

WESTON COLLEGE CORPORATION

MEETING OF THE CORPORATION ON THE
11TH NOVEMBER 2021

AT 16:00 IN THE CONFERENCE CENTRE

Present: Andrew Leighton-Price (Chair); Dr Paul Phillips (Principal and Chief Executive); Graham Paine, Ian Porter, George Reah, Ann Driver, Paul Ashbee, Mark Canniford, Fiona Waters, Gemma Day, Ryan Butcher, Eilisha Ward, Alex Nestor, Jo Midgley, Maxine Park, Jacqui Mills

In Attendance: Jill Clarkson (Acting Clerk)

The student governors were welcomed to the meeting and a round table introduction took place.

1.	<p>Apologies for absence</p> <p>None</p>
2.	<p>Declarations of interest</p> <p>Ian Porter - regarding Forward Futures Paul Phillips - regarding Forward Futures, IEI, WE IoT, Offender Learning Services and Somax Andrew Leighton Price - regarding Forward Futures, IEI, WE IoT, Offender Learning Services and Somax George Reah - regarding Offender Learning Services</p>
3.	<p>Minutes of last meeting 30th September 2021</p> <p>With two amendments/clarification the minutes were agreed as a true and accurate record of the meeting.</p>
4.	<p>Matters Arising</p> <p>Item 15 - the Principal and Chief Executive confirmed that he had met with the CEO of North Somerset Council and was waiting a response.</p>
5.	<p>Principal's update</p> <p>The Principal and Chief Executive gave a comprehensive update to Governors. He confirmed that the end of year accounts 2020-2021 had gone well and that a surplus had been declared before and after pensions and that the cash position was above the national average which was an extremely positive financial position. It was noted that in the recent government funding announcement that there would be no additional funding for the FE sector.</p> <p>The Principal confirmed that a considerable amount of work was taking place around the requirements of the 16-19 appeal criteria, he also highlighted that he was hopeful that all the criteria would be achieved.</p> <p>The Principal went on to update that additional information around the PEF clawback would be available after additional updates from the auditors had taken place.</p>

16-19 numbers and funding appear to be in a positive position and ahead of what would be expected at this time in the academic year.

Governors noted that it was too early in the academic year to receive an accurate position in the Adult curriculum.

HE reported circa 100% on recruitment, but governors and management noted that this figure included HE apprentices and was not solely traditional HE.

Apprenticeships were presented as very positive and showed to be exceeding targets.

Governors noted the volume of short IOT contracts awarded in September but delayed by DFE until November which would all require completion by the end of March 2022.

Governors noted the Capital works had been completed ahead of the new academic year.

Governors and Management noted the effects of Covid on the College and the numbers of staff and students currently effected by the virus. Governors questioned the Principal on the number of staff still refusing to be vaccinated, the Principal confirmed there was still a small number of staff refusing that and that the issue was being managed carefully.

The Principal brought to the attention of governors the current staff turnover, pointing out that this was higher than normal, and that the College were losing staff to industry for higher salaries and flexible working contracts that the College could not compete with. Governors noted that maintaining staff while keeping moral high during this time was an issue but felt that the Principal's varied approach to address this was the best the College could achieve. The Principal was encouraged to maintain this and also to try and make a pay award/bonus to staff.

[REDACTED]

The Principal confirmed that the bidding for the new Welsh Prison Contract in partnership with Bridgend College had been successful in getting through to the final 3. He stated that further interviews would continue to take place over the next 3 weeks. Governors recorded their thanks for all the work to get to the current position and requested that they be kept informed of further progress.

The Principal confirmed that he had been to East Kent College to deliver training as part of his NFLE work. The Clerk confirmed that there had been significant praise received from East Kent College regarding training.

6. **Feedback from External Auditors**

Sarah Welsh joined the meeting via a Teams Link and updated the members on the following:

- The risks around income and the work carried out.
- Pensions and Pensions liability
- Going concern
- Advantage of the cash balance

The Auditor confirmed that it had been a very good audit which was noted positively by governors. The report was recommended to Governors for acceptance, and this was agreed by all.

Sarah Welsh left the meeting at this point

	<p>Governors noted the accuracy of the audit and congratulated the Team for their diligent work in particular Vice Principal Joe Phillips.</p> <p>The Vice-Principal finance Joe Phillips gave an additional update to Corporation members going into further detail.</p> <p>Governors questioned if Management had requested that future Audits return to face to face, Joe Phillips confirmed that this had been requested but that a hybrid model was favoured by the auditors but that if this was to be the case that the College would expect a reduction in fees. It was also noted that the audit contract was due for renewal.</p> <p>Governors thanked Joe Phillips for his work managing the Finance and MIS teams during the audit and requested that he pass on governor thanks to both teams.</p>
7.	<p>Loans Options</p> <p>Vice Principal Finance Joe Phillips updated Corporation following the proposal presented to Finance Committee. He confirmed that Barclays Bank had now presented an offer that was acceptable moving forward.</p> <p>He went on to highlight that the College were not yet in a position to ask Corporation to accept the offer until further work around the valuation of College buildings was complete, Governors noted that the buildings valuations would take place over the next few weeks.</p> <p>Joe Phillips left the meeting at this point.</p> <p>Construction Skills Campus land</p> <p>A discussion took place at this point regarding the lease end date on the land that the Skills Centre occupies and options moving forward. Mark Canniford confirmed that he was prepared to work with the Principal, COO and North Somerset Council on the land issue.</p>
8.	<p>Finance Report</p> <p>Governors noted this report.</p>
9.	<p>Audit Report</p> <p>Governors noted this report.</p>
10.	<p>CQC Report</p> <p>Governors noted this report.</p>
11.	<p>Subs Board Report</p> <p>Governors noted this report.</p>
12.	<p>ESFA Financial Analysis</p> <p>The Principal and Chief Executive gave a comprehensive update and took governors through the report.</p> <p>Governors noted from the data presented that a College could be in deficit and still graded good using the current system which did not seem to be fair. They went on further to discuss bank covenants and how the surplus could influence decisions.</p> <p>The Principal raised staff salary and staff awards referring to earlier in the meeting where staff retention was discussed with Weston keeping salaries and awards within budget in</p>

comparison to other establishments where salaries are higher but in deficit. The Principal did confirm that some salary levels would be reviewed on an individual basis.

Governors challenged Management on the value of cash being accrued, the Principal stated that as North Somerset Council was not in WECA the College would not be eligible for any grants to support bids and therefore the College would need to be in a position to fund itself. Governors questioned if North Somerset would be able to join WECA the Principal confirmed this may be possible but not for the foreseeable future. The Principal confirmed that the College were working with North Somerset Council and that they had been successful in gaining a bid worth circa £700k.

Both Governors and Management noted the loss to the FE Sector of MP Gillian Keegan who had move to be the Minister for Health.

[REDACTED]

13. **AOB**

The Principal and Chief Executive reminded Governors that the MOJ had moved training to a cost-plus method during COVID and that the College could not use any of the government schemes such as furlough but that they could claim up to 90% of the contract subject to a range of conditions.

He continued to give further details of the contract funding highlighting how MOJ had approached the audit and audit rules and ask for these issues to raise at the highest level. Governors were all in agreement that the Principal should challenge the clawback.

Some governors suggested partial payment of the clawback. The Principal in his role of Chief Accounting Officer was reluctant to do so at a negotiation/challenge time.

Action: The Principal to write a letter and share the with the Chair and Chair of Audit and Chair of Finance.

There were no further items of business and the meeting closed at 16.50.