



MEETING OF THE CORPORATION OF MACCLESFIELD COLLEGE

TUESDAY 9 JULY 2024 – 9:30AM

VELOCITY - PART I

Clerk: Ms S Gardiner

In attendance	C Johns (Chair of the Corporation), M Wright, R Charlton, I Jones, G Crossman, P Hunter, G Lagan, G Bristow, J Lewis, I Cass, J Bennett, R Kay (Principal), H Taylor
Apologies	E Kennedy
Absent	H De Botte, N Schofield,
Non-governor attendance	L Reed (Deputy Principal) V Hayhoe (Director of Finance and Estates) M Sheehan-Slade (Item 6 only) T Cosgrave (Item 6 only)

MINUTES

Item Title

1. Ratification of the role of Director of Finance

The appointment of Annika Farrar as Director of Finance was approved by the Board.

2. Welcome and Apologies for Absence

The Chair welcomed Members to the meeting. Apologies were received from E Kennedy.

3. Declaration of Members' Interest

There were no declarations of Members' interest.

Papers received had been uploaded to Trust Governor and were available to Governors one week prior to the meeting.

4. Minutes

To confirm and approve the Part 1 Minutes of the meeting held on 6 February 2024 and 30 April 2024.

The minutes of the Corporation meeting held on 6 February 2024 and 30 April 2024 were approved as an accurate record.

5. Matters Arising from the Meeting held of 6 February 2024

Governors would like to review the long-term strategy to better prepare the College for future curriculum planning. It was agreed to look at areas that are a priority nationally and will potentially be areas of growth in the future – **actioned on 14 May 2024 Strategic Away Day.**

The Teaching and Learning Committee be called the Learner Experience Committee. The Ofsted Plan to go deeper, in order for this to be unpicked at a further level. There needs to be further scrutiny of the action plan. Check wording of the report to ensure that it reflects the College and challenge words that we disagree with – **Ofsted Report received on 12 February 2024, complaint not upheld.**

The newly appointed Director of Governance would now need to combine these actions with the existing Governance Action Plan and provide updates to the Corporation at regular intervals throughout the academic year on the progress of these actions - **Delegated authority to the Learner Experience Committee.**

Matters Arising from the Meeting held of 30 April 2024

Learner Experience Committee to be added as standing item on Corporation Agenda – **Actioned.**

Director of Corporate Services to review option for informal advertisements on College transport – **Actioned. HF confirmed that the College is advertised on all College transport via their digital screens on the front and back. Any additional advertisement would add a large cost.**

6. Presentations

i. Mid Year Report of Staff Survey & Gender Pay Report

The Director of HR & Culture (MS) joined the meeting for this item only to provide an update on the staff cultural assessment.

MS advised the Board that the College conducts their staff surveys through the Happiness Index which measure 4 key areas around how staff think and feel – Instinctive, Emotional, Reflective and Rational. MS confirmed the response rate has risen from 75.7% last year to 82.3% this year and was pleased to share that the overall happiness score was 7.8. A copy of the full presentation is attached to these minutes.

CHALLENGE: A Member queried who the staff see as the Organisation?

MS advised that the majority of the staff see the organisation as the whole College, however in some departments, this could be seen as the Senior Management Team/Executive Leadership Team.

CHALLENGE: A Member queried the reference to the College lacking in investment and resources and asked for further clarification on this.

MS confirmed that in the main staff are referring to teaching resources. The College has seen significant investment in the new automotive and plumbing areas which has shown to have a positive impact on the staff happiness levels.

CHALLENGE: A Member commented that holding focus groups with the departments scoring lower on the scale is effective, however suggested meeting with those departments who scored higher and sharing those findings across the College.

MS confirmed that information gathered from focus groups is used across departments, as this differs between teams.

CHALLENGE: A Member queried the internal progression at the College and asked whether this is promoted to staff. If staff are aware that there is a pathway for them, staff turnover could be reduced.

