



MINUTES OF THE LINCOLN COLLEGE BOARD OF CORPORATION – HELD AT LINCOLN COLLEGE BY MS TEAMS ON TUESDAY 28 JULY 2020

Present:	James Pinchbeck Philippa Bratby Tim Calvert Heather Fluck Tim Godson Dean Graham Gary Headland Nick Lyons Mark Platts Daniel Wilkinson	Chair Support Staff Governor Chair of Appraisal and Remuneration Committee Academic Staff Governor Chair of Audit Committee Chair of Search, Training and Development Committee and HE Committee CEO Vice Chair and Chair of Finance Committee
In Attendance:	Sarah Adams Tom Dannatt James Foster Graham Harrison Mark Locking Tom Marsden Jim Newall Jacqui Varlow	Clerk to the Board of Corporation Group Director of Finance and Commercial Managing Director (International and Commercial) Group Director IT, Information Management and Projects Managing Director (Education and Training Delivery) Group Director of Strategic Growth Group Director of Marketing and Communications Group Director of HR and Student Support Services
Apologies:	Haydn Beeken Neil Everatt Natalie Heap Alex Knoll Mike Simpson Mark Speed Marta Wojcik	Vice Chair and Chair of Performance and Quality HE Student Governor Apprentice Student Governor FE Student Governor

68/19 APOLOGIES FOR ABSENCE

Apologies were received from Haydn Beeken, Neil Everatt, Natalie Heap, Alex Knoll, Mark Speed, Mike Simpson and Marta Wojcik.

The Chair welcomed everyone to the last full Board meeting of the year.

69/19 ELIGIBILITY, QUORUM AND DECLARATIONS OF INTEREST

Notice of the meeting had been given and a quorum was present. The meeting was declared open. There were no declarations of interest.

70 /19 MINUTES OF THE CORPORATION AND COMMITTEE MEETINGS

Board of Corporation –19 May 2020

The minutes of the meeting of 19 May 2020 had been circulated. Following a check on accuracy, the minutes were agreed by the Board as a true and accurate record and will be signed accordingly.

Leadership Sub-Group – 2 June 2020

The meeting was arranged to approve the College reopening plans and was attended by the Chair and all Committee Chairs. The Board were asked to ratify the approval of the reopening plans. The senior team and College staff were thanked on behalf of the Board for putting a robust plan in place and ensuring a safe and secure reopening for staff and students.

The Board ratified and approved the reopening plans

Performance and Quality – 20 May 2020 and 22 July 2020

Key points were reported as:

- Good progress on 2019/20 data despite it not being compared nationally this year.
- Apprenticeships will improve but unclear by how much due to uncertainty of furlough, which may result in redundancies.
- Online delivery has gone well with strong engagement although access for some disadvantaged groups is challenging.
- Blended delivery plans for 2020/21 in place along with data sets.
- Planning for learning quality monitoring for governors.
- A great effort from the College to deliver learning over these last 4 months whilst at the same time assessing students on often tight delivery deadlines and planning blended learning for 2020/21.
- On track for vast majority of students to finish adapted or delayed assessments by the end of this week. Accountancy and Hair and Beauty being carried forward to September.
- A strong effort from staff and the teams have been thanked.
- OODA walks and governor involvement was discussed. Remote walks have been carried out during lockdown and there will be a mix for the next year. TG gave his experience of the remote learning walk he had carried out. Sally Reeve will be able to give training.
- The Clerk will work with the staff to arrange a mixture of walks for next academic year. It was highlighted that the online teams forum gives time to allow for more sessions as there will be less travelling and this will be positive.

Audit Committee – 16 June 2020

TG had Chaired his first meeting in June. It was noted that Richard Lewis is handing over to Paul Oxtoby as Audit Lead and Richard will continue to support.

Highlights of the meeting included:

- Audit report discussed.
- There may be more information required but RSM will not modify audit report.
- Audit recommendations were at 27 with 10 approved for removal at the meeting. There were some delays addressing points as staff dealing with Covid-19.

- It had been challenging for Wylie & Bisset (W&B) who have undertaken work remotely but they will be able to complete enough work to give a full report at the end of the year.
- A recommendation was received from W&B in relation to a Board Assurance Framework building on what is in place which will be reviewed by the Risk Management Group and be a live working document.
- Noted that there will not be any extensions to reporting or filing.

