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| **MINUTES** |
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| *Corporation No 160* |
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| Date: |   | *28/09/2021 (Tuesday)* |   | Time: |   | *18:00–20:00* |
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| Venue: |   | *Via Teams* |   | Committee: |   | *Corporation* |
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| Notes: |   | *The meeting will be held via video conference and an item appears on the agenda to discuss how meetings will operate in the future.* |
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| Present: |   | *Alison Robinson (Principal), Allan Foster (Chair), Allison Jones, Barbara Godby, David Hall, Debbie Clayton, Jane Booker (Vice Chair), Kevin Burke, Louise Bell, Rafik Adam, Robert Wallace, Robin Newton-Syms and Sue Collinge* |
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| Attending: |   | *Joanne Sherrington (Deputy Principal), John Wherry (Deputy Principal) and Steven Downham-Clarke (Vice Principal)* |
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| Clerks: |   | *Ron Matthews (Clerk)* |
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| Apologies: |   | *Clare James* |
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| ***Public* Minutes** |
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| Item number: | Item description: |
| (and category) |   |
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| **74.21** | ***Attendance of College Management Staff*** |
| ***Decision*** | **Standing Order 13 states that:**As a matter of policy all meetings of the Corporation and its Committees will be held in private. The agendas and minutes and supporting papers of its public business will be made available to the general public.However:(a) The Principal shall be authorised to invite members of staff to attend in their employed capacity for both public and confidential business as appropriate and in accordance with Standing Order 25.(b) The Corporation however, may exclude members of staff from attending any business that it deems necessary.(c) Attendance by other persons shall be at the discretion of the Corporation following advice from the Principal or Clerk.**Resolved:****That Management attend for the public and confidential agenda items.** |
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| **75.21** | ***Apologies for Absence*** |
| ***Record*** | Apologies had been received from Clare James.  |
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| **76.21** | ***Minutes of Previous Meeting*** |
| ***Decision*** | The public minutes of meeting number 159 held on Tuesday 6 July 2021 and published on the extranet were agreed and signed as a true and correct record of the meeting. |
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| **77.21** | ***Declarations of Interest*** |
| ***Record*** | There were no declarations of interest made in respect of items on the public agenda. |
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| **78.21** | ***Opening Remarks of the Chair*** |
| ***Decision*** | The Chair reported that he had been kept informed of national developments by attending video conferences with the North West Principals and Chairs Group and also joining several meetings with the AoC.In addition he had attended a meeting with a major client who had registered a large number of apprentices with the College. Not only was he impressed by the clients’ commitment and satisfaction with the progress of their apprentices but also by the professional approach of Officers.Finally, he thanked Officers for arranging the two recent tours of the Preston Campus for Governors which had proved very informative.**Resolved:****That the report be received.** |
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| **79.21** | ***Correspondence*** |
| ***Decision*** | The Corporation considered a letter from the Interim CEO of the ESFA. The letter confirmed some of requirements for the report on the final accounts for 2020/2021 together with a number of other matters requiring compliance.Officers reported that all the requirements contained in the letter were being actioned.**Resolved:****That the letter be noted together with the compliance confirmation of Officers.** |
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| **80.21** | ***Appointment of Student Governors 2021/2022*** |
| ***Decision*** |

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| The College Student Union has been seeking nominations to serve on Corporation for 2021/2022.Thomas Cocks, FE Student, (AgCountryside), has indicated that he wishes to continue to represent the student body on Corporation for a second year.Bryony Clarke, HE Student, FdSc Animal Science and Welfare (Zoo Conservation Biology), had indicated her wish to serve on the Governing Body for 2021/2022. |

