



THE WINDSOR FOREST COLLEGES GROUP BOARD OF GOVERNORS

MINUTES OF A MEETING OF THE CORPORATION

Held Via Teams on Wednesday, 14 December 2022

		<u>Meetings Attendance</u>
PRESENT:	Angela Wellings (Chair)	(2 out of 2)
	Mobolaji Alabi	(2 out of 2)
	Paul Britton	(2 out of 2)
	Tina Coates	(2 out of 2)
	Jo Croft	(2 out of 2)
	Sam Foley	(1 out of 2)
	Nathan Garat	(2 out of 2)
	Pippa Goodwin	(2 out of 2)
	Anthony Haines	(2 out of 2)
	Rob Lewis	(2 out of 2)
	Gillian May (Group Principal & Chief Executive)	(2 out of 2)
	Janet Robertson	(2 out of 2)
	Signe Sutherland	(2 out of 2)
	Ian Thomson	(2 out of 2)
	Peter Tyndale	(2 out of 2)
	Kiran Virdee	(2 out of 2)
	Natalie Viola	(2 out of 2)
	Alison Wheatley	(2 out of 2)
IN ATTENDANCE:	Richard Munday	(Deputy CEO)
	Anne Entwistle	(Principal, FE)
	Tracy Reeve	(Director of Governance)
	Robert Cloke	Engagement Manager, Buzzacott

PART I

<u>MINUTE NO.</u>		<u>ACTION</u>
	The meeting started at 5.00pm	
Pre -0	<u>TWFCG External Audit 2021/22</u> Robert Cloke, Engagement Manager from external auditors Buzzacott joined the meeting to present the Audit Findings Report 2021/22 for TWFCG. Discussions are minuted at item 15.2 below (page 9)	
1.	<u>Health & Safety Housekeeping</u> The Chair welcomed everyone to the meeting and expressed her disappointment that the planned meeting at Langley College had been moved to an online format due to the Rail Strike.	
2.	<u>Apologies for Absence</u> No apologies had been received but the meeting noted that Paul Britton would have to leave the meeting at 17.50. The Chair welcomed the two newly appointed student governors (Tammi Emms for FE and Sali Adams for Sixth Form) to their first meeting.	

<u>MINUTE NO.</u>		<u>ACTION</u>
3.	<p><u>AOB</u></p> <p>There was no urgent other business notified.</p>	
4.	<p><u>Declarations of Interest</u></p> <p>There were no declarations of interest.</p>	
5.	<p><u>Minutes of the Previous Meetings held on 5 October 2022</u></p> <p>The Minutes of the previous meeting held on 5 October 2022, having been previously circulated to members, were agreed as a true record and would be taken as signed by the Chair.</p> <p>All Members were agreed.</p>	
6.	<p><u>Matters Arising from the Minutes of the Previous Meetings held on 5 October 2022</u></p> <p>The Director of Governance presented a report which updated the meeting on the current status of 'matters arising'. All matters were included on the agenda apart from the Staff Voice Group. The meeting noted that the Exec Team would look at how to take this forward in January 2023.</p> <p>The update was NOTED</p> <p>It was noted that there were no other matters arising.</p>	
7.	<p><u>Group Principal's Update Report</u></p> <p>The Group Principal presented her report which provided an update on Student Retention and Funding, Adult Education Budget (AEB) enrolment, Student Services, IT and Systems Integration, and the reclassification of FE colleges into the public sector by the Office for National Statistics (ONS) (which took place on 29 November 2022).</p> <p>➤ 16-18 Student Retention and Funding</p> <p>The meeting was pleased to note that the final enrolment was 65 learners ahead of the prior year at 4,131. This would produce a positive funding lag of circa £300,000 for 2023/23. The meeting sought clarification on the drop of 63 learners at BCA compared with the prior year. This was noted as being due to a lower number of students progressing from Level 2 to 3 – 52 of these were in Animal Management – due to them being unable to meet the scientific requirement of the Level 3 programme. The Teacher Assessed Grades (TAGs) during Covid meant that learners with a lower level baseline ability had achieved higher grades but did not have the academic ability to undertake a Level 3 science programme. Governors were assured that applications were doing well at BCA for 2023/24 and Windsor and Strode's College were also up on the prior year position. The big increase in ESOL work with asylum seekers from 16+ was also noted, these would roll on to courses throughout the year.</p> <p>➤ AEB Enrolment</p> <p>Adult enrolment was noted as positive in terms of the number of learners enrolled but was below prior year funding because of the lower financial value course mix (there were fewer students in construction and engineering and more in ESOL). The meeting was reminded that this was partly due to a shortage of specialist staff and a decision to prioritise the delivery of apprenticeships in these curriculum areas. Adult enrolment continued to be busy with additional community offers added to the College provision; the largest was noted as an additional GLA funded contract for £300k. SLT were confident that the overall funding target for the year would be exceeded.</p> <p>➤ Student activity</p> <p>The detailed report was noted. The CEO (GM) highlighted the recent FE Student Voice feedback which had been secured via the new TWFCG apps in October 2022. The students told management that: 0.4% (out of 918) of BCA learners and 0.6% (out of 518) of learners at Langley did not feel safe. 92% (BCA) and 93.9% (Langley) said they felt part of the college community. 94.8% (Langley) and 97.4% (BCA) said they knew who to speak to if they had any concerns about their safety. The meeting agreed that these statistics reflected the support that students received from the students' services and other teams across both</p>	

campuses. The apps would be used to gain learner feedback every 6 weeks with a set of 'bite-sized' questions.

➤ **IT and systems integration**

The meeting received assurance that all was going to plan on the post-merger integration work as the end of the first term was neared.

➤ **ONS reclassification**

The meeting noted the likely implications of the ONS reclassification of all FE colleges. The news around the bar on commercial borrowing was not good news for the sector but did not directly affect TWFCG. Governors were assured that the Exec would bring future briefing on any known implications once additional guidance had been issued by DfE. The need for colleges to consider the HM Treasury Managing Public Money Guidelines in all aspects of business was also noted.

GM highlighted the positive news in relation to the distribution of an additional £150m capital across the sector in relation to reclassification. TWFCG had received £349,000 which needed to be spent by the end of March 2023. This money would be spent on energy efficiency and heat improvement across all four campuses. There would also be a revised payment profile for education income from the ESFA; this would be brought forward from summer 2023 to March 2023 to reduce the need for borrowing. Governors agreed that the smoothing of the funding profile would make it easier for colleges to manage cashflow.

