MILTON KEYNES COLLEGE GROUP
CORPORATION BOARD MEETING
Minutes of the meeting held on 3rd May 2023
Room F44, Chaffron Way Campus
17:00 – 19:00

Board Members	Category of Governor	Attendance Record 2022/23	Present at this meeting
Maria Abbas (joined 25/11/22)	Student Governor	3 of 4	Yes
Sally Alexander	CEO	7 of 7	Yes
Richard Bartlett-Rawlings	Independent	5 of 7	Yes
Alan Cook	Independent	7 of 7	Yes
Peter Cox	Independent	7 of 7	Yes
Kaye Dwight	Staff	7 of 7	Yes
Mat Gotkowski	Independent	7 of 7	Yes (Teams)
Sean Hainsworth	Staff	6 of 7	Yes
Jacob Jempson (joined 25/11/22)	Student Governor	4 of 4	Yes (in part)
Shalom Lloyd	Independent	5 of 7	Yes (Teams)
David Meadowcroft (Chair)	Independent	6 of 7	Yes
Angie Novell (joined 28/10/22)	Independent	5 of 5	Yes
Ruby Parmar	Independent	6 of 7	Yes
Charlynne Pullen	Independent	7 of 7	Yes
Ian Revell	Independent	6 of 7	Yes
Gwynneth Tan	Independent	4 of 7	Sent apologies
Sufian Sadiq	Independent	4 of 7	Sent apologies
Neil Sainsbury	Independent	6 of 7	Yes
Manish Verma	Independent	4 of 7	Yes
Jeremy Wilsdon (joined 28/10/22)	Independent	2 of 4	Yes (Teams) in part
Attendance % this meeting		90%	18/20
Attendance % year to date		84%	108/128

Attendees at this meeting: Annie Allen (Chief People Officer), Alex Warner (Principal: Curriculum Innovation and Pedagogy), Jason Mansell (Chief Operating Officer), Miranda Coles (Chief Financial Officer), Sam Samuels (Governance Partner), Karen Brown (Head of Governance) (clerk)

Other attendees: Lee Parker, Group Director, Marketing and Customer Experience (in part). Matthew Williams, Head of Quality (in part)

1.0 Procedural

1.1 Welcome and Apologies
- Gwynneth Tan had sent apologies. Sufian Sadiq sent apologies after the meeting.
- Lee Parker and Matthew Williams were welcomed to the meeting.

1.1 Declaration of Interests

None

2.0   Strategic Priorities 2022/23

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

Sally Alexander highlighted some key points from her report.

Staff / People

Without causing anxiety, the Leadership Team continues to reassure and assist staff to be prepared in the event of an Ofsted inspection. Governors can endorse this approach during Link Governor visits.

There will be a substantial item on the People strategy at the next meeting.

Governors asked questions:

> *Can the Staff Governors assure the Board how staff are feeling about Ofsted?*
>
> Staff have confidence in the quality of provision so are not anxious about Ofsted. New staff are more anxious as this will be their first experience of Ofsted.

Prison Contract: Lot 8
The ten new prisons in Kent Surrey and Sussex have been successful onboarded. Sally has recently met all Managers and their teams (at Mid Kent College where we rent a suite of rooms), which was a very positive meeting,

There has already been an Ofsted inspection at HMP Ford; Leadership and Management was judged to be 'requiring improvement' (which is a judgement for the entire prison). The Quality of Education and Personal Development were both judged to be 'good'

The Board received the CEO Report

2.2   Student Experience
Skills: Skills Statement and Skills Matrix / Draft Accountability Statement
(previously circulated as Paper 2.2)

Alex Warner reminded governors of the discussion at the last meeting when Anna Clarke explained how the College was working with employers to meet skills needs.

All colleges are required to produce an Accountability Statement, signed by the Board, by 31st May, which reflects both the LSIP (Local Skills Improvement Plan) priorities and national skills priorities. In addition, Ofsted will make a judgement on how the College is meeting the local skills need.

The Accountability Statement is aligned to the College's Fairer Futures Strategy.

The South East Midlands (SEM) Local Skills Improvement Plan (LSIP) and the Buckinghamshire (Bucks) LSIP have been received in draft format but until these are finalised, the Accountability Statement cannot be concluded.

Lee Parker highlighted the headlines from the draft Accountability Statement:

Economy and Business
- The MK economy is worth £14.03 billion with a GDP per worker of £73,439 which is one of the highest in the country.
- 90% of businesses in MK employ less than 9 staff (classified as micro businesses). However, MK also accommodates many global and national head offices (75 businesses have more than 250 employees) including Red Bull Racing, Network Rail and Santander.
- Logistics, ICT, business support and financial and professional services are specialist areas in MK.