Higher Education Committee – 20 May 2020 and 22 July 2020

An overview was given of the Higher Education Committee meetings that had taken place since the last Board including:

- A decision was taken to separate P&Q and HE Committee to ensure both areas of provision are given equal consideration and attention. This will allow time to provide the right amount of scrutiny and avoid the situation of missing both meetings if they follow on. HE Committee will be held the week prior to P&Q
- Assignments, valuations and exams for HE students have all had to go ahead. Concerns over how students had adapted to the changes were discussed in detail and the support being provided, including purchase of laptops.
- What next year will look like including continuation data, applications received, etc was discussed and the figures are positive, including for internal applications.
- APP was discussed with only one area tracking red. Late declaration of disabilities for students was considered and the support put in place.
- NSS data was scrutinised. Two areas were highlighted; complementary medicine has had a lot of feedback in previous surveys but this year, following improvements made, there had been no comments received which was very positive. A lot of improvement was noted and are now close to benchmark in a number of areas. Noted that for small student numbers a low number of comments can have a large impact on percentages – drop in student voice (9%). An action plan is in place. The importance of HE within the College was noted and performance against the sector was good.
- A lot of thought has been put into the provision in September against the national profile.
- HE Committee were very happy with the current position.
- The student voice and the offer provided was discussed. The benefit of now having three years of data allowed the Committee to track the trends.
- The current marketing was discussed. It was explained that there are internal applicants coming back but a slight dip in external applicants. Currently figures overall are similar to this point last year. It may be that some students are waiting to see what their grades are.
- The value of having a separate HE Committee was recognised.

Finance Committee – 25 June 2020 and 23 July 2020

An overview was given of the meetings held since the last Board. In summary:

- P9 review carried out on 25 June including a Covid-19 commentary and tracker.
- Impact is looked at from one set of monthly accounts to the next with commentary against each item on the I&E and risk ratings included which provides a good level of understanding for scrutiny.
- The July meeting had received the overview of the budget for 2020/21, it was noted that LCI had received and approved their budget.
- A set of assumptions had been provided to allow a good debate.
- Scenario planning and cashflow implications were discussed and this will be covered later in the meeting.

- Finance Committee agreed a good balance had been struck despite current uncertainties.
- Assumptions hadn't been used to drive a particular outcome. The Finance Committee supported the budget put forward and agreed to recommend it to the Board for approval.
- Scenario planning and assessment of risk had been very helpful for the Committee to assess and recommend the plan for approval.
- The meeting had been very comprehensive.

71/19 MATTERS ARISING AND NOTIFICATION OF URGENT BUSINESS

There were no matters arising. It was agreed that an item of additional business in relation to the term of office of James Pinchbeck as Chair would be discussed.

72/19 IMPACT OF COVID-19

The CEO gave an update and highlighted the following:

- The Chairs of the Committees were thanked for the way they had presented back on the meetings held.
- The effectiveness of governance which has continued was recognised and welcomed and the Board members were thanked for giving their time to continue to support the College.
- The impact on curriculum has been huge. The work of the team was recognised and the immense pressure they have had to deal with. Impact might not be seen until next year.
- The impact on finances has been well understood and the quality and effectiveness of the financial reporting was noted. The strategic move of the long term finance arrangement has had a positive impact on the current position.
- Revenue income outlined. A lot of student recruitment has moved online, 'cost of sales' have gone up. Apprenticeships will be tracked carefully and there may be an impact once furlough ends in the Autumn, this has been taken into consideration in budgeting. Commercially some activities are starting to return, with Deans reopening with a number of safety measures put in place. International activities and the continuation of delivery in KSA were reported and the team under Scott Upton thanked for how they have managed the situation during Covid.
- Planning for September is well advanced, being led by Tom Marsden. Risk assessments have been carried out overall and in each individual areas. There is a lot of work continuing during August to ensure the campuses can be opened in a safe way. Feedback from the lessons identified sessions held with staff has been reflected on during the planning process.
- The communication received by staff around Covid secure measures and practices has been welcomed. The work with the Trade Unions had been positive with strong and effective engagement with the Team.
- Policies are being worked through to ensure everything is in place for staff to return safely in September in a controlled return. There are increased costs and decreased income linked to arrangements and risks.
- The national guidelines and headlines including obesity and flu jabs was highlighted. The importance of wellbeing and mindfulness and looking after the welfare of staff and how to potentially deal with a future local lockdown was raised. Health and wellbeing as a cornerstone will be brought forward into the new scorecard in September. Ensuring staff are safe and have breakout and outdoor areas available, with a focus on health and wellbeing and capability and capacity was noted.
- The 'determined to' initiative was highlighted and plans to invest in more time for staff to develop. Other promotions will be carried out during the year.

