**activate learning further education corporation**

**meeting OF THE CORPORATION**

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| Meeting date: **06 December 2021** |
| Venue: **B2, Reading Campus** |

**PRESENT**: Sue Sturgeon (2/2) Chair of the Corporation

David Goosey (2/2) Vice Chair of the Corporation and Chair of the

Remuneration Committee

Sally Dicketts (2/2) Chief Executive Officer

Dermot Mathias (2/2) Chair of the Audit & Risk Committee; *as indicated in the minutes*

Pauline Odulinski (2/2) Chair of the Search & Governance Committee

Andy Stone (2/2)

Kathy Slack (2/2)

Malcolm Wicks (2/2)

Angela Adimora (2/2) *As indicated in the minutes*

Emma Shipp (2/2)

James Voûte (2/2)

Dan Willis (1/1) Staff Governor

Henry Chukwu (1/1) Student Governor

Elis Blundell (1/1) Student Governor

**IN ATTENDANCE**: Steve Ball Chief Financial Officer

Faith Hanks Senior Governance Officer (Minutes)

Bernard Grenville-Jones Group Executive Director

Cheri Ashby Group Executive Director

Fiona Stilwell Group Executive Director

Jon Adams Group Executive Director

**CLERK**: Perry Perrott Director of Governance and Clerk to the

Corporation

MINUTES

**The meeting started at 17:15.**

| **MINUTE NO.** |  | **ACTION** |
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|  | Apologies for Absence Apologies for absence were received from John Cope (0/2) and Julia Von Klonowski (1/2). It was noted that Angela Adimora would be joining the meeting later.  The Chair informed the Board that, after the staff and student elections, Dan Willis had been elected as Staff Governor, and Elis Blundell and Henry Chukwu as Student Governors. The Board approved the appointments of Dan Willis, Elis Blundell and Henry Chukwu to the Board. **All members were agreed.** |  |
|  | Declarations of Interests, Gifts and Hospitality The Chair declared that she had won a bottle of Prosecco at the AoC Annual Conference and attended a dinner with the Chair of the Search & Governance Committee at the Conference, paid by FEA. The Clerk noted that he had won an Amazon voucher at the AoC Conference. The Clerk also declared that he and the CFO had visited Lincoln College Group (LCG) in late November, and their hotel rooms and a football match had been paid for by LCG.  No other member declared any interest, gift or hospitality. |  |
|  | Minutes of the Meeting of 07 October 2021 The minutes of the meeting of 07 October 2021, having previously been circulated to the Board, were approved as an accurate record of the meeting. **All members were agreed.** |  |
|  | Matters Arising from the Minutes of 07 October 2021The Clerk provided a verbal update on the matters arising from the meeting of 07 October 2021, noting that there were no outstanding actions. |  |
|  | Finance The Board welcomed the Staff and Student Governors, and brief introductions were made. *Finance Update* The Board received the Finance Update, which was taken as read, and the CFO provided a brief overview of financial performance in 2021/22. It was noted that deficit performance was broadly in line with the budget set out, although cost saving targets to achieve the full year budget were phased later in the year. The CFO provided an update on the budget challenge and reminded the Board of the funding overstatement which had led to an increased challenge in meeting the agreed deficit. It was noted that the Group Executive Team were devoting their Performance meeting the following week to discussing further efficiencies and initiatives to reduce operating costs and were committed to meeting the deficit budget of £1.7m. Current plans amounted to a deficit of £2m, including provision for restructuring cost.  The CFO noted that the deficit budget was challenging, and therefore to deliver the required savings restructuring would be necessary, as set out in the Finance Update report. The Board discussed the cost saving initiatives set out in the report and considered the impact of each initiative on the learner experience. The CFO assured the Board that the implications for learners had been considered by the Group Executive Team and would be revisited in further detail the following week. It was noted that, to meet the budget target, all initiatives must be implemented, or alternative solutions determined.  The Chair asked for assurance that certain initiatives wouldn’t adversely impact the Technology faculty, given the need for quality improvement within the faculty to reach Grade 2, or in the Apprenticeship division. Assurance was provided by the Group Executive Directors (BGJ and FS) that mitigations would be put in place, but there was risk. *Financial Statements 2020/21*  The Board received the draft Financial Statements 2020/21 and Audit Completion Report, which were taken as read, and the CFO informed the Board that the Audit & Risk Committee had met earlier that day to discuss the finalisation of the Financial Statements. It was noted that the Audit Completion Report was positive in relation to the UK position, however there had been delays in obtaining the information from the team in Saudi Arabia around the outstanding tax relating to the closure of the business, which was still ongoing. The Audit & Risk Committee therefore recommended that authority was delegated to the Chair of the Corporation and the Chair of the Audit & Risk Committee to approve the final copy of the financial statements offline once the Saudi matter had been finalised.  The Board endorsed the draft Financial Statements 2020/21, and approved the following recommendations:   * to delegate authority to the Chair and the Chair of the Audit & Risk Committee to approve the final Financial Statements 2020/21 * to adopt the ‘going concern’ approach   **All members were agreed.**  *DM left the meeting at 17:55.*  The CFO noted that, as set out in the report, good financial health and positive EBITDA were demonstrated, however with the addition of the Saudi activity, which had operated at a loss in 2020/21, EBITDA would become negative. The CFO assured the Board that that the underlying financial health for the group was ‘Good’ and noted that the Saudi matter would be discussed with the ESFA, to avoid misinterpretation of the financial information. Consideration was being given to showing The Oxford Partnership as a non-continuing operation in the Financial Statements enabling exclusion of the loss from the Finance Record submission. This approach would form part of finalisation discussions with Mazars and, if appropriate, be approved under the above agreed delegated authority. |  |