Demographics
- 90% of MK College students come from the SEM area and 10% come from the Bucks area.
- 27.4% of the population is aged 19 and under (compared with 23.7% nationally).
- The population is becoming more racially diverse (overall 26.1% BME but 44% BME in schools). [1]
- 25% of the population has English as a second language and 14% of pupils have special educational needs (SEN).
- MK is ranked 181 out of 326 regions in the deprivation index. However, 9 'Lower Super Output Areas' (LSOAs) are within the 10% most deprived in England.
- The population is growing; the number of 16 -19-year-olds is predicted to increase by 30% within the next six years.
- The combination of demographic growth and gaining increased market share should see the College plan for up to a 35% increase in 16-19 students by 2029.

Education
- The performance of MK schools is mixed with students in more affluent areas achieving better grades in GCSE English and maths. Overall, 47% of MK students achieve 'good' English and maths results vs an England average of 50% but this disguises the significant distance between the best and worst performing schools.
- The gap in GCSE performance is widening. Between 2013 and 2019 there was a decline of 1.3% in the percentage of students in MK gaining 5 GCSEs at grade 4 and above compared to 5.2% improvement nationally.

LSIP Skills Objectives

- Based on the draft LSIPs, the College has identified the priority skills needs (and sectors). The skills objectives will be updated when the final versions of the LSIPs are received.

- The College has identified ten priority actions and mapped these against the draft LSIP skills objectives.

Skills Matrix

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[1] Source Vital Signs

- Specific skills shortages highlighted by businesses include:
  - Engineering – electrical / aviation / design / manufacturing / technical management & project management
  - Software developers/programmers including media creation
  - Marketing and digital communications
  - Management and project management
  - Maintenance/mechanical/electrical/manufacturing/aerospace engineering
  - Skilled trades/utilities – electricians/carpenters/HVAC/plumbers/gas engineers
  - Business and data analysts
  - Education – teaching assistants, FE tutors and primary school teachers
  - Cleaning
  - Customer service and business administration focused financial planning

- The College has mapped this list against the curriculum areas and produced a rag-rated view of where further intervention is needed at curriculum level.

Partnerships
- Strategic Partnerships include:
  - Milton Keynes Council
  - Milton Keynes & Northamptonshire Chamber of Commerce
  - Central Bedfordshire Council
  - South-East Midlands Local Enterprise Partnership
  - Buckinghamshire LEP
  - Employers
  - Business representative groups and networks
  - Local MPs
  - Community groups
  - Local Schools
  - Other FE Colleges
  - HEIs e.g., Cranfield University / MK:U

Funding

- Details are emerging, but it is expected that funds will be available to respond to skills priorities. The Chamber was keen for the College to be the lead college within the SEM region for the Local Skills Improvement Fund (LSIF).

  Governors were pleased to note that the College has been asked to lead on funding.

Governors asked questions to which Lee and Alex responded:

> ***How will the Accountability Statement be monitored and kept up to date? How will it be communicated to stakeholders so they can actively engage?***
>
> The Accountability Statement will be published on the College website. Next year, the actions will be embedded in the College's Community Impact Report. Ofsted will also make a separate judgement on how well the College is meeting the local skills need.
>
> The College produces a monthly stakeholder newsletter which will include themes from the Accountability Statement, and we have periodic employer surveys to obtain feedback.

How is the College preparing for demographic growth and should this be included in the Accountability Statement?

It is not appropriate to include in the Accountability Statement, but the College is speaking to the Council about releasing funds to grow our estate to accommodate growth. Recruitment and retention of staff will also be a key strategic risk.

Governors gave feedback on the Accountability Statement and requested further action:

- Highlight the key messages, priorities and actions
- The College is doing great work with employers; include more specific examples of how the College is meeting the skills needs e.g., examples of how learners are acquiring skills on real life projects and on the job. This will be more meaningful to employers.
- Explain how the College is working with diverse community groups (aligns to changing EDI demographics)
- Include more direct links between the needs and the action being taken (the table at the end of the document does not have sufficient impact).
- Include more emphasis on working with significant employers and their associated industries.

Action 1: Lee Parker

The Board gave feedback, requested changes, and delegated authority to the Chair of Governors and Link Governor for Skills to approve the final version of the Accountability Statement

Lee Parker was thanked for attending and he left the meeting.

2.3   Student Experience and Student Voice *(previously circulated as Paper 2.3)*

Alex Warner and Matthew Williams referred to paper 2.3 and highlighted:

- Student Voice (student satisfaction) is a valuable tool to drive improvement in the student experience. The KPI for student satisfaction is 90%.
- Responses are analysed and where improvement themes emerge, these are followed up with learner forums and at the IQRs (Internal Quality Reviews).

Campus

- On campus, there are three surveys over the academic year: 'induction', 'on programme' and 'next steps. There were 1749 responses (42%) to the recent on programme (mid-year) survey.

