



MINUTES

BOLTON COLLEGE BOARD

Minutes for the meeting held on Monday 1 July 2019 – (PART A)

Time: 5.00pm
Venue: Boardroom

Members present:

Dr Andrew Roberts (Chair)
Mr Andrew Fawcett (Vice Chair)
Ms Gulnaz Brennan
Ms Maresa Edwards
Mrs Kate Flood
Mr David Haslam
Professor George E Holmes DL
Mr Luke Jones
Dr Kondal Kandadi
Ms Stephanie Nixon
Professor HH William Morris
Dr Gill Waugh
Mr Bill Webster (Principal)

In Attendance:

Mr Mark Burgoyne (Deputy Principal)
Ms Tracy Clarke (Director of MIS)
Ms Joanne Green (Director of Quality)
Ms Fatema Hussein (Clerk)
Jane Marsh (Director of HR)
Mr Tim Openshaw (Executive Director, Strategic Planning) (UoB)
Ms Kate Wallace (Director of Apprenticeships)
Mr Garry Westwater (Director of Finance)
Mrs Patricia Foster (Secretary)

1. SECTION A - BUSINESS MATTERS

1.1 WELCOME TO MEMBERS

The Chair welcomed everyone to the meeting, which commenced at 5.00pm.

(Change in the Order of the Agenda)

2. SECTION B - COLLEGE MATTERS

2.1 BENCHMARKING PRESENTATION

The Board received a presentation on 'Benchmarking which was delivered by Mr Phil Moseley of Tribal, and the following points were highlighted:

- To account for organisational differences between colleges, pay and non-pay expenditure had been allocated to the benchmarking model at granular level. Pay expenditure was allocated at employee level.
- The overall position for Bolton showed a break-even position based on £26.17m of income (before pension adjustments), with a £1.46m cost burden (proportionally in line with other colleges).
- Core operational activity showed a £1.96m surplus (8.6%) on £22.84m of core activity income. This, it was noted, was an extremely healthy position financially.
- The exercise had highlighted high costs in areas of teaching support and IT services
- The teaching support spike was a result of the College being in the top 5% of colleges in England in terms of the proportion of High Needs funding
- The high cost of IT non-pay expenditure was a result of investment and costs (of £0.22m) associated with consumables, software and licences.
- Corporate service costs were lower than average, indicating an efficient operation.
- College pay costs of 72.2% were around £0.79m higher than average; however, when the volume of High Needs support was taken into account, the College's pay costs appeared to be in line with proportional spend at other colleges at around 65%.
- In looking at student achievement, the overall rate had remained static, with high satisfaction rates
- Student-facing service expenditure appeared to be in line with other colleges.
- It was noted that the College also ranked consistently in the top quartile for employer satisfaction.
- With regard to estates, the College used less space when compared to other colleges, using its space productively
- It did, however, incur higher non-pay running costs particularly in energy, security and cleaning.
- The College continued to invest in a number of key areas, including activities relating to enrichment, retention, monitoring and pastoral care.
- Teaching delivery expenditure was low-cost at between £0.84m and £2m lower than the comparison, due to greater productivity as a result of a larger class size ratio and greater average utilisation.

Governor Questions

- What was the main contributing factor in Bolton College's efficiency in terms of its teaching costs?
 - This was result of better productivity and staff utilisation when compared to other colleges, although there was possibly still capacity for further efficiency savings
- What was the view on retention, as this appeared to be below the median?
 - It appeared that the College had staff in the right areas to address retention issues but would require further analysis

The Chair expressed surprise at the statistics on retention, as class sizes had fallen recently to an average of 16

- Was there anything specific which the College needed to focus on in order to become 'Outstanding'?
- Staffing and ensuring the organisation was getting the maximum benefit from its employees, whilst continuing to adapt to any challenges

- Why was there a spike in corporate services costs?
- This was largely a result of redundancy costs (an exceptional item)

- Was the spike in High Needs support costs a recent phenomenon or was it a recording issue?
- This reflected the profile of the College and it was almost a victim of its own success in this area, because of its excellent reputation

- Should Governors be concerned that teaching delivery was moving away from the benchmark?
- This had to be taken in context – in terms of financial efficiency, the College would need to ensure it was achieving its target outputs.

The Chair commented that the College was in good shape despite issues that were beyond its control, and this was a credit to its staff and the SMT.

The Chair thanked Mr Mosely for his presentation, which closed at 5.30pm.

