

TRAFFORD & STOCKPORT COLLEGE GROUP

**Minutes of the Meeting of the Board of the Corporation
held on Wednesday 15 May 2024 at 5.30pm
in the Boardroom at the Altrincham Campus**

Present:	Graham Luccock	(Chairperson)
	James Scott	(Principal and Chief Executive Officer)
	Charlotte Barratt	
	Olivia Bussey	
	Sarah Drake	
	Janet Grant	
	Jed Hassid	
	Alison Hewitt	
	Heather Lang	
	Emily McIntosh	
	Michelle McLaughlin	(Staff Member)
	Jonathan O'Brien	
	Lewis Ormston	
	Ayo Oyeboode	
	Marcia Reynolds	
In Attendance:	Rebecca Clare	(Corporation Secretary)
	Carmen Gonzalez-Eslava	(Deputy Principal)
	Michelle Leslie	(Vice Principal Corporate Services and Planning)
	Henry Taylor-Toone	(Chief Finance Officer)
	Alison Duncalf	(Deputy Corporation Secretary)

Minute No.**COR/31/24 Apologies for Absence**

The Corporation Secretary (CS) reported that apologies for absence had been received from Jill Bottomley (Member), Louise Richardson (Member), Blerta Shira (Student Member) and Uswah Sayyed (Student Member).

A welcome was extended to Lewis Ormston (LO) who was attending his first meeting following his appointment as an Independent Member to the Board of the Corporation. There was confirmation that LO would be joining the membership of the Resources Committee.

It was further noted that Jeremy Woodside (Member) was currently undertaking a period of sabbatical leave and it was approved that Jeremy Woodside would be joining the Audit Committee upon his return.

COR/32/24 Declarations of Direct or Indirect Interests in any of the meeting's business items

There were no declarations of Direct or Indirect Interests in any of the meeting's business items.

Minute No.**COR/33/24 Minutes of the Board of the Corporation Meeting held on 27 March 2024**

There were no issues raised by members and it was resolved that the minutes of the meeting be approved and accepted as a correct account of the meetings proceedings.

COR/34/24 Matters Arising from the Minutes

The Chairperson of the Board of the Corporation referred members to the previously circulated summary and progress update concerning the actions arising from the minutes and earlier meetings of the Board of the Corporation.

It was confirmed that the majority of actions were closed and those that remained open were largely in the future in terms of their action.

The following additional updates were provided:

(i) COR/20/24 – Key Issues of the Equality and Diversity Committee Meeting held on 8 March 2024

A member, with reference to the Head of Studies Report in relation to student suspensions, asked if there was anything further to report.

The Vice Principal Corporate Services and Planning (VPCSP) confirmed that the report was being progressed as part of an Inclusive Leadership Course and confirmed that, when the work arising became available, it would be shared in the first instance with the EDI Committee with reporting to the Board of the Corporation to be led by the EDI Link Governor.

(ii) Minutes of the Search Committee held on 24 January 2024 – Mentoring Guidance

There was confirmation that mentoring meetings had commenced and that they had included OB meeting with SD and LO meeting with JG. A meeting was scheduled for EMI to meet with GL.

(iii) Key Issues of the Safeguarding Committee Meeting held on 22 February 2024 – Safeguarding Newsletter for Parents and Carers

The Deputy Principal (DP) confirmed that the Safeguarding Newsletter was nearing completion but had not yet been distributed to parents and carers.

There were no further issues raised by members arising from the minutes.

COR/35/24 Appointment of Co-opted Member to the HE Curriculum and Quality Committee

It was reported that the Chairperson and Principal and CEO (PCEO) had recently met with Nurun Nahar, an Assistant Teaching Professor at the Greater Manchester Business School, Bolton College, arising from which it was proposed

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that she be appointed to the vacant Co-opted Member position on the HE Curriculum and Quality Committee.

There was confirmation that the appointment would bring the Co-opted Membership of the HE Curriculum and Quality Committee to three.

There were no questions or issues raised by members and following due consideration it was resolved that the appointment of Nuran Nahar, to the position of Co-opted Member of the HE Curriculum and Quality Committee for a 4-year term of office be approved.

Action: Corporation Secretary

COR/36/24**Strategic Presentation and Discussion**

The PCEO introduced the item and referred to the strategic planning timeline which commenced with the Governors Strategic Planning Session held in March 2024 and the internal strategic discussions that had taken place following this event.

There was confirmation that it was anticipated that final “sign off” of the new Strategy would take place at the 17 July 2024 meeting of the Board of the Corporation.

A presentation was made in which the following was addressed:

Strategic Planning Timeline

An overview of the timeline from the initial planning session in March 2024; the input via Leadership Team Strategy Sessions and meetings with Heads and Managers; Strategic discussion with members; and wider engagement across the organisation which had included surveys and round tables.

There was confirmation that as part of the wider engagement a question had been included within the staff survey seeking views on the future direction of the Group. It was noted that many responses had been received and that a similar exercise was also taking place with students as part of a roundtable session with the Student Leadership Team.

Members noted that following this meeting of the Board of the Corporation it was planned that wider consultation would continue with staff and stakeholders.

