

MORLEY COLLEGE LONDON



GOVERNING BODY

Minutes of a Meeting by Microsoft Teams on Monday 18 July 2022 at 4.30 pm

Present:

Ms Leisha Fullick, External Governor (**Chair**)
Mr Victor Olowe, External Governor (**Vice-chair**)
Miss Justine Brian, External Governor
Mr Alex Cole, External Governor
Mr Pedro Dias Ferreira, External Governor
Mr Nic Durston, External Governor
Ms Gill Evans, External Governor
Ms Heather Fry, External Governor
Mr Jerome Godfrey, Student Governor (Items 1-17.1 only)
Dr Andrew Gower, Principal and Governor
Mrs Gail Le Coz, External Governor
Ms Susan Lindsey, External Governor
Mrs Debbie Ryle, Staff Governor (Items 1-17.1 only)
Ms Moyra Samuels, External Governor
Dr Melissa Score, Staff Governor (Items 1-17.1 only)
Mr Jonathan Slater, External Governor
Ms Heather Smith, External Governor
Mr James Ward, External Governor

In attendance:

Mr Ralph Moran, Chief Finance Officer (CFO)
Mr Jon Cole, Chief Digital and Information Officer (CDIO) (Items 1-17.1 only)
Mr Matthew Cunningham, Chief Marketing and Engagement Officer (CMEO) (Items 1-17.1 only)
Ms Alison McNamara, Chief People Officer (CPO)
Mr Matias Shortcook, Centre Principal, Chelsea (Items 1-7 only)
Mr Luke Howson, Head of Student Services (Items 1-3 only)
Mr Martin McNeill, Clerk to the Governing Body and Company Secretary
Ms Katherine Cleator, Policy and Governance Officer

Absent:

Ms Lesley Mills Tagoe, Student Governor

RESOLUTIONS

- To confirm the minutes of the meeting held on 28 March 2022 (Minute 5.1)
- To confirm the minutes of the meeting held on 16 May 2022 (Minute 6)
- To defer a decision on the future of the two houses in King Edward Walk until the conclusion of the Estates Review (Minute 9.1)
- To approve a revised Fees and Refunds Policy (Minute 9.1)
- To approve the proposed Marketing Strategy 2022-25 (Minute 9.1)
- To approve the proposed budget for 2022-23 and outline financial plan for 2023-24 (Minute 9.13)

- To authorise the Finance, Resources and Fundraising (FRF) Committee to approve any actions necessary to achieve the budgeted surplus of income over expenditure in 2022-23 and 2023-24 (Minute 9.13)
- To adopt as its Code of Governance the September 2021 version of the Association of Colleges (AoC)'s Code of Good Governance for English Colleges (Minute 10.1)
- To adopt a revised Governance Review Framework (Minute 10.1)
- To agree that governors should not be asked to complete online questionnaires to assess the effectiveness of governance in 2021-22 (Minute 10.1)
- To approve a programme of meetings for 2022-23 and a provisional programme for 2023-24 (Minute 10.1).
- To approve a revised committee structure, subject to an amendment to the terms of reference of the Curriculum and Quality (CQ) Committee and to further consideration of possible overlaps between committee responsibilities (Minute 10.3)
- To approve a Governor Engagement Programme for 2022-23 (Minute 10.5)
- To re-appoint Debbie Ryle as a staff governor to serve until 31 July 2024 (Minute 11.1)
- To appoint Jessie Peramal and Raymundo Zuñiga as external governors to serve until 31 July 2026 subject to satisfactory references and eligibility checks and to all governors having the opportunity to consider full details of their applications and of the conclusions of the interview panel (Minute 11.4)
- To re-appoint James Ward as Lead Governor for Careers Education and Guidance (Minute 11.5)
- To re-appoint Pedro Dias Ferreira and Nic Durston as joint Lead Governors for Development (Minute 11.5)
- To re-appoint Gill Evans and Moyra Samuels as joint Lead Governors for ED&I (Minute 11.5)
- To re-appoint Susan Lindsey as Lead Governor for Health, Safety and Sustainability (Minute 11.5)
- To re-appoint Justine Brian as Lead Governor for Safeguarding (Minute 11.5)
- To re-appoint Justine Brian and Leisha Fullick as Governor Reviewers (Minute 11.5)
- To renew the existing Constitution of the Student Representative Bodies subject to review at any time and in any case not later than 31 July 2026 (Minute 11.6)
- To approve the Equality, Diversity and Inclusion (ED&I) Action Plan for 2022-23, subject to further consideration of the descriptors of the 'leader-led' level in the maturity model (Minute 12.2)
- To approve a revised set of KPIs and the proposed KPI targets for 2022-23 (Minute 13.1)
- To approve the proposed External Audit Strategy for 2021-22, covering the financial statements audit, the return to the Teachers' Pension Scheme, the regularity assurance engagement and the assurance report on subcontracting controls (Minute 14.4)
- To approve the proposed Internal Audit Plan for 2022-23 (Minute 14.4)
- To provide a maximum of £550k for restructure costs in 2021-22 (Minute 17.6)