**(Mr Phil Mosely left the meeting at 5.30pm)
(Change in the Order of the Agenda)**

1. SECTION A - BUSINESS MATTERS

1.2 APOLOGIES FOR ABSENCE

Apologies for absence had been received from Dr Chris Ball, Ms Sue Lomax, Mr Roger Peet and Mr Tony Unsworth.

1.3 DECLARATIONS OF INTEREST

The Chair reminded everyone present to declare any interests that they may have on matters to be discussed. Standing declarations were noted particularly in relation to the University of Bolton reciprocal governance arrangements and also paid positions.

Dr Kondal Kandadi had previously notified the Board that he was a Board Member of Alliance Learning and Mr Garry Westwater had recently been appointed Treasurer of the Anderton Centre.

1.4 REQUEST FOR AN ITEM TO BE UNSTARRED

Members were reminded that starred items on the Agenda would be taken as read rather than being presented. However, Members could ask questions of the report author, or ask for any item to be unstarred for full discussion.

1.5* MINUTES OF PREVIOUS MEETINGS:

1.5* (i) Minutes of the Meeting held 3 April 2019 – confidential and general publication

The minutes of the meeting held 3 April 2019 had been previously circulated to members for consideration.

It was **RESOLVED** that the minutes be approved as a correct record and authorised for publication (Part A).

1.6* MATTERS ARISING FROM PREVIOUS MINUTES

Members received a summary of actions arising/outstanding from previous meetings, noting that most items had been completed/implemented.

It was **RESOLVED** that the matters arising be noted.

1.7* MINUTES (SUB-COMMITTEES):

1.7* (i) Resources Committee of 5 June 2019

Members received the minutes of the meeting held 5 June 2019.

It was **RESOLVED** that the minutes be received as detailed.

1.7* (ii) Standards & Performance Committee of 12 June 2019

Members received the minutes of the meeting held 12 June 2019.

It was noted that:

- There had been a spike in the number of learners taking the GCSE Maths & English exams compared to the previous year
- There had been a significant improvement in level 3 AAT when compared to the previous year, with in-year achievement at 81.3%.

The Chair commented that the increase in the numbers of students taking the GCSE Maths and English exams was substantial (at 1391 compared to 550 in the previous year) and congratulated all staff in ensuring that the exams ran smoothly.

It was **RESOLVED** that the minutes be received as detailed.

1.7* (iii) Audit Committee of 18 June 2019

Members received the minutes of the meeting held 18 June 2019.

It was noted that:

- PricewaterhouseCoopers had been appointed as the internal auditors for both the College and the University
- An audit of student debt had shown that the College was making good progress to address this issue

It was **RESOLVED** that the minutes be received as detailed.

1.7* (iv) Search & Governance Committee of 20 June 2019

Members received the minutes of the meeting held 20 June 2019.

It was **RESOLVED** that the minutes be received as detailed.

2. SECTION B - COLLEGE MATTERS (Change in the Order of the Agenda)

2.2 PRINCIPAL'S REPORT

The Principal presented the fifth report under the new 'designated Institution' Bolton College, which provided an overview of key issues. He highlighted the following key points:

Digital Developments

The new Digital Strategy would be presented to the Board in the Autumn Term. Discussions were currently underway with a number of external commercial partners regarding several related projects.

Augar Review

The Augar Review, published in May 2019, had placed a significant focus on FE as well as HE. The Review's proposals on FE were likely to benefit the College as they included a strengthening of technical education with improved funding, and an increase in the base rate funding and additional capital investment.

Governor Briefing – Esheet

A Governor briefing by way of an 'Esheet' had recently been launched, and the intention was to update Governors on news and activities in the College. Governor feedback on the format was welcomed.

Death of a Student

The Principal reported on the death of a Bolton College student; it was confirmed that support had been put in place for staff and fellow students who may have been affected by this.

The Board expressed its sincere condolences to the student's family for their loss.

Applications

- Applications were currently 4% down when compared to the same time last year, although the position was improving. Offers were also down by around 143
- However, students were beginning to re-enrol much earlier (795 to date had enrolled)
- The number of Adult Learner offers had increased
- Applications to HE were lower than at the same period in the previous year (34 compared to 92); however, this was again an improving picture and applications to HE had doubled in the past 2 weeks

Governor Questions

- Were there any opportunities to increase the College's market share from areas outside Bolton?
- The College did extend its marketing activities to encourage students from outside the area to travel to Bolton, and also to encourage Bolton students to study locally rather than travel outside the district. The launch of the new GM bus pass would hopefully incentivise learners to stay within Bolton

- How was the College offer for September being promoted to learners outside Bolton?
- It was being promoted via social media

It was **RESOLVED** that the Principal's Report be noted.

