

Corporation

Date & Time	8 th July 2024	5:30pm
Date of next meeting	30 th September 2024	5:30pm
Location	E201	Telford College
Governors attending	Gail Bleasby	GB Chair of the Corporation
<i>Via Teams (t)</i>	Chris Pallett	CP Vice Chair of the Corporation
	Graham Guest	GG Principal & CEO
	Ruth Matthews	RM Independent Governor
	Gill Eatough	GE Independent Governor
	Jim Arnold	JA Independent Governor
	Hollie Whittles	HW Independent Governor
	Teresa Tanner	TT Independent Governor
Clerking	Jo Perch	JP Governance Professional
In attendance	Louise Biffin	LB VP Finance & Resource
	Chris Pemberton	CPe VP Curriculum
	Matt Parry	MP Head of Finance
	Sarah Jones	SJ Assistant Principal Student Experience & Safeguarding
Apologies	Kevin Barton	KB Independent Governor
	Martin Seymour	MS Staff Governor (business)
	Jonathan Abbott	JAb Staff Governor (teaching)
	Jack Cooke	JC Student Governor
	Rehan Kashif	RK Student Governor

No.	Item	Action
PROCEDURAL MATTERS		
1.	Welcome, apologies and introductions	
1.1.	GB welcomed everyone to the meeting.	
1.2.	There were no resignations or ends of term.	
1.3.	Apologies had been received and were noted from KB, JA, MS, JC, and RK .	
2.	Procedural matters	
2.1.	There were no conflicts of interest for this meeting.	
2.2.	No changes to the Register of Interests were declared.	
2.3.	New governance risk GV02 was noted as appropriate for discussion within the confidential session.	

3. Minutes of the last meeting

- 3.1. The minutes of the previous corporation meeting held on 10th June 2024 were approved subject to minor amendment / duplication of governor listed in both 'attendance' and 'apologies'.

JP to remove HW from 'Apologies' listing for previous meeting as she was in attendance.

4. Matters arising

- 4.1. **JP** noted the following matters arising as complete:

Item 2 share relevant evidential documents for reclassification of subcontracting at audit committee

LB shared at audit committee on 26th June 2024.

- 4.2. **Item 8** include regular item for governor discussion on how the college is meeting skills needs in line with statutory duty – updates / impacts to accountability statement to be referenced for evidence of discussion / consideration by board

JP added to the forward plan.

- 4.3. **Item 9** organise strategic meeting / day for governors to go through the journey / pathway of the college in terms of meeting skills needs in line with statutory duty.

JP added to the forward plan.

- 4.4. **Item 11** bring top level student survey results to the board.

The survey results were on this meeting's agenda.

- 4.5. **Item 13** draft action plan for Sept / Oct meeting around succession planning.

JP drafted action plan and presented to Chair. Chair noted comprehensive approach.

- 4.6. **Item 14** add the new Mayor to the risk register

LB added to the Strategic Risk register under a change in government policy.

- 4.7. **Item 15** circulate AoC tertiary education system document to governors

JP uploaded document to governor hub and circulated in governors' weekly correspondence for week ending 14th June 2024.

- 4.8. **Item 17** keep the % column for future reporting on safeguarding

SJ acknowledged she would keep the percentage column when reporting as requested, moving forward.

- 4.9. **Item 18** include Landau in all Safeguarding reports moving forward.

SJ confirmed arrangements had been made with Landau for their safeguarding report to be included in the meeting packs for Telford College corporation meetings moving forward. 21st June 2024 safeguarding report from Landau had been included in the report for this meeting.

- 4.10. **Item 21** confirm whether staff and student governor numbers should be considered in terms of quoracy

JP explained quoracy was determined by 40% of the number of governors entitled to vote on an issue. Therefore, for an item for which student and / or staff were not entitled to vote, they would not be counted in terms of quoracy.

- 4.11. **Item 22** look at attendance throughout the year to date, for trends.

JP noted, having reviewed attendance throughout the year, she could see no trends.

- 4.12. **JP** noted the following items as green:

Item 3 STO to bring annual EDI report / analysis to the Corporation

This document was scheduled to be brought to the November 2024 corporation meeting.

- 4.13. **Item 4** provide comparison carried out between predicted vs actual A level results

CB had noted she would provide this comparison once the results had been received in August.

- 4.14. **Item 5** record cross college training given to all staff for governors.

SJ was arranging filming of the next staff update.

- 4.15. **Item 7** begin tender process for college auditors in the autumn term.

LB noted she had reported to audit committee on 26th June 2024, audit report was included in this meeting's agenda.

