

Colchester Institute Corporation

**Minutes of a Special Virtual Meeting of the Corporation Board
held on 12th March 2021****Present:**

Kevin Prince, *in the Chair*
Alison Andreas
Tyler Burgess
Lisa Clampin
Mark Davies

Pam Donnelly
Irene Kettle
Jasmin Patel
Brenda Rich
Richard Wainwright

In Attendance:

Gary Horne Executive Vice Principal: Finance and Corporate Development
Hazel Paton Clerk to the Governors

1. Apologies for absence

Apologies for absence were received from Patrick Giddings, Liz Goodall, Keith Moule and Terry Smyth.

2. Declaration of any conflicts of interest

None.

3. Agreement to Starred Agenda Items

Governors were invited to indicate any items which they wished to star for discussion or question. Any other urgent business was starred. Items that had not been starred were noted and/or approved without discussion.

4. Update on the return to campuses

The Principal reported that the first week back on campus had been a positive experience and that both staff and students were pleased to be back. The College had established a Covid testing centre with 15 testing bays in Colchester staffed entirely with staff volunteers working their normal hours and a smaller operation in Braintree. About 3000 students had been tested, and to date no one had tested positive. Staff and students generally had a greater level of confidence about being on site, although some staff had indicated that they do not want to come onto campus until they have received their first or second vaccination. A small number of staff (six or seven) were deemed reluctant returners but a plan is in place to facilitate the return of most of these after Easter.

It was reported that the Government had set two dates for the re-opening of Higher Education. Only those learners that need access to specialist facilities and equipment were able to return to campus on 8th March. Other students will not return until 11th April.

Governors thanked the Senior Leadership Team for their hard work in preparing for the safe re-opening of the campuses.

5. Management Report and Accounts January 2021

CIC/21/2/1, Management Report and Accounts January 2021 (Period 6) was received and presented by the Executive Vice Principal: Finance and Corporate Development.

It was reported that:

- the ESFA (Education and Skills Funding Agency) had confirmed that in-year growth funding of £352k would be paid for additional 16-19 Study Programme learners. This additional allocation

would have been higher in previous years, however ESFA confirmed the overall funding envelope was reduced due to affordability.

- The forecast outturn surplus was £324k higher than the budgeted position.
- Achievement of the Adult Education Budget was a significant risk. In the previous year the ESFA had reduced the threshold that needed to be achieved to receive full funding from 97% to 67%. No announcement had yet made on what the threshold would be this year. If a higher threshold is set for this year the Period 7 forecast may need to include provision for some clawback.
- The College achieved expenditure savings up until the end of February. Costs were expected to increase as the campuses reopened.
- The cost of providing mass Covid testing had been kept down by using internal staff wherever possible and purchasing a minimal amount of new equipment.
- Cash at the end of January was ahead of the forecast position, largely due to a delay in the capital programme. In particular invoices for the Condition Fund programme had been received after month end.

Governors were pleased to note the measures that had been taken to contain the cost of the mass testing and asked whether any consideration had been given to a recognition award for those staff who had volunteered their time. The Principal confirmed that this was due to be considered at the next meeting of the College Executive.

Governors asked about the forecast financial health grade for the current year. It was reported that if the land sale at Clacton is completed, and the financial outturn position of £451k is maintained, the College will return to Good financial health for the first time in 13 years.

6. **Property Matters: FE Capital Transformation Fund**

CIC/21/2/2, College Estates and Accommodation Strategy 2020-21, and CIC/21/2/3, FE Capital Transformation Fund Stage 1 Policy Proposal Application, were received and presented by the Executive Vice Principal: Finance and Corporate Development.

6.1. **College Estates and Accommodation Strategy 2020-21**

The Executive Vice Principal gave an overview of the Strategy document. It was reported that:

- the College Estates and Accommodation Strategy 2020-21 had been approved by the Finance and Resources Committee at its meeting in November 2020. At that stage there had been some uncertainty over the potential to host the Youth Zone development on the Colchester Campus. This opportunity had been explored but it was decided that the Sheepen Road site was too far to the west of the town centre.
- with the exception of the reconfiguration of Block B and the relocation of mobile phone masts, the Braintree Campus masterplan was now complete.
- The Minorities Art Gallery lease would be surrendered once the phase 1A and phase 2 dilapidation works have been completed.

Governors asked to what extent the strategy had changed in response to recent Government announcements on Freeports. It was reported that the Estate Strategy had not changed, and a high level approach had been taken to the FE Capital Transformation Fund Stage 1 bid to enable the College to pivot the offer in the potential Green Skills Training Centres. This would be determined as the application goes through the bidding process.