2.3 COLLEGE KPI DASHBOARD

Members received a copy of the KPI Summary Dashboard, which detailed the key sustainability indicators plus a range of other indicators which had been selected based on the areas to be monitored by the ESFA.

It was **RESOLVED** that the College KPI Dashboard be noted.

2.4 COLLEGE STRATEGIC AND OPERATING PLAN 2019-20

The Board received the College's Operating Plan for 2019-20.

The new University Group Governance arrangements required an annual statement from the College detailing the areas of focus to be incorporated into its Strategic & Operating Plan for the coming year. Both documents had informed the College Operating Plan for 2019-20, as detailed at Appendix 4.3 to the report.

It was **RESOLVED** that the College Operating and Strategic Plan 2019-20 be approved.

2.5 2019-20 BUDGET/ESFA FINANCIAL PLAN 2018-21

The Executive Director of Finance presented the Draft 2019-20 Budget and ESFA Financial Plan for 2018-21, which had been considered by the Resources Committee.

The following points were highlighted:-

- Additional income of £668k had been allowed for in 2019-20 which assumed growth from ESFA (£643k) and full-cost activity (£25k).
- The full year impact of the pay awards in 2018-19 had cost £300k and provision had been made for similar arrangements in 2019-20.
- The increase in the employers' rate for the Teachers' Pension Scheme (TPS) from 16.48% to 23.68% would be funded in 2019-20 by a DfE grant provision. However, there was no guarantee that this funding would be available in 2020-21.
- In relation to non-pay expenditure, the College had made no allowance for inflationary increases. Cost savings of c. £100k were anticipated for 2019-20 which would accrue from improved contract prices.
- With regard to capital expenditure, plans were being developed to identify and prioritise spending requirements for 2019-20, which may include expenditure on health & safety improvements and the IT infrastructure.
- The operating surplus was forecast to increase from £129k in 2018-19 to £767k in 2019-20. This equated to a positive cash-flow of £1.5m for 2019-20
- Projected income for 2020/21 was expected to remain flat with the exception of 16-18
- Financial health was expected to be Good and not Outstanding as originally forecast and this was in line with the College Statement of Focus

Governors' Questions

- Was College being over-optimistic with its forecasting given that there may be a 4% decline in student recruitment?
 - The forecast may be on the optimistic side
- What were the income projections based on?
 - The projection had assumed an increase of 50-60 learners
- What was the status regarding first year H.E. Students?
 - All of the H.E. students would be accounted for in the University's data but would be taught by the College
- Some of the registration for HE would be taking place at the College, and was there an income stream to be derived from that activity?
 - It was confirmed that there was

Following consideration by the Board, it was **RESOLVED** that the 2019-20 Budget and ESFA Financial Plan for 2018-21 be approved.

2.6 EARLY YEARS OFSTED REPORT

The Director of Quality presented the Early Years Ofsted Report.

Members were aware that the nursery provision had been inspected by Ofsted in October 2018 and had been graded as "Requires Improvement" across all measures.

Following the implementation of an action plan to raise quality and standards, an Ofsted re-inspection had taken place in May 2019 resulting in the nursery provision being rated 'Good' across all areas. Members were pleased to note this extremely positive outcome.

Governors' Questions

- Although the significant turn-around in rating was to be commended, could this improvement be sustained for the future?
 - It was confirmed that it could and that an action plan had been put into place
- The College was proud of the hard work and dedication of the nursery staff, supported by Governor Gulnaz Brennan, in implementing all the necessary improvements and the Chair thanked all those concerned.

It was **RESOLVED** that the Early Years Ofsted Report be noted.

2.7 COLLEGE WELLBEING STRATEGY

The Director of Quality gave a presentation on the College's Wellbeing Strategy and circulated copies of 'Wellbeing for Learning & Life at Bolton College'. This was an evolving document which would become the College's statement of its commitment to wellbeing.

The following points were highlighted:

- The Charlie Waller Memorial Trust (an organisation that offered mental health support) had looked at the Strategy and given feedback that they felt it was excellent
- College was also participating in the Adverse childhood experiences (ACEs), a project which was already beginning to have a positive impact
- The prevalence of mental disorders in the 16+ population of Bolton was around 19%, possibly higher
- The Strategy would fit in with the new Ofsted framework, emphasising the importance of positive support for students rather than simply focussing on outcomes
- Discussions would be held with relevant staff at the University regarding linking the Strategy to theirs

Governors' Questions

- Who was the main target audience for the Strategy?
 - The well-being of learners was to be a key area of focus in the next academic year, but College was also producing a new HR Policy around mental health and wellbeing for staff and this would dovetail into the overall College Wellbeing Strategy.
- Mental and physical health often went hand in hand – was there any reason why physical health was not mentioned in the Strategy?
 - Physical health and would be promoted in different ways, for example, by means of the activities available at the Anderton Centre
- Was the College leveraging fully its links with the University in terms of the available facilities (and vice versa)?
 - Those links had already started to be promoted and would be enhanced.