MS advised that the College launched the Aspiring Managers Programme and Programme Lead training last year and a number of internal promotions have occurred. MS added that when a member of staff leaves the organisation, current staff have been given the opportunity to fill that role.

RK added that DfE and FE Commissioner have asked the College to share our Wellbeing and New Way of Working Strategies and a member of the FE Commissioner's team will be visiting the College in September 2024 review both strategies. RK wished to thank MS for implementing the wellbeing initiatives, the results of which are clearly seen within the Happiness Index feedback.

Gender Pay Gap Report 2023

MS provided Board with the recent Gender Pay Gap Report, confirming Macclesfield College's pay gap has reduced to 3.8%, which is significantly lower to other FE Colleges in the region.

ii. Employer Survey

The Director of Employer and Commercial Services (TC) joined the meeting to present the results from the recent Employer Survey.

TC confirmed that 104 responses were received providing an increased compliance rate of 25%, which was a 7% increase from last year. The positives from the survey and the responses that required further analysis were shared. The actions taken in relation to the survey were shared with the Corporation.

CHALLENGE: A Member queried how the College is ensuring employers have full knowledge of the capability of the College.

TC confirmed that all employers are provided with a full campus tour and all Sector Leads have key employer boards. Social media platforms are also key in sharing College updates. The College is also hosting a launch event in September for the new Automotive where local businesses will be invited to attend.

CHALLENGE: A Member queried whether lack of understanding of apprenticeships from employers is the reason why learners are not completing?

TC advised that some employers are not aware of the importance of apprentices completing their End Point Assessment, therefore a clause has now been included in all contracts whereby the employer will be charged should the apprentice not complete their EPA. TC added that maths and English attendance in certain sectors is also challenging, as employers are reluctant to release their apprentice to attend College.

CHALLENGE: A Member queried whether the recent Ofsted inspection outcome has affected employer engagement with the College.

TC advised that the Ofsted outcome has not affected engagement, however the College has been removed from some frameworks.

CHALLENGE: A Member asked if the College had received any feedback from employers following the results.

TC advised that some employers were surprised to see the progress update figure decline, however explained that in some cases the person completing the survey is not always the person dealing directly with the apprentice.

CHALLENGE: A Member queried whether the size of the organisation is included within the survey.

TC advised that this is not asked currently, however can add this for next year. A Member added that it would be useful to see the size of the organisation against the response rate.

Student Survey

LR presented the results from the Student Survey carried out in March 2024. The positives from the survey and the responses that required further analysis were shared. The actions taken in relation to the survey were shared with the Corporation.

CHALLENGE: A Member queried what lead to the change in the Automotive area.

LR advised that there had been a new teaching team, significant investment into the workshops and resources and effective leadership.

7. KPIs 2023/24

The KPI document for 2023/24 was shared in advance of the meeting.

RK confirmed to the Board that a review of the KPI document was underway and that best practice templates have been requested. RK confirmed that Steve Mostyn will also be joining us on 22 October and will be assisting ELT and the Board to reshape the KPI document for 2024/25. The content of the KPI document was referred to in other papers presented.

8. Audit Committee

i. To receive the minutes of the Audit Committee Meeting held on 25 June 2024 and note any actions from the meeting.

The Audit Committee minutes from the meeting held on 25 June 2024 were received. MW noted that the College has undergone the internal audits in HR, Campus Management and Risk Management. All internal audits were now completed and all held an adequate outcome.

ii. To approve the External Audit Plan

The Director of Finance and Estates presented the plan, confirming that the plan mirrored that of 2023/24.

The External Audit Plan was approved by Board.

9. Learner Experience Committee

The Learner Experience Committee on 25 June could not take place due to it not being quorate. The papers prepared for that meeting were therefore shared with Board. The Deputy Principal (LR) provided an overview of the papers which detailed updates on January Examination Results, KPI's, Quality Update, Teaching and Learning and Careers. The recent Matrix Assessment Report was also shared with the Board. LR confirmed that due to a recent structure change in the organisation, only two Centre Principal reports were prepared.