- 4.16. **Item 10** bring summary of fresh updates around accountability agreement to the board.

This item was ongoing, however, **CPe** brought a brief update to this meeting as follows:

- 4.17. The Accountability Agreement had been uploaded / submitted on time.

- 4.18. Social Care Employer Hub

Held on 12th June, this had been well attended with the greatest impact noted as free modular funded places offered had all been taken on the day with further interested individuals added to a waiting list.

Upon enquiry from **GB**, **CPe** clarified the college would be delivering stand-alone HE modules.

Those in attendance had been very interested in AEB courses they had not previously been aware of.

- 4.19. Partnerships

On 14th June 2024 a partnership meeting had been held at Keele University to discuss progression opportunities moving forward and how that would work

as a partnership. The direction of the meeting was noted as general rather than specific to Telford College as other partners had also been in attendance.

4.20. T-levels

On 2nd of July the college had held a T-level event. Mostly creative employers in attendance which was noted as useful and productive as they were typically more difficult to find placements for.

4.21. Telford Priory School presentation

On 11th July 2024 an event was scheduled where presentations would be given to Telford Priory students, separately per subject to enable students to attend only the presentations for subjects they were interested in. There would be opportunity for students to sign up for courses.

4.22. Measuring Success

Linked to diverse communities, adult ESOL would commence in September 2024 for which applications were currently being received. Reasons for this were:

- Telford & Wrekin Council (TWC) had previously suggested delivering ESOL - particularly 16-18 ESOL.
- A number of adult English and employability students should have been enrolled as ESOL students given English was not their first language. This misplacement had led to withdrawals and low retention rates, as reflected in the outcome data and withdrawal notes.
- Community requests received particularly from the Asian and Nigerian communities.
- enquiries received at open evenings.

GB enquired whether this was a free course. **CPe** confirmed it was funded.

4.23. **Item 12** action 360 governor assessments

JP had drafted and would be circulating shortly for governors to complete over the summer break.

4.24. **Item 16** consider AAQs and take to leadership to review recommendations before the end of this term.

CPe noted Directors had received the link listing the different combinations and discussions around which AAQs to include had taken place at the away day on the 4th July.

4.25. **Item 19** cashflow to be shown without grants included for Corporation monitoring.

MP noted this would be included from the start of the next financial year (1st August 2024).

4.26. **Item 20** ensure balance sheet comparison and CAPEX schedule are shown in management accounts as of 1st August 2024.

LB ensured this would be done as of 1st August 2024.

4.27. **JP** noted the following item as amber:

Item 1 produce paper for March 2024 corporation meeting, to better explain the process around recording attendance.

LB would bring paper to September board meeting.

4.28. **JP** noted:

Item 6 bring the outcome of the review of security arrangements externally, to corporation

This item had not been updated by its owner to show a status but was not due until September 2024.

4.29. **GE** sought clarification as to why the new Mayor had been added to the risk register.

GG clarified the Mayor (WMCA) had the authority to change policy on devolution of AEB money.

5. **Governors' updates**

5.1. Safeguarding

TT noted she had attended a two-day course in her role as safeguarding officer at the hospital, on sexual violence and abuse. She suggested it could be worthwhile for the college to consider due to its level of detail.

5.2. iHasco mandatory governor training

GB reminded governors they were now able to access their iHasco accounts and requested any outstanding mandatory training be completed over the summer break.

GB suggested any governors experiencing difficulty accessing their account, contact **JP** for assistance.

[**SJ** joined the meeting at 5.42pm]

STUDENTS

6. **Safeguarding report**

6.1. **SJ** reported.

Similar trends to what had been seen throughout the year, so nothing specific to point out to Corporation.

6.2. **RM** sought clarification around the date of Sept 2024 noted on the chart on page 26, querying how we could have information for a future date.

6.3. **SJ** explained this was an addition and the percentage of the cohort that the data in the right-hand column is affecting; I've had to base that percentage on approximate involvements from September 2024.

6.4. **RM** acknowledged it was a projection.

6.5. Landau Safeguarding report

SJ noted following on from the previous corporation meeting, she had asked Landau to produce a report which had been included in the report presented here. **SJ** acknowledged the positive relationship between Telford College and Landau that had enabled her to talk them through this report noting positive

feedback from Landau around how Landau values the relationship developed.

- 6.6. **SJ** highlighted CSE and CCE had been suspected cases for which she had since received further detail. Upon investigation, these suspected cases were found not to be what would be considered CSE and CCE.
- 6.7. **GB** observed a requirement to put a CSE lead in place and queried whether Telford College would be acting as that lead for Landau.

