

Minutes of Meeting



CORPORATION BOARD			
TUESDAY 17 DECEMBER 2024 AT 3PM IN BOARD ROOM 1, RYE HILL HOUSE			
Corporation Board Members		Attendance	
Full Name	Position	Attended	Apologies
John Widdowson	Chair of Corporation	X	
Liz Bromley	CEO – Ex-Officio Governor	X	
Rob Holt	Independent Governor		X
Chris McCourt	Independent Governor		X
Shirley Atkinson	Independent Governor	X	
Darren Crossley	Independent Governor	X	
Lisa Gregg	Independent Governor	X	
Vikki Smith	Independent Governor	X	
Rachel Taylor	Independent Governor	X^	
Chris Wigginton	Independent Governor	X	
Andrew Young	Independent Governor	X	
Charlotte Croffie	Independent Governor		X
Joanne Marshall	Independent Governor	X	
Louise Humpish	Independent Governor	X	
Chris Byrne	Staff Governor		X
Sally McMahon	Staff Governor	X	
Conor Allen	Student Governor	X	
Karrar Swadi	Student Governor	X^	
In Attendance			
Tony Lewin	Executive Principal – Curriculum	X	
Gerard Garvey	Executive Principal – People & Culture	X	
Steven Wallis	Executive Director of Quality	X	
Scott Mulholland	Chief Information, Data & Estates Officer (CIDEO)	X	
Lisa Sproats	Chief Finance Officer (CFO)	X^	
Jon Ridley	Principal - Newcastle College, Executive Lead (HE)	X	
Claire MacLean	Director – Business Development	X	
Lynne Griffin	Director – People & Development	X	
Jane Button	Principal - Southwark College (observer)	X	
Jane Farrelly	Director of Governance	X	
Tracey Mullen	Governance Manager (minutes)	X	

*attended part of meeting / ^attended virtually

Item	Agenda Item
1.	Opening Items
1.1	Opening and Welcome
The Chair welcomed all those present to the meeting and congratulated Independent Governor Dr Vikki Smith on her appointment as Vice Chair of the Corporation.	
1.2	Apologies for Absence
Apologies were received from Independent Governors Rob Holt, Chris McCourt and Charlotte Croffie and Staff Governor Chris Byrne.	
1.3	Declarations of Interest
The Chair declared an interest in item 5.3 (the report of the Search, Nominations & Governance Committee) which related to his performance review.	
1.4	Update from the Chair on Board Matters
<p>In order to allow the recently elected student governors to participate fully in proceedings, the Board agreed to approve their appointment at the start of the meeting.</p> <p>Decision CB D162: The Board approved the appointment of Conor Allen and Karrar Swadi as Student Governors on the Corporation Board for a period of one year.</p> <p>The Chairman reported the following key points:</p> <ul style="list-style-type: none"> • He had attended the AoC Conference that took place in November. • The government has published a devolution white paper 'Power and partnership – foundations for growth' which outlines the government's strategy to expand and deepen devolution. • There is continued uncertainty around the role of Skills England in the new landscape. 	

2.	Strategic Items
2.1	Chief Executive Group Report
<p>The Board received the Chief Executive Group's (CEG) report from the Chief Executive Officer (CEO) who drew the Board's attention to the following key issues emerging across NCG and the wider sector:</p> <ul style="list-style-type: none"> • The recent Ofsted inspection had been positive. The Group Executive have met to go through lessons learned and develop a draft workplan based on the expected outcomes of the inspection. • The ESFA have advised that they will commence an audit of NCG's ILR data in January 2025. The findings will be reported to the Audit & Risk Committee in March and the Corporation thereafter. 	

- The CEO recently hosted a dinner at the House of Lords on behalf of the Chartered Institute of Further Education Policy Group to introduce a number of new MPs to the issues concerning the sector. The critical role of colleges in supporting the delivery of all five Government missions continues to be highlighted at every opportunity.
- A 3% pay award has been made to staff which is above the AoC recommendation of 2.5%.
- The CEO and Executive Director of Quality met with the Chief Nurse at Newcastle NHS to discuss how a strategy for NHS apprenticeships could work. This is an opportunity to shape workforce planning for the NHS in the North East, as NCG is also part of the discussion around Healthcare Alliance across the North East.
- The ongoing job evaluation exercise will be a key programme of work during 2025.
- The proposed HE partnership previously discussed and agreed by the Board is proceeding to contract. Performance against relevant aspects of the partnership will continue to be overseen by the relevant Board Committees. The Board received the HE Partnership Risk Register appended to the report and noted it had been discussed in detail at the recent HE Governance Committee where it was suggested that partner recruitment practices should be added to the register, in order to strengthen its robustness. The Chair of the HE Governance Committee further suggested that an independent audit of partners' recruitment practices would provide additional assurance to the OfS around NCG's oversight and awareness of key risks.

