

Colchester Institute Corporation

**Minutes of a Virtual Meeting of the Corporation Board
held on 2nd June 2021**

Present:

Kevin Prince, *in the Chair*
Alison Andreas
Lisa Blake
Peter Cook
Mark Davies
Pam Donnelly

Patrick Giddings
Irene Kettle
Jasmin Patel
Brenda Rich
Terry Smyth
Richard Wainwright

In Attendance:

Steve Frampton MBE	FE/HE Climate Commissioner and Chair of AoC Services Board (item 10 only)
Nils Franke	Dean of Higher Education
Gary Horne	Executive Vice Principal: Finance and Corporate Development
Hazel Paton	Clerk to the Governors
Jason Peters	Vice Principal: Curriculum Delivery and Performance
Jill Wognum	Executive Vice Principal: Curriculum, Planning and Quality

PART I**1. Apologies for absence**

Apologies for absence were received from Liz Goodall.

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. No additional items were starred. Items that had not been starred were noted and/or approved without discussion.

4. Minutes

The Minutes of the meeting held on 10th February 2021 (CIC/21/3/1) and special meeting held on 12th March 2021 (CIC/21/3/2) were received and approved as an accurate record.

5. Matters arising from the minutes

None, other than on the agenda.

6. Chair's Action/Announcements

The Board received CIC/21/3/3, Chair's Action/Application of the Seal of the Corporation, and noted:

- The Corporation Chair signed (23/04/21) a Relocation Agreement relating to communications site at Braintree College, Church Lane, Braintree Essex between (1) Colchester Institute Corporation and (2) EE Limited and Hutchison 3G UK Limited.
- The Corporation Chair and Principal signed (23/04/21), and the Corporation seal was affixed to, a Deed of Surrender relating to temporary licence at Braintree College, Church Lane, Braintree Essex between (1) Colchester Institute Corporation and (2) EE Limited and Hutchison 3G UK Limited.
- the Corporation Chair and Principal signed (23/04/21), and the Corporation seal was affixed to, a Greenfield Lease relating to the communications site situated at Braintree College, Church Lane,

Braintree, Essex, between (1) Colchester Institute Corporation (Landlord) and (2) EE Limited and Hutchison 3G UK Limited (Tenant).

7. **Principal's Report**

The Board received and noted CIC/21/3/4, Principal's Report – May 2021. Governors' attention was drawn to the progress against selected High Level Performance Targets as at 24th May 2021. It was reported that some of the performance data was limited by the availability of reports. Some data had not been collected in the usual way during the four week period following the cyber security incident in late April, when staff did not have full access to computers and system.

Governors noted that the College had recently submitted a bid to the Community Renewal Fund in partnership with ESNEFT (East Suffolk and North Essex NHS Foundation Trust) and asked about opportunities for working in partnership with other health care providers in the local area. The Principal reported that this initiative would enable the College to strengthen its working relationship with the local Health Trust and other partners of the Trust. The Principal is also the FE representative on the SNEE ICS People Board (Suffolk and North East Essex Integrated Care System Group) and the College attends a number of other health related boards and groups (workforce recruitment and development, apprenticeship delivery) which also include representatives from the university and other FE providers. The development of the Level 4 'Diagnostic Technician' Apprenticeship Standard was likely to attract national interest.

On behalf of the Board the Corporation Chair extended his thanks to Peter Cook and to Gary Horne for their work putting together the Community Renewal Fund bid within a very short timeframe.

7.1. **Post 16 Capital Fund Application**

CIC/21/3/22, Post 16 Capital Fund Application, was received and considered. The Executive Vice Principal: Finance and Corporate Development reported that the proposed project would run alongside the existing Salix PSDS underway at the Colchester Campus. The proposal would allow the expansion of a number of smaller rooms, which were not fit for purposes, and enable more efficient use of the space through increased class sizes. Over the last two years, class sizes had increased from 14/15 to 19 and larger rooms were needed to support this trend going forward.

It was reported that contractors had been on site earlier that day preparing a quotation, to be submitted with the bid. The proposal would provide 120 additional desk spaces for learners in the growing area of IT and digital skills.

