

**Minutes of the Corporation meeting
Wednesday 9 December 2020
Video Conference Zoom
4.00pm**

Present: Allan Schofield (Chair)
Sheila Selwood (Vice Chair)
Dennis Buckley
Alan Carvell
Sharon De Leonardis
Richard Dimpleby
Greg Guilford
Mark Lawson
Melissa Peacock
Ian Pryce CBE, Principal & CEO
Vinod Tailor
Luisa Vecchio
Amanda Wagstaff
Cliff Wragg

In attendance Pat Jones, (Executive Director of Finance)
Em Lowe (Vice Principal)
Anastassia Parsons (Equality, Diversity & Inclusion Manager)
Rachel Nicol (Director of Governance & Clerk to the Corporation)
Stephen Walker (Technical Accountant)

Action

C/18/20 Apologies for absence

There were no apologies for absence.

C/19/20 Declarations of interest

Alan Carvell is a non-executive director of BCS Limited (a wholly owned subsidiary of Bedford College).

C/20/20 Matters arising

The Board noted the resignations of Stewart Briggs and Sulaman Sunny during the term and asked that formal thanks are recorded for their respective contributions to the College.

The Director of Governance confirmed that two student governors have now been proposed.

The Board endorsed the appointments of Abi Stevens and Lauren Newman for 2020-2021

C/21/20 Covid-19 update

The Vice Principal leading the Covid response updated the Corporation on the College's management of Covid. Regular meetings have taken place with Public Health England ("PHE") and positive feedback has been received on the prompt actions in managing cases resulting in no transmission between students. The total numbers of cases was 92 students out of circa 16,000 with 30 of those being after half term. Most students have been asymptomatic or had mild symptoms. There has been 9 positive cases for staff out of circa 1200.

The College is continuing to ask students and staff to be careful over the Christmas break. Staff are preparing for the continued delivery of education in January with flexibility to accommodate student and staff absences.

The Board commended the efforts of all staff and the management by the Covid Response team.

The report was noted.

C/22/20 Dashboard and progress against strategic aims

The report was confirmed as read and a number of items noted to be covered in more detail in later reports The Principal & CEO highlighted:

- Surplus and staff costs position attributable to the pension adjustments.
- Areas of concern being monitored, including apprenticeships.
- 16-18 numbers significantly higher with staffing being increased in areas with greatest growth
- The Principal's appointment as the Chair of Silverstone Academy Trust Limited
- Continued focus on the student experience and satisfaction.

The report was noted.

C/23/20 Equality & Diversity Annual Report

The Equality Diversity and Inclusion Manager attended to present the report.

It was noted that support and awareness raising for the EDI priorities has been maintained in a difficult year. The move of EDI forums on line has enabled cross campus discussions and continuation of support across the Group. Additional groups established in the current year have included a women's group, a diversity advisory group and an ethnicity group. The HR department are supporting any required process changes identified.

The network of diversity ambassadors has grown with ambassadors now in place in all curriculum and most support areas.

Outcomes for students were outlined and high needs students noted to be well supported.

The gap between white British and other minority groups has reduced.

Groups identified as most impacted by the move to online learning are being monitored.

Equality priorities continue to be worked on with the current plan running to 2022. Concurrently a 3 year Race Equality Action Plan has been developed.

Greg Guilford attends the EDI Committee and commended the positive progress and stonewall recognition.

The Corporation noted the positive progress on the mental health awareness plan commended. The Board discussed the capture of national events and it was confirmed that the diversity calendar extended beyond those identified in the report. All ambassadors are updated on a monthly basis.

The Corporation approved the Equality & Diversity Annual Report

AP left the meeting.

C/24/20 Resources Committee rag rated report

The rag report was introduced and the Committee highlighted the risks around the digital technology strategy and the need for sustained focus. Positive progress is being made on other areas.

The report was noted.

C/25/20 TBCG Financial Statements

The Chair confirmed that the financial statements are in a standard format and explained to the Board the requirements for approval and sign off.

The Technical Accountant attended to present the financial statements for the Group for the year ended 31 July 2020. The statements had been audited by the Financial Statements Auditor and the higher out turn position than the previous years resulted primarily from two adjustments.

Page 18 and the narrative around the corporate governance controls was highlighted.

The consolidated accounts were also highlighted with detail on pages 31 and 32 on the Group position last year and in particular the pension adjustment.

The pension movement on the balance sheet was noted to reflect the valuation of the pension deficit by actuaries at a point in September based on the money market position, impacted by Covid and the political climate. The College had appointed their own actuaries and challenged some of the original assumptions made. Assurance was given that a prudent assessment had been made for the purposes of the accounts and the College Information Report.