**Resolved:****Corporation confirmed the appointment of Thomas Cocks and Bryony Clarke as Student Governors for 2021/2022 to serve on the Audit and Governance Committee and the Quality and Standards Committee respectively.** |
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| **81.21** | ***Report on the Student Engagement Programme*** |
| ***Decision*** | Corporation received a report from the Director of Student Support setting out the processes and procedures for engaging with the wider student body.**Resolved:****That the report be received.** |
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| **82.21** | ***Governor Engagement Programme*** |
| ***Decision*** | Corporation considered the first compilation of the Governors Engagement Programme for 2021/2022.Governors who wished to attend any of the activities on the list were advised to go through the Clerk. This would ensure that any attendance was added to the Governor CPD report.It was also confirmed that the Governors Away Event would be held on either Friday 4 March 2022 or Friday 11 March 2022. The Clerk would seek Governors preferred date.**Resolved:****That the report be received.** |
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| **83.21** | ***Report of the Finance and Resources Committee of 14 September 2021*** |
| ***Decision*** | The Corporation considered the report of the Finance and Resources Committee of 14 September 2021.****MATTERS FOR THE INFORMATION OF THE CORPORATION******i)        Election of Chair and Vice-Chair of the Finance and            Resources Committee for 2021/2022**The Committee reappointed Sue Collinge as Chair and Clare James as Vice-Chair for the coming year.ii)        **The Principals Strategic Plan Progress Report 2020/2021;            Financial Position Statement including Income and**  **Expenditure, Investment Funds and Interest, Capital and**  **Revenue Cash Flow, Ventures and Capital Expenditure for**  **Period Ended 31 January 2021;               ESFA Letter indicating and audit of their funding for the**  **College.**The Committee received all of the above regular reports on the various aspects of the College finances for the period ended 31 July 2021.  It was pleasing to note that the finances of the College remained in a healthy state with the balance sheet remaining strong.The Committee considered the Strategic Plan Progress Report for the Finance and Resources Committee. The key performance indicators related to income, the Capital Plan, Human Resources Statistics and financial performance. The report was based on the new Strategic Goals of People and Sustainability.Staff sickness and retention were better than target. The remaining targets under People related to student satisfaction and in general these expressed good/strong responses in light of the Covid lockdowns. The recent NSS survey results were below both target and the previous year's performance but this was mainly due to the various lockdowns.Sustainability indicated that Myerscough Ventures contribution was behind target due to the pandemic and lockdowns. The remaining financial indicators were on, close to, or above target apart from HE part time, mostly due to the Covid situation. Recruitment to FE was approximately 164 above target. The Capital Plan was anticipated to be delivered within target. Further information on the financial position of the College was included in the report on the financial position statement.The finance report was presented by the Director of Finance.The report included a statement of comprehensive income together with a detailed analysis. The statement showed the actual results for the period up to 31 July 2021, together with the outturn for 2019/20, the Budget for 2020/21 (revised January 2021), which was approved by the Board in July 2020 and the Forecast for 2020/21. The Balance Sheet as at the period end was also included, together with details of Cash Flow for the year to 31 July 2021 and forecast Cash Flow to July 2022.The financial report included the agreed £400k retention payment.Year-end adjustments and reconciliations were still to be completed and there was likely to be some changes prior to the conclusion of the accounts.Overall, College income was £31,796m compared to an original budget of £32,186m and a forecast of £31,426m. Surplus income of £2,408k was £2,311k ahead of the control budget and £1,388k ahead of forecast. This was a continuation of the promising start to the year taking into account the current financial climate. A reduction in income owing to limited commercial and student related activities (due to reduced footfall on campus) had been offset by cost savings. EBITDA to income percentage had reduced slightly to 14.16% against a forecast of 12.9% and remained healthy.  