

CORPORATION AGENDA

Tuesday 05 December 2023, 5.30pm in Suite 3 of the Employer Hub

In attendance: Karen Musgrave (External Audit Partner, RSM); part meeting only

Governors are reminded of the College's commitment to equality, diversity and inclusion and the need to consider these issues, along with health and safety, in all Corporation business.

Standing Items

1. Welcome and Apologies for Absence

2. Declarations of Conflict of Interests

Governors must declare any interest in any agenda items, where there could be a conflict of interest. For any such declaration, they may be requested to withdraw from the meeting for the discussion/decision on that specific item and will not be eligible to vote on the matter under discussion.

3. Draft Minutes of the Previous Meeting held on 07 November 2023 (Paper LMC/C/25/23 refers) (for approval)

4. Matters Arising

- Appointment of Acting Vice-Chair of Corporation (Oral Report from the Chair)
- Mandatory Responsibilities: Health and Safety, Safeguarding and Equality, Diversity and Inclusion (including SEND)

Strategic

5. Governance Self-Assessment 2022/23 (Paper LMC/C/26/23 refers) (for decision) (paper to follow)

6. Draft Minutes of the Audit and Risk Assurance Committee Meeting held on 28 November 2023 (Paper LMC/A/08/23 refers) (paper to follow)

- Annual Report 2022/23 of the Audit and Risk Assurance Committee (Paper LMC/A/03/23 refers) (to note)
- Annual Report on Risk Management, including Review of Risk Management Policy (Paper LMC/A/06/23 refers) (policy for decision)

7. Presentation of the Audit Findings Report (Financial Statements Auditor Management Letter) and Regularity Auditors (Opinion) Management Report (Paper LMC/A/04/23 refers) (for discussion)

8. College Annual Report and Financial Statements 2022/23; 1 August 2022 to 31 July 2023 (Paper LMC/C/27/23 refers) (for decision)

9. Principal's Strategic Overview (Paper LMC/C/28/23 refers) (for discussion)

10. Final Achievement Against Strategic Objectives 2022/23 (Paper LMC/C/29/23 refers) (for discussion)

Performance

11. Review of College Performance 2022/23

- Analysis of GSCE Maths and English Results 2022/23 (Paper LMC/C/30/23 refers) (for discussion)
- College Self-Assessment Report 2022/23 (Paper LMC/C/31/23 refers) (for decision)
- Quality Improvement Plan 2022/23 Final Outturns (Paper LMC/C/32/23 refers) (for discussion)
- Learner Destinations and Progressions 2022/23 (Paper LMC/C/33/22 refers) (for discussion)
- Proposed Quality Improvement Plan 2023/24 (Paper LMC/C/34/23 refers) (for decision)

12. **Annual Report on Safeguarding, Equality, Diversity and Inclusion plus Supported Learners** (Paper LMC/C/35/23 refers) *(for discussion)*
13. **Latest Management Accounts and Funding Key Performance Indicators** (Paper LMC/C/36/23 refers) *(for discussion)*
14. **Pay Review Options and Cost of Living Award 2024** (Paper LMC/C/37/23 refers) *(for decision)*
15. **Annual Staffing Report, including Continuous Professional Development** (Paper LMC/C/38/23 refers) *(for discussion)*
16. **Gender Pay Gap Report** (Paper LMC/C/39/23 refers) *(for decision)*

Statutory Responsibilities

17. **Any Other Business**
18. **Dates of Next Meetings**
Tuesday 23 January 2024, 5.30pm in Suite 3, Employer Hub
Tuesday 27 February 2024, 5.30pm in Suite 3, Employer Hub
19. **Confidential item for Corporation Members Only, Excluding Staff and Student Governors, under Section 40 of the Freedom of Information Act: Draft Minutes and Papers of the Remuneration Committee Meeting held on 21 November 2023** (Papers LMC/R/05/23, LMC/R/06/23 and LMC/R/08/23 refers) *(for decision) (minutes to follow)*

NON-CONFIDENTIAL MINUTES OF THE CORPORATION MEETING HELD ON 05 DECEMBER 2023

Present:	Lindsay Price (<i>Acting Chair</i>))	
	Agata Estkowska)	
	Sarah-Jane Fletcher)	
	Hilary Fordham)	External Governors
	Yak Patel)	
	Jonathan Powell)	
	Jane Taylor)	
	Gary White ®)	
	Steve Wood)	
	Alfie Garner)	Student Governor
	Beverley Martindale)	Support Staff Governor
	Danny Braithwaite)	Principal

In attendance:	Karen Musgrave ®	External Audit Partner, RSM (<i>part meeting only</i>)
	Peter France	Vice-Principal Finance and Resources
	Charlotte Rawes	Vice-Principal Progress and Performance
	Oona Cushen	Governance Adviser and Clerk

® - Joined remotely.

STANDING ITEMS

WELCOME AND APOLOGIES FOR ABSENCE

C/23/072 The Chair welcomed all members to the meeting, including Karen Musgrave, RSM External Audit Partner, who will present the Audit Findings Report. Members were advised that Ryann Williams, Academic Staff Governor, had decided not to progress to a second term of office, due to other commitments. Apologies for absence were received from Elliott Taylor. All papers will be taken as read to allow for maximum discussion time.

DECLARATIONS OF CONFLICT OF INTERESTS

C/23/073 Conflicts of interests were declared for Sarah-Jane Fletcher (employer is an Awarding Body used by the College), Yak Patel (partnership work with Lancaster and District Community and Voluntary Solutions (CVS)), Jonathan Powell (partnership work with Lancaster University and Director of Lancaster and Morecambe Chamber of Commerce), Gary White (Director of local private training provider) and Steve Wood (partnership work with University of Cumbria and Lancaster and Morecambe Chamber of Commerce Ambassador). There are no other known conflicts of interest.

DRAFT MINUTES OF THE PREVIOUS MEETING HELD ON 07 NOVEMBER 2023

C/23/074 The Chair referred members to paper LMC/C/22/22 and advised that several typing amendments had been received, all of which have been corrected for the final version.

C/23/075 **The minutes of the previous meeting, held on 22 November 2022, paper LMC/C/22/22, were agreed as a true and accurate record.**

MATTERS ARISING

Appointment of Acting Vice-Chair of Corporation

C/23/076 Steve Wood was formally nominated and seconded as Acting Vice-Chair of the Corporation. This is a temporary appointment until a permanent Chair of the Corporation is recruited and the Acting Chair can step back to being the permanent Vice-Chair.