The Board, having noted the key points above and the contents of the report, queried the following:

- A governor referred to the ESFA audit of NCG's ILR data that will take place in January 2025 and queried if there were any key risks. The CEO advised that the main risk area (albeit very low), will be around adult and distance learners' data but provided assurance that the recent KPMG mock audit of ILR data had not identified any areas of concern. The Board discussed whether there would be any financial risk associated with the audit, and it was noted that this was unknown but was thought to be minimal.
- The Board discussed the pending HE partnership and the CEO advised that a pre-meeting had taken place earlier in the day with the HE colleagues in readiness for a meeting with OfS on 18 December to discuss HE partnership provision. She assured they were confident that the systems and processes and approach to HE partnership is robust.

Action CB A47: Partner recruitment practices to be added to the HE partnership risk register for additional assurance.

Action CB A48: An independent audit of HE partner recruitment practices to be sourced and reported to the HE Governance Committee for oversight.

3. Strategic Deep Dives

3.1 2023/24 Self-Assessment Report and Ofsted Inspection

The Board received the 2023/24 Self-Assessment Report (SAR), noting that this has been provided to Ofsted during their recent inspection.

The Executive Director of Quality provided a high-level summary of feedback received from Ofsted during the inspection:

- NCG received the draft Ofsted report on 16 December which will be reviewed for accuracy by the Executive team. On initial review, the draft report was in line with the feedback provided at the closing meeting with Ofsted colleagues and highlighted NCG demonstrated good strengths in all areas. Recognition was given to curriculum leaders and the senior teams within the colleges for their efforts during the inspection. It was noted that Ofsted is reviewing its inspection framework and is expected to re-inspect NCG within a 3-5 year timeframe. The final outcome report will be published in January 2025.
- Key recommendations were as follows:
 - To continue to improve retention on those programmes that are below NCG expectations.
 - To better promote and integrate maths and English into apprenticeship delivery (for those who no longer need to study GCSE/functional skills).
 - To better use Education Health Care Plan (EHCP) information and targets in the delivery to high needs learners, who are embedded in the mainstream curriculum.
 - To ensure that all learners benefit from work experience who require it.
 - To improve the feedback that some learners and apprentices receive.

The Board, having noted the key points above and the contents of the report, queried the following:

- The Board discussed the proposed judgement for skills and the feedback received from the Ofsted Inspectors who cited consistency as an issue. The Director of Business Development advised that Ofsted had recognised that at a senior level, work with stakeholders is very strong and they were positive about the place-based governance model. However, to achieve a 'strong' grading, an organisation must demonstrate that across all programmes and at all levels, local stakeholders are influencing the design and implementation of the curriculum.
- The Board formally recorded its appreciation to all staff for their efforts during the Ofsted inspection.
- It was recognised that not all colleges within NCG share the same areas of strengths or challenges, and the College Quality Improvement Plans would focus on such areas requiring improvements.
- A Governor referred to the NCG Guarantee and queried whether all Governors and college board members are familiar with its intent and impact. It was agreed that a governance development session would be useful to inform governors and members on the work being undertaken with regard to the Guarantee.

Decision CB D163: A governance session on the NCG Guarantee would be convened in 2025.

Decision CB D164: The Board approved the 2023/24 SAR, noting that the final version will incorporate Ofsted recommendations and feedback received from the FE Quality & Students Committee.

4. Items for Approval

4.1 2023/24 Annual Report and Financial Statements

The Board received the 2023/24 Annual Report & Financial Statements from the Chief Finance Officer (CFO) and noted the key points as follows:

- The accounts were reviewed at a pre-meeting of the Audit & Risk Committee in November 2024 and amended as a result of the feedback provided by members. They were subsequently reviewed again at the Audit & Risk Committee meeting of 3 December with the auditors present.
- The auditors have provided a clean opinion on the statutory accounts and no issues were identified around the business as a going concern.
- The approved statements, management representation letters and regularity audit would be submitted to the ESFA.

The Board, having noted the key points above and the contents of the report, queried the following:

- It was queried whether the Going Concern Report (Appendix F) which referenced the 2023/24 budget should be 2024/25 and it was noted this was an error and would be amended accordingly.
- The Board recognised the significant efforts of the CFO and her team in producing the Annual Report and Financial Statements.