➤ **Request from Trade Unions**

The CEO highlighted a request from the Trade Unions (TUs) at TWFCG following the recent successful pay negotiation. The TUs had made a formal request to the Board for all future pay awards to be backdated to 1 September in the year the award was made. There was an appreciation from the unions that the decision on pay would usually not be made until the enrolment figures were confirmed in the R04 return submitted in early December each year, but they were asking for a commitment to backdate any pay award.

The meeting discussed this request and agreed that it would be hard to agree to this for all future pay awards. Governors were understanding of the request but asserted the need for the College to maintain some flexibility. It was agreed that the governors' positive view on this request should be conveyed back to the TU representatives, but the Corporation could not commit to this request at the current time; it would be borne in mind for future pay awards and considered against affordability. The CEO also highlighted the need for the public sector Managing Public Money guidelines to be considered in any future pay negotiations.

It was AGREED that the CEO and Chair would draft a response for the TUs to inform them that whilst the Corporation was understanding of the request, they could not commit to this on a blanket basis for future pay awards. The request for a backdated pay award would be considered within the context of each annual pay award and the variables in place at the time regarding affordability.

GM/ AW

The Group Principal's Report was NOTED and RECEIVED

8.

Staff Governors' Report

The Staff Governors presented an update.

BCA: Janet Robertson highlighted the following:

- A series of podcasts by two of the Student Development Officers had now been running for four weeks. Feedback from staff and students had been positive. The SDOs were currently writing a podcast to help learners with anxiety around exams and an 'LGBTQ+' podcast was scheduled for January 2023.
- The Staff Voice Group at BCA had met in November and five new members had attended.
- A very useful Careers Newsletter from Industry Placement had been circulated.
- A Staff Quiz had recently taken place with nine teams including one from Langley College. The aim for 2023 would be to try and encourage more cross-college teams to attend.

The Staff Governors from Langley and Strode's suggested that details for the next quiz should be routed via them and they would circulate to staff.

Alison Wheatley highlighted the staff singalong to 'The Twelve Days of Christmas' which had taken place at Langley College earlier in the day. This had gone down well with all and been a great end to the term.

The Chair (AW) thanked the staff governors for their input and asserted the value of Staff Voice for the Corporation. She commended the proposal to roll out the Staff Voice Group to all colleges in TWFCG during 2023.

The Staff Governor Feedback was NOTED

9. **Student Voice**

Sixth Form Student Governor (SA) presented an update for the meeting. This included a report on the successful Winter Fair that had taken place at Strode's during the previous week. This event had been coordinated by the Student Union with input from charities who had stalls. There had also been a very well received performance from music students.

The Student Governor Feedback was NOTED

10. **TWFCG Finance Regulations**

The meeting noted the revised Financial Regulations which had been revised to reflect the new organisation post-merger. The Deputy CEO (RM) reminded the meeting that since TWFCG had merged with Berkshire College of Agriculture on 1 August 2022 both income and expenditure had almost doubled. This, along with changes to reporting lines and the structure of the group, and a recognition that certain approval levels were no longer appropriate, had led to a comprehensive review of the existing Financial Regulations in order to ensure that they were fit for purpose.

The Deputy CEO (RM) highlighted the key changes in relation to:

- Financial planning
- Budgetary control
- Purchase order approval
- Invoice payment approval
- Tendering and contracts
- Other purchases
- Single source supply
- Contract Register
- Establishment list
- Trading companies

The Chair of Audit & Resources (A&R) Committee (SF) informed the meeting that the revised Finance Regulations had been considered in detail by the A&R Committee (23 November 2022) and they were recommended for approval. It was noted that the A&R Committee had asked for advice from the external auditors in relation to the appropriate threshold for competitive tendering in (paragraph 6.4.2). After seeking external audit advice it was now proposed that the threshold for competitive tendering be raised from £50,000 to £75,000 (not £100,000 as previously suggested).

RM reminded the meeting that in addition, significant improvements were proposed to the content and format of the existing monthly management accounts and the budgeting process. Governors noted that the target completion date for this work was the end of July 2023.

The revised Financial Regulations were APPROVED as presented as recommended by the Audit & Resources Committee.

All members were AGREED

11.

Capital Development Update

The meeting noted a paper which provide an update for Governors on the actions required to secure the sale of the land at Honey Lane, Hurley, Maidenhead. The meeting was reminded that the proceeds of this sale were to be used exclusively for the restoration of the listed historic assets at Hall Place (BCA) as planning permission for this plot of land on the edge of the BCA estate was only granted due to these Very Special Circumstances. The Group CEO (GM) highlighted the need for the new College group to tender for the appointment of a land agent to oversee the subsequent tender and sale of the land. GM informed the meeting that there would be two elements to taking forward this work:

- Securing the right land agent (via a competitive tender process) who would work with TWFCG to secure the best developer which would facilitate sale of the land
- Setting up a suitable mechanism – possibly via a trust - to administer the heritage asset repair and maintenance work over the next decade and then the ongoing repair and maintenance of listed assets at BCA.

11.1

Honey Lane Capital Development Steering Group (CDSG)

The meeting considered a draft terms of reference for a new CDSG which would sit as a working group below Audit Resources Committee. The Capital Development Steering Group (CDSG) would advise the Audit and Resources Committee (and the Corporation of TWFCG) on all aspects of the capital development and land sale at BCA campus; this would include the work to take forward a tender process for a land agent. Specific duties of the CDSG would include:

- Monitoring progress on the Section 106 agreement with Royal Borough of Windsor and Maidenhead (RBWM).
- Monitoring the revisions to the agreed plans under the 'Reserved Matters' planning application.
- Monitoring the consultation and communication process with BCA, the immediate neighbours, the wider local community, and key stakeholders (including Ward councillors).

The proposed membership of the CDSG included the Chair (Sam Foley) and Vice-Chair of Audit & Resources Committee (Jo Croft as CDSG Chair), Ian Thomson and Pippa Goodwin as ex-BCA governors and the Group CEO. The Deputy CEO would be a standing attendee as would the specialist external advisors who had worked on the project with BCA – Kevin Scott (property specialist) and Alison Knight (communications and RBWM network specialist).

