

**THE FURTHER EDUCATION CORPORATION OF MIDDLESBROUGH COLLEGE  
CONFIRMED MINUTES OF THE GOVERNING BODY MEETING 16.12.2024**

**PRESENT:** R Davies (CG/Chair), R Anderson (CG), I Anwar (CG), J Castor (CG), T Edgcombe (Student Governor), A Hassack (CG), M Lamb (CG), Z Lewis (Principal/Chief Executive), D Lusardi (CG), P Lynn (CG); M McClintock (CG), S Mirsalehi (CG), B Murphy (CG), P Sharp (CG), D Still (Staff Gov), J Tait (CG), I Wallace (CG).

**VIA TEAMS:** M Gaze (CG).

**IN ATTENDANCE:** D Hoose (Forvis Mazars) via Teams for Item 6.2 only

**OFFICERS:** A Adamson (VP), Z Foster (Head of Governance), S Langstaff (VP), S Marshall (VP), K Parkinson (VP), G Potts (VP), B Robinson (DP), O Rodley (VP).

**KEY:** CG College Governor      CO Co-opted Governor      DP Deputy Principal  
VP Vice Principal      Clerk to the Corporation

**1. Apologies for Absence**

A Bradford (Student Council VP), O Manners (Student Governor), A Pajura-Jaszczak (Staff Gov), M Wells CG), L Woods (CG), I Wright (CG).

B Murphy was welcomed to the Board.

**2. Declarations of Interest** – R Anderson in respect of any LSIP/LSIF related discussion.

**3. Minutes**

**3.1 Minutes of 21.10.2024** – were approved as a correct record.

**3.2 Minutes of 11.11.2024 – SAR Validation meeting** were also approved as a correct record.

**3.3 Confirmation of Written Resolutions**

**3.3.1 Salix Grant submission and associated capital contribution (November 2024)**

The resolution was formally confirmed.

**3.4 Appointments**

The following appointments were **approved**:

- M Wells as College Governor as College Governor on a four year term as of 16 December 2024 and for Mark to sit on the Audit and Risk and Employer Voice Committees
- A Shaffi to be appointed as Co-opted Governor as of 16 December 2024 in the first instance, with advance approval of a move to College Governor at the next vacancy within the College Governor cohort. Additionally, Asma sit on the Curriculum and Standards Committee.

**4. Matters Arising** – all matters had been resolved or were in hand.

**5. Strategic Overview**

**5.1 Strategic Risks Report**

Z Lewis outlined the top red risks affecting the College and of progress. She drew particular attention to the newest red risk (failure to meet 3 year budget strategy) detailing the complexities of the various streams of funding (16-18 lagged funding mechanism for growth, TVCA) and the effect of a reduction in enrolment in some areas – resulting in a deferred pay award decision.

Within the climate of many unknowns (both positive and negative) the issue had been debated at length within Corporate Services and Audit and Risk Committees, resulting in an agreement that until confirmation on the various elements (in particular 16-18 exceptional case funding outcome, TVCA final agreement, support for NI payment, and potential DfE capital grant) came through the Pay Award could not be actioned as at 1 January 2025. Unions had been informed of this and a staff video outlining the reasons had gone out. Z Lewis confirmed that it was still the intention to be able to offer a backdated pay award if at all possible (ideally with a decision being made by February half term). She also confirmed that an additional savings plan was also being developed in the background to further support this aim.

Governor questions and discussion included: how the staff video had been received (well although did raise questions); clarification on how funding for 16-18 was determined i.e. the practice of lagged funding and allocations based on previous year numbers; detail of the benefit of short term lagged funding but also the negative impact of longer term (10 years plus) lagged funding which had been the case for the College; staff pay benchmarking with

the College providing similar salaries generally; the potential impact of not providing a pay award when others had; and the longer term need to build cash reserves post reclassification.

## 5.2 Principal/Chief Executive's Report

Z Lewis presented the written report which gave an overall account of the election and external environment for information (with much of the detail being picked up within other reports), noting the complicated set of challenges borne out of the College success making for an uncertain period.