- A member asked as to who was being included as part of the stakeholder consultation.

The PCEO responded that key stakeholders included the two local authorities and potentially the Greater Manchester Combined Authority (GMCA). It was stated that there were currently no plans to extend the consultation to employers and parents, with the concern that the exercise could become too unwieldy.

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- The member suggested that there may be potential to consult via the Employer Advisory Boards or equivalent bodies.

The PCEO undertook to explore this option.

Action: Principal and CEO

Debate took place in relation to whether there was any potential from undertaking joint consultation with Stockport and Trafford Local Authorities (LAs). The PCEO indicated that the Group worked with a small number of key people who could have differing positions in relation to skills. It was added, however, that the Department of Education (DfE) had recently asked as to whether any work was taking place with the two LAs together and there was potential that this may be progressed in the future.

Purpose Vision and Mission

It was noted that it was the view of the Executive Leadership Team (ELT) that the purpose “Unlocking potential, fostering success” continued to be relevant. There was confirmation that debate had taken place around the teasing out of what the purpose looked like for different stakeholders.

In terms of the vision “To provide the highest quality of education and training to all our students and employers through an inclusive and career focused curriculum” it was suggested that this no longer worked and was not aligned to where the Group wanted to be in 2030. Aspects such as linking to ambition and locality were highlighted, in addition to the future indicators of success.

A view was shared that the focus should be upon skills and the potential for a bold vision within which transformative work across Greater Manchester (GM) became a key feature and in which everyone had skills to succeed in life and work.

It was noted that further work was required in relation to wording.

In terms of the mission “To provide the highest quality of education and training to all our students and employers through inclusive and focused curriculum” it was suggested that this should be changed to become more reflective of the government’s view that colleges were there to meet national, regional and local needs.

It was suggested that there should be a greater emphasis upon careers and that it was the view of stakeholders that inclusivity and being a provider of education was not lost.

The PCEO shared some initial wording for further consideration “Our mission is to make a significant (transformative?) contribution to the current and future skills needs of our communities and city region through excellence in education and training”.

Questions and comments were invited from members.

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The following comments were recorded:

- Support for changing the vision, highlighting community and what difference the Group made to individuals. It was commented that the purpose still felt relevant and appropriate but that the vision was currently too transactional and did not bring out that education could make a difference.
- In terms of the vision, a member referred to the Governor Strategy Day and the consensus that the Group could not be everything to everyone. There was a suggestion that the wording was too wide. The PCEO responded that there was an opportunity to bring in the partnership aspect and how the Group collaborated rather than competing with other providers (addition to values as a collaborative partner).
- A comment was made that the vision did not feel personal enough and did not reference the organisation as a college.
- The view was expressed that in meeting local and regional skill gaps and outcomes for students was there perhaps a need for the core purpose of the college to be refocused upon the skills aspect.
- There was a suggestion that, as a Board, there was a need to work through what measures of success would look like.
- A view that in terms of vision there was a desire to see everyone with skills for life and work.
- A comment was made that in comparing the old mission and the proposed one, whilst understanding the rationale, the learner was missing. It was added that to stay as an inclusive college, for L1 and L2 learners, it was about the skills that they acquired as opposed to skills for work.
- A view was shared to reference the significant contribution to addressing skill needs and enhancing the skills needs of the community.
- A view was put forward that “future skill needs” should perhaps be replaced with “future education and skills”.
- Exploration took place around the shaping of the agenda and the impact this had on the college and its students in terms of empowering and personalising, as well as shaping or leading the response.
- It was suggested that the vision and mission needed to be short and inspiring, more confident and had to touch hearts as well as minds.

There was confirmation that the next steps would be for the Group to work with a marketing consultant. **The PCEO undertook to share the feedback from members accordingly.**

Action: Principal and CEO

Minute No.TSCG Values

The question was posed as to if the 5 values of the Group “Ambitious, Collaborative, Inclusive, Resilient, Respectful” continued to hold. There was confirmation that the view of students was that they should remain unchanged.

Debate followed around the word “belong” including aspects such as the conversation around “trauma informed” and the Belong project. It was suggested that “belong” could be included within the descriptors.

Further discussion took place in relation to “responsible” and “reflective” in the context of doing the right thing and taking personal responsibility.

Questions and comments were invited from members.

- A member accepted the positives of including “belong” but asked as to where the fit for inclusive was.

The PCEO responded that there was an opportunity to weave in the word “belong” for each descriptor.

- A member commented on the “inclusivity” versus “belong” and the capacity for everyone to feel part of the college. It was suggested that belonging added a layer to inclusivity and the notion of being part of the TSCG family.
- In relation to “responsible”, whilst it was understood why it was there, it was asked whether this may have a negative/poor connotation for a young person.
- The view was expressed that there was an element of encouraging students to take responsibility for their own behaviour and learning.
- It was suggested that “belonging” as a value could be explored further as part of the ongoing consultation exercise.
- There was agreement that “respect” was a key value and that it should be retained.
- A member expressed the view that there was a risk in adding further values that those already in place would be diluted. It was added that “responsible” felt different as a word when compared to the other values, it being more like an action than a behavioural word.
- Debate took place around the difference between the words “accountable” and “responsible” with the view being shared that accountable was after the fact, whilst responsible was a verb/task.
- It was suggested that responsible could be weaved into the values.
- A comment was made that the current values continued to be aspirational and that 6 could perhaps be too many.