Mandatory Responsibilities: Health and Safety, Safeguarding and Equality, Diversity and Inclusion

C/23/077 This item provides Governors or senior leaders with the opportunity to raise any concerns that have arisen since the previous meeting, in regard to the Corporation's statutory responsibilities, which are not covered within the standard reports. The Vice Principal Progress and Performance advised Governors of two ongoing safeguarding concerns, one concerning a staff member and one concerning a student, both of which had been notified to the Chair of the Corporation and the Chair of the Audit and Risk Assurance Committee.

STRATEGIC

GOVERNANCE SELF-ASSESSMENT 2022/23

C/23/078 The Governance Adviser referred members to paper LMC/C/26/23 and thanked members for completing their questionnaires, with a 100% return. The proposed overall grade is good, and the suggestions and comments will be taken forward as either areas for improvement or actions within a governance development plan. One key area for improvement will be around engagement with stakeholder voice, particularly employers.

In response to Governors' scrutiny and challenge, the following points were highlighted:

C/23/079 The questionnaire is based on the current adopted Code of Governance. A new Code of Governance has recently been published by the Association of Colleges, and this will be brought to a future meeting of the Board for consideration.

C/23/080 The Corporation received and discussed the Governance Self-Assessment 2022/23, paper LMC/C/26/23 and approved the overall governance performance grade as good.

DRAFT MINUTES OF THE AUDIT AND RISK ASSURANCE COMMITTEE MEETING HELD ON 28 NOVEMBER 2023

C/23/081 The Chair of the Committee, Steve Wood, reported on the meeting held on 28 November 2023, fully detailed and explained in the draft minutes, paper LMC/A/08/23. The External Auditor had provided a detailed overview of the report, and there were no concerns from the Committee to be raised with members, and the same information has now been presented to the Board. The annual report had been agreed by Committee and the Chair of the Committee was happy to take any questions in relation to the assurance being provided. There had been a private discussion with both auditors, who confirmed that there is a very positive relationship with the College and management are amenable to taking on any issues raised. In regard to the main College Risk Register, there are no concerns of changes to the significant risks to report. Committee members were happy with the format of the register and were able to use the filters for a more in-depth look. There will be an additional sub-register added in regard to the capital works, to highlight a number of risks associated with the significant number of capital projects due to start in the New Year.

In response to Governors' scrutiny and challenge, the following points were highlighted:

C/23/082 It was confirmed that the master copy of the Risk Register has been updated in line with the Committee's suggestions, and this will be further updated as the projects progress.

C/23/083 The Corporation received and discussed the Audit and Risk Assurance Committee minutes and papers and:

- Accepted the assurance provided in the Annual Report 2022/23 of the Audit and Risk Assurance Committee, paper LMC/A/03/23.
- Approved the Annual Report on Risk Management, including Review of Risk Management Policy, paper LMC/A/06/23.

PRESENTATION OF THE AUDIT FINDINGS REPORT (FINANCIAL STATEMENTS AUDITOR MANAGEMENT LETTER) AND REGULARITY AUDITORS (OPINION) MANAGEMENT REPORT

C/23/084 The External Auditor referred members to paper LMC/A/04/23 and advised that the report has been presented in detail to the Audit and Risk Assurance Committee, and fully documented within those minutes. It is a requirement of the Audit Code of Practice (ACOP) that the External Auditor presents to the full Corporation to provide an overview of the audit and to provide the opportunity for the wider Board to ask questions prior to the signing of the Financial Statements. The audit work is fully complete and, as indicated in the report, the Auditor is in a position to sign a clean opinion for the Financial Statements and on regularity, which relates to the use of funds. From RSM's perspective, the audit went very well, and all control recommendations from the previous year's audit have been cleared. There are no significant recommendations, as there were no errors arising from the audit. The final funding reconciliation was received post presentation to the Audit and Risk Assurance Committee and those numbers are reflected as an unadjusted item in the accounts. It is also worth noting that the zero position relating to the pension scheme is not an omission, but it, essentially, a reflection of the asset calculation but asset do not need to be recognised. There was an enhanced regularity audit process due to the Managing Public Money (MPM) rules following reclassification. The External Auditor confirmed that she was very happy to sign the Financial Statements and would take any questions from the Board.

In response to Governors' scrutiny and challenge, the following points were highlighted:

C/23/085 It was a very smooth audit process, with a slight alteration on the figures from the final funding reconciliation. Audit and Risk Assurance Committee members had requested some additional explanation around the pension asset. The Vice Principal Finance and Resources was pleased that there were no adjustments to the figures previously presented to Governors, and that the year-end accounts reflected the position reported in the monthly management accounts throughout the year.

C/23/086 In regard to the fraud, the Vice Principal Finance and Resources assured Governors that additional internal checks had been implemented, including a sample check at the end of each month to check that bank details provided on invoices matched the details on the finance system. If there are any changes, staff will use a known contact number to verify. This will also be checked during next year's audit as a control point.

C/23/087 The Chair of the Corporation thanked the auditor and her team for their work in completing the audit.

C/23/088 The Corporation received and discussed the Presentation of the Audit Findings Report (Financial Statements Auditor Management Letter) and Regularity Auditors (Opinion) Management Report; paper LMC/A/04/23.

Karen Musgrave left the meeting.

COLLEGE ANNUAL REPORT AND FINANCIAL STATEMENTS 2022/23; 01 AUGUST 2022 TO 31 JULY 2023

C/23/089 The Vice Principal Finance and Resources referred members to paper LMC/C/27/23 and advised that these are the statutory accounts referred to within the audit report and require Board approval. There are no adjustments, so the actual figures are the same as those reported within the management accounts. The reconciliation figure in the Financial Statements to the management accounts relates to the pension adjustment, which is an actuarial accounting change only, not a cash figure. The operating deficit stood at £686k, which is just under the threshold to remain in good financial health. The completed finance record was previously submitted to the Department for Education, and generated a grade of good. Officials will review the submitted document and then provide official confirmation of the financial health grade.

In response to Governors' scrutiny and challenge, the following points were highlighted:

C/23/090 £319k is considered material but, if an error below that is found in the sampling testing, this will be subsequently reported as an unadjusted amount. The difference relates to the final income recognition for adult learners following the final funding return in November 2023 and after the audit funding work had been completed. The previous figure was based on the funding return in October 2023. There was a retrospective increase to the funding rate, which will provide a £45k earning boost, as well as some late achievement funding being claimed between the two return dates. There is always a difference, but it was higher last year due to the earnings boost, which will be reported within this year's accounts and will help towards achieving the financial objectives for 2023/24.

C/23/091 The Corporation discussed and approved the College Annual Report and Financial Statements 2022/23: 01 August 2022 – 31 July 2023, paper LMC/C/27/23, including the Corporation's Statement of Corporate Governance and Internal Control.

