



Minutes of: Governing Board

Date: 4th July 2024

Location: Room L002, Holme Lacy Campus

Present	Attending
Alan Layng (Chair) Tony Bramley Julia Evans Jeremy Nicholls Toby Kinnaird Joe Davey Gillian Herbert Ben Greenwood Ian Scott-Bell Dave Williams (Principal & CEO)	Jo Ricketts (Deputy Principal) Ed Gwillim (Director of Finance) Debra Baldwin (Director of Personnel) Rebecca Semple (Clerk to Governors)
Quoracy: meeting was quorate	

1. **Apologies for Absence** – Krista Price, Laura Johnston, Wioletta Sevry
2. **Declarations of Interest** – Alan Layng declared an interest during discussion of item 4, due to his role in the Ludlow Foundation
3. **Minutes of last meeting**
 - a. **Minutes of meeting held 23rd April 2024** – minutes were approved as a true and accurate record
 - b. **Matters arising** – it was confirmed that the Residential costs provision report (action for Director of Finance) remained outstanding, and that the review of the Scheme of Delegation by the Clerk is in early stages.
4. **Report from Principal**

The Principal presented this report, and highlighted key areas.

He reported that a randomly-appointed DfE audit (re-opened recently, due to concerns from both DfE and HLNSC around process of original audit) is still ongoing almost a year later. Board Members were reassured by the Director of Finance that no need to re-state accounts was expected, and reminded that college-appointed external auditors are satisfied with their own findings.

In external matters, the Board heard that meetings and sharing of college plans are ongoing with the Ludlow Foundation to further improve relationships, and recent developments were discussed.

The Principal explained that LSIP development has been delayed (due to purdah), and detailed the next stages (second draft expected in next few weeks) and issues arising as part of the development process, including noting a likely shift of responsibility from national to

local oversight of LSIPs. Also discussed were the role of local authorities in LSIF development policy, the varying pace of development between neighbouring local authorities, and potential impacts of imminent management changes in a neighbouring college on LSIF development and generally on inter-college relationships.

The Principal reminded the Board that the LEP has now ceased, being replaced in Herefordshire with an Economy and Place Board on which the Principal sits, while Shropshire have a longer-established replacement structure in which the Vice Principal for North Shropshire College is likely to become more engaged.

Board Members asked for further detail about HLNSC involvement with Shropshire Association of Secondary Heads, how college are marketing themselves within local authorities (particularly Shropshire), and about relationships with a local Higher Education provider. The Principal responded to all, and a discussion was held around the benefits and challenges of future collaborative working with local HE provision, noting the student perspective as a key factor within this.

5. Report and recommendations from Search and Governance Committee

The Chair of the S&G Committee presented a summary report to Board, recommending that the Board approve the appointment of new Governor Joe Davey to Board, delegation of Finance Director recruitment to S&G Committee, the commencement of further terms for Board Members Gillian Herbert (3 years) Toby Kinnaird (3 years) and Alan Layng (4 years), and the continued appointment of Alan Layng as Chair of the Board and Jeremy Nicholls as Vice-Chair of the Board for 2024/25.

Decision: *Board agreed to approve all of the recommendations made, and formally welcomed Joe Davey to the Board*

He also highlighted the Governor Induction and Development Plan as a new formalised system for implementation, plans for blending the eleven recommendations of the AoC External Governance Review into the AoC Code of Good Governance as an action plan for S&G (and other Committees as appropriate), the Board & Committees' Annual Cycle of Business for 2024/25, and the agreement of 2024/25 S&G Committee Chair (Tony Bramley) and Vice Chair (Alan Layng). The Board noted all of the above, and the associated reports presented, as well as the S&G 26th June 2024 draft minutes.

