

CITY OF WOLVERHAMPTON COLLEGE

**Minutes of a Meeting of the Board of Governors held on
Thursday 12 December 2024 at 5pm**

PRESENT

Mr Mike Hastings - Chair	Ms Louise Fall – Principal and Chief Executive
Ms Jane Carter – from 5.45pm	Mr Darren Shaw – from 5.15pm
Mr Sam Duru – on Teams (from 5.50pm)	Doina Surchicin
Ms Hshaana Knight – on Teams (until 6.55pm)	Mrs Amanda Tomlinson – Vice Chair
Ms Wendy Harris	

IN ATTENDANCE

Mrs Alison Buick	Head of Governance
Mr Paul Davies	Director of Finance
Mr Mike Dixon	Assistant Principal
Ms Fiona Henderson	Interim Assistant Principal Quality and Engagement
Mr Peter Merry	Deputy Principal and Chief Executive
Mr Mark Munro	Partner, Bishop Fleming – until 5.40pm
Ms Lynn Parker	Assistant Principal

The meeting was not quorate so did not start until 5.15pm

24/25 APOLOGIES AND DECLARATIONS OF INTEREST (ITEM 1)

Apologies were received from Mr Simon Evans, Mr John Bradford, Mr Scott Thompson, Ms Dionne Barrett and Mr Mark Taylor.

Introductions were made to Fiona Henderson, Interim Assistant Principal Quality and Engagement. Fiona had taken over all of the Principal's former responsibilities except for safeguarding, which had transferred to the Deputy Principal and Chief Executive as the new Designated Safeguarding Lead.

There were no declarations of interest.

25/25 MINUTES (ITEM 2)

It was **resolved** that the minutes of the meeting held on 14 November 2024 be **approved**.

26/25 MATTERS ARISING AND ACTIONS (ITEM 3)

Governors reviewed the actions from the previous meeting and noted the following:

- The Assistant Principal (Lynn Parker) would check receipt of the internship information from Jane Carter.
- The variances information had been added to the finance reports as previously agreed.

27/25 CHAIR'S ACTIONS (ITEM 4)

None.

28/25 CORRESPONDANCE (ITEM 5)

None.

29/25 FINANCIAL STATEMENTS AND AUDIT OPINION (ITEM 6)

The Director of Finance made some opening remarks to outline the papers provided and introduced Mark Munro, Partner at Bishop Fleming, who would present the Key Issues for Discussion Document. All documents provided had been discussed in detail at the Audit Committee in November.

Audit Committee Annual Report

The Audit Committee Annual Report had been considered at the recent committee meeting and was recommended for Board approval. It gave a summary of the membership and activities of the committee in 2023/24, including the reports received from the auditors. Governors were asked to note the report conclusion, which stated that the committee's opinion was that the audit arrangements and framework for governance, risk management and internal control were adequate and effective. The report needed to be submitted to the ESFA with the audited accounts.

Resolved: that the Board approved the Audit Committee Annual Report for submission to the ESFA.

Remuneration Committee

The Remuneration Committee Annual Report had been considered at the recent committee meeting and was recommended for Board approval. It gave a summary of the membership and activities of the committee, which had met once in 2023/24. The appendices included the committee's terms of reference, the Senior Postholder Remuneration Policy and the committee's self-assessment questionnaire.

Resolved: that the Board received the Remuneration Committee Annual Report.

Internal Audit Annual Report

TIAA, the college internal auditors, had provided their Annual Report for discussion at the recent Audit Committee. The report gave details of the seven audit reviews carried out in year, the numbers of recommendations and the levels of assurance provided. The overall conclusion was that the college had reasonable and effective risk management, control and governance processes in place, and this was a clean audit opinion. The committee recommended the report for Board approval.

Resolved: that the Board approved the Internal Audit Annual Report.

Regularity Audit Self-Assessment

The document was provided for Governors to review as it was required to be signed by the Chair and Principal on behalf of the Board. The auditors had placed reliance on the document and there were no concerns raised.

Resolved: that the Board approved the Regularity Audit Self-Assessment.

Key Issues for Discussion Document

Mark Munro noted that he had presented the details to the Audit Committee in the previous week, so would outline the key highlights for this meeting, which were as follows:

- The audit was now complete.
- An unmodified true and fair opinion and an unmodified regularity opinion would be issued.

