

CORPORATION AGENDA

Tuesday 21 May 2024, 5.30pm in Suite 3 of the Employer Hub

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 26 March 2024 (Paper LMC/C/71/23 refers) *(for approval) (paper to follow)*

4. Matters Arising

- Mandatory Responsibilities: Health and Safety, Safeguarding and Equality, Diversity and Inclusion *(including SEND)*
- Corporation Action Checklist (Paper LMC/C/72/23 refers) *(for agreement)*
- Draft Minutes of the Search Committee Meeting, held on 16 April 2024 (Paper LMC/S/17/23 refers) *(for ratification)*

Strategic

5. Appointment of Chair of the Corporation 2024/25 (Oral Report from the Governance Adviser)

6. Confidential to Corporation Members Only, under Section 41 of the Freedom of Information Act: Appointment of External Board Reviewer (Paper LMC/C/73/23 refers) *(for approval)*

7. Principal's Strategic Overview (Paper LMC/C/74/23 refers) *(for discussion)*

8. Draft Campus Strategy (Paper LMC/C/75/23 refers) *(for approval)*

9. Curriculum Strategy and Curriculum Planning 2024/25 (Paper LMC/C/76/23 refers) *(for approval and discussion)*

10. Revised Association of Colleges (AoC) Code of Good Governance (Paper LMC/C/77/23 refers) *(for approval)*

Performance

11. Report; Vice Principal Progress and Performance (Paper LMC/C/78/23 refers) *(for discussion)*

12. Report; Vice Principal Finance and Resources (Paper LMC/C/79/23 refers) *(for discussion, with some approvals)*

13. Latest Management Accounts and Funding Key Performance Indicators (Paper LMC/C/80/23 refers) *(for discussion)*

14. Education and Skills Funding Agency (ESFA) Confirmation of Financial Health Grade (Paper LMC/C/81/23 refers) *(for noting)*

Statutory Responsibilities

- 15. Proposed Fees Policy 2024/25 and 2025/25** (Paper LMC/C/82/23 refers) *(for approval)*
- 16. Review of Bus Contract 2024/25** (Paper LMC/C/83/23 refers) *(for approval)*
- 17. Any Other Business**

Information

- 18. Dates of Next Meetings**
Tuesday 18 June 2024, 5.30pm in Suite 3, Employer Hub
Tuesday 16 July 2024, 5.30pm in Suite 3, Employer Hub
- 19. Open and Informal Discussion, including Reflections on the Spring Term Against College Mission, Values and Strategic Objectives**

NON-CONFIDENTIAL MINUTES OF THE CORPORATION MEETING HELD ON 21 MAY 2024

Present:	Lindsay Price (<i>Interim Chair</i>))	
	Agata Estkowska)	
	Sarah-Jane Fletcher)	
	Hilary Fordham)	External Governors
	Lee Lawson)	
	Jonathan Powell)	
	Jane Taylor)	
	Gary White)	
	Elliott Taylor)	Student Governor
	Becky Davenport)	Academic Staff Governor
	Beverley Martindale)	Support Staff Governor
	Danny Braithwaite)	Principal
In attendance:	Peter France		Vice-Principal Finance and Resources
	Charlotte Rawes		Vice-Principal Progress and Performance
	Oona Cushen		Governance Adviser and Clerk

STANDING ITEMS

In a change to the agenda, the Appointment of Chair of the Corporation was taken as the first item.

APPOINTMENT OF CHAIR OF THE CORPORATION 2024/25

C/23/392 The Governance Adviser informed members that Hilary Fordham had agreed to take on the role of permanent Chair of the Corporation, should members be in agreement. The official start date would be 01 August 2024 for an initial three year term, subject to an annual review. There would then be the option of a second three-year term. Mrs Fordham would work with the existing Chair on a transition period, prior to formally taking on the role

C/23/393 Hilary Fordham was duly nominated, seconded and approved as Chair of the Corporation, term of office 01 August 2024 to 31 July 2027, subject to an annual review.

Hilary Fordham joined the meeting.

WELCOME AND APOLOGIES FOR ABSENCE

C/23/394 The Chair welcomed all members to the meeting, including new Governor Lee Lawson. Apologies for absence were received from Yak Patel and Steve Wood. All papers will be taken as read to allow for maximum discussion time.

DECLARATIONS OF CONFLICT OF INTERESTS

C/23/395 Conflicts of interests were declared for Sarah-Jane Fletcher (employer is an awarding body used by the College), Lee Lawson (employer is a subcontractor for the College) and Gary White (Director of a local private training provider).

DRAFT MINUTES OF THE PREVIOUS MEETING HELD ON 26 MARCH 2024

C/23/396 The Chair referred members to paper LMC/C/71/23 and advised that no amendments had yet been received, but there may be some minor amendments following review.

C/23/397 The minutes of the previous meeting, held on 26 March 2024, paper LMC/C/71/23, subject to the notification of any minor amendments, were agreed as a true and accurate record.

MATTERS ARISING

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

C/23/398 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. No items were raised at this time.

