



# ACTIVATE LEARNING FURTHER EDUCATION CORPORATION

## MEETING OF THE CORPORATION

Meeting date: **07 February 2022**

Venue: **Microsoft Teams**

### PRESENT:

Sue Sturgeon (3/3)  
David Goosey (3/3)  
Sally Dicketts (3/3)  
Dermot Mathias (3/3)  
Pauline Odulinski (3/3)  
Andy Stone (3/3)  
Kathy Slack (3/3)  
Malcolm Wicks (3/3)  
Angela Adimora (3/3)  
Emma Shipp (3/3)  
John Cope (1/3)  
James Voûte (3/3)  
Dan Willis (2/2)  
Henry Chukwu (2/2)  
Elis Blundell (2/2)

Chair of the Corporation  
Vice Chair of the Corporation  
Chief Executive Officer

Staff Governor  
Student Governor; *as indicated in the minutes*  
Student Governor; *as indicated in the minutes*

### IN ATTENDANCE:

Steve Ball  
Faith Hanks  
Bernard Grenville-Jones  
Cheri Ashby  
Fiona Stilwell  
Gill Davidson  
Jon Adams  
  
Paul Newman  
Gary Headland

Chief Financial Officer  
Senior Governance Officer  
Group Executive Director  
Group Executive Director  
Group Executive Director  
Group Executive Director  
Group Executive Director; *as indicated in the minutes*  
Group Executive Director  
CEO Designate; *as indicated in the minutes*

### CLERK:

Perry Perrott

Director of Governance and Clerk to the Corporation

## MINUTES

The meeting started at 16:00.

<u>MINUTE NO.</u>		<u>ACTION</u>
1.	<b>Apologies for Absence</b> No apologies for absence were received, however it was noted that JVK would be joining the meeting slightly late. The Chair welcomed everyone to the meeting and briefly introduced the group to the CEO Designate.	

**MINUTE**  
**NO.**

**ACTION**

**2. Declarations of Interests, Gifts and Hospitality**

AA declared a new non-executive role with Manchester NHS Trust and JC declared an involvement in the Lifelong Learning panel. No other member declared any interest, gift or hospitality.

**3. Minutes of the Meeting of 06 December 2021**

The minutes of the meeting of 06 December 2021, having previously been circulated to the Board, were approved as an accurate record of the meeting. **All members were agreed.**

One Governor suggested that the use of initials in the minutes should be limited.

**4. Matters Arising from the Minutes of 06 December 2021**

The Chair provided a verbal update on the matters arising from the meeting of 06 December 2021, noting that there were no outstanding actions.

**5. Management Accounts and Mid-Year Forecast**

The Board received the Finance Report, which was taken as read, and the CFO provided a brief overview of financial performance to date. The CFO reminded the Board of the context of agreeing a deficit budget for 2021/22, including comparisons with previous years, and noted the significant improvements in financial performance since 2018/19. The CFO assured the Board that the cash balance remained strong, with a £17m balance expected at the end of the year and a further £5m in Saudi Arabia.

*HC joined the meeting at 16:10.*

The CFO assured the Board that he was confident the deficit budget for 2021/22 would be met, despite pressures around generating income. It was noted that the income shortfalls would be offset through a reduction in pay and non-pay costs, such as recruitment freezes for roles that were not deemed business critical and the delay in payment of cost-of-living increases. The CFO highlighted an opportunity to increase funding in the 2022/23 year, subject to increasing teaching hours, which could help to drive the return to operating at a surplus. It was also noted that the possibility for a VAT rebate was being pursued.

The Board challenged the decision to delay the payment of cost-of-living and incremental increases to staff, considering the impact to staff members as a result of inflation and also the implications around staff retention. The CEO advised that there had been minor resistance to the delayed payments, however staff members on legacy contracts were not eligible for cost-of-living or incremental increases. It was noted that all staff on legacy contracts had been offered the opportunity to move to an Activate Learning (AL) employment contract to receive the incremental awards and cost of living increases. It was also noted that the Group Executive Team (GET) had agreed to delay their performance-related payments and take 8/12ths of their performance awards.

As outlined in the report, the CFO detailed a further savings opportunity that required Board approval – the disposal of the Waingels Adult Centre acquired through the merger with Bracknell & Wokingham College, for which an offer of £220k had been received. It was noted that the Waingels site was operating at a loss and due to its location within school grounds, there had been some safeguarding considerations around the continuation of Adult provision in the area. One Student Governor requested assurance that there would be no disruption to learning for current students at the Waingels site, and the CFO confirmed that the student interests would be protected and, where financially feasible, the courses would be relocated to other AL campuses.