Action CB A49: The Going Concern Report would be amended to reflect the budget figure related to 2024/25 and not 2023/24.

Decision CB D165: The Board approved the 2023/24 Annual Report and Financial Statements as presented.

The CEO drew the Board's attention to two finance-related issues as follows:

- Due to the timing of the next Corporation Board meeting in March 2025, the Board was asked to delegate authority to the Finance & Resources Committee to scrutinise the ask for professional fees in order to facilitate the timely commencement of the infrastructure plan at Lewisham College. Following review by the Finance & Resources Committee, the Chair would then take a Chair's action to approve the professional fees and report to the next Corporation meeting, in accordance with the process set out in the Standing Orders.
- Similarly, due to the timing of the next Corporation meeting in March 2025, the Corporation was asked to delegate the approval of the pending NECA bid (to expand the energy academy) to the Finance & Resources Committee at their meeting in February 2025.

Decision CB D166: The Board delegated the authority for the review of the Lewisham College Professional Services fees to the Finance & Resources Committee, with approval of the fees to

be authorised by the Corporation Chair thereafter.

Decision CB D167: The Board delegated authority to the Finance & Resources Committee to approve a bid submission to NECA to expand the NCG energy academy.

4.2 2023/24 Internal Audit Annual Report

The Board received the 2023/24 Internal Audit Annual Report from the CFO, which is based on the outputs of the work of the NCG internal audit team, RSM and KPMG. The Board noted that the same grading approach had been adopted as in previous years and the opinion of the Director of Assurance & Risk (as the Head of Internal Audit) was 'generally satisfactory with some improvements required'.

The Board, having noted the key points above and the contents of the report, queried the following:

- The Board discussed historic internal audits plans which were high in number in comparison to those within the sector, and it was noted that the Internal Audit Plan going forward would focus more on known challenging areas where assurance would be beneficial.

Decision CB D168: The Board approved 2023/24 Internal Audit Annual Report.

4.3 2023/24 Audit Committee Annual Report

The Board received the 2023/24 Audit Committee Annual Report from the CFO which had been reviewed and endorsed by the Audit Committee at their meeting of 3 December 2024. The Board noted that in the opinion of the Audit & Risk Committee, NCG's audit arrangements, framework for governance, risk management and control, and its processes for securing economy, efficiency and effectiveness were adequate and effective and they therefore recommended approval of the annual report to the Corporation.

Decision CB D169: The Board approved the 2023/24 Audit Committee Annual Report.

4.4 Strategic Risk Register

The Board received the strategic risk register from the CFO and noted the key points as follows:

- The annual strategic risk register review took place in June 2024 with the Chief Executive's Group.
- The new risks identified have since been included on the risk register which also includes an update on all risks as at the end of November.

The Board, having noted the key points above and the contents of the report, queried the following:

- A Governor referenced the HE Partnership Risk Register presented under agenda item 2.1 and noted that the new risks on the Strategic Risk Register aligned to NCG's reputation and queried whether they could be strategically linked. The CFO acknowledged that the HE Partnership Risk Register had highlighted reputational risk and advised that it needed to be developed further in terms of mitigating actions and the impact on the organisation.

Action CB A50: Risk 16 on the Strategic Risk Register to be updated to reflect the reputational risk around HE partnerships.

Decision CB D170: The Board approved the Strategic Risk Register.

4.5 Corporation Matters

The Board received the Corporation Matters Report from the Director of Governance and noted the following key points:

- **Scheme of Delegation** - The new Scheme of Delegation has been drafted according to existing authorities contained within key governing documents such as the Instrument & Articles of Government, Standing Orders and Committee Terms of Reference. These authorities have been compiled into one document (the Scheme) and categorised for ease of reference. It was noted that the document had been reviewed and endorsed by the Search, Nominations & Governance Committee at their meeting of 19 November 2024.
- **AoC SPH Remuneration Code** – NCG has adopted the AoC's Senior Post Holder Remuneration Code which includes the requirement that FE Corporations must publish a readily accessible annual statement on SPH remuneration. The Board received and approved the AoC SPH Remuneration Code Annual Statement.
- **Recruitment to Corporation Board** - There are currently two vacancies for independent Governors on the Corporation Board and one confirmed pending vacancy with the departure of Independent Governor Shirley Atkinson when her term of office ends in June 2024. The recruitment campaign will commence in early 2025.
- **Documents with the use of the Seal** – The company seal has been used once since the last meeting.
- **Policies** – It was noted that the Complaints Policy and Whistleblowing Policy had received minor updates to reflect structure changes and would be subject to a full review and presented to the Corporation Board at its meeting in March 2025.