Corporation Action Checklist

C/23/399 The Governance Adviser referred members to paper LMC/C/72/23 and advised that three actions remained in progress but that there were an additional two actions arising from the redrafted minutes; the Vice Principal Progress and Performance would review the wording for the success criteria in the Quality Improvement Plan, with a revised version for the termly update due in July and the Vice Principal Finance and Resources, although has already expanded on the expenditure breakdown, to include percentages and key variances in future accounts. The Vice Principal Finance and Resources advised that all of the changes requested for the management accounts may not come into effect until the next academic year, due to new staff training and a new finance software system being installed.

C/23/400 The Corporation discussed and agreed the Corporation Action Checklist; paper LMC/C/72/23.

Draft Minutes of the Search Committee Meeting held on 16 April 2024

C/23/401 The Chair of the Committee referred members to paper LMC/S/17/23 and advised that the Board was required to formally ratify the appointment of Lee Lawson, which was previously approved by an email resolution in order to allow Mr Lawson to join the training session held in April 2024.

C/23/402 The Corporation formally ratified the appointment of Lee Lawson as a full, independent Governor, term of office 01 May 2024 to 30 April 2028.

STRATEGIC

APPOINTMENT OF EXTERNAL BOARD REVIEWER

C/23/403 This is a confidential item for Corporation Members only, under Section 41 of the Freedom of Information Act. Paragraphs C/23/404 to C/23/407 are, therefore, minuted separately.

PRINCIPAL'S STRATEGIC OVERVIEW

C/23/408 The Principal referred members to paper LMC/C/74/23 and advised that there is a confidential section of the report under Section 41 of the Freedom of Information Act. Paragraphs C/23/416 to C/23/423 are, therefore, minuted separately.

C/23/409 The Principal advised that the Department for Education (DfE) Annual Strategic Conversation (ASC) had been held on 02 May 2024. It was a constructive conversation, with the Department for Education (DfE) representatives assured that the College was heading in the right direction in regard to the skills priorities laid out. There was also an interesting discussion from a capital and funding perspective, but the representatives advised that there were no certainties around funding, with a forthcoming General Election, followed by a spending review. There was positive and open dialogue around areas of considered growth.

- C/23/410 Apprenticeships are a national skills priority, but there has been a national decline. The team were interested in hearing what LMC was doing to 'buck' the trend. The Principal had shared that any apprenticeships being considered would be progressed in a considered manner, as it has been recognised that other providers that have moved forward at pace have experienced quality issues. There was an open and honest discussion on the progress and quality of apprenticeships at LMC, which did provide assurance. There was also a straightforward, constructive conversation about where the College sits as an organisation in regard to T Levels and Higher Technical Qualifications (HTQs), which put the College in good stead from a positive perspective as to how the Funding Agency views the College.
- C/23/411 There are changes to the apprenticeships accountability framework, but it will be 'business as usual' in regard to how the College views apprenticeships and improving the quality of apprenticeships is already a priority area for the College. Moving forward with the new framework, both Ofsted and the Department for Education (DfE) will measure, from a dashboard, how things are working around the framework indicators. The senior team will closely monitor the dashboard to ensure that it is reporting on the right areas.
- C/23/412 There is a hyperlink within the report to a strategic document produced by the Association of Colleges (AoC), which includes many interesting items and opportunity. The Association of Colleges (AoC) is doing a lot of work with the opposition party, which may be pre-emptive or speculation, but should also ensure that it is future-proofing its work so it is fit for purpose, regardless of which party is in Government. The Association of Colleges (AoC) provides the perspective of the Further Education sector and how the tertiary education system needs to be adapted and brought more in line with future skills demands and needs. It is a straightforward, informed and accessible document, but is not transformational. Governors are signposted to the document as a framework and to share the recommendations being made by the Association of Colleges (AoC). As the College moves forward with its revised Strategic Plan, Governors and senior staff should start to think about those recommendations and to keep ahead of any potential developments.
- C/23/413 At the recent Association of Colleges (AoC) Chairs' Forum, there was a robust and in-depth discussion around curriculum reform, including the impact and consequence of the continued approach to culling Level 3 qualifications that do not fit into a T Level. There was an even more robust discussion around the current practices of Ofsted and the Big Listen survey. There is a real concern that Ofsted may not be actively listening, as it seems to be completely focused on schools. The newly appointed Chief Inspector comes from a schools background. By its own admission, Ofsted needs to educate the new Chief Inspector on the Further Education sector, but this does present a nervousness in the sector on both his approach and lack of understanding. Following the Forum, the Association of Colleges (AoC) has called an emergency forum to further collect views in a more considered way, and to enable them to be included in the Association of Colleges (AoC)'s national response to the Big Listen survey. There is also genuine concern that Ofsted is staying with the one-word judgement, which is disappointing and does question whether they will really listen to concerns raised. The College is in an inspection timeframe, and will be inspected prior to September 2025.
- C/23/414 As a 'spin-off' from the Civic Impact Accelerator project, there will be some work for students to be involved in, learning from other anchor institutions about how they operate and use partnership development. It is likely there will also be other 'spin-off' projects, including a community listening project, and the College will also play an active role in that. The Principal has been invited to a Local Government Association (LGA) peer challenge event, to discuss shared strengths and partnership working. The Association is new to some of that, so will be looking at how the College has established positive partnerships, from the Principal's perspective. There are some local concerns about the potential impact of devolution and recommissioning for projects in the future.

