

BLACKPOOL AND THE FYLDE COLLEGE
MINUTES OF A MEETING OF THE CORPORATION BOARD
HELD ON 9 JULY 2019, 5.00PM

IN ROOM 204, UNIVERSITY CENTRE CAMPUS, PARK ROAD, BLACKPOOL, FY1 4ES

Members' attendance record:

		28 Aug 2018	25 Sep 2018	23 Oct 2018	11 Dec 2018	29 Jan 2019	12 Mar 2019	30 Apr 2019	11 Jun 2019	9 Jul 2019	2018/19 attendance
Alan Cavill	Independent Member, Chair	✓	✓	✓	✓	✓	✓	✓	✓	✓	100%
Jane Cole	Independent Member	---	---	---	✓	✓	A	✓	✓	A	67%
Neil Farley	Independent Member	✓	✓	A	✓	✓	✓	✓	A	---	75%
Kenny Gilmour	Independent Member	✓	✓	✓	✓	✓	✓	✓	A	✓	89%
Colleen Hickson	Staff Member	✓	A	✓	✓	✓	✓	✓	✓	✓	89%
Kieran Hunter	Student Member	---	---	✓	✓	A	✓	✓	A	A	57%
Heather Knight	Independent Member	✓	✓	✓	✓	T	A	✓	A	✓	78%
Judith Mills	Independent Member	✓	✓	✓	✓	A	✓	✓	✓	✓	89%
Lorraine Moffat	Independent Member	T	A	✓	✓	✓	✓	✓	✓	A	78%
Anne Parmley	Independent Member	✓	✓	✓	✓	A	✓	✓	✓	✓	89%
Joanne Shepherd	Staff Member	---	---	---	✓	✓	✓	✓	✓	✓	100%
Bev Robinson OBE	Principal and Chief Executive	✓	✓	✓	✓	✓	✓	✓	✓	✓	100%
Kate Shane	Independent Member	A	A	✓	A	A	✓	✓	✓	✓	56%
Harrison Thornborough	Student Member	---	---	✓	✓	✓	✓	A	A	✓	71%
Steve Williams	Independent Member	---	---	---	---	---	✓	✓	A	A	50%

Key: ✓ attended | T/V – attended by tele/videoconference | A apologies sent and accepted | ✗ did not attend

In attendance:

Paul Howard, PDH Advisory Limited (Clerk to the Corporation)

Cheryl Dunn, Vice-Principal for Higher Education and Student Enhancement

Simon Hughes, Vice-Principal for Quality and Curriculum

Robby Ryan, Chief Operating Officer

67/19 Chair and quorum

Alan Cavill took the chair and noted that due notice had been given to all members and that a quorum was present. Accordingly, he declared the meeting duly convened and constituted.

68/19 Apologies for absence

Apologies for absence were received as shown in the members' attendance record, above.

69/19 Declarations of interest

The Staff Members noted that they held a pecuniary interest in minute reference 72/19 (Principal and Chief Executive's report) relating to the staff pay award and confirmed that would withdraw from the associated discussion and decision-making. The Board agreed that it would not be necessary for the Staff Members to leave the room during consideration of this item.

H Thornborough declared an interest in minute reference 84/19 (Membership matters) and agreed to withdraw from the meeting whilst the item was under consideration.

70/19 Minutes of the previous meeting

The minutes and confidential minutes of the previous meeting held on 11 June 2019 were **APPROVED** as a true and accurate record.

With regard to the action log, the Board noted that an audit of tier 4 processes had been incorporated into the proposed internal audit plan for 2019/20, which was included later in the agenda for the Board's consideration. Confirmation was provided that all other actions had been completed.

71/19 Dashboard

The Board considered the dashboard containing headline performance and quality metrics which had been tabled at the meeting. A discussion was held on the metrics, which displayed steady progress.

The Corporation Board **RECEIVED** the dashboard and noted the content.

72/19 Principal and Chief Executive's report

The Principal and Chief Executive presented her regular report which had been circulated with the agenda and which included the following key areas:

- Consideration of an additional staff pay award 2019;
- Management Forum update;

- Employer engagement; and
- News relating to the wider further education sector.

With regard to the staff pay award for 2019, the Chair confirmed that the Board remained quorate despite the withdrawal of Staff Members due to a declared conflict of interests.

The Principal and Chief Executive reminded the Board that, in January 2019, it had agreed to increase the remuneration of all eligible staff by either 1%, £250 or by implementing the revised Living Wage, whichever is the greater. At the same meeting, it had also approved a further 1% non-consolidated payment subject to the Corporation's achievement of budgeted income and surplus targets and quality performance targets at the end of the financial year.

The Principal and Chief Executive drew the Board's attention to the table on page one of her report which summarised B&FC's performance against the key financial and quality metrics and invited a discussion on whether the non-consolidated pay award of 1% should be applied.