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- Members were largely agreed that there continued to be support for the 5 existing core values. The PCEO stated that should a better word for “responsible” be identified it would be shared with members.
- It was commented that support for the current values was already established and resonated with students, and further that they had high visibility across the college with a focus on one of the values taking place each half term i.e. they were already established and embedded.
- The benefits of continuity were highlighted and the view shared that rather than adding to the values there may be work to do around the underpinning descriptors.
- The DP added that the values formed a key element of conversations with students particularly when challenging behaviour and that by retaining the current 5 values would ensure continuity and recognition/relatability on the part of students.
- There was confirmation that in terms of student knowledge of the Group’s values, there had been an 80% positive response rate from students.

(Not Being) All Things to All People

The PCEO confirmed that the Executive Leadership Team (ELT) had given a significant amount of thought to this aspect and identified the following:

- Improving the admissions, induction and internal progression processes to ensure “right student, right course”.
- Reviewing the purpose and offer of provision at Level 1 and below – where is it taking students?
- Reviewing the breadth of the apprenticeship offer and focusing on what we can deliver in terms of quality and efficiency.
- Reviewing the offer for Adult Education to ensure alignment with GMCA (and local authority) priorities.
- Establishing an appropriate Higher Skills (as opposed to Higher Education) offer.
- Being clear on what we provide as an *educational* establishment (and what we do not provide but rather signpost to).

Questions and comments invited

- The view was expressed that HE had changed exponentially and it was anticipated over the next few years opportunities and gaps would emerge.
- Reference was made to the current conversation around Higher Technical Education.
- Issues around mobility and an agile offer were highlighted within which students were increasingly choosing to stay local and working flexibly.

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- The opportunities around offering space to other providers to deliver locally were cited as an area for further exploration.
- A question was asked as to how success would be measured in these areas. The PCEO indicated that this was a conversation that needed to be held particularly in terms of meeting local needs and attaining better outcomes. It was noted that following the adoption of the new strategy, pertinent KPIs would measure success of strategy implementation.
- The view was expressed that in terms of being all things to all people, whatever the Group was doing it should be doing it well. A member questioned the current position in relation to collaboration with the other GM colleges which could allow each institution to focus upon what it did well. The PCEO responded that this continued to be an underdeveloped area notwithstanding that GM was now in a much better position in terms of attracting monies into the area. There was recognition that these relationships largely continued to be quite transactional. It was noted that the PCEO would continue to raise this aspect with colleagues but that the appetite was not currently there. The view was expressed that as governors we should be encouraging greater collaboration.
- A counter view was expressed in relation to the consideration of learners and those learners who would not be prepared to travel. It was suggested collaborative arrangements may be most effective at Level 3 and beyond.

Focus

In terms of areas that the Group should be focusing upon, the following was identified:

- Improving the alignment of provision into successful employment or further/higher education (Employers and HEIs as “end user”).
- Ensuring specific curriculum areas were equipped to meet the workforce challenges of industry (e.g. construction, digital, health).
- Ensuring curriculum develops the skills, attitudes and behaviours required for success in life and work.
- Having a clear proposition about who we are (purpose) as well as what we deliver at each of our sites.

What’s our USP

The PCEO shared a list of what the Group may wish to be known for, which included:

- Specific curriculum areas we want to develop a high reputation for?
- WorldSkills UK excellence?
- Student Experience e.g. political literacy, democratic education and “oracy”?
- Adult Skills (including responsiveness to the LSIP)?
- Employer engagement and responsiveness?
- Community engagement and responsiveness?
- Developing skills for life and work?

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- Cultural Alignment – aspiring to be the FE provider of choice?
- Having a reputation for “collaboration” with external partners
- Doing the right thing?

The BIG Four

The PCEO outlined what were termed the “big four” and what the strategic priorities might look like. It was noted that the priorities were built around the following:

- Meeting local, regional and national skills needs
- Financial stability and sustainability
- People and culture
- Changing needs of students.

Cross-Cutting Themes

The cross-cutting themes were confirmed to be:

- Digital and Estates Transformation
- Equality, Diversity and Inclusion
- Quality and Standards
- Sustainability and Climate Change.

There was confirmation that it was anticipated a more developed version of the new Strategic Plan would be available for further consideration at the 17 July 2024 meeting of the Board of the Corporation. **It was proposed that the meeting start at the earlier time of 4pm and there be allowance for a break prior to the remaining business of the meeting**

Action: Corporation Secretary

The PCEO invited any further reflection or thoughts from members and requested that they be submitted directly to the ELT.

Action: Members

The PCEO undertook to share any completed work in advance of the meeting of the Board of the Corporation. There was confirmation that this could be shared via Team Engine and/or Sharepoint.

