PUBLIC MINUTES OF
THE BOARD OF GOVERNORS BUSINESS BOARD MEETING HELD ON
11 JULY 2024

Present:
Mr W Abbott (External Board Member/Board Chair)
Mr M Burgess (Principal)
Mr A Dover (External Board Member)
Mr M Fabian (External Board Member)
Mr P Lachecki (External Board Member)
Ms A Nutbrown (Staff Governor)
Ms G Read (External Board Member)
Ms C Simpson (Student Governor)

Apologies:
Ms J Buckland (Staff Governor)
Ms L Dance (External Board Member)
Ms L Hargreaves (Student Governor)
Ms M James (External Board Member/Board Vice-Chair)
Dr H Moyes (External Board Member)

In Attendance:
Mr A Bates - Chief Financial Officer
Mr D Kettlety - Director of Student Employment and Experience, Curriculum Innovation and Students
Dr K Morris – Vice-Principal, Curriculum and Quality
Ms H Snelling - Director of People and Culture
Mr S Harvey (Co-opted Board Member, Digital Technology Link Governor)
Ms J Cosson - Governance Professional/Clerk to the Board of Governors

Attendance: 61.5%

49/24 Private Business

None.

50/24 Apologies

Were noted as above.

51/24 Declarations of Interest

It was confirmed that the Register of Interests recorded all the current declarations of interests of those present.

52/24 Confidentiality of Items (C)

As marked (C) for a period of two years. All the marked items were declared confidential on the grounds of commercial sensitivity.

53/24 Minutes of the Meeting of 2 May 2024

The minutes of the meeting were approved as a true record and signed by the Chair.

54/24 Matters Arising from the Minutes and Actions Matrix

Members were provided with an Actions Matrix and noted the status update of each item.

55/24 Principal's Update (C)

MB provided an update on key issues at the College since the last meeting.

The first draft of the College SAR is taking shape and is expected to confirm that the quality of provision is Good.

The new Labour government will prove interesting in relation to whether or not the proposed reforms to the curriculum will go ahead. They have talked about reform to the Apprenticeship Levy. The College will be meeting with the three new MPs for the county. The LEP has been replaced by a new Economic Growth Board of which MB is a member.

MB provided an update on the latest flood projections for the county and reported that the College now owns a railway siding at HMP Leyhill through its work with Betaris Training Ltd.

RESOLVED: Members noted the Principal's Update and developments at the College.

56/24 Cinderford Campus Update (C)

57/24 AI Update (C)

At the February Strategy Board meeting, the Board had discussed developments around Artificial Intelligence, the potential impact on education and the workplace, and what the College is doing to accommodate the changes it brings.

It had been agreed that the Executive Team would provide the Board with an update on the College's ambitions and next steps.

MB reported that the College has used 2023/4 to encourage staff to begin to use AI and to consider its possibilities. Following this, the College has set some broad aspirations for the use of AI. For 2024/25 the focus will be on implementing a framework for the fair use of AI for Teaching Learning and Assessment and ensuring the use of AI complies with the College's data protection policies. The College will also be assessing the potential and risks associated with AI in different functions to provide a basis for formulating a deeper strategy.

KM reported on the outcome of an 'AI in the Classroom' competition. There had been good engagement by staff and all entries were to be commended. However,

there were three winners from Computing, Beauty and Early Years who demonstrated a good overview of the AI tool used (for notetaking/revision, assessment and case-study building respectively), advice on how to use the tool and that the tool could be shared as good practice across subject areas. The College will work with all of those who entered the competition to help the TLA Team to promote the appropriate use of AI tools by utilising their findings, expertise and ideas to help others across the organisation save time, develop resources and personalise learning.

The Chair remarked that the College has moved quickly in this area and wondered where any external input had come from. KM advised that staff have gone out to conferences, other colleges and working groups and the College is guided by the Ofsted Framework and by JISC, which pulls together all views and concerns. The College has used this research to put together a simple set of guiding principles for the start of this academic year including how to refence the use of AI tools in a piece of work.

A Member wondered if there is scope for the College to build an AI network. KM replied that the College is a member of a forum from which it benefits in terms of sharing of information.