The CEO informed the meeting that the CDSG had held a first meeting on Monday 12 December to look at the work required to move forward with the Section 106 agreement and the engagement of a land agent. The Chair of the CDSG would be Jo Croft (as Vice-Chair of A&R Committee) which would allow some separation. Governors were reminded of the need to be mindful of the Managing Public Money guidance throughout this land sale. The CEO confirmed that she would be confirming that prior approval from the DfE (gained in 2018 when they provided the funding for the Estates Project) to progress the land sale was still 'valid'. The meeting was assured that the final decision on the appointment of a land agent would be brought to the whole Corporation for approval.

The meeting APPROVED the proposed Terms of Reference for the CDSG as a sub-committee of Audit & Resources Committee.

The meeting APPROVED the proposals for a tender process to appoint a land agent as presented (to be facilitated through the CDSG).

All Members were agreed.

11.2

Transfer of Land at BCA from Lloyds Bank to DfE

The meeting noted a legal charge prepared by Womble Bond Dickinson. The Deputy CEO confirmed that this charge related to the grant and loan granted to BCA by the Department for Education (DfE) in July 2018, collectively known as the Restructuring Facility. The grant was

for £4.6 million, and the loan amounted to £1.3 million. The first repayment on the loan was made in October 2021 (£7,500) and the last repayment will be made in July 2028 (£55,000). Repayments increase over the repayment period in line with the anticipated settlement of loans with Lloyds as of July 2018. The meeting was reminded that the Lloyds' loans were settled in their entirety on 1 August 2022 and so the bank no longer required the charges on BCA properties that were granted in July 2018. However, representatives of the Department for Education had now requested that those same charges be transferred to the department to provide further security. The legal charge would enact this transfer of security.

The full formal minute for this item is contained in the minute extract – presented at Appendix 1 to these minutes.

The meeting AGREED to enter into and execute the Replacement Property Legal Charge as presented.

All Members were agreed.

12. **Bank account rationalisation and review of investment policy**

The Deputy CEO (RM) introduced this paper which proposed that all monies should be consolidated to Santander as TWFCG was not looking to change their current banking arrangements at the present time. The current thinking was that the earliest date for TWFCG to retender for banking would be for the 2023/24 financial year but the meeting was reminded that this might be affected by the recent ONS reclassification of FE colleges into the public sector. The meeting considered the proposal to transfer £4 million to the 12 months deposit account, whilst allowing the CEO and Deputy CEO together to make recommendations as to the investment of any remaining surplus funds. Governors were assured that updates as to balances held would be standing agenda item at all future Audit and Resources Committee meetings. The meeting noted details of the current banking arrangements and the expected month-end bank balances per the latest forecast (in £000) until July 2023. It was noted that interest rates currently available with Santander varied between 2.1% to 4.45% based on different levels of notice (35 days to 12 months).

The meeting discussed the issues around ethical banking and RM confirmed that although this was not an area of strength for Santander, they were no worse than the other large banks. RM confirmed that the issue of ethical banking would be considered in future tenders.

The Audit & Resources committee had agreed with the principle of simplification and working with one bank but sought assurances that the college would not lose the flexibility and benefit of keeping options open by having a second banking provider as 2023/24 seemed a long time away. It had been suggested that as it was now quite complex to open a new bank account the existing Lloyds account should be maintained but effectively used as a dormant account so that the College maintained options.

The meeting APPROVED the proposal as recommended by Audit & Resources Committee:

- i) Consolidate all monies to Santander.***
- ii) Transfer £4 million to the 12 months deposit account, allowing the CEO and Deputy CEO together to make recommendations as to the investment of any remaining surplus funds.***
- iii) The CEO and Deputy CEO together to make recommendations regarding investment of any remaining surplus funds.***
- iv) Provide updates as to balances held at all future Audit and Resources Committee meetings.***
- v) Maintain the existing Lloyds bank account with a minimal balance.***

All Members were agreed.

Risk Register 2022/23

The Group Principal (GM) presented the Risk Register for 2022/23 which had recently been comprehensively updated by the Senior Leadership Team to reflect the post-merger organisation. GM confirmed that this document had been reviewed at each of the recent sub-committees before being presented to the Corporation. Members discussed the risks and their ratings, in detail and additional verbal assurance was provided for the key 'red' and 'amber' risks.

Risk 1 Failure to meet budget forecast (risk score remains at 20 'red'): The new risk 1 which was concerned with failure to meet budget forecast and reduce the operating deficit had been discussed in some detail at the October 2022 Governing Body meeting. The major inflationary pressures on energy and pay costs was still a key risk and the CEO asserted the need for the College to maintain a Good financial health grade with the ESFA. Governors were pleased to note that the costed pay proposal approved by the Corporation in October 2022 had now been agreed with the Trade Unions.

Risk 2 External Safeguarding Risks (risk score remains at 16 'amber'): GM informed the meeting of two recent instances which had taken place off campus at Langley and Windsor, but which were being treated as Safeguarding incidents. The meeting was assured that the Exec Team continued to work with all relevant agencies in relation to these incidents. GM also highlighted the fact that Chichester College had received an Ofsted monitoring visit after a similar safeguarding incident, so she had put SLT and All Staff on alert for a possible pre-Christmas Ofsted Monitoring Visit.

Risk 3 Poor student outcome data at Langley results in a challenge to the Good Ofsted rating (risk score remains at 16 'amber'): The meeting was reminded that Vice-Chair (Rob Lewis) had now taken on the role of the Governors' 'special ambassador for Langley' to provide assurance for the Corporation Members on the implementation of the Langley College Quality Improvement Plan.

Risk 7 ONS review of the status of colleges as private sector organisations (risk score 'amber/green'): This new risk was not seen as a major threat, but it was too soon to assess all of the implications for colleges as the final announcement had only been made on 29 November. GM highlighted that the possible benefit of FE colleges being exempt from VAT had been removed from the impact of reclassification. The meeting asked for any specific risks from the ONS reclassification to be included on the Risk Register.

It was AGREED that a briefing paper on the implications of the ONS reclassification be brought to the Corporation in March 2023.

Members NOTED and RECEIVED the updated College Risk Register.

[Paul Britton left the meeting.]