CHALLENGE: A Member queried whether AI has been an issue for the College.

LR explained that there has been one incident where AI has been used during an assessment. LR confirmed that AI has been raised in the risk management group and all relevant Exams and Academic misconduct policies updated.

CHALLENGE: A Member queried CPD for staff next year, does the College have a plan to move this forward?

LR confirmed that the main focus this year was basic practice in the classroom to ensure consistency. CPD going into the next academic year will steer toward enhancing those skills. There will be a series of pathways for members of staff depending upon their starting point. New starters will also have training on EHCP learners and how to plan their lessons around those student's specific needs and understanding their expected outcomes.

CHALLENGE: A Member queried the current retention rate of 89.8% and asked if 19+ retention rate is affecting that figure and if so, does the College know why?

LR explained that the College will see a decline in the retention rate of Access courses and curriculum managers have reviewed their advice and guidance sessions in response. Other areas being monitored include maths and English and online short courses.

i. Members are invited to approve the Learner Experience Committee Terms of Reference. Terms of Reference were approved.

10. Business

The Director of Finance and Estates (VH) presented the management accounts ending 31 May 2024. VH shared the updates from the Mid-Year Financial Review to May with Governors. This included the following points:

- Full year operating position forecast has moved adversely from £427K deficit to a £505k deficit meaning our RI position remains the same.
- Income has been increased by £16K overall which includes a reduction of Apprenticeship income of £150K following the presentation at the last board meeting of best and worst case outcomes offset by additional income in Catering, Employer Incentives and Teachers Pension Grant.
- Pay costs have increased due to the increase in the Teachers Pension rate however VH confirmed this was fully funded.

- Non pay costs have risen by £58K however VH confirmed that this is funded by additional income.
- VH explained that she expects this to be the year end outturn subject to Agency staffing costs.

VH explained that revised cashflows have been completed and 2023/24 cash remains stable with a year end forecast of £543K Project work payments have been tightly managed against the DfE timings of claims. VH shared the forecast for 2024/25 which shows the low cashflow balances at the start of the year until projects have been completed. Robust management of payments is needed to ensure the forecast remains accurate.

VH confirmed that both the management accounts to May and the detailed cashflow had been shared with DfE.

VH provided an update on capital projects, no concerns on completion or budget at this time although Cunard are reporting a 28 day delay on the IoT project which they are hoping to recover as the project progresses. VH explained that the college is not planning on delivery until Jan 25 so minimal impact.

VH informed the board that the bank have emailed confirmation that the loan covenant measure will be removed from the facility agreement for year end 2024.

i. To receive the forecast Financial Outturn 2023/24, Budget 2024/25 and Plan 2025/26

VH presented the commentary for the three-year College Financial Plan to 31 July 2026 and confirmed the CFFR figures were shared with the DfE in draft on 2 July. The following main points were shared with the Board:

- The introduction provides some context to the financials over the last couple of years.
- The outturn for 2023/24 is linked to the management accounts at May which were shared earlier in the meeting.

The College has seen a significant growth in income due to the following factors:

- Increased 16-18 numbers in 2024/25 allocation and numbers for 2025/26.
- High Needs funding has increased to 86 places in 2024/25 and have assumed the same for 2025/26.
- Apprenticeships has planned growth for 2024/25 with the introduction of standards in Automotive and Plumbing which yield higher payments.
- The Adult Education Budget has performed well during 2023/24 and is expected to have a small shortfall when compared to allocation.
- Catering income has seen an increase during 2023/24, however budgets have remained the same for 24/25 and 25/26.
- A full review of income will be undertaken following enrolment to assess whether there are any areas for concern so mitigating action can be taken early.
- Staffing costs have seen a significant increase driven by pay rises, pension increases agency costs and new posts to deliver the curriculum plan.
- Operating costs are due to decrease by £222K in 2024/25 due to the removal of a large contract and one-off projects in 2023/24.