PRINCIPAL'S STRATEGIC OVERVIEW

C/23/092 The Principal referred members to paper LMC/C/28/23 and advised that themes from the Association of Colleges Annual Conference focused on Artificial Intelligence (AI) and green skills. The conference was good, interesting and informative, and the Principal felt focused on three things from a College perspective to take forward to future developments; teaching, learning and assessment; thinking around the workforce for the future and the skills needed to go forward, as well as the challenge around recruitment and retention of staff. The link to Technical Excellence provides an overview of the Labour Party's intention regarding education policy, but without much detail. Further updates will be provided in due course and from the Vice Principal Progress and Performance from a curriculum perspective. The external curriculum review will provide a good baseline of the College's current position, as well as identify gaps and opportunities for growth. The College must think objectively about meeting local skills need and this review is the first phase. Staff engaged very positively with the external consultant and is useful as there is no historic content externally. The consultant has produced very detailed documents for feedback from curriculum leads and the senior team. Samples of the reports will be shared with Governors, as well as a wider overview for discussion on Strategic Planning Day. The outcomes of the review will be significant in how they inform future curriculum and estate planning, which must run in tandem. The College is looking to introduce an 'Opportunities Register'; there is a lot of focus on risk, but the College should also formally recognise and consolidate available development opportunities. This should feed into a growth strategy and be configured in such a way that it can feed into the curriculum review and help to identify a target approach for 16-18, Higher Education (HE) and adult provision. There are many ideas being put forward, but the College must focus on its key priority areas and both Vice Principals will play a key part in moving that forward.

C/23/093 The Vice Principal Finance and Resources reminded Governors that the College had been successful in its T Level funding bid and had received a grant of £1.9m to refurbish the fifth and sixth floors of C Block. The drawings are finalised and design aspects are well underway, with a full tender being launched in January 2024. The College needs to relocate its maths and English provision on the third and fourth floors of C Block whilst the capital works are undertaken. This will be a crucial time for learners, who will be studying for their GCSE exams and should not be affected by the work. The senior team has considered a number of options and the preference is to redevelop E Block at the front of the College into a dedicated maths and English hub. All provision will be able to be relocated to that space but, in order for that space to be ready for April 2024, when the T-Level capital works are due to start, work needs to start as soon as possible. The College has obtained a quote, £291k including VAT, from RPD, the construction company used for the modular demolition and currently on site for the courtyard works. The team is working with the surveyor and the company to value engineer the quote, re-using existing materials where possible, e.g. fire doors, ceiling panels etc. The team is seeking approval for a maximum £291k expenditure, which will be funded from the Capital Transformation Grant already received, and a waiver to award the contract, without tender, to RPD Construction.

C/23/094 There is also a summary overview of the impact of the Autumn Statement. In addition, £50m has been allocated in the spending review to an apprenticeships growth pilot to break down barriers of employer engagement and cost of equipment but no specific detail has yet been released. There is also investment for an apprenticeship wage increase of just over 20%, and which the Government estimates will benefit around 40,000 apprentices. LMC will be supporting employers to engage with apprenticeships through 'growth' conversations. This is the final stage of the term of office for the current Ofsted Chief Inspector, Amanda Spielman, who retires at the end of this year. The changes will have ripple effects, and there are several FE sector webinars on facts that Ofsted continues to find and report. There are three common themes highlighted within the report from colleges that have been graded as 'Requires Improvement', and the Principal will focus intentions and efforts on those themes, from a quality improvement perspective.

In response to Governors' scrutiny and challenge, the following points were highlighted:

C/23/095 In regard to the terms of the Capital Transformation Grant, the only requirement is that the College must comply with its own financial regulations and the waiver request to Board would meet that requirement. The Official Journal of the European Union (OJEU) equivalent threshold is circa £5m, so this is comfortably below the legal requirement for a tender. It was recognised that a tender process can be lengthy and Governors sought assurance that the College is fully satisfied with RPD's previous and existing work standards and the team is confident that they can provide a good service. The Vice Principal Finance and Resources confirmed that all previous work had been completed to a high standard, the company had proved itself to be reliable and is already set up on site. Any delay would be a risk of lead-in times and contractor availability. The surveyor is reviewing the costings to ensure nothing is being quoted over current market rates. The larger contract for the T Level capital works will be going out to full tender.

C/23/096 With a £1.9m project start in April, it was questioned whether the College would include any financial penalties if completion timescales were not met, but it was considered that these would just be incorporated into any pricing structure. These works are desperately needed and are planned to facilitate the timeframe for the larger T Level project. The College must move students around the site, to ensure minimal disruption to learning during the main capital works, as well as looking to re-purpose spaces for better use and to create additional space for learners. It is a challenging timescale, but the works are needed to minimise timetable disruption as little as possible, whilst still providing longer term benefits to the quality of the learner experience.

C/23/097 Although the senior team has sought several waivers since the process was introduced, there are still a number of full tenders currently operating. These include one currently out for procurement in relation to the CCTV overhaul, and one for the replacement of the wireless network. There is a sector procurement framework for tenders and this is used wherever possible.

C/23/098 As the start timings for the work is critical, it was not considered beneficial to seek any further quotes from more local companies, who may not be in a position for an immediate start. RPD is based in Manchester and, being already on site, can start immediately on this project. If other quotes were to be sought, this would likely mean that the space would not be ready for April 2024.

C/23/099 The refurbishment will address some previous concerns raised around the experience of students using the facilities on the third and fourth floors, particularly around some of the maths classrooms. It is anticipated that the refurbished ground floor of E Block will be more aspirational and better thought out. Learners are more likely to respect their environment and be able to focus more in better surroundings. The investment in a maths and English hub is seen as a key element in helping drive improvement in this provision.