SJ confirmed Landau had their own CSE lead in place, noting Landau had sent a helpful structure of their team highlighting who is in place; DSL, DDSL etc.

- 6.8. **JA** queried whether Landau had been tracking this previous to Telford College's involvement.
- 6.9. **SJ** noted Landau reported on this quarterly to their own board but were now, upon request, reporting monthly to Telford College for Corporation monitoring purposes.
- 6.10. **GG** observed attendance had been affected by the lack of support from Telford and Wrekin funding transport and suggested **SJ** confirm what has been put in place for September to address this.

SJ to confirm what has been put in place to mitigate against negative impact on attendance due to transport issues.

- 6.11. CPOMS
Upon query from **GB**, **SJ** confirmed, like Telford College, Landau used CPOMS and informed the board that a sharing best practice session was booked for the following week where Landau would be joining the college for a session on how to use CPOMS.
- 6.12. **JA** sought confirmation that there was no fair comparison on percentages due to the nature of the students at Landau.

SJ confirmed this to be the case as there was a high proportion of high needs students with their own specialist support in place.

- 6.13. Counsellor provision
GB queried whether students at Landau, particularly those with high needs, had the same access to safeguarding provision as Telford College students and was Telford College sharing their provision or did Landau provide their own provision.

SJ confirmed that Telford College was not currently sharing its college counsellor, nor did Landau have their own college counsellor, but Landau students do have access to the same range of external support as Telford College students:

- Students have access to Crisis team if there is a significant harm.
- Refer to IAPT, Samaritans, Childline and any relevant support agencies. Also communicate with home.
- Nero linguistic therapist sees students in crisis on a weekly basis.
- Mental health and well-being also embedded into PSHE and tutorial programme and curriculum.

- 6.14. Impact on Telford College Ofsted rating

GB sought clarification on the impact Landau had on Telford College's OFSTED rating.

SJ explained Ofsted would be looking at the relationship between Telford College and Landau and at the quality of all aspects of their provision: the study programme, the safeguarding, Leadership and management and how our relationship is enabling them to be supported to make the improvements identified.

After further enquiry from governors, regarding how Landau's rating could affect Telford College's rating, it was clarified that Telford College's rating would only be affected by Landau's rating if Landau was found to have a safeguarding issue.

Governors recognised the risk involved but also noted Telford College Leadership was actively managing the situation by implementing all feasible strategies to address the risk. The College is actively supporting Landau improve the student experience, by sharing good practice and College resources. The impact to date is very positive.

GG proposed a governor visit to Landau.

6.15. Prevent Duty

SJ highlighted an article around the prevent duty she considered of interest to governors.

She noted FE referrals were on the rise, but only make up 7% of education referrals and highlighted current discussions amongst providers around how referrals could be detrimental to students, for example being denied a 6th form place where there had been a referral.

SJ suggested, for Telford College, the question was posed; how effective is the Prevent duty? However, **SJ** stated that both she and the college were very clear that it is our statutory duty to comply with the guidance and that the college was committed to reporting any signs of radicalisation of students. Therefore, until any changes in legislation determine otherwise, Telford College would continue to report as per statutory guidance.

JP upload article on Prevent Duty to Governor Hub.

JP noted she would upload the article to governor hub for the board to access.

7. Student Survey Results

- 7.1. **SJ** reported all managers and directors had reviewed the survey results during the recent round of QSMs. Despite the thorough review, no clear explanation for certain results were identified. It was noted that some respondents were year 2 A-level students and were taking exams at the time. **SJ** suggested that future surveys might be better timed to avoid this period.

The results were broken down in detail by curriculum area and included feedback from apprentices and adult learners, in addition to 16-18 year olds. This granularity allows managers and directors to pinpoint specific areas for improvement. The consistency of the survey data with existing knowledge was seen as positive, affirming that managers were already aware of most issues highlighted.

Managers were now using this data to identify and prioritise areas for development for the next academic year. For example, if the induction

process received negative feedback, it would automatically be flagged as an area needing improvement.

- 7.2. Additionally, **SJ** highlighted several positives compared to the previous year's survey. Significant progress was noted, particularly around the EMERGE programme, which had positively impacted how students view their time at the college. There were notable improvements, such as an increase in how students perceive career opportunities in tutorials and an overall satisfaction increase of 3% from last year.
- 7.3. **GB** noted it was a good set of results and queried the ability to analyse the data by cohorts and subject groups. **SJ** confirmed this, noting that the granular details had been provided to managers. **GB** further enquired whether any areas had shown a decline compared to last year to which **SJ** responded there were none.
- 7.4. **HW** suggested that more could be done regarding work experience around the employer hubs, particularly the digital one. She noted there had not been specific discussion around work experience and proposed opening this topic to create stronger links between employers and students. **HW** emphasised the importance of the work experience element and expressed a willingness to help as an employer, suggesting a possible rollout through the hubs.