Governors questioned Management on the the potential for cost creep, the structural integrity of the building, and whether money which the College was already committed to spend would be accepted as matched funding. Governors were reassured that B Block had been surveyed, and that the FAAM consultant (member of the Faculty of Asbestos Assessment and Management) had been on campus earlier that day to meet with the contractor and go through the risks associated with the asbestos in the walls. The contractor will be held to its quotation. The College can demonstrate that the match fund is the College's own, new money if asked to do so. The Salix bid did not require match funding, but at a special meeting of the Finance and Resources Committee a College contribution of £1.67m was approved to enable the project to proceed. The level of College contribution has subsequently been reduced to under £1.5m through value engineering.

The Board:

- **APPROVED** the bid submission in-principle, and
- **DELEGATED** approval of the final bid to the Chair of the Finance and Resources Committee.

8. Completing the 20/21 cohort and applications and planning for 21/22

8.1. Further Education

It was reported that:

- Applications for 2021/22 were very strong (500 above the same period last year)
- There were no significant curriculum changes compared to the previous year.
- Applications at the Braintree campus are lower than the Executive would like and are being closely monitored.
- Applications for Public Services were particularly strong. The College has also seen a rapid growth in applications for Early Years over the last two years which is continuing.

Governors asked about employment opportunities in Early Years and Public Services. It was reported that the job market for Early Years was very strong and that the College had active working relations with 130 Early Years providers. An increasing number of Public Services students progress to the Policing degree now offered through UCC.

8.2. Higher Education

It was reported that:

- Curriculum delivery had been disrupted by the Covid lockdown and the cyber security incident. Safety net arrangements and concessions had been put in place, delaying the completion of teaching by one week and the submission of course work in some areas by up to three weeks.
- Two course areas had been impacted by staff sickness/resignations.
- Most students were on track to achieve. Those students who were struggling would have found the final stages of the qualification challenging in any case.
- Some applications for partial refunds for perceived 'accumulation of disadvantage' because of Covid, cyber and staffing issues, were expected to be received after the end of the academic year. The Dean of Higher Education was confident that most of these requests could be defended.
- Graduation in early October would be for two graduating year groups. It was expected that 95% of qualifying students would be ready for the graduation event.
- It had been a very challenging and difficult year for staff, and there were now a disproportionately high number of vacancies to fill for higher education (about 14% of FTE).
- Applications for 21/22 were broadly in line with the previous year. However, because of the cyber incident, documents could not be processed, and interviews had been held back. Some students may have decided to go elsewhere during that time.
- The University of Essex was moving into some of the course areas that have been strong in UCC, such as Early Years.
- Counselling, Early Years, Policing, Sport, Musical Theatre and Fashion were expected to recruit well in September 2021. Areas of concern included Education, Health, Photography, Music and Film.
- New programmes from February 2021 were an MSc Sports Coaching and the first micro credentials modular learning (stand alone modules that can be grouped together for an eventual Certificate, Diploma or Foundation degree)
- The academic offer in UCC was gradually re-positioning, with a growing percentage of students studying for 12-18 months on top up qualifications, rather than on 3 year programmes.

Governors questioned the high vacancy rate in UCC, the reasons for the vacancies (if known), what was being done to fill the vacancies, and the impact on student recruitment and learning. It was reported that ten new staff were required for September 2021. There was no direct impact on recruitment. The reasons for the vacancies were wide ranging. In some areas, such as computer games, the College is not able to compete with the salaries available in industry. Governors asked if this was having an impact on the College's ability to offer courses and were advised that that was not currently the case.

Governors asked what could be done to make FE and HE more attractive to people in the field of health care. It was reported that student numbers were strong at Levels 1, 2 and 3 and apprenticeships. The challenge was finding the staff to deliver the programmes. Health and Care Staff already receive enhanced salaries through a skills supplement. The College now needs to develop more creative staffing models and partnerships with health care providers who can assist with the teaching.

It was reported that Construction and Engineering were other areas where it was difficult to recruit staff. Four staff had left recently to go into better paid jobs, and there were 7.5 roles to fill before September 2021. The mixed model of getting in people from industry as part of their role works very successfully in some areas, but not in these mainly vocational construction and engineering trades. A member suggested giving some thought to a scheme that would encourage recently retired practitioners into the workplace.

