

MILTON KEYNES COLLEGE GROUP
CORPORATION BOARD MEETING
Minutes of the meeting held on 8th June 2022
Chaffron Centre
12:45 – 13:45

Board Members	Category of Governor	Attendance 2021/22	Present at this meeting
Richard Bartlett-Rawlings	Independent	8 of 8	Yes
Rebecca Carrington	Independent	5 of 8	No
Alan Cook	Independent	8 of 8	Yes
Peter Cox	Independent	7 of 8	No
Kaye Dwight	Staff	8 of 8	Yes
Mat Gotkowski	Independent	7 of 8	Yes
Shalom Lloyd (joined 14/12/21)	Independent	4 of 6	Yes
Liz Marr	Independent	6 of 8	No
David Meadowcroft	Independent	8 of 8	Yes
Julie Mills	CEO	8 of 8	Yes
Ruby Parmar	Independent	6 of 8	Yes
Charlynn Pullen	Independent	8 of 8	Yes
Ian Revell	Independent	8 of 8	Yes
Neil Sainsbury	Independent	7 of 8	Yes
Sufian Sadiq (joined 31/1/22)	Independent	3 of 5	No
Gwynneth Tan	Independent	5 of 8	Yes
Manish Verma	Independent	5 of 8	No
Kyle Wilson (joined 17/03/22)	Student	1 of 3	No
Arran Ashmore (joined 28.4.22, resigned 27.5.22)	Staff	0 of 2	No
Adam Rixon (10/11/21 – 21/1/22)	Student	1 of 2	
Marcela Grabowski (10/11/21 – 10/02/22)	Student	1 of 4	
Stephen Norrish (retired 23.3.22)	Independent	5 of 6	
Aniesa Shah (resigned 23.3.22)	Independent	4 of 6	
Attendance % this meeting		63%	12/19
Attendance % year to date		79%	121/153

Regular attendees: Sally Alexander (Deputy CEO), Annie Allen (CPO (Chief People Officer)), Alex Warner (Principal), Jason Mansell (Principal: Quality and Student Experience)

Other attendees: Gavin Teasdale (Interim Chief Operating Officer), Anna Clarke (Group Director: Employer Engagement and Partnerships), Sam Samuels, Liz Eustace

1.1 Welcome and Apologies

- David welcomed Sally Alexander, Jason Mansell, and Anna Clarke to the meeting.
- Apologies had been received and accepted from Peter Cox, Liz Marr, Manish Verma, Rebecca Carrington, Sufian Sadiq, and Karen Brown.

1.2 Declaration of Interests

There is a standing declaration from Rebecca Carrington who is Director and Principal of Arts1.

2.0 Strategic Priorities 2021/22

2.1 CEO's Report *previously circulated as Paper 2.1*

Julie Mills referred to her report and the progress being made in the strategic areas which are not being focussed on at this meeting.

- Recruitment of staff remains a challenge for the College. For the first time in 2022 we have tipped over 100 vacancies (approximately 50:50 split between Campus and Prison Services). We cannot underestimate the impact of trying to recruit and this is a significant operational challenge.

Governors' questions:

Of the number of vacancies, how many cover Prisons Services and Campus?

Approximately a 50:50 split. Not all posts are vacant, but aware that the vacancies will need to be replaced.

Is it more difficult to recruit in Prisons or Campus? Is this typical for all colleges?

It is dependent on the role. Geographically some of the prisons are more challenging to recruit to.

It is a national challenge across all sectors. Prisons have similar challenges, and are losing more prison officers than they can recruit.

How many actual vacancies impact students?

Would have to check actual figure. Approximately 50% of the vacancies are student facing but no lessons have had to be cancelled. However, finding cover is a challenge to the workload of staff.

- The contract with Ashe Construction for the IoT (Institutes of Technology) will be signed after the Board meeting. It has been the result of a lot of hard negotiation, and we will be exploring other options to bring additional funds to support the development, not just of the IoT but all our campuses.
- The Brasserie has been shortlisted for the AA College Restaurant of the Year.

The Board received the CEO Report

2.2 Student Experience *previously circulated as Paper 2.2*

Paper 2.2 provided a detailed update on Employer Engagement strategy development, aligned to the Group's Fairer Futures Strategy.

Anna Clarke referred to the headlines.

- Employer and Engagement Teams have been realigned to meet strategic outcomes, focusing on who we work with, and our Marketing Team has been aligned to our Sales Team. This will enable us to be ready when opportunities arise.
- We have secured and delivered the 'In Works' Skills pilot, the Skills Accelerator project, and New Futures.
- Key areas remain Apprenticeships, sponsorship and working with employers who might want to contribute to curriculum and sponsorship of facilities.
- We are working closely with the Chamber of Commerce and starting to develop sector boards. We want our employers to influence the creativity of our curriculum by sharing their requirements.
- We have developed innovative partnerships with Carey's and Silverstone, and we want to develop others in a similar way.