## 5.3 Strategic Plan including Corporate KPI Update

O Rodley drew attention to the data summary at **Appendix 1** (much of which was reporting as green at the end of term 1) and gave a high level update outlining improved data on last year including 16-18 retention, adult and HE retention, staff retention, and areas which were down including apprenticeships retention, ESOL retention, staff sickness (albeit still very low for the sector).

He also confirmed an additional KPI to monitor cash days.

Governor discussion and questions included: staff sickness over term one and a similar picture over the local area; possible reasons for increase in 16-18 retention (including earlier and improved support and guidance); profile of the new intake which included more FSM (free school meals eligibility), higher number of mental health issues, higher numbers in NEET and Inclusive Learning provisions); reasons for issues with Engineering apprenticeship retention and actions and related monitoring in place; and the variance and complexities relating to class sizes for the different provisions, the benefit of having a defined number within the KPIs and balanced considerations taking place for course viability/increase in class sizes to accommodate any future growth.

## 5.4 College Profile and Accountability Statement

Z Lewis outlined the purpose of this new report which would in the first instance give a deep dive into progress against the accountability statement, but which in the future would be presented through a high level dashboard. She confirmed the College was on track against all elements of the Accountability Statement.

Governors discussed the College's market share at 16-18 and the variety of reasons for students going out of area for their post 16 provision.

## 5.5 Annual Report

O Rodley presented the annual report for 2023-2024 which was **approved** by the Governing Body for publication.

## 5.6 Formal Approval of the SAR 2023-2024 and QIP 2024-2025

O Rodley presented the final SAR 2023-2024 (which also included the QiP 2024-2025) which had taken account of the additions and changes suggested by Governors at the SAR Validation session on 11 November 2024.

Some minor amendments to avoid duplication were noted ahead of the Governing Body **approving** the final SAR 2023-2024 (and QiP 2024-2025).

# 6. Corporate Update

## 6.1 Update on Budget and 3 Year Plan

S Langstaff gave a full appraisal of the recent review of the current year's budget which had taken account of changes since the financial plan was approved in July 2024. She outlined the key areas of movement (full detail being within the budget to forecast bridge in the appendices of the report) for Governors. She also confirmed that target levels of surplus had been kept to ensure the College continues to be able to increase its cash position (as per the FE benchmark). Critically, to achieve this (as discussed elsewhere) the budgeted pay award was not currently affordable without the DfE exceptional funding support in particular.

Governors' questions and discussion included: confirmation of sums required for pay award approval; perception of budget in light of staff and non pay areas in which the current (accurate) picture may look skewed with assurances given that there were levers which would change this (.e.g. FSM); confirmation that non pay areas which had been underbudgeted for last year, e.g. exam and registration fees, were at correct levels this year (after detailed examination with budget holders); whether a 3% pay award (if affordable) would be sufficient in light of teachers receiving a 5.5% pay increase and potential for industrial action; the impact of increasing class sizes on the budget/headroom; and the balance of risk in relation to growth of student population (particularly at L1 and L2).

It was confirmed that Corporate Services Committee had discussed the budget and 3 year in some detail ahead of supporting the recommendations.

Action by B Robinson to circulate comprehensive information on class sizes for the next Governing Body meeting.

The Governing Body **approved** the revised budget and associated virement as presented within the report and as per the recommendations at 6.3 (Corporate Services Recommendations).

## 6.2 Financial Statements 2023-2024 (item taken after 5.1 in the agenda)

S Langstaff gave a brief appraisal of the draft financial statements circulated and of the wider audit, in which there were a few minor pieces of work remaining. She confirmed that there would be no change to the July accounts outwith a small 3K deficit due to depreciation. Additionally, whilst LGPS was not recognized within the accounts (as per sector norms) this was currently in credit.

D Hoose took the Governing Body through the key aspects of the Financial Statements audit drawing particular attention to the good progress made since the Audit and Risk meeting and confirmed that the remaining elements would not impact on the accounts and ability to give a clean opinion. Additionally, there were no internal control recommendations, and the accounts would meet the filing deadline.