1. Apologies for absence and quorum

The Clerk reported that no apologies had been received and that the meeting was quorate.

2. Welcome, introduction and declarations of interest

2.1. The Chair welcomed the Head of Student Services, who would be talking about his team's work in the area of student engagement and student voice. She expressed regret that, because of the extreme weather conditions, the decision had been taken to hold this meeting by Teams and expressed the hope that it would be possible to hold all regular board meetings in-centre in 2022-23.

- 2.2. All governors confirmed that they had no interests that they were under a duty to disclose in accordance with Article 5 of the College's Articles of Association.

3. Team presentation

- 3.1. The Head of Student Services presented an account of the work of his team in promoting student engagement and student voice (Appendix 1). He stressed the strategic importance of student voice, and outlined the processes through which the College engaged with students at College and Centre level. He explained that the Student Engagement Policy (one of 11 student-related policies, to all of which there was significant student input) was due for a major review in the first half of 2022-23, which would provide an opportunity to strengthen student voice still further.
- 3.2. Asked about student governor membership of committees of the Governing Body, the Head of Student Services said that he expected the student governor who was continuing his studies in 2022-23 to remain a member of the Quality and Standards Committee. Elections to the new Student Council were scheduled for the third week in September, and the Council should then be able to fill the vacancy resulting from the other student governor having completed her course and left Morley. The Clerk drew governors' attention to the proposal under Item 10g for both student governors to be members of the re-named Curriculum and Quality Committee.
- 3.3. In answer to further questions from governors, the Head of Student Services said that the concerns most frequently raised by students related to learning facilities and to the enrichment opportunities available to 16-to-18-year-old students, which were inevitably different from what might be available in a large FE college. He also said that the team was continually trying to reduce the number of surveys that students were asked to complete: one recent decision had been to run the general student satisfaction survey biennially rather than annually in future. He considered, however, that the current range of surveys provided very valuable data to consider alongside the views expressed at the student experience fora; the survey of users of additional learning support (ALS) had been particularly influential in helping to shape the services provided.
- 3.4. Governors thanked the Head of Student Services for his presentation and also expressed their appreciation of the recent podcast showing the two student governors in conversation with the Principal.

4. Pre-meeting presentations and videos

Governors agreed that the three videos that had been made available provided useful introductions to their consideration of the Principal's Report (Item 7), the Marketing Strategy (Item 9e) and the External Review of Governance (Item 10f).

5. Minutes of 28 March meeting

- 5.1. The minutes of the meeting held on 28 March 2022 were confirmed as a correct record and it was agreed that they should be signed by the Chair. The Board considered progress on action items and other matters arising from the minutes as follows:

30 March 2020 Minute 1.2 Apologies for absence (recognition event)

5.2. The Board recorded its thanks to the CMEO for a successful Awards Evening on 5 July, which had provided an opportunity to thank past and retiring governors.

22 March 2021 Minute 8.1 College performance (KPI benchmarks)

5.3. The Board was pleased to note that the revised suite of KPIs (Item 13) incorporated more benchmarking, including against the sector benchmarks set by the FE Commissioner.

19 July 2021 Minute 13.1 Key performance indicators (student survey)

5.4. The Board noted that the Quality and Standards Committee had received a full report on the range of student surveys undertaken (see Item 12a) and that an alternative question was now being used to measure overall satisfaction (see Item 13).