- The announcements on public sector pay and the gap between School teachers and FE teachers will need to be considered by the Board next January and the impact on staff retention and staff morale.
- A collaborative bid won last week with the Federation was reported. A skills capital bid is due out shortly and a bid will be put in for digital equipment linked to remote working. It was noted that should there be a local lockdown then there are contingencies for moving swiftly back out to remote working.
- It was reported that AoC had run a competition for students and staff for running and cycling and the College were the national champions for both activities logged and distance travelled. The motivation of staff to be involved was highlighted. Stu Reddington and Adie Short had led on the initiative and the staff had enjoyed taking part, with many continuing their activities. Cycling into Monks Road and the difficulties of this were considered.
- Reopening was queried and the arrangements that would be in place for students that arrive early in the morning but don't have lectures until later, particularly as many have been out of the environment for a considerable time or are joining College for the first time at 16. Planning for the Big Welcome, enrolment online and arrival on campus was explained. Transport was reported on and the work being carried out with the council. There will be staff available to provide support for students arriving. Plans will be tested and adjusted accordingly.
- The College were congratulated on the 'Make Everyone Smile' Group on Workplace which had proved very popular.
- It was asked if there was a policy related to the first day of term, particularly in light of the potential for those returning from abroad and the possibility of quarantine. It was explained there is restricted leave in August prior to the September start so there should be a buffer in place. Teaching doesn't often start until a couple of weeks of big welcome events, etc, so there shouldn't be a big impact.

73/19 FINANCIAL PLAN INCLUDING INCOME AND EXPENDITURE BUDGET 2020/21

It was reported there is a requirement to submit an updated forecast for 2019/20 and I&E for 2020/21 to the ESFA by 31 July 2020. The Finance Committee had received and considered the budget at their last meeting.

A presentation was given on the Financial Plan for 2020/21 including:

Budget review timeline: a 12 month plan is due on 31 July 2020 and a 36 month model to be submitted in January 2021.

Context: FE funding landscape; international and commercial business (contracts under renewal at 2 Colleges in KSA); working capital facilities (it was noted that NatWest only take LC figures into account and not Group); five year capital programme and property strategy; sector pay offer (3% for teachers nationally but no pay award currently included); impact of Covid-19 – additional cleaning costs included; 2019/20 has an ESFA grade of 'good'; financial objectives are being set to maintain resilience.

Financial Objectives: Investment in cornerstones of success; maintaining financial resilience by: securing health grade of 'good'; EBITDA generation; sufficient levels of working capital; bank covenants; capital investment programme; control of key drivers.

ESFA Scoring System: College EBITDA; Adjusted current ratio and debt/income ratio was outlined in detail linked to the grades of Outstanding, Good and Requires Improvement.

LC Group Scores: the figures were outlined in detail and the scores for 2020 and 2021. It was noted that the long-term finance is currently held as a restricted reserve and the impact of moving this out into cash does result in an increase in grade from good to outstanding (240), the impact for 2021 would be an increase from 180 to 190 and higher level of good.

Financial Results at a Glance: Balance sheet (Net Assets); EBITDA; Bottom line surplus (change of date for Ravensdale from 2019/20 to 2020/21); Gearing, Current Ratio.

Income and Expenditure High Level Summary: Figures for both Lincoln College, LCI and Consolidated were outlined for income, pay and non-pay.

Capital Programme – Existing Projects: Aviva; Ravensdale; KSA; Construction; IoT; Gibney; curriculum expenditure and other projects.

Capital Programme – 2020/21: Estates and Infrastructure; Information Technology; curriculum investment; KSA and other projects.

Cashflow: A scenario graph was presented covering from w/e 31 July to w/e 25 December 2020 and the items included were explained. The aim of avoiding any credit facilities was noted and the investigation of other available facilities. The potential impact of contracts in KSA was noted.

Key Risks and Opportunities: Confirmation of contracts in KSA is awaited. It was highlighted that the LCI Board had considered the implications of a number of scenarios and recommended the figures to the Finance Committee for inclusion in the budget and financial plan put forward. For clarity it was reported that contracts have not yet been signed for Qatif or T&H Colleges and the outcome on the ITQAN bid is awaited. Should contracts not be awarded there will be an impact and the budget may need to be revisited in the autumn. With the current assumptions the budget is a solid base following rigorous discussion.