- The responses were analysed by provision type, school and for themes; the findings were:

    o   Study Programme and Higher Education satisfaction scores were below the College KPI. Adult, ESOL and Inclusive Learning satisfaction scores were above the College KPI.

    o   The highest scoring schools were Motor Vehicles, Hair Beauty & Hospitality and Care Professions. The lowest scoring schools were Business & Retail, Creative Performance and Engineering.

- Themes for improvement included:
  - More support for work placements (study programmes)
  - Better phasing of the assessment schedule (study programmes, higher education, adult and ESOL)
  - Improve target setting and progress reviews (study programmes, higher education, adult and ESOL

- The Apprenticeships on programme survey is in progress (the satisfaction score from the induction survey was 99.1%).

Prisons

- In prisons, surveys are undertaken twice a year. In addition, due to the higher turnover of learners and short programmes of learning, there are end of course surveys.

- Across 17 prisons, 932 surveys were returned (an increase of 478 surveys compared to November 2021.)

- The questions which scored the highest satisfaction scores (above 60%) were:
  - I am clear about the expected standards of my work and behaviour.
  - I understand how important it is to attend my course regularly.
  - I feel safe while studying here.
  - I would recommend the education department to someone else.
  - My teacher starts class on time.

Governors asked questions to which Matthew responded:

Has there been any analysis by disadvantaged groups e.g., SEND students?

We will undertake this analysis and identify if there are any themes in future student surveys.

Action 2: Alex Warner

How does the College compare to other prison education providers? Can we compare scores from our new prisons against our new prisons?

Yes, we will do this once other providers have published their grades.

It is encouraging to know that the feedback drives improvement, but it would be helpful to include more specific examples in the paper of how the College is responding.

This will be included next time.

The campus satisfaction scores are above 80% even though the KPI is 90%. Is 80% satisfaction good?

Yes, it is a largely positive picture even for the lowest scoring areas. There are national surveys but the questions are different so there is no national benchmark.

How does the campus response rate of 42% compare to previous surveys?

It is lower than the induction survey (by 165 responses). We believe the volume of questions and optional comments fields made the survey too daunting for some students. We will simplify the survey for next time.

The low score relating to work placements (study programme) is a concern. How is the College responding?

This is an area of focus, and the work experience team is increasing its support to schools which have particular challenges in accessing work experience opportunities.

Have you analysed the comments and were there any themes?

The comments support the numeric data so there is nothing further to add.

Jez Wilsdon left at 18:00

The Board noted the report on Student Satisfaction

Matthew Williams was thanked for attending and he left the meeting.

2.4   Financial Health

Miranda Coles led on this item.

a) Financial Health *(previously circulated as Paper 2.4)*

<u>2022/23 Management Accounts Period 8 (March 2023) - Overview</u>

- Overall Group contribution is £47k better than budget. Campus and IoT contributions are £37k better than budget and Prison Services £10k better than budget.

- Income is £1,544k below budget, of which £584k relates to reduced activity in prisons and £960k to Campus and the IoT.

- Pay costs are £2,096k below budget which is £1,510k in prisons (89 vacancies) and £586k on campus (62 vacancies). Delivery is <u>not </u>being affected by vacancies nor are the vacancies / reduction in pay costs masking budget issues elsewhere.

- Non pay costs are £505k over budget, £916k over budget in prisons and £411k under budget on Campus. The £916k overspend, will be covered by additional income and relates to mobilisation costs for HMP Fosse and Lot 8 and additional non-pay spend permitted by the MoJ.

- Cash is on target and supports going concern. The cash balance at the end of P8 was £6,603k and cash days were 46 (target 45).

- The P8 Financial Health score is 'Outstanding' (i.e., better than target).

- The Prison Services Cost-Plus model continues until 31st March 2023.

<u>Capital Budget</u>

- The Board approved a capital budget of £1.5m for 2022/23 of which £996k has been spent to date.

- Following the ONS reclassification, the following funds (which have terms and conditions attached) have been received or confirmed:
  - £273k to be spent on improving energy efficiency (received January 2023)
  - £684k to be spent on capital projects, prioritising condition improvement of the college's estate (received in April 2023)
  - £233k to be received in May 2023

Capital Projects
Minuted as confidential

Tariff Funding
Minuted as confidential

Jacob Jempson left at 18:30

Governors asked questions:

What is the College doing to increase income?

Income is driven by student recruitment. The College has continued to secure other funding opportunities as they arise.
For prisons, there is a direct correlation between income and costs.

What is the funding methodology for the prison contracts from 1st April?