13 December 2021 Minute 6.4 Matters arising (students with learning difficulties and disabilities (LDD))

5.5. The Board noted that a report on provision for students with LDD and the outcomes of their learning had been considered by the Quality and Standards Committee at its recent meeting. The minutes of that meeting (Item 12a on the agenda of this meeting) made clear that the Committee was broadly satisfied with the support provided to this group of students and with the attendance, retention and satisfaction rates recorded.

13 December 2021 Minute 11.4 Strategy implementation (leadership development)

5.6. The Board was pleased to note that the FRF Committee had received and considered a report on the Established Managers' Development Programme that had been delivered over the first two terms of 2021-22 (See Item 9b).

28 March 2022 Minute 7.1 Principal's Report (provision for local needs)

5.7. The Clerk told the Board that he would be reviewing the presentation of reports to the Governing Body with the SLT in the autumn, when the need to highlight the impact of proposals on local needs would be addressed.

28 March 2022 Minute 11.5 Minute 11.4 Quality and Standards Committee (ED&I Action Plan)

5.8. The Board was pleased to note that the Action Plan before it (Item 12b) now included a commitment to a review of the curriculum from an ED&I perspective.

Other matters

5.9. No other matters arising from the minutes were raised. Governors were satisfied that other outstanding action items were not yet due to be addressed.

6. Minutes of 16 May meeting

The minutes of the meeting held on 16 May 2022 were confirmed as a correct record and it was agreed that they should be signed by the Chair. No matters were raised arising from the minutes.

7. Principal's Report

7.1. The Board was pleased to receive the Principal's Report as assurance of progress in implementation of the Strategic Plan. The Principal took the opportunity to report further on the outcomes of the follow-up visit by the team from the FE Commissioner (FEC)'s office that had carried out the diagnostic assessment of the College in February. He said that the progress made by the College in strengthening the Finance team by the appointment of a new Deputy Director (Systems and

Processes) and in drawing up contingency plans to be implemented in the event of an income shortfall in Term One of 2022-23 had been recognised. He thanked the four governors who had met the FEC team and clearly demonstrated the Governing Body's commitment to getting the merger plan back on track after the setback of the Covid-19 pandemic.

- 7.2. The FEC team had asked for further clarification of how contingency plans would be implemented and this was addressed in Sections 12 and 13 of the Budget paper (Item 9c) which had been added in by the CFO since the FRF Committee had met and agreed to recommend the draft budget. The team was also expected to recommend that in a worst-case scenario the Governing Body be prepared to review its strategic ambitions. Thirdly, a need had been identified to strengthen retention and progression strategies, particularly at entry level and Level 1, to achieve a further reduction in 'drop-out' rates. The Principal said that he expected these recommendations to be formalised when the FEC team reported to the College on the outcomes of the visit.
- 7.3. The Principal also drew the Board's attention to the appointment as Parliamentary Under-Secretary for Skills, Further and Higher Education of Andrea Jenkyns, whom he had invited to visit the College; and to the enhanced inspection regime that Ofsted would be introducing from the autumn to assess (as 'limited', 'reasonable' or 'strong') the extent to which colleges were meeting local skills needs. He undertook to say more on this topic in the autumn.
- 7.4. In the context of the contingency plans, a governor asked for more information about the contribution (financially and in terms of student experience and outcomes) of the Morley Gallery and Morley Radio. It was agreed that both the Gallery and Radio teams should be asked either to present to a board meeting or to create a pre-board video in the course of 2022-23.

8. College performance in 2021-22

The Board noted that the KPI reports for Term Two, which had undergone detailed scrutiny by the FRF and QS Committees, showed generally good performance against targets relating to Strategic Goal 2 (student experience) but, for reasons that were well understood, below-target levels of curriculum efficiency, room utilisation and fee income generation.

The Centre Principal, Chelsea left the meeting at this point

9. Finance, Resources and Fundraising Committee

- 9.1. The Board received and considered the minutes of the meetings of the Committee held on 10 May and 28 June, noting that all governors had been invited to the June meeting. It was agreed that the future of the two houses in King Edward Walk should be considered as part of the Estates Review. Governors also agreed to approve the revised Fees and Refunds Policy, while endorsing the Committee's request that proposals for changes in fee rates should in future be presented much earlier in the year to enable governors' views to be taken into account in the rate-setting process. The Board also approved the Marketing Strategy.
- 9.2. The Committee Chair described the role that the Committee had played in the budget-setting process, with issues raised at the 10 May meeting shaping the discussion at the Board/SLT Strategy Development Session on 13 June which in turn had influenced the construction of the draft budget considered by the Committee (with the Chair of the Governing Body in attendance) on 28 June. At that meeting the Committee had considered the nature of the contingency plans that would need to be implemented if there were early indications of an income shortfall

and had agreed to hold an extraordinary meeting on 27 September to review progress.