It was further requested that consideration be given to the ability to have sight of each other’s contributions. The PCEO confirmed that all contributions would be shared with Marketing to result in a final version.

Action: Principal and CEO/Corporation Secretary

Members recorded their thanks to the ELT, staff and students for their input and valuable contributions.

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There were no further questions or issues raised by members and following due consideration it was resolved that the position in relation to the development of the new Strategic Plan 2024-2030 be received and noted.

COR/37/24**Key Performance Indicators 2023-2024 Update Report**

The Principal and CEO (PCEO) referred members to the previously circulated report and an update on progress against the Group's Key Performance Indicators for 2023-2024.

The following was highlighted:

- that the main risk continued to be financial (EBITDA and Adjusted Current Ratio) driven by overspending in non-pay and the risk to income (especially Apprenticeships)
- confirmation that the overall Financial Health score was forecast as "Good" notwithstanding that the threshold remains very tight and for this reason the Financial Health score had been rated as Amber under the Headline Measures
- that the projection of overall Apprenticeship income had deteriorated significantly since the last update (over £400k), with this projection being the worst-case scenario and on the basis of no further improvement in addressing the main reason for the decline (D-lock errors), there was however confidence that progress would be made in the clearing of a number of these errors before 31 July 2024
- the risk under Quality remained for Apprenticeships, noting that the overall Apprenticeship achievement rate was currently predicted to be over 60% with most measures having improved under the Apprenticeship Accountability Framework (as reported to the FE Curriculum and Quality Committee)
- in terms of Student Outcomes, members were reminded that all Achievement Rate values were "predicted" and not actual, with the projection for 16-18 achievement being in the range of 82-85% based on latest data (worst case scenario) which would be below the KPI target but would represent an improvement on 2022-2023 and an improving 3-year trend
- the key risk under People continued to be staff sickness, reflecting a sector (and national) trend, with the Group having tightened compliance with the sickness/absence procedure and ensuring cover was agreed where required to mitigate the impact of any absence upon students
- staff turnover was slightly higher than the last report and worse than the KPI target, but was still projected to be an improvement on the last year; staff utilisation remained under target and would be a focus for 2024-2025 resource planning; and there was confirmation that reporting in respect of overall staff satisfaction was scheduled to be available within the July 2024 report, following the recent staff survey
- in respect of Estates, the average class size was below target (but in line with the Grant Agreement target) with a key contributing factor being the low average class size at Marple which was being reviewed through curriculum and resource planning.

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There was confirmation that the outcomes of all KPIs would be presented to the July 2024 meeting of the Board of the Corporation.

In relation to the recently concluded Staff Survey it was reported that a response rate of 71% had been attained, a significantly higher rate than in previous years. In respect of the key measure of staff overall satisfaction and being proud to be a member of TSCG it was reported that 97% of respondents had responded positively.

Members noted that a summary of the outcomes from the Staff Survey would be presented to the next meeting of the Resources Committee (19 June 2024) and in advance of further consideration by the Board of the Corporation (17 July 2024).

Action: Resources Committee/Board of the Corporation

Questions and comments were invited from members.

- A member made reference to the 16-18 Student Achievement Rate and sought assurance in relation to the accuracy of the figures when compared to the outcome figures for the previous year. Comment was further made to the position, as at the end of January 2024 (88%) and the current position, for which it was suggested could be perceived to demonstrate a fairly significant decrease.

The DP responded that it was considered that a more realistic position was being presented. It was added that the predicted position was post Progress Grade 3 and took account of the identified areas of weakness, in particular Construction where there was a lot of risk and a high number of learners. It was added that if outcomes were 82% an improved position would be attained and at 85% the outcomes would be just above national rates and deliver a 3-year improvement trend.

Members noted the reasons for the range of 82-85% as expanded upon by DP.

The DP reiterated that there was a preference for caution, adding that student external assessment outcomes had been very positive and had taken place at a much earlier point than the previous year. It was further noted that there had been front loading of examination practice.

- A member commented that retention was much better than the previous year but asked as to why positive destinations for 19+ was low.

The DP responded that the destination report was scheduled to be considered in detail at the next meeting of the FE Curriculum and Quality Committee. It was stated that in respect of 19+ learners the profile and response rate had been very low. It was suggested that moving forward there was a need to consider whether there was a need to change the approach. Members noted that many of the 19+ courses were short courses for which gaining a response presented challenges.

Minute No.**Action: FE Curriculum and Quality Committee**

- A member commented that in relation to Apprenticeships the Group had encountered a similar issue the previous year and assurance was sought in respect of the staffing systems and associated processes.

The Chief Finance Officer (CFO) stated that the difference in the current year was that the Group was dealing with the issues much earlier. It was further stated that the new online system was currently being tested in advance of its full roll-out in September 2024.

The PCEO further added that during the last term the Group had enrolled a number of new apprentices for which the associated D-lock errors were newer and for which there was time to progress their resolution, a big difference to the previous year's issues.

The CFO provided assurance that the new online system would resolve a good proportion of the errors which had arisen from the current paper-based system.

