



**MINUTES OF A MEETING OF THE LINCOLN COLLEGE BOARD OF CORPORATION HELD AT LINCOLN COLLEGE ON TUESDAY 16 JULY 2024 AT 1600 HOURS**

<b>Present:</b>	Ian Billyard Mark Platts Tim Godson Farhan Ahmed Holly Clayton Ellie Denton Pat Doody Chris Jones Ashok Kumar Mark Locking Tom McKenzie Paul Milner Peter Price Evie Sadler Charlotte Watson Kerrin Wilson	Chair Chair of Finance Committee and Vice Chair Chair of Audit  Staff Governor Student Governor  Principal and CEO  Student Governor Via Teams Via Teams
<b>In Attendance:</b>	Sarah Adams Jo Lynch Jim Newall Matt Vaughan Margaret Serna	Governance Officer Chief Finance and Compliance Officer Group Director of Marketing and Communications Deputy Principal Chair of LCI Board
<b>Apologies:</b>	Amy Conyard Don Dawson James Foster Tom Marsden Graham Harrison Jacqui Varlow	Staff Governor Managing Director (International and Commercial) Chief Strategy and Transformation Officer Chief Information Officer Chief People Officer

<b>72/23</b>	<b>APOLOGIES FOR ABSENCE</b>  Apologies were received from Amy Conyard, Don Dawson, James Foster, Tom Marsden, Graham Harrison and Jacqui Varlow. Charlotte Watson and Kerrin Wilson joined via Teams.
<b>73/23</b>	<b>ELIGIBILITY, QUORUM AND DECLARATIONS OF INTEREST</b>  It was reported by the Governance Officer that notice of the meeting had been given and that a quorum was present. Accordingly, the meeting was declared open.  The Governors were asked to raise any declarations if these became apparent during, or after, the meeting. No declarations were made.

**MINUTES OF THE CORPORATION AND COMMITTEE MEETINGS**Board of Corporation – 19 March 2024

The minutes of the meeting held on 19 March 2024 had been circulated. The minutes were agreed as a true and accurate record and were signed by the Chair accordingly.

The actions were reviewed:

42/23 – student numbers to be checked. **Post meeting note: no actual student numbers were included as for band 1 the payment is on FTE which was included in presentation**

52/23 – ADI video – JF to produce

52/23 – capital risk had been reviewed

54/23 – figures were added to EDI report

56/23 – financial regulations have been circulated and signposted to relevant staff

56/23 – publication of gifts register – this is available on request but not routinely published

56/23 – wording for EDI statement – KW provided and this is being used as each policy is refreshed

56/23 – Gifts policy wording has been amended

**Action: ADI video to be produced**Board of Corporation Training and Development Day – 14 May 2024

The minutes of the meeting held on 14 May 2024 had been circulated. The minutes were agreed as a true and accurate record and were signed by the Chair accordingly. The actions were reviewed:

62/23 – comments had been incorporated into Accountability Agreement

66/23 – KSA celebration event to be arranged in November

68/23 – devolution paper – this has been deferred and will be picked up as appropriate.

It was outlined that following the Human Alchemy training in February that 'Our Board Mindset' is included on each agenda as a reminder. It is intended that a session will be arranged in September for those that missed the February training.

**Action: HA to deliver a session for those members unable to attend in February**Finance Committee – 31 May, 26 June and 9 July 2024

The Finance Committee had met on 31 May, 26 June and 9 July 2024.

The Chair of the Committee provided an overview of the items discussed including:

31 May 2024

A meeting had been held in relation to LCI and Lincoln College. JL explained that there is a management support charge in place in KSA for services provided by Lincoln College. Over the last 10 years additional monies have also been transferred. It was explained that an arrangement has been made with the auditors to pay the cash advances off over the next two to three years. PP asked if this has impacted on cashflow. It was explained that this is being managed by using dividends where required instead. PM explained it is a balance sheet process.

#### 26 June 2024

This meeting was specifically linked to the budget setting for 2024/25 academic year. Members of the Committee had also attended a number of the budget build sessions. This was an in-depth process used for the first time which can now be developed further.