The actual payroll to income ratio was 57.4% compared to the budgeted ratio of 59.4% and a forecast of 58.7%.  Cash balances at the period-end were £11.7482m whilst cash days stood at 125 days. Ventures and Farm income was down to control budget by £331k against a budget of £689k and a forecast of £455k.The financial heath grade for 2021 was likely to be Outstanding. The report also confirmed that the College remained a Going Concern.Included in the report were the full details of capital expenditure. This was currently £1.905m against a revised budget of £2.904m, which included the additional funding of £695k from the ESFA.The report also included information on the Pension Liability and Valuation as at July 2021. The estimated liability was £27,418m, an increase of £1,798m on the previous year. However, this was less than originally anticipated. Reports from the Actuary were attached as appendices to the report.The impact of the recent Government announcement of an additional 1.25% National Insurance contributions was likely to impact on the College by approximately £140k.Finally, a letter from the ESFA was attached to the report indicating that they had selected Myerscough College for an assurance review of ESFA funded provision for the 2020/2021 funding year. The Committee asked various question on the reports and sought clarification in some areas. They also welcomed the current financial position.The Committee received the reports.**iii)        Counter Fraud Policy and Response Plan 2021/2022**The Committee considered the report of the Deputy Principal, Finance and Corporate Services, on a Counter-Fraud Policy and Response Plan. The Policy outlined a definition of fraud, although the list was for illustrative purposes and not intended to be exhaustive, the role of  Corporation, Senior Postholders, Managers and Staff and also internal and external auditors.Amendments to the report had been highlighted, the basis of which was to increase the zero tolerance approach.The Committee agreed the report.**iv)        Overseas Visits for the Year Ending 31 July 2021**The Deputy Principal, Finance and Corporate Services, reported that due to Covid-19 and the various lockdowns no overseas visits had taken place during 2020/2021.The Committee noted the report.**v)         College Value for Money Policy Review**The Deputy Principal, Finance and Corporate Services, presented a report on a review of the College Value for Money Policy. The report included details of Government Guidance during Covid-19, how this affected contracts and savings achieved during the last twelve months.The part-time Procurement Officer had assisted in the achievement of the savings listed.The Committee approved the report.**vi)        Strategic Risk Register**The Committee considered the Strategic Risk Report for 2020/2021 as presented by the Deputy Principal, Finance and Corporate Services. Included in the report was a reference to the risk appetite statement, risk assessment framework and risk heat map.The report now identified the top five risks for the College.The Deputy Principal had reviewed the Register and re-ordered it to match the revised Strategic Aims of the College.The Committee noted the report.**vii)       External Audit Regularity Questionnaire**The Committee considered the above questionnaire and the responses provided by the College. The document would be used as the basis for the Regularity Audit by the Independent Auditors. It was required to be signed by the Chair of Corporation and the Accounting Officer in advance of the reporting of the audit in compliance with the Post 16 Audit Code of Practice.The Committee noted the responses to the questionnaire and authorised the Chair and Accounting Officer to sign the document.**viii)      Review of the Health and Safety Policy**The Committee considered the review of the College Health and Safety Policy. There were no significant amendments to the policy other than to update contacts and job titles, otherwise it was judged to remain fit for purpose.The Committee agreed the revised policy.**ix)        Annual Cycle of Business 2021/2022**The Committee approved the annual cycle of business for the coming year.**Resolved:That the report be received.** |
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| **84.21** | ***ESFA Notification Letter*** |
| ***Decision*** | Corporation considered a letter from the ESFA, which was attached to the agenda, indicating that they had selected Myerscough College for an assurance review of ESFA funded provision for the 2020/2021 funding year. **Resolved:That the letter be received.** |
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| **85.21** | ***Key Strategic Risks*** |
| ***Decision*** |