After consideration, the Governing Body **agreed to approve for** signing by R Davies and Z Lewis all five sets of financial statements for the year ending 31 July 2024 as outlined below, and as also recommended at 6.3 and 6.4, (subject to no further material changes arising from audit and tax work):

- **06.2.1 Middlesbrough College**
- **06.2.2 Northern Skills Group Business Services Ltd**
- **06.2.3 Northern Apprenticeship Group Limited**
- **06.2.4 TTE Technical (UK) Ltd**
- **06.2.5 TTE International Ltd**

*D Hoose left the meeting at 5.36pm*

## 6.3 Corporate Services Committee Recommendations

J Castor gave a brief overview of additional items (other than financial statements and budget) which had been considered at the meeting drawing attention to an informative digital transformation presentation which the Committee were excited to see evolve.

J Castor then outlined the recommendations for the Committee,

- Noting the changes to the revised budget forecast and seeking approval of the associated virement below (*approved under Item 6.1*):

The updated forecast shows an historic cost surplus of £463k in line with the budget surplus of £462k.  
Summary movements vs Budget 24/25:

	Budget £	Increase £	Reduction £	Revised Budget £
<b>Income</b>	60,354,951	2,856,780	-632,956	62,578,775
<b>Pay Costs</b>	37,060,800	1,301,711	-632,956	37,729,555
<b>Non-Pay Costs</b>	22,995,840	1,555,069	0	24,550,909
<b>Operating Surplus</b>	298,311	0	0	298,311
<b>Historic Cost Surplus</b>	462,440	0	0	462,440

- The five sets of financial statements as outlined and approved under *Item 6.2*.
- Deferment of the Pay Award decision until February half term
- That the **bad debts of £52,185** for 2023-2024 be written off

All recommendations were **approved** by the Governing Body.

## 6.4 Audit and Risk Committee Recommendations

I Wallace, on behalf of the Audit and Risk Committee, gave a comprehensive review of the December meeting. He thanked the governors who attended outwith the Committee to hear the External Auditor's account of the Financial Statements where a number of pertinent questions were raised.

### 06.4.1 Audit and Risk Annual Report 2023-2024

I Wallace detailed the key items/reports which allowed for the positive opinion to be formulated by the Committee in its annual report: External Audit – content with the figures offering a clean opinion with no significant control issues or regularity concerns; the financial statements which were scrutinized by both Audit and Risk and Corporate Services committees; that the Risk Management report provided an accurate summary of the risk management

framework and developments; and the Audit Tracking progress showed few outstanding recommendations across the internal audits showing SLT management of any actions and support for the value of the internal audit process.

After consideration, the Governing Body **approved** the following:

- The full set of financial statements as outlined and approved at *items 6.2 and 6.3*
- The 2023-2024 Annual Report of the Audit and Risk Committee which included:
  - The 2024-2025 Internal Audit Plan
  - Committee Terms of Reference
  - 2023-2024 Internal Audit Annual Report
  - 2023-2024 Audit Findings Management letter (item )
  - The Risk Management Annual Report

The report would go to the ESFA alongside the financial statements as per the regulatory processes.

## **6.5 Management Accounts (October 2024)**

S Langstaff outlined the headline information confirming that the deficit was above that budgeted, primarily due to timing issues and income was now on track. Overall, the forecast was largely in line with the revised forecast.

Action by S Langstaff/O Rodley - Governors requested that two new cash days KPIs are created which look at a minimum in-year cash level as well as a year end target

## **6.6 Equality, Diversity and Inclusion Annual Report 2023-2024**

K Parkinson presented the annual report compiled by L Barry with Governors agreeing that this was one of the best reports over recent years.

Some minor errors were noted, and subject to which the Governing Body approved the Equality, Diversity and Inclusion annual report 2023-2024 for publication.