It was reported that adult provision had been affected by the lockdown and the cyber incident, which will impact of completion rates. Many adult learners do not have facilities at home for online learning and were not able to access the Learning Shops. The planned adult curriculum next year will be broader and more flexible.

8.3. **Apprenticeships**

It was reported that about 250 learners were still to complete. Of these, about 30% will not complete until the start of the new academic year because they had not had the opportunity to get enough evidence or take the examinations. There had been some withdrawals as a result of the pandemic. Employers were now taking on apprenticeships again and applications were similar to what the College would expect at this time of the year.

Governors asked if the College would be eligible to receive the catch-up funding announced by the government earlier that day. It was thought that the College would benefit but further detail was awaited.

9. **Reports from Committee**

9.1. **Audit and Risk Committee**

The Chair of the Audit and Risk Committee presented his written report (CIC/21/3/5).

The Board received and noted:

CIC/21/3/6, Unconfirmed minutes of the Audit and Risk Committee meeting held on 28th April 2021
CIC/21/3/7, Assurance Dashboard 2020-21

9.2. **Finance and Resources Committee**

The Chair of the Finance and Resources Committee presented his written report (CIC/21/3/8). The Board's attention was drawn to the following key points:

- (i) The Executive has established a subcommittee to look at flexible working arrangements. More flexible working arrangements could have a range of benefits, including:
 - Opportunities to attract new staff
 - Addressing some of the gender pay gap
 - Improved staff health and wellbeing
- (ii) In the last quarter, 21 staff had left the College. Remuneration was a common factor cited as a reason for leaving. Governors were reminded that it had not been possible to make a staff pay award for a number of years.
- (iii) A follow up wellbeing survey identified a number of common themes which are being addressed. Flexible working is one of the things that staff would like to see continue post-

Covid 19. The College has seen a reduction in sickness absence since the first lockdown and move to home working.

- (iv) The College has signed up to the AoC Mental Health Charter
- (v) This year the ESFA has set a threshold of 90% for the Adult Education Budget (AEB), compared to 67% in 2019/20. Colleges that do not achieve the 90% threshold will have funding clawed back. Because of the lockdown the Learning Shops had not been able to open, severely impacting Adult delivery. The College was forecasting that it would achieve 85% of its AEB funding, and potential £330k reduction in income. If that were the case, based on the current full year forecast, the predicted Good financial health outcome could drop to Requires Improvement.

Governors noted with concern the significant impact that the current rates of staff pay were having on the College's ability to attract and retain staff. This was discussed in the context of the priorities for the current budget setting process. Consideration was given to setting a deficit budget in order to raise the rate of pay. The Executive Vice Principal: Finance and Corporate Development reported that both teaching and non-teaching areas were being impacted. During the previous six weeks, seven members of the Facilities Team had left the College, with a number going into lesser roles with higher salaries. The lower bands of the pay scale were reported to be close to breaching the National Living Wage thresholds. In terms of target areas, the College has been able to use funding from Essex County Council to pay Golden Hellos. To help make a better-informed decision, the Board asked if better management information was available, with benchmark data not just for the education sector but also the industries that the College is competing with for staff. Governors asked the cost of a 1% pay increase for all staff and were advised that it be £240k. The cost of paying annual increments to eligible staff and a 1% pay increase for all staff would be £0.5m.

A Member observed that Management should think about more than just pay, and document all the things that will attract people to work for the organisation (culture, wellbeing etc). It was reported that a summary of staff benefits (about 25) was published on the recruitment portal. Governors noted that this had been produced some three years previously and suggested that it might be timely to refresh this to reflect the post-Covid workplace and values. Another member suggested that the HR Director should be asked to revisit this and come up with three or four powerful messages rather than the current 25 bullet points.

Governors questioned Management on the issues of staff pay in the context of the Corporate Risk Register. It was reported that it had previously been one of the top three risks, but had dropped out of the top three following the introduction of industry up-lifts. More recently the College Executive has looked at elevating this risk (difficulties in recruitment of staff).

ACTION: It was AGREED to ask the Director of Human Resources to provide salary benchmark data to the next meeting of the Finance and Resources Committee.