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| The Corporation considered the Strategic & Governance Risk Report for 2020/2021 as presented by the Deputy Principal, Finance and Corporate Services. Included in the report was a reference to the risk appetite statement, risk assessment framework and risk heat map. |

The Deputy Principal had reviewed the Register and re-ordered it to match the revised Strategic Goals of the College.In addition, at the request of the Audit and Governance Committee, the top five key risks had now been identified. **Resolved:That the report be received.** |
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| **86.21** | ***Governance Self-Assessment 2021*** |
| ***Decision*** | The Clerk presented a report on the outcomes of the Governance Self-Assessment surveys.  The main findings were that the meetings were too long and that if Governors had read the reports before the meeting there should be no need for long introductions from officers. It was felt that these combined issues could lead to a stifling of debate on some occasions.It was also noted that there was now a requirement to record both Governor and Clerk's, training records in the Governance report in the annual accounts. Training for Governors was to be reviewed during the year.The findings in the report would be used to inform the overall College SAR.**Resolved:That the report be received.** |
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| **87.21** | ***Future Format of Meetings*** |
| ***Decision*** | Following Covid-19 and the requirement to hold meetings via video conference the Corporation considered how meetings would be held going forward.Following a detailed discussion it was**Resolved:That the Committee meetings for the remainder of the calendar year be held via video conference with Corporation meetings held 'in person'. The situation would be reviewed at the December Corporation.** |
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| **88.21** | ***Annual Report of Health and Safety for 2020/2021*** |
| ***Decision*** | Corporation considered the Annual Report on Health and Safety for 2020/2021.The report provided assurance that Myerscough College was discharging its duties relating to the health, safety and welfare of its employees, learners and visitors and that appropriate systems were in place to ensure compliance with the Health & Safety at Work Act and associated regulations. A great deal of additional work had been undertaken as a result of Covid-19.Accident rates were lower than the previous year as a result of the enforced lockdowns.  **Resolved:****That the Annual Health and Safety Report 2020/2021 be received.** |
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| **89.21** | ***Child Protection and Safeguarding Policy and Procedure Review*** |
| ***Decision*** | Corporation considered a report on a review of the Child Protection and Safeguarding Policy and Procedure.Any proposed changes had been highlighted for the information of the Corporation.**Resolved:That the review of the Child Protection and Safeguarding Policy be agreed.** |
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| **90.21** | ***Annual Farm Report 2020/2021*** |
| ***Decision*** | Corporation considered the Annual Farm Report for 2020/2021.Members noted Key Strengths:    - Excellent use of the farm as a teaching resource by a wide range       of students;    - Utilisation of technology to drive performance;    - Restructure of the farm team to improve performance.The Committee also noted that the farm had failed to reach its budget expenditure target although this still had to be confirmed once the final accounts had been processed.**Resolved:That the Annual Farm Report be received.** |
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| **91.21** | ***Review of the Whistleblowing Policy and Procedure*** |
| ***Decision*** | The Clerk presented an updated Policy and Procedure document in relation to Whistleblowing.The main amendments were to extend the scope of serious malpractice examples, clarify the section on Child Protection and Safeguarding and to update some of the contact details.**Resolved:That the Whistleblowing Policy and Procedure be agreed.** |
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| ***Confidential* Minutes** |
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| Item number: | Item description: |
| (and category) |   |
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| **92.21** | ***Confidential Minutes of Previous Meeting*** |
| ***Decision*** | The confidential minutes of meeting number 159 held on Tuesday 6 July 2021, published on the extranet, were agreed and signed as true and correct record of the meeting. |
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| **93.21** | ***Declarations of Interest*** |
| ***Record*** | There were no declarations of interests made in respect of items on the confidential agenda. |
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| **94.21** | ***Strategic Plan Progress Report*** |
| ***Decision*** | The Corporation considered the report of the Principal on an update of the Strategic Plan.The key performance indicators related to income, the Capital Plan, Human Resources Statistics and Financial Performance. The report was based on the new Strategic Goals of People and Sustainability.Staff sickness and retention were better than target. The remaining targets under People related to student satisfaction and in general these expressed good/strong responses in light of the Covid lockdowns. The recent NSS survey results were below both target and the previous year's performance but this was mainly due to the various lockdowns.Sustainability indicated that Myerscough Ventures and the Farm contributions were behind target due to the pandemic and lockdowns. The remaining financial indicators were on, close to, or above target apart from HE part time, mostly due to the Covid situation. Recruitment to FE was approximately 164 above target. The Capital Plan was anticipated to be delivered within target.Overall, College income was £31,796m compared to an original budget of £32,186m and a forecast of £31,426m. Surplus income of £2,408k was £2,311k ahead of the control budget and £1,388k ahead of forecast. This was a continuation of the promising start to the year taking into account the current financial climate. A reduction in income owing to limited commercial and student related activities (due to reduced footfall on campus) had been offset by cost savings. EBITDA to income percentage had reduced slightly to 14.16% against a forecast of 12.9% and remained healthy.  The actual payroll to income ratio was 57.4% compared to the budgeted ratio of 59.4% and a forecast of 58.7%.  Cash balances at the period-end were £11.7482m whilst cash days stood at 125 days.The report also included proposals for KPI targets for 2021/2022. **Resolved:****That the report be received and the proposed targets for 2021/2022 be agreed.** |
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| **95.21** | ***Landex Membership Letter*** |
| ***Decision*** | The Corporation considered a letter from Landex confirming that Myerscough College, following a Peer Review in 2020/2021, continued to meet the requirements of a ''Designated Specialist Land Based Provider'' and qualified to continue in full membership of Landex.**Resolved:****That the letter be received.** |
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| **96.21** | ***Confidential Report of the Finance and Resources Committee of 6 July 2021*** |
| ***Decision*** | Corporation considered the confidential report of the Finance and Resources Committee of 14 September 2021.**A) MATTER FOR CONSIDERATION BY CORPORATION** The Deputy Principal, Finance and Corporate Services, reported that the majority of existing corporate and commercial loans made available by financial institutions in the UK were linked to a floating rate called the London Inter Bank Offered Rate (LIBOR). The UK Financial Conduct Authority has directed that the floating rate element of these loans has to be transitioned away from LIBOR to a new interest rate benchmark. This is because LIBOR will not be generally available from 31 December 2021.The basis of the required change was that neither party to a transaction should be made financially worse or better off by the change.The revised loan agreements with NatWest Bank were attached. It was confirmed that these had been reviewed by the College Solicitors.The Committee recommended the report to Corporation.**B)   MATTERS FOR THE INFORMATION OF THE CORPORATION** **i)   Capital Development Plan - Progress Report**Finance & Resources Committee considered the Capital Plan Report noting and receiving explanations around funding and total project costs. * LEP Growth Bid – FFIT Project Extension total cost of scheme £450k (LEP £360k, Myerscough £85k, Private £5k) – Project Planning commenced March 2020 – delayed due to Covid-19 – planning permission granted September 2020 – completion March 2021.