|  | Performance*Group Self-Assessment Report 2020/21 and Improvement Plan 2021/22* The Board received the Group Self-Assessment Report (SAR) 2020/21 and Improvement Plan (IP) 2021/22, which were taken as read, and the Chair thanked the Governors and staff members who attended the SAR validation meetings. The Chair provided an overview of the Group SAR meeting, noting that Apprenticeships and the Creative Industries faculty had both achieved grade improvements. It was noted that although the Technology faculty did not achieve a grade improvement, quality improvements within the faculty were clear, and it was hoped that the faculty would move to Grade 2 the following year. The Group Executive Director (CA) noted that progress against the IP would be reported to the Board at every Corporation meeting, and the Chair congratulated staff on the SAR process.  The Board approved the Group Self-Assessment Report and Process for 2020/21. **All members were agreed.**  *AA joined the meeting at 18:09.*  *Higher Education Self-Assessment Report 2020/21 and Improvement Plan 2021/22*  The Board received the Higher Education Self-Assessment Report 2020/21 and Improvement Plan 2021/22, and the Board considered how to further involve Governors in the HE SAR process, including representation at the HE SAR validation meetings. The Chair of the Search & Governance Committee advised that a new requirement for triennial board reviews would scrutinise how rigorously HE processes were reviewed and monitored by the Board, and therefore it would be important to increase visibility of HE activity at Board level.  **Action:** Review the HE Link Governor role description, to ensure attendance at the HE SAR validation meetings  The Board approved the Higher Education Self-Assessment Report 2020/21 and Improvement Plan 2021/22. **All members were agreed.**  *Strategic Plan Annual Targets*  The Board received the Strategic Plan Annual Targets, which were taken as read, and it was noted that these would cover the life of the Empowering Learning Strategic Plan, to 2025. The Board considered the level of growth for the 16-18 student numbers targets, and the Group Executive Director (JA) advised that the targets had been calculated by considering demographic growth, alongside targets within the individual faculty plans. The Group Executive Director (BGJ) noted that the 16-18 student numbers target for 2023/24 should be 9124, rather than 9214, and should be adjusted.  **Action:** Update the 16-18 student numbers target for 2023/24 to 9124  The Board approved the Strategic Plan Targets. **All members were agreed.** | **Clerk**  **CA** |
|  | Standing *CEO Report*  The Board received and noted the CEO Report and highlighted that loan grant income was considerably lower than expected. The CEO advised that a funding case had been raised to receive the remaining portion, due to the negative impact on income, and an update was expected in January 2022.  *Inclusion Link Governor Update*  The Inclusion Link Governor (PO) provided a verbal update on the Equality, Diversity and Inclusion Committee meeting earlier that day, noting that the Committee had discussed progress around decolonising the curriculum. The Link Governor also highlighted the results of a student survey that had been presented to the Committee, which indicated that black students did not feel represented within the curriculum, and noted that this should be actioned as part of the IP. The Link Governor suggested that a deep dive into equality, diversity and inclusion would be beneficial for the Board.  **Action:** Agenda item, future Corporation meeting – Deep Dive: Equality, Diversity and Inclusion | **Clerk** |
|  | Governance, Risk and Compliance *Group Strategic Risk Register*  The Board received the Risk Register, which was taken as read, and the CFO provided a brief overview of the revised register, noting that it considered each journey within the strategic plan, as well as including moderation scores. One Governor noted that it would be useful to see the full mitigations behind each risk.  Upon the recommendation of the Audit & Risk Committee, the Board approved the Risk Register. **All members were agreed.**  *Use of the Corporation Seal*  There were no uses of the Corporation Seal to report.  *Policies*  The Board received and approved the following policies:   * Admissions Policy * Anti-Slavery Statement   **All members were agreed.**  *Annual Reports*  The Board received and approved the following reports, as recommended by the Audit & Risk Committee:   * Internal Audit Annual Report 2020/21 * Risk Management Report 2020/21 * Audit & Risk Committee Report 2020/21   **All members were agreed.**  *Search & Governance Committee*  The Board received and noted the minutes of the Search & Governance Committee meeting on 01 November 2021. |  |
|  | Any Other Business No other business was raised. |  |
|  | Dates of Upcoming Meetings  |  |  |  | | --- | --- | --- | | 07 February 2022 | 09-10 May 2022 | 18 July 2022 | | 11 April 2022 | 13 June 2022 |  | |  |

**The meeting closed at 18:34.**

Chair .................................................................... Date ………………………………………..

Summary of actions

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| **Action** | **Responsible** |
| Review the HE Link Governor role description, to ensure attendance at the HE SAR validation meetings | **Clerk** |
| Update the 16-18 student numbers target for 2023/24 to 9124 | **CA** |
| Agenda item, future Corporation meeting – Deep Dive: Equality, Diversity, and Inclusion | **Clerk** |