TR/ Exec

Annual Internal Audit Report

The meeting noted the internal audit report from Mazars which confirmed that the internal audit strategy for TWFCG had been delivered as planned during 2021/22. The meeting noted that the overall audit opinion on the adequacy and effectiveness of the framework of governance, risk management and control was 'moderate'. This reflected the 'limited' assurance judgement given in the report on Purchasing and Procurement; this had been discussed in detail at the recent Audit & Resources Committee meeting. The Deputy CEO confirmed that he was currently looking at improvements to systems with increased flexibility but with effective controls. This would ensure staff compliance with the agreed Purchasing Policy. The meeting noted that during the 'follow-up' audit one recommendation was still noted as in progress so had been carried forward and that the total number of new recommendations made in 2021/22 was 17; this was eight more than the nine raised in 2020/21. The main driver for this was the review of Purchasing & Procurement with eight recommendations raised in total. Governors were pleased to note that recurring work in the plans year on year such as Learner Numbers and Follow Up for example, continued to provide positive assurances.

The meeting NOTED and RECEIVED the internal audit annual report from Mazars

MINUTE NO.		ACTION
14.1	<p>Internal Audit Strategy 2022/23</p> <p>RM presented a paper which outlined the internal audit plan for 2022/23 after consideration by the Audit & Resources Committee. This had now been agreed with internal auditors, Mazars. RM confirmed that the proposals had considered a number of factors, including the College's latest strategic plan and risk register 2022/23, the previous internal audits carried out in the College and the experience of the range of audits and their findings at other Colleges. Governors noted that the proposed plan was resourced for 62 days (39 in 2021/22). The higher number of days reflected the increase in the size of the group following the merger with the Berkshire College of Agriculture, and the ongoing requirement to adhere to the Audit Code of Practice.</p> <p>The planned programme of work for 2022/23 being suggested by the Executive Team was as follows:</p> <ul style="list-style-type: none"> • Student Funding and Learner Numbers (ILR), to be completed in March/ April 2023 (25 days) • Financial Management and Reporting Systems, based on March Management Accounts, to be completed in May 2023 (8 days) • Key financial controls (Payroll), to be completed in April 2023 (8 days) • Curriculum planning, to be completed in May 2023 (8 days) • Follow-up (5 days in July 2023) • Management Time and Annual Report (8 days in July 2023) • Safeguarding practice (assessed through Leaders in Safeguarding not Mazars)), to be completed in spring 2023 <p>The Deputy CEO informed the meeting that the audits would be spread more evenly across 2023/24 than in the current year where the merger had caused a delay to start this work.</p> <p><i>The Director of Governance (TR) suggested timetabling the internal audit strategy to bring it to Audit & Resources Committee and on to Corporation in September/ October 2023.</i></p> <p>The meeting also noted the detailed Internal Assurance Framework document which documented the audit areas and sources of internal and external assurance for Governors.</p> <p><i>Members NOTED the report and APPROVED the proposed internal audit coverage 2022/23.</i></p> <p>All Members were agreed.</p>	TR
15.	<u>TWFCG External Audit and Financial Statements to 31 July 2022</u>	
15.1	<p>Financial Statements 2021/22</p> <p>The meeting considered the Financial Statements for TWFCG which had been discussed in detail at the Audit and Resources Committee on 23 November 2022. Governors noted that the final financial position for TWFCG presented was an operational deficit of £392,000 excluding FRS102 charges. The meeting noted that the improvement on the prior year position was due to improved income and less impact from the Covid-19 pandemic. The College had accumulated reserves of £45,627,000 (2020/21 - £23,768,000) and cash balances of £7,856,000 (2020/21 - £7,481,000). Tangible fixed asset additions during the year amounted to £942,000 (2020/21 - £1,451,000). £329k was spent in the current year from Further Education Condition Allocation (FECA) grant (£919k received in 2020/21). Grants had been received from Windsor College Digital Centre Grant funded by TVBLEP (£160k) and Electric Vehicle Project Grant funded by TVBLEP (£72k). Governors noted that the College had significant reliance on the education sector funding bodies for its principal funding source, largely from recurrent grants; in 2021/22 the ESFA provided 91% of the College's total income.</p> <p>The Deputy CEO (RM) highlighted the mandatory additional accrual for holiday pay (to comply with the recent Harpur Trust v Brazel Supreme Court judgement) which could lead to a £400,000 liability. This had been discussed at Audit & Resources Committee, but the amount had only been confirmed since the meeting. This change had resulted in the financial health</p>	

grade falling from 'Outstanding' to the top end of 'Good' for 2021/22 but was unavoidable. RM confirmed that HR were working through the logistics of payments and communications moving forward as it affected a lot of staff, especially at Langley College. Governors sought and were given assurance that the executive team were taking legal advice on this matter. RM confirmed that the accrual of £400,000 would provide for the worst-case scenario and that this new judgement on holiday pay would be built into the reforecast for 2022/23. Governors also noted that all FE colleges had been affected by this ruling. Governors sought clarity on why this could not be foreseen, and it was noted that the ruling had only been made in September 2022.

The Chair of Audit & Resources Committee (SF) confirmed that the committee had gone through the accounts and audit report in detail on 23 November 2022 and were content with all responses received from the external auditor and management.

The meeting APPROVED the Financial Report and Statements for TWFCG for the year ended 31 July 2022.

All Members were agreed.

15.2 Auditors Management Report (Buzzacott)

Engagement Manager (RC) from external auditors Buzzacott joined the meeting to present the Post-audit Management Report. Governors were pleased to note that this provided an unqualified audit opinion on both the Financial Statements audit and the associated Regularity Audit. The Going Concern judgement which had to consider the combined financials of the post-merger college had now been finalised and cleared. The meeting discussed the Going Concern judgement in more detail and was reminded that the transfer of assets and liabilities from BCA to TWFCG would be reflected in TWFCG 2022/23 accounts. The meeting agreed that forecast cash balances post-merger would support the Going Concern judgement. The meeting noted the huge reduction in the LGPS pension liability, but this was predicated on the actuarial assumptions used which were in line with the FE sector benchmarks; all FE colleges had seen this positive move. Governors were reminded that this was only a balance sheet transaction which had no impact on actual financial performance. It was noted the final financial year-end position was expected to achieve an ESFA financial health assessment of 'Outstanding' (reducing to 'Good' when allowing for the holiday pay accruals), which would be in line with the previous forecasts in the management accounts.

RC confirmed that there was nothing that he needed to raise as an issue with Governors and commended the clean accounts.

