



Minutes of a meeting of the Corporation held at 1730h on 8th December 2022 by Microsoft Teams

Present: Michael Priestley (Chair); Sarah Allison; Peter Ellwood; Elijah Bennett; Elaine Clinton; Nigel Holliday; Phil Jardine; Robert Milburn; Chris Nattress; Denise Rollo; Lee Todd

Apologies: Aaron Groggins; Alison Hampson; Paul Hardon; Beth Wordsworth

Also Present: Karen Wilson (Deputy Principal); Daniel Braithwaite (Assistant Principal); Karen Rae (External Auditor; Min Nos 89-92/22); Jane Murray, Clerk

89/22 Minutes

Resolved – that the minutes held in open session on 17th November 2022 be approved and signed as a correct record.

90/22 Declarations of Interest

None received

91/22 Governance

The resignation of Rachel Bass, business support staff governor, who was leaving the College, was received and noted, effective from 24th November 2022.

The outturn of Written Resolution E02/22, re-appointing external and internal auditors for a further two years to 31 July 2024 was carried by eleven votes in favour and noted by the Board.

92/22 Annual Audit and Financial Statements

The Board received the draft minutes of the Audit Committee from the Committee Chair, which had considered the financial statements and the audit annual report and where there had been a wide-ranging discussion. He particularly noted a challenging ESFA audit which had been satisfactory and thanked staff for the work they had put in and assured the Board that they would be monitoring the actions arising from the audit.

Turning to the Internal Auditors Annual Report and the Audit Annual Report, he noted that there had been a wide-ranging work plan and drew attention to the recommendations made. As detailed in the annual report, the Committee had confidence that, in so far as the information tabled to the Committee could allow a judgement to be reached, the Audit Committee was of the opinion that the Corporation can rely upon the adequacy and effectiveness of the

College's internal control systems and noted that the recommendations had been implemented.

Resolved –

- 1) That the internal auditors annual report be received and noted;
- 2) That the Audit Committee's annual report be approved for submission to the ESFA;
- 3) That the Audit Committee draft minutes be received and noted

The Audit Committee Chair continued to note that there had been some discussion about the allocation of student bursary support funds and noted that there would be monitoring the promotion and spend of learner support throughout the year.

Karen Rae, external auditor, was invited to talk to her Management Report for 2021-22 and up to the date of this meeting. The External Auditor noted that there were two main audit risks income recognition and management override. Overall, she felt that systems are operating as should be, that journals were appropriate and that assumptions were in line with expectations.

She did note the huge accounting gain in FRS102 this year, but noted that this was an accounting adjustment alone and would be unlikely to be sustained.

She had no concerns to raise and noted three recommendations; 2 amber and 1 green recommendation, raising the issue of bursary support funds as one of the recommendations.

She finished by confirming that there had been a clean audit on both the financial statements and the regularity audit and felt that it was a very good result overall.

The Board welcomed the result and thanked the External Auditor for her work.

Resolved –

- 4) that the External Auditor's Management Report be received and noted.

Karen Rae left the meeting

The Deputy Principal was invited to give an overview of the financial statements, and while referring again to the impact of the pension adjustments, which could wildly change the overall picture, she noted the underlying trend was relatively strong with a turnover of £13.5m and cash reserves of £5.2m (albeit that some was ring-fenced for specific projects).

The Board considered the financial statements, and aside from the FRS102 concurred that the financial statements reflected the management accounts

received throughout the year. They were also agreed that the College was a going concern on the basis of the Financial Statements.

Resolved –

- 5) that the financial statements were a true reflection of the financial position as reported to the Board throughout the year;
- 6) that the college is a going concern;
- 7) that the Chair and Accounting Officer be authorised to sign the financial statements on behalf of the Board;
- 8) that the annual accounts for Lakes College Enterprises Ltd be received and noted.

In sharing the value for money report, which had been presented to the Audit Committee, the Deputy Principal reflected on the diminishing size of the basket of colleges on which the benchmarking was based, signalling the extent to which colleges of this size had struggled to continue to operate.

93/22 Key Performance Indicators

This item was deferred until the next meeting on 15th December 2022, there having been a data return which was required in order to provide a meaningful update.