6. Report and recommendations from Curriculum and Quality Committee

The Vice Chair of C&Q presented a summary report to Board, highlighting a welcome increase in retention and general upward trend in applications, while noting concern around applications reducing for Ludlow and North Shropshire Colleges. An increase in the number of safeguarding incidents was noted to be concern of management, which increases alongside a significant injection of resource for supporting students. The agreement of 2024/25 C&Q Chair (Jeremy Nicholls) and Vice Chair (Laura Johnston, for Autumn Term) and C&Q Committee 26th June 2024 draft minutes were noted by Board.

The C&Q Committee recommended the Annual Accountability Statement and Quality Policy and Procedure for approval.

Decision: *Board agreed to approve the Annual Accountability Statement and Quality Policy and Procedure*

7. Report and recommendations from Finance and Employment Committee

The Chair of F&E Committee presented a summary to Board, updating them that staff retention and recruitment issues have eased since the mid-year payrise, and noting an increase in RIDDOR-reportable Health& Safety incidents, which have been checked.

Financially, F&E Committee reported a £1M (higher than expected) loss this year from an accounting point of view. The Committee reported detailed examination of this situation within the Committee, with main explanations discussed as being the financial impact of committal to completing capital costs projects, and current growth in student numbers presenting an expected lag in associated funding. It was also noted that planned squeezing of non-pay costs has been undertaken, but inflation has worked against this to some extent. The F&E Chair summarised that the result of this means that the College's cash reserve is slightly reduced, but in ESFA EBITDA terms the situation is essentially at break-even point. The Board also noted the May 2024 Management Accounts.

Board Members asked about managing loss-making, and the awareness of this as an FE sector norm was discussed. Mitigating processes were also detailed by the Director of Finance. The prospect of capital grants reducing next year following a possible change of government was also discussed. A Board Member and F&E Committee Member noted that the F&E Committee conversation of 26th June mirrored the discussions held by Board at this meeting. They reported that reassurance was gained by the F&E Committee via the sense of clear vigilance and lack of complacency of management, noting also the marked contrast of mechanisms for management of a similar situation often seen within the private sector.

The Director of Finance talked through principles behind the 2024/25 Budget (presented to F&E on 26th June 2024 and recommended to Board for approval), which states the budget assumptions made and its estimated outcomes, noting the likely capital grants also expected.

Decision: *the Board agreed to approve the 2024/25 Budget and assumptions made, and to delegate approval of the management account-level budget to the Chair of the Board*

The F&E Committee asked the Board to note the Estates Strategy Development Plan and the draft minutes of F&E Committee 1st July 2024, and recommended four policies to Board for approval (HLNSC Flexible working policy, HLNSC Special leave policy, HLNSC Maternity policy, FY25 Subcontracting Policy).

Decision: *Board agreed to note the Estates Strategy Development Plan, and to approve the four policies recommended above*

8. Report and recommendations from Audit Committee

The Chair of Audit Committee presented a summary report to Board, highlighting four audits all receiving an outcome of substantial assurance. The Board noted five extra days of internal auditor capacity arising from two years of grace on subcontracting audit (due to substantial assurance), and the request from Audit Committee to Director of Finance to allocate appropriately to other areas.

Audit Committee asked the Board to note the Risk Register and the Audit Committee 10th June 2024 draft minutes presented, and recommended that Audit Committee membership would be strengthened by a new Governor with accounting background if one arose. Also

highlighted was the BAF (Board Assurance Framework) risk D2 relating to safeguarding, asking Board to recommend C&Q Committee to confirm that the level of assurance of safeguarding is reasonable.

Decision: *Board agreed to note the above and the related presented reports*

The Audit Committee recommended that the approve the 2024/25 internal audit plan (subject to management decision of allocation of the extra five days)

Decision: *the Board agreed to approve the 2024/25 internal audit plan*

9. Any Other Business

- a. Joe Davey reported a smooth introduction process so far as a new governor, and that he looks forward to further induction
- b. The retiring Director of Personnel was thanked for her fantastic contribution to the college, and her wise counsel to senior managers and to governors.

10. Date and time of next meeting: October 2024 tbc

11. Confidential items – please see separate Confidential minutes

Minutes approved: **Date:**