The meeting NOTED and RECEIVED the Auditors Management Report from Buzzacott as recommended by Audit & Resources Committee

15.3 TWFCG Regularity Self-Assessment Questionnaire (SAQ) 2021/22

The meeting noted and received the Regularity SAQ for TWCG which underpinned the auditors assessment of regularity and compliance during 2021/22. This had been completed by the Director of Governance and submitted to the external auditors.

The meeting NOTED and RECEIVED the Regularity SAQ 2021/22 for TWFCG as recommended by Audit & Resources Committee

16. BCA External Audit and Financial Statements to 31 July 2022

16.1 Financial Statements 2021/22

Members were asked to consider the external auditors post-audit management report, 2021/22 financial statements, regularity self-assessment questionnaire and audit representations letter for BCA. The meeting noted the different format for the BCA accounts which were not prepared on a 'going concern' basis after the dissolution of BCA on 1 August 2022. The meeting noted that when a Type B merger occurred (BCA merged into TWFCG under these arrangements) nothing was written down or adjusted, new balances were moved into TWFCG on 1 August 2022.

Members were advised that the current financial position presented was a deficit of £1.120m after allowing for LGPS pension-related charges; excluding these adjustments the position was an operating surplus of £618,000 for 2021/22.

The meeting discussed the impact of the Harper Trust legal judgement which also affected BCA. RM confirmed that as the staff profile was different at BCA – with few sessional staff - any holiday pay accrual would be immaterial so was not needed.

The meeting APPROVED the Financial Report and Statements for BCA for the year ended 31 July 2022.

All Members were agreed.

16.2

Auditors Management Report, RSM Audit UK LLP

The meeting was assured that Sarah Mason (SM), Audit Lead at RSM LLP had joined the Audit Committee meeting on 23 November 2022 to present the Audit Findings Report 2021/22 and take any questions from Governors. The meeting noted a subsequent statement from SM for the additional assurance of the full Corporation:

'RSM UK Audit LLP has carried out its audit on the financial statements of the BCA for the year ended 31 July 2022.

We have reported our findings to the Audit Committee of the Windsor Forest Colleges Group and there are no significant matters to report to the Board.

The financial statements have been prepared on the non-going concern basis since BCA dissolved following its merger with WFCG. As this was a Type B college merger, no adjustments were made in relation to the preparation of the accounts on the non-going concern basis.

Our Audit Findings Report noted no audit adjustments to the figures included in the financial statements. There were a small number of internal control findings, and we are happy with the responses provided by management to our recommendations on these'.

The Audit Management Report from RSM confirmed that the audit had gone well; the Finance Director (RM) and his team had made a valuable contribution to the audit; all requisite information had been readily available on a timely basis and had been shown to be robust and accurate. RSM had issued an 'unmodified' audit opinion on the financial statements and the regularity audit. The audit had been undertaken on a predominantly remote basis with one site visit for two short days to enable the audit team to gain access to some hard copy paperwork. The meeting noted the assurances given against the generic FE College risks identified in advance of the audit. The report confirmed that there were no concerns or weaknesses identified in their post-audit management report. However, there had been one issue identified as an ongoing finding within the regularity audit; the contracts for the College transport provision had not been tendered which did not align with the Financial Regulations. RM confirmed that the Finance Regulations would be amended to reflect the special circumstances around the coach providers which would make tendering difficult. The meeting noted that there had been no significant deficiencies in internal control identified during the audit but there were nine recommendations (none of which were categorised as significant). Eight of the recommendations were in relation to the ILR and one in relation to payroll; all had been accepted by management. The management responses and remedial action taken were noted by the meeting. RM confirmed that where appropriate (i.e. if not removed post-merger), these would be actioned moving forward and included on the Register of Outstanding Audit actions brought to Audit & Resources Committee. The report confirmed that there had been no audit adjustments required.

The meeting NOTED and RECEIVED the Auditors Management Report from RSM Audit LLP as recommended by Audit & Resources Committee

16.3

BCA Regularity Self-Assessment Questionnaire 2021/22

The meeting noted and received the Regularity SAQ for BCA which had been completed by the Director of Governance and submitted to the external auditors RSM.

The meeting NOTED and RECEIVED the BCA Regularity SAQ 2021/22 as recommended by Audit & Resources Committee

MINUTE NO.	ACTION
16.4	<p>Letters of Representation</p> <p>The meeting considered the Letter of Representation from the Corporation to RSM for the Financial Statements 2021/22 and the Regularity Audit. These were a standard format with nothing specific to note. These would be signed by the Chair and CEO of TWFCG after the dissolution of BCA and subsequent merger.</p> <p><i>The Letters of Representation (for both the Audit of the Financial Statements and the Regularity Assurance assessment) for BCA 2021/22 be APPROVED.</i></p>
16.5	<p>Summary</p> <p>RM highlighted the Improvement in reserves for both colleges which was associated with the considerable reduction in the deficit associated with the Local Government Pension Scheme (LGPS). This 'deficit' had reduced by £35m at TWFCG. However, the meeting was reminded that this was not included in the ESFA Financial Health Grading model and was simply a Balance Sheet transaction over which colleges had no control.</p> <p>The Chair of Audit & Resources Committee and the meeting commended the Deputy CEO (RM) and the new post-merger Finance Team who had closed down two college financial year-ends and produced a very professional outcome working with each set of external auditors. The clean audit reports for 2021/22 for both colleges were a credit to this work.</p> <p><i>The meeting AGREED that a 'Vote of Thanks' to be minuted for the new TWFCG Finance Team</i></p>
17.	<p><u>Annual Reports of the Audit Committees 2021/22</u></p> <p>The Director of Governance (TR) presented the two Annual Audit Committee Reports 2021/22; there was one report for TWFCG and one for BCA. The meeting was reminded that the purpose of this report was to provide assurance to the Corporation from the Audit Committee on the adequacy and effectiveness of controls and risk mitigation in place. The meeting was reminded that Annual Audit Committee Report was a mandatory requirement within the Post 16 Joint Audit Code of Practice. The varying format was based on the previous practice in each of the Colleges. TR highlighted that these annual audit committee reports would be submitted to the ESFA to accompany the financial statements from each of the colleges. TR confirmed that she would review the format used for the one TWFCG Annual Audit Committee Report 2022/23 by using the best elements from each of the existing formats.</p>
17.1	<p>TWFCG</p> <p><i>Members APPROVED the TWFCG Audit Committee's annual report 2021/22.</i></p> <p>All Members were agreed.</p>
17.2	<p>BCA</p> <p><i>Members APPROVED the BCA Audit Committee's annual report 2021/22.</i></p> <p>All Members were agreed.</p>
18.	<p><u>College Self-Assessment Report (SAR) 2021/22</u></p> <p>The two Principals (AD and AE) presented the detailed TWFCG self-assessment paperwork to the meeting. There was a separate SAR and Quality Improvement Plan (QIP) for Sixth Form (Windsor and Strode's) and for Further Education (Langley and BCA). Governors noted that all of this paperwork had been considered in detail at the Quality & Curriculum (Q&C) Committee meeting on 28 November and was being recommended for approval by that committee. Chair of Q&C (TC) confirmed that there had been a full and robust debate around the figures and judgements presented in the SARs and QIPs.</p>
18.1	<p>Student achievement Report</p> <p>The meeting noted a comprehensive report presented by Principal Sixth Form (AD) and Principal FE (AE) which presented data on actual achievements and retention for the previous academic year.</p>

