

MILTON KEYNES COLLEGE GROUP
CORPORATION BOARD MEETING
Draft Minutes of the meeting held on 13th December 2023
Pitching Room, IoT, Bletchley Campus
17:00 – 19:00

Board Members	Category of Governor	Attendance Record 2023/24	Present at this meeting
Sally Alexander	CEO	3 of 3	Yes
Richard Bartlett-Rawlings	Independent	3 of 3	Yes
Alan Cook	Independent	2 of 3	Yes
Mat Gotkowski	Independent	3 of 3	Yes
Sean Hainsworth	Staff	3 of 3	Yes
Leroi Henry	Independent	2 of 3	No
Jacob Jempson	Student	3 of 2	Yes (Teams)
David Meadowcroft (Chair)	Independent	2 of 3	Yes
Rebecca Myrie	Staff	3 of 3	Yes
Amit Nayyar	Independent	3 of 3	Yes (Teams)
Angie Novell	Independent	3 of 3	Yes
Rosemary Ogunade (from 16.11.23)	Student	1 of 1	Yes
Ruby Parmar	Independent	3 of 3	Yes
Ian Revell	Independent	3 of 3	Yes
Neil Sainsbury	Independent	0 of 0	No
Manish Verma	Independent	3 of 3	Yes
Jeremy Wilsdon	Independent	1 of 3	No
Tom Wraight	Independent	3 of 3	Yes
Shalom Lloyd (resigned 22.8.23)	Independent	0 of 0	
Attendance % this meeting		88%	15/17
Attendance % year to date		90%	44/49

Attendees at this meeting: Susan Akhtar, Group Director (Finance) (in part), Annie Allen, Chief People Officer, Karen Brown, Head of Governance Amy Langford, Group Director Inclusion & Student Experience (in part), Jason Mansell, Chief Operating Officer, Jules Quinn, Executive Head of People Services, Alex Warner, Principal: Curriculum Innovation and Pedagogy

1.0 Procedural

1.1 Welcome and Apologies

- Jez Wilsdon, Leroi Henry and Sam Samuels had sent apologies. Neil Sainsbury will be absent until 31st January 2024 by agreement.
- Rosemary Ogunade, Student Governor, was welcomed to her first meeting and briefly introduced herself. Amy Langford was welcomed to the meeting.

1.2 Declaration of Interests

None

2.0 Strategic Priorities 2023/24

2.2 Safeguarding: Implementation of Screening Arches (*previously circulated as Paper 2.2*)

Amy Langford (Designated Safeguarding Lead) gave an update on Safeguarding:

- As previously discussed with the Board, screening arches have been deployed at Chaffron Way and Bletchley. Student feedback has been very positive; of the 167 students who responded to a survey, 86% responded that having the arch on site made them feel safer (the remaining 14% were followed up). 100% of respondents said that they would speak to a member of staff or a parent if they believed someone was carrying a weapon.
- At the request of Thames Valley Police (TVP), the College went into lockdown on 9 November due to an alleged incident taking place in the vicinity of the College. The lockdown proceeded as planned and feedback from the experience has since been reviewed with TVP.

Amit Nayyar joined at 17:20

Ian Revell, Safeguarding Link Governor, assured the Board that he is kept informed of incidents as they occur as well as having regular review meetings with Amy. He is confident that the College has good safeguarding arrangements in place and the team is aware of local issues and is well connected to the appropriate agencies.

Governors asked questions to which Sally responded:

Are the screening arches temporary or permanent?

They are mobile so we will move them around the campuses.

Were any weapons found in the search?

One pocket knife was identified however this was an honest mistake as it was used for work purposes.

Can the personal development curriculum include gang related activity and social media?

Yes, and this is a theme for the Student Conference in January. We are taking advice from TVP.

Can more be done to make students and staff feel safe?

The College is speaking to TVP about having a PCSO on site. A senior member of staff is designated as Duty Manager every day and is at reception to give support if needed. A behaviour task & finish group has been established.

The Board requested an update on safeguarding at a future meeting.