The overall financial health score has not been impacted by the pension adjustment and has increased.

The Corporation approved the financial statements and annual report and confirmed authority for the Chair to sign the statements on their behalf.

The report was noted.

C/26/20 College Information Report

The Executive Director of Finance presented the report and highlighted:

- Additional income over planned income being made up of additional grants.
- Additional staff required to support schemes.
- Increase in 16 to 18 numbers and additional staff needed to support areas with high growth.
- Increase in pay costs impacted by pension.
- Growth from last year and the increase in the funding base rate has supported areas impacted by Covid.
- Pension values are excluded from financial health position but included in accounts for transparency.
- The Group position and in particular the impact on the commercial subsidiary.
- The position on reserves.
- Positive cashflow.

The Board raised questions in respect of there being fewer post reductions than planned and the requirement for additional payroll efficiencies. The Board also questioned whether any lessons had been learned around budgeting in a changeable climate. It was recognised that some predictions and the projected impact can be modelled and monitored but that there are a number of uncertainties arising due to the unknown impacts of the pandemic.

The likely patterns on student numbers and anticipated impact on funding was considered.

The Board asked if there is any early estimate on the impact of changes around the Adult Education Budget (“AEB”). An early Medium-Term Financial Strategy (“MTFS”) will be taken to Executive in January with early ESFA funding indications expected in February and confirmation in March. At the current time there are a number of uncertainties. The timing of government announcements around smaller initiatives was discussed.

The report was noted.

C/27/20 Pay Award

The Principal updated the Board on the final decision taken in respect of the consolidated pay award and withdrawal of attendance vouchers and the Cinderella bonus (money for staff to arrange a social event in teams). The priority was noted to be job security. The reference date for pay going forward will be December. Where staff are on frozen scales HR will deal with individual queries.

It was confirmed that staff had shown high commitment across the Group.

The Group will continue to review opportunities for progression, particularly where turnover is recognised to be low.

The Board noted that the majority of staff will receive a consolidated award of 3%.

C/28/20 Items for approval on the recommendation of committees relating to financial and other resource matters

The Executive Director of Finance outlined the amendments to the capital programme since its approval in July at the Corporation meeting. These largely relate to the confirmation of grant income and had been reviewed by the Resources Committee.

The Board discussed whether any of the programme should be postponed due to the financial position. It was considered that construction is in high demand and that the construction project is fully funded. Other areas with consistent growth are being reviewed to ensure they are supported. The programme will be brought back to Executive with the MTFS and then discussed further at Resources Committee.

On the recommendation of the Resources Committee the Corporation approved the amendments to the Capital Programme.

The nature of the regularity self-assessment and the requirements of the ESFA were outlined and additional questions had been added around Covid.

On the recommendation of the Audit Committee the Corporation approved the regularity self-assessment.

The Financial Management letter was outlined. It was noted that the point on the segregation of duties in relation to payroll related to a previous recommendation and was picked up on subsequent internal audit

On the recommendation of the Audit Committee the Corporation approved the financial management letter.

The Audit Committee annual report was summarised by the outgoing Chair of the Committee. The focus on business continuity and data protection was outlined and internal changes were highlighted. The incoming Audit Chair confirmed that the reasons for the differentials in some of the self-assessment scores are being looked at.

On the recommendation of the Audit Committee the Corporation approved the Audit Committee annual report.

The Statement of Corporate Governance and Internal Control had been reviewed by the Governance Committee and by the Audit Committee. Some amendments had been made to the membership list.

On the recommendation of the Audit Committee the Corporation approved the Statement of Corporate Governance and Internal Control

The report was noted.

C/29/20

Quality, Standards & Achievement items

The Chair of QSA highlighted the rag reports from the two meetings of the Autumn term including the focus on the Self-Assessment report and Quality Improvement Plan (“QIP”). The outcome of the process and assurance received were noted with positive feedback on how the College has managed the challenges around Covid. Poor NSS scores were highlighted but it was recognised that it was only relevant to a small number of HE students. Partnership working in this area is being reviewed. The Committee had expressed concern about the nature of the draft HE SED and QIP, and asked that it be redrafted and presented in a similar format to that used in the College SAR.

Academic risk is a regular item and risks are well managed

The Quality Strategy sets out the long-term plan to deliver quality and the Committee supported the focus on impact and the new initiatives rather than compliance.

On the recommendation of the QSA Committee the Corporation approved the Quality Strategy.

