- College Contracts for
 - Bus Contract (student transport service tender)
 - Immersive rooms
- Terms of Reference and annual schedule of business for 2023/24

033.23

Risk and Audit Committee

Meeting of the Risk and Audit Committee held on 21 June 2023

The Chair of the Risk and Audit Committee reported on the key issues considered at the meeting and those recommended for approval:

- Risk Register – Q4 Headline Risks
- Fraud, Irregularity & Whistleblowing – confirmation of no matters to report
- Review of outstanding audit items

- Final internal audit reports for
 - Student Destinations
 - Follow-up of previous recommendations
 - Budget setting and control
- Review of post-16 Audit Code of Practice for 2022/23
- Terms of Reference and annual schedule of business for 2023/24
- College policies
 - Fraud, Corruption and Bribery Policy
 - Risk Management Policy
 - Business Continuity Plan
 - Data Protection Policy

034.23 Committees of the Corporation

The Chair of the Corporation thanked each Committee Chair for their reports of the meetings.

Resolved

The Corporation Board:

- Notes the reports of the Chair of each of the committees of the Board;
- Endorses the approval by each committee of the key issues considered and approved at the meetings.

035.23 ITEC Learning Technologies Limited Meeting held on 24 April 2023

Members received the unconfirmed minutes of the meeting.

The Chair of ITEC reported on the key issues considered at the meeting advising that, although the teach-out of apprentices was now complete, the company will continue in existence as the College's cleaning services are being provided through ITEC.

036.23 Any Other Business

Members were alerted to the recent local press coverage concerning Graeme Loveland, who was an ex-Governor of the College and has been found guilty of fraud. Members were advised that Graeme resigned as a governor of the College in July 2020 and there is no suggestion that he was involved in any such activity during his time as a governor of the College. The College has prepared a suitable press release for use as necessary.

In the event that any Governor was approached on this subject, the Chair requested that they should make no comment and refer the matter to the College for an official response.

The Clerk took the opportunity to remind members of the dates for the student award events during the year and encouraged attendance by governors.

There was no further other business.

037.23

Schedule of Meetings 2023/24

Tuesday 26 September 2023 – Training & Development
Tuesday 12 December 2023 – **main Corporation Board**
Tuesday 13 February 2024 – Training & Development
Tuesday 26 March 2024 – **main Corporation Board**
Tuesday 14 May 2024 – Training & Development
Tuesday 9 July 2024 – **main Corporation Board**

All meetings commence at 4pm.

At the conclusion of the part 1 meeting, the Corporation Board moved into a meeting restricted, in accordance with the Instrument and Articles of Government and with Section 40 of the Freedom of Information Act 2000, to the independent members of the Corporation Board.

SIGNED AS A CORRECT RECORD:

A handwritten signature in blue ink, appearing to read "Hemon", is written over a light blue rectangular background.

DATE: 12 December 2023