The Board were asked for approval of the plan as presented for submission.

The Board approved the plan as presented

It was asked if the document to be submitted could be circulated for information.

Action: final submission to be circulated to Board

74/19 LCG BALANCED SCORECARD AND STRATEGIC RISK REGISTER

The scorecard had been circulated and was taken as read. The following was highlighted:

- IASTI – Newark Towns fund bid which may be in the Newark Advertiser this week. Outline bid has been submitted and a business case is being finalised.

No questions were raised. The Board reported that the use of the scorecard on reporting had been a helpful tool over the year. The scorecard will be finalised at the end of the year and the scorecard developed with the strategic objectives for the new academic year to be discussed during the September Board meeting.

75/19 POLICIES FOR APPROVAL

It was noted that the policies, previously approved by Board, had been updated to reflect changes in regulations and funding for the new academic year. The reports were taken as read.

Fees Policy

The biggest change relates to Adult Education Budgets but it was noted this has only a small material impact.

Figures have been updated for the next academic year with no major changes. It was asked how the change to AEB funding would impact and this was explained in relation to postcodes.

The Board approved the Fees Policy

Learner Support Fund Policy

It was explained that the Policy has been refreshed to reflect increases to payments and the national guidance. There were no major changes and the Policy was recommended for approval.

The Board approved the Learner Support Fund Policy

Admissions Policy

The main change to the Admissions Policy is an addendum linked to the Covid-19 position and the change of date for late applications.

The Board approved the Admissions Policy

76/19 DRAFT MEETING SCHEDULE 2020/21

The Clerk had circulated the draft meeting schedule for the 2020/21 academic year and explained this largely followed the same format as for the current year. HE Committee had been moved to the week prior to P&Q to meet in December, March and July. P&Q meetings had been set to follow the cycle for performance management meetings.

It was explained that following completion of the current recruitment campaign that Search Committee will be meeting in September.

The Board were asked to approve the schedule of meetings for the 2020/21 academic year.

The Board approved the meeting schedule

It was also explained that following the successful IoD training held in January the next course, which is Strategy, has been quoted for and it is expected this will be run in January 2021.

The CEO declared an interest as Regional Chair of IoD in the East Midlands. The training had been welcomed by the Board as worthwhile and the Board had requested the exploration of the next course. This is a three day course at a cost of £15k which has been built into the budget. The Chair of the Board also declared a conflict as a regional ambassador for IoD.

The Chair of Finance asked for Board approval for the expenditure for the Strategy for Directors course.

The Board agreed the expenditure for the course

The Clerk explained that Review Meetings have been held with Board members but that membership of the Committees is yet to be finalised. Calendar invites will be sent out using current membership and will be amended accordingly as required.

It was explained that Mike Simpson and Mark Speed have come to the end of their terms of office and stepped down from the Board. They were thanked for their contributions and commitment during their time. Gifts and certificates will be arranged.

The three student representatives, Natalie Heap, Alex Knoll and Marta Wojcik were thanked for their inputs and contributions over what had been a difficult year. It was explained that Marta has produced a video of her experience which will be used to assist in recruitment of student representatives for the next academic year. The Clerk is to work with the Head of Library and Careers Guidance to fill the student representative vacancies.

77/19 USE OF THE COLLEGE SEAL

The Clerk to the Corporation reported that the College Seal had been used on one occasion since reported in March 2020 in relation to the Lease for Christ's Hospital Terrace.

The Board noted the application of the seal

78/19 URGENT BUSINESS

The Chair of Finance Committee outlined that the term of office of the Chair of the Board was due to end on 31 August 2020 but taking into account the current situation and need for continuity a proposal had been put forward to extend the term of office for a possible three years, subject to annual election, the Board were asked to ratify the agreement reached.

The Board agreed that the term of office of the Chair should be extended for a maximum of three years, subject to annual election

The Chair explained that the Governor Reviews had taken place in July and that succession planning and development of Governors to the roles of Chair and Vice Chair had been discussed as part of these meetings.

79/19 NEXT MEETING

The next meeting will be held in the Autumn Term following approval of the schedule of meetings.

It was reported that this had been an exceptional year with many challenges but the commitment and support of the Board had ensured continuation of business and thanks were extended to all members.

The meeting closed at 13.03 hours.

Signed:

Date:

Action List
Actions from the Board of Corporation meeting held on 28 July 2020

Item Number	Description	Action by	Target Date	Status/Note
73/19	ESFA Submission to be circulated	GD(F&C)	31 July 2020	