SJ confirmed that implementation of that or a similar initiative was being considered for next year.

- 7.5. **GE** asked how often this survey was carried out. **SJ** confirmed two student surveys were conducted per year. An induction survey in the first six weeks and this survey was conducted towards the end of the academic year.
- 7.6. **JA** observed a discrepancy in the percentages, mentioning that a 55% rate equates to 1500 students and a 71% rate equates to 1600 students, suggesting different population sizes: 2700 in one group and 2300 in the other.

SJ explained that each year brings a new cohort, with students leaving their programs and new ones enrolling.

JA pointed out a 400-student difference between the two groups over two years and suggested revisiting the numbers. A drop to 55% with only 150 fewer students represents a 16% decline, which seemed inconsistent. **JA** observed these results might not be fully recognising achievements.

SJ to consider timing adjustments

SJ mentioned that students in maths and English programmes, which run in 12-week intervals, may have completed their programmes before the survey, potentially affecting the results.

GB agreed with **JA** and proposed considering timing adjustments for the next academic year.

[**SJ** left the meeting at 6.04pm]

8. KPI report

8.1. **LB** reported KPIs to the board summarising:

- Funding for 16-19 students in 2023-24 (to include Landau students)
- Apprenticeship numbers forecast with Out of Funding Apprenticeships.
- AEB WMCA forecasting
- AEB ESFA forecasting
- Retention
- Attendance
- Withdrawals pre-qualifying
- Withdrawals post qualifying
- Adult withdrawals

8.2. Destinations

JA noted positive change around destinations and queried what had been put in place. **CPe** noted existing resource was being redirected to understanding student destinations.

8.3. **RM** sought **LB**'s thoughts as to why there had been a drop off in May on the ESFA numbers.

8.4. ESFA numbers

CPe explained this was due to a combination of factors that had impacted but that Leadership were aware of.

The primary challenge is the difficulty in setting targets for courses throughout the year without knowing the actual enrolment numbers until later. The College has broadened its curriculum in order to greater improve meeting the skills requirements of adults in Telford and the surrounding areas.

Finally, the absence of an online system for adult course applications and payments was identified as a gap that needed addressing to improve future enrolment and funding claims.

8.5. **GB** queried whether the issue only became apparent in May due to the profiling of the summer months and the impact of people preparing to go on holiday.

8.6. Apprenticeships Target

GE queried whether the apprenticeship target might be lowered for the next academic year as it seemed unrealistic. **LB** confirmed that this adjustment was included in next year's plans. **HW** suggested leveraging employer hubs for this purpose. She noted that when she requested digital marketing materials from the college to share with her local business network there was a significant delay. She observed that quicker responses to such requests could help increase adult enrolment numbers.

[**MP** joined the meeting at 6.15pm]

FINANCE

9. Management Accounts

9.1. **MP** reported the management accounts, summarised as follows:

Surplus

Forecast was favourable to budget due to higher-than-expected income following receipt of additional ESFA funding, improvements to Apprenticeships and the AEB position and extension of the Cosford contract, forecast to generate additional monies.

9.2. Income

Overall, income was forecast to be favourable to budget at the year end. Key risk areas continue to be Apprenticeships and AEB. Apprenticeships was forecast to be adverse. The total AEB was forecast to be adverse to budget.

9.3. Pay

Forecast adverse to budget. Included in the variance was monies due to agency staffing based on known positions and an increase of Teachers' Pension costs. Pay to income ratio was forecast to be 65.3%.

9.4. Non-Pay

Excluding the AEB & Landau subcontracting costs, forecast to be favourable to budget.

9.5. Cash

The board was informed of the overall cash position.

9.6. Financial Health

Forecast to remain "Outstanding" with a 10-point improvement due to higher than previously forecast EBITDA/surplus as a % of income. Comfortably above the threshold for being Financial "Good".

9.7. Covenants

The covenant calculations note no expected breaches.

- 9.8. **GE** enquired about ESFA guidelines on balance retention and whether a specific percentage of the total budget should be kept. **MP** indicated there were no known requirements but mentioned ongoing discussions about the possibility for colleges to retain reserves due to the ONS reclassification.

