

CORPORATION BOARD MEETING
Minutes of the meeting held on 25th March 2020 via Microsoft Teams
15:30 – 17:00

The College is responding to COVID19 government advice and consequently the Awayday planned for today was postponed and this meeting was held via MS Teams.

The agenda for this meeting was refocussed on essential business.

Board Members	Category of Governor	Attendance 2019/20	Present at this meeting
Richard Bartlett-Rawlings (joined 3.10.19)	Independent	4 of 4	Yes
Tony Berwick	Independent	4 of 4	Yes
Rebecca Carrington	Independent	0 of 0	Agreed absence
Alan Cook	Independent	5 of 5	Yes
Peter Cox	Independent	5 of 5	Yes
Mat Gotkowski	Independent	5 of 5	Yes
Liz Marr	Independent	4 of 5	No
David Meadowcroft	Independent	5 of 5	Yes
Julie Mills	CEO	5 of 5	Yes
Asad Mir (joined 6.11.19)	Student	4 of 4	Yes
Stephen Norrish	Independent	5 of 5	Yes
Ruby Parmar	Independent	4 of 5	Yes
Charlyne Pullen	Independent	4 of 5	Yes
Neil Sainsbury (joined 3.10.19)	Independent	4 of 5	Yes
Aniesa Shah	Staff	4 of 5	Yes
Gwynneth Tan	Independent	4 of 5	Yes
Manish Verma	Independent	3 of 5	Yes
Dotun Adeoye (resigned 2.10.19)	Independent	0 of 0	
Nathan Indge (resigned 28.2.20)	Staff	3 of 4	
Attendance % this meeting		94%	15 / 16
Attendance % year to date		89%	72 / 81

Attendees at this meeting: Sally Alexander (Principal: Prison Services), Annie Allen, (CPO), Imelda Galvin (COO), Chris McLean (Principal: College), Alex Warner (Principal: IoT), Karen Brown (Head of Governance)

Other attendees (in part): None

- 1.1 Apologies had been received from Liz Marr
- 1.2 There is a standing declaration from Peter Cox and Gwynneth Tan relating to the IoT.

2.1 CEO's Report to the Board (previously circulated as Paper 2.1)

1. COVID-19

Julie Mills updated the Board:

- In February, the College convened a cross-college Resilience Group to manage the emerging risk of COVID-19 and to prepare for an expected closure of colleges. Last week the government announced that schools and colleges would close from 20th March until further notice.
- A smaller core recovery team (CoRT) is now meeting daily and coordinating activities for the new 'normal' i.e. a remote college.

Campus – Chris McLean reported:

- The usual curriculum timetable is continuing with teaching, learning and assessments online. English and maths is continuing despite GCSE exams being cancelled. Registers are being taken and attendance is c80%.
- Managers are conducting quality learning walks (i.e. joining online lessons) and the standard is good.
- One or two students (whose parents are keyworkers) are on campus every day.
- The Staff Teaching & Learning Conference on 3rd April will focus on digital pedagogies.
- Student welfare continues to be supported and bursary payments are being made by electronic transfer.
- More Progress Mentors have been trained (i.e. staff from other parts of the organisation) and are in regular contact with students by phone.
- It has been a very successful start.

Prisons – Sally Alexander reported:

- The College is following guidelines issued by the MoJ. College staff working in prisons are designated as key workers (i.e. fulfilling an essential role in maintaining a stable regime). The MoJ confirmed that face to face contact with prisoners cannot happen due to social distancing and, in the current situation, staff are more effectively working remotely, preparing paper based learning materials and marking them.
- Small numbers of staff are still going into prisons, e.g. supporting three staff restaurants, within Public Health England guidelines.
- The situation has posed a challenge with UCU (University and College Union) which has raised issues.
- There are regular online meetings with Directors using MS Teams.
- Different rules apply to our work with the CRC (Community Rehabilitation Company) which is still seen as essential work.
- We are working with the MoJ and other providers and it is a changing situation.

Business Operations – Imelda Galvin reported:

- Finance is covered in item 2.3
- Extra vigilance is being paid to managing risks and maintaining controls (especially IT and payments). There is a sub-committee of the Risk Management Group looking specifically at COVID-19 related risks which are escalated to the CoRT where appropriate.
- IT Services is supporting staff to work remotely and ensuring that students have what they require to continue learning e.g. laptops
- An ISO27001 audit (management of confidential and sensitive data) is proceeding

- The payroll run was managed remotely so that staff will be paid
- The Admissions Team is supporting Curriculum Teams to arrange online interviews with prospective students
- Bletchley Campus is closed and we are moving to limited opening at Chaffron Way.
- The College is engaging with MK Council on how the College could help to support the community.