16-18 provision: Comparisons with results from 2019 - the last year of formal examinations - showed improved Achievement Rates for 16-18 study programmes at the Sixth Form. However, AD informed the meeting that at a recent Sixth Form Conference, a specialist speaker had suggested that it would take three years post-pandemic for schools and colleges to get back to solid grades and a baseline of academic security. The meeting commended the significant improvements in the Achievement Rate for 16-18 study programmes at Langley College. AE confirmed that SLT now had clear visibility on the areas at Langley that needed additional focus; English and maths plus construction especially at Level 2. It was confirmed that full-time achievement had improved compared with the prior year.

19+ provision: The decline in achievement rates for all 19+ provision was noted which was linked to retention and delayed achievement. Governors were assured that a clear action plan was in place to address the areas for improvement across all provisions.

English & Maths: The meeting noted that all colleges had seen a decline in achievement for GCSE English and Maths. Greater differentials in students' knowledge and learning had impacted grades nationally for GCSE Maths and actions were in place for 2022/23 to address additional support needs. However, within this there had been improvements in achievement for English and Maths at Langley; this would remain an area of focus for 2022/23.

18.2

Sixth Form SAR 21/22 and Quality Improvement Plan (QIP) 2022/23

This item was presented by the Principal, Sixth Form (AD). Members noted the detailed justification for the self-assessed grades of 'good' for Overall Effectiveness, Quality of Education, Behaviour and Attitudes, Personal Development and Leadership & Management. Governors were pleased to note the high level of student satisfaction and the strong provision of Information Advice and Guidance which facilitated learners transferring between courses during the first six weeks. The strong work of the Additional Learning Support (ALS) team was recognised as was the effective staff collaboration across curriculum and support areas.

The Areas for Improvement were noted as: High Grades, Value Added and consistency across the sixth form offer. AD confirmed that she was currently meeting with all Heads of Department to agree action points on specific courses. The meeting noted the Quality Improvement Plan and the seven actions that would take the sixth form at TWFCG towards an 'Outstanding' Ofsted grade:

- Improve two-year retention rates In L3 courses to secure improved achievement rates
- Ensure consistency in high grade achievement in identified A Level subjects
- Improve GCSE Maths high grades (9-4) to pre-Covid levels
- Achievement of 19+ males to be in line with 19+ females (it was noted that females did better under the TAG and CAG system in place during the Covid pandemic)
- Improve value added scores on identified L3 courses
- Improve timeliness and processes for moderation on adult Counselling courses to secure timely achievement
- Develop strong engagement with reflection on, development and sharing of good pedagogical practices

AD also highlighted that there was a need to develop learners' behaviours and attitudes for work which was much more important under the new skills agenda. This would include skills for further study, independent learning, and employment (through the work placement scheme). Further development of work placements would be key for 2022/23.

The Sixth Form SAR and QIP report was APPROVED as recommended by the Quality & Curriculum Committee.

All Members were agreed.

18.3

Further Education (FE) SAR 2021/22 and QIP 2022/23

➤ BCA Self-Assessment Report

This item was presented by the Principal, FE (AE). Members noted the detailed justification for the self-assessed grades of 'good' for Overall Effectiveness, Quality of Education, and Leadership & Management. The grades for Behaviour and Attitudes, Personal Development

had been assessed at 'outstanding'. The meeting was reminded of BCA's strong reputation for working with High Needs Learners and that the number of learners in this category continued to rise. AE highlighted that there were now more than 400 16-18 learners on role at BCA who had Education Health and Care Plans (EHCP). However, the college was recognised for good pastoral support across all students.

The meeting considered the slight dip in achievement and retention for 2021/22 – now at 88.5% - but this was noted as still likely to be within the upper quartile of results. The increased number of exams had impacted on learners. Governors were pleased to note the continued improvement in the apprenticeship achievement rate which was now above the national average at 62.3%. This was noted as being due to a regime of quality improvement put in place for 2021/22 and was forecast to continue to improve in 2022/23. There were no significant gaps in achievement rates for any subgroup of learners from an EDI perspective. AE highlighted the wealth of Learner Voice in the SAR – this had been added at the suggestion of an Ofsted HMI. The meeting commended the positive destination data and the fact that nearly 100% of learners had taken part in some form of work placement.

The meeting considered the English and Maths data and AE explained how BCA measured progress within grades to show distance travelled as some learners would never achieve a Grade 4 GCSE. This would be implemented at Langley College for 2022/23 in order to provide some additional motivation for learners and demonstrate progress. Attendance at maths and English had been approximately 5% below the main course element but AE highlighted that to some extent this was easier to control at BCA as learners were less able to leave the campus during the day. Even so, Governors commended the improved attendance in English and maths.

➤ FE Quality Improvement Plan (QIP)

The Principal FE (AE) presented the QIP for Further Education across TWFCG and highlighted the new Risk Matrix for Langley College and the new plan for early intervention for Construction and English and Maths. The format of this QIP was simple to encourage ownership throughout all levels of BCA and Langley College. Governors noted that curriculum leads would update the progress on the QIP monthly and look for any other areas of intervention necessary. The key areas for improvement (Afls) were noted – many of which related to Langley College.

