

Colchester Institute Corporation

**Minutes of a Virtual Meeting of the Corporation Board  
held on 28<sup>th</sup> July 2021**

**Present:**

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

Pam Donnelly  
Patrick Giddings  
Terry Smyth  
Richard Wainwright

**In Attendance:**

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

**PART I**

1. **Apologies for absence**

Apologies for absence were received from Liz Goodall, Irene Kettle and Jasmin Patel.

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 2<sup>nd</sup> June 2021 (CIC/21/5/1) were received and approved as an accurate record.

5. **Matters arising from the minutes**

5.1. **Post 16 Capacity Fund Bid**

It was reported that the Chair of the Finance and Resources Committee had approved the Post 16 Capacity Fund Bid for submission ahead of the closing date of 14<sup>th</sup> June 2021. The bid was in line with the parameters agreed by the Corporation Board at its meeting on 2<sup>nd</sup> June 2021.

6. **Chair's Action/Announcements**

6.1. **FE Professional Development Grant**

The Corporation Chair approved the College's participation in an Essex Colleges group bid for the new FE Professional Development Grant (support for staff who are industry experienced but new to teaching).

7. **Targets 2021/22**

The Board received, considered, and **APPROVED** CIC/21/5/2, College Targets 2020/21 – FE and Apprenticeships, Higher Education, HR. The targets had been considered by the respective committees and were recommended to the Board. The fully collated set of targets for 2021/22, including the financial targets based on the assumptions and values in the corporate budget, will be brought to the

October Board meeting, together with an update on how the College performed against the targets (where available) in 2020/21. Performance against the financial targets will not be available until the financial statements are approved in December, and similarly external benchmarks for many of the quality targets will not be available until later in 2021/22.

## 8. Reports from Committee

### 8.1. Audit and Risk Committee

The Board received and noted:

- CIC/21/5/3, Report from the Chair of the Audit and Risk Committee
- CIC/21/5/4, Minutes of the meeting of the Audit and Risk Committee held on 23<sup>rd</sup> June 2021
- CIC/21/5/5, Assurance Dashboard 2020-21

The Board received, considered, and **APPROVED** CIC/21/5/6, Risk Management Policy and Procedures. The Board welcomed the updated policy and in particular the inclusion of the risk appetite statement. The Executive Vice Principal: Financial and Corporate Development was thanked for his work on this document.

### 8.2. Curriculum and Quality Committee

The Board received and noted:

- CIC/21/5/7, Report from the Chair of the Curriculum and Quality Committee
- CIC/21/5/8, Minutes of the meeting of the Curriculum and Quality Committee held on 16<sup>th</sup> June 2021
- CIC/21/5/9, UCC Students' Union Annual Report 2020-2021.

The Board received, considered, and **APPROVED**:

- CIC/21/5/10, Compliments, Comments and Complaints Policy
- CIC/21/5/11, Diversity, Equity and Inclusion Policy

### 8.3. Finance and Resources Committee

The Chair of the Finance and Resources Committee presented his written report (CIC/21/5/12).

#### 8.3.1. Minutes

The minutes of the meeting of the Finance and Resources Committee held on 14<sup>th</sup> July 2021 were received and noted. The Board's attention was drawn to the following key points:

- Work was continuing on a flexible working policy.
- The Public Sector Decarbonisation Project (Salix) was progressing positively. At the time of the meeting, new windows were starting to be fitted, and expenditure was £200k below the worst-case scenario budget.
- Unfortunately, the College's application for Capital Transformation fund monies (£4m) was unsuccessful. The reason given was that the condition of the College's estate is no longer as bad as some other colleges. The College Executive were looking at other ways in which it can support the strategies from this bid.
- The Director of Human Resources had carried out a benchmarking exercise of staff salaries. In summary, English and math teachers are paid c.£4.5k less than schoolteachers and HE lecturers receive c.£10k below the salaries at the local university. The College needs to make sustainable pay rises in order to reduce the gap.

Arising from the discussion:

- (i) Governors asked if any progress had been made in articulating on the website what makes Colchester Institute a workplace of choice. It was confirmed that a values proposition and other benefits had been published on the website. It was reported that following a workforce development meeting on 15<sup>th</sup> July, a workforce development plan had been produced. The plan (to be shared with Patrick Giddings, who had asked for it to be produced) details a number of actions. Actions include reviewing the careers microsite and the way salaries and some of the benefits are presented on the front page. **ACTION:** A report will be made to the next meeting of the Finance and Resources Committee.
- (ii) The Principal reminded Governors that the Capital Transformation Fund bid was going to support the development of facilities for construction and green technologies. It should also be noted that, this summer, the College is in the unprecedented position of turning away 16-19 applicants in some of the construction areas because it does not have either the physical or human resources (or both) to deliver the programmes and is having to make decisions between supporting 16-19 students and adults. As an example, 12+ adults are not able to progress to the Level 3 Electrical Installation course because if they were accepted the College would have to turn away a class of 16-18 learners or apprentices. The College Executive were looking for solutions to address this disappointing situation as quickly as possible.
- (iii) Given the current Conservative Party policy on further education Governors suggested inviting the local MP and new Leader of the Council to visit the College and hear about the issues and pressures.
- (iv) Pam Donnelly **AGREED** to look at whether any other capital investment resources across the region were available to support skills post Brexit and Covid recovery. The Executive Vice Principal reported that he had contacted Essex County Council earlier that day to ask if any funding routes were available to support the shortage of workshop spaces for both existing construction work and future methods of construction. The College also needs to be planning to support the nuclear and hydrogen skills development, and other green technologies, that will be associated with the Freeport East project. Essex County Council might be able to help either through its own capital funds or through the Local Enterprise Partnership (LEP).
- (v) A member suggested that the staff salary differentials need to be viewed in context of the different roles, for example university lecturers require a PhD. It was reported that the Dean of Higher Education believes that the College had suggested targeting people early in their academic career rather than more experienced lecturers. The College is able to provide opportunities for recent graduates and others who want to get into HE delivery and can support them to achieve teacher education qualifications at degree level.
- (vi) A member questioned whether there were opportunities to work in partnership with the College's validating partner, the University of East Anglia (UEA), to provide a foundation for a future career at the UEA and possibly with access to funding for a postgraduate qualification. The College Executive **AGREED** to consider this further.
- (vii) A member asked if there was any potential for a strategic relationship with industry in which they would provide tutors in return for the College not charging for apprenticeships. The Principal felt that this might be possible with large employers. In construction the College works with small or a consortium of smaller employers, but this might be possible for some of the practical delivery.

### 8.3.2. Management Report and Accounts

CIC/21/5/14, June 2021 Management Report and Accounts [Period 11], was received and presented by the Executive Vice Principal: Finance and Corporate Development. It was noted that the College was forecasting a year end outturn surplus of £600k which would generate a Good financial health grade.

### 8.3.3. Corporate Budget 2021-22

The Board received and considered CIC/21/5/15, Corporate Budget 2021-22. The budget had been discussed in detail by the Finance and Resources Committee and was recommended for approval. It was reported that the budget was considered prudent given the uncertainties as we come out of the pandemic restrictions. The Executive Vice Principal: Finance and Corporate Development drew attention to the key points. An allowance had been made for additional agency costs in case of staff shortages. FE income had increased in line with the 5% increase in learners in the current year. This had been offset by a further reduction on the HE income line (both UCC and sub-contract income).

The Board **APPROVED** the Corporate budget 2021-22.

#### 8.3.4. **College Financial Forecasting Return**

The Board received and considered CIC/21/5/16, College Financial Forecasting Return (CFFR) incorporating: 2020-21 outturn, 2021-22 budget, 2022-23 forecast. The Executive Vice Principal: Finance and Corporate Development drew attention to the key points. The financial health grade (auto-score) for each of the three years of the CFFR is Good. Assumptions included continuing growth in learner numbers (1%); increase in apprenticeships income of 10% pa (50 learners); and pay costs continuing to rise by 2% plus increments.

The Board noted the mandatory reporting requirements included in the commentary and discussed the College narrative on the proposed financial health grading system. Governors noted that if the new financial health methodology is introduced the debt service cost ratio would have a detrimental impact on the College's financial health grade. The College Executive strongly disagreed with the proposed changes on the grounds that it would penalise the College for issues beyond its control (debt incurred by the College as a result of the LSC's decision to withdraw capital funding in 2008) and this was reflected in the College narrative. After a wide-ranging discussion the Board **AGREED** to highlight the impact that this long-term debt was having on the College in other ways and asked for the narrative on the proposed financial health methodology to be amended.

**ACTION:** The College Executive were asked to raise with the local ESFA (Education and Skills Funding Agency) Team and in meetings with local MPs the impact of the long-term debt. The College was being charged interest at 7%, whilst it was believed that the Local Authority could lend at a rate of 1%. Governors were concerned that there was currently more demand student than could be accommodated, and that having done everything it could to cut costs Colchester Institute was now in the situation where it cannot deliver to its Mission and Objectives and meet the needs of the local community. Governors were very concerned that in September, for reasons beyond its control, Colchester Institute will be turning away people who it could help achieve final qualifications.

The Board **APPROVED** the College Financial Forecasting Return.

#### 8.3.5. **Property Matters**

The Executive Vice Principal: Finance and Corporate Development updated the Board on property matters.