- VH shared the detailed cashflow forecast showing the decrease at the start of the year. This is due to large capital project payments. The College will manage cashflow robustly over 24/25 to ensure funds are received and paid in line with the forecast. VH explained that the cash position is extremely tight at the start of the year and income and costs will need to be controlled and managed tightly to ensure it remains within forecast. Any shortfall in income from enrolment also needs to be quickly identified so that remedial action can be taken.
- VH explained that a reduction in I&E performance of £90K will move the financial health position back to RI and that 2024/25 remains a challenging year.

CHALLENGE: A Member queried what the College position would be should cash not be available.

VH confirmed that should the College be in this position, emergency funding can be sourced from the DfE. The College would however be subject to close management and scrutiny.

CHALLENGE: A Member queried the management of capital projects and investment from the DfE.

VH confirmed that capital project investment from the DfE would need to be paid in year so as not to affect cashflow forecast. The College is not in a financial position to match investment therefore would require 100% investment from the DfE.

VH directed Governors to page 7 of the report, detailing the risks/factors for 2024/25 which include:

- 16-19 income – if enrolment numbers do not meet the 1226 in plan, this will have an impact on 2025/26 funds.
- 1% pay increase for 2024/25 and 2025/26 – may affect retention and recruitment.
- Agency costs – these could increase in year if the College cannot recruit to specific roles. VH explained that the roles where agency had been needed in 2023/24 have now been recruited to and vacancies for 2024/28 had successfully recruited. The risk areas for the start of September were Science and GCSE English.
- Contingency funds – the budget and plan do not have any contingency funds, therefore any unexpected costs or shortfall in income cannot be covered.
- Infrastructure – the College is unable to invest in IT or Estate unless in year growth payment can be secured.

VH confirmed that the details and figures contained within the reports will be submitted to the DfE.

The Corporation approved Forecast Financial Outturn 2023/24, Budget 2024/2, Plan 2025/26 and Supporting Commentary to the CFFR.

ii. Debt Write Offs

The Director of Finance and Estates explained that as outlined in the Financial Regulations (4.5 the collection of debts), all requests to write-off debts over £1,000 must be referred in writing to the Principal and Chief Executive. Requests to write-off debts in excess of £10,000 must be approved by the Corporation (This applies to individual debts and to a group of debts where the total exceeds the thresholds outlined above).

At the Audit Committee meeting in November 2018, it was agreed that an annual report would be submitted to corporation detailing all debts to be written off, regardless of value, for which corporation approval would be sought.

For 2023/24 there are 4 debts which require approval for write off. All of these debts are fully covered by the bad debt provision within the College accounts. They are all student debts. In line with the college's Tuition Fee Policy, the learners were liable for the fees and the College pursued the collection of these debts via the debt collection agency used by the College.

Governors were asked to approve the total debt of £4,160.39. This request was approved.

11. Corporation Calendar of Meeting 2024/25

The Corporation Calendar of meetings for 2024/25 was presented by the Director of Governance. The Director of Governance explained that the frequency of the Learner Experience Committee meetings had been reviewed by the committee Chair and Deputy Principal and the first meeting will now take place in November 2024.

The Corporation Calendar of meetings for 2024/25 and Corporation Business Cycle were approved. Governors asked the Director of Governance to provide start and end times for all meetings. The Director of Governance confirmed that all committee meetings will have a 2 hour limit and invites would be sent directly to members.

12. Date and time of the next meeting

The next Corporation meeting will take place on 22 October 2024 at 1:30pm.

The Strategic Planning meeting will take place on 22 October 2024 at 9:30am at Macclesfield College.

13. Impact of Meeting

Governors wished to thank G Lagan for her contribution to the Board and wished her all the very best. Governors also thanked the Director of Finance and Estates for her contribution and detailed reports and wished her the very best in her new role.

Governors thanked student governor J Bennett for her contribution to the Board and RK shared that JB was recently presented with a commendation from the Board for her hard work and support as a Board member.