C/23/415 Following on from discussions on Strategic Planning Day, the revised values were launched to middle managers and to seek their input and guidance on what behaviours should underpin those values. Consultation has now been sought from across the whole College, and students will also play an active role in that consultation. In due course, endorsement for the identified behaviours will be sought from both employers and the Board, so that all can be held to account for those behaviours and values.

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

C/23/424 There is a lack of maintenance grants for College estates, but the Vice Principal Progress and Performance advised that there is new Levelling Up support for areas with skills shortages. This, however, does not include Health. The College is currently struggling to recruit staff in Health, but for other areas will factor in the one-off payments for teachers of £6k per annum that are either new to the sector or within their first five years and are teaching a priority subject. The payments are designed to provide an uplift to salary in the first two years. There will be a feedback letter from the Annual Strategic Conversation (ASC), which summarises the meeting and is normally received around August or September. This will be provided to Governors, once received.

C/23/425 All of the data within the performance indicators are a snapshot in time, around the submission of the Individual Learning Records (ILR) funding submission each month. The challenge when reviewing the indicators, which are all currently rated green, is that when they are rolled forward into next year, they could easily have switched to red as not achieved at the year end. The senior team needs to know exactly where each indicator stands to inform the relevant reporting, but also to identify and progress those at risk of not achieving the forecasted end-of-year outcome and to carry those into improvements for next year. As a Governing Body, it would be useful for Governors to know the worst case scenario, which is not necessarily the current reporting format. This can be done for future reporting, but all data presented comes with the caveat that there is a risk of not achieving measures by the year-end, so everyone is familiar with the current and predicted position. The team is working on a more concise dashboard approach to the Key Performance Indicators (KPIs) with a shorter narrative. Effectively, if the College is measured on something, then it should be monitored.

C/23/426 In-year apprenticeship data does not necessarily follow trends from previous years. This year, the team has re-developed its measures for apprenticeships to cover qualifications, including maths and English, plus whether learners are on or off track on assessments etc. There is a dashboard as to where all these indicators sit, as well as some narrative, but it does not include any trend analysis from previous years. There may also be different in-year assessments. For those attending Assessment Boards at the end of the week, discussions will highlight those areas not currently achieving this year. The new reports build on what was in place previously, but have been amended where needed, so that there is much better oversight of the up-to-date position than this time last year, and data improvements will continue to be made.

C/23/427 The Corporation received and discussed the Principal's Strategic Overview, paper LMC/C/74/23.

DRAFT CAMPUS STRATEGY

C/23/428 The Principal referred members to paper LMC/C/75/23 and advised that all colleges are required to have an accommodation strategy by the Department for Education (DfE). The process was initially started through consultation with curriculum managers, and Matthew Hirst from Fusion has supported through some consultancy work. This was followed up with Governors at the Strategic Planning Day. The Principal and Vice Principal Finance and Resources have then worked closely with Matthew Hirst to develop the Strategy as it currently stands. This will be an iterative process. The documents covers all the areas that the Department for Education (DfE) expects to be included in a property strategy, including some background context and the condition and utilisation of space.

C/23/429 In summary, section 4.8 provides a succinct overview of the main themes; the overall condition of College buildings is mixed, with buildings having elements of very good and some poor condition. There has been some significant investment in the campus over the years, which has been piecemeal as and when needed subject to the availability of capital funding. Previously, colleges needed specific projects to be able to access funding. In some areas, the standard teaching accommodation is no longer of an acceptable standard. Although there is an increase in student numbers, the overall square meterage of the site is more than what is needed, to the strategy is based around re-purposing and re-using existing space rather than adding any additional accommodation with new build. Space utilisation is low, so it is about achieving a better balance between teaching and non-teaching space.

C/23/430 The final section of the strategy sets out the preferred option following the outcome of the review and taking account of the priorities going forward. Table 6 sets out a summary of the works, and table 7 details the key maintenance issues that also need to be prioritised. Capital funding tends to be only for new projects or initiatives, as opposed to routine maintenance, but it is funding to address ongoing maintenance issues that is required. The funding issue was highlighted to the Department for Education (DfE) at the Annual Strategic Conversation (ASC). This initial draft is for consideration of the Board to provide feedback to the senior team. An updated version, incorporated into the College format, will be presented at the Board meeting in June 2024. This will then provide the strategy and framework for the College to move forward on, to either submit funding bids or to priorities its own funds for expenditure.

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

C/23/431 It was suggested that a campus map with detailed drawing of the overall campus buildings would be helpful, and it was agreed to include this. The final version will also be put into the College 'house' style for strategies, along with inclusion of images etc.

C/23/432 The final table sets out the indicative costs of £8.25m, but it is unclear whether this is just for the building upgrades and excludes maintenance, and whether those significant maintenance projects are outside the annual budget. There is a planned maintenance budget, but there are also some large maintenance projects that the College cannot afford from revenue. For example, all the windows in C Block need replacing, as well as repairs to the roof and demolition of the flat. The estimated cost of those works, which are all required maintenance, is around £1.2m. The College does not have the reserves to undertake that work, so it will need to form part of a future funding bid.