GB noted the agreement to separate capital from cash in net year's reporting for clearer data interpretation. **MP** confirmed this change, stating that it would be reflected in the upcoming financial plan, where capital and grants had been distinctly categorised.

9.9. Agency Costs

GB enquired about controlling agency costs, noting the impact of vacancies and sick leave. She emphasised the importance of considering student impact, not just budget, and asked what could be done differently moving forward. **LB** responded that agencies were used as a last resort and acknowledged that agency costs were higher than expected due to extended placements and introductory fees. **LB** outlined plans for next year, to include a restructuring and the creation of a dedicated recruitment post. This change aimed to reduce reliance on agency staff, although significant improvements were anticipated only in the latter half of the year.

- 9.10. **GE** suggested the possibility of slightly overstaffing to ensure good quality personnel, thereby including those costs within staffing expenses. **GB** noted the challenge of this approach given the range of provisions offered. **CPe** mentioned that this strategy had been implemented in the Health Department, and **GG** added it had also been applied in Engineering.

- 9.11. **GG** emphasised the need for stricter compliance regarding the use of agency staff, indicating that checks against staff utilisation had not been as robust as expected in previous years.

10. Financial Plan

- 10.1. **LB** gave a presentation summary report noting the detail could be found in the papers provided prior to the meeting.

Main budget objectives were:

- Deliver the medium to long term financial strategy.
- Deliver a profit which is in line with budget profit of 2023/24
- Increase free cash flows for investment (capital and revenue)
- Staff pay award across all levels
- Maintain Financial Outstanding Grade
 - **LB** noted points were reduced by 20 over the next two years but gave assurance this was still well within the 'outstanding' threshold.
- Maintain Bank Loan covenants:
- Debt Service Cover
- Leverage
- Implement a capital programme to improve learning and working facilities

- 10.2. Student Numbers for 2024-25

LB summarised student numbers highlighting a significant increase in T-Levels for 2024-25 compared to 2023-24.

T-Levels

LB discussed the allocation of funding for T levels for the 2024-25 academic year. **LB** stated that while funding had been awarded for T levels, not all of it had been included in the budget. The decision was made to level down the funding by 25%, allocating it to Band 5, which is contingent upon students achieving in maths and English.

Apprenticeships

New starts were projected to increase from 250 to 295. Reflecting on this year's budgetary shortfall, adjustments had been made to increase the budget by 5 while ensuring it did not show minimal growth. Additionally, 40 new starts were anticipated from ICS, with half planned for November and December and the remainder for March and April. **LB** highlighted the importance of phasing in previous budgets and confirmed that this year's funding allocation followed a similar phased approach, aligned with consultations from Directors and the VP Curriculum.

- 10.3. **GE** observed profiling it in this way would enable tracking throughout the year. It was confirmed **MP** had introduced a much tighter tracking system.

- 10.4. Higher Education (HE)

No growth had been included for HE.

- 10.5. **GB** expressed confusion around HE numbers, noting that the KPI target was 136. **MP** responded that for the next year, a modular acceleration programme would disaggregate HNC and HND courses, potentially increasing student numbers significantly.

GB mentioned understanding the fluid nature of apprenticeships over time but sought clarity on the approach for HE expressing ongoing concerns in this area. **GG** added that the modular acceleration programme mentioned included income from free courses which is guaranteed.

10.6. **CP** raised a concern around potential risks to HE numbers due to the station quarter projects. **CPe** acknowledged there was some risk but with minimal impact anticipated as alternative programmes offered differed significantly to those offered by Telford College.

10.7. Full Cost

LB discussed the application of full cost, specifically mentioning its relevance to the Cosford contract currently under tender, set to conclude on 31st July 2024.

10.8. **JA** sought clarification, asking if the absence of the Cosford contract would result in a complete elimination of costs. **LB** confirmed that all staffing related to the contract, except for two positions which could be reassigned to maths and English would cease.

10.9. **JA** further enquired about any residual costs, to which **LB** clarified that only central costs would remain, which were minimal. **LB** noted that matching income had been budgeted to offset potential losses, ensuring a neutral impact if the contract was not retained.

10.10 Budget Overview

LB explained that the increase in student numbers and income was attributable to two main factors. Firstly, the college was funded for 1867 students this year but achieved 2001 students resulting in funding for an additional 134 students for the next year due to lag funding. Additionally, there was an extra £1.6million in T level funding for the upcoming year which was not available this year. **LB** highlighted that the introduction of T levels also necessitated additional curriculum models, leading to increased staffing costs. The budget also included estimated pay increases for staff. **LB** noted that the retained surplus decrease was based on the budget, not the final outturn.