Action 1: Amy Langford

The Board received the Safeguarding update

Amy was thanked for attending and she left the meeting

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

The Board congratulated Alex Warner on receiving an award as a Levelling Up Champion having been nominated by Iain Stewart MP.

Sally Alexander highlighted the following:

Student Attendance

This is one of the three KPIs in the Dashboard ragged as red (the others will be covered in item 2.3).

Attendance is a priority in the Quality Improvement Plan (QIP) and was a spotlight item at the last CQG meeting. Low attendance, post COVID, is a national challenge.

An attendance task force has been established which is meeting weekly focusing on areas of low attendance (e.g. Construction and Skills Academy) and there are a range of strategies in place which are being constantly evaluated. The College is working with Chiltern Learning Trust, targeting persistent absence but also promoting positive behaviours.

The strategies are having an impact; and attendance has improved this week (and is now only 0.7% below the same point last year) and the Skills Academy attendance has moved from red to amber. However, attendance, especially in English and maths is not good enough.

Governors asked questions to which Sally and Alex Warner responded:

What are the trends? Do many students have low attendance or do a small number have very low attendance?

Attendance is currently 85.6% overall. We are analysing the data in all ways to identify trends and adapting timetables where we can. Many Skills Academy students have not attended education for some time, so their attendance is particularly a challenge.

What reasons are given for low attendance?

Mainly social and emotional reasons (mental health and post COVID anxiety). The College offers specialist mental health interventions such as the services of Arthus Ellis as well as internal support from the Wellbeing Team.

Low attendance is a challenge across the sector and in schools.

Construction students will typically prefer practical activities. Can the curriculum be adapted to make it more interesting to students?

Yes, the English and maths curriculum has been adapted as much as possible, so it is vocationally relevant.

The Board noted the CEO Report

Jules Quinn and Suan Akhtar were welcomed to the meeting

2.3 People and Culture *(previously circulated as Paper 2.3)*

Annie Allen and Jules Quinn referred to Paper 2.3 and highlighted some key activity relating to recruitment and development of staff (Board Strategic Priority 5)

- Staff Turnover is ragged red on the Board Dashboard (Campus currently 17.86% and Prisons 26.25% against a target of >15%). Prisons Staff sickness is also below target.
- There are currently 89 live vacancies (at various stages of recruitment; some represent new roles, and some are advance replacements for staff who are leaving). Recruitment of teachers is a sector challenge.
- There are many strategies in place as detailed in the report. The KPIs in the Dashboard are supported by a wide range of indicators monitored by the Leadership Team.
- Peakon data (employee satisfaction) is improving; however reward and workload are the highest levels of dissatisfaction.

Governors asked questions to which Annie and Jules responded:

Why is recruiting teachers in FE such a challenge?

There is a low perception of FE, funding challenges means salaries are lower than schools, specialist teachers can earn more in industry (e.g. Electrical lecturers). For this reason, the College is looking to develop teachers of the future (e.g. recruiting from outside the sector and offering teacher training).

Staff recruitment is a high risk in the Strategic Risk Register

How do you ensure the quality of candidates when you are recruiting so many.

There is a rigorous selection process and colleagues trained in safer recruitment practices support hiring managers. Teacher candidates must teach a lesson as part of the interview process.

What are you doing to address the high level of staff turnover?

We are analysing exit data to identify trends which we can learn from e.g. higher turnover in certain areas or by length of service. Next term Sally Alexander will be meeting with some new starters to review how they are settling in.

There is a series of onboarding and development programmes to retain staff. The recent staff pay award may help but it is too soon to know.

Are enough teachers being recruited into the profession?

No.! It is a national issue. There are 50% less teachers entering the profession than a few years ago. A recent [article in FEWEEK](#) reported on the challenges

What % of the prisons staff turnover relates to new versus longstanding staff?

We have that data so will circulate the answer.

What is contributing to high sickness levels in prisons?

Mental health, anxiety, and stress. This trend is reflected in self-referrals to our confidential Employee Assistance Programme (EAP) with low mood and anxiety being the top reasons for counselling.