The Staff Governor confirmed that AI is a high priority for staff, and they talk about it frequently. She asked if there would be any formal training on how to use the tools available to assist learners during CPD days. KM advised that the winners of the competition will be helping the Deputy Head of Teaching, Learning and Improvement to provide this. The Staff Governor questioned how the College will ensure that there is a level paying field for all students in terms of access to AI. MB agreed that this is essential. Although learners will come in at different stages and may have access to different tools, there is potential for another form of disadvantage, and it is important that the College provides access to free tools.

Members concluded that the College is clearly embracing the opportunities offered by AI whilst being mindful of the risks. They recognised that the landscape is changing rapidly and looked forward to receiving an update on the ambitious and detailed plan next year.

RESOLVED: The Board approved the ambitions for the use of AI set out in the papers and noted the proposed activities for 2024/25.

58/24 Student Progress Update (C)

KM provided an overview of curriculum information to May covered at C&Q.

KM reported that she had recently completed the first draft of the College SAR following completion of all School level SARs. Currently, the College assess its provision as Good. This is unlikely to change. KM is comfortable that there is sufficient evidence that Personal Development is Good although further improvements are still required. All Schools have been assessed as Good with the exception of High Needs which still Requires Improvement despite some positive progress having been made. A further External review will be carried out in November with the aim that the area will be Good by then.

Turning to the External Review of ESOL, Members were delighted to see an area not of concern receive such a good report. A Member described how a learner he met during a Learning Walk had got a job and was very complimentary about the College and the support he had received. KM informed Members that two learners in the School have secured jobs with their work placement employers.

RESOLVED: The Student Progress Update was noted.

59/24 HR Update (C)

Members heard from HS with her initial reflections and key identified priorities for 2024/25 following her appointment as Director of People and Culture in March.

HS began by offering her observations on the culture of the College over the last three months, which she has found to be very positive.

HS has identified two priority areas: workforce planning and professional development.

RESOLVED: The HR Update was noted.

60/24 Operating Plan 2024/25 (C)

MB presented the College's Operating Plan for 2024/5.

He explained that the College has a holistic planning framework which incorporates strategic plan, risk plans etc. Each year an Operating Plan is developed which sets out the work streams the Executive will seek to complete in order to achieve the objectives in those plans. As such, it is mapped against the Strategic Plan objectives.

MB took Members through the context for the plan and its key ambitions. The detailed plan was included in the papers along with the associated end of year KPIs.

RESOLVED: The Board noted and approved the Operating Plan for 2024/25.

61/24 Financial Matters (C)

Management Accounts

AB presented the Management Accounts to May 2024.

RESOLVED: The Management Accounts were noted.

Financial Forecast Update and Approval of 3-Year Financial Plan (incorporating annual budget and pay award considerations prior to submission to ESFA 31 July) including Subsidiary Companies

AB presented the updated 3-Year Financial Plan for the College and reported the movements from the figures previously submitted to the Board.

RESOLVED: The Board:
- **Approved the College's financial position and revised forecast.**
- **Approved the projected financial health grades for the next three years.**

ESFA Financial Health Grade Letter and Benchmarking Report

Members had been provided with the ESFA Financial Health Grade Letter and Benchmarking Report, which they reviewed.

A Member asked what the Executive Team's view was on the College's data compared to other colleges.

AB replied that the College mostly uses the pay percentage data (in line with other colleges at present) and the College compares favourably with most of the financial indicators. MB added that it is important to recognise the differences in profile of the colleges included in the report and questioned whether the comparisons are truly meaningful. Sometimes, they can raise more questions than answers.

The Chair wondered why the benchmarking is not used more in the College's KPIs. AB replied that the pay percentage is included.

ACTION: AB will review the report with the Financial Controller over the summer and come back to the Board with his view.

Another Member noted that during the ESFA review of the College's financial statements, it was noted that the Statement of Corporate Governance and Internal Control did not specifically address whether policies, procedures and approval processes have been updated to ensure compliance with the new requirements following reclassification and the statement does not state whether the College has established systems and processes to identify and handle any transactions for which DfE approval is now required. These requirements are set out in the College Accounts Direction 2022 to 2023 (Annex A). The ESFA have requested that the College confirm in writing whether appropriate systems and processes are in place to satisfy these requirements. The Member wondered why this had not been picked up, including by the College's External Auditors.