- C/23/100 This is a long-term investment for the College, and the aim has been the future-proof the development, with no one space being too specialised or unusable for other provision. The Principal advised that the current facilities are dire, and that there must be some incredible teaching from the maths and English team to achieve the results that they have. This development will be something positive for this team, staff have embraced the designs and have been delighted with the potential investment. By creating a dedicated hub, students will feel that they have a proper place and can own it themselves. If maths and English classes are constantly moved around, there can be a nomadic feel to teaching, so there should be a degree of ownership around the hub by both staff and students. The block is at the front of the College and, as it is visible from the Bay Gateway, will be a good place for advertising. Students will brand and name the building, so, eventually, it will not be called the maths and English hub.
- C/23/101 The rationale for the waiver was considered a common-sense approach, as the work needs to be done quickly, provided all Governors were confident, from an audit perspective, that all the relevant regulations will still be followed.
- C/23/102 The Chair of the Corporation asked for further assurance on the testing work that the surveyor is undertaking on the quote to ensure value for money and that costs are reasonable. The surveyor works on many projects, not just for LMC, and there is a recognised national cost rate per square metre for flooring, carpets etc. The quote will be broken down into each different element, with each cost line being reviewed against what would be expected for each aspect of the project. Any costs not in line with those rates will be reviewed more closely and, if necessary, revisited.
- C/23/103 With the refurbishment of E Block, the College will also be looking to upgrade some of the equipment, e.g. new furniture, TV screens in each classroom and a general move to laptop provision. A dedicated hub is a step in the right direction and can only have a positive impact on young people achieving their numeracy and literacy targets. This will be the first piece of work under the new Property Strategy and will provide a long-term benefit to the College.
- C/23/104 Local businesses and employers will be involved at the next stage of the curriculum review. The report produced by the consultant is for internal use only at this stage, and will be used as a baseline for what is currently being delivered from a curriculum perspective, identify any gaps from Entry Level to Higher Education (HE) and then link to Labour Market Intelligence (LMI) data. The outcomes of the report should lead to a set of questions that can be taken to employer advisory groups to provide a theme of conversation and a more structured consultation to inform future curriculum planning. At an employer engagement event, a Governor commented that one construction firm had noted that employees have quite a travel journey, and this is something that could be considered when looking at the future skills requirement. There is a recognised need for groundworks and civil engineering skills in their broadest sense, from entry level qualifications and training for groundworkers and general operatives. The student cohort is predominantly young males in brickwork, joinery and plumbing, which may diversify into engineering. In reality, circa 50% of these do not really know what they actually want to do for a career, and so the College does provide a general construction operative carousel course, for learners to identify a career path. The College must also focus on meeting local skills needs. There will likely be several infrastructure projects in this district within the next five to 10 years, so there needs to be a workforce pipeline to support those. Careers guidance will be crucial to meeting those future needs. There must also be an honesty about involvement and skills needs from employers, as there needs to be a genuine partnership model working collectively to pull together the required outcomes.
- C/23/105 It was suggested that an overview of potential events to support the College's 200-year anniversary could be provided to Governors at a future meeting. There have been preliminary meetings and discussions with the Staff Consultative Committee to produce suggestions, e.g. a historical timeline in pictures through the walkway.

- C/23/106 Governors were keen to hear any employers' reactions to the Autumn Statement regarding the apprenticeship announcements. The country is preparing for a General Election and political parties would soon be preparing and publishing their manifestos. As a Further Education college, LMC is an apolitical organisation and would, therefore, keep updated on all parties or coalitions to ensure the College is aware of potential policy changes. This is an opportunity to enhance the experience of students and the College would be able to engage with all parties for panel discussions etc. and to allow students to directly question all candidates on what education means to them.
- C/23/107 The Vice Principal Progress and Performance advised that many employers already pay above the minimum wage to ensure that they maintain apprenticeships and are highly competitive. Currently, there are not many 16-18 year olds going into apprenticeships, so employers are all pitching to recruit the same learners and, therefore, offer higher than the apprenticeship wage. Some 'one-man' bands in construction, however, may struggle with apprenticeships, as many employers cannot afford for first year apprentices to learn on the job or to make any errors in terms of resources. Hairdressing is also another sector that may struggle. There has been no immediate reaction from employers at this time, but this may emerge in March when the hourly rate increase is due to take effect. It will be a challenge as it will impact small firms' finances and impact recruitment, at a time when there is a national decline in apprenticeship numbers and provided are being challenged as to actions being taken to educate and support employers around apprenticeships. Some very small firms may release apprentices as they are unable to afford to keep them.
- C/23/108 The College may be able to provide opportunities to talk to stakeholders, inviting people from all different parties to local question sessions for the community, and for students, offering the venue during its 200-year anniversary. The Principal has meetings booked with both local Members of Parliament (MPs), David Morris (Conservative – Morecambe and Lunesdale) and Cat Smith (Labour – Lancaster and Fleetwood), early in the new year to push engagement with students. The College could offer to host a number of hustings that are accessible to all parts of the community. This should include all candidates in addition to the sitting MPs, and will be up to each individual candidate as to whether they take up that offer as a priority within their campaigning. The events, however, would be of benefit to students and for them to be involved in that political process.
- C/23/109 Following reclassification of colleges into the public sector, it was confirmed that the College retains its legal status as an exempt charity.
- C/23/110 **The Corporation received and discussed the Principal's Strategic Overview, paper LMC/C/28/23 and approved:**
- **Request for Waiver in relation to the redevelopment of E Block into a dedicated maths and English Hub;**
 - **Capital expenditure for the project up to £291k, including VAT; and**
 - **The awarding of the contract to RPD Construction.**

ACTION: *Principal to provide an overview of the events planned for the 200 anniversary celebrations to a future meeting of the Corporation.*

FINAL ACHIEVEMENT AGAINST STRATEGIC OBJECTIVES 2022/23

- C/23/111 The Principal referred members to paper LMC/C/29/23 and advised that this is a summary of the progress on the strategic key performance indicators (KPIs), alongside the overall five-year objectives within the Plan. The Principal has worked with his senior team to ensure good oversight of this and has also brought a fresh perspective on how far work has progress towards achieving the overall aims of the Plan. The targets are RAG rated with clear actions, with two amendments previously agreed with Governors.

C/23/112 A pragmatic approach has been taken, but there is encouraging progress against the strategic objectives, with a number of years of the Plan remaining. Members will know from the September strategic planning meeting that some of the key performance indicators (KPIs) have been refined for 2023/24, with some tangible actions to make them more focused and to give a combination of ambition whilst still being realistic. Reality bears home when the data is collated and there are tangible outcomes. There is also much to celebrate, including some fantastic work around outcomes and achievement whilst maintaining financial stability, but the RAG ratings do not necessarily reflect this.

In response to Governors' scrutiny and challenge, the following points were highlighted:

C/23/113 Going forward, the key performance indicators (KPIs) may require further refinement, and there will need to be a mapping exercise to link any non-achievement to the revised set of KPIs, as it is important not to lose sight of what was originally set out.

C/23/114 Although some targets are graded red, some are close to being achieved and Governors recognised the context of how difficult the climate has been to get close to some of those targets and, therefore, the outcomes are probably better than what the gradings suggest. Contextual narrative should be included, so it is not losing or changing the goals, but about context and interim goals. In regard to allocating NHS mental health support, it is provided to 100% of those who need it and those most at need. All learners, not just those on study programmes, have access to support through the pastoral mentors. These are reviewed on a case-by-case basis and are triaged by the Safeguarding Manager. Those most in need are given an appointment with the mental health support worker who is on site on afternoon per week. Given adverse mental health can have a significant impact on learners, it was queried whether additional resources were required. The target is around access and probably more about word semantics. The wording will be reconsidered when reviewing the key performance indicators, to ensure it is more precise and more impactful. The Safeguarding Manager agreed that the target should be coded green, as all students do have an allocated pastoral mentor and access to mental health support workers. They will only take certain conditions and, sometimes, it is not the most appropriate avenue for students. In those cases, the College will look to refer to other outside agencies or refer on for more appropriate support their needs. There are three different aspects clustered together; pastoral support, mental health support worker and then a proportion with specialist mental health provision that is more difficult to access. It is important for Governors to understand the issues and the varying levels of support.

