



HOPWOOD HALL COLLEGE

MINUTES OF THE CORPORATION BOARD MEETING HELD ON 8TH DECEMBER 2022

Present:

Nazir Afzal (Chair), Clive Reid, Julia Heap (Principal / Chief Executive), Susan Ayres, Helen Barton, Julie Burns, Cathy Berry, Paul Dixon, Steve Taylor, Sarfaraz Akram, Jennifer Worsdale, Leon Al Asade, Ricardo Pedrosa Taylor

In Attendance:

Jo Bentley	Executive Director of Finance & Estates
Andrea Murphy	Deputy Principal
Caroline Street	Executive Director Business & Student Support
Greg Scully	Assistant Principal Curriculum
Liz Duncan	Assistant Principal Quality
Matthew Taylor	Executive Director Performance & Planning
Fatema Hussein	Clerk to the Corporation

Meeting Commenced: 5.00pm

Meeting Ended: 7.00pm

Attendance: 81%

Quorum 7

1. Apologies for Absence

Apologies were received and accepted from Gill Banks, Martin Salins and Greg Walsh.

The student Governors were welcomed and introduced to the meeting.

2. Declarations of Interest

Members were invited to declare any direct, indirect, personal, pecuniary or prejudicial interest on any item on the agenda.

There were no declarations.

3. Audit Findings Report (Management Letter) – External Auditor Presentation to Board

Scott Gillon, Wylie & Bisset presented the report with the following points highlighted to Governors:

- The report had already been presented to the Audit Committee, but it was a requirement that it was also presented to the Board
- The outstanding matters highlighted in the report had now been cleared off
- There were no post balance sheet events to report
- A clean audit opinion was being issued with no regularity issues to bring to the Board's attention

- Nothing had been brought to the Auditors' attention in relation to fraud
- The College was a "Going Concern" and this had been stress tested during the audit
- The Auditors were not aware of any relationships between Wylie & Bissett and Hopwood Hall College that, in their professional judgement, may reasonably be thought to bear on the independence and the objectivity of the audit engagement partner and the audit staff

Quest Pennine

Wylie & Bissett advised that:

- There were no concerns to report to the Board and a clean unmodified audit opinion was being issued for Quest Pennine
- Governors needed to be aware that Wylie & Bissett's tax department prepared the year end Corporation tax return for the company
- The staff involved in the audit were independent of the tax function and appropriate ethical screens had been put in place between the two teams to ensure the audit team's independence was not affected

Governors thanked the Executive Director of Finance & Estates and the Finance team for the clean audit opinion and their co-operation with the External Auditors.

Governors thanked Scott Gillon who left the meeting at this point.

4. Approval of the Minutes – 14th October 2022

Agreed that: the minutes of the meeting held on 14th October 2022 are approved as a correct record and authorised for publication

5. Matters Arising from the Minutes

The Action Progress Log was reviewed and the Deputy Principal reported that a skills paper had been written which included a link to the data form the GMCA.

6. Committee Minutes – Committee Chairs to Highlight 3 Key Points

The Board received the minutes of the Committee meetings with the following points highlighted by the Committee Chairs:

Audit Committee 17th November 2022

- The Committee had received and reviewed the Audit Findings report
- ICAA had undertaken an internal audit of GDPR and a Reasonable Assurance Opinion had been issued
- The Counter Fraud strategy had been presented and endorsed by the Committee
- An update had been received on the ESFA funding audit and EY report

The Principal reported that she had been in contact with the ESFA earlier this week to discuss how the funding audit could be concluded and was awaiting a reply from them.

Employment & Finance Committee 24th November 2022

- The Committee had reviewed the management accounts and it was noted that the year-end forecast was better than the original budget plan

- An update had been provided on the pay negotiations which had now been concluded
- There had been some negative media reporting of the proposed planning application for the Smallbridge animal care facility

The Principal advised that:

- Due to the restrictions on the existing license, College has had to apply for a zoo licence in order to open the animal care facility to the public for more days
- There had been a number of objections to the planning application which had also generated some coverage in the media
- College was working with the planners at Rochdale Council to navigate this
- The situation regarding the Old Hall had complicated matters further

7. Principal's Report

The Principal & Chief Executive provided a verbal update with the following points highlighted to the Board:

7.1 Ofsted Preparation

Governors were provided with an update on the new requirements for enhanced inspections and informed that:

- As part of the FE White Paper and the Skills & Post 16 Education Act 2022, further education Colleges, Sixth form Colleges and Designated Institutions have a duty to review their contribution to meeting skills needs
- From September 2022, Ofsted inspections would focus in greater depth on each College's contribution to meeting skills needs and inspectors would make a worded sub-judgement on it.

Governors were also provided with an update on the expectations and key lines of enquiry as specified in the inspections handbook.

The Chair of the Standards Committee provided an update on the recent inspection at another College where she was a Board member.

7.2 Deputy Principal Appointment – Appoint Selection Panel & Agree Interview Process

Governors were informed that:

- The process to recruit a new Deputy Principal was planned to commence on 12th December when the post would be advertised
- The deadline for applications was 9th January 2023 and interviews were planned to be held on 16th and 17th January
- All applications received would be uploaded to Convene so that Governors could have access for shortlisting purposes
- Interview panels would include Governors, Staff and students and be supported by senior staff

RESOLVED:

The Board approved the interview process and agreed that Governors let the Clerk know if they wanted to be a member of the Selection Panel.

7.3 ONS Re-classification of Colleges

The Board was provided with an update on the recent ONS re-classification of Colleges, and it was noted that:

- Following the ONS review, Colleges were now classed as being part of the public sector, with the decision backdated to 1993
- There was a lot of uncertainty currently on the full long-term impact of the decision, but College was currently at low risk as a result of this
- The key change was that permission would have to be obtained from the DfE / ESFA for any capital borrowing
- College would also need to adhere to the guidance on “Managing Public Money”
- Since the announcement, College had been allocated a further £313,000 in capital funding from the DfE
- Further details regarding the implications of the decision would be shared with Governors as they became available

Governor Questions

Q. What were the new rules around leasing assets?

A. This would depend on the value of the asset and the guidance would need to be checked

7.4 Meeting Local Skills Needs – Review

It was noted that the AOC had advised that the review did not have to be completed in this academic year and members agreed that it would be better to undertake it once the Local Skills Improvement Plan (LSIP) had been published as this would form a key component of the review.

8. College SAR 2021 - 2022

The Assistant Principal Liz Duncan presented the updated SAR which had been discussed at the recent SAR validation meeting.

The following judgements were proposed:

Overall Effectiveness	Good
Quality of Education	Good
Leadership & Management	Good
Behaviour & Attitudes	Good
Personal Development	Good
Adult Programmes	Good
Apprenticeships	Good

RESOLVED:

The Board agreed that the SAR was approved

9. Audit Committee Annual Report

Members considered the report the purpose of which was to advise the Board on the effectiveness of the College’s systems of internal control before the College’s final accounts for the year were approved.

Based on the reports received from the Internal and External Audit Service providers, assurances provided by College Management and their positive response to any audit

recommendations made, it was the opinion of the Audit Committee that the College had in place adequate and effective systems and arrangements for risk management, control and governance processes, throughout the year to 31 July 2022.

RESOLVED:

That the report be received and approved

10. Letter of Representation

RESOLVED:

The Board reviewed and approved the letters of representation and agreed that they be signed by the Chair and Principal.

11. Report & Financial Statements 2021-2022 incorporating