

**Minutes of the Special Board meeting held on Wednesday 1<sup>st</sup> April 2020 (by Microsoft Teams) at 5pm**

Governors Present:	Jeremy Cartwright, Chair David Boughey Steve Sawbridge Stephanie Talbot Rob Fisher Sue Blake Jason Lancaster David Rogers Andy McKay Denise Brown, Principal/CEO Sibgha Amin Dave Hopley Rhiannon Buccheri		
In Attendance:	Maxine Bagshaw, Clerk to the Corporation Antoinette Lythgoe, CFO		
<b>Min. No.</b>		<b>Action By Whom</b>	<b>Action By When</b>
<b>1</b>	<b>DECLARATIONS OF INTERESTS</b>		
	<p>The Chair reminded everyone present to declare any interests that they may have on matters to be discussed. Standing declarations were noted.</p> <p>The Board were advised that Jason Lancaster has specifically declared an interest for future consideration, given that he has been appointed as the interim Director of Operations at PM Training, which is considered a competitor to the College. Governors discussed this change in occupation and agreed that, whilst there was an element of competition, there could also potentially be collaboration in the future. For the purposes of this meeting, it was agreed that the conflict would not prevent him from participating in discussions and, in any event, he has not yet started the interim role. The Board agreed to monitor this on an ongoing basis.</p>		
<b>2</b>	<b>WELCOME, INTRODUCTIONS &amp; APOLOGIES FOR ABSENCE</b>		
	Apologies were received from Pritpal Singh Nagi, Julie Obada, Jo		

Signed :  Chair  
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	Mountney, Georgia Fletcher and Donna Hazledine.		
<b>3</b>	<b>GOVERNANCE CHANGES IN RESPONSE TO THE COVID-19 SITUATION</b>		
	<p>The Clerk introduced her written report and put forward the proposal to amend the Instruments &amp; Articles to give greater flexibility in three areas. These are to provide for;</p> <ol style="list-style-type: none"> <li>a) A reduced meeting quorum – 30% instead of 40%</li> <li>b) Meetings to be undertaken by digital means</li> <li>c) The provision for written resolutions (by email in urgent circumstances)</li> </ol> <p>The Clerk explained that quorum of 40% in real terms equals eight Governors and a reduction to 30% would equate to six Governors required for quorum. The Board were, in principle, supportive of the proposal to reduce to 30% but asked that the stipulation be that, of the six Governors required for quorum, three would have to be external and independent from the College. On this basis, the Board were happy to approve the proposed changes to the Instrument and Articles as highlighted in red.</p> <p>AGREED: to approve the proposed amendments to the Instrument and Articles as presented.</p> <p>It was noted that these changes are expected to be in place until the 1<sup>st</sup> September 2020 and thereafter the Board would review and consider whether the changes are still required. The Clerk confirmed that the banks permission has been obtained to make the changes proposed. It was also noted that, for urgent matters, the Colleges Standing Orders provide for 'Chairs action' if a really quick decision is required. Any such decision would then be presented and ratified at the next meeting.</p>		
<b>4</b>	<b>FINANCIAL MANAGEMENT REPORT TO FEBRUARY 2020</b>		
	<p>The CFO introduced this item and a number of key matters were drawn to Governors attention;</p> <ul style="list-style-type: none"> <li>• The Period 7 accounts are looking backwards rather than forwards and reflect the position before Covid-19.</li> <li>• The College was on track to hit the revised forecast</li> <li>• Page 1 summary shows a surplus before interest, tax, depreciation and amortisation (ITDA) of £1,506k for the 7-month period. The deficit after depreciation of £1,280k and interest, other finance costs of £353k is £128k. This should be compared against an equivalent position in 2018/19 of a deficit of £707k. She explained that staff costs were addressed drastically for the 2019/20 period.</li> <li>• Income is detailed on page 7 and lines 2C and 2D provide an additional contingency element</li> <li>• The College has applied for £100k of additional funding for</li> </ul>		