- Letters of Representation had been issued, to ask the Board to confirm certain statements to Bishop Fleming. There were no non-standard representations in the college letter. The Enterprises company letter made reference to the Deed of Covenant.
- Bishop Fleming were ready to sign the accounts when the Board had approved them. Signed accounts needed to be submitted to the ESFA before the end of the year.
- Specific attention was drawn to:
 - Page 7 – Audit Risks. This outlined the audit work completed for the risks identified at the audit planning stage. These risks were the standard ones relating to management override of controls and income recognition. Bishop Fleming had no concerns to flag to the Board in respect of their review of the risks. No material mis-statements had been identified.
 - Page 15 – Management Letter Points. There were no points raised from this year's audit and two that had been followed up from last year's. There were no concerns to report.

Questions and comments were invited.

The Chair of Audit Committee was not present but had not raised any matters for the Board to be aware of following his Committee meeting.

The Chair was pleased to note the clean audit opinion.

College Accounts and City of Wolverhampton College Enterprises Ltd Accounts

Governors were asked to note the following in respect of the audited accounts:

- The Board was required to confirm that the report of the Governing Body was in line with their understanding of how the college operated.
- The clean audit opinion.
- That the accounts showed the consolidated figures for the group and the college. The group included the wholly owned subsidiary, City of Wolverhampton College Enterprises Ltd.
- The financial health score was 230, which was in the range for 'Good'.
- The adjusted current ratio was 1.96, EBITDA was 8.27% and borrowing was 31.64% of adjusted income.
- All FE Commissioner benchmarks had been met except for the staff costs ratio, which was above the 65% benchmark.
- The income and expenditure statement showed a net operating deficit for the year of £1.639m. This took into account a number of exceptional adjustments as shown in the reconciliation from the management accounts to the statutory accounts. Adjustments relating to accelerated depreciation for Metro One and Paget Road disposals and the accelerated release of capital grants associated with both sites were explained.
- Income had increased by £4.8m on the previous year, largely due to the partnership delivery for Rail provision. 85% of income was derived from ESFA and WMCA funding streams.
- Overhead costs were £7.4m, excluding partnership costs.
- There had been £1.6m of capital investment in year, supported by T Level, reclassification and capital funds.
- Cash reserves had increased by £1.8m in year.

- The management review indicated that the Board should view the college as a going concern.
- ATAC and CLQ would be brought onto the balance sheet over the next two years and the college would work with Bishop Fleming to agree the accounting treatment for these transactions.
- The summarised position for City of Wolverhampton Enterprises Ltd was noted:
 - Transactions related to catering, cleaning and security services for the college.
 - There was an average of 43 employees.
 - Turnover was £644k and operating profit was £26.97k. In accordance with the deed of covenant, the profit would be gift aided to the college.

Board approval for both the college accounts and the Enterprises company accounts was requested.

Questions and comments were invited.

The Chair asked for further details of the depreciation charges. The Director of Finance outlined the accounting treatment, which had been advised and agreed with Bishop Fleming. These were non cash transactions so had no impact on EBITDA. In the year of disposal of Paget Road, the asset value written down against the sale proceeds would be £nil, therefore calculating a profit on disposal which would be reflected in an increased operating surplus for the year.

The underlying trading position for the college was noted. Governors were pleased with the positive picture in the accounts and noted the detailed discussions that had taken place at the Audit Committee. The auditors and Finance team were thanked for their work in preparing the accounts and completing the audit.

It was noted that the AGM for City of Wolverhampton College Enterprises Ltd had been held earlier in the week.

Resolved: that the Board approved the College Report and Financial Statements for the Year Ended 31 July 2024.

Resolved: that the Board received the Enterprises Report and Financial Statements for the Year Ended 31 July 2024.

(Mark Munro left at 5.40pm)

30/25 STRATEGY (ITEM 7)

Property, Rail and CLQ

It was noted that CTOG had met earlier in the week and that the presentation slides from that had been circulated to all Governors.

(Jane Carter arrived at 5.45pm)

CLQ

- The project manager had left and a replacement was being discussed with the contractor.