ACTION: AB to follow-up with Hazlewoods.

RESOLVED: The ESFA Financial Health Grade Letter and Benchmarking Report were noted.

Treasury Management Update

AB reported on the College's current Treasury Strategy.

RESOLVED: The Board noted the current position and was content that no changes to the current Strategy were required.

NCD 25 Year Plan

AB presented a paper requesting approval to a change in the inter-company interest charges from the College to NCD Limited.

The NCD Board has approved a decrease in interest charges from the College to NCD Limited to base rate only, effective from 1 August 2023. The College Board was requested to approve the same proposal. The College has taken advice on the proposal from its external auditors, Hazlewoods.

AB confirmed that he was happy with the proposal. Members were conscious of their responsibilities to both the College and its subsidiary companies under the College's Financial Handbook and Managing Public Money.

RESOLVED: The Board approved a decrease in interest charges from the College to NCD Limited to base rate only, effective from 1 August 2023.

62/24 Audit and Compliance (C)

Health and Safety Update

The report had been presented to and reviewed at the last Audit Committee meeting.

TD had met with the Health and Safety Manager in his capacity as Link Governor for Health and Safety and reviewed the report in detail. He commented that the External Review had validated the positive health and safety culture at the College. He noted that good progress had been made in Construction which is always a difficult area.

RESOLVED: The Health and Safety Update was noted.

Risk Management Update

The report had been presented to and reviewed at the last Audit Committee meeting.

The Chair of the Audit Committee reminded Members that the annual pay award is a key risk to the College's finances.

RESOLVED: The Risk Management Update was noted.

Subcontracting Update

Members reviewed the latest Subcontracting Update.

The 2024/25 funding rules now specify that subcontracting declarations must be submitted twice a year by 31 October and 30 June.

Since the last subcontracting update in March, UWE have signed the subcontractor agreement for 2023/24.

Global ATS were limited to £100,000 until July 2024 as a Supporting Provider.

RESOLVED: Members noted the Subcontracting Update, in particular the two contracting arrangements and value as reported to the ESFA.

Approval of Re-appointment of Internal Auditors

JC reported that the Post 16 Audit Code of Practice requires the Audit Committee to monitor the effectiveness of the College's internal audit service on behalf of the Board. There is no requirement to commission internal auditors but having an internal audit service in place, which may be supplemented by specialists in particular areas, is likely to assist the Committee in ensuring they have effectively discharged the requirements in the Post 16 ACOP. A review of RSM's performance during the year was carried out at the last Audit Committee meeting.

RESOLVED: The Audit Committee recommended, and the Board approved, the reappointment and fees of RSM for next year (fees set out in Audit Plan for the year).

63/24 **Annual Digital Technology Link Governor Report (C)**

SH gave the first annual Digital Technology Link Governor report which included a presentation on Cyber – What a Governor Needs to Know. This consisted of a short briefing on what SH looks for as the Link Governor in this area and what other Board Members should look out for both from a college and personal perspective.

He referred to the first annual Cyber/Digital Report which KA had produced for SH to submit to the Board and to which he added his view as Link Governor for Digital Technology. The report covered developments in the implementation of hardware and software, cybersecurity, digital and artificial intelligence and routine work to make sure the underpinning IT/Cyber/Digital strategies are recognised.

Members discussed the cost of implementing new technology in the light of the pace of change in this area e.g., software licences. It was agreed that the biggest challenge is ensuring the balance between cost and effectiveness of measures. The College has made great progress in this area in comparison with other educational establishments and takes a risk-based approach.

SH is assured that the policies and objectives of the College IT team are aimed at cost effective and secure operation. He commented that the various cyber security exercises (both internal and external) have demonstrated that the College is well equipped to respond to incidents. However, it was acknowledged that no system is guaranteed.

It has been agreed that the broader role of Digital Technology Link Governor will require SH to be able to 'deep dive' into specific areas/themes at each visit.

SH thanked the IT team for their openness and engagement during the last year.

RESOLVED: The Annual Digital Technology Link Governor Report and Presentation were noted. SH was thanked for his role in providing a further line of assurance in this are on the Board's behalf.