People Services – Annie Allen reported:

- Almost all staff are now working from home; remaining staff e.g. IT Services will be working from home next week
- The focus is on maintaining an effective college community and assisting managers to manage remote teams
- A few individuals may be furloughed

2. FEC Diagnostic Assessment Monitoring Visit 13th February 2020

The draft report has been received for a factual accuracy check. The report confirms that the team endorsed the College's approach and made no recommendations. There should be no further FEC monitoring visits and the ESFA will continue to routinely monitor the College's financial position (the ESFA has asked to meet the Chair at the next scheduled meeting).

3. Institute of Technology (IoT)

Alex Warner introduced himself as the new Principal: Institute of Technology. There was a presentation yesterday to Anchor Partners when their risk appetite was challenged and they unanimously agreed to work differently.

Capital Project – minuted as confidential

The Board received the CEO's report

2.2 **People Strategy** (*previously circulated as Paper 2.2 and 2.2.1*)

Annie Allen presented on:

- Progress with implementing the SOAP (strategy on a page) with key projects rag rated.
- Many projects have been implemented including: on-line apps for leave, absence etc / Applause (recognition scheme) / new Conversation Hub (which has replaced annual appraisals).
- The current blockers to progress are: lack of basic people data e.g. absence reporting / complicated people policies and procedures which are heavily compliant and are hindering organisational improvement / culture and ability to work together.
- Appointments have been made which improve business partnering.
- Priority actions to address the blockers include the new HR Information System (HRIS), Remuneration Project and Leadership & Management programmes / coaching at all levels.

Remuneration Project

- Job roles (campus only) were assessed against a common framework of factors to create job families. These will enable staff to identify where they sit against other roles, how they contribute to the College and how they can develop to progress within their current role or to more senior roles.

- A key driver behind the project was to develop transparency and fairness about salaries, aligned to external benchmarking, to inform new roles. Salaries have been benchmarked resulting in an analysis of relative pay which has revealed that whilst the majority of roles are paid broadly at a rate aligned to benchmarks, there are some underpaid outliers and a general inclination towards the lower end of pay bands. Teaching staff salaries have however tended to follow market rates.
- Guiding principles to support salary decision making is being developed as part of the project (a draft was included in Paper 2.2.1).
- The job families are being discussed with the unions before being rolled out to staff and the College will be working with the unions to develop a similar approach for prison staff.

Q Is a staff consultation group providing input e.g. to the Remuneration Project?

The job factors were developed with campus staff focus groups but these were then disbanded. A staff consultation group would complement the ongoing work with the unions. Prison staff focus groups will be established when the project starts rolling out to prison staff.

Staff Contractual terms and conditions

- In some areas, terms and conditions of employment require urgent review as they are stopping the College moving forward. Some existing contractual terms / policies and procedures date back to 1994 (when colleges were first incorporated) and these reflect a different period of education.
- Benchmarking of terms and conditions identified significantly more generous arrangements e.g. sickness and absence / redundancy. The cost of sick pay last year was £685k and this could be better directed at rewarding staff or employing more staff.
- An analysis of HR policies and procedures has identified the need to review / simplify / improve policies to facilitate better management practice. The review will be based on a 'human first' approach incorporating good / modern people services practice aligned to the College's values (e.g. performance reviews have already moved from an annual appraisal to regular development conversations).
- The College needs a flexible and agile workforce with appropriate contracts of employment, policies and procedures to support financial sustainability and the student experience. The Executive's recommendation is to introduce new policies to improve practice and to support a 'human first' culture and to introduce a more flexible set of terms and conditions (which are competitive and attractive) for new staff appointed from a date to be agreed (potentially January 2021).
- The intention had been to discuss this in more detail at the Awayday.

Q What are other colleges doing in relation to changing terms and conditions of employment?

Other colleges and also non-college organisations have been considered. The College is aware that other prison providers are also reviewing terms and conditions of employment.

Governors agreed it was an appropriate and pragmatic approach. Governors requested further detail, when available, for assurance that the process is fair and balanced (including a comparison with other colleges and industries).

Staff Pay Recommendation

The Executive Team's recommendation is:

- No cost of living payment to staff in 2019/20
- Subject to affordability, address the outliers who are under the range into which their role has been graded (and move them closer to the minimum)
- Subject to affordability, award staff a flat payment (e.g. £500), or a salary increase, in recognition that there has not been a cost of living increase since 2017.