C/23/433 During the previous tour of the College by Governors, there were discussions around social space for young people, but this is not something that is reflected within the current iteration. It would be useful if there could be some simple, inexpensive additions in regard to social space, e.g. picnic tables etc., that reflect those discussions with Governors. Although the issues and utilisation is set out, alongside preferred options, there was no real detailed explanation of how the preferred options would address the issues previously discussed with Governors. For example, if proposing that 'ABC' should be done, then articulate how it will address 'XYZ'. The Strategy is more about re-purposing and investing in existing space, as well as crucial maintenance work. Some of the projects, however, will be longer term, because of curriculum initiatives. This will need to be included to provide assurance that when Governors approve the Strategy, they know it will deliver what is required.

C/23/434 The Strategy will be updated to be re-aligned with any amendments in the revised Strategic Plan, once approved. Although it is a five-year strategy, it will become more of a working document, and will be reviewed whenever funding becomes available. There has been a tendency to undervalue projects in the past, with the College then having to use its cash reserves to top up the funding. The team must ensure that projects are more accurately costed to avoid tenders coming in at a substantially higher cost. The College must not deplete its reserves to the point of financial instability.

C/23/435 There was some confusion in regard to space, as in some places the Strategy mentions over provision of floor space and way to reduce the gross internal estates, and in other places it mentions about the need to reduce pressure on space available. The Vice Principal Finance and Resources clarified that, overall, the College is considered to have too much space. This is the Department for Education (DfE)'s calculation, based on Guided Learning Hours (GLH). The average guide is 18 or 19 square meterage, whereas the College comes out at 22 square metrage. Part of the issue is that less space is used to teaching, so there needs to be a balance of the combination of teaching and non-teaching space.

C/23/436 It was suggested that the Nursery space should not be included within the calculations, as this is rented out to a third party, which was agreed. Although the Lecture Theatre is not well used and does not currently contribute to teaching space, it should be included in the calculation. The Lecture Theatre is 53 square metres and is a maintained space but has very low utilisations, so does need to be re-purposed. The Guided Learning Hours (GLH) calculation does include all provision and learners that are recorded on the Individual Learning Return (ILR) funding submission, including any home-educated 14-16 learners. The senior team is considering the extent of this provision in the future but, even with growth, the College should have sufficient space without having to build, it just has to make better use of the existing space.

C/23/437 Given that costs generally turn out to be more expensive than anticipated, and that this is a five-year Strategy, it was suggested that the team could be more pro-active by building in inflationary increases over its term. The indicate costs may stand at £8.25m now, but in five years' time, this may have increased to £12m. The Vice Principal Finance and Resources clarified that the £8.25m is now a proper surveyed cost, but is based on the average sector cost per square metre. There is the danger of diluting the College's ambition where costs spiral significantly higher than planned, and then various aspects of projects have to be value engineered out. It may be possible to add small amount of complementary work to each project. The issue with the T Level tender was that there was a significant amount of additional and costly work incorporated into the original tender that had not been included in the funding bid. As a result, the tenders did come in significantly over budget and all of the additional work has had to be engineered out to bring the project back in line with approved funding. There must be more awareness from the start of what else could be included, as well as considering what could be done sooner rather than later if certain projects may become significantly more expensive in, say, two years' time.

C/23/438 The Corporation received and discussed the draft Campus Strategy, paper LMC/C/75/23.

ACTION: *Vice Principal Finance and Resources to update the draft Strategy in line with Governors' feedback, and to re-present the amended Strategy at the next Corporation meeting for further consideration for approval. Suggestions provided included:*

- *A campus map identifying the buildings should be included to aid the reader.*
- *Some simple plans in regard to additional social space for young people.*
- *Provide clarity on what is included within indicate costs, e.g. capital and maintenance or just capital.*
- *More detailed explanation and clarity around how the Strategy links to the priorities previously discussed with Governors.*
- *Clarity on the size of the existing estate in regard to overall square meterage, the guidance and the current position between teaching and non-teaching space.*
- *Ensure the Nursery is not included in any space calculations to provide a more accurate reflection of the existing estate.*
- *Consider adding inflationary increases for each year of the Strategy, to ensure that indicative costs better reflect a future cost position.*

CURRICULUM STRATEGY AND CURRICULUM PLANNING 2024/25

C/23/439 The Vice Principal Progress and Performance referred members to paper LMC/C/76/23 and advised that the strategic drivers will be updated once the revised Strategic Plan has been approved. There has been little change to the Strategy this year, but key statements have been included around strategic intent and the suite of documents created with Bob Hill Associates. Additional statements have also been included under adult and community learning in regard to tailored learning and how the College is supporting that. There is also detail on how the College will collect sustained destinations for adults, through a new system implemented this year, as well as further information on key developments for 16-18 learners and adults, including skills competitions, employability and core skills, alongside an update on current projects. The senior team did discuss the 14-16 provision in length at their recent away day and did come up with the potential infrastructure required to support, but it was felt pertinent to cap numbers, particularly in light of comments from Governors, and including the Student Governor. Since then, however, the situation has progressed as Myerscough College has recently opted to not deliver as much 14-16 provision for elected home educated learners. Previously, Myerscough College has offered the national curriculum, GCSE English and maths plus science for 14-16 learners, with around 150 to 200 learners enrolled. Myerscough College has worked with Lancashire County Council to withdraw from that provision and has issued a statement of intent for the next academic year. At LMC's last Open Day on 01 May 2024, the event was inundated with elected home educated learners. In regard to the curriculum plan for 2024/25, this has almost been finalised and is documented within the report.