The DP stated that in the current year there were in the region of £300k of D-lock errors as compared to £700k in the previous year of which many were old and for which there were limitations around recovery. It was further stated that a more proactive approach had been adopted in terms of addressing and clearing the D-lock errors, which was also an improved position from the previous year.

The CFO commented that since joining the Group he had seen a change in the mentality of the apprenticeship team and that there was ownership of the issues.

There were no further questions or comments from members and following due consideration it was resolved that the Key Performance Indicators update report be received and noted.

COR/38/24**Draft Annual Accountability Statement 2024-2025**

The PCEO referred members to the previously circulated report and a draft of the Group's Accountability Statement (DAS) for 2024-2025.

There was confirmation that the DAS was consistent with the latest Department of Education (DfE) guidance on Local Needs Duty and Accountability Statements. It was further stated that there was a requirement that the Statement be published on the Group's website, by no later than 30 June 2024 in order to meet funding requirements.

The PCEO confirmed that the latest guidance now requires the incorporation of the new Local Needs Duty as part of the Accountability Statement (AS). It was further confirmed that the final page of the document sets out how the Group was meeting the Local Needs Duty.

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The PCEO stated that the new AS Objectives for 2024-2025 were largely aligned with the current year and reflected an evolutionary approach. It was added that the approach supported continuity in terms of how the Group's objectives were incorporated within the respective economic plans of both Local Authority (LA) areas and that the Group would continue to work with the LAs to embed the new AS.

It was noted that the proposed objectives had also been considered by the Skills Accountability Committee at its meeting held earlier in the term.

Questions and comments were invited from members.

- A member made reference to page 9 of the DAS and the inclusion of growth targets against National Skills Priorities by area, commenting that it was encouraging to see this approach. In terms of the wider document the member suggested that it would be beneficial to qualify where acronyms were used.

The PCEO undertook to revisit the document accordingly.

Action: Principal and CEO

There were no further questions or issues raised by member and following due consideration it was unanimously resolved that the Draft Annual Accountability Statement 2024-2025 be approved in advance of its publication on the Group's website.

Action: Principal and CEO

COR/39/24**Strategic Conversation with External Agencies – 1 May 2024 Meeting Outcomes**

The PCEO reported that a meeting had been held with the DfE and members of the FE Commissioners Team on 1 May 2024 at which the Chairperson and CS had also been in attendance.

There was confirmation that discussion had been positive with a key focus from the DfE being upon the meeting of local and regional needs. The progress of Group's integration with the LA's was recognised by the DfE as collaborative and a close working relationship, with the Group considered to be ahead of other colleges. The tangible actions in response to the Local Skills Improvement Plan (LSiP) which included the Manchester Airport Group and Sports Management courses were also noted.

It was further reported that other aspects of the conversation related to the financial position of the Group around which it was stated there had been transparency on the part of the Group. There was confirmation that should the Group move into Requires Improvement (RI) there would be no intervention but a need for the Group to share the remedial actions it would be taking. Assurance was provided that should the Group move into RI the banking covenants would not be compromised.

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It was reported that as part of the conversation the Group was required to choose a topic to talk about which was: Three years on from the merger.

The PCEO concluded that, overall, the conversation had been very positive.

It was noted that the letter arising from the meeting had not yet been received but that when it was it would be shared with members accordingly via the CS.

Action: Corporation Secretary

There were no questions or issues raised by members and following due consideration it was resolved that the verbal update in respect of the Strategic Conversation held with external agencies on 1 May 2024 be received and noted.

COR/40/22**Subcontracting Provision 2024-2025**

The Deputy Principal referred members to the previously circulated report and an update on the proposed subcontracted and partnership activity for 2024-2025 for consideration in advance of their formal approval.

It was noted that in recent years the amount of subcontracting had been reduced in line with guidance from the ESFA but also taking into consideration the intent of the Group's curriculum and strategic reasons for working with partners.

There was confirmation that in line with ESFA guidance, the Group had submitted a request for approval to continue with programme subcontracting for 16-19 provision during the 2024-2025 academic year. It was noted that there were no proposals in relation to subcontracting for adults in 2024-2025, and further that the Group was well below the requirement of the ESFA for subcontracting, by funding stream, to be less than 25% for 16-18 provision.

Members were reminded that the Group was responsible for all aspects of quality assurance and improvement, capacity, capability, and monitoring of subcontracted and partnership provision. The responsibilities of the Board in relation to the monitoring of the provision were highlighted, consistent with the greater risks than college-based provision, both reputationally and financially.

An overview of the proposed subcontracting arrangements and partnership arrangements for 2024-2025 was presented which included the following:

- the only change in the list and numbers of subcontractors for the next academic year related to the ceasing of the subcontracting arrangement with Organisational Learning Centre (OLC) which had supported HE growth in the current academic year but had been subject to regulatory changes in the approval and certification of Teacher Education programmes
- confirmation, that as previously reported, this would be final year of the current relationship with Flixton Girls School
- the significant increase in numbers for the Stockport County Football Club following their additional investment in their education programme, noting that the Group delivered elements of the provision

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- for partnership arrangements, the only change related to the ceasing of partnership arrangements with “City in the Community” (low numbers and the extension of the sports offer through local clubs)
- confirmation that the overall proposed contract value and student numbers, in respect of partnership arrangements, were in line with those in 2023-2024, and would be finalised as part of the curriculum and business planning process with any increase having implications for the non-pay element in the next year’s budget.