Governors commented:

- The context is that many businesses are currently having to cut salaries and withhold bonuses therefore no cost of living increase this year is unlikely to be a surprise.
- In situations where staff are on low incomes, and have not had a pay increase for some time, a flat payment is usually preferred.
- When Pulse surveys commence, the Board asked to be kept updated on responses relating to pay.

Action 1: Annie Allen

The Board:

- ***Received the presentation***
- ***Endorsed the proposal to review contracts of employment, policies and procedures***
- ***Approved the recommendation on staff pay as above***

2.3 Financial Sustainability *(previously circulated as Paper 2.3)*

2019/20 Financial Health (as at Period 6 January 2020)

Imelda Galvin referred governors to Paper 2.3 and the key headlines relating to the Management Accounts (Period 6). Subject to the risks outlined below, the forecast year end contribution, cash flow and financial health points score are all on track (i.e. campus breakeven and College overall surplus). Cash is being monitored daily and the current balance is £3m. Period 7 accounts were shared with the Finance Group at the meeting on 23rd March.

The risks are:

1. The prison contract runs from 1st April to 31st March so the College's 19/20 budget includes four months of the new MoJ contract. The discussion on the exceptional circumstances payment has not yet been concluded but indications are positive. The MoJ has also published a PPN (Procurement Policy Note) relating to COVID-19 and payment to suppliers.
2. Adult, Apprenticeships and Commercial:
 - A reduction in in-year adult provision should be offset by an increase in Distance Learning
 - Although employers are pausing apprenticeships, the College was ahead of target so a significant impact on income is not expected
 - Loss of commercial income (e.g. lettings, Brasserie) will not be recovered however the College is looking at removing costs and the possibility of applying for government support to cover 80% of salaries.

***Q Have you considered asking the Bank for a loan repayment holiday?
Many businesses, in a good financial position, are doing this and it could give the College additional cash during these uncertain times.***

Work to date has put the College in a strong position so we do not consider this to be necessary for 2019/20. We will however give this further consideration. The loan balance will be c£500k at July 2020.

Action 2: Imelda Galvin

Governors commented that the College is making good progress in setting measured targets to improve the financial position but the impact of COVID-COVID-19 could mask the improvement.

2020/21 Budget

- Pre COVID-19, good progress had been made in developing the budget for 2020/21 based on the strategy in the 3 year plan (i.e. campus £300k surplus / a positive contribution from the prison contract / IoT breakeven). The College is continuing to work towards 'good' financial health. However, the external financial benchmarking (requested by the Finance Group), which should help to identify further efficiencies, has been delayed.
- Apprenticeships is an area of risk despite a good carry-in (c£1.3m) as employers are currently pausing recruitment. The cost base will be adjusted accordingly.
- The allocations have been confirmed for Study Programmes (based on 2019/20 student numbers) therefore this income is secure.
- A decision has already been made to stop sub-contracting.
- Every college is facing the same challenges.

Finance Group Meeting 23rd March 2020

Mat Gotkowski confirmed that the Finance Group endorsed the Colleges actions.

As delegated by the Board at the last meeting, the Finance Group approved the IFMC by email (the IFMC has since been submitted to the ESFA).

At the next meeting in April, the Group expects to review the financial benchmarking report.

The Board

- ***Noted the financial position as at Period 6 (31st January 2020)***
- ***Noted the forecast year end position at 31st July 2020***
- ***Noted the progress with the 2020/21 budget***
- ***Noted the update from the Finance Group meeting on 23rd March***

CONSENT AGENDA

The following items were approved by consent / without discussion:

- 4.1 Student Experience – progress against KPIs (previously circulated as Paper 4.1)**
- 4.2 Minutes of the Board Meeting held on 12th February 2020 (previously circulated as Papers 4.2A and Confidential 4.2B)**

- 4.3 Fee Policy 2020/21** *(previously circulated as Paper 4.3)*
The Board agreed to delegate approval of the Fee Policy to the ELT/SLT.
- 4.4 Code of Practice on Freedom of Speech & Expression** *(previously circulated as Paper 4.4)*
This is the sector CoP provided by Eversheds Sutherland.
- 4.5 PDMG Meeting 28th February 2020** *(previously circulated as Paper 4.3)*
The report of the meeting was covered by Paper 2.1

Next Meeting 6th May 2020 5pm - 7pm (unless changed)