#### 9 July 2024

PD gave an overview of the meeting which covered cash balances, cashflow profile, long term funding, risk register, including that risk 11 (capital) remains on the register. There is a focus on profit rather than just EBITDA for the Committee. A presentation was received on a Cost of Delivery Model and draft Dashboard. It was asked when this would be available and it was explained for the new academic year. This will be used at high level for Board but will be a live document that can be drilled down into.

#### Audit and Risk Committee – 25 June 2024

The Audit and Risk Committee had met on 25 June 2024 and the minutes had been circulated. The Chair of the Committee provided an overview of the items discussed including:

- Audit recommendations will now also go to GLT as well as the Committee with a member of GLT assigned to each. There were 15 outstanding actions with 6 removed.
- GH had attended in relation to cyber security. It was requested the cyber risk is changed from 'treat' to 'tolerate'.
- Internal audit follow up report
- Audit plan
- Arrangements for Internal Audit are to change and a new process will be trialled for next academic year

#### Performance and Quality Committee – 22 May 2024

The Performance and Quality Committee had met on 22 May 2024 and the minutes had been circulated. The Chair of the Committee provided an overview of the items discussed including: QIAP, Deep dives, course changes, safeguarding termly report. IB had joined one of the deep dives to see what the process was. PD asked if there would be any learning walks. SA and MV explained the new Performance and Standards Team would be carrying out deep dives and learning walks and the dates would be circulated. All Board members will be invited.

#### **Action: MV to share dates for deep dives/learning walks**

PP asked if the financial incentives on attendance had had a positive impact. MV explained there had been a levelling out of attendance in the spring whereas there would often be a drop. This is critical for English and maths. The incentives rewarded endeavour and attendance. ES explained she had received a voucher for attendance but also felt £2 was too low. ES asked about the previously proposed additional hours teaching. It was explained that there would be 3 teaching hours for English and maths. TG asked about FE Commissioner's letter. It was explained a link has been made with Nottingham and national trials. AK explained results, when analysed at P&Q, will show what impact there has been.

#### Remuneration and People Committee – 13 May and 8 July 2024

The Remuneration and People Committee had met on 13 May and 8 July 2024.

	<p><u>13 July 2024</u></p> <p>Items discussed included: People Service Scorecard, Action Plan and Employee Wellbeing Survey.</p> <p><u>8 July 2024</u></p> <p>The People Plan had been discussed. It was good to see progress on the People Plan and the introduction of Stribe to carry out short surveys.</p> <p>CJ asked about the Wellbeing Survey. It was explained overall we compare strongly to the national results. Work demands, particularly for academic staff, was the highest indicator. Sessions have been held with staff across the College to see how this can be addressed. The perspective of some of the results was explained and the follow ups are still ongoing. How the Board receive feedback was queried. It was explained this comes through GLT and back to Remuneration and People Committee. Staff will be held to account where action plans have not been followed through.</p> <p>TMc asked about Stribe. It was explained that this will enable short sharp surveys on a number of topics across the year. HC asked if there was a ‘you said, we did’ like there is for students that could be put out following the survey results. ML explained this is exactly what is being put in place. HC felt more regular opportunity to input would be positive.</p> <p><u>Higher Education Committee – 10 July 2024</u></p> <p>The Higher Education Committee were due to meet on 10 July but the meeting was cancelled as it was not quorate.</p>
<p><b>75/23</b></p>	<p><b>MATTERS ARISING AND NOTIFICATION OF URGENT BUSINESS</b></p> <p>An item in relation to Healthcare will be discussed under any other business, the detail of which had been circulated via email.</p>
<p><b>76/23</b></p>	<p><b>FINANCIAL PLAN – FOR APPROVAL</b></p> <p><u>Draft Budget 2024/25</u></p> <p>A full review session had been held with Finance Committee and the pack had been circulated. The budget results in a surplus and includes capital investment. Income figures for 16-18 are secure due to lagged funding. The LCI ITQAN contract was discussed. It was asked if there was a working at risk option but it was explained that the LCI Board had agreed this would not be the approach. It was asked if there was a risk relating to staff and this was explained. HE figures were reported that forecast marginal growth. The recent positive NSS survey results were highlighted. AK asked if there was detail on open days through to conversions to enrolment and it was explained this will be on the dashboard. Element 3 funding is related to SEND learners and calculated on individual needs. A pay increase has been included in budget. Discussion took place on potential impact of increases to the minimum living wage and the concertina of salary points. The non-consolidated pay award was approved by both Finance Committee and Remuneration and People Committee for recommendation to the Board.</p> <p>ES asked about the position of no contract renewal in KSA and why the business continues to operate when this has been the case previously. JL explained that the operations have supported the College previously and also there is a management fee. It was also explained that government funding has not increased in real terms since 2009 and the income has enabled the Group to remain in surplus.</p>