- Good progress was being made. The Principal and Chief Executive had visited earlier in the week with four students that would be studying there next year. Their feedback had been very positive.
- A management team visit was being arranged before Christmas. It was hoped to arrange a Governor one as well.
- The hoardings were expected to be removed by April 2025, so more of the building would be visible to the public from then.
- Work was ongoing with the Council to look at procurement for fixtures, fittings and equipment.
- The final design for the performance space was being agreed.
- There was work with the contractor to maximise social value.
- A time lapse video was now available on social media.
- There were some challenges with the programme and timescale, which were being discussed with all parties.
- The college element of the budget was expected to be met, although there were some forecast overspends on other elements.
- Some progress had been made with the legal documents, but they were not yet agreed. DfE approval would be needed. It was proposed and **agreed** to maintain the previous approval for the Chair and Vice Chair (Amanda Tomlinson) to approve the Development Agreement on behalf of the Board when ready.
- Work to plan the move with staff had started. Key considerations were technology, transport (including parking) and student transition.

Paget Road

- The site was now being marketed on Rightmove. There would be a three stage process – expressions of interest, bids by shortlisted organisations and interviews. To date there had been 30 expressions of interest. The deadline for these was 17 December 2024.
- Topological surveys were being done to provide information for a pack to be sent out to shortlisted organisations.

Estates Strategy

- There were a number of future projects that had been identified as part of a wider strategy to be developed. These included projects in the city that could have joint bids.
- Capital funds were expected from DfE after the recent budget, but details had not been confirmed.
- The Deputy Principal and Chief Executive attended the City Investment Board so had some information on proposals for over 3000 new homes, which presented opportunities for the college.

(Sam Duru arrived at 5.50pm)

Comments and questions were invited.

A Governor asked if any of the survey work at Paget Road had found any concerns with bats, newts or other wildlife. It was confirmed that there was nothing at this time.

A Governor commented that the legal issues seemed to be coming to a conclusion so that the paperwork could be completed. The Deputy Principal and Chief Executive confirmed progress being made despite some challenges. The timescale for final completion was not yet clear.

Student Engagement

Student Union (SU) Update

The Principal and Chief Executive noted that the Student Union accounts for 2023/24 had been provided for information. There were no concerns to report.

The Student Union President and Student Governor had provided a written report and highlighted the following for Governors:

- There were 106 class reps this year and the SU provided regular information to them for sharing.
- The SU had introduced a helpdesk and helpdesk email address this year for students with enquiries or needing support.
- There would be a meeting with the Principal and Chief Executive in January, which was a new and welcome development.
- A class reps survey had been done and there would be another next year.

The Principal and Chief Executive was looking forward to January's meeting. She would ensure that the SU and class reps feedback went to SMT for review.

A Governor asked if the SU had any activities to encourage volunteering. Not all students were able to contribute financially to fundraising but volunteering time was another way to get involved. The Student Governor confirmed that opportunities for volunteering were promoted to students. The Principal and Chief Executive added that there were also opportunities via the curriculum.

Student Success

College Self-Assessment Report (SAR) 2023/24

The Principal and Chief Executive confirmed that the SAR process had been completed and that the overall grading was 'Good'. All of the individual areas were also 'Good', except for Apprenticeships. This remained 'Requires Improvement' as although there was progress being seen, there was insufficient evidence to grade as good currently. Apprenticeships had been thoroughly reviewed as part of the validation process. There was evidence of intervention but not enough for progress. Attendance to English and Maths was another key area for improvement.

The SAR was fully aligned to the Ofsted judgement areas and was written in the Ofsted reporting style. Validations meetings had been supported by colleagues from Vision West Notts.

All curriculum areas had been robustly reviewed through validation meetings.

An Executive Summary and Quality Improvement Plan would be prepared for the next Board meeting. It was acknowledged that the document presented for this meeting contained a lot of detail.

A Governor asked about the attendance issues and if there was a particular profile for students not attending lessons. The Assistant Principal (Mike Dixon) confirmed that attendance was being scrutinised at present. Patterns were starting to emerge from the data. Generally, attendance to the main qualification was good but less so for English and/or Maths. The need to change mindsets for English and Maths was discussed. It was important for students to see the value of these qualifications and why they were needed for progression. Having employers in classrooms to support this would be helpful. There had been investment in CPD for English and Maths

tutors. This included trauma informed practice as some students had poor previous experiences in learning.

It was noted that attendance was a national issue and that it could form a thematic review by Ofsted.