The Board received and:

- Noted the unconfirmed minutes of the Finance and Resources Committee meeting held on 23rd March 2021 (CIC/21/3/9)
- **APPROVED** the Annual and Special Leave Policy (CIC/21/3/10)
- Noted the Management Report and Accounts March 2021 [Period 8] (CIC/21/3/11)

The Executive Vice Principal: Finance and Corporate Development gave a summary of the April 2021 position ahead of the publication of the Period 9 Management Report to Accounts, which had been delayed by the IT issues. It was reported that:

- The full year forecast had been held at the current College position.

- The College was accruing for the cyber insurance excess (£25k) and building in a contingency for a reduction in AEB (Adult Education Budget) income (£100k), although there may be an opportunity to recover some of that through the business interruption policy.
- Cost savings exceeded the reduction in income in April
- The financial health grade was forecast as Good
- The year-end cash position had improved as a result of the savings on expenditure lines and reduction in the exposure of the Salix capital project (£200k lower than predicted). Some of the contingency had been released against other projects. Cash in the bank was forecast to be £3.6m at end July (the highest year end position since 2012) and subject to decisions made during the budget setting process £2.2m at the end of July 2022.

The Executive Vice Principal: Finance and Corporate Development updated the Board on the Salix Project. It was reported that the scaffolding was currently being erected, and the work had been re-sequenced to reduce the impact on teaching, welcome days and enrolment events. Discussions were being held about moving the teaching accommodation into other areas of the campus in the autumn term.

9.3. Remuneration and Search Committee

The Chair of the Remuneration and Search Committee presented his written report (CIC/21/3/12). The Committee had discussed:

- Succession planning for Governors/Chair – to inform the Committee’s discussions on succession planning, any Governor interested in being considered for the role of Chair of a Committee or of the Corporation Board were asked to make this known to the Corporation Chair. Similarly, if any Governor was aware of an individual that they considered suitable for appointment to the Board, they were asked to talk to the Corporation Chair or the Clerk in the first instance.
- Governor development and review – the Corporation Chair currently aims to meet with all Governors on a one-to-one basis annually. It was proposed that these meetings are formalised and documented using an agreed template. The meetings provide Governors with an opportunity to give feedback and raise concerns.
- Governor Training Programme – the College has purchased a licence for the Education and Training Foundation Governor Development Programme. Details of how to access the programme would be circulated by the Clerk. Governors were encouraged to complete at least one relevant module within the next six months.

The Board received and:

- Noted the unconfirmed minutes of the Remuneration and Search Committee meeting held on 24th March 2021 (CIC/21/3/13)
- **APPROVED** the Governor Development and Review template (CIC/21/3/14). The Corporation Chair reported that the meetings with individual Governors would be arranged for early in the new academic year (August to end October 2021).

10. FE Climate Action Roadmap

The Vice Principal: Curriculum Delivery and Performance introduced Steve Frampton MBE, FE/HE Climate Commissioner and Chair of AoC Services Board. The Vice Principal referred to the College’s commitment over the three-year cycle of the current strategic plan to taking increased action around decarbonisation and sustainability. Actions will include reviewing the curriculum design for main qualifications and the tutorial programme over the next two years to provide students with more opportunities to consider and to reach views on a range of ‘green’ questions. The College is also interested in being guided by the AoC Climate Action Roadmap.

Mr Frampton gave a brief overview of the Climate Action Roadmap for FE College. It was reported that:

- The roadmap was launched twelve month ago
- c.140 college governing bodies have discussed the roadmap
- c.120 colleges have adopted the roadmap, set targets and agreed an action plan to take it forward
- One college has agreed to work through the roadmap and get to the highest level in three years.
- Another college was looking to work with the local university, Local Authority, LEP and schools.

The roadmap is important for three reasons:

- Three major surveys of students found that 75%, particularly students under 17, think this is a major issue of concern.
- There is an economic green recovery opportunity for colleges. It is estimated that there will be 1.5m new jobs to 2050 (AI, digitisation, changes to health services, domestic construction, new jobs fitting/retrofitting new boilers).
- Moral purpose

It was reported that the new draft Code of Governance for the sector gives a framework for the agenda going forward. There is a curriculum in its infancy, and there is a proposal for a Bill to change the Education Act to make environmental sustainability a mandatory requirement.

A course developed by The Carbon Literacy Project charitable trust, suitable for the FE sector, will become available to every college in the country from 7th June. The course can be taught or delivered online and has a small novel assessment at the end.