## **6.7 Staff Recruitment and Turnover**

K Parkinson gave an updated position to her report where turnover for November had reduced further overall, with the exception of teaching support.

She highlighted the positive addition of the national teacher retention fund which would hopefully attract more people from industry. Z Lewis gave some further detail in respect of the retention fund (to which a good number of staff had applied), particularly the restrictions on sector and also 5 year limit on the funds. Governors discussed this in full.

## **6.8 One Commitment Update**

G Potts gave an overview to his report focusing on: the growth and skills levy initiative, client management cleansing activity, apprenticeship recruitment, the success of the scholarship programme and future plans, Adults Skills fund and progress and bootcamps update.

Governors questions included: local partnerships; uncertainties in light of spending review push back till June; update on Project S January start with reasons and assurances given; and detailed consideration of Quarter 1 figures for apprenticeships and business reticence in light of forthcoming budget decisions (national living wage and NI increases) and ways this might be addressed locally and more widely (e.g. Business Board/TVCA, incentives; foundation apprenticeships and use of Levy etc.);

Action by I Anwar and G Potts to meet to discuss the local partnership/employer activities in the new year.

# **7. Student Experience**

## **7.1 Verbal Account of Curriculum and Standards Committee of 10.12.2024**

P Lynn gave a verbal account of the recent meeting for which there were no formal recommendations. She referenced the current sector turmoil which was a recurring theme at the meeting. There were also excellent presentations by A Levels and Engineering giving an overview of the key issues and progress against those providing useful monitoring information. Particular attention was also drawn to the impressive Maths and English GCSE results with a full discussion on how to develop this further.

The Committee confirmed that the major risks remained the same (learner progress over time, persistent absenteeism, new teacher retention and behaviour) at the end of the meeting.

Action by B Robinson to send out the interim report on Level 3/reform agenda to the Governing Body for information.

## **7.2 Verbal Account of Higher Education Committee of 10.12.2024**

M McClintock also gave a verbal account with no formal recommendations coming from the Committee. He drew attention to the student experience, which was positive as demonstrated by an excellent student survey, an update on Degree Awarding Powers, and a full discussion on student numbers (which enrolled below target) and strategies and plans around this.

## **7.3 QIP Update**

O Rodley updated Governors on his report where Safety and Security was now 'on track' in terms of progress against actions. He also gave a brief appraisal in respect of the other three areas for improvement, highlighting that whilst new teacher retention was going well, it was still early days.

He also updated on the wider College QiP reporting all areas either progressing or on track.

## **7.4 Quality of Education Update**

B Robinson gave a positive update in relation to Curriculum Intent. More widely, and outlined some of the major areas of focus including: new teachers and support particularly within Engineering (including additional mentoring support in TEE); sequencing of some T Level provision to improve outcomes with actions detailed (including a January deep dive).

Progress within Implementation was determined as good overall albeit with some developments in relation to new staff shortages in key areas.

Additionally, there was much to be positive about under Impact, with the exception of attendance, which whilst positive against external peers, still left room for progress with a number of actions in place to support this.

Overall, the College was clear on its focus and progressing positively at this point in the year.

B Robinson also gave an update in relation to the Curriculum Reform review where there would be few changes for 2025-2026 with a longer term strategy to shape the curriculum to come through.

Governors questions and discussion focused on: clarification on persistent absence rag rating (under QiP); and detail of upskilling activities for new Engineering and Health staff.

## **7.5 PDBA Update**

A Adamson gave an update to her report drawing attention to persistent absence and the emerging behaviour concern as areas of attention. She outlined some of the many strategies in place to reduce these.

Governors questions and discussion included: persistent absence/behaviour and possible correlation to lower level learners where there were some strong links in relation to persistent absence (albeit L3 absence was also higher) but not in respect of fixed term exclusions; noted that there were few residual behaviour issues after the summer riots, and conversely much staff and student support; and positive view generally by students of safety in College confirmed by student governor and also student council meetings.

It was confirmed that the Curriculum and Standards Committee had discussed both persistent absence and behaviour in some detail at its meeting last week.