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

C/23/440 Myerscough College had previously issued a statement of intent to deliver English and maths plus science, as well the resit opportunities for maths and English. There was then additional 'catch-up' hours to be delivered for maths and English, so Myerscough College ended up with increased delivery utilising their best staff and that English and maths delivery for 14-16 year olds was detracting from their core business of post-16 education. The figures that the senior team came up with on the away day were a maximum of 30 home educated learners, plus between 20 to 25 Year 10 and 11 learners with priorities being given to those in Year 11. The additional Year 10 and 11 learners are those that remain on roll at school and schools pay for some provision to be provided by the College. Staff are also in discussions with schools on the Not in Education, Employment or Training (NEET) project. Feedback from some schools is that parents have looked at the College website and seen that the College has provision for elected home educated learners and are then choosing to take their child out of school in order to attend College. This may appear that the College is promoting itself as the provider of choice for 14-16, but this is not a course of action advocated by the College, as the provision is for the 'accidental' home educated, so elements will be removed from the website and reference to the provision updated accordingly. The College needs to actively work with schools to ensure they are where they should be and this will be about striking the right balance.

C/23/441 Although the exact figure is not known, the Vice Principal Progress and Performance has contacted Lancashire County Council and the figure is in the hundreds, as opposed to a small number by exception. Presumably, some of those learners currently attending Myerscough College will come from the Preston area and will return south. Some parents are seeing home-educated, with some College provision, as an active choice, and may be one of the reasons for Myerscough College to withdraw. Although LMC will push any 14-16 learner to undertake GSCE maths, there is no guarantee that any 14-16 year old will take a GSCE as, generally, it is Functional Skills.

- C/23/442 The capped figure takes into account the overall learner population, but is based on what the team considers manageable with the infrastructure. The team were advised to also work pro-actively, not just with school referrals or community partners, but also with parents. The College is not promoting the provision directly, but should be where there is no other choice. There are too many choosing to become home educated, which is stopping those in genuine need accessing the provision. The Not in Education, Employment or Training (NEET) project aims to re-engage young people in education, and in the right place for them. There were three students pulled out of education last week, not for genuine educational reasons but for grief about other things, e.g. uniform etc. The Vice Principal Progress and Performance also advised that the College is quite stringent about assessment days. There have already been 40 applications for only 30 places, so it will be a tough assessment day. The aim is to ensure that learners who attend College see it as a privilege to come to College and gaining a place should be an aspiration. This was part of the previous conversation with the Board and the Student Governor.
- C/23/443 The College has limited provision, so it may be a case of also identifying other providers that can take 14-16 year olds. When parents elect for their child to be home educated, it is the parents that take on the full responsibility for the education of that young person, and even when enrolled on some College provision, this is never full-time provision and the parent remains ultimately responsible. The provision at College should be where there is not another option available, but the team will continue to work with the learner and the school to get the learner back into school, wherever possible. It is fortunate that the College has secured the Not in Education, Employment or Training (NEET) contract, which means the College will be able to work externally with more schools and partners in the short term for the duration of the contract. It is also about seeing how many young people are there that the College is unable to support, so the project will also focus on getting learners back into schools. It may be harsh to turn learners away, but it should be about supporting young people back into where they should be, which is at school. The Vice Principal Progress and Performance advised that the conversations have been broadened to find out why learners are home educated, and whether that was a parental choice or through schools exclusion, as there is a fine line between the two reasons.
- C/23/444 The curriculum maps highlighted some gaps in the College's provision, and Governors were interested to hear how the College will start to address some of those gaps next year. One key area was digital and cyber security, as well as civil engineering, which will start from January 2025. There will also be the engineering T Level, starting in September 2024, which should then raise aspirations for those learners to continue to Level 4 provision. Some of those gaps are, therefore, starting to be filled, but as considered and measured growth, which reflects the more immediate demand. The College is prioritising local demand but with consideration on how best to achieve that.
- C/23/445 The Corporation received and discussed Curriculum Planning 2024/25 and approved the Curriculum Strategy, paper LMC/C/76/23.**

REVISED ASSOCIATION OF COLLEGES (AoC) CODE OF GOOD GOVERNANCE

- C/23/446 The Governance Adviser referred members to paper LMC/C/77/23 and advised that this is the revised Code of Good Governance, which has previously been presented to Governors in draft. The Board was fully supportive of the new Code during its consultation stage, and felt that the new Code was refreshing, less prescriptive and much more values based. If the Board approved the adoption of the new Code, future governance self-assessment will be updated to realign to the new Code of Good Governance.