The Principal and Chief Executive commented on other aspects of the SAR, including:

- The Quality team had rolled out a new feedback model (what went well, even better if and next steps) for students. This had been well received by tutors.
- Ways to better capture student starting points were being considered. This would help to improve target setting.
- Positive destinations had improved. All students and apprentices were made aware of opportunities available to them.

A Governor asked if there were any colleges with apprenticeship provision rated as good. The Principal and Chief Executive commented on the input from Vision West Notts to the SAR validation. The college was also seeking some external support as an independent view would be valuable. Fiona Henderson's view, as a sector consultant, had also been sought.

It was agreed that feedback from employers on apprenticeships was very important. Ways of doing this differently were being considered as response rates tended to be low.

There was a discussion about wider challenges with apprenticeships, which were expected to increase with recent Budget changes. The college leadership team was confident of improving apprenticeships this year and expected to be good by the end of 2024/25. The recent meeting with DfE had indicated that they were satisfied with the SAR and the evidence of interventions in place.

A Governor asked about the take up of staff CPD. The staff development schedule was explained. There were three CPD days throughout the year and a CPD day in July. Teach Meets were also held monthly and these were mandatory. Some external CPD was also provided, for example recently for Maths. Industrial upskilling was also encouraged and was essential for vocational courses including T levels.

The Chair commented on the statistics for students that were satisfied that bullying, harassment and discrimination was dealt with. 9% were not satisfied with this area but it was confirmed this was being reviewed.

Approval for the SAR was sought.

Resolved: that the Board approved the SAR for 2023/24.

Student Destinations

The Assistant Principal (Mike Dixon) presented the headline figures. Data was collected three times per year, to show intended, actual and sustained destinations.

This report showed actual destinations.

92% of overall destinations were positive, an increase of 2% compared to the previous year. 16-18 destinations were 97% positive and adults were 91% positive. There were some neutral destinations, such as gap years, pregnancy and caring responsibilities.

EMT were pleased with the figures. Ofsted would look at destinations as well as achievements.

People Engagement

Staff Engagement Action Plan

Governors had received information on the staff survey at previous meetings. An action plan had been created and was included with the written papers. The key actions were around:

- Relaunch of the Cultivating a Healthy and Engaged Workforce Forum (CHEWF) on 22 October 2024
- Collaborative review of survey responses to shape key actions
- Collaboration with Communications & Marketing on improving staff Communication.

There had also been work to improve the Annual Performance Reviews (APR) for staff. Another Pulse survey would be completed in January 2025.

There was a discussion about the APR process and Governors asked questions about how this was focused. The Principal and Chief Executive confirmed that the onus was more on the staff member than the manager and that some targets would link to the college objectives. It was suggested that how targets were set, moderated, appropriate for roles and consistent with the responsibilities of the staff member should be reviewed.

Pay Award Update

The Deputy Principal and Chief Executive noted that AOC had recommended a pay award of 2.5% or £750. The college's general aspiration was to meet this, but it was too early in the year to make a firm recommendation to the Board. Some benchmarking and further financial analysis would be done and an update would be presented to the next Board meeting in January 2025.

It was noted that the NHS sector recommendation was 2.8%.

The school teachers pay review body had been mandated to consider the impact of any recommendation they made on colleges.

A Governor asked about the indicative proposal, including an element to reflect car parking charges at CLQ. This was discussed. There were no firm recommendations at this stage.

(Hshaana Knight left at 6.55pm)

Business Success

Management Accounts – October 2024

The Director of Finance presented the report and highlighted key points including variances in relation to income and pay and non-pay budgets.

Governors noted the following:

- The figures related to the first quarter of the financial year.
- There was an EBITDA deficit of £201k for the year to date compared to a budgeted deficit of £344k. Seasonality had been applied to the income streams. At this stage of the year, EMT had no concerns about the budget and financial position.

- Apprenticeships were on track to recruit against the curriculum plan although there were more enrolments at lower levels. The new Head of Finance would be reviewing the profile, which was expected to be on target by year end.
- Income, pay and non-pay elements for the year to date were all noted as set out in the written report. Pay costs and overheads were under budget and being monitored.

A Governor asked if there were any concerns about the variance on the adult budget. The Director of Finance confirmed not, and that the key partners were on track to deliver their contracts. There was work to do, but EMT were confident of growth.