The budget was recommended to the Board for approval.

**Approved: The Board approved the budget as presented**

Draft Capital Plan 204/25

A robust process has also been followed with all departments across the College. Priorities for Safeguarding and Health and Safety followed by curriculum have been reviewed. The priorities have been agreed and this feeds in to a five-year plan. The need to refresh IT equipment, etc was highlighted. CJ highlighted half the spend is on IT and hardware replacement which is a high level and there is a need to ensure this is beneficial. MP explained the frameworks and procurement processes will help maintain value for money. Classrooms are being prioritised. It was explained that any contract over £100k comes through Finance Committee for approval.

**Approved: The Board approved the capital plan as presented**

Non-Consolidated Pay Award 2023/24

The Board discussed the award of a non-consolidated pay award following consideration by both Finance and Remuneration and People Committees. It was explained an announcement would be made before the end of July and payment would be later in the year.

**Approved: The Board approved the non-consolidated pay award**

**77/23 LCG GROWTH STRATEGY**

A presentation had been circulated with notes. ML explained this had been discussed by both GLT and at the Board strategy day.

UK Growth Strategy will be included for discussion at the September Training Day.

**Action: UK Growth Strategy to be main agenda item in September**

The potential for co-ordination, collaboration, partnership and merger and acquisitions was highlighted and that often with mergers and acquisitions there are more economies of scale rather than big savings. Contextual factors and specifically the demographic drop from 2030 onwards were highlighted. Due to lagged funding by 2032 with no change there would be a reduction in funding of £2m and taking compound inflation into account closer £4m.

The outcome is to improve the quality of delivery, etc. Growth options include: build, borrow, opportunities and buy. It was asked what the thoughts of the local authority were on potential merger and collaboration and this was discussed. It was explained Gainsborough College is a lease arrangement and student numbers are positive.

CJ felt there was a large amount that needed work now to develop into a strategy and asked how the Board could support the College. ML explained this is a summary of all the work carried out so far continuing from the strategy day.

This will then be developed with timelines agreed on when each should be brought back. A refreshed STG will lead on this work in the coming year.

## **SINGLE TASK GROUP REPORT**

A paper had been circulated and MS gave an overview. Phase 2 findings include a recommendation to establish a Commercial Board/Committee. This maps to pillars 1 and 2 covering international and UK commercial.

The appendices showing the corporate structure were explained and which strands sit where. There are changes to be made to the structure and also stretch to the strategic horizon. In relation to LCI there is an exit horizon being looked at. Recommendation is to stand down the current STG. Heartfelt thanks were extended to all the members for their input.

Draft ToR for a new STG with a focus on strategy, innovation and investment were outlined and key members would be the Chair and the Principal and CEO. Quoracy had been considered at length. Directors will need to be appointed to the subsidiary companies. Expressions of interest for joining the groups will be requested at the appropriate point.

MS was thanked for Chairing the Group and also the Governors for their involvement. IB felt that the new group should be run for a year and see how this works. Quoracy could be amended to 4 with 2 being Board members. It was suggested however that as this is not a formal sub-committee it does not need quoracy included as is more a working group. CJ felt this is not a Single Task Group as the first main task is to provide oversight of the development of the group strategy. Should it also only meet four times a year was queried. MS agreed this should be much more regularly. Capacity was also raised and the importance of getting the remit right. Discussion took place on a steering group/working group, etc. Key is communication. It was asked if in principle the terms could be agreed.