64/24 Approval of Policies
- **Reserves**
- **Student Support Fund**
- **Talkback (Complaints and Compliments)**
- **Treasury Management**
- **Tuition Fees**
- **SPH Remuneration and Appraisal**

Members reviewed the above policies.

The Chair of the Audit Committee asked how much money was in the Student Support Fund and was informed appropriately £800k. He wondered when the Fund was last audited. AB answered that there are monthly meetings, and the Student Support Manager writes the policy. It is covered by the external audit but has not been the subject of an internal audit for a while.

RESOLVED: The policies were approved.

ACTION: College to consider an independent review of the Student Support Fund.

65/24 Committee, Subsidiary Company, Link Governor and Governor Learning Walk Reports
- **Betaris - 6 June 2024**
- **GFM - 11 June 2024**
- **GPS - 11 June 2024**
- **NCD - 11 June 2024**
- **Audit - 11 June 2024**
- **EWG - 17 April, 16 May, 11 June 2024**
- **GRS - 13 June 2024**
- **C&Q - 25 June 2024**
- **Link Governor Reports**
- **Governor Learning Walk Reports**

Members received reports from the Chairs of Audit, EWG, GRS, and C&Q. and reports of Link Governor meetings and Learning Walks as follows:

SH – Wellbeing Link Governor 2 May
SH – Digital Technology Link Governor 2 May and 12/13 June
MF – IT Learning Walk 2 May
MJ – L3 Creative Media (Gaming) Learning Walk 2 May
PL – L2 Photography Learning Walk 2 May

GR reported that she had met with HS as Mental Health and Wellbeing Link Governor and had been invited to attend a meeting of the College's Wellbeing Committee.

RESOLVED: The Committee and Link Governor reports were noted.

66/24 Items for Notification

- External Audit Plan and Engagement Letters - from Audit Committee
- Internal Audit Plan - from Audit Committee
- Board Assurance Framework - from Audit Committee
- External Governance Review Final Report - from GRS
- SPH Remuneration and Appraisal Policy - from SSEC

Members reviewed the above items referred to in the committee reports and presented for notification by the committees.

Members considered that the Board Assurance Framework was useful in understanding where the Board obtains its assurance in the different areas of its responsibility.

There were no questions.

RESOLVED: The Items for Notification were received and noted.

67/24 Use of College Seal

RESOLVED: The Board noted and endorsed the use of the Seal as set out in the paper.

68/24 Governance Matters

Governance and Regulatory Developments

JC presented a paper which included details of the following matters and the actions to be taken in relation to each of them:

1. Safeguarding, Mental Health and Wellbeing
2. Financial Sustainability/Funding
3. Legislation/Legal
4. Curriculum
5. Governance
6. Governor Training and Development

More detail on the above and other useful information was contained in the Appendices pack.

RESOLVED: The Board noted the Governance and Regulatory Developments since the last meeting and the actions taken as a result.

Governor Learning and Development Activity Record and Governor Learning and Development Reports

Members had been provided with the record of Governor Learning and Development activities. They were reminded to let the Clerk have details of any external training activities they have undertaken which may be relevant to their role.

The Chair thanked Members very much indeed for their extensive involvement in all of the engagement activities during the year, which is much appreciated and extremely valuable in contributing to effective decision-making, providing additional assurance to the Board in those areas and helping the Board to get a better feel for how decisions at Board level impact at operational level.

RESOLVED: The Board noted the Governor Learning and Development activities, which enrich governors' understanding and oversight of the College.

69/24 Any Other Business

DK reported that the College had achieved Matrix reaccreditation for its Careers provision. The next full assessment will be in June 2025 under new standards. He highlighted the need for a replacement Careers Link Governor. GRS is considering.

The Chair thanked the Executive and Governors for their hard work during the year, which had seen a lot of positive developments and a lot of challenges, but which had definitely moved the College forward.

70/24 Date and Time of Next Meeting

Date and Time of Next Meeting: Business Board Meeting – 10 October 2024, Gloucester campus.

Members of the Executive Team (other than the Principal), Staff Members and Student Members left the meeting.

71/24 External Members Only (C)

External Members Only Minute.

Signed: W Abbott

Dated: 14|11|24