

**Minutes of a Meeting of the Governing Body (the “GB”)
held on Monday, 21st February 2022, at 17:30 (GMT) via Microsoft Teams Videoconference**

Agenda Item 1: Chair’s Business:

a) Attendance and Apologies for Absences:

Present:

Mr Gareth Hetherington (Temporary Chair of the Governing Body), Mr John Mackell Items 2-8 only, Mr Steve Pollard, Mrs Karen Fraser, Mr Ken Webb (CEO/Principal), Mrs Deborah O’Hare, Mr Alan McCrum, Mr Derek Wilson, Mr Darren Stewart, Dr Daniel McConnell, Mr Mark Huddleston, Ms Majella Corrigan, Mr Samuel Hagen, Mr Michael McQuillan, Mr Andrew Corbett, Mr James Lee

In Attendance:

Mrs Claire Williamson (Secretary to the Governing Body), Mr Tommy Martin (Chief Finance Officer (“CFO”))

Apologies: None

In the Chair:

Mr Hetherington.

b) Declarations of Conflicts of Interest:

The Temporary Chair invited members to declare any known or perceived conflicts of interests. Ms Corrigan declared that she is employed by CCMS and is a Council Member of CCEA, she noted the reference to CCEA in the papers for item 3.

c) Minutes of the Meeting of the Governing Body held on 22nd November 2021:

The Governing Body reviewed the Minutes of the Meeting held on 22nd November 2021. Following due consideration, it was agreed that the Minutes were a true and accurate reflection of the Meeting.

Agreed: That the Minutes of the Meeting of the Governing Body, held on 22nd November 2021, be approved, and adopted.

Proposed by: Mark Huddleston

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Seconded by: James Lee

d) Matters Arising/Action Points from previous Meetings:

Members noted that all actions were completed or addressed on the agenda.

e) Safeguarding Governor Role

On the invitation of the Temporary Chair the Secretary advised members that Safeguarding training had been organised in March, Steve Pollard and Karen Fraser are currently the Governing Body representatives for Safeguarding within the College. However, both have advised as their terms are ending within the next year it would be sensible for other Governors to take up these roles and avail of the training. Mr Wilson has volunteered for one of the posts but is unavailable on the training dates in March, the Secretary advised that there is no urgency to replace the two current Governors and training could be organised for Mr Wilson and another Governor later in the year. The Temporary Chair suggested that Mr Pollard and Ms Fraser could speak to anyone interested in the other vacancy to advise what the role involves.

Action Point: Governors interested in the Safeguarding role should advise the GB Secretary

Agenda Item 2: Correspondence:

a) SERC/SRC Chair competition

The Temporary Chair referred members to the correspondence confirming the recruitment competition for the post of Chair in SERC and SRC is now live, and applications can be submitted until 12 noon on 24 February 2022.

b) Annual Quality Assessment Return

The Temporary Chair directed members to the correspondence from the Department seeking assurances about the quality of our higher education provision, members noted that The Principal is required to sign this statement in his role as Accounting Officer. The Temporary Chair advised that an internal audit report conducted on the review of quality management processes within the College had been shared with members prior to the meeting which gives members the assurance that no areas of improvement were recommended, and areas of best practice were highlighted.

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Agreed: The Governing Body confirmed they were content that the Annual Quality Assessment return for 2021/22 was signed by the Accounting Officer on their behalf

c) Budget 2022/23

On the invitation of the Temporary Chair the Chief Finance Officer addressed the meeting to present the update on the Budget 2022/23. He advised that as per the communication from the Department the assumed opening indicative budget for 2022/23, uplifted by £815k net 2021/22 Traineeships funding from ACVED, gives an assumed opening indicative budget for 2022/23 of £36,946k. The shortfall compared to current budget is therefore a significant £4,970k.

The CFO moved on to highlight a few factors that will financially impact the College in 2022/23. He advised that if the College is not successful in receiving ERAP funding there will be a short fall in delivery and so costs will have to be stripped out of the budget elsewhere in order to ensure there is no significant impact in delivery.

He highlighted the global rise in utility costs (that will impact all business and domestic customers), rising PFI costs, national insurance rises and staff pay awards will all have an impact on the budget and need to be considered as these costs must be met.

The CFO informed members that in terms of a response the College have attempted to pull planned work forward in estates and IT so that it can be completed before the March year end. In the new FY Staff training can also be reduced, there will be no immediate impact on frontline delivery in doing so but the CFO advised this is not a long-term solution. In implementing this action plan the CFO advised that there would be £3.48m shortfall and the College would then have to review its staffing structures. He added that in instigating such a review it would take a long time to implement any redundancy programme and realise any savings from it and so this action would be too late to address the Budget for 22/23.