The Board **APPROVED** the College Estates and Accommodation Strategy 2020-21

6.2. **FE Capital Transformation Fund Stage 1 Bid**

The Executive Vice Principal gave an overview of the FE Capital Transformation Fund Stage 1 bid. The proposal included the demolition of the Nursery, which had been unused since the tenant vacated in early 2020 and was past its end of life, and various Q Blocks which are in a poor condition. This would remove 1335m² of old buildings, to be replaced with two new builds (1300m²):

- new Green Energy Skills Centre on the Nursery site housing skills needs for electric vehicle, clean energy, low carbon, nuclear and battery storage.
- new Sustainable Construction Training Centre at the back of the campus. Brickwork activities will be relocated from the existing category D facilities at the front of the campus to the new building. The facility will be large enough for growth, which might in the form of modular houses or heat pumps.

It was reported that work would not start until January 2022, allowing time to look at emerging requirements. The decision making would be informed by the Essex Skills Action Plan, which was due to be published shortly.

It was reported that the College would not be able to contribute to the required 50% matched funding. The College has previously been successful in demonstrating that a 50% matched contribution is unaffordable and this will continue to be case while it is still recovering the financial position. The College does not currently meet all the benchmark targets set by the FE Commissioner, even with the income from the sale of the Clacton campus and the refund of Lennartz VAT payments. The proposal provides for a 800k (17%) contribution, against a £4.8m bid, to be funded by cash generated from business operations over 2021-2023.

It was confirmed that the proposal meets the needs of the fund in terms of improving estate condition. The curriculum plans for the Green Energy Skills Centre are in line with Government aspirations.

In the context of the move towards more blended learning and students spending less time on campus, Governors asked about the long term requirements for teaching accommodation. It was reported that the College had lost 3300m² of space during the last year following the removal of T Block and relocation of examinations into J Block. There will be a requirement for additional buildings in the future. Whilst maths and English could potentially be delivered remotely, students will need to be onsite in workshop areas and classrooms. Local demographics continue to rise, and there are advanced plans for a 9000 home new village garden settlement to be built locally.

Governors challenged the Executive over the matched funding element. Governors asked:

- if there was danger that the first stage bid would be turned down because the College could not meet the 50% requirement;
- whether a smaller scheme would have a greater chance of being approved as the College would be contributing a larger percentage of the cost;
- whether there would be an opportunity to resubmit with a smaller project if the first bid is rejected.

In response it was acknowledged that there was a risk that the College would do all the this work and the bid would not proceed. However, it was understood that a number of colleges would not be offering the 50% matched element. In the 'frequently asked questions' it states that applicants are expected to contribute towards to the cost of the project, and to try and meet the expected level, however if they are unable to meet the 50% matched element they should still proceed with a Stage 1 bid. The Finance Directors have challenged the ESFA on matched requirement on the grounds that this funding is to improve college estates and improvement money should not be going to those colleges that can afford the matched funding. The Stage 1 bid is not scored against the matched funding element. If the application proceeds to Stage 2 the College will ask for feedback from the local ESFA on whether they consider the application needs reshaping.

The Board unanimously **APPROVED** FE Capital Transformation Fund Stage 1 Bid.

7. **Review of Effectiveness of Meeting**

As this was a special meeting, convened to approve the College Estates and Accommodation Strategy 2020-21 and FE Capital Transformation Fund Stage 1 bid prior to the first bidding round close date of Friday, 22 March, a member asked why additional items had been added to the agenda. It was accepted that it was appropriate to take the opportunity to update Governors on other key issues such as the re-opening of the campuses and the latest management report and accounts.

8. **Next Meetings**

It was noted that the next meeting of the Corporation Board had been rescheduled to Thursday, 20th May 2021. There will be a Board briefing at 4.00pm followed by the Board meeting at 4.30pm.

9. **Any Other Urgent Business**

9.1. **2019-20 Access and Participation Plan (APP) Monitoring return**

It was reported that the 2019-20 APP monitoring return needs to be signed by the Principal, on behalf of the governing body, and returned to the Office for Students by 16th April. This would normally be an agenda item for the Curriculum and Quality Committee, but as the Committee was not due to meet until May it was **AGREED** to delegate responsibility for scrutinising the return to a small group of key governors (Corporation Chair, Chair of Curriculum and Quality Committee and Link Governors for UCC). Others Governors are welcome to join the meeting.

ACTION: The Clerk to agree a date for the review of the 2019-20 APP monitoring return and circulate details to all Governors.

9.2. **Update on Clacton Land Sale**

It was reported that on 10th March 2021:

- (i) the Corporation Chair signed the Contract for the sale of the Clacton Campus
- (ii) the Principal and Corporation Chair signed, and the Corporation Seal was affixed to, the Land Registry document for the transfer of the whole of the registered title for the College at Clacton.