- 9.3. In their discussion of the Report now presented (Item 9c), which incorporated a proposed budget that took account of the views of the FRF Committee and of the latest recruitment data and also included a set of contingency plans, governors focused on three aspects:
- the extent to which the Board could rely on the underlying assumptions;
 - the risks of taking a more or less radical approach to cost reduction; and
 - the timetable for decision-making.
- 9.4. Reviewing the underlying assumptions, governors were pleased to receive assurance from the CFO and CDIO that the level of applications for accredited courses of all types continued to be much higher than in 2021, with the figures as at 5 July showing a 33 per cent increase overall. This increase (which did not take account of any increase in learner numbers resulting from internal progression) provided a high level of certainty that levels of grant funding would at least be maintained, and a prospect of increased income in 2022-23 from advanced and higher learning and in 2023-24 from 16-18 study programmes (where income was based on learner numbers for the previous year).
- 9.5. Much less certainty, however, attached to the assumption that tuition fee income would increase from a forecast £2.5 million in 2021-22 to £3.69 million in 2022-23. Governors questioned the achievability of this, noting that most tuition fee income related to unaccredited short courses, enrolments on which as at 5 July were only two per cent higher than at the same date in 2021. Responding, the CDIO reported that over the last twelve days the daily rate of enrolments had been much higher than in 2021, and that the latest figures showed a ten per cent increase. On the basis of past experience this would yield total unaccredited enrolments equivalent to 70 per cent of the target set in the curriculum plan, delivering 87 per cent of the budgeted income from this source.
- 9.6. Governors agreed that, while this was encouraging evidence of progress, failure to recruit a sufficient number of fee-paying learners remained the most significant risk to the achievement of the income budget, as already recognised at the Strategy Development Session on 13 June. They were pleased to note that the Curriculum Control Group would be meeting fortnightly in August and September to identify both accredited and unaccredited courses that were not attracting a sufficient number of students and to adjust provision accordingly.
- 9.7. Turning to the expenditure budget, governors noted that modelling incorporated a three per cent pay increase in 2022-23 and 2023-24. While non-pay costs overall were only projected to rise by 1.3 per cent in 2022-23, this figure took account of a £300k reduction in sub-contracting costs. A further reduction in these costs in 2023-24 (when sub-contracting was due to be phased out entirely) would provide some capacity to absorb continuing inflationary pressure.
- 9.8. Following discussion, governors agreed that the overall approach taken to income and expenditure budgeting (including to the modelling of the contribution to be generated from specific funded programmes such as Multiply) had been prudent. It was agreed, however, that it would be helpful if the potential for variance in each of the main budget lines could be more clearly identified in future budget presentations, to help governors to understand where the greatest risks and opportunities lay. In some cases changes in income streams might have longer-term consequences and these should be recognised.