The CFO advised that the Principal has responded to the FE Director ahead of sending any detailed response back in order to highlight the urgency of this situation. He advised that the NIFON group will meet to discuss a response ahead of the deadline to submit a formal response on 28th February, in response to a query from the Temporary Chair the CFO advised it is likely the other Colleges are in a similar position and NIFON will agree how to proceed.

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Mr Huddleston advised that as Vice Chair of the Skills Council he had written to the Permanent Secretary of DfE and Head of the Civil Service to advise that in terms of the employer element of their work the sustainability of the FE sector is crucial, he confirmed he was content to keep the Governing Body apprised of any updates he receives.

In a brief discussion with members the CFO highlighted that any savings are not a long-term fix, he stressed that the biggest cost the College has is staff costs and so there are very little non staff variable costs and moving spend to the back end of this financial year is very much a one off otherwise the College will face much bigger difficulties down the line.

Mr. Pollard highlighted the issues the College will also face with funding from EU programmes coming to an end next year, he noted it would be helpful for members to understand the direct and indirect implications of the loss of this funding.

The Principal concluded the discussion by advising that the solution to this issue lies with the Department and not the Colleges, he noted that for the College to make up the shortfall it would require a reduction in staff which is timely and costly. The Temporary Chair thanked the CFO for the overview of the budget and noted that the FGP Committee will monitor the developments closely.

Action Point: The Temporary Chair requested that Mr Pollard’s suggestion to further consider the loss of EU funding is included in the agenda of the planned strategy day

Agenda Item 3: Principal and Chief Executive’s report:

The Principal asked members to note the written report provided

Agreed: The Governing Body reviewed and approved the proposal to offer a £500 cash bursary to level 3 students progressing in HE within the College, the scheme will be trialled for one year

Agenda Item 4: Items for Approval

a) Audit Committee minutes from meeting held on 10th November 2021:

Mr Mackell, Chair of the Audit Committee, presented the minutes for adoption.

Agreed: The minutes were adopted on the proposal of Karen Fraser and seconded by Samuel Hagen.

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b) Education Committee minutes from meeting held on 16th November 2021;

Mr Pollard, Chair of the Education Committee, presented the minutes for adoption.

Agreed: The minutes were adopted on the proposal of Andrew Corbett and seconded by Michael McQuillan.

c) Finance and General Purposes minutes from meeting held on 9th November 2021

Mr McCrum, Chair of the FGP Committee, presented the minutes for adoption.

Agreed: The minutes were adopted on the proposal of Daniel McConnell and seconded by Michael McQuillan.

d) Boardroom Apprentice Programme 2022/23

The Temporary Chair advised members that we have been a successful host board for 5 years and asked members to indicate if they were still supportive to continue with the scheme. Mr Mackell spoke to endorse the programme and advised he felt it was very worthwhile for the board to be involved in and he felt it was a great initiative to ensure diversity in the boardroom.

Agreed: The Governing Body agreed to continue to host a place for the Boardroom Apprentice programme 2022/23

Proposer: John Mackell

Seconder: Steve Pollard

5. Policies for approval

None.

6. Items for Information

a) Financial Governance Report

In presenting the Financial Governance Report the CFO advised that it aims to set out the forecasted financial position as at both 31 March 2021(DfE year-end) and 31 July 2021(SERC year-end).

The CFO advised that there is a slight easement in the March year end of £177k, as the ERAP funding was confirmed by the Department in December along with the £1.6m covid related funding, therefore it is now in line with what was originally forecast.

In terms of the July year end an extra £73k was secured for skills focus funding, the period 6 management accounts are due on 22nd February.

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The CFO added that he needed to make members aware that there is a slight risk of underspend for the March year end, this has been reported to the FGP committee. The issue is the impact being felt across the globe in terms of supply chain issues, lead times and under resourcing in the procurement team. The CFO advised from a financial planning point of view he is hopeful to get to an appropriate level of spending by bringing forward maintenance work within the next 6 weeks and pushing through new IT equipment. The FGP committee will receive an update at their meeting in April.

b) Quality Monitoring and Evaluation Return

On the invitation of the Temporary Chair, the Chair of the Education Committee, Mr Pollard, addressed the meeting. He advised the committee had received the report for information at their recent meeting from the Chief Officer for Quality Excellence and Development. The Chief Officer gave members an overview of the contents of the return and provided some detail on the programmes delivered, she asked the committee to note that an interim return had been submitted on some of the newer programmes so that progress could be reviewed, the team will be meeting the Department for feedback on these areas. Mr. Pollard commented the committee had been impressed with the evident rigor of the programmes presented and the excellent retention rates. He added that although the report does not require formal approval, he commended the report to members.

c) Staff Governor Reports

Mr Lee advised members that arrangements are being made for staff to return to the office and a survey was issued to staff to ascertain their preference on the arrangements. The recent staff development for corporate staff was very well received and Mr Lee noted it had been extremely beneficial particularly in terms of the wellbeing aspect of the sessions.