Arising from the discussion:

- A Member asked whether future development in this work would involve engagement with a wider group of stakeholders outside the sector. It was reported that this was very much around collaboration, and was for the community to decide. An example was given of an area where the Local Authority had taken the lead, in another community it was the LEP. Whatever model is appropriate for the community the college needs to be involved.
- A Member asked what could be done within the College to maintain the enthusiasm and motivation of young people who have been leading on this movement. It was reported that in cities like Brighton and Bristol the students are leading the agenda, with the student governors/student groups almost holding the Board to account. In other places the level of engagement is not as strong. A cross-college group of interested students, staff, governors and SLT needs to be established.

The Vice Principal: Curriculum Delivery and Performance briefly summarised College activities. External work included attending a meeting of One Colchester to give a presentation of what the College intends to do in this area over the next two years. Internally, the aim is for staff and students to be at the heart of this work, with the resources to lead on it. When students are involved, it will be in places where they can have a decisive impact. Decarbonisation and sustainability will be at the heart of the student representation model, and curriculum teams will be asked to think about what they teach in the classroom next year.

The Board received and note CIC/21/3/15, FE Climate Action Roadmap, and considered the recommendation that Colchester Institute joins other organisations in declaring a climate emergency. It was reported that the College Executive were very supportive of 'declaring' a climate emergency in September 2021 when the new cohort of students join the College. A Member reported that Colchester Borough Council had already declared a Climate Emergency and would welcome anchor institutions such as Colchester Institute joining in that announcement. It was AGREED that the Vice Principal: Curriculum Delivery and Performance would take forward this at his meeting with One Colchester the following day.

In response to a question, it was reported that declaring a climate emergency would be a public declaration of the College's commitment to do something about climate change. It will set the agenda for the College for the next three years. Within one year every course must address these issues.

The Board **AGREED** that:

- the College would adopt the AoC's climate Action Roadmap
- In September 2021, Colchester Institute would join other organisations in 'declaring' a Climate Emergency.

Steve Frampton expressed his willingness to come back and help the College to take this forward. Mr Frampton was thanked for his contribution. He then left the meeting.

11. **Review of Effectiveness of Meeting**

The Chair led a discussion on the effectiveness of the meeting. A member felt the presentation and discussion on the FE Climate Action Roadmap had disrupted the flow of the meeting, but accepted that it been necessary to take this as a timed item to fit in with the availability of Mr Frampton.

12. **Date of Next Meeting**

Wednesday, 28th July 2021 at 4.30pm. The meeting will be preceded with a Board briefing at 4.00pm. Subject to any changes to Governance guidance in respect of indoor gatherings, it was **AGREED** to hold the July Board at the Sheepen Road campus.

Irene Kettle gave her apologies for the meeting on 28th July.

13. **Any Other Urgent Business**

There were not item.

PART II CONFIDENTIAL

The minutes are not confidential, but the supporting papers are confidential

14. **Part II Minutes**

The Part II Minutes of the meeting held on 10th February 2021 (CIC/21/3/16) and special meeting held on 12th March 2021 (CIC/21/3/17) were received and approved as an accurate record.

15. **Reports from Committees**

The Board received and noted:

- Part II Minutes of Audit and Risk Committee meeting held on 28th April 2021 (CIC/21/3/18).
- Part II Minutes of Finance and Resources Committee meeting held on 23rd March 2021 (CIC/21/3/19) and Special meeting held on 6th May 201 (CIC/21/3/20).

16. **CIE Limited – Proposal for Company Closure**

The Board received and considered CIC/21/3/21, CIE Limited- Proposal for Company Closure. The Board noted that at an Emergency General Meeting of CIE Limited on 20 April 2021, the meeting unanimously accepted and approved a recommendation from the CIE Limited Board of Directors to transfer all commercial activities, assets and liabilities back to Colchester Institute Corporation and the voluntary winding up the company with effect from 31 July 2021.

On the recommendation of the Finance and Resources Committee the Board **RATIFIED** the decision of the CIE Board and **APPROVED** the transfer of the commercial activities, assets and liabilities back to Colchester Institute Corporation and the voluntary winding up the company with effect from 31 July 2021.