The Board approved the recommendation to dispose of the Waingels Adult Centre. **All members were agreed.**

Given the increased scale of the organisation, the Board briefly considered whether there were further areas across the estate that could be disposed of or better utilised. One Governor suggested a deep dive session around the total use of the estate would be insightful, to establish whether there were other areas that were not sufficiently profitable.

The Board asked for assurance that financial performance would improve in the 2022/23 year and the CFO noted that there was optimism due to the reductions in place and the staff utilisation work. It was also noted that student recruitment appeared to be encouraging for the 2022/23 year. The CEO noted the importance of focussing on increasing learner numbers at the Surrey Colleges, where the population was greater and there was therefore an opportunity to increase market share.

*JA joined the meeting at 16:35.*

**6. Improvement Plan Progress Update**

The Board received and noted the Quality Improvement Plan Update and the Group Executive Director (CA) provided a brief verbal overview of the report, noting the ambition to have no faculties below a Grade 2 moving into the 2022/23 year. It was also noted that there had been some challenges with business engagement in student work experience, due to changing working patterns because of the pandemic.

Despite these short-term challenges, the Group Executive Director (JA) assured the Board that a robust business engagement strategy had been produced, including a target list of key accounts. The Board considered whether Governors' contacts with employers could be drawn upon to support and develop business engagement strategies.

The Board received and noted the HE Quality Update and Improvement Plan (IP) reports and the Group Executive Director (CA) advised that this was the first rigorous report to the Corporation around the HE IP, so the Director of Higher Education would look at how the IP reporting could be enhanced following feedback. It was also noted that the partnership with Greenwich University had ceased and a new partner, Middlesex University, was in the pipeline.

One Governor challenged the measurement of the success factors, noting that the targets in relation to the three journeys were not 'SMART', both for the FE and HE reports. The Group Executive Director (CA) informed the Board that the Net Promoter Score would be used going forwards to gather high-level feedback, and the first report using this method would be presented to the Corporation at the April meeting. Another Governor noted that, to ensure AL was a 'system leader', the success measures must be clearly communicated externally, through the IPs.

**7. Strategic KPI Summary**

The Board received the Empowering Learning Targets Overview, Empowering Learning Targets, and Net Promoter Score reports, which were taken as read. The Chair asked that any questions were raised directly with the Group Executive Director (CA) outside of the meeting.

**8. CEO Report**

The Board received and noted the CEO Report, and one Governor raised the new requirements around the lifelong learning entitlement, noting that AL should have a corporate view on the requirement. The CEO advised that the appropriate staff members were already considering the implications of this requirement, and lobbying work was underway to improve the flexibility of the lifelong learning

**MINUTE**  
**NO.**

**ACTION**

offers. It was also noted that there were new requirements from the Office for Students (OfS) in relation to HE provision, and the impact on colleges would be a future consideration for the Corporation.

**9. Health & Safety Link Governor Update**

It was requested that the Health & Safety Link Governor update was postponed to the next Corporation meeting.

**10. Use of the Corporation Seal**

The Chair informed the Board that the Corporation Seal would be used that week in relation to a licence for a Cycles shop in Darlington, as referenced in the CEO Report. The Board briefly considered the geographical location of the site and approved the use of the Corporation Seal. **All members were agreed.**

**11. Annual Safeguarding Report**

The Board received and approved the Annual Safeguarding Report 2020/21 and Action Plan. **All members were agreed.**

**12. Revised Board Dates 2021/22 and Board Dates 2022/23**

The Board received and approved the Schedule of Meetings. **All members were agreed.**

**13. Search & Governance Committee Recommendations**

The Board received the Search & Governance Committee's recommendation to appoint a Senior Independent Governor (SIG) and the SIG role description. One Governor queried the use of two variations of the role title and the Clerk clarified that the role would be titled Senior Independent 'Governor', rather than 'Director', to align with college governance.

The Chair of the Search & Governance Committee noted that there would be a new requirement imposed for an independent member on college governing boards, and therefore the SIG role would be critical as a mechanism for additional challenge and verification. It was also noted that the SIG may undertake a dual role as Chair of the Audit & Risk Committee or Vice Chair, and the Board considered whether this would prevent the SIG from remaining independent. The Chair of the Search & Governance Committee asked Governors to provide their thoughts on the SIG role description outside of the meeting and noted that comments would be considered by the Search & Governance Committee.

Subject to the resolution of any queries around the SIG role description, the Board approved the recommendation to appoint a SIG from among the current membership of the Board. **All members were agreed.**

**14. Any Other Business**

No other business was raised.

**15. Dates of Upcoming Meetings**

07 March 2022	16-17 May 2022	13 July 2022
13 April 2022	15 June 2022	

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

Chair .....Date .....