We suspect campus sickness absence may be under-reported.

A governor commented that the Dashboard rag ratings had been helpful in focusing the discussion at this meeting.

The Board:

- ***Received the update on the People Strategy***
- ***Approved the People KPIs for 2023/24***

Jules was thanked for attending and she left the meeting

2.4A Financial Health 2023/24, Period 3 (31 October 2023) (previously circulated as Paper 2.4A)

Jason Mansell and Susan Akhtar highlighted the key points:

- The report includes a detailed analysis of financial performance as of 31 October 2023.
- In summary, year to date there is an operational deficit of £225k, which is favourable to budget (deficit £1,362k). This is mainly due to higher than expected (in July 2023) income from the ESFA and the current underspend in pay and non-pay costs.
- However, at the request of the Finance Group, a subsequent budget re-forecast was carried out in November (see 2.4B below).

The Board:

- ***Noted the financial performance as at Period 3***

2.4B 2023/24 Budget reforecast and KPIs (previously circulated as Paper 2.4B)

Jason Mansell and Susan Akhtar highlighted the key points:

- The reforecast, which was scrutinised by the Finance Group on 6 December, includes:
 - Increased income from the ESFA and MoJ to support funding the staff pay award (approved by the Board on 4 October 2023)
 - Expected income from ESFA for in-year 16-19 growth of c.£1m
 - Updated Staff Costs to include staff pay award, anticipated increase in pension costs in April 2024 and additional recruitment (English and maths, Skills Academy, Safeguarding and refectory)
 - Other known additional costs e.g. utilities, and costs associated with the increase in 16-19 students (e.g. cleaning, security, exam fees)
- The re-forecasted Group contribution at £791k is in line with the original budgeted contribution (approved by the Board in July 2023) of £803k.
- The Unions have been advised that it is too soon to make a recommendation about a staff pay award

In relation to the anticipated in-year growth funding of £1m, Jason Mansell added that at a meeting with the ESFA on 7 December, ESFA colleagues were surprised at the level of 16-19 growth. The College will not know until early 2024 if additional funding is available however, the budget is cautious (in that it does not include a vacancy factor nor expected match funding for increased pension contributions). The Leadership Team is confident that Financial Health 'Good' can be maintained if the additional £1m is not received.

Governors asked whether the College earns significant income from commercial activities and Susan confirmed this was being reviewed alongside earning interest on cash balances.

Finance KPIs

- Based on the reforecast, the Finance Group had approved the KPIs (as delegated by the Board on 8 November 2023). The KPIs are reported in the Dashboard (item 2.1).

The Board:

- ***Approved the budget reforecast for 2023/24***
- ***Noted the Finance KPIs for 2023/24 which had been approved by the Finance Group***

2.4C Finance Group Meetings 13 November 2023 and 6 December 2023 *(previously circulated as Paper 2.4C)*

Mat Gotkowski referred the Board to the report of the meetings.

- The Group had noted that although capex was at a similar level there had been some re-prioritisation of expenditure.
- Short-term borrowing for working capital was discussed but this is not an option (following re-classification).

The Board approved:

- ***the report of the meetings of 13 November and 6 December 2023***
- ***the Terms of Reference for 2023/24***

2.5 Financial Statements FY2023

Alan Cook, Chair of the Audit & Risk Committee, advised governors that the Committee had met on 23 November when the external auditor had presented a thorough explanation of the audit process and findings. The external audit had been very smooth this year and he thanked the Group Director of Finance and her team for their efficiency.

Susan Akhtar drew attention to the following headlines:

a) External Audit Post-Audit Management Report *(previously circulated as Paper 2.5A)*

- Buzzacott LLP (external auditors), have confirmed that they expect to provide the following audit opinions:
 - Financial Statements audits of the College and its subsidiaries - *unqualified audit opinions*
 - Regularity assurance - *unqualified audit opinion*
 - Teachers' Pension Scheme audit - *no exceptions noted*
- The Group FY23 operational surplus was £339k (FY 2022 £1,020k) which was below the forecast (£373k).