C/23/115 It may be useful to include some starting points as well, to show aspiration, e.g. on staff turnover. Staff turnover has always been problematic, but a baseline would be helpful. The information is provided in other reports, but would need pulling together. Governors felt that there was a common theme when looking at statistics, and that the team may be doing themselves an injustice by not including additional context.

C/23/116 There is a point based formula that the Education and Skills Funding Agency (ESFA) use to calculate the Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) score. It is, effectively, cash flow, how much cash comes in and how much is generated, gearing and borrowing as a percentage of income. The College has no long-term borrowing, so receives the full score for that. The Agency then looks at solvency and current assets divided by current liability. 230 points are needed for an outstanding grade and 170 for good. LMC's score stands at 190. Originally, the FE Commissioner's benchmark for EBITDA was above 4%, but this has been reduced to over 1%, which is a reflection on the challenging times for the sector.

C/23/117 It was questioned whether all Governors understand the College's position in relation to other colleges' performance or whether a greater understanding and benchmarking data would be helpful, e.g. what does excellence look like. The Education and Skills Funding Agency (ESFA) publishes financial benchmarking data for all colleges on the Government website, e.g. how many outstanding, how many in good and data can be compared through national or various subsets, e.g. North West colleges only.

C/23/118 **The Corporation received and discussed the Final Achievement Against Strategic Objectives, paper LMC/C/29/23.**

PERFORMANCE

REVIEW OF COLLEGE PERFORMANCE 2022/23

Analysis of GCSE Maths and English Results 2022/23

C/23/119 The Vice Principal Progress and Performance referred members to paper LMC/C/30/23 and advised that the data also includes Functional Skills qualifications. The information is provided by RCU, an organisation commissioned by the Association of Colleges to analyse a subset of data for every college in the country. This provides benchmarking data for 228 colleges on learners' starting points and learners' progress. For GCSE English, the College ranks 169 out of 228 colleges, which places LMC in the lower quartile for entry performance. Likewise for maths, the College ranks 170 out of 228 colleges for entry performance, which means learners have lower starting points to attain their GCSE than many other colleges. On overview, there is excellent data in relation to English GCSE performance, with the pass rate being well above average and placing the College in the upper quartile at 56 out of 228 colleges and 49 out of 228 for progress from grade three. This is a fantastic performance for the English team. Maths data is more challenging, as the College previously took the decision to enter all maths learners without a grade four for GSCE, including those with only a grade one or two. These learners are not necessarily expected to attain grade four and may skew this data set compared to other colleges. This has led to only an 8% achievement rate. The College does not have any learners studying maths Functional Skills. The progress achieved by learners starting with a grade three places the College 79 out of 228 colleges, which, considering the state of the current classrooms, is a proud achievement. This year, even more learners, almost double numbers, are studying maths and English.

In response to Governors' scrutiny and challenge, the following points were highlighted:

C/23/120 This is a comprehensive report and well presented by RCU. The RCU also produces other benchmarking reports, e.g. on retention and attendance. There is still work to do around the achievement of high grades, particularly in maths. It is a condition of funding that learners who have not achieved their grade four must study maths and/or English.

C/23/121 One of the main reasons for the different results in maths and English is that learners with a GCSE grade 3 in English are submitted for their GSCE, whereas all maths learners undertake the GSCE exam. This is because progress can be better demonstrated through GSCE rather than Functional Skills, e.g. from a grade one to a grade two and that progress can be demonstrated. Functional Skills qualifications are only a pass or fail and, therefore, do not demonstrate progress. There is a national review of Functional Skills qualifications as they are not necessarily appropriately set, particularly the Level 2 maths Functional Skills.

C/23/122 As those studying maths may have different starting grades, some are in progress classes, so classes are graded and there is also a streaming grade. Previously, there was a different rationale for more learners to undertake Functional Skills, but this was not working in regard to demonstrating progress, so there was a switch to put all learners on GCSE where progress is much more evident. There is a new consultation in regard to maths and English provision in general, linked to the new Advanced British Standard (ABS), so there may be a policy change in the future. The delisting of qualifications is still proceeding, but there is an opportunity for policy to change for maths and English.

C/23/123 Governors suggested that further piece of work could be undertaken in the future connecting achievement outcomes back to deprivation. There is information regarding wraparound support and, overall, Governors were impressed with how little the achievement gap is, detailed in the supported learner paper.

ACTION: *Vice Principal Progress and Performance to consider further future analysis of maths and English outcomes, linked to deprivation data.*

College Self-Assessment Report 2022/23 and Quality Improvement Plan 2022/23 Final Outturns

C/23/124 The Vice Principal Progress and Performance referred members to papers LMC/C/31/23 and LMC/C/32/23 and advised that every curriculum and support area has completed a self-assessment report, the vast majority of which impact into the overall College self-assessment report. The key achievements for last year have been highlighted, including education for young people with results sitting 8% above the national average, with 94% positive progression. Adult provision is below national average, but the College still has an excellent range of distance learning courses. Apprenticeships have been graded as 'requires improvement' this year. Although apprenticeship achievement rates increased by 1%, this is still not the position the College wants. Last year, it was questioned whether the apprenticeship provision was a 'blip', but this is not the case and there is more work to do. Rapid improvement is a key priority for the Senior Leadership Team (SLT) and managers with apprenticeship provision. High Needs provision is good, but the College has appointed a new manager for this area and this area will be closely monitored. The final outturns in the Quality Improvement Plan have all been graded, and Governors have monitored this throughout the year, and there are no surprises. Adult retention has not improved as much as was hoped and remains fairly static. Improvement has been seen in some areas but not in others. Attendance has been coded red all year, but the reasons for this are known, and apprenticeship achievement rates is the other main concern.

In response to Governors' scrutiny and challenge, the following points were highlighted:

C/23/125 The target for positive progression is 95% and all key measures are RAG rated. Attendance is a key measure and has been low, but, at Assessment Boards, tutors know their learners very well and have a level of detail as to why some attendance is where it is. It is worth Governors attending an Assessment Board, if possible, to see that level of detail and some of the challenges faced by learners. Although reasons for low attendance levels are known, this is being addressed at a practical level. Attendance remains an area for improvement for 2023/24. There will be an aspirational College target linked to the Strategic Plan, but this will also be distilled down for incremental increases.