Professor William H Morris was a member of the College's Wellbeing Steering Group. He commented that the College was very well prepared to deal with the wellbeing issues of both students and staff, and the Steering Group was working hard to improve that support.

Members commented that they found the document helpful, and in particular, the positive focus on the promotion of well-being.

It was **RESOLVED** that the College Wellbeing Strategy be noted.

2.8 BOLTON COLLEGE OF MEDICAL SCIENCES

Discussed under Reserved Business.

2.9 PROPOSALS FOR SUB-CONTRACTING ACTIVITY

The Deputy Principal presented a proposal for sub-contracting activity, which included an overview of sub-contracting provision. The following points were noted:

- The College had ceased sub-contracting on apprenticeship provision in 2015 as it had failed to supply high quality achievement rates
- The majority of these sub-contracting arrangements had been with organisations outside of Greater Manchester

- Since withdrawing from its sub-contracting arrangements in 2015, the College had been approached by a number of organisations and was now willing to review its arrangements in light of changes to the sector
- Any future sub-contracting arrangements would be under strict conditions which included; the provider would have to be of high quality, the activity financially viable, undertaken as part of Group activity, and subject to Board approval
- As a University Group, the organisation was trying to expand its off campus activities and many of its current partners were seeking a closer relationship with the Group
- The University received a substantial income from its off campus collaborations (around 10-12%).

Governors' Questions

- Given the fact that the College had previously delivered, and ceased, sub-contracting activities, how could the Board be assured that it could now be successfully and more robustly delivered?
 - The new sub-contracting arrangements would be more locally delivered, which the ESFA preferred. The Board could be assured that a robust assessment and appraisal process would be undertaken as well as ongoing monitoring. College would undertake due diligence and apply clear selection criteria. Any sub-contracting arrangements would also require ESFA approval and its ongoing monitoring and would only be agreed with selected partners that were financially viable.

The Board stated that management would need to ensure that any agreed activity was robustly monitored, and appropriate due diligence undertaken before any agreement was entered into.

The Principal made the Board aware of an approach made to the College by Shockout Arts. They were a credible and well-respected organisation who had worked with Salford College but who were keen to work more closely with Bolton College (having already partnered the University).

The Chair commented that he had visited a number of the University partners and had noted the excellent quality of both their staff and provision; he was reasonably comfortable, therefore, that this approach to sub-contracting was the correct way to proceed.

It was **RESOLVED** that:

- (i) approval be given to the College's initial engagement with a small number of organisations who may be appropriate to sub-contract with, subject to a full appraisal and final approval from the Board
- (ii) the SMT be given operational flexibility to agree sub-contracting arrangements where necessary due to timescales/deadline with Shockout Arts

The Clerk advised that the Chair of the Standards & Performance Committee had suggested that sub-contracting activity and arrangements were discussed further at the next Committee meeting.

ACTION:

Standards Committee agenda

2.10 BOARD AND COMMITTEE MEMBERSHIP PROPOSALS

The Chair reported that following a review of the current committee structure and the outcome of a recent skills audit; the Search and Governance Committee had proposed changes to committee membership, which would also help to address issues of quoracy.

The following changes to committee membership were proposed:-

- (i) Dr Kondal Kandadi and Dr Chris Ball be invited to join the Standards & Performance Committee
- (ii) Kate Flood be invited to join the Resources Committee
- (iii) Staff and Student Governors were invited to join a Committee
- (iv) A new Chair was elected for the Remuneration Committee as the Chair of the Board should not be Chair of this Committee

It was **RESOLVED** that the above changes to Committee Membership be approved.

2.11 GOVERNOR MENTOR ROLE

Members were requested to consider becoming a mentor to Student Governors. Any Governor interested in this role was requested to contact the Clerk.

2.12 DBC CHECKS – STUDENT GOVERNOR

It was **RESOLVED** that this item be carried forward to the next meeting.

ACTION:

Clerk / Board/ Search Agenda

2.13 LINK GOVERNOR ROLES

The Clerk reported that the Link Governor roles needed updating.