Governors' questions:

Are there any companies in Milton Keynes we want to be involved with? Can Governors use their influence?

Yes, Anna suggested names of two large local employers.

If we are visiting Companies, do you have any information we can pass on?

Management can provide an information sheet to support governors in their ambassadorial role and to share information on the business centre, allowing governors to share this with contacts.

Action 1: Anna Clarke

Employers will understand routes into their industries for students. Is employer engagement our main driver for careers or is there something else?

This is just one element of careers, and we provide impartial advice. However, we recognise employers are the best people to bring to life careers opportunities in the different sectors. People sharing their journey is critical, not everyone takes a linear route, and our students need to benefit from that knowledge. It can be powerful when people talk about their personal journey in their career.

Julie Mills mentioned the College has a matrix-accredited careers service. There is also a SEMLEP (South East Midlands Local Enterprise Partnership) funded post that gives independent guidance to schools. There is an increasing trend that students question if they are on the right career path. Approximately 75% of the College's level 2 students do not know what they want to do for a career. Alex Warner is leading on curriculum reform, looking at smaller vocational qualifications within a wider employability study programme to help students make informed choices.

In terms of employers and work placements – are there any areas of concern?

Engineering is a strong sector for work experience and apprenticeships (Niftylift has recruited 15 apprentices this year). The economy has picked up and there are more jobs available, so employers are seeing an opportunity to develop a talent pipeline through working with our students. Hospitality is not so strong but improving as

employers see an opportunity. There are no standout sectors that have found a reason not to engage.

The Board noted the ongoing development of provision.

2.3 Financial Health *previously circulated as Paper 2.3A* **2.3a 2021/22 Management Accounts Period 9**

Gavin Teasdale referred to the paper and highlighted:

- The College remains in the 'Good' financial health category. The current month shows a financial health category of 'Outstanding' due to delays in capital expenditure resulting in higher cash balances.
- Overall group contribution is £990k, £462k behind budget but is an improvement on last month by £123k.
- Group income is £4.27m behind budget, due to previously reported learner recruitment.
- Significant financial control has been implemented to manage the cost-base given the income shortfall:
 - Pay costs £3.3m below budget
 - Non-pay costs £0.5m below budget
- Income shortfalls are predicted to continue and the forecast outturn for income is £4.2m below budget.
- By exercising good financial control, forecast costs are expected to fall well below budget (£3.6m below budget and non-pay £0.5m below budget) bringing the forecast contribution to £0.5m - £60k below budget.

Governors' questions:

Are vacancies saving money?

Yes, they are.

Can you explain why the SCloT pay costs are showing Budget 109 and Actual 56?

Due to being a smaller organisation and low activity in student recruitment.

How certain are we that we are going to come in on budget?

Gavin confirmed he is confident as at end of period 10. Jason added that the way the prisons contract is funded, we are funded for all costs plus profit so there is a high-level of certainty for the Prison Services element of the budgeted contribution.

Pay Costs

- Across the Group, year to date total pay costs continue to be under budget and are currently £3,335k below. Following the reallocation of SCIoT pay costs, campus costs are £2,045k under budget, Prisons £1,261k under budget and SCIoT £29kk under budget. Current estimates show that an underspend of £3.5m is expected for the year.

Non-pay Costs

- These are £10,639k, £479k under budget and an improvement of £481k on the period to March. Campus non-pay costs are £419k over budget and Prison Services and SCIoT are under budget by £469k and £430k, respectively.

The Board noted the financial position to 30th April and forecast outturn.

2.3b 2022/23 Budget headlines *previously circulated as Paper 2.3b*

Gavin Teasdale referred to Paper 2.3b.

- The 3-year plan showed a positive contribution of £1.2m. The current budget as presented shows a positive contribution of about £695k. The Executive believe that this is achievable but still requires significant growth. Any increase in the contribution beyond this would be very difficult to achieve under the current economic situation.
- Applications as of now are 2342 which is 300 students above where we were last year.
- We have allowed for growth of 300 16-18 students. The expected contribution is £276k from these students. Should this growth not be achieved, the overall Group contribution would fall to £418k of which £360k would be due to the Prison Services contract.
- The current draft budget does not utilise adult allocations fully. There is capacity for a further £980k in AEB (Adult Education Budget) and Adult Learner Loans of £523k. Looking to accelerate recruitment in those areas.
- Teams are currently working on assessing confidence in growing 16 – 18 and/or adult income to inform the final iteration of the proposed budget

Governor's questions:

Is growth achievable?