Questions and comments were invited from members.

The PCE reported that the previous week the Group had been notified that Code Nation had been taken over by the Reed Group but stated that it was not anticipated this would mean any changes moving forward or any impact from a risk perspective.

The PCEO further expanded upon the expansion of the Stockport County Football Club offer within which they had indicated an aim to attain student numbers of 1,000. It was noted that the Group was mindful of the need to attain assurance that the provision was meeting local skills needs and moving forward close oversight would be maintained to ensure quality of provision.

- A member asked a question in relation as to whether destination data was sought from subcontractors.

The DP responded that majority of students on the sports courses did not necessarily aspire to be footballers with many progressing to associated careers within the football/sports sphere. It was added that the provision was being explored further from an inclusive aspect with both Altrincham and Stockport offer being currently totally male.

There were no further questions or issues raised by members and following due consideration it was resolved that the proposals for subcontracting activities for 2024-2025 be approved.

COR/41/24**Chief Finance Officer’s Report and Management Accounts for the period ending 31 March 2024**

Members were referred to the previously circulated CFO Report and Management Accounts for the period ending 31 March 2024. The CFO advised that the Management Accounts for the period to 28 February 2024 had also been considered in detail by the Resources Committee at its meeting on 24 April 2024.

It was confirmed that the following was appended to the covering report:

- a copy of the CFO’s presentation
- the Management Accounts Dashboard – March 2024
- Period 8 Management Accounts
- Period 8 Management Accounts Supporting Schedules.

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The CFO made a presentation in relation to the key issues from his report and the management accounts under the following headings:

- Period 8 Educational EBITDA Forecast
- Risks and Opportunities
- Cash
- OfS/DfE Capital Update

Period 8 Educational EBITDA Forecast

The following was highlighted:

- the slight deterioration since P7, noting that a prudent and cautious view continued to be adopted
- the position in relation to Apprenticeships (£3.2m versus £4.1m budget); AEB and GMCA over delivery; the additional funding associated with High Needs offset by increased associated pay costs; release of £0.5m from the risk reserve; increased pay costs (High Needs with increased agency/sickness offset by vacancies); increases to exam costs consistent with increased student numbers and maths and English; and increased administrative costs largely apportioned to Estates, IT and general admin.

Risks and Opportunities

In relation to risks and opportunities the CFO brought the following to the attention of members:

- identification of the following risks: Apprenticeships and AEB (100% GMCA and no over delivery); HE clawback; increased non-pay costs; failure to deliver High Needs and further release of the remaining risk reserve
- in terms of opportunities Apprenticeships and delivery of AEB at 110% delivery of GMCA provision versus the 105% forecast
- in terms of pay it was suggested that opportunities were offsetting risks
- confirmation that the Financial Health score continued to be on the edge of Good, with the worst-case position being Requires Improvement
- confirmation that all covenants continued to be met.

Cash

The CFO confirmed that the cash position was currently £4m higher than budget of which £1.5m was restricted (Cheadle project). Reference was made to the increased income in 2024-2025 and recognition that as the Cheadle project commenced, cash reserves would decrease accordingly. It was noted that a clearer position in relation to cash would be known by the 17 July 2024 meeting of the Board of the Corporation.

In terms of future years, the CFO stated that the aim was to build cash reserves

Minute No.**OfS/DfE Capital Update**

There was confirmation that good progress was being made in relation to the capital grants. An overview was presented in relation to allocation, spending, planned spending and pertinent clawback.

The CFO stated that the headlines from Period 8 of the Management Accounts continued to give a clear indication of the likely financial performance for the year (as considered by the Resources Committee but not yet finalised).

The headlines from Month 8 were confirmed to be as follows:

- that the forecast full year Educational EBITDA was £1,931k, £382k behind budget (£2,313k), with the Group's financial health grade forecast being on the threshold of "Good", an improvement on the previous month and the result of the corrective action taken to mitigate the impact of non-pay over-spending
- the Group remains on the cusp of a "Requires Improvement" health grade, meaning that maximisation of income streams and control of non-essential non-pay expenditure was a key objective in the coming months
- full year income was forecast at £51,009k, £1,794k ahead of budget within which the key focus was Apprenticeships (further deterioration in the income forecast to £3.2m) and the AEB forecast for Term 3 for which planned activity remained ambitious
- pay was forecast to be £689k over budget driven predominantly by the extra teaching support costs required to meet the requirements of the extra High Needs learners, noting however the pay to income ratio (excluding subcontracting) was forecast to be 68.4% as the increases in pay were more than offset by increases in income
- the Group was currently forecasting a £1,487k overspend in non-pay driven predominantly by Estates, Exams and an increase in partnership costs derived from the Partnership for HE learners with OLC that was unbudgeted, however, there had also been overspends in ICT, Marketing and HR plus exam costs in Period 8 which had also been higher than expected.