C/23/126 There was a discrepancy around the calendar pictures, which would need to be amended prior to publication.

C/23/127 The report was a very positive read, and Governors were satisfied with the identified strengths and areas for improvement. On the whole, it is a fantastic result, but there are areas to be worked on. Although the areas for improvement have been distilled into a small number of pages, there is much supporting documentation to support the key findings. The document will be uploaded to the Ofsted portal in January 2024, following any minor amends. This report will be the first point of call for Ofsted when doing their risk-based assessments for inspections. During inspection, they will test on what has been reported and the identified strengths, as well as reviewing progress on areas for improvement.

C/23/128 There has been good progress in maths provision and 16-18 Level 3 outcomes and all staff should be congratulated on these strong results. The redevelopment should be positively communicated and this demonstrates the viability of investing in the right areas. In general, 24+ learners still do have time to study, even with economic challenges. Some do start off committed, but life can get in the way.

ACTION: *Vice Principal Progress and Performance to amend the calendar picture page, prior to publication.*

Learner Destinations and Progressions 2022/23

C/23/129 The Vice Principal Progress and Performance referred members to paper LMC/C/28/22 and advised that the data covers all full-time learners that achieved and there is 94% positive progression, which is a 1% increase on the previous year. Negative destinations can include pregnancy, or travelling and there are a number of reasons that would fall under negative. Unknown is recorded if a learner cannot be tracked. There are two ways to record positive destinations; positive; positive and positive; negative. The former are those that progress into the sector they have been studying in, whereas the latter may be into generic employment or into an area not linked to their area of study. Additional employability skills may also help learners to positively progress but not into an area of study. One area for improvement is the monitoring of progression of adult learners and the team is looking at how these can be tracked in the future and to gather evidence from sustained progressions in work and careers to show evidence of impact.

In response to Governors' scrutiny and challenge, the following points were highlighted:

C/23/130 Employment is a positive destination, but a gap year prior to going on to university is classed as a negative as it is not doing anything in the immediate year following completion of study. Universities have to look at destinations for three years' post course, but schools and colleges are not required to do this. Sustained destinations data is powerful information, however, and something that the College needs to move forward on. If funding moves to an outcomes-based model, destinations retrieval will be critical or funding may be lost. Another approach is to look at an economic impact assessment and value in the community, but this would have to be externally commissioned at a cost. All of the data is collected in-house, with varying levels of experience, but the Principal is reviewing other more sophisticated ways of capturing sustained destination data, which is a very powerful tool.

C/23/131 Destination data is used in curriculum conversations, particularly for areas being looked at for growth. There are some areas where there are real questions to be answered and to review how fit for purpose some provision is where there is low destination data. Senior leaders and managers know which areas are struggling. Access has a very high positive progression rate, despite recruitment to this course dropping in recent years. Some provision, e.g. childcare, struggle as learners complete one year of study and then decide that they do not want to work with children.

C/23/132 Learners on the Aspire courses are a mix of some still at school, others who did not attend school or do not know what they want to do. The provision is mainly at Level 1 and has 95% positive progression, which shows that this provision is fit for purpose. It is a more nurturing, caring type of provision and some progression is sideways but into a dedicated area of study. The correlation between attendance and positive progression in each area has not yet been analysed, but will, most likely, be linked. There is some triangulation, e.g. in hairdressing the low buy-in and low positive progression, with six out of 23 learners have negative destinations, including pregnancy. Some data will have been captured within the external curriculum review and Governors will be able to see this in the sample reports. Overall, the curriculum review will include attendance, destinations and whether each provision is fit for purpose. Middle managers must be fully aware of the problems within their areas to be able to identify the root cause and implement effective action.

C/23/133 There has not been any analysis specifically around those learners also studying maths and/or English, and whether those that achieve go onto a positive destination. From the Principal's experience, this is often the case, but for young people who do not want to study, maths in particular, they are unlikely to achieve and then do not meet the entry criteria for their next level of study. They may achieve their technical skills, but not have the required standard in maths and English.

- C/23/134 There is a caveat in there, in that there are conversations with curriculum leaders and students about their experience, which should be triangulated with teaching, learning and assessment observation feedback and more sophisticated student surveys etc. All of this must be taken into account to look at the bigger picture of curriculum and what the future offer should look like.
- C/23/135 The College should ensure that this positive progression data is fully utilised in marketing and campaigns, particularly looking at the 97% positive progression rate for apprenticeships.
- C/23/136 Changing courses is not necessarily a negative progression, but transfer moves will be sense-checked, e.g. if a learner moves from catering to bricklaying.

Proposed Quality Improvement Plan 2023/24

C/23/137 The Vice Principal Progress and Performance referred members to paper LMC/C/34/23 and advised that the Quality Improvement Plan (QIP) and areas for development are drawn from the whole College self-assessment report, and should also link to the strategic key performance indicators (KPIs). Areas for improvement have been distilled into five key areas; achievement, attendance and retention; adult provision; recruitment for core business areas; apprenticeships; and learner behaviour and attitude. This helps to distil the key areas to staff, and allows for the team quality improvement plans, as well as the appraisal process, to be linked and for staff to understand how they fit into quality improvement. Attendance is one example, in particular, where the aspirational target has been distilled into incremental improvements where there is clear differentiation.

C/23/138 The Corporation discussed and approved:

- **College Self-Assessment Report 2022/23; paper LMC/C/31/23**
- **Quality Improvement Plan 2023/24; paper LMC/C/34/23.**

The Corporation received and discussed:

- **Analysis of GCSE Maths and English Results 2022/23, paper LMC/C/30/23;**
- **Quality Improvement Plan 2022/23 Final Outturns, paper LMC/C/32/23; and**
- **Learner Destinations and Progressions 2022/23; paper LMC/C/33/23.**

ANNUAL REPORT ON SAFEGUARDING, EQUALITY, DIVERSITY AND INCLUSION PLUS SUPPORTED LEARNERS

C/23/139 The Vice Principal Progress and Performance referred members to paper LMC/C/35/23 and advised that the report covers all data relating to learners and the funding used to support learners. It covers demographics, starting points for maths and English, gender etc., and then to ensure that the College is supporting learners as well as it can in every sense, particularly around removing financial barriers to learners and pastoral support. The first section relates to learner volumes and then any identified achievement gaps, along with actions required to narrow those gaps. The report follows the same format as last year. The key risks and actions from last year, along with the identified actions are detailed, together with a narrative around what was achieved and how support to learners was improved. There was some huge progress made last year, along with the overall improvement in achievement rates. For 2022/23, there are not many identified gaps in terms of achievement. The actions for this year will be monitored in-year through the Safer College Community Group, various Assessment Boards and quality improvement meetings throughout the year. In-year focus will be on retention and progress, as achievement will only be known at the year-end. There are clear actions from this built into the overall Quality Improvement Plan (QIP) to support that continuous improvement.