Decision CB D171: The Board approved the Scheme of Delegation as presented.

Decision CB D172: The Board approved the AoC SPH Remuneration Code: Annual Statement to the Governing Body.

4.6 HE Fees Policy

The Board received the amended HE Fees policy from the Executive Lead for HE and noted the key points as follows:

- The DfE recently increased the maximum cap for higher education maintenance loan and tuition fees by 3.1%.
- As a result, the HE Fees policy has been amended to reflect this 3.1% increase in both full-time and part-time fees as follows:
 - F/T fees increasing from £9,250 to £9,535 (+£285)
 - P/T fees increasing from £4,625 to £4,760 (+£135)
- Members noted that the increased fees will not apply to students progressing from a foundation degree to a top-up. Alumni will also benefit from the lower fee.

The Board, having noted the key points above and the contents of the report, queried the following:

- The HE Student Governor appreciated the decision not to increase fees for existing students.
- A Governor queried whether any modelling work had been undertaken to identify the impact of the fee increase going forward and it was confirmed that NCG was not predicting any impact on student numbers as a result of the increase in fees.

Decision CB D173: The Board approved the amended HE Fees policy.

5. Items for Assurance

5.1 Report on Financial Health & Operations

The Board received the Finance Report from the Chief Finance Officer and noted the following key points:

- The report was accompanied by the P3 management accounts.
- NCG was in a positive position in terms of its overall student numbers however, T-level recruitment had been less than planned.
- Staff vacancies was an area of concern and the impact on agency costs.

The Board, having noted the key points above and the contents of the report, queried the following:

- In response to a query around the 16-18 student in-year funding and associated impact, the CFO advised that a contingency plan was in place to mitigate any financial impact.
- The Board noted the FE Commissioners concerns around college finances generally and the importance of cash reserves.

5.2 College Board Assurance and Escalation Reports

The Board received the College Board Assurance and Escalation Reports from the recent meetings:

- Lewisham College Board - 27 November 2024
- Southwark College Board - 28 November 2024
- Newcastle Sixth Form College Board - 29 November 2024

5.3 Committee Assurance and Escalation Reports and Minutes

Meeting note: this item was taken as the last item of business. Only Governors were in attendance for the reports of the Appraisal & Remuneration and Search Committees and the Chair absented himself for the report from the Search, Nominations & Governance Committee. The Vice Chair chaired the meeting in his absence.

- **Audit & Risk Committee – 3 December 2024** The Committee Chair was not in attendance, but the Board noted the contents of this report and the supporting minutes. The Board noted

the item of alert relating to resourcing issues within the internal audit function and that the CFO will bring a proposal back to the Committee in March 2025.

- **FE Quality & Students Committee – 6 December 2024** The Committee Chair reported that the key items of business from the meeting had been covered within this meeting.
- **HE Governance Committee – 10 December 2024** The Board noted the issue relating to a program accreditation and that progress was being made to resolve this. It was also noted that an assurance map demonstrating how compliance with OfS conditions of registration is governed across the HE and Corporation deliberative structures would be developed.
- **Appraisal & Remuneration Committee – 19 November 2024** This item was discussed under a confidential minute.
- **Search, Nominations & Governance Committee – 19 November 2024** This item was discussed under a confidential minute.

6. Minutes and Action Register

6.1 Minutes of Previous Meeting – 5 November 2024

Decision: CB D174: The Board reviewed and approved the minutes of the Corporation Board meeting held on 5 November 2024.

6.2 Register of Actions & Decisions

The Board received the Register of Actions and Decisions from the Director of Governance and noted the closed actions. There were two open actions to remain on the register.

7. Closing Items

7.1 Meeting Evaluation

Independent Governor Chris Wigginton and the Executive Director of Quality provided their reflections on the meeting:

- There had been a good contribution from all members.
- The briefing papers provided a comprehensive review of the key points.
- There had been good timekeeping throughout the meeting.
- There was a balance of understanding to be gained from what is presented to the Board and what is presented to Board Committees.
- The meeting had been well organised, and the reports were of a high standard.

7.2 AOB

There was no other business raised on this occasion.

7.3 Date and Time of Next Meeting

The next meeting of the Corporation Board will take place in person on Tuesday 25 March 2025.