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

- C/23/447 Corporation documents will be published on the website and the Marketing team, in collaboration with the Governance Adviser, has recently developed a 'shadow' site with additional pages and information. Once this is fully populated, it will be transferred over to the live website.
- C/23/448 **The Corporation received and discussed the Revised Association of Colleges (AoC) Code of Good Governance, paper LMC/C/77/23, and approved the adoption of the Code, effective immediately.**

PERFORMANCE

REPORT; VICE PRINCIPAL PROGRESS AND PERFORMANCE

- C/23/449 The Vice Principal Progress and Performance referred members to paper LMC/C/78/23 and advised that apprenticeships remain under high scrutiny. Learner attendance is not where the College wants it to be, but there are different activities in place to help improvement. One of the issues is specifically female attendance. The College is currently running a vibrant Aspiring Leaders programme and some staff on that course have been tasked with reviewing this issue. Staff will meet with focus groups of learners and then provide analysis and feedback, so progress is being made. Although Governors requested information on how many learners have individual attendance targets, the Vice Principal Progress and Performance is not certain that the figure being reported is fully up-to-date. It is reported that 417 16-18 learners have an individual target, but only 49% are meeting their target, which is not where it needs to be, so there is more work still to do. Attendance can change throughout the year and there is more work being done. There is also a new system, key performance dashboards, being put in place for next year to provide more accurate reporting.

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

- C/23/450 Meetings are held every fortnight between each Programme Area Manager, the Safeguarding Manager, the Head of Learning Support and the Engagement Manager to review all learners deemed at risk for non-attendance to see if there are any additional support measures that can be put in place, including financial as well as learning support. The majority of at risk learners are fully aware of the support available within College, but it is generally a range of issues outside of College that is affecting their attendance. On the whole, these learners still have better attendance than when they were at school. Next academic year, there will be increased maths hours, so attendance is likely to be even more challenging. Staff are aware of the issues, and are determining exactly how many are really at risk of leaving or not achieving. Overall, apprenticeship attendance is still high at over 90%, but there are clear differentials between Levels 1 and 2 and Level 3. Next year, learners will have English, maths and their vocational course to attend, with increasing hours. The College does have the Not in Education, Employment or Training (NEET) contract and there are some success stories reported as well.
- C/23/451 Applications (which should read 390, not 3,909) are strong for next year, and there is a lot of other good news within the report. Future meetings, both at strategic and operational level, will need to focus on how best to manage that growth.
- C/23/452 It was noted that three Governors will be in attendance at the forthcoming Assessment Boards.
- C/23/453 **The Corporation received and discussed the Report; Vice Principal Finance and Resources Vice Principal Progress and Performance, paper LMC/C/78/23.**

REPORT; VICE PRINCIPAL FINANCE AND RESOURCES

- C/23/454 The Vice Principal Finance and Resources referred members to paper LMC/C/79/23 and advised that there are confidential sections of the report under Section 41 and 36 of the Freedom of Information Act. Paragraphs C/23/458 to C/23/468 are, therefore, minuted separately.
- C/23/455 There have been no Reporting of Injuries, Diseases and Dangerous Occurrence Regulations (RIDDOR) reportable incidents. There have been no major changes on the capital projects since the last report; the Bay kitchen upgrade, funded through the remaining Local Skills Improvement Fund (LSIF) and the Savoy Trust (£345k remaining in total), is progressing and orders have been placed for the catering equipment, and the associated electrical and plumbing works, all of which come in under budget. These works should be in place for the start of the new academic year.
- C/23/456 58% of staff (up to 61% since the report) have now had two performance reviews, with 94% of staff having had at least one review. Although it is not yet at 100%, but it is a much improved figure from last year. There are also some policy amendments that require formal approval. Following difficulty in recruiting in construction, the Shortage Skills Allowance (SSA) policy has been extended to also include instructor technicians subject to the criteria set out in the paper and to a maximum of £1k allowance. The CCTV tender has been awarded to the contractor with the lowest price and a good solution. The contract value was £97k, which is below the Board threshold for approval, so is detailed for information only. The proposed amendments to the Complaints and Compliments Policy arose through an Awarding Organisation inspection, and the review of College procedures for dealing with complaints.
- C/23/457 A new online job application system is due to go live imminently. To date, the College still operates a paper-based application, but moving to an online process reduces the cyber security risk. Applications will only be made online, and an automated internal process will also speed up the process. The Levelling Up premium is good news for teachers, and those staff that qualify can claim up to £6k from the Government for two years on top of their salary. This should help those that qualify, but not all teachers meet the criteria, so some will benefit but for those that do not, they may feel aggrieved. The Premium will be highlighted in any relevant recruitment.

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

- C/23/469 It was requested that there is consistency of language used, e.g. complainant, student and learner are all used within the text, and a consistent term should be applied for clarity. The section a) is part of a longer list of people that learners can extend their complain to and the policy does cover all stakeholders.
- C/23/470 The Corporation received and discussed the Report; Vice Principal Finance and Resources, paper LMC/C/79/23 and approved:**
- **The amendment to the Skills Shortage Allowance Policy to include, where relevant, a revised Skills Shortage Allowance for Instructor Technicians; and**
 - **The amendments to the Complaints and Compliments policy, as identified by a recent Awarding Body audit, subject to the language amendments.**

ACTION: *Vice Principal Finance and Resources to standardise the language used within the Complaints and Compliments Policy.*

LATEST MANAGEMENT ACCOUNTS AND FUNDING KEY PERFORMANCE INDICATORS

C/23/471 The Vice Principal Finance and Resources referred members to paper LMC/C/80/23 and advised that trends are similar to those in previous months. The deficit at the end of March stood at £271k, £180k better than the budgeted deficit of £460k. Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) would be sufficient to maintain a financial health grade of good. Within this month, the College received the £729k grant from the Department for Education (DfE) for T Level specialist equipment. This must be fully spent by December 2024, and will remain in the current account until spent. This has resulted in the cash holdings in Barclays going above the 50% holding limit. When the capital money is excluded, the underlying cash holding with Barclays stands at 42%, which remains compliant with the Treasury Management Policy.