10.11 Financial Grading

JA sought clarity around the financial health check. **MP** explained that this assessment deducts certain income, pay costs, and non-pay costs to illustrate the operating services for financial health calculations. **JA** further enquired whether this figure would be used to grade the college for an outstanding rating. **MP** confirmed, stating that for such evaluations, depreciation subcontracting income, and other specified items are excluded from the assessment.

10.12 Pay Costs

LB noted the percentage of Pay costs to income benchmark was 65% and the college was 65.15%. She stated whilst her team would continue to do their best to bring this down, it was worth noting not many colleges were hitting this benchmark. **GG** cautioned this should be closely monitored with **GE** affirming the importance of this.

10.13 **GB** enquired about pay costs, noting fluctuations throughout the year and sought confirmation of confidence in future assumptions, considering factors like agency usage and vacancies. **MP** noted the budget included significant allowances and buffers, including provision for anticipated pay

increases and additional roles approved through curriculum planning. He highlighted that the budget also accounted for new apprenticeships which were expected to generate additional income not yet factored into the current projections.

- 10.14 **GE** sought clarification, summarising that the staffing budget had been structured with sufficient headroom. **MP** affirmed, noting lessons learned from higher than expected teaching pension costs this year, which had been factored into next year's budget projections. **GE** observed a £1million increase in teaching costs.
- 10.15 **GB** expressed concern about the risk associated with potential pay awards. **LB** elaborated that the main risks lie in both pay awards and agency costs.
- 10.16 **GG** added that staffing increases were necessary due to growth in certain curriculum areas and emphasised that these adjustments reflect strategic investments to support increasing student applications.

CPe highlighted allocations for T levels had also contributed to staffing adjustments, underscoring the overall investment in educational programs.

- 10.17 Income
LB provided an overview of income funding streams.

JA enquired about the increase in adult education funding and the expected outcome for the current financial year. **LB** noted a £400k increase explaining that this amount was contingent upon meeting student numbers; if not achieved the funds must be returned. **MP** added that this was driven by the curriculum plan for learner numbers, with additional support from WMCA's funding increase. **LB** mentioned that **CPe**'s team was examining over-provision to ensure numbers were met.

JA queried the £350k increase for apprenticeships, specifically questioning the value per apprentice. **MP** directed **JA** to a table on page 9 of his report for details, highlighting Health apprenticeships valued at approximately £3k each for 12-month programmes. **JA** pointed out a discrepancy in the budget increase. **LB** explained that additional, more expensive apprenticeships and improved profiling contributed to increased budget. **MP** also mentioned late starting apprenticeships that would carry over and ongoing end-point assessment, which would release additional funds once completed.

- 10.18 Non-Pay Costs
LB highlighted notable areas:
- Premises Costs
 - Examination Fees
 - Subcontracting
 - Marketing
 - Insurance
 - Other Non-Pay costs
 - Depreciation (notional cost)

- 10.19 **CP** queried **LB** whether the budget was prudent enough given the rise in costs of everything. **MP** gave assurance the budget had been very prudent.

- 10.20 Capital Expenditure
- College Capital
 - Transformation Fund

- Reclassification
- T Levels SEA

LB highlighted the Transformation Fund was over two years so needed to be spent by March 2026. Plans were in place to spend a portion of that in 2024-25, the remainder to be spent the year after. The Reclassification must be spent by March 2025 and the college was on track to do so. **LB** explained that T level funding was based on student numbers. To mitigate potential risks the college had withheld some of the capital funding. This precautionary measure was in response to sector-wide issues where actual student numbers had not met projections, resulting in clawback of both capital and associated revenue. **LB** noted the college would look to spend the college capital this year, emphasising a five-year cyclical plan that was reviewed annually. Some expenditures from this plan could be covered by the transformation or reclassification funds. Wherever possible, the college was using grants to preserve its own funds.

10.21 Cash

LB outlined opening and closing cash figures for the academic year ahead alongside cash consumption and free cash flows showing that consumption was primarily from grants, thereby preserving the college's free cash throughout the year.

10.22 **JA** questioned the operational cash flow, having made an estimation based upon profit and depreciation. **LB** clarified it would be slightly less due to grant income being factored in. **MP** explained that the income includes two lines for the release of capital grants. When grants were spent on assets, the assets were depreciated, and the income was released to costs. **LB** added that the grant would appear on the balance sheet and be brought into income as the related asset was depreciated.

10.23 **CP** asked if there were plans in place for making the free cash work for the college.