There were no questions or issues raised by members and following due consideration and deliberation it was resolved that: -

- (i) the Chief Finance Officer's Report and presentation be received and noted; and**
- (ii) the Management Accounts for the period to 31 March 2024, including the 2023-2024 year-end forecast, be duly approved.**

COR/24/24**Board Assurance and Risk Management Framework**

The CFO referred members to the previously circulated report and information in respect of the monitoring of the Group's Board Assurance and Risk Management Framework (BARMF) and to provide assurances therein.

There was confirmation that the BARMF had been considered in detail at the meeting of the Audit Committee held on 17 April 2024.

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It was reported that of the 30 risks, 23 were greater than 15 and 5 had a net risk of greater than 15. There was confirmation that 14 net risks were outside risk appetite and it was suggested that moving forward there may be a need to revisit the Group's risk appetite.

New Risks in relation to Apprenticeships; Non-pay costs; Apprenticeship income; and Marple College profitability were flagged. It was further proposed that the risk in relation to MIS Staffing Issues be removed from the strategic risk register consistent with its stabilisation.

In relation to horizon scanning and emerging risks an overview was presented in relation to:

- Financial sustainability
- People and culture
- Student and Quality of Education
- Other Corporate Risks.

Questions and comments were invited from members.

- The PCEO commented that in relation to the MIS staffing issues, members may want to take a view following the later reporting around the ILR HE Student Data Report (next agenda item) and the capacity of MIS.
- A member further commented that it was good practice when adding new risks to also remove risks.

There were no further questions or issues raised by members and following due consideration it was resolved that the update in respect of the Full Framework be received and noted and further that the Summary Framework and visual heat map as presented be approved.

COR/43/24**Minutes of the Audit Committee held on 17 April 2024**

The minutes of the meeting were received and the Chairperson of the Committee provided a brief overview of the business items considered by the Committee as follows:

- consideration of the Data Protection Update and Data Protection Policy 2024-2026 approval of which was recommended to the Board of the Corporation under a later agenda item
- Internal Audit Reports 2023-2024 in relation to New Subcontracting and an Assurance Process Update; Apprenticeships; Business Critical Controls HR; and Higher Education Student Data
- the tracking of management actions from previous audit reports
- an update in relation to the Board Assurance and Risk Management Framework 2023-2024 (previous agenda item)
- the terms of reference of the Committee which were duly recommended to the Board of the Corporation for approval
- a policy in relation to Additional Work Undertaken by the Auditors which was also recommended to the Board of the Corporation for approval.

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There were no further issues or comments raised by members following the update and it was resolved that the minutes be received and noted.

COR/44/24**Important Matters Only to Note and/or Approve as Recommended by Audit Committee****(i) Audit Committee Terms of Reference**

There were no questions or issues raised by members and following due consideration, on the recommendation of the Committee, the updated Terms of Reference of the Audit Committee 2024-2026, were approved.

(ii) Internal Audit Progress Report

It was noted that Internal Audit Reports for Term 2 had been completed and duly considered by the Audit Committee in relation to:

- the New Subcontracting and Assurance Review Process Update for which it was noted that a further update would be provided to the next meeting of the Committee
- Apprenticeships from which there were 6 recommendations (3 medium and 3 low) and a level of assurance for Design of Reasonable and for Operations of Control also of Reasonable and which the Committee duly recommended to the Board of the Corporation for approval via the Internal Audit Progress Report
- Business Critical Controls, within which the scope was to test the operation of specific internal controls covering the period July 2023 to January 2024 covering the new starter process; appraisal process and training; exit interviews; payroll; and KPI validation
- there was confirmation that the Business-Critical Controls work was factual finding from the tests with no provision of opinion and from which there were 4 recommendations (2 medium and 2 low) with the implementation dates apportioned to the DHRP being in the process of agreement.

There were no questions or issues raised by members and following due consideration it was resolved that the Internal Audit Progress Report be approved.

(iii) ILR HE Student Data Report – for information

The was confirmation that the report had been commissioned on behalf of the Office for Students (OfS) as part of the OfS's annual data assurance programme of work, designed to allow the OfS to gain assurance over data submitted to the OfS and ESFA. It was noted that the areas covered a review of controls around the compilation of ILR HR Data and testing of a targeted sample of 60 students in learning during 2022-2023, with a view to ensuring the ILR HE data was accurately compiled from base information.

It was reported that the results of the review indicated some improvement in overall level of errors in key data fields when compared to previous OfS reviews but that the level of errors remained significant. The CFO added that

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given the level of errors in 2022-2023 the Group had been advised by the Internal Auditors to liaise with the OfS as to whether there was a need for any data amendments or further checking of the 2022-2023 HE ILR data.

There was confirmation that arising from the work there were 2 high and 2 medium recommendations.

The CFO confirmed that information had been shared with the OfS and the Group was awaiting confirmation in terms of actions and/or whether further assurance was required.

The CFO was invited to comment further and confirmed that a meeting with the OfS had taken place which included both the ELT and the Chairperson of the Audit Committee. In terms of action going forward the CFO reiterated the need to ensure that the 2023-2024 data was correct.