Main Contract: The model is similar to a fee for service model with funds deducted for non-delivery of agreed KPIs
HMP Fosse Way: Fee for service model (staff and start-up costs incurred between 1st February 2023 and the May 2023 'go live date' will be reimbursed by Serco)
Lot 8 (Kent, Surrey and Sussex): Costs Plus Model (mobilisation costs are being reclaimed from the MoJ)

Is there an impact on pension liability, due to the increase in the number of prisons?

The College will inform the actuary, to identify whether this is the case. Any increase in our liability will only be driven by the number of staff in LGPS, which is normally lower as most staff are in the Teachers' Pension Scheme (TPS).

The Board:
- *Noted the financial position as at Period 8*
- *Approved an increase in the Capital Transformation Fund project total from £7,430k to £7,992k (representing an increase in the College's contribution of £562k). Approved the T&B (Contractors) Ltd contract value of £6,627,654.86.*
- *Delegated authority to the CEO and Chair of Governors to sign the £245k MK Council Tariff Fund Funding Agreement, subject to agreeing the final contract.*

3.0   Governance and Compliance

3.1   Audit & Risk Committee 23rd March 2023

Alan Cook referred governors to Paper 3.1 (previously circulated).

The Board approved:
- *The report from the meeting on 23rd March 2023*
- *Strategic Risk Register (Paper 3.1B)*
- *Two sections of the Financial Regulations (Paper 3.1C)*
- *The Business Continuity Plan (Paper 3.1D)*
- *Travel & Subsistence (Expenses) Policy (Paper 3.1E)*
- *Anti-Fraud & Corruption Policy (Paper 3.1F)*
- *Reappointment of Haines Watts as providers of the College's internal audit service for 2023/24*
- *Reappointment of Buzzacott as providers of the College's external audit service for 2023/24.*

3.2 Capital Projects Monitoring Group (CPMG) Meeting of 19th April 2023

Peter Cox, Chair of the CPMG, referred to the report of the meeting of 19th April 2023 (*previously circulated as Paper 3.2) w*hen the CPMG had received assurance on project progress, variations from budget and vision / design principles for the three capital projects:

1. The ITC Extension at Chaffron Way. Only the BREEAM Certificate is outstanding.

2. CTF Project - Chaffron Way refurbishment.

   To mitigate inflationary costs, the Board previously approved a Letter of Intent (LOI) to the end of May; an extension is necessary to enable the final contract value to be agreed, as minuted at item 2.4.

3. South Central Institute of Technology (SCIoT):
   - Oxford: the oil tank was removed at Easter.
   - Bletchley: minuted as confidential

4. A new application has been made for a SALIX grant of £500k (no College contribution required).

The Board:
- *Approved the report from the CMPG meeting of 19th April 2023*
- *Approved the extension (to 7th June 2023) of the Letter of Intent (LOI) issued to T&B (Contractors) Ltd*
- *Noted the application for the SALIX grant*

3.3 Search & Governance (S&G) Committee Meeting 2nd May 2023

Ruby Parmar gave a verbal update on the meeting:

- The Committee agreed to commission Pauline Odulinski to carry out an External Governance Review in Spring 2024. The Board will need to determine the objectives for the review to ensure that it adds value to board effectiveness and delivers value for money.
- The sector has been consulting on a new Code of Governance which may be published in time for approval at the July Board meeting.
- Three governors are retiring in July and the Committee will be interviewing three applicants at its next meeting.

The Board noted the verbal update from the S&G meeting on 2nd May 2023.

3.4   Items for the next meeting (Short Board meeting and Awayday)

People Strategy
Financial Sustainability
- Management Accounts / KPIs
- Emerging Themes 23/24 Budget

3.5   Meeting Effectiveness

Governors confirmed that a two-hour Board meeting was appropriate given the regularity of the meetings and the work carried out by committees and scrutiny groups.

4.0   CONSENT AGENDA

The following items were approved by consent / without discussion:

4.1   Minutes of the last meeting

The Board approved the Minutes of the Board Meeting held on 22nd March 2023 *(previously circulated as Paper 4.1A and Confidential 4.1B)*

Matters arising

Date Raised	Actions arising from the last and previous meetings	Action Owner	Current position
22/3/23	More granular financial reporting on prisons and the IoT.	JM / MC	Complete - included in item 2.4

4.2   Governor Engagement & Link Governor Report *(previously circulated as Paper 4.2)*

The Board noted the Link Governor Report

4.3   *The Board approved the Meganexus VC contract* *(previously circulated as Paper 4.3)*

4.4   Gender & Ethnicity Pay Gap Report 2023 / Community Impact Report 2023 *(previously circulated as Papers 2.5A and 2.5B)*

The Board approved the Reports.

Next Meeting: 7th June 2023

After the meeting, governors held a secret ballot to elect the next Chair of Governors

Approved 7 June 2023
Chair of Governors – David Meadowcroft