AE highlighted the focus on English and maths; all staff needed to see the value of English and maths and sell it to learners alongside their main study programme. The first Deep Dive to look at this would take place in Construction at Langley where English and maths was judged as 'inadequate'. The meeting also noted the need to look at IAG, entry routes and whether some construction learners would be better served by going through apprenticeships.

The Further Education (FE) SAR 2021/22 and QIP 2022/23 report was APPROVED as recommended by the Quality & Curriculum Committee.

All Members were agreed.

19. **Academic Report 2022/23**

19.1 **Performance against KPIs year-to-date**

Update on in-year performance

The meeting was given a verbal update by the Principal, Sixth Form (AD) and the Principal FE (AE).

Sixth Form: AD confirmed that sixth form retention was better in-year and Year 1 students were better than second year students in relation to attendance. The detail in the report was commended including the 'good news' stories.

Further Education: AE confirmed that current retention was strong across both colleges: BCA at 99% and Langley 98%. Attendance at BCA was currently 91% for 16-18 provision; the figure at Langley was 85% for 16-18 and 85% for 19+. AE highlighted that these figures included poor attendance at English and maths (76%) which was pulling the overall figure down from circa 90%.

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19.2	<p>Apprenticeships, Adults and Commercial Update Report</p> <p>The meeting noted an update report written by the VP Apprenticeships, Adult and Commercial. This report gave a clear overview of 2021/22 achievement and set out the strategy for quality improvement, growth and funding for 2022/23. The meeting took the detailed performance data as read and was assured that a clear action plan was in place to drive up achievement rates including some post-pandemic issues which remained. There was also an ongoing shortage of teaching staff in some specialist areas of the curriculum. The meeting noted the detailed action plan moving forward which was considering how to mitigate the impact of these and a number of other factors affecting performance. The Link Governor for apprenticeships (SS) confirmed that there was evidence of good progress and that plans for growth over the next few years were on track.</p> <p><i>The Academic Update Report 2022/23 was NOTED</i></p>	
20.	<p><u>Annual Complaints Report</u></p> <p>The meeting noted the annual Complaints Report for the Windsor Forest Colleges Group 2021/22 (this was noted as pre-merger so did not cover BCA). Governors were reminded that the College strategic priorities placed a high priority on the management of learners' experience, in particular learner satisfaction and its likely impact on the teaching and learning experience. The College therefore regarded complaints to be one of the key elements of the learner voice.</p> <p>The meeting noted that there was a modest increase in complaints from 24 in the prior year to 28. Of the 28 complaints received, 20 were regarding curriculum areas and 8 were upheld for the following reasons: poor verbal and written communication on course details; teaching quality; progress; curriculum management; and staffing. The other eight were regarding service areas and one was upheld for the following reason: poor adherence to internal financial procedures. It was noted that Construction & Engineering received the highest number of complaints (12) followed by English, Maths and ESOL (5). Governors were assured that complaints were being dealt with in a timely and effective manner.</p> <p>The meeting commended the very thorough report and the CEO confirmed that discussions at Quality & Curriculum Committee had led to a decision that the complaints reporting would be developed further to include BCA. The Director of Governance (TR) had suggested that the future format should include any associated legal risk by different category e.g. safeguarding, H&S, DDA, equality. Governors also noted that within the sixth form colleges there was a tendency for 'issues' to be resolved before they got to the formal complaint stage however a future record would be kept of this informal resolution to evidence for any future Ofsted inspections.</p> <p>The Complaints report was NOTED and RECEIVED</p> <p><i>It was AGREED that the Complaints Reporting should be further developed for 2022/23 to cover all aspects of TWFCG provision and include any associated legal risks.</i></p>	<p>TR/ Exec</p>
21.	<p><u>Finance Directorate Report</u></p> <p>The Deputy CEO (RM) presented his report which provided an update on the 2021/22 Final Year outturn and Budget for 2022/23. <i>RM reminded the meeting that he was keen to receive feedback from governors on what they would find useful to see in his standing Finance Directorate Report to the Board.</i></p>	<p>All governors</p>
21.1	<p>Out-turn 2021/22</p> <p>This was largely taken as read as it had been discussed in detail during agenda item 15 (Financial Statements) earlier in the meeting. RM highlighted the useful table on page 2 of his report which showed the financial metrics by each college for 2021/22. Both colleges had ended the year with a grading of 'Good' financial health. Income had been £39.499m and cash reserves were at £8.9m. The higher cash reserves of TWFCG compared with BCA were noted (£7.8m versus £1.067m) as well as the associated 'cash days in hand' measure 140 versus 24; RM confirmed that this was low but an improved position for BCA. Staff costs as percentage of income were 71.47% at TWFCG and 65.66% at BCA; the sixth form element</p>	