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

C/23/472 It was confirmed that the Barclays current account has an overnight sweep into the premium account, to attract some interest. It is not possible to tie in most of those funds as they need to be spent by September 2024 on capital, new equipment etc.

C/23/473 Following some sector research, it was noted that the trend within the sector is to produce the management accounts anywhere within 10 to 20 days of the month end, which can be a full month behind the current position. It was questioned whether, going forward with the new finance system, the management accounts could be produced in a timelier manner for Governors. The Vice Principal Finance and Resources confirmed that the current Finance Regulations stipulate 20 working days, and this partly relates to payroll. The current Finance Manager only works three days a week, the new Head of Finance has just started full-time but needs training and the team is in the process of switching finance systems. The Vice Principal Finance and Resources suggested that the Board provides some leeway to allow all the new changes to settle, but would be looked at going forward for the next academic year.

C/23/474 The Corporation received and discussed the Latest Management Accounts and Funding Key Performance Indicators, paper LMC/C/80/23.

ACTION: *Vice Principal Finance and Resources to review the permitted timescale for production of management accounts for 2024/25.*

EDUCATION AND SKILLS FUNDING AGENCY (ESFA) CONFIRMATION OF FINANCIAL HEALTH GRADE

C/23/475 The Vice Principal Finance and Resources referred members to paper LMC/C/81/23 and advised that the College submits the end-of -year finance records, as well as the College Financial Forecasting Return (CFFR). The Department for Education (DfE) reviews those submissions and will formally confirm the actual financial health grade and the predicted grade for the following year. This letter confirms the actual assessment of good financial health for 2022/23.

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

C/23/476 The Department for Education (DfE) will be producing a new online financial dashboard, summarising the College's finance record, as a benchmarking tool, which should be available over the summer. The Governance Adviser will include this within future reporting, once available. The Association of Colleges (AoC) also produces a filterable spreadsheet detailing all colleges' finance records, which is available on their website should Governors wish to review this.

- C/23/477 When the College Financial Forecasting Return (CFFR) was submitted in July 2023, the initial forecast was a financial health grade of requires improvement as, at that time, the College was not forecasting a high enough Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) score to obtain good. When the actual finance record was submitted in December 2023, this score had improved sufficiently to meet the criteria for good financial health. The forecast to be submitted this July will be for the 2025/26 year, alongside the budget for 2024/25 will also include the forecasted outturn for 2023/24. In December 2024, the College will submit the audited financial statements as the official record.
- C/23/478 **The Corporation received and noted the Education and Skills Funding Agency (ESFA) Confirmation of Financial Health Grade, paper LMC/C/81/23.**

STATUTORY RESPONSIBILITIES

PROPOSED FEES POLICY 2024/25 AND 2025/26

- C/23/479 The Vice Principal Finance and Resources referred members to paper LMC/C/82/23 and advised that fees remain broadly unchanged, with the exception of two areas. The adult part-time hourly rate will increase by 6.5% from £1.80 to £1.92, which is in line with the staff pay award and reflects the increase in in-year costs. The same percentage increase has also been applied to the Higher Education fees for 2025/25, increasing from £5,500 to £5,850. The Higher Education fees have to be set one year in advance to be complaint with funding rules. All other fees remain unchanged because, in essence, the team felt that any large increase may substantially affect recruitment. The adult full-time fee will remain at £250 as there are few learners that pay, so any increase would only have a minimal impact on the accounts. The majority of those enrolling on full-time courses would be eligible for free tuition. There is a new section for 14-16 provision, as the fees charged for that provision are substantial and should be explicit within the policy. Although it is difficult to compare fees with other colleges as each college presents in a different way, the team felt that these fees will remain competitive with other local colleges.

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

- C/23/480 Although the 6.5% increase will absorb staff costs, there would be other increasing costs that could be taken into account, e.g. insurance etc. Staff wages account for 65% of the College's costs and, although other costs have increased, it was felt that 6.5% reflected the average increase of all costs. The fees are set for the full year, so any further increases would have to be absorbed by the College. Tuition fees are a relatively small proportion of income for the College, as most learners are funded by the Education and Skills Funding Agency (ESFA), including apprenticeships, adults etc., so the fee income is just a top-up income for the College.
- C/23/481 If 14-16 provision is in high demand and other provides are no longer offering that provision, it was questioned whether those fees could be increased further. It was explained that the rates have increased this year; the group rate is £90 for this year and was £60 the year before, so there has been a substantial increase in the last two years. A large number of those learners will still be enrolled at school, and the school has to pay for the provision. The Principal confirmed that these fees could be at a premium, but the College felt that it should apply a balance. Increasing 14-16 provision would have a big impact on staff and could be a distraction from core business.
- C/23/482 One subcontractor has chosen not to deliver 14-16 provision, as it was a demanding ask of staff and deviated attention away from the core business. Even a capped number of 30 learners will have a big impact on staff and infrastructure. Every 14-16 learner has to sign a learner agreement and commitment statement, as well as a code of conduct. There is also a Service Level Agreement (SLA) with each relevant school.