The Board of Governors received the Management Accounts to October 2024.

Partnerships Update

The Deputy Principal and Chief Executive commented on the following:

- Partnership work continued to be a significant part of adult delivery.
- QEB meetings to assess quality were continuing. Working relationships were good.
- The latest data from the most recent ILR return was set out in the written report.
- There would be a meeting with WMCA the following week and this would review the partnership activity.

Data Protection and Freedom of Information Annual Report

The report confirmed that the college continued to meet all statutory requirements and that the track record was very good. There had been five notifiable data breaches and a small number of Subject Access Requests and Freedom of Information requests.

Three of the data breaches were college related. Although there were few Subject Access Requests, the time needed to collate information was significant. Freedom of Information requests tended to be similar and mostly related to sales pitches and union or press requests for employee and salary band details.

The Chair asked about current cyber security threats. The Deputy Chief Executive confirmed that management of this was a high priority, that the staff were aware of issues and that there was investment in resources for this. A report on this would be brought back to a future meeting. Action: Deputy Chief Executive.

Board Assurance Update and Risk Register

The Deputy Principal and Chief Executive confirmed that risk management was reviewed by the Audit Committee at each of its three meetings in year, and that this was the annual report for the Board.

An internal audit had been completed on Risk Mitigating Controls in year and this had confirmed that risk management was strong. There was substantial assurance that the design and application of controls were appropriate.

There were 45 risks currently on the risk register. The top ten highest scoring risks were included within the report and these were noted.

It was confirmed that the college focus was on mitigating risks wherever possible. They were regularly discussed with SMT. Focus for the current year was on managing risks associated with the move to CLQ and providing CPD on risk management for managers.

The Risk Management Policy had been reviewed and there were no significant changes to report.

Resolved: that the Risk Management Policy was approved.

Decarbonisation Project Update

Details of the work on the project to develop the strategy were noted. It had been confirmed that the college could not bid directly for funding for the Salix project, as all funds would be allocated to WMCA for distribution. Work done to date on this bid would be useful for future projects and feed into a wider estates strategy.

32/25 GOVERNANCE UPDATES (ITEM 9)

The Head of Governance commented on items that had been discussed at the recent Search and Governance Committee and which had been recommended for Board approval. These related to:

Appointment of New Governors

The Search and Governance Committee had reviewed applications for current positions and wished to recommend the appointment of Annie Pendrey, Abigail Smith and Shavante Clarke for four-year terms of office ending on 11 December 2028.

Resolved: that the Board approved the appointment of Annie Pendrey, Abigail Smith and Shavante Clarke for four-year terms of office ending on 11 December 2028.

Board Non-Attendance Policy

The Committee had felt that it would be useful to have a Non-Attendance policy to refer to in the event of difficulties. This would give further guidance on attendance expectations and supplement the information already in the Governors Code of Conduct.

Resolved: that the Board approved the Non-Attendance Policy.

Counter Fraud Strategy

The Counter Fraud Strategy had been reviewed in line with the requirement to do this annually and there were no significant changes to report.

Resolved: that the Board approved the Counter Fraud Strategy.

Associate Governor Role

The Committee had felt that it would be useful to have role description for an Associate Governor so this had been created.

Resolved: that the Board approved the Associate Governor role description.

External Governance Review – Website Statement

Governors had previously approved the action plan from the review and was now required to approve a short website statement for publication. This needed to highlight key aspects of the review but not include the full details of the recommendations and actions. Wording of the statement had been agreed with Rob Lawson, who had carried out the review.

Resolved: that the Board approved the External Governance Review Website Statement.

33/25 COMMITTEE REPORTS (ITEM 10)

The minutes of the following recent meetings had been circulated:

- Campus Transformation Oversight Group 11 November 2024
- Search and Governance Committee 18 November 2024
- Remuneration Committee 18 November 2024
- Audit Committee 27 November 2024

The Board of Governors received the committee reports.

34/25 ANY OTHER BUSINESS (ITEM 11)

None.

35/25 CONFIDENTIALITY (ITEM 12)

It was resolved that the following reports would remain confidential:

- Rail, Property and CLQ Update

36/25 DATE AND TIME OF NEXT MEETING (ITEM 13)

Board of Governors – Thursday 30 January 2025, 5pm at Wellington Road.

The meeting ended at 7.30pm.