	<p>historic data errors. If received, this will also add to the contingency available.</p> <ul style="list-style-type: none"> <li>• Line 3B is felt to be a timing difference rather than a positive variance</li> <li>• Page 9 details staff costs and the College is more or less on track. It is anticipated that the position will move in to a positive from March 2020 onwards because of expected vacancy savings. The reforecast assumed that all vacancies would be filled; however, this is now not the case.</li> <li>• There are some positives and negatives regarding pay costs and some of this relates to coding issues still to be resolved. Overall staff costs are tightly controlled.</li> <li>• Page 10 provides detail on non-pay costs. In the reforecast, the original budget amount was left in plus any additional costs that were known at that time e.g. SUMO. She explained that the team were fairly convinced that there would be savings but could not specifically identify where from and therefore the full amount was left in; however, savings are now starting to come through.</li> <li>• In terms of cashflow, the College had £2.956 million in the bank at the end of February. The expected position at the end of March was £2.149 million; however, as of yesterday, the amount was £2.04 million, therefore the College is slightly behind. She explained that part of this relates to the apprenticeship data service lock issue, highlighted on page 3. The College currently has circa £250k 'locked' and has to resolve the position with employers before funding can be released. She confirmed that this was a very high priority for the Apprenticeship team.</li> <li>• In terms of financial health, everything was looking good up until the end of February 2020</li> </ul> <p>An observation from the Board was that chasing up the DAS position may be harder in the current circumstances, as College staff may not be able to readily make contact with employers. It was explained that the data lock position leads to a lag and therefore, what the College has to have in place is a checklist of requirements for apprenticeship sign up, so that the amount of funding in data lock can be minimised. The Principal advised that the team need to look at varying issues which lead to data lock and ensure that processes are in place to minimise and mitigate. It was explained that funding in data lock remains with the ESFA and not the employers.</p> <p>The Board asked for a high-level overview of what the future is likely to look like. The CFO confirmed that the team were now working to review all aspects including;</p> <ul style="list-style-type: none"> <li>• Cash flow – this will be RAG rated</li> <li>• It is believed that 16-18 and AEB will be paid on profile and therefore risks associated with this are limited</li> </ul>		
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	<ul style="list-style-type: none"> <li>• Apprenticeship provision is more challenging and a high risk</li> <li>• In relation to student loans, the College is still waiting to hear how they will be treated. What is critically important is for the College to be able to demonstrate attendance and engagement online.</li> <li>• In relation to commercial activities, all risks are being reviewed</li> </ul> <p>She explained that staff will approach analysis in stages, with the high level first and then more detailed analysis over time.</p> <p>The Board questioned whether the College has mechanisms in place to track how many apprentices are in learning. The Principal confirmed that it does and explained that the 685 apprentices have all been moved on to the Canvas system. Through Canvas the College can track what they are accessing. In addition, skills network materials have been purchased and provided regarding the more general wrap-around skills. She confirmed that the College has really powerful analytics, which can be used to accurately see who is doing what. A challenge from the Board was that it is critically important for the Apprenticeship team to keep in contact with learners regularly and offer whatever support is required.</p> <p>A question from the Board was whether or not, in the worst-case situation, the College could run out of cash. The CFO indicated that her team were currently looking at the period up to July 2020 and a number of scenarios; this is information requested by the ESFA and applies to all colleges. She confirmed that, once the position is known in relation to this, then the team will start to look beyond this. She reiterated that apprenticeship funding is the most significant risk for 2019/20 and will roll in to 2020/21 because there will be lower than expected continuing learners. The Principal expressed the view that 2020/21 was likely to be the single most significant risk for the College.</p> <p>AGREED: to note the content of the update provided.</p>		
<b>5</b>	<b>BANK MANDATE</b>		
	<p>The CFO introduced this item and requested that the Board decision made on 10<sup>th</sup> March be revisited. She explained that, because of the Coronavirus, a more pragmatic approach is needed to the end of September 2020. She drew Governors attention to her written report and the proposal that additional names be added to panel A and B. It was confirmed that external Governor involvement in the process is required if expenditure planned is over £100k.</p> <p>The Board asked how frequently spend over £100k required authorising. The CFO indicated that it was very, very rare and</p>		

	<p>explained that the updated mandate was required more to facilitate changes needed to online banking arrangements, rather than the expectation of expenditure over £100k.</p> <p>The Board asked for an estimate of the monthly salary costs. The CFO indicated that they were circa £500k; however, explained that payroll was not included within this process. The processes to which this bank mandate would apply are extraordinary events. She provided assurance to the Board that there were robust checks and balances in place regarding payroll.</p> <p>AGREED: to approve the updated bank mandate as proposed.</p>		
<b>6</b>	<b>OPERATIONAL UPDATE</b>		
	<p>The Principal introduced this item and drew Governors attention to her written report. She indicated that the maximum number of learners accessing College provision this week is three and, as a result, it has been agreed to suspend College operations in the Easter period; this will be between the 3<sup>rd</sup> and 19<sup>th</sup> April.</p> <p>She indicated that this will mean that there are three vulnerable learners who will not have access to College provision but that they wouldn't have expected to be in anyway because of the holiday period/closedown. She indicated that ten members of staff were required to service these three learners and that having this number of staff available was appropriate when the College had forty learners attending; however, it was not proportionate for just three learners. The Principal provided assurance that the College will maintain regular contact with these learners and confirmed that closure of the College was in line with AoC recent guidance.</p> <p>She indicated that the second week of Easter will be a complete shutdown, with no home working expected. This is very important in terms of staff wellbeing.</p> <p>She drew Governors attention to the report prepared by the Executive Director of Quality of Education and indicated that this shows that staff are going to great lengths to ensure distance/home learning. The Principal expressed the view that it was incredibly important not to underestimate the accountability expectations from funding agencies and government. She believes that there will be attempts to minimise the impact on the public purse and the College needs to be alert to this. The College is currently at circa 85% in terms of government contracts and therefore 15% of income should be considered as at risk. She expressed the view that the College needs to be very cautious and must gather as much evidence as possible in relation to learning completed remotely.</p> <p>The Board all agreed that it was important to track learning and</p>		

also carefully consider what the position will look like once the country comes out of the current circumstances.