94/22 Quality Strategy

The Board received an overview of the change in approach to the Quality Strategy for discussion and comment arising from the refreshed approach to self-assessment and improvement planning. The aim was to follow the ISO approach of plan; do; check; act.

It was asked about Cyber essentials plus accreditation and whether moving away from that accreditation would increase risk. It was felt that it was a delicate balancing act as cyber essentials were moving to a position where it would be difficult for students to access the college systems. This was a sector wide issue. Operationally, you needed to ensure there was access from application stage through to study. Assurance was given that risks would be mitigated.

The intention was that the learner journey map would be adopted over the range of provision, standardising processes. It was asked whether it would be possible to provide a visual to demonstrate how it all fits together.

It was asked whether, in the absence of a key member of the quality staff, that there was sufficient resource to continue to maintain systems. It was felt that with consultant support and recent recruitment to the quality department, that systems were being maintained. However, as had been discussed at Audit Committee in the context of staff recruitment, relatively small numbers of people in key operational roles did create an element of risk, however, work was continuing to mitigate the risk.

The Chair noted that the discussion, and paper, had been helpful and looked forward to receiving the final quality strategy in due course.

95/22 Curriculum Update

The Assistant Principal presented the curriculum update, noting in particular the very hard work which was going on to stabilise the maths team. There was much tighter performance management of staff and clear expectations about delivery. Schemes of learning were in place and more robust expectations of learning and delivery.

He was, however, concerned about some very challenging behaviour from a small number of learners this year and in response to questioning shared that it was an experience which was also being seen in schools.

There was a college-wide response to the issue, with all staff working together to deal with it and some disciplinary action had been taken. However, it was noted that the behaviour of the few had had an impact on attendance (including maths). However, it was felt that other than the few, there was a positive feel around the College which had to be the driver moving forward.

It was asked whether there was a specific trend for behavioural issues. It was felt that there needed to be more robustness around transition. In hindsight, there were some red flags around behaviours which could have been picked up earlier and some schools were less cooperative than others in sharing information. The Deputy Principal also noted, that alternative (a stepped approach) provision had been put in place to accommodate those who might struggle to adapt to college from the outset.

It was asked about staff safety and while all staff were encouraged to deal with inappropriate behaviour, if they felt threatened they were encouraged to report upwards and not to put themselves at risk. A security guard had been employed for peak times and staff were also more highly visible around college. Approaches and techniques were also refreshed through CPD activity on a regular basis. Behaviours and attitudes were a common theme throughout all activity.

Peter Ellwood left the meeting

The Deputy Principal also noted that there had been a significant amount of development work for the higher education offer, with a range of new programmes, and progress was being made in working through the backlog of outstanding achievements in addition to development work on apprenticeships more generally. T-Levels were growing, which was pleasing, however, more work needed to be done as there was evidence that at least one school was not giving appropriate IAG in respect of T-Levels.

The Chair welcomed the input and noted the challenges, but also felt that there was something really good stuff in the report, noting in particular the

significant developments in HE and the new work with a local firm on the apprenticeships.

Peter Ellwood re-joined the meeting

96/22 Confidential Session

Resolved –

- 1) To move into confidential session
- 2) That the minutes of the meeting held in confidential session of the 17th November 2022 be approved and signed as a correct record.
- 3) That the minute of SPH Remuneration (of the same date – for independent members only) be approved and signed as a correct record.

97/22 Risk Register – Confidential session

The minute of this item is not redacted

The Board considered the risk register and noted that the audit committee had had an in-depth discussion into Risk 6, about staff recruitment and retention and how that risk could be managed. The Deputy Principal noted that she had been able to share the work the College was doing with the DfE, who were well aware of the issue and impressed by the different delivery models being trialled. She had also been able to get across the perspective of small college in a rural area in respect of challenges. She also noted, however, that while the pay award had been welcomed by staff, that it did mean that there was now less differentiation with those on a teacher's starting salary.

The Chair of Audit noted that in consideration of the risk register, what was pleasing was that none of the trends were down; risks were being actively considered which he felt was a sign of a good college.

The actions were noted by the Board.

98/22 Financial Reporting – confidential

The Deputy Principal updated the Board on financial matters and monitoring, *the minute of which is redacted.*

The meeting closed at 1920h