It was suggested that proposals on Governor Link areas were discussed at the next meeting.

ACTION:

Clerk / Board / Search Agenda

2.14 FE COMMISSIONER'S LETTER

The Clerk presented a copy of a letter from the F.E. Commissioner. The letter provided an update on recent activity and identified some key learning points from the FE Commissioner's work, including the following recommendations:

- 'Boards of Governors **MUST** include two financially qualified members who are able to offer support and challenge to the Principal/CEO and FD';
- 'Monthly management accounts with a comprehensive commentary and 24 month cash flow forecast should be sent to all governors'.

ACTION:

- Finance Director / Clerk to ensure monthly management accounts are circulated to all Board members
- Members were requested to put forward any suggestions of a suitably qualified accountant who would be willing to join the College's Audit or Resources Committee

2.15 OFS LETTER

Members considered the letter from the Office for Students on financial viability and sustainability.

It was **RESOLVED** that letter from the Office for Students be noted.

2.16 COLLEGE INTERVENTION AND OVERSIGHT REGIME

Members received the College Oversight: Support and Intervention Policy Document (April 2019) for information, which had been scrutinised by the Resources Committee.

It was **RESOLVED** that the College Oversight: Support and Intervention Policy Document (April 2019) be noted.

2.17 GOVERNOR TRAINING

The Clerk made Governors aware of an online training programme that had been launched by the Education & Training Foundation. Feedback from this had been positive and the training could be tailored based on each Governor's current knowledge and experience.

ACTION: Clerk to circulate link to the online training.

2.18* STARRED ITEMS

(i) DATA PROTECTION POLICY

Members received the Data Protection Policy for review.

The Board **Approved** the Data Protection Policy.

(ii) COLLEGE STANDING ORDERS

Members received the College Standing Orders for consideration.

The Board **Approved** the College Standing Orders

(iii) GOVERNORS' CODE OF CONDUCT

Members received the Governors' Code of Conduct for consideration.

The Board **Approved** the Governors' Code of Conduct

(iv) GOVERNOR ELEGIBILITY FORM

Members received the revised Governors' Eligibility Form for review.

The Board **Approved** the revised Governor Eligibility Form.

3. SECTION C - UNIVERSITY GROUP MATTERS

3.1 OVERARCHING GROUP SAFEGUARDING STATEMENT

The Overarching Group Safeguarding Statement was presented for consideration.

It was **RESOLVED** that the overarching Group Safeguarding Statement be endorsed.

3.2* APPOINTMENT OF PwC AS COLLEGE INTERNAL AUDITORS

The Board ratified the appointment of PricewaterhouseCoopers as the College's internal audit provider.

3.3* TO RATIFY DR CHRIS BALL AS A MEMBER OF THE COLLEGE AUDIT COMMITTEE

The Board ratified the appointment of Dr Chris Ball to the College's Audit Committee.

3.4* RISK MANAGEMENT:

(i) Group Risk Management Policy

Members received a proposal for the revised approach to Risk Management across the group, to be adopted for 2019-20.

It was **RESOLVED** that the group Risk Management policy be recommended to the University Board for approval at its meeting to be held 9 July 2019.

(ii) Group Risk Register

Members received the Group Risk Register for information.

It was **RESOLVED** that the Group Risk Register be noted.

4. SECTION D – ANY OTHER BUSINESS

- (i)** The Chair, on behalf of the Board, thanked Maresa Edwards for her valuable contribution to the Board during her period of office as Staff Governor and wished her well for the future.
- (ii)** Members were delighted to hear that Sue Lomax would receive an Honorary Doctorate from the University at a graduation ceremony to be held on 16 July 2019. Members agreed that the award was extremely well deserved.

5. SECTION E – FUTURE MEETINGS

5.1 Governors' Meetings

The dates and times of future meetings were noted as follows:-

- 25 September at 3.00pm (Search & Governance Committee)
- 25 September at 4.00pm (Remuneration Committee)
- 1 October 2019 at 5.00pm (Resources Committee)

- 17 October 2019 at 3.00pm (Audit Committee)
- 29 October 2019 at 5.00pm (Standards & Performance Committee)
- 12 November 2019 at 5.00pm (Board of Governors)

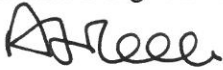
5.2 Governors' Evening:

25 September 2019 6.00pm - 8.30pm.

5.3 Group Christmas Meal

18 December 2019 at 7.00pm

The Chair thanked members for their attendance and the meeting closed at 7.10pm.

Chairman's Signature:  Date: 12 Nov 2019.
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