- The Group's total reserves have increased by £15.677m, largely due to a revaluation of the pension deficit, resulting in net assets of £28.360m.
 - Net current assets were £2.219m
 - There were three recommendations arising from the audit (two medium priority and one low priority). The Audit & Risk Committee has approved the management responses and will be tracking progress against these recommendations in the current cycle. The medium priority recommendations relate to:
 - Subsidiary processes (carried forward from last year)
 - ILR (Individualised Learner Records) Review
 - Depreciation
 - Key ratios have been benchmarked against other Buzzacott colleges and the sector. MK College is 'behind the curve' in comparison to other colleges and the Audit & Risk Committee requested a recalculation of 'EBITDA as a percentage' of income to exclude prisons income. Governors agreed that that strategic and carefully considered decisions by the Board have an impact on the operating surplus, including the pay award made in September 2022.
- b) Internal Audit Annual Report (previously circulated as Paper 2.5B)
- The Internal Auditor had presented this report to the Audit & Risk Committee on 23 November 2023 with an unqualified opinion, stating the College had adequate and effective risk management, adequate and effective governance; and adequate and effective control processes. There were 10 audits of which 3 received substantial assurance and 7 received adequate assurance. In total there were 25 recommendations.
- c) Reports and Financial Statements for the year ended 31 July 2023 (previously circulated as Paper 2.5C)
- The draft reports and financial statements include the Board's strategic report (including going concern), statement of corporate governance and internal control, statement of regularity, propriety & compliance, and statement of responsibilities.
- d) Reconciliation of P12 to the Financial Statements (previously circulated as Paper 2.5D)
- Paper 2.5D explains the variances between the management accounts and the Financial Statements.
 - As reported above, the overall variance to budget was £34k on turnover of £53m,
- e) Representation letter from the College to External Audit (previously circulated as Paper 2.5E)
- The letter confirms that all relevant matters have been declared to the auditors.
- f) Going Concern Statement (previously circulated as Paper 2.5F)
- The Going Concern Statement and Cashflow (based on the budget re-forecast reported in item 2.4 above) was approved by the Finance Group on 6 December.
 - MK College Group is debt free.

- g) Regularity Self-Assessment Questionnaire (RSAQ) (previously circulated as Paper 2.5F)
- Circulated for assurance (approved by the Audit & Risk Committee on 23 November 2023).
- h) Audit & Risk Committee Annual Report (previously circulated as Paper 2.5H)
- At the meeting on 23 November 2023, the Audit & Risk Committee had reviewed the positive external annual audit report and the College's financial statements and received assurance on a range of other matters. Due to the assurances received at the meetings and throughout the year, the Committee was able to give its opinion (which was included in Paper 2.5H) that *'in so far as the Committee was aware, the College does have an adequate and effective framework for governance, risk management and control and has fulfilled its statutory responsibility for the 'effective and efficient use of resources, the solvency of the institution and the body and the safeguarding of their assets'.*
 - *The report will be submitted to the ESFA with the Financial Statements*
- i) Search & Governance and Remuneration Committees' Annual Reports (previously circulated as Papers 2.5I and 2.5J)
- The Annual Reports demonstrate that the Committees have met their Terms of Reference,

The Board

Noted the:

- **External Audit Post-Audit Management Report (Paper 2.5A)**
- **Internal Audit Annual Report (2.5B)**
- **Reconciliation of P12 to the Financial Statements (2.5D)**
- **Regularity SAQ (Paper 2.5G)**

Approved the:

- **Report and Financial Statements for the year ended 31 July 2023 for signing (Paper 2.5C)**
- **Representation letter from the College to External Audit for signing (Paper 2.5E)**
- **Going Concern Statement (Paper 2.5F) for signing**
- **Audit & Risk, Search & Governance & Remuneration Committees' Annual Reports (Papers 2.5H, 2.5I, 2.5J)**

3.0 GOVERNANCE AND COMPLIANCE

3.1 Audit & Risk Committee 13 November and 23 November 2023 (previously circulated as Paper 3.1)

In addition to items reported in item 2.5, the Committee received assurance on a range of matters including internal audit, progress in implementing audit recommendations, risk, GDPR, sub-contracting, counter-fraud and health & safety.

