

Minutes of a meeting of the Corporation held on Thursday, 10th December 2020 at 1730h by Microsoft Teams

Present: Michael Priestley (Chair); Norma Boyes; Amie Calvin; Elaine Clinton; Alison Hampson (Until Min No: 108/20); Nigel Holliday; Phil Jardine; Aaron McCarthy (from Minute No) Robert Milburn (not 108-109/20); Chris Nattress; Brooke Robson (from Minute No); Denise Rollo; Dr Robin Talbot; Tanya Weston; Stuart Williams.

Leave of absence: Beth Gaskell

Also present: Karen Wilson (Deputy Principal); Daniel Braithwaite (Assistant Principal); Jane Murray (Clerk)

104/20 Minutes

Resolved – that the minutes of the meeting held on Thursday, 12th November 2020 be approved and signed as a correct record.

105/20 Declarations of Interest

None Received.

106/20 Governor Appointments

Two new student governors were appointed by the Board following advertisement and interview.

Peter Ellwood's first term of office expires in January and it was requested that he be re-appointed for a further 3 years, equivalent to a first 4-year term of office.

Resolved –

- 1) That Brooke Robson be appointed as the further education governor for 1 year or until she leaves college (whichever is the sooner);
- 2) That Aaron McCarthy be appointed as the higher education student governor for 1 year or until he leaves college (whichever is the sooner);
- 3) That Peter Ellwood is re-appointed from 29/01/21 for a further three years to 31 December 2023, equivalent to a 4-year term of office.

This being his last meeting, the Chair paid tribute to governor Dr Robin Talbot, whom he felt had exemplified the very best of behaviours of a governor over his ten-year contribution and would be a great miss to the Board.

107/20 Self-assessment

The final self-assessment for Further Education was received and approved, following a period of reflection. (The higher education self-assessment had been approved at the previous meeting).

The Continuous Improvement Plans for Further and Higher Education were received and approved.

Having been previously circulated, the governance self-assessment was noted.

Resolved – that the further education self-assessment be approved.

Robert Milburn left the meeting
Alison Hampson left the meeting

108/20 Key Performance Indicators

It was noted that 16-19 was above contract, and 19+ above where we were, although growth through distance learning was anticipated. Advanced learner loan numbers were low, but these areas were mostly health and social care and early years, and it was felt that these sectors had other priorities right at the moment. Apprenticeship starts were exactly where they were last year, however apprentices in learning was lower and felt reflected breaks in learning from lockdown.

In response to questioning, it was asked what the indicators were for the Kickstart programme and it was felt that it had been a slow start. There was definitely interest in traineeships and the list of level 3 qualifications under the Lifetime Skills guarantee had now been published.

It was asked when there would be a clearer picture in respect of apprentices in learning and noted that different apprenticeships had different durations, however that a key indicator would be the January recruitment at National College.

Asked about attendance, noting the challenges of attendance for online learning, particularly on lower level courses, it was noted that while a hybrid approach would continue, it was intended to increase onsite activity to help engagement where that was proved necessary.

It was asked whether the progress graphs could be reviewed.

Noting that the HE stakeholder satisfaction graph looked lower than would be anticipated, the Board was reminded that the HE graph was from last year and issues were being addressed for this year as previously discussed.

109/20 Curriculum Update

Following a recent learner progress week, it was felt that there had been a pretty positive response from parents during parents' week and a collaborative approach to working through any issues there might be. Engagement with parents has also been used where it was felt that better engagement in English and maths was required.

A decision had now been made to bring all functional skills English and maths back on-site following poor engagement and this was having a positive impact.

It was noted that a Higher Education Student Liaison Committee had been formed in response to concerns about the student experience arising from HE surveys the previous year. It was also noted that a periodic review of Teacher Education provision carried out by UCLan had seen some very positive feedback along with constructive recommendations to develop the programme.

The challenging nature of closing off apprenticeship achievements for 2019/20 was noted, with some sectors having been particularly badly hit, noting the national increase in breaks in learning of 147%.