##### (i) **Public Sector Decarbonisation (Salix) project – Colchester Campus**

it was reported that:

- all the windows on the 4<sup>th</sup> floor of B Block had been removed and new glazing was being installed. Work was progressing on the ground floor. So far very little asbestos had been found. There were some potential supply issues (plywood and cement).
- The second phase of the work (D Block) should commence in October.
- The change form to request an extension to the project end date from December 2021 to March 2022 had been submitted. This request was believed to be low risk

as the College intends to use the funding across the same period as in the approved bid but this needs formal sign-off.

(ii) **Braintree Campus**

It was reported that the demolition of the rear section of Block B had been completed.

(iii) **The Minorities**

It was reported that phases 2 and 3 of the dilapidation works were due to be finished by the end of that week. Work had been delayed due to vandalism.

### 8.3.6. **Policy Review**

The Board received, considered and on the recommendation of the Finance and Resources Committee **APPROVED**:

- CIC/21/5/17, Adoption Leave Policy and Procedures
- CIC/21/5/18, Paternity Leave Policy and Procedure
- CIC/21/5/19, Shared Parental Leave Policy and Procedure
- CIC/21/5/20, FE Fees Policy 2021-2022
- CIC/21/5/21, International Fee Policy 2021-2022
- CIC/21/5/22, UCC Fee Policy 2021-22
- CIC/21/5/23, Employer Co-investment Policy 2021-22 Levy and Non-Levy paying Employers
- CIC/21/5/24, Subcontracting Policy Apprenticeships and Adult Education Budget 2021-2022

The Board's attention was drawn to the Subcontracting Policy. It was reported that the ESFA want colleges to reduce the number of subcontractors that they work with. Colchester Institute has significantly reduced its subcontracted provision over recent years and now works with just four subcontractors who provide support in areas where the College does not have the expertise to deliver the provision. The College's main subcontractor is Learning Curve, who only provide adult provision to meet local needs within a 30-mile radius of Colchester Institute. It is not a growth relationship, and the College has a strategic agreement with Learning Curve. The College would like to bring some of the health-related programmes it is doing with Learning Curve in-house.

### 8.4. **Remuneration and Search Committee**

The Board received and noted:

- CIC/21/5/25, Report from the Acting Chair of the Remuneration and Search Committee
- CIC/21/5/26, Minutes of the meeting of the Remuneration and Search Committee

### 9. **Review of Effectiveness of Meeting**

The Chair led a discussion on the effectiveness of the meeting. There was concern that in the absence of the Chair of the Curriculum and Quality Committee there was less of a focus on curriculum and quality matters and more discussion on financial matters. Going forward it was **AGREED** that in the absence of the Committee Chair a Member who attended the Committee meeting should give the report and bring the Board's attention to relevant items. **ACTION:** the Corporation Chair, Principal and Clerk to discuss this further outside the meeting.

Governors suggested using pre-Board briefings to update the Board on quality matters. It was reported that consideration had been given to holding a Board briefing before this meeting but given the length of the agenda and the decision to move from an in-person to a virtual meeting because of the rising number of Covid infections locally, was not pursued. A programme of board briefings will be arranged, based on Governor input, for 2021-22. **ACTION: Governors** suggestions for pre-Board briefings to be passed to the Corporation Chair or the Clerk.

It was noted that because of the pandemic Governors had not had an opportunity to see the new facilities. There was support for integrating a tour of the new facilities with a briefing on the implications for the curriculum.

Governors suggested a Board development programme. It was noted that that College had purchased a subscription for a Governor training programme which will give all Governors access to online modules for 12 months. **ACTION: Governors** were encouraged to sign up to the Education and Training Foundation Governor Development Programme (details previously circulated by the Clerk) and provide feedback.

#### 10. **Future Meetings**

It was noted that there would be a:

- 10.1. Board Strategic Planning Day on Wednesday, 22<sup>nd</sup> September 2021, 10.00am and 4.00pm. This was currently scheduled to be held at the Sheepen Road campus, but due to the building works it may be moved to the Conference Centre at the Braintree Campus. The agenda was still to be confirmed but was likely to include HE strategy and property matters.
- 10.2. Virtual meeting of the Corporation Board on Wednesday, 20<sup>th</sup> October 2021 at 4.30pm. The meeting would be preceded with the Board briefing at 4.00pm.

CIC/21/5/27, Board meeting schedule 2021-22, was received and noted.

#### 11. **Any Other Urgent Business**

##### 11.1. **September Re-opening**

It was reported that the College Executive would be meeting on 16<sup>th</sup> August to review the arrangements for September, having regard to the current guidance on the pandemic from the Department for Education. A decision would also be taken about Graduation, currently scheduled for 8<sup>th</sup> and 9<sup>th</sup> October. Governors will be contacted after that meeting to let them know what will be done to keep staff and students safe in the new academic year.