Members noted that the Group had commissioned additional consulting resource whose remit included a focus upon the current year's data. There was confirmation that the Group had further commissioned an internal audit of the 2023-2024 data to take place during the late summer.

Members noted that a formal response continued to be awaited from the OfS and further that the matter was also to be considered at the forthcoming meeting of the HE Curriculum and Quality Committee, which would also maintain oversight of progress moving forward.

The importance of the proactive approach was reiterated. It was further commented that in terms of HE provision, moving forward, the Board and Executive needed to give consideration to both investment and resourcing. There was recognition that following the engagement of the OfS consultant there was an expectation of advice in terms of the solving of the issue.

Discussion followed in relation to the resolution and likely sanctions from the OfS. There was recognition of the regulatory aspects associated with this area and the risks to the ongoing provision of HE within the FE sector. The view was expressed that moving forward the introduction of the Lifelong Entitlement may present further risks to the provision.

The Chairperson of the Committee provided assurance of the continued oversight via both the Audit Committee and the HE Curriculum and Quality Committee, the meeting of which he would be attending on 5 June 2024.

There were no questions or issues raised by members and following due consideration it was resolved that the position in relation to ILR HE Student Data Report and the actions arising be duly noted.

COR/45/24**Minutes of the Resources Committee held on 24 April 2024**

The minutes of the meeting were received and the Chairperson of the Committee provided a brief overview of the business items considered by the Committee as follows:

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- the detailed consideration and scrutiny of the Management Accounts as presented under an earlier agenda item
- confirmation that a new format for the Management Accounts was scheduled to be shared at the 19 June 2024 meeting of the Committee
- mid-year updates in relation to the Equality, Diversity and Inclusion Annual Plan; Sustainability Strategy; and People and Culture Strategy
- a Partner Subcontracting Mid-Year Update 2023-2024
- a Learner Numbers and Funding Update 2023-2024
- policies as presented for consideration and approval later in the meeting.

There were no issues or comments raised by members following the update and it was resolved that the minutes be received and noted.

COR/46/25**Important Matters Only to Note and/or Approve as Recommended by the Resources Committee**

The Chairperson of the Resources Committee with reference to the presentation made earlier in the meeting by the CFO under agenda item 4 and the accompanying documentation, and in conjunction with the considerations of the Committee commended the following items to the Board of the Corporation.

(i) Period 8 Management Accounts (Enclosure)

There were no further questions or issues raised by members and following due consideration it was resolved that the Period 8 Management Accounts be approved.

(ii) High Level FY2024-2025 Budget (Enclosure)

There were no further questions or issues raised by members and following due consideration it was resolved that the position in relation to the High Level FY 2024-2025 Budget be noted.

(iii) OfS/DfE Capital Funding Update (Enclosure)

There were no further questions or issues raised by members and following due consideration it was resolved that the position in relation to OfS/DfE Capital Funding Update and the agreed actions therein be noted.

COR/47/24**Policy Approvals**

The following policies were considered at the meeting of the Audit Committee held on 17 April 2024 and were recommended to the Board of the Corporation for approval.

(i) Data Protection Policy 2024-2025

There were no questions or issues raised by members and following due consideration it was resolved that the Data Protection Policy 2024-2025 be approved.

Minute No.**(ii) Additional Work Undertaken by Auditors Policy**

There were no questions or issues raised by members and following due consideration it was resolved that the Additional Work Undertaken by Auditors Policy be approved.

The following policies were considered at the meeting of the Resources Committee held on 24 April 2024 and were recommended to the Board of the Corporation for approval.

(i) Supply Chain and Fees Charges Policy 2024-2025

There were no questions or issues raised by members and following due consideration it was resolved that the Supply Chain and Fees Charges Policy 2024-2025 be approved.

(ii) Fees Policy 2024-2025

There were no questions or issues raised by members and following due consideration it was resolved that the Fees Policy 2024-2025 be approved.

COR/48/24**Any Other Business**

In relation to the Board Assurance Framework and the earlier considerations around the removal of MIS staffing issues as a risk, members were in agreement, that a decision in respect of its removal from the risk register be deferred pending the outcome of the work currently being undertaken by the MIS consultant.

Action: Audit Committee/Board of the Corporation

The Chairperson reminded members that the Individual Non-Executive Reviews would be taking place during July 2024 and requested that any members who had not yet made their appointment to do so via the Deputy Corporation Secretary.

Action: Members of the Board of the Corporation

There were no further matters raised under any other business.

COR/49/24**Date of the Next Meeting**

It was agreed that the next meeting of the Board of the Corporation would be held on Wednesday 17 July 2024 in the Boardroom at the Altrincham Campus with the start time of the meeting to be confirmed.

Action: Corporation Secretary

The CS further highlighted the following forthcoming events:

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- **Governor Training Event on Wednesday 22 May 2024 at 5.30pm.**

Action: Members/Corporation Secretary

Janet Grant (Member) joined the meeting at 5.45pm during consideration of agenda item 2.

The meeting closed at 8.03 pm