 * Croxteth Phase 2, Liverpool City Region Grant – total cost of scheme £432,672 (LRCA £389,404, Myerscough £43,267) – grant agreement signed February 2020 – Tender process complete May 2020 – Mod Buildings completed September 2020 – planned solar installation February 2021 - completion March 2021

 * Croxteth Phase 3, Liverpool City Region Grant – total cost £68,250 (LRCA £61,425,    Myerscough £6,825) – grant agreement signed Feb 2020 – equipment ordered June 2020 – agriculture and horticulture equipment delivery August 2020 – riding simulator delivered October 2020 - completion October 2020.

 * Student Accommodation – Conversion of Twin Bed Rooms to Single en-suite Rooms – commenced March 2020 – delay due to Covid-19 – original target completion August 2020 – completed 7 October 2020.

 * LEP Project Development – Grant £225K - proposals to upgrade the Library and Reception areas in the Fitzherbert Brockholes Building – tender phase completed March 2021 – Refurbishment commenced July 2021 – Library completed September 2021 - planning commenced on reception element.

 * FE Capital Allocation (2020) £695k claimed against - the refurbishment of Student Accommodation - released against equipment and repairs - works to several buildings have been completed during July and August (e.g. boiler replacement, roof repairs, external high level cladding, painting and decorating and internal remodelling). A further series of external improvements are planned for October. As a result of cladding supply problems the recladding of the Golf Academy and Farriery building have been delayed until the spring of 2022. Approximately £495k of the £695k had been expended in 2020/2021 with the remainder carried over into the current year.

The report noted that the bid to the FE Capital Transformation Fund had been unsuccessful due to over subscription whilst the outcome of the bid for additional student accommodation to the Post 16 Capacity Fund 2021/2022 was still awaited. The development of the Institute for Veterinary Education and Research by UCLan was subject to external funding and funding from the College, UCLan and the LEP.At this stage no approvals were required on the above items of expenditure.The Committee noted progress on the Capital Development Plan.**ii)  Financial Statements benchmarking Report 2019/2020**The Deputy Principal, Finance and Corporate Services, presented a Benchmarking Report comparing the College performance with five of the larger national land-based colleges.The ESFA provides a financial benchmarking tool that supports colleges to compare their financial performance with a chosen comparator group. The tool uses data submitted by Colleges in their 2018/19 and 2019/20 finance records, based on the audited accounts as at 31 July 2020, and consolidated by the ESFA at 25 May 2021.The ESFA model did not give sufficiently meaningful information for the Board and so the Deputy Principal had put together some tables with actual results from the individual selected colleges using the data listed in the model.A challenge when undertaking benchmarking and comparing financial performance was the different classifications of both income and expenditure. Therefore the benchmarking is undertaken at a high level from the audited financial statements, as all the providers are subject to the same financial reporting standards. Also, in terms of salaries some colleges buy in services including catering and cleaning, whilst others keep them in-house which can skew comparisons. The colleges chosen as comparators for this exercise serve a similar market and provide broadly comparable education & training opportunities and are of a similar size to Myerscough.The Committee received the report.**Resolved:1.  That the revised NatWest Bank Loan Agreements be approved.****2.  That the matters for information be received.**  |
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| ***Strictly Confidential* Minutes** (no items available) |

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| Acting Chairman: |   |  |
| Signed: |   |   |
| Date: |   |   |