C/30/20

Student experience and support update

The Vice Principal presented the report and highlighted:

There had been positive feedback from the first impressions survey, which QDP runs on behalf of the College and benchmarks against circa 81 other colleges. The Vice Principal will ask other colleges what they are using but it is suspected that a lot of colleges run their own surveys making benchmarking difficult. The application and

impact of catch up funding was discussed. Learning, teaching and assessment is receiving positive feedback, in particular the live streaming of lessons.

The Board considered the results as positive. The top five issues from the student conference in the summer presented to QSA were outlined.

Further discussion took place on the reasons given for attending College, in particular the response around a “new experience” including wider subject choice, an alternative to school and focus on vocational subjects.

The Vice Principal asked for feedback on the format of the report and it was agreed that the QSA Committee will provide input.

The report was noted.

C/30/20 Safeguarding update

The Vice Principal responsible for safeguarding presented the report and highlighted the increase in referrals with more issues and concerns during lock down. It has been viewed as a positive that students are reporting to the College.

In addition to the internal counselling service outside agencies continue to provide support. All Personal Achievement Tutors (“PATs”) are trained as Mental First Aiders.

There has been an increase in the number of students with social workers and access to bursaries and equipment is being managed.

The Board discussed news headlines regarding the increase in home schooling and noted the College is monitoring the position.

Assurance was provided around the level of reporting supported by the interaction with students and number of mechanisms to raise concerns. One report relating to Prevent radicalisation was discussed and it was confirmed that there was no risk posed.

The Board asked about refugee students and how they are supported. It was noted that they are mainly in 16-18 ESOL provision, are treated as vulnerable and positive support is in place including good links with social workers and virtual schools in both counties.

The update was noted.

C/31/20

BCG SAR and Quality Improvement Plan

The Director of Learning, Teaching and Assessment attended to present the report, already considered by the QSA Committee.

The SAR reflects 2019-2020 with Covid impacting on achievement but not as significantly as it might have done. Timely achievement has been impacted however due to delayed assessments. More analysis is being done to assess where there has

been most impact. The College will monitor a 4 year data trend to ensure a more balanced analysis around the Covid impact.

It was recognised that due to the meeting timings there are still some minor amendments suggested by QSA to be processed.

The Chair of QSA confirmed a number of governors had attended SAR meetings and had fed back on the positive nature of the process.

The SAR and QIP were approved on the recommendation on QSA Committee.

Strategic Initiatives

C/32/20

Northamptonshire Sixth Form Centre

The Board welcomed the paper from the Principal which set out the context of the proposal and its fit with the strategic plan and the aim to raise the centre of gravity of the curriculum. Tresham has a strong brand at lower levels but it is considered that advanced and higher levels need to be grown. The Executive has reviewed the model used for Bedford Sixth Form ("BSF") and the research centred on whether this could be replicated in Northamptonshire.

The research findings were outlined including the potential for success, and the need to identify a location in either Kettering or Corby to ensure sustainable provision. The research also identified a need for a separate brand, a separate building and a town centre location. It was confirmed that the research remains valid.

The opportunity for the Centre has come about because construction and 'fit out' costs will be included in the town fund bid submission by the Corby Town Fund Board focussing on education and skills. The bid is subject to government approval. It is anticipated the Group will incur an annual leasehold payment and ongoing staffing costs should the project proceed as proposed. Possible premises have been identified in the town centre.

Challenges are recognised to include the need for more specialist teachers from the outset but mitigations are being looked at in terms of breaks in the lease, potential use of the location for other things to develop a fuller curriculum for Corby.

The Board discussed the planned location and whether the presence will be dominant enough. Plans for a prominent reception bubble are in place and it is believed that the location will be attractive to prospective students. The feedback from the retailers on the site has been positive. Feedback will be sought from potential staff.

The Board further discussed the potential capital costs and the pay back, what is included in the capex and the sensitivity to student numbers. It was confirmed the plan is predicated on anticipated student numbers and there is sensitivity which has been taken-into-account in the location. Even with 80 to 85% sensitivity the project is considered to have a 3 year break even position. In terms of capex the lease is intended to be of a shell with base line funding requirements to include a number of

science labs, studios and other accommodation based on the curriculum. The College is looking at a zero-carbon option and has run the numbers with an engineer. Further meetings are planned to run through options.

It is anticipated that numbers will be attracted from development growth but acknowledged that the facility will also provide an alternative to schools. The College is working to develop the relationship with schools.

Gross value added (“GVA”) calculations demonstrate a generous cost benefit ratio. The strategic plan aims to serve the whole community with 60% of students wanting to do A levels.

The Board further discussed the proposed location in terms of accessibility issues and parking. The site has limited parking but strong public transport links. Positive changes in the perception of education establishments as anchors in town centre planning were noted.