Z Lewis also informed the Governing Body of an incredibly positive Parents Survey response across the board bar some niggles with early disruptions to the TTE provision.

## **7.6 Safeguarding Update**

A Adamson presented the report which showed an increase to safeguarding concerns. She highlighted greater transition and enrolment information which partly accounted for this, but she also detailed a greater complexity of concerns being reported.

Governors' questions and discussion included: suicidal idealization figures and how/when reported and resulting processes to support those students; clarification on data sharing from schools and related parental consent (where under 18); wider increase in mental health complexities and referrals locally echoing College figures; the variety of referral routes more generally; lack of funding to support increases; key triggers for mental health; links to persistent absenteeism against certain categories (such as safeguarding and care experience); and reasoning for focus on male mental health within College and parallels of experience both locally and nationally.

## **7.7 Student Voice/Student Union Activity Update**

The Student Voice report was presented with the addition of the Student Union Activity update for this meeting.

Governors expressed their enjoyment of reading the report.

The Student Union Activity was **approved** by the Governing Body.

## 8. Governance Update

### 8.1 AoC Staff and Student Governor Summit Presentation

Student and Staff Governors present showed an engaging account of the first AoC Staff and Student Governor Summit which all staff and student governors attended in November.

### 8.2 Governance Report

Z Foster gave a brief update to her report and detailed the required approvals for consideration.

#### 08.2.1 Governance Self Assessment 2023-2024 (including Areas for Improvement for 2024-2025)

The overall grade of 'good' and the wider governance self assessment report was **approved** by the Governing Body. As part of the approval, the Areas for Improvement for 2024-2025 were also agreed.

Governors also **approved** the retrospective use of the College Seal on two occasions as detailed in the report.

Z Foster and P Lynn encouraged Governors to attend future Student Council meetings scheduled for April and May.

## 9. Review of Strategic Risks – verbal

The strategic risks were reconsidered and after discussion, it was **agreed** the risks remained the same. It was noted that the Leadership Team had a complex balancing act on how to manage growth as efficiently as possible whilst supporting staff.

It was confirmed that an update would be given at the February Training Day in respect of a number of key items raised, and particularly in respect of the Pay Award, as greater certainty was expected to filter through in the new year.

## 10. Date and Time of Meetings Spring Term 2024

- 10.1 Governing Body Training and Development – Tuesday 18 February 2025 3-6pm
- 10.2 Governing Body Social Event – Tuesday 18 February 2025 – 6 for 6.30pm
- 10.3 Governing Body (Ordinary) – Monday 24 March 2025 – 5-8pm
- 10.4 Governing Body SARS – Monday 11<sup>th</sup> November 2024 8.30-2.30pm

## 11. Matters Not for Publication

Reserved Matters namely the Remuneration Remunerations Recommendations item 14.1) Reserved Matters.

## 12. Any other Business - none taken

## 13. Report Reflection

A full discussion took place including: noting of some excellent reports; acceptance of the December bulk in respect of key annual reports/financial statements; use of AI both in terms of report writing and reading and complexities/confidentiality issues with these approaches; improvements to Executive Summaries; and role of Committees in assurances for the Board.

Action by Z Foster/report writers– to ensure that all reports are generally sent seven days in advance of the meeting and two days before at the latest wherever possible.

Staff and Student Governors along with officers left the meeting ahead of the final item.

## 14. Reserved Matters

- 14.1 **Remuneration Recommendations** S Mirsalehi reported confidentially on the annual recommendations. College Governors present then **approved** the Remuneration recommendations in full relating to:
  - the appropriate application of the Remuneration Code by the Committee during 2023-2024
  - the Principal/Chief Executive's 2023-2024 Staff Appraisal and Pay Award
  - the Principal/Chief Executive's 2024-2025 Objectives
  - the Head of Governance's 2023-2024 Staff Appraisal, hours recommendation and Pay Award
  - the Head of Governance's 2024-2025 Objectives

The meeting ended at 8.20pm