Mr Corbett provided members with an update on how academic staff are preparing students for exams and advised that staff have continued to upload students work throughout the year. In terms of internal verification, he assured members of the vigorous process in place by informing them of the cross campus marking system that is in place before work is sent to a moderator.

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d) Student Governor Report

The Student Governor talked to her written report and highlighted some of the recent work undertaken by the Students Union. She informed members of her own experience in being able to host a Head Chef evening for customers which had been thoroughly rewarding and enjoyable. The Temporary Chair thanked Ms Diamond for the update and noted the significant amount of support that is in place for students and commented it is excellent that the support is being utilised.

e) Audit Committee briefing on meeting held on 19th January 2022:

Mr Mackell, Chair of the Audit Committee, provided an overview of the recent meeting, the following points were highlighted in summary:

- The committee received a presentation from the Director of Strategic, Planning, Quality and Support on some of the operational risks within her directorate, with a particular focus on marketing and cause for concerns.
- The strategic risk register was presented by the Chief Finance Officer and the committee noted that the £1.6m covid funding had been secured from the Department.
- There were no internal audit reports to review however the committee discussed future work and noted the progress of the outstanding recommendations, one low and one medium risk remain outstanding, and the committee are content with the updates provided on each.
- The committee reviewed other item of routine business including the IT resilience statement, the fraud report and noted there were no policies to review or approve.

f) Finance and General Purposes Committee briefing on meeting held on 18th January 2022:

Mr McCrum, Chair of the FGP Committee, addressed the meeting and provided an update on the recent committee meeting, the following points were noted:

- The committee reviewed the routine finance items and the CFO highlighted the risk of underspend. The CFO advised that this was due to a number of factors including the previously reported under resourcing in the procurement team and significant disruption to supply chains in the construction and IT industries which is resulting in delays to some deliveries and works. The committee noted the mitigation plan in place and will continue to receive updates and monitor this issue.

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- The Head of Health and Safety presented an annual review of his work, and the committee were given a detailed overview of the impact covid had on this area. The committee took the opportunity to thank the Head of Health and Safety and all those involved in the covid response on behalf of the Governing Body for their sterling efforts.
- The usual standing items for HR were reviewed along with the annual review of the employee healthcare scheme, the Chief Human Resources Officer reported that a procurement exercise has begun to renew the scheme.

g) Education Committee briefing on meeting held on 1st February 2022:

Mr Pollard, Chair of the Education Committee, provided an update on the recent meeting and highlighted the following in summary:

- The Chair reported that the Commercial Contracts Manger had given the committee an excellent presentation on the work of the business services team and how the College’s work supports the local economy, she highlighted the value the College place in strategic partnerships to deliver this work.
- The committee reviewed the HERB minutes and had a detailed discussion on the current review of HE in FE which had been discussed under the Principal’s report.
- The usual business items were discussed including a CDP update, applications and enrolments and the safeguarding report.

h) Chair’s Working Group Minutes of meeting held on 13th January 2022:

Members were asked to note the enclosed minutes for information. The Temporary Chair highlighted this group is not a decision-making group and its focus is to ensure that GB business is co-ordinated.

7. Any Other Business:

a) Return to Physical Meetings

The Temporary Chair began the discussion by advising he would like to take the views of members in returning to physical meetings. The Principal advised that the Sector are still awaiting guidance from the Department now the legal framework for restrictions has been removed, he commented that the College will try to adhere to a 2-meter distance and so meetings would need to be held in an appropriately sized room.

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After a brief discussion it was noted that it would be sensible to await further guidance from PHA and/or the Department as the regulations are ambiguous. Members were also mindful of everyone’s personal choice on whether they are comfortable returning to full meetings again.

The Temporary Chair thanked everyone and confirmed that the next cycle of meetings will be held online and the situation will be reviewed regularly.

At this juncture Mr Mackell addressed the meeting and congratulated the Temporary Chair on his MBE Award on behalf of the Governing Body, he commented that it had been very well deserved and recognition for his excellent work and leadership in his nine years at SERC. The Temporary Chair thanked the members for their kind words and support and commented it had been very unexpected but a great honour to receive the award.

Action Point: The return to physical meetings will be discussed again at the next Chair’s Working Group meeting

8. Confidential Business

A separate note was taken for this item. At this juncture the Principal, CFO and staff Governors left the meeting.

Date of next Meeting:

The next meeting of the Governing Body is scheduled for Monday 25th April 2022, 17.30, via Microsoft Teams

There being no further business, the Chair declared the meeting closed at 6.53pm.

Signed: _____

Date: _____

Temporary Chair of the Governing Body