Relationships are being developed for apprenticeships and work experience links on big projects. The blend with other vocational areas will be monitored carefully

The Board discussed proposed support both in reputational, educational and financial terms. The project is noted to be key for developing the College in the way the Group had planned in Corby to support the expansion of post 16 education.

Student numbers, breakeven levels and capacity were discussed. No contribution to reserves is being modelled. Development of the site would ensure flexibility and capacity to expand.

Work around the implications of financial pressures and funding strategy were outlined with the planned opening in September 2022.

Assurance was given on the methodology followed by the Executive in considering strategic opportunities in terms of the fit with BCG's values and mission. ***The Corporation asked the Principal to provide a regular summary to each future Board meeting, to include strategic and / or growth opportunities that the Executive has considered, both those being pursued or researched and those the Executive has decided not to pursue or to recommend to the Board.***

The Corporation confirmed their support for the proposal and will receive updates in due course.

C/33/20 Audit Committee rag rated report

The report from the Committee was presented and its meeting had been dominated by a number of internal and external audit reports. Positive assurance was taken around the systems audited and that management are progressing recommendations.

The Committee had agreed that the internal audit report on learning progress monitoring would be sent to QSA and the Chair of QSA noted it had already been received.

Discussion on the presentation of the risk register has taken place with a Risk and Opportunity manager. It was confirmed that any changes should add value to the College and support the development of a ROM plan. The register is recognised as an internal tool but the Committee is keen to look at mitigation and controls. The Executive has commenced the review process. Data protection and cyber security were reported on but the need to tie cyber security into the top-level strategy was recognised.

The Board discussed the use of the rag rating and the need to articulate the definition of the two columns in the new committee rag format. ***It was agreed the Governance Committee will take this forward.***

The report was noted.

C/34/20 Risk Register

The Executive Director of Finance presented the report and highlighted there are 10 current risks with inherent score of 15 or more with more movement in risks attributed to changes in Covid guidance. The planned work on reformatting the register to align with the Risk and Opportunity plan was set out. The Technical Accountant is reviewing the format and this will be presented in the new year.

Potential to look at colour coding, ordering of risks and likelihood scoring will be looked into. The Board was invited to provide any further comments to the Executive Director of Finance or the Chair of the Audit Committee.

The report was noted.

C/35/20 Update on Health and Safety

The Vice Principal for Health and Safety presented the report and highlighted current work around the response strategy, first aid cover and fire drills

The Board was informed that all the campus meetings have taken place but the Group wide meeting of the H&S Committee will take place in the Spring term.

The update was noted.

C/36/20 Governance and Remuneration rag rated reports

The Chair of the Governance Committee provided an update including the outstanding work on the OfS reportable framework and the responsibilities of governors and the required recruitment of governors.

The report was noted.

C/37/20 Items for approval on Governance & Remuneration

The Chair of the Remuneration Committee highlighted the rag rated report and the work at the two meetings in the Autumn term.

An explanation of the Senior Post Holder title was given for the benefit of newer governors.

The Committee Chair highlighted key aspects of the Senior Post-holder Pay Policy, historical anomalies, expense information, income derived from external activities and overall intention of the policy.

On the recommendation of the Remuneration Committee the Corporation approved the Remuneration Policy - Senior Post-holders

The Corporation noted the annual reports of QSA, Resource, Search and Governance Committees.

Issues being considered by the Committee in the current year include further work on succession planning. It was noted that the Executive Director of HR is working on a College wide exercise which will be looked at by the Resources Committee. ***Some governors had not seen the contingency planning report and it was agreed this will be circulated.***

The Corporation noted written resolutions as follows:

Approval of the Fees policy (16.07.20)

Approval of subcontractors and related fee policy (22.10.20)

Approval of the Instrument & Articles and standing orders (02.12.20)

C/38/20 Update on the group structure and associated undertakings

The report was confirmed as read and provided the history of reporting on subsidiaries and associated undertakings as well as the current position.

The annual reports of the two subsidiary companies were considered. There are no plans to review the group structure at the present time. The Board discussed the guidance they had provided in December 2019 around commercialisation and risk appetite. ***The Principal & CEO will consider how group reputation and risk can be monitored by the Corporation within the context of the group structure.***

The Board recognised the size of each subsidiary in relation to the Group and also the recognition of further strategic development planned.

The report was noted.

C/39/20 Minutes of the meeting on 8 July 2020

The minutes were approved as an accurate reflection of the meeting

C/40/20 Confidential matters- senior post holder reviews. (Minute reserved to external members)

C/41/20 Next meeting

The next meeting will take place on Thursday 25 March at 4pm