- 9.9. The Board then considered the likely risks and benefits of taking a more cautious approach either to curriculum planning (reducing the scope of provision) or to pay (not implementing the budgeted three per cent pay increase). Following discussion, governors were satisfied that a robust process was in place to keep the curriculum under review, taking account of the recruitment history of different types of course (some typically recruiting earlier, others later). It was agreed that to institute an immediate cutback of potentially viable provision would impair the College's growth capacity and damage its brand, as well as incurring further restructuring costs.
- 9.10. In relation to pay, the Board agreed that a three per cent increase should be budgeted in both 2022-23 and 2023-24 but that no increase should be implemented until the financial outlook was clearer. As in past years, a decision on the implementation of any budgeted increase would be taken at the 31 October board meeting and pay would be backdated as appropriate. Governors noted that, while the proposed three per cent increase was below what employers were currently offering in national negotiations, as well as below the current rate of inflation, Morley (and other Institutes of Adult Learning) had not always implemented national recommendations.
- 9.11. Governors acknowledged the concerns articulated by staff governors (among others) that continuing reductions in real-terms pay, reflecting real-terms reductions in funding, were affecting recruitment and retention. They also recognised that the less tangible benefits of working for Morley might not always be seen as sufficient to offset the economic disadvantages. They looked forward to seeing these issues addressed in the People Strategy 2022-25 that was in preparation. They agreed, however, that for the immediate future a three per cent increase was as much as the College could reasonably budget.
- 9.12. Finally, the Board reviewed the decision-making timetable set out in Section 12 of the Report, which took account of the request from the FE Commissioner's Diagnostic Assessment Team for a precise timetable, and incorporated the extraordinary meeting of the FRF Committee referred to in Minute 9.2 above. It was agreed that in the event of recruitment falling short of expectations decisions would need to be taken at that point to enable contingency plans to be implemented from the beginning of October. The Clerk was asked to ensure that all governors were invited to attend that meeting, and the Principal to circulate detailed information to support decision-making no later than 21 September.
- 9.13. On that basis, the Board was content to approve the 2022-23 Budget and 2023-24 Outline Financial Plan as proposed.
- 9.14. The Board also delegated to the FRF Committee the authority to approve any actions necessary to achieve the budgeted surplus of income over expenditure in 2022-23 and 2023-24.

10. Search and Governance Committee

- 10.1. The Board received and considered the minutes of the Committee's meeting on 16 May and the approved draft minutes of its extraordinary meeting on 27 June, and agreed without debate to accept the Committee's recommendations:
- to adopt as its Code of Governance the September 2021 version of the AoC's Code of Good Governance for English Colleges;
 - to adopt a revised Governance Review Framework;
 - to agree that governors should not be asked to complete online questionnaires to assess the effectiveness of governance in 2021-22; and

- to approve a programme of meetings for 2022-23 (noting the term dates) and a provisional programme for 2023-24.
- 10.2. The Board also agreed to approve the Committee's proposed approach to building on the recommendations from the External Review of Governance, including the identification of five priority areas that would be the focus of an Action Plan.
- 10.3. Turning to the proposals for a revised committee structure, governors concurred with the view expressed in the External Review (based directly on interviews with governors) that the FRF Committee had too wide a remit. Accordingly the Board approved the proposed structure, involving the establishment of new External Relations (ER) and People Committees and the removal of the prohibition on simultaneous membership of the FRF (in future, Finance, Resources and Sustainability (FRS)) and Audit Committees, subject to:
- an amendment to the terms of reference of the Curriculum and Quality (CQ) Committee to recognise the existence of both FE and HE Quality Enhancement Plans (QEPs); and
 - further consideration being given to potential overlaps between committees.
- 10.4. The Clerk was asked to prepare and present to the Governance and Nomination (formerly Search and Governance) Committee proposals to address possible overlaps of responsibility between committees, specifically between CQ and People Committees in relation to ED&I and between ER and FRS Committees in relation to the effectiveness of marketing in driving sales.
- 10.5. The draft Governor Engagement Programme for 2022-23 was also approved. Governors particularly welcomed the inclusion of learning walks in all planned engagements.

11. Other governance matters

- 11.1. The Board received and considered a report from the Clerk confirming that Debbie Ryle had been re-elected unopposed to serve a second two-year term as a staff governor and agreed to re-appoint her to the Board.
- 11.2. The Clerk also reported that, following consideration by the Search and Governance Committee of a small number of applications and expressions of interest, two candidates had been interviewed by a panel comprising the Chair, Vice-chair and Principal, with the Clerk in attendance. Both candidates had made a very positive impression and, in addition to the financial and risk management skills that the Board was particularly seeking, had a great deal to offer in terms of commitment to Morley and its communities.
- 11.3. See confidential minutes
- 11.4. The Chair proposed and the Board agreed to appoint both candidates to serve for a four-year term, subject to the receipt of satisfactory references and the usual eligibility checks, and also subject to all governors having sight of their cvs and supporting statements, with a more detailed summary of the panel's conclusions following interview and to no objection to either appointment being raised.
- 11.5. The Board then appointed or re-appointed governors to positions of responsibility within the Governing Body as follows (all for the year 2022-23 unless otherwise stated):
- James Ward as Lead Governor for Careers Education and Guidance;
 - Pedro Dias Ferreira and Nic Durston as joint Lead Governors for Development;

- Gill Evans and Moyra Samuels as joint Lead Governors for ED&I;
- Susan Lindsey as Lead Governor for Health, Safety and Sustainability;
- Justine Brian as Lead Governor for Safeguarding; and
- Justine Brian and Leisha Fullick as Governor Reviewers (to undertake the performance management of the Principal and the Clerk).