C/23/483 These fees only apply to those schools paying directly for College provision, or the Pupil Referral Unit at Lancashire County Council. The fees do not apply to elected home educated learners, who are funded through the College's main 16-18 funding allocation. Elected home educated learners bring in around £5k per learner. Numbers will be capped for 2024/25 for both school and elected home educated learners.

C/23/484 The Corporation discussed and approved the Fees Policy 2024/25 and the Higher Education Fees 2025/26, paper LMC/C/82/23.

REVIEW OF BUS CONTRACT

C/23/485 The Vice Principal Finance and Resources referred members to paper LMC/C/83/23 and advised that the contract requires formal approval as it is over the £100k threshold. The College currently holds a contract with Travellers' Choice to provide dedicated buses for learners. The five dedicated routes are listed in the report and cover North Yorkshire and Cumbria. Based on 2023/24, 290 learners applied for a bus pass on this service. This equates to £1.459m of income funding, set against the contract cost of £219k, making it financially viable. Not all of those learners will use the bus for the full year, as some may pass their driving test and other may car share or get lifts. The majority, however, would not initially be able to get to College and enrol, as other public transport alternatives are not feasible. It is proposed to continue with the bus service and with Travellers' Choice as the provider, rather than go out to full tender. For the last tender, Travellers' Choice was the only local company that submitted a tender and that had the capacity to deliver the contract. Staff are not aware that the situation has changed or of any other local providers. The College has an excellent relationship with Travellers' Choice, which is a reliable but flexible company. Bus staff must undergo the College's safeguarding training as part of the contract. The proposed price increase of 1.9% is still relatively low, given the pressure on wages and fuel. This remains a cheaper option than having to undertake a full tender for only one provider. It is, therefore, proposed to continue the bus service and to appoint Travellers' Choice for a further three years, subject to annual review, at a cost of £219k in the first year. A waiver form is included in the report for consideration.

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

C/23/486 The Support Staff Governor, in her role as Safeguarding Manager, advised members that the safeguarding training is not being completed by Travellers' Choice staff, but is an essential requirement for the protection of learners and bus staff. It was agreed that this training must be completed and the requirement should be enforced through the new contract.

C/23/487 The College will review the numbers during enrolment, but is reviewing the routes earlier this year for the next academic year. There have been more applications from Cumbria, and the College will identify which buses are required to ensure good coverage and staff are working on mapping that demand. One bus was cancelled last year, and Travellers' Choice will also do this at short notice. Learners were not left without transport, as two routes were merged together.

C/23/488 Although the College has been marketing provision to the south of Lancaster, there are still insufficient numbers to warrant a dedicated bus from Garstang. It remains a cheaper option to provide the Stagecoach Gold Rider bus pass for those eligible learners. There is now a College 'Enrolment Growth Group', looking at the impact of increased learner numbers overall. As learners from Garstang have to get two buses to the College, there is a danger that they will get off the first bus in Lancaster and not take the second bus. This group has, therefore, initiated discussions with Stagecoach to discuss the possibility of one bus on a straight through route and those discussions remain ongoing. The team will monitor numbers coming from the south to ensure the bus pass, rather than a Travellers' Choice dedicated bus, remains the cheapest option.

C/23/489 A tender process was undertaken four years ago, with a three-year contract being issued plus a one-year extension. Any contract issued will be subject to annual review to ensure the service remains financially viable for the College.

C/23/490 Devolution for both Lancashire and Cumbria will only affect the adult budget, not 16-18 learners, so will have little impact on the bus contract as the majority of users are 16-18 learners. The bus contract can be reviewed in year and Travellers' Choice is very flexible. This year, the College did consider closing the Sedbergh route, but numbers increased on the route so it was unnecessary. Bus numbers are reviewed during enrolments and discussion on routes required takes place with Travellers' Choice.

C/23/491 The Corporation discussed and approved the Review of Bus Contract, including the Waiver Request, paper LMC/C/83/23.

ACTION: Vice Principal Finance and Resources to ensure that all relevant Travellers' Choice complete the College's safeguarding training, and that this requirement should form part of the contract.

ANY OTHER BUSINESS

C/23/492 There were no other items of business.

INFORMATION

DATES OF NEXT MEETINGS

C/23/493 Tuesday 18 June 2024 at 5.30pm
Tuesday 16 July 2024 at 5.30pm

C/23/494 Governors should also note the potential additional date of Tuesday 30 July 2024 for an online meeting to receive the formal outcome report for the External Board Review.

OPEN AND INFORMAL DISCUSSION, INCLUDING REFLECTIONS ON THE SPRING TERM AGAINST THE COLLEGE MISSION, VALUES AND STRATEGIC OBJECTIVES

C/23/495 It was requested that all future agendas should provide for a 'comfort break', around half way through the meeting wherever possible.

C/23/496 Governors also requested that staff are congratulated on the progress made in the effective use of College IP.

ACTION: Governance Adviser to build in a formal 'comfort break' for all future meetings.

ACTION: Governance Adviser to formally congratulate all staff on the improved use of College IP.

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

APPROVED BY BOARD ON: 18 June 2024