Current study programme applications are significantly ahead of previous year's figures. Alex Warner advised applications and progressions are being reviewed on a weekly basis. Specific areas, including Games and Visual Effects and Sport are recruiting strongly.

Are we doing different things to what we have done in the past?

To accommodate additional learners, we need to do something different. We are looking at the content of the programme learners are studying and trying to change our resource model. We are not doing anything different in terms of Marketing. There is demographic growth within the cohort and two schools have closed their 6th forms, including the MK Academy which neighbours the Chaffron Way Campus. A governor quired why some schools are closing their 6th forms. Alex advised he is speaking with MK Academy so can provide an update at the next board.

AW will provide an update to the Board meeting in July as to the rationale of why MK Academy has closed their 6th form.

Action 2: Alex Warner

What are we doing with regards to wage increases?

We have a 2% contingency included in the budget. The prison service budget has been constructed differently. The MoJ (Ministry of Justice) has provided a 6% increase for the whole contract to offset inflation, and we are looking at options including pay. Prison staff are typically paid less than campus staff. We recognise the significance of pay in respect of recruitment and retention. We will bring a range of pay award options to the Board for your comments.

Governors would like to see the budget against the three-year plan.

GT to provide details on a pay award as part of the full budget proposal which will come to next Board on 13 July. The budget proposal will include the 3-year plan.

Action 3: Gavin Teasdale

Gwynneth Tan arrived 13:20

- Julie said that the draft budget is work in progress for 2022/23. The key points are that without growth we are not going to be able to deliver a contribution. We are working with curriculum heads to look in detail at their budgets to stress test growth targets and assess the likelihood of achieving 16-18 and/or adult growth.

Do we need to deliver a surplus?

The rhetoric from the FE Commissioner and ESFA (Education and Skills Funding Agency) suggests there may be more flexibility for colleges in respect of the financial health score. The Board will need to consider this when reviewing the budget proposal at the next meeting. We may wish to increase pay for example, which would result in a break-even budget.

- Kaye added that we are working hard on progressions and have taken this for granted over the years. We have got 200 offers more currently than this time last year.

Alan Cook arrived 13:35

How do we track students when they leave, so we can understand how they further their education / career?

We have invested a lot of time this year on capturing destinations and getting the detail and will bring to CQG and the Board which will give a good platform of how we take that forward.

Destinations are reported as part of the planned business for the CQG meetings.

The Board noted the progress made in preparing the 2023 budget, and discussed the current contribution as a working target, in the context of the current cost of living crisis.

3.0 Governance and Compliance

3.1 CQG 16th May 2022 *previously circulated as Paper 3.1*

Charlynn updated that Maths and English will now sit within the Vocational Schools. This will help to drive a collaborative and student-centred study programme experience and provide an inspiring timetable. Something to monitor going forward.

The Board noted the report from the CQG meeting on 16th May 2022

3.2 PDMG 18th May 2022 *previously circulated as Paper 3.2*

Matt confirmed that Reading is complete. Oxford is on track and on budget but cannot afford any further delays and the contract for Bletchley will be signed today after the Board meeting. There is minimal contingency within the contract. A request for additional funding is with the DfE (Department for Education) to cover abnormal costs for the Section 106.

The Board noted the report from PDMG meeting on 18th May 2022

3.3 CPMG 23rd May 2022 *previously circulated as Paper 3.3*

Ian updated that the Business Centre has now been delivered and there is good progress being made at the ITC extension. The project enabling works will start to allow the team to build the internal crash deck and there are discussions about whether this will be permanent. There is a variation request from the curriculum team. This is currently with the DfE for approval.

The Board noted the report from CPMG meeting on 23rd May 2022

3.4 CEO Selection Committee

Charlynn provided an update. A session was held in May with the Recruiters. They are writing a job description and person specification to be reviewed at the meeting in July. Assessment centres are likely to be the middle of October, proposed dates have gone out to the committee.

The Board noted the verbal update from the meeting on 19th May 2022

3.5 Items for the next meeting

- Safeguarding Board development and Annual Report
- Student Experience – campus predictions/prison SAR/QIP grades
- Financial Health / Budget sign-off
- Strategic update, Prison education
- Health & Safety Annual Report
- Reports from Committees
- Review of progress implementing the Strategic Plan

3.6 Meeting Effectiveness

The Board did not request any item to be rescheduled.

CONSENT AGENDA

The following items were approved by consent / without discussion:

4.1 ***The Board approved the Minutes of the Board Meeting held on 4th May 2022 previously circulated as Paper 4.1A and Confidential 4.1B***

Next Meeting 13th July 2022