11.6. The Board also agreed to renew the existing Constitution of the Student Representative Bodies for the normal four-year period, subject to review in the course of 2022-23 should the Student Council propose amendments to the Constitution or should changed circumstances require re-consideration of the structure.

12. Quality and Standards Committee

12.1. The Board received and considered the approved draft minutes of the Committee's recent meeting and was pleased to receive assurance as to the progress being made in implementing the Quality Enhancement Plans (QEPs) for both FE and HE. The Committee Chair asked the Board to note that a number of Areas for Enhancement (AfEs) would continue to need attention in 2022-23.

12.2. The Board also welcomed the substantially revised ED&I Action Plan, which set out much more clearly the College's objectives and the steps to be taken towards them, and agreed the Committee's recommendation to approve the Plan, subject only to further consideration being given to the inclusion of a reference to challenge in the descriptors of the 'leader-led' level of maturity. Governors recognised that the other changes requested by the Committee had been incorporated in the Action Plan.

13. Key performance indicators

13.1. The Board agreed to approve the revised set of KPIs and the KPI targets for 2022-23, noting that these had received careful consideration by both FRF and QS Committees, and welcoming the inclusion of centre-level reporting wherever relevant. Governors recognised that Appendix 2, which specified the committees responsible for monitoring KPIs, would need to be amended in the light of the changes in committee structure that had been agreed (see Minute 10.3 above).

13.2. Asked whether, given the risk of reputational damage should achievement rates on a particular programme (which might only involve a small number of students) fall significantly below the national average, governors could receive a more detailed breakdown of KPI A2, the CDIO confirmed that achievement rates were available separately for each programme. The Principal reminded governors that much of this detail was available in the annual Self-assessment Report that was reviewed by the QS (in future, CQ) Committee and the Board in the autumn term. He agreed nevertheless to consider how more detail could be provided in a form that enabled effective governor scrutiny.

14. Audit Committee

14.1. The Board received and considered the approved draft minutes of the Committee's recent meeting and noted that, following the Committee's review of the Risk Register:

- Risk 8 (failure to achieve student recruitment targets) and Risk 16 (failure to build resilience to the impact of Covid-19 on staff, students, reputation and financial sustainability) were assessed as having very high probability;

- Risk 9 (failure to manage capital programmes) was assessed as having higher impact (high, formerly medium) and probability (medium, formerly low);
- the Committee had asked the Board and specifically the FRF (in future, FRS) Committee to note its concerns about the changing landscape and to take these into account in setting targets for financial performance and liquidity to ensure that the College remained financially sustainable in the long term.

14.2. The Committee Chair said that the Committee had particularly welcomed the attention given to Risk 9 because of the possible impact of delays in projects that were not directly managed by the College not only on College finances but also on the student experience.

14.3. The Committee Chair drew governors' attention to its discussion of the skills and experience available to the Audit Committee, and urged the Governing Body to ensure that it maintained expertise in financial matters across the Board as a whole, including around the critical issue of ensuring that the College remained a 'going concern' for audit purposes. She also emphasised the importance of continuing to make progress on the integration of the finance and management information systems to ensure that the financial contribution of each programme and the financial impact of changes in enrolment were always clear.

14.4. The Board agreed to approve the draft External Audit Strategy for the audit of the 2021-22 financial statements and associated reporting at a total cost (excluding VAT) of £42,450 and the draft Internal Audit Plan for 2022-23 at a total cost (excluding VAT) of £20,735.

15. Other business

15.1. The Chair thanked Heather Smith, who was about to retire as a governor, for her outstanding contribution to the Board as a governors and as Audit Committee Chair over the last five years, particularly in making staff and governors more aware of the work of the Audit Committee and the importance of audit and risk management issues. Governors added their thanks, noting the high regard in which Heather was held across the College, and wished her every success in her new career in the NHS.