LB noted recent change to an interest-bearing current account which brought an increase. **MP** and **LB** were currently working on a paper to bring to board in September, around treasury management and high interest accounts.

10.24 Risks

- Enrolment numbers are lower than expected
 - 16-19 **Mitigation:** Additional marketing budgets have been allowed to target specific areas of delivery.
 - T Level **Mitigation:** Income has been reduced to by £227k to reflect a potential clawback.
- Adult Skills Fund and Apprenticeships: Failure to deliver the ASF and Apprenticeships curriculum plan

Mitigation: Stringent and regular monitoring and action plans in place to tackle delivery shortfalls.
- Staff Recruitment: Unable to recruit staff in a timely way, affecting curriculum delivery

Mitigation: Recruitment for 24/25 was started in April 2024 following Curriculum Planning.
- Pay Costs Benchmark: Risk that staff costs exceed the 65% benchmark

Mitigation: Controls in place (Staff Matters Panel) to monitor proposed staffing changes.
- Strategic Projects: Ongoing risk that projects distract resources away from the core business

Mitigation: Additional capacity employed and reporting structure is in place.

- **Cash Management:** Insufficient cash for re-investment
Mitigation: retain minimum free cash level at all times. Treasury management is being explored to exploit free and “idle” cash flows.

10.25 **GB** highlighted the need to determine what governors would like to see from a KPI perspective moving forward noting it may be prudent for some of the risks highlighted to be pulled out for tracking purposes throughout the next academic year.

10.26 **The corporation resolved to approve the budget for 2024-25.**

Approved

[**MP** left the meeting at 7.03pm]

11. Subcontracting

11.1. Landau

LB noted earlier in the year, corporation had approved subcontracting for Landau. The proposed Subcontract value for Landau was based upon 85 learners which was an increase of 10 on the 2023-24 year. The value did not include any High Needs funding as this was paid directly to Landau by Telford and Wrekin and as such, would not form part of the subcontract value

LB asked the Corporation to note the Landau Subcontracting was continued to the next academic year 2024-25, as agreed at the March 2024 Corporation meeting at a value of £498k.

11.2. HGV and Forklifts

LB stated the current paper focused on subcontracting for HGV training, as the college lacked its own HGV fleet for testing. The paper outlined the specific parts of the programme that would be subcontracted to other partners and those that would involve partnership arrangements. The subcontracting for HGV tests involved four different providers, and Corporation approval was required for the associated costs.

11.3. **The corporation resolved to approve the subcontracting value of £458k following a tender process to identify subcontractors for provision that Telford College are unable to deliver, in relation to HGV and Forklift Truck tests.**

Approved

12. Audit Committee Report

12.1. **CP** noted Audit Committee was held on 26th June where updates from both internal and external auditors received. **CP** requested **JP** circulate the external auditors report to governors.

JP to circulate external auditor's report to governors.

12.2. **CP** noted Corporation approval had been recently given to extend the contract for both the internal and external auditors for 1 year only.

The terms of the contracts had been mistakenly presented to both Audit and the following Corporation meeting, as an initial 3 years, plus 1 year, plus 1 year, however, the correct contract terms were an initial 3 years plus 2 years, plus 2 years. Consequently, Corporation approval was now needed to renew the contract for the internal auditor, Validera for a further 2 years, and for the external auditor, Bishop Fleming for a further 2 years.

12.3. **GB** noted previous concerns brought to corporation around audit provision and enquired whether the issue was now settled.

GE noted the issue had been thoroughly scrutinised at Audit Committee and committee members were now comfortable with arrangements in place.

- 12.4. **Corporation resolved to approve the renewal of contract with internal auditor, Validera for a further two years, as recommended by Audit Committee.**

Approved

- 12.5. **Corporation resolved to approve the renewal of contract with external auditor, Bishop Fleming for a further two years, as recommended by Audit Committee.**

Approved

POLICIES

13. Data Protection Policy

- 13.1. **LB** presented the revised Data Protection policy.

The Data Protection Policy sets out the College's commitment to preserving the privacy of its learners and employees and to complying with the Data Protection Act 2018 (DPA) & UK GDPR. Information collected about learners, employees and other clients and contacts must be used fairly, stored safely and digital information must be encrypted.

The Data Protection Policy is reviewed every two years. Identifying and treatment of sensitive information correlates with Data Protection and therefore this review has incorporated the Sensitive Information Policy to ensure there is synergy between the two areas and duplication is omitted.