### **Approved: Terms of Reference as circulated**

The Board were also asked to give approval to set up the Commercial and International Committee/Group and the appointment of Subsidiary Company Directors.

### **Approved: Setting up of Commercial and International Committee.**

78/23

## **PRINCIPAL AND CEO REPORT AND STRATEGIC RISK REGISTER**

The reports were taken as read. The highlights were reported as additional narrative on the risk register picking out key and new risks. Questions were welcomed. TMc asked about the apprenticeship achievement rate what is driving this. ML explained the move from frameworks to standards. Pass rates are fine but dropout rates are high. This is linked to apprentices not doing the final end point assessment once the main qualification has been achieved. TMc asked if the employers are aware. MV also explained the need for employers to release apprenticeships. It may be a lack of understanding. It was explained there has been drop out particularly of those working at care homes. TMc asked what the funding levels were and this was explained. TMc felt a number are paid through the levy so they may not take this into consideration. PD asked about the levelling up payments and the initiative was explained.

CJ queried risk 2 – recruitment and retention of staff which is red/red and if should this be increasing? Current issues with ASI and Finance were explained and this is also a risk to growth. It was asked if this will also be a risk to T Levels which should be considered.

Financial Health Risks for LCI were queried and if these should be merged. It was explained these are separate contracts and it was agreed as important to keep these separate

79/23	<p><b>DRAFT MEETING SCHEDULE 2024/25</b></p> <p>A draft meeting schedule for 2024/25 had been circulated. The Governance Officer reported that these are subject to change following discussion and agreement with the respective Committee Chairs.</p> <p><b>Approved: The meeting schedule was approved as circulated</b></p>
80/23	<p><b>FINAL STRATEGIC PRIORITIES</b></p> <p>The final Strategic Priorities had been circulated for information and were noted by the Board.</p>
81/23	<p><b>POLICIES FOR APPROVAL</b></p> <p><u>Admissions Policy</u></p> <p>The Admissions Policy for 2024/25 had been circulated with changes highlighted.</p> <p><b>Approved: The Admissions Policy 2024/25 was approved</b></p> <p><u>Fees Policy</u></p> <p>The Fees Policy for 2024/25 had been circulated with changes highlighted.</p> <p><b>Approved: The Fees Policy 2024/25 was approved</b></p> <p><u>Learner Support Fund Policy</u></p> <p>The Learner Support Fund Policy for 2024/25 had been circulated with changes highlighted. It was asked that the national living wage date and amounts are checked prior to the Policy being finalised.</p> <p><b>Action: National Living Wage date and figures to be checked. Post meeting note: the figures are correct based on guidance</b></p> <p><b>Approved: The Learner Support Fund Policy 2024/25 was approved</b></p>
82/12	<p><b>APPLICATION OF THE COLLEGE SEAL</b></p> <p>The Governance Officer explained that this is the standard report of applications of the College Seal since the previous Board meeting.</p> <p><b>The Board noted the report</b></p>
83/23	<p><b>EVENTS LIST</b></p> <p>The list of events as it currently stands had been circulated and this will be updated and circulated as new events are added to the calendar.</p>
84/23	<p><b>URGENT BUSINESS</b></p> <p>Detail on the Lincolnshire Health and Care, Colleges and Universities Joint Work initiative had been circulated prior to the meeting.</p> <p>Further discussion took place on this opportunity and what would be developed. It was explained the Group met almost a year ago and a number of steering groups and working groups will now be set up. This is the first joint working with universities, colleges and NHS.</p>

	The Board were thanked for their support, input and commitment over the last year.
<b>85/23</b>	<b>DATE AND TIME OF NEXT MEETING</b>  Date and Time of Next Meeting: The next meeting will be held in the autumn term

The meeting finished at 1820 hours

Date: .....

Signed: .....