15.2. Ms Smith expressed her appreciation of the support that she had received, and looked forward to being kept in touch with future developments and to having the opportunity to celebrate future successes.

16. Date of next meeting

Confirmed as Monday 31 October 2022 at 4.30 pm at a venue to be determined.

17. Staff restructuring

17.1. The CFO and CPO tabled a paper (not ready until 30 minutes before the start of the meeting but now available on Information for Governors) providing up-to-date information about the staff restructure. It was agreed that, while the paper did not contain any information that should not be shared with staff and student governors, those governors (and members of the SLT not directly concerned with the issues under discussion) should be asked to withdraw in case the need arose to discuss individual cases.

The staff and student governors, the CDIO and the CME0 withdrew at this point

17.2. The CFO reminded the Board that a provisional sum of £500k had been included in the revised financial forecast for 2021-22 to cover the costs arising from

the staff restructuring exercise which was designed to save ongoing pay costs of £1.47 million. The total known costs of redundancy, pay in lieu of notice and compensation for untaken leave currently amounted to £410k. There were, however, a small number of cases (there at the time that the paper had been written but now only two) in which it had not been possible to calculate the pension strain cost should the members of staff concerned become redundant, and four in which compensation for untaken leave could not yet be calculated. The CFO's advice was that the provision be increased to £550k.

17.3. Governors sought and received assurance that the restructuring was being undertaken in accordance with the College's Redundancy Policy. The CPO confirmed that voluntary redundancies were being sought wherever possible; in the two cases where compulsory redundancy remained a possible outcome, she would seek to negotiate voluntary arrangements if the members of staff concerned were unable to secure the jobs for which they had applied, or still might apply. This approach was seen as preferable by trade unions, and reduced the financial risk to the College of a successful appeal against compulsory redundancy. The Board endorsed this approach.

17.4. Asked whether there was a danger of skills gaps being created by the restructure process, the Principal said that his concern had been to maintain the skills that the College needed by not cutting too deep too soon. Governors recognised that it was necessary to balance cost savings against the need to maintain the capacity to deliver services.

17.5. In response to a question about the ED&I implications of the restructure, the CPO said that, while the proportion of women members of staff at risk had been higher than the proportion of women in the staff body as a whole, more of them had been appointed to the new roles created by the restructure; consequently, the gender balance of the workforce had been maintained.

17.6. Following discussion, the Board agreed to approve the total provision of £550k and noted that the final settlement figure would be presented for formal approval at its October meeting.

The meeting ended at 7.20 pm

Martin McNeill
Clerk to the Governing Body

Confirmed as a correct record at the meeting held on 31 October 2022

and signed by.....(Leisha Fullick) (Chair of that meeting)

SCHEDULE OF OUTSTANDING ACTIONS

Minute	Action	Responsible	By when	Progress
22 March 2021				
8.5	Consider including 'percentage variance' column in management accounts Update November 2021 Format to be reviewed and any changes introduced from 2022-23	CFO	From November 2022	
28 March 2022				
7.1	Consider including question on impact on provision for local needs in cover sheets for reports Update July 2022 (Minute 5.7) To be reviewed in autumn term	Clerk with SLT	12 December 2022	
18 July 2022				
7.4	Consider including presentations from Morley Gallery and Morley Radio in pre-board videos or at meetings	GN (formerly SG) Committee	10 October 2022	
9.1	Ensure that FRS Committee work programme provides for early consideration of fee increases	Clerk	27 September 2022	
9.8	Show potential for variance in each main budget line, with long-term implications	CFO	9 May 2023	
9.12	Invite all governors to FRS Committee meeting on 27 September	Clerk	31 August 2022	
9.12	Provide all governors with detailed analysis to support decision on revised budget.	Principal	21 September 2022	
10.4	Prepare proposals to address potential overlaps of responsibility between committees	Clerk/ GN Committee	10 October 2022	

Minute	Action	Responsible	By when	Progress
22 March 2021 cont'd				
12.2	Consider inclusion of further reference to challenge in ED&I Action Plan (descriptors of leader-led level)	CPO/ Centre Principal, North Kensington	1 November 2022	
13.2	Consider how more detail of achievement rates on accredited courses could be made available for governor scrutiny	Principal	1 November 2022	