- 13.2. **Corporation resolved to approve the Data Protection Policy**

Approved

14. Search committee terms of reference

- 14.1. **JP** presented the Search Committee terms of reference.

The Search Committee terms of reference are reviewed annually. **JP** noted only minor changes to formatting and dates with nothing further to note.

- 14.2. **Corporation resolved to approve the Search Committee Terms of Reference.**

Approved

CONSENT AGENDA

15. Financial Regulations

- 15.1. **MP** presented the financial regulations as recommended by audit committee, noting there were not many changes other than formatting and title changes. He observed that while there was nothing of note at present, there may be necessary changes at a later date.

- 15.2. **GB** observed these financial regulations were for 2024-25 and queried whether then changes would have to be made retrospectively in December or do we keep a version of it?

MP noted he was not familiar with in-year changes to the financial regulations but if there were anything fundamental, i.e. structure he would intend to update.

15.3. **The corporation resolved to approve the Financial Regulations for 2024-25.**

Approved

16. Risk Registers

16.1. **LB** presented the revised Telford College Risk Register highlighting the following changes made:

- Addition of the Contents page
- Addition of the Risk Register – Key
- Addition of the Risk Matrix page showing where the college is now and where the college was at the previous assessment, showing movement.
- Principle Risks: these risks are brought from all departments and may be green, amber or red. They are noted as principal risk because if they came to fruition, they would be catastrophic for the college, not because of their RAG rating.

LB stated, if agreeable to the Corporation, this would be the format moving forward.

16.2. **LB** highlighted the red risks, noting the exception of GV02, to be discussed in confidential session.

16.3. **FN08 – Teachers Pension:** Following AoC's recommendation, employer contributions rate has increased to 28.68% from 23.68% from April 2024 until March 2027.

LB noted earlier discussion under budget around teachers' pension stating this risk would move down.

16.4. **ST08 – Adult Education Budget:** Loss of Funding and rebasing of allocations.

LB noted this had been discussed earlier on in this meeting.

16.5. **SF04 – Succession Planning:** Risk that a lack of succession planning process in the management team could lead to vacancies not being successfully filled, and that this will lead to a failure to deliver strategic objectives.

LB stated this would usually sit at amber as a risk needing continuous monitoring, however, this risk had moved to red, post mitigation, due to current changes at executive level but was anticipated to come back down after settling in period for new executive team.

16.6. **GB** noted it was unusual for the risk to go up post mitigation. She acknowledged understanding of the risk but queried the validity of the original risk being lower than the post mitigated risk, suggesting it should be a red - red risk. **LB** agreed, attributing the amber rating to a flaw in the system.

LB to change pre-mitigated likelihood score to 5, making SF04 a red-red risk.

16.7. **PJ05 – Addenbrooke House:** Failure to deliver the Addenbrooke House / Sixth Form Project.

LB stated she would elaborate on this during the SPFG update.

16.8. Governors noted their approval and satisfaction with the new layout.

CP asked for hyperlinks throughout the document.

There was further discussion around the roles of Audit Committee and Corporation in relation to the Risk Register. The conclusion being the Corporation should see the Risk Register for information, and it was for Audit to scrutinise in order to bring to the Corporation's attention those risks of greater concern.

- 16.9. **HW** queried whether audit concerns previously discussed, should be added to the risk register. **GB** agreed and suggested it should be a mitigated green risk. **This was agreed by Corporation.**

Add concerns around
Validera to the risk
register as a mitigated
green risk.

FINAL BUSINESS

17. Questions, comments, self-assessment, and reflection

- 17.1. **GB** highlighted more time was needed for approval of budget in future.

18. Any other business

- 18.1. **JP** noted the forward plan for 2024-25 which had been included within the pack.

- 18.2. **GB** noted the recent FEC Health Check during which the college Principal and Deputy CEO, Governance Professional, Chair of the Corporation, Vice Chair of the Corporation and **RM** had held discussions with FE Advisors.

GB requested **JP** circulate the report generated by FE Advisors to governors. **GB** noted Esme Winch, FE Advisor would be invited to join the September Corporation meeting to present recommendations, noting much of the FEC Health Check report tied in with recommendations from the External Review carried out in March 2024. **GB** stated she would like to organise a meeting some time after Esme presented her recommendation to determine how governors moved forward with governance taking recommendations into consideration.

*JP to circulate the report
generated by FE Advisors
to governors.*

- 18.3. **GB** presented **GG** with a gift and thanked him for his efforts and achievements as Telford College Principal & CEO. Governors agreed **GG** would be missed and wished him well in his new role.

[Non-Confidential session ended at 7.32pm]