The development of the T-Levels offer was continuing and resource secured to assist with implementation. In response to questioning, it was noted that being in the second wave of providers had advantages as there was a good deal of resource from the first wave. The Board would be kept updated.

Noting the positive effect that the new coaching model was having in respect of CPD, it was asked and confirmed that levels of engagement were high.

110/20 Confidential Session

Resolved –

- 1) To move into confidential session;
- 2) That the minutes of the meeting held in confidential session of 12th November 2020 be approved and signed as a correct record.
- 3) Noting that the Chair of Audit had had to temporarily step out of the meeting, it was decided to move to the Strategic Update and come back to the financial statements.

111/20 Strategic Update

The Board discussed local and national policies and the impact on business, and business partnerships.

112/20 Open Session

Resolved – to move into open session

Brooke Robson withdrew from the meeting (as a student under 18)

113/20 Financial Statements and Internal Audit Reports

The draft minutes of the Audit Committee held on 23 November 2020 were received and noted.

The Chair of Audit noted that the Internal Auditor's report for 2019-20 was as good as it gets, as was the case the previous year. There had been 19 recommendations, of which 5 were advisory and he was pleased to report that all recommendations had been closed off.

This being the case, the Audit Committee's Annual report was presented and in particular the Committee's view, as far as could be ascertained from the reports received, that the Corporation could rely on the adequacy and effectiveness of the College's systems of internal control, subject to recommendations being implemented.

The Board having noted the Audit Committee's opinion and approved the annual report for submission to the ESFA, the Chair of Audit continued to comment on the Financial statements.

He felt that there was a lot of information in the Financial Statements, but that it was a good reflection of what had happened in the financial year 2019-20.

He drew attention to the pension liability which was a sector issue. The gilt market had been particularly low at the end of year, which had affected the pension liability. This liability was a paper issue, with no immediate consequence in real terms. The liability, however, did have an impact on the balance sheet, however, which was negative.

As there were cash reserves, it was being recommended that the College was a going concern as the College was able to meet their costs for the foreseeable future, however, the situation brought into sharp focus the need to manage cash balances prudently to continue to maintain confidence.

The external auditors had concurred with the assessment and had issued a clean audit and a clean regularity audit, with no recommendations arising, as outlined in their Management Report.

The Deputy Principal emphasised that Lakes College was in a much better position than many other colleges.

The Board concurred with the position of going concern, noting that the pension liability issues were common to most final salary schemes. In discussing options again, it was felt that the Government had started the process of looking at reform, but other priorities had taken over.

The only other option would be to move staff into the subsidiary company, but that in itself could cause more problems as contributions would increase for those remaining in the scheme. It was noted that the College may be asked to pay increased contributions at the next valuation which was anticipated in 2 years' time.

The Board considered and approved the letter of representation in favour of Armstrong Watson for signature.

The Student Prize Fund accounts, a legacy account, be received and noted.

The value for money report, which was considered by the Audit Committee, was noted for information by the Board, who felt it was a helpful report.

Resolved –

- 1) That the Internal Auditor's Annual Report 2019-20 be received and noted.
- 2) That Audit Committee's Annual report be approved and submitted to the ESFA.
- 3) That the External Auditor's Management report be received and noted.
- 4) That the financial statements be approved for signature by the Chair and Principal;
- 5) That the Student Prize Fund Accounts be noted;
- 6) That the Value for Money report be noted.

114/20 Confidential Session

Resolved – to return to confidential session

115/20 Finance Update.

The Deputy Principal shared financial information with the Board.

Brooke Robson re-joined the meeting

116/20 Risk Register

The Board received and considered key risks to Corporation business.

117/20 Open session

Resolved – to reopen the session

118/20 Governance

Urgent Action, to approve the letter of engagement for the external auditors, was noted.

The Chair had attended a safeguarding meeting, which he felt had been thorough as usual with good relations with the police and other agencies. The counsellor seemed to be doing some good work.

It was noted that the Seal would be used shortly on the contract with Story for the Civils Project.

The meeting closed at 1940h.