In reaching its decision, the Board acknowledged that not all key performance indicators had been fully met but that nonetheless the majority had been achieved. K Gilmour commented that the performance had been of an excellent standard and K Shane supported this view.

The Board acknowledged that B&FC had been in the top 3% of colleges in England for student success for the last five consecutive years and considered that this was, of itself, worthy of celebration and demonstrated high levels of financial and quality stewardship over a prolonged period of time. On that basis, the Corporation Board **APPROVED** the award of an additional non-consolidated payment of 1% for eligible employees.

With regard to the wider content of the report, in response to a question from K Gilmour the Principal and Chief Executive provided a summary of how the two new posts identified within the report would operate and gave a summary of the general expectations of each post.

The Corporation Board **RECEIVED** the report and noted the content.

73/19 Period 10 financial report

The Chief Operating Officer presented a report which had been circulated with the agenda to summarise the Corporation's financial position as at 31 May 2019 and noted that the financial position showed a favourable variance against plan. He reminded the Board that the statutory accounts produced at year-end are routinely adjusted for a number of items and summarised two likely adjustments in the 2018/19 accounts; one relating to the write-off of assets as a result of an in-year sale of property and one relating to pensions in light of the Supreme

Court's recent decision to refuse permission to appeal in a case of national interest regarding pensions. He cautioned that, like the majority of public sector pension providers, the impact of the latter adjustment could be significant. In response to a question from K Gilmour, the Chief Operating Officer acknowledged that this could result in a deficit position being reported in the statutory accounts but reminded the Board that the management information provided to each meeting is the most reliable and up to date information on the Corporation's financial position.

The Corporation Board **RECEIVED** the report and noted the content.

74/19 Two-year financial strategy, including FY2019/20 revenue budget

The Chief Operating Officer presented a report which had been circulated with the agenda to outline B&FC's financial strategy for FY2019/20 and FY2020/21. The Board's particular attention was drawn to the appendices to the report which contained a commentary on the two-year financial strategy, the 12-24 month rolling cash flow forecast template produced by the Education and Skills Funding Agency and its financial planning checklist.

There was discussion about the detail of the FY2019/20 budget and the outline plan for FY2020/21. In response to a question from K Gilmour around the income growth assumptions that had been included, the Chief Operating Officer provided a summary of the rationale behind the figures that had been used.

The Corporation Board **APPROVED** the FY2019/20 revenue budget as presented and **NOTED** the proposed year two plan.

75/19 Capital programme

The Chief Operating Officer presented a report which had been circulated with the agenda to seek approval of the proposed capital programme for FY2019/20. He reminded the Board that it had previously provided its agreement in principle to the proposed programme at its April meeting, in order to allow estimates to be obtained from suppliers at an early stage.

The Principal and Chief Executive commented that it may be beneficial, in future years, to consider how phased approval of the capital programme may be provided to allow orders to be placed with suppliers as early as possible, in order to secure the best possible fees. The Board requested that a proposal be drawn up by the Executive Team and presented for further discussion in October 2019.

ACTION: Chief Operating Officer

The Corporation Board **APPROVED** a capital programme of up to £2m for FY2019/20 as presented and **AGREED** that the Executive Team may vire

between the proposed budget lines as necessary, provided the programme remains within the overall financial envelope.

76/19 Review of core governance documents

The Clerk to the Corporation presented a report which had been circulated with the agenda to outline the results of a review of the Corporation's core governance documents. Note was made of the fact that the proposed changes to Financial Regulations had been scrutinised by the Audit Committee at its recent meeting and recommended to the Board for approval.

The Corporation Board **APPROVED** the proposed changes to the Instrument of Government, Articles of Government, Standing Orders and Financial Regulations as presented.

77/19 External audit plan

The Audit Committee Chair, J Mills, presented a report which had been circulated with the agenda to summarise the proposed external audit plan in respect of the financial year ending 31 July 2019. She confirmed that the proposed approach had been scrutinised by the Audit Committee and had been recommended to the Board for approval.

Note was made of the 3% increase in fees and the Chief Operating Officer was tasked to negotiate this amount with the external auditors before the next audit plan is considered in July 2020, subject to the terms of the contract.

The Corporation Board **APPROVED** the external audit plan for FY2018/19 as presented.

78/19 Internal audit plan

J Mills presented a report which had been circulated with the agenda to seek approval of the proposed internal audit plan for FY2019/20 and confirmed that the draft version had been recommended by the Audit Committee for approval. She also provided a summary of the assurances that had been received by the committee from the internal auditors during the year.

The Corporation Board **APPROVED** the internal audit plan for FY2019/20 as presented.