The Strategic Risk Register has been revised with input from Jasmine Fergusson (co-opted member of the Committee) who has specific expertise.

The Committee had oversight of the external audit retender. Alan outlined the process including the assurance from the ESFA that the College could reappoint the current auditors on merit subject to being satisfied on quality and fees.

The Board approved the:

- ***Report from the meeting***
- ***Strategic Risk Register (3.1A)***
- ***Appointment of Buzzacott to serve as external auditors for the period 2023/24 – 2025/26 subject to Letters of Engagement and annual re-appointment and agreement of fees.***

Susan was thanked for attending and she left the meeting.

3.2 Capital Projects Monitoring Group (CPMG) meeting 16 November 2023 (previously circulated as Paper 3.2)

Manish Verma, Chair of the CPMG referred to the report of the meeting. The IoT capital project is complete apart from snagging and BREEAM and the CTF (Capital Transformation Fund) project (Chaffron Way refurbishment) is on schedule. Tenders were issued relating to the Tariff project (for research and feasibility studies to inform the College's estate plan and to support a bid for further funding). The LSIF capital project (Greens Skills Centre at the rear of the ITC) is awaiting planning permission.

The Board approved the report from meeting

3.3 Curriculum & Quality Group (CQG) Meeting 27 November 2023 (previously circulated as Paper 3.3)

Angie Novell, Chair of the CQG, referred to the report of the meeting. The focus had been on the Campus and Prisons Quality Improvement Plans with a spotlight on Campus attendance and work experience. The CQG had challenged the impact of interventions, particularly attendance.

The Board approved the report of the meeting

3.4 Vice-Chair of Governors

The Board ratified the election of Mat Gotkowski to serve as Vice Chair of Governors, (joint Vice-Chair with Alan Cook), from 1st January 2024 to 31st July 2024.

3.5 Items for the next meeting (7 February 2024)

- Curriculum Reform
- Prisons Contract (PES)
- Partnerships / LSIF / Meeting Local Skills Needs

4.0 CONSENT AGENDA

The following items were approved by consent / without discussion:

4.1 Subsidiaries Financial Statements (previously circulated as Papers 4.1A and 4.1B).

The Board noted the signed report and financial statements for:

- ***Milton Keynes College Commercial Ltd***
- ***The Code Makers Academy Ltd***

4.2 Modern Slavery Statement (previously circulated as Paper 4.2)

The Board approved the Statement for publication on the College website

4.3 Contracts (previously circulated as Paper 4.3)

The Board agreed to delegate approval of the following contracts to the CEO, subject to final agreement of contractual terms:

- **Centerprise (laptops)**
- **Edison Media (Marketing Services)**
- **York Consulting (Market Research)**

4.4 Minutes of the last meeting (8 November 2023) (previously circulated as Papers 4.4A and Confidential 4.4B).

The Board approved the Minutes of the Board Meeting held on 8 November 2023

Date Raised	Actions arising from the last and previous meetings	Action Owner	Current position
8 th Nov 2023	Send governors a link to the staff wellbeing conference	AA	Complete (circulated 12/12/23)
	Provide governors with more information on work experience	AW	Carry Forward
	Delegate approval of FH KPIs to Finance Group	JM/ SA	Complete – item 2.4B

4.5 Environmental Sustainability (previously circulated as Paper 4.5)

The Board noted the report

As this was the last Board meeting for David Meadowcroft, Sally Alexander thanked him for serving nearly nine years as a Governor (eight years as Chair) and presented him with a commemorative bowl. David retires as Chair on 31 December 2023 and will be succeeded by Ruby Parmar.



Approved 14 February 2024
Chair Board of Governors – Ruby Parmar