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	<p>of TWFCG was relatively more expensive in terms of staff costs. The meeting was assured that Exec would be mindful of keeping the staff costs ratio at a sensible level across the post-merger College Group.</p>	
21.2	<p>Budgets 2022/23 and beyond</p> <p>The meeting was reminded that the revised budget for 2022/23 had been presented to, and approved by the Corporation on 8 September 2022. The operating deficit for the year was expected to be £2.145 million before merger costs. RM explained that the year-on-year deterioration in the deficit related mainly to significantly increased pay costs (due to the AoC recommendations associated with cost-of-living increases), and much higher energy-related costs. There was also additional income in 2021/22 relating to the access road at Strode's. Governors were reminded that the revisions presented on 8 September did not take account of the government's recent announcement of support for public sector organisations in respect of energy costs. RM confirmed that the impact of this would be captured in the next reforecast, due in December/ January. That reforecast would also include a revised budget for 2023/24. The Deputy CEO highlighted the introduction of monthly forecasting and balancing – cumulative and monthly – against the Income & Expenditure account and Balance Sheet. This was a big step forward as TWFCG had not done this prior to merger; it allowed tight control of income and costs. However, this additional work had meant a delay to producing the management accounts.</p>	
21.3	<p>Management Accounts October 2022</p> <p>RM confirmed that these would be finalised and circulated to all Governors by the end of the week.</p> <p>ACTION: October 2022 Management Accounts to be circulated to all Governors as soon as available.</p>	RM/ TR
21.4	<p>Annual ESFA Letter confirming Financial Health Grade for TWFCG</p> <p>The meeting noted the letter and the accompanying dashboard from the ESFA which confirmed their assessment of the College's financial health after their review of the financial plan 2021/22 to 2023/24. The meeting was pleased to note that this confirmed financial health grades of Outstanding for 2021/22 and Good for 2022/23 as forecast by the management team. The meeting commended the very useful dashboard which very clearly demonstrated BCA's improved financial performance.</p> <p>The ESFA Letter and Dashboard of BCA's Financial Health was NOTED and RECEIVED.</p>	
22.	<p><u>Safeguarding Update</u></p> <p>The Principal FE – as Designated Group lead on safeguarding - presented the verbal report. Governors noted the statutory guidance 'Keeping Children Safe in Education (KCSIE) 2022' and AE highlighted the need for all Governors to read Part One of KCSIE as included with the meeting paperwork. The meeting also noted the Safeguarding Training presentation that had been developed by Vice Principal Sixth Form (KG). This presentation had been delivered on a face-to-face basis to staff within the sixth form colleges. The meeting noted the move from online delivery in response to the significant uplift in serious safeguarding cases reported. The Governors also noted the new structure of the Safeguarding Team across the two sixth form colleges and the clear flowchart for staff to follow should they have any safeguarding concerns. AE confirmed that KG would be attending the Corporation meeting in March 2023 to deliver this presentation to Governors but it was being circulated to give Governors early access to this key briefing.</p> <p>AE confirmed that safeguarding referrals had continued to gather pace and the ongoing impact of gang- related activity (off site) and County Lines activity was a major issue. Governors were assured that the mechanisms and staffing was in place to deal with the Safeguarding caseload. The meeting was assured that there was a strong relationship with the Police Community Support Officer (PCSO) at Langley and he was working closely with college staff on some new initiatives.</p> <p>The Chair (AW) asked AE to outline what she saw as the biggest safeguarding risks. AE confirmed that gangs coming in from West London continued to be an issue with associated</p>	

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	<p>knife crime and county lines activity. The mental health issues with a large percentage of students were also an ongoing concern. AE confirmed that the college would be randomly using knife-arches across the colleges to protect people, help learners to feel safe and discourage use of knives. The meeting was also informed that the large sculpture 'The Knife Angel' – made of knives handed in during an amnesty period – was visiting Slough and this would be used during tutorials to initiate conversations with learners</p> <p>The meeting sought confirmation on whether the police had good intelligence on who and where the county lines gangs were operating. AE highlighted the ongoing resourcing issue for the police who would only respond to incidents where learners were in danger; otherwise they advised staff/ students to report via calling 101.</p> <p>The meeting discussed the impact on staff who could easily get drawn into incidents where the police would not get involved. AE agreed that management needed to be mindful about how best to support staff. The meeting was informed that some staff were worried about how to protect students during the Christmas break. Governors asserted the need for the Safeguarding Team to help learners understand how to stay safe when access to College was limited. The meeting expressed concern that this issue around gangs and county in activity was escalating and was likely to continue to do so into 2023/24 if no additional police resources were deployed.</p> <p>Members NOTED the report.</p>
23.	<u>Governance</u>
23.1	<p><u>Corporation Business</u></p> <p>Members noted the report from the Director of Governance, including dates for Governor training and induction. Members noted the dates of meetings scheduled to July 2023. The Director of Governance (TR) highlighted that the Governance paperwork had now moved to the electronic board portal Board Intelligence. The sub-committees in November and Governing Body in December 2022 had been managed via the Board Intelligence system and feedback from governors had been positive.</p> <p>The Governance Report was NOTED and RECEIVED.</p>
23.2	<p><u>Approval of Application of TWFCG Seal</u></p> <p>The meeting noted the report in relation to the use of the Corporation Seal. TR confirmed that TWFCG Corporation Seal had been applied to the following documents:</p> <ul style="list-style-type: none"> • A Deed of Grant between TWFCG, The Electricity Network Co. Ltd, HQ Egham Ltd and the Official Custodian for Charities (on behalf of Strode's Foundation, relating to land at High Street Egham. • A Deed of Novation between BCA, TWFCG and Bracknell Forest Borough Council in relation to the contract for High Needs Provision. This was a legacy item not finalised before the merger. <p>The report confirming the use of the College Seal was NOTED and RECEIVED.</p>
24.	<p><u>Minutes from Audit & Resources Committee – 23 November 2022</u></p> <p>The Director of Governance (TR) apologised and informed the meeting that the minutes from the meeting were not yet available.</p> <p>The Chair of the Committee (SF) confirmed that the major matters considered by the meeting had been brought forward to the Board within the current agenda including the Audit of both colleges Financial Statements and the Regularity Audit for both TWFCG and BCA.</p> <p>NOTED</p>
25.	<p><u>Minutes from Quality & Curriculum Committee – 28 November 2022</u></p> <p>TR apologised and informed the meeting that the minutes from the meeting were not yet available.</p>

<u>MINUTE NO.</u>		<u>ACTION</u>
	<p>The Chair of the Committee (TC) confirmed that the major matters considered by the meeting had been brought forward to the Board within the current agenda including the College Self-Assessment Report 2021/22 and the Quality Improvement Plan 2022/23.</p> <p>NOTED</p>	
26.	<p><u>Dates and Times of Future Meetings and Events</u></p> <p>The dates and times of future meetings were noted. The Chair asserted the value of holding all Corporation meetings on a 'face-to-face' basis moving forward but keeping sub-committees online. The Director of Governance (TR) confirmed that an alternative date for the second Governors Training and Strategy Day 2022/23 would be put in the diary for spring 2023; this would include the team building work on the second stage of the Lumina Splash governor assessment.</p> <p>TR confirmed that Corporation meetings were scheduled for 5.00pm on:</p> <ul style="list-style-type: none"> • Wednesday, 22 March 2023 (BCA) • Wednesday, 17 May 2023 (Strode's) • Wednesday, 5 July 2023 (Windsor) <p>NOTED</p>	
27.	<p><u>Any Urgent Business</u></p> <p>There was no urgent business.</p> <p>The meeting ended at 6.45pm.</p>	

At this stage of the meeting it was agreed by all members present that matters of a private and confidential nature were to be discussed and had there been any members of the public present they would have been asked to leave the meeting.

Staff and Student Governors were asked to leave the meeting as there were some Part II minutes which related to senior staff (Remuneration Committee minutes from 9 November 2022).