79/19 Confidential item

The Corporation Board directed that this item be minuted confidentially.

80/19 Solvency in FE colleges

The Chief Operating Officer presented a report which had been circulated with the agenda to share a recent letter from the FE Commissioner which included

ten points that all Boards were asked to consider. A response to each of the points had been prepared by management and had been included within the report.

The Corporation Board noted that it did not have two financially qualified members amongst its number, as recommended within the FE Commissioner's letter, but considered nonetheless that it was able to offer sufficient support and challenge to the Principal and Chief Executive and to the Chief Operating Officer. The Board was therefore content that it is appropriately composed in order to discharge its functions. The Board requested, however, that the Search Committee has due regard to the FE Commissioner's recommendations when looking to recruit additional Independent Members to the Board but iterated that the primary focus would be to identify individuals with the necessary experience and ability to sit on the Board.

With regard to the FE Commissioner's suggestion that all colleges should have a finance committee, the Board noted that it had previously considered this matter in some depth. The Board noted that it differs from a number of other FE Corporations in that the Board meets at least eight times per year, with detailed financial information being presented to each meeting. It would therefore be difficult to schedule additional finance committees between Board meetings and, in any event, it is unlikely that the meetings would review significantly different data from that already provided to the Board. To assist the Board in its discussions on finance, the Principal and Chief Executive suggested that it might wish to request that performance against benchmark data is routinely included in all financial reports summaries in addition to those presented in the detail, and this was welcomed by the Board.

ACTION: Chief Operating Officer

The Corporation Board **RECEIVED** the report and noted the content.

81/19 Board self-assessment

The Clerk to the Corporation presented a report which had been circulated with the agenda to summarise the findings from the Board's self-assessment for FY2018/19, which had been undertaken in April 2019.

The Corporation Board **RECEIVED** the report and noted the content.

82/19 Annual report on cross-college student forums

The Vice-Principal for HE and Student Enhancement presented a report which had been circulated with the agenda to provide an overview of students' views as expressed at the cross-college student forums that are held on the Bispham and University Centre campuses.

In response to a question from H Knight, the Vice-Principal for HE and Student Enhancement outlined how volunteering is encouraged amongst the student community and the Board noted the work that is ongoing to support LGBTQ+ students. In response to a question from the Chair, H Thornborough commented that whilst he had not had cause to contact his own student representative, he was aware of how to identify the representatives and the Principal and Chief Executive summarised this for the Board's information.

The Corporation Board **RECEIVED** the report and noted the content.

83/19 Provisional outcome of degree classifications

The Vice-Principal for HE and Student Enhancement presented a report which had been circulated with the agenda to provide the Board with the interim degree classification position following HE boards for degree awards completing during FY2018/19. She confirmed that any variances to previous years' performance are analysed to ensure a good understanding of the underlying causes and the Principal and Chief Executive confirmed that this had also been the case despite the favourable variances in performance this year.

The Corporation Board **RECEIVED** the report and noted the content.

84/19 Membership matters

H Thornborough withdrew from the meeting during consideration of this item.

The Clerk to the Corporation presented a report which had been circulated with the agenda to seek the Board's approval to reappoint the Student Members, K Hunter and H Thornborough, for a further academic year. He noted that both had taken a proactive approach to being Student Members and had grown in confidence and understanding over the course of the year. The benefits to both the Board and to the Student Members themselves of such an extension were acknowledged.

The Corporation Board **RESOLVED** to reappoint K Hunter and H Thornborough as Student Members for the 2019/20 academic year.

85/19 Board members' forum

The Chair took the opportunity to thank all members of the Corporation Board for their dedication and support during the year and noted that a number of Board Members had been in attendance at the recent Corporation Board Awards for Excellence in Learning and Teaching. The Chair's gratitude was echoed by the Principal and Chief Executive on behalf of the staff at B&FC.

A Parmley advised the Board that she had recently met with the Director of Estates and had received positive responses in relation to her health and safety compliance queries. She had also met with the Catering Manager who had

described the healthy eating regime that is in place within B&FC and summarised her work on food labelling.

The Corporation Board **RECEIVED** and noted the verbal update.

86/19 Audit Committee matters

The approved minutes of the Audit Committee meeting held on 6 March 2019 were received and J Mills provided a verbal summary of the business transacted at the most recent meeting on 12 June 2019.

87/19 Board Member training: Ofsted Education Inspection Framework

The Vice-Principal for Quality and Curriculum delivered an interactive presentation to update Board Members on the implementation of the revised Education Inspection Framework by Ofsted. Board Members took the opportunity to ask questions and to consider how the framework is used within B&FC.

88/19 Date, time and venue of next meeting

The next meeting of the Corporation Board will be held on 17 September 2019, 5.00pm on the University Centre campus.

Chair

Date