One member of the Board asked for an update on the position in relation to the Foundation Bridge Academy. The Principal indicated that two of the three students attending this week were enrolled at Foundation Bridge and were therefore still making use of the service. She confirmed that staff have been in contact with parents and they are happy for the College to refer these students to another provider in the City during the closedown period.

The Board made the observation that there were originally two hundred and fifty students in scope for continued support and access; however, it is now down to three. They asked what has happened to the other two hundred and forty-seven. The Principal confirmed that the College was in regular contact with all of the vulnerable learners and that learners are making an active choice not to attend. She confirmed that staff are 'hyper aware' regarding the potential for any safeguarding concerns and this is something monitored through the Safeguarding team. She confirmed that the College was in touch with all learners who have an allocated social worker and that the College is liaising with external agencies, as appropriate.

The Board asked for an update in relation to the staff position. The Principal indicated that;

- There are 29 staff who are self-isolating
- 11 staff on short term absence
- 11 staff on long term absence

She indicated that, if staff are not ill, then they are being asked to work from home. The Board were advised that the more significant issue is the underlying anxieties which relate to;

- A break in routines
- Annual leave
- Pay and job security
- Isolation

She confirmed that the HR team are being bombarded with queries and are finding it hugely challenging. She confirmed that managers have been directed to keep in regular contact with their teams and everyone is looking to progress Team Stoke on Trent remotely.

The Principal indicated that the current challenges are;

- Providing services to learners remotely
- Keeping 'Team Stoke on Trent' on track remotely

The Board asked what support was in place for the HR team. The Principal indicated that, one of the reasons that the decision was made to continue with the one week shutdown, is to ensure that the HR team have a break. Nova Abela, the Executive Director of

	<p>HR, is supporting her staff and the Executive team are supporting her. It was confirmed that the HR team regularly access advice and guidance from the AoC. It was explained that it is the sheer volume of queries that they are dealing with which is the challenge. A challenge from the Board was to ensure that the working day for staff does not extend. The Principal indicated that it was possible to ask staff only to email each other during the working day; however, staff seem to want flexibility on this and is dependent on their own circumstances. She confirmed that it would be possible to start to put some protocols in place.</p> <p>The Board indicated that, from their perspective, it was important that they are kept regularly informed and they asked how they could offer support to the 'front line'. The Chair asked the Principal to consider whether there was any role for Governors in terms of contact with staff. The Principal agreed to consider but indicated that it may be possible to link a Governor with each member of the Executive team to provide support from a wellbeing perspective i.e. offer a listening ear. It was agreed that the Principal would consider this and then liaise directly with Governors outside the meeting.</p> <p>The Board expressed the view that, wherever possible, it was important to limit working time for staff and to give them the message that they need to be realistic about what is possible and by when.</p> <p>The staff Governor present confirmed that staff are using Microsoft Teams to check in and this allows them to connect with colleagues. Everyone is aiming to identify the routine that works best for them and it is clear that this will mean less traditional ways of working. He explained that his team have a Friday 'tea and talk session' via Teams, which gives a welcome opportunity to share thoughts and discuss any issues emerging.</p> <p>The Board made the observation that, nationally, people are now working much more collaboratively than has ever been the case before and it is not expected that the nation will revert back to more traditional working. Staff and students' experiences have changed and this will lead to a change in expectations.</p> <p>The Board asked whether the College has started to consider what the future may look like in the longer term. The Principal indicated that this has not yet taken place but that there is work to be done, particularly in relation to activities that cannot be done online i.e. the practical elements of some qualifications e.g. gas safety.</p> <p>AGREED: to note the content of the update provided.</p>	Principal	April 2020
<b>7</b>	<b>AOB</b>		

	<p>The Clerk took the opportunity to remind Governors of the AoC governance webinar planned for Friday 3<sup>rd</sup> April at 3.30pm. A weblink for this had been circulated earlier in the day. It was also noted that regional AoC meetings are scheduled for Chairs and Governors; these are also taking place by digital means.</p> <p>(Maxine Bagshaw left the meeting at 6.05pm)</p> <p>Meeting closed at 6.30pm</p>		
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Signed : \_\_\_\_\_ Chair  
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