In response to Governors' scrutiny and challenge, the following points were highlighted:

- C/23/140 There are some fantastic outcomes within this report and all staff delivering this should be congratulated. This will be a key focus during inspection, which will look at what impact the College has had on the most disadvantaged, their achievement rates and whether targeted action is really impacting those learners that really need support.
- C/23/141 There was, and continues to be, a big increase in safeguarding numbers, particularly for 16-18 learners. The number of safeguarding alerts is increasing with the increase in learner volumes. Issues are not all necessarily related to post-Covid issues, although there are learners that still require ongoing support from this. Learner volumes have increased by circa 15%, so safeguarding and pastoral issues have also increased and are likely to continue year on year. The Safeguarding Manager and her team work extremely hard, but the level of support required by some learners is very complex and more so than in the past. The senior team has regular discussions as to whether there is the right level of support and staffing, and to ensure staff are able to cope with the volume of learners that require support. Ofsted is generally very interested in that area, but it is a question of what the College is able to do. There would be more concern if there were very issues being picked up. It is a testimony to the Safeguarding Manager and her team that so many learners are aware of the resources, feel able to come forward and share their issues and to be supported. Learners requiring support come from all areas of the College. There is a lot of sadness in students' lives, family environment etc., and, for some learners, College is their only safe place. The team offer no judgement, only support. The College also some strong safeguarding networks, and links with all Designated Safeguarding Leads (DSLs) in schools, so there is sharing of information from arrival and, if the team is unsure about a learner, a conversation can be had with their former school. Likewise, many learners have younger siblings to support and the support that learners receive in College is crucial for them to be able to support their family wellbeing. There is a lot of collaborative work with outside agencies to further support this work.
- C/23/142 The Corporation received and discussed the Annual Report on Safeguarding, Equality, Diversity and Inclusion plus Supported Learners, paper LMC/C/35/23.**

LATEST MANAGEMENT ACCOUNTS AND FUNDING KEY PERFORMANCE INDICATORS

- C/23/143 The Vice Principal Finance and Resources referred members to paper LMC/C/36/23 and advised that the year-to-date deficit stands at £59k, which is better than the budgeted year-to-date deficit of £102k. In September 2023, the College did receive an additional 16-18 funding allocation of £440k, which was not included in the budget but has now been recognised in the accounts. The College is currently £117k above its 16-18 allocation. Some of the funding allocations are still based on the original forecast and will be reviewed following submission of the R04 funding return. This will then provide some firm funding data to start basing income lines on. The adult allocation is recognised in the original budget and the forecast. The College has made provision against its original apprenticeship income forecast of £1.9m, but this has now been re-forecasted and revised down to £1.7m. Provision against that budget will be challenging. Most other income is currently in line with budget. Overall staff costs are £38k under budget, mainly due to infilled posts in August and September 2023, and this will be re-evaluated as the year progresses. The accounts are mainly tracking budget and the College remains on target to achieve good financial health, but it is still early stages and so that objective has been graded amber as there still remains a lot of assumptions in the accounts.

In response to Governors' scrutiny and challenge, the following points were highlighted:

- C/23/144 It was noted that the funding held in Barclays is over the previously approved 50% for any one institution. Some funding being held in Barclays will be spent, as the College is required to repay circa £350k clawback this month, in relation to the underspend on adult funding. Capital monies received in advance are also included, so these will also be spent and should then bring the total funds held in Barclays to below the 50% threshold.
- C/23/145 The Corporation received and discussed the Latest Management Accounts and Funding Key Performance Indicators, paper LMC/C/36/23.**

PAY REVIEW OPTIONS AND COST OF LIVING AWARD 2023

C/23/146 The Vice Principal Finance and Resources referred members to paper LMC/C/37/23 and advised that any approved pay award will be effective from 01 January 2024, and a decision needs to be made to allow the pay roll amendments to be completed in time. As Governors will have read in the Annual Staffing Report recruitment and retention of staff has been challenging, and this partly attributed to pay and a competitive local market. There was a 2.2% provision for a pay award in the budget, which would allow the College to achieve an Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) score of 1.08% and remain in the financial health grade of good. The College then received an additional 16-18 funding allocation of £440k, at the time when the 6.5% pay award for doctors and schools announced. The Association of Colleges recommended that colleges should prioritise that additional funding for staff pay and to match the 6.5% pay award for schools. This was rejected by the national trade unions, which were seeking a 15% pay award, alongside other demands. Other colleges are planning a 5%+ pay award, but most Lancashire colleges are looking at the minimum of 6.5% or higher.

C/23/147 There is a range of options covering two main themes; either a straight percentage increase for all staff or an equal lump sum for everybody. There are pros and cons with both options, as all staff, regardless of position, will have been impacted by the cost of living crisis. It was considered that a percentage award would be more effective in addressing the recruitment challenge and would be in line with the Association of Colleges' recommendation and other local colleges. This option has been modelled against the financial position and the impact on financial health. The budgeted deficit for 2023/24 is £482k, which would see the College retain a financial health grade of good. For 2024/24, the deficit is forecast to be £381k, with an increased Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) score of 2.4% to remain good. The main assumption was around growth in 16-18 learner numbers and these have increase significantly this year. As of today, the College recruited 1,148 learners, which is 131 above the allocation. Next year, these will be funded at an average rate of £6k per learner, so there will be a substantial increase in the funding received next year, alongside the additional £440k received this year and should also receive next year as well. With income up significantly, the team is confident that this recommended pay award is affordable for this year and next. There were different options reviewed by the senior team in regard to a lower percentage or flat rate increase, but it was felt that this is affordable and that it was appropriate to align with the Association of Colleges' recommendation and match what other colleges are paying to retain LMC's competitiveness within the labour market. IN addition, the National Living Wage (NLW) is due to increase in April 2024, which will pose another set of issues. The new minimum wage will be two to three points above the bottom of the existing pay scales. Pay scales will, therefore, have to be reviewed in order to maintain some form of differential between roles such as, learning support assistants, administrators, some technicians, catering and cleaning staff. There will be additional cost at that time. Early modelling has been completed but further refinement is needed. Early indications are that an additional £60k will be added to annual costs, but the team wish to review this in more detail prior to any firm proposals.

In response to Governors' scrutiny and challenge, the following points were highlighted:

C/23/148 In-year growth funding for over-recruitment is formula-based, and the Education and Skills Agency (ESFA) will base this on the funding returns. LMC should qualify for some additional funding, but this will not be 100% growth funding and will not be determined until the R04 funding return submission. The Agency will also review the figures at the submission of the R06 funding return and, if numbers drop off between the two returns, this could impact eligibility. There is potential for some in-year additional funding, but should not be relied upon.

C/23/149 Another large employer is providing a 5% pay award to all staff, but with a 6% to 8% increase for lower paid staff. Bearing in mind staff turnover and the need to remain competitive, the College cannot afford to not be giving a good pay rise in line with the cost of living and this award feels quite reasonable.

- C/23/150 In recent years, staff have only received very small pay awards, so it is hoped that this award will exceed expectations. Many staff will be unaware that this level of pay rise is being considered, but they are all aware of the increased learner volumes and if it can be awarded, this is the year to do it. Although it is in line with the pay recommendation from the Association of Colleges, Governors should also question whether the College could afford to do even more, but the impact of the substantial increase to the National Living Wage (NLW) also needs to be taken into account.
- C/23/151 The National Living Wage (NLW) increase will have a 'domino' effect up through the pay scales, as it will push into those pay scales for staff with increased responsibility but will end up with little differentiation and will be a big issue that the senior team will need to consider. For example, the increase will place cleaning staff on the same pay level as administrators, who require a completely different skill base, so the challenge will be how to maintain some differential and this will have an additional cost on top of the pay award and the National Living Wage (NLW) increase. There is a high staff turnover, but the College cannot afford a continuous 'concertina' affect up through the pay scales, as some teaching staff will impact higher staff as well. The senior team has not only discussed the 'concertina' effect, but also 'leapfrogging', as some managers may not earn much more than their reporting staff. This does present the College with an opportunity, however, to look at career families and career structures within those job families. More work is needs but there is an opportunity to revisit this and to justify some levels of point changes. It was noted that a change in Government may lead to even larger increases in the future.
- C/23/152 The Principal advised that he should be grateful if the award is embargoed until Thursday morning, to allow for a courtesy meeting with the trade union representative, as well as two staff members from the Consultative Committee. The Chair of the Corporation and the Principal will then make a joint announcement on Thursday, which will be followed by an all-staff email.
- C/23/153 There is a big discrepancy between the award and the national trade unions' request, which is an annual occurrence. It has previously been suggested that the unions have unrealistic expectations from the sector, but each College will do its best going forward.
- C/23/154 The Corporation received and discussed the Pay Review Options and Cost of Living Award 2024, paper LMC/C/37/23, and approved a 6.5% general pay award to all staff, effective from 01 January 2024.**

ANNUAL STAFFING REPORT, INCLUDING CONTINUOUS PROFESSIONAL DEVELOPMENT

- C/23/155 The Vice Principal Finance and Resources referred members to paper LMC/C/38/23 and advised that the report had been produced by the Director of HR Strategy and Support. It is a comprehensive paper covering information on the staff body, applications, qualifications turnover etc. The first headline point relates to recruitment and serves to underline the pay award discussion. There was only an average of two applicants per teaching post vacancy, with an average of three for support posts. There have been posts advertised where there have been no credible applications, so recruitment is very challenging. The pay award may help to address this and make it easier to recruit good staff. Sickness absence is below where it was expected from previous years, along with some other positives. The College does have an ageing workforce, with a high percentage of those aged over 50 and this profile needs to be considered in future succession planning.

In response to Governors' scrutiny and challenge, the following points were highlighted:

- C/23/156 This is a comprehensive report, which has been discussed in detail by the Senior Leadership Team (SLT), which is focused on implementation and monitoring of actions. The actions have been broken down into cross-college themes, not just HR, e.g. staff induction and ensuring the College does as much as possible once a new staff member has been secured.

C/23/157 There was little in the report in terms of disability and ethnic minority staff and how the College can support their ambition to move into management or progress through a teaching career path. At LMC, the focus is always on individuals and how they develop their careers, and this ethos applies to everyone. It was hoped that College culture means that all people feel that they have a place in College and can flourish, have access to and are actively encouraged to participate in training, and are supported through job opportunities. There has been a lot of 'sticking plasters' over recent years around some of the roles and responsibilities, and the College is now focused on providing clear progression pathways for everybody.

C/23/158 The Corporation received and discussed the Annual Staffing Report, including Continuous Professional Development, paper LMC/C/38/23.

GENDER PAY GAP REPORT

C/23/159 The Vice Principal Finance and Resources referred members to paper LMC/C/39/23 and advised that the College is legally required to publish its gender pay gap information on the website, so this will need to be formally approved by the Board. The mean pay gap is the direct difference between the average rate of pay for male versus female and reduced to 9% in 2022/23. The median pay gap is based on the comparative middle point for males and females and has almost halved to 8% from 2022/23. LMC also compares favourably to other local colleges. If approved, the Director of HR Strategy and Support will publish a redacted version as in previous years.

In response to Governors' scrutiny and challenge, the following points were highlighted:

C/23/160 The reduction in the median pay gap is most likely due to the flat rate pay award given last year. A flat rate was provided to disproportionately benefit those staff at the lower end of the pay scales, and these tend to be more female than male staff. The gap may increase next year given it is a percentage-based award from 2024. The increase to the National Living Wage (NLW) will also have an impact and may balance out the impact of the percentage increase.

C/23/161 The Corporation received and discussed the Gender Pay Gap Report, paper LMC/C/39/23, and approved that a redacted version to be published on the College website.

STATUTORY RESPONSIBILITIES

ANY OTHER BUSINESS

C/23/162 On behalf of the Board, the Chair of the Corporation requested that formal thanks be passed on to Ryann Williams for his service as Academic Staff Governor for the past four years. His contributions to discussion have been much appreciated and all members wished him well in his personal and career development. Members also thanked the Vice Principal Finance and Resources, and his teams, for another successful audit and Governors are appreciative of the hard work involved in securing the clean audit.

DATES OF NEXT MEETINGS

C/23/163 Tuesday 23 January 2024 at 5.30pm
Tuesday 27 February 2024 at 5.30pm

Agata Estkowska left the meeting.

DRAFT MINUTES AND PAPERS OF THE REMUNERATION COMMITTEE MEETING HELD ON 22 NOVEMBER 2023

C/23/164 This is a confidential item for external members only, excluding Staff and Student Governors, under Section 40 of the Freedom of Information Act. Paragraphs C/23/165 to C/23/171 are, therefore, minuted separately.

The Corporation agrees that these non-confidential minutes are an accurate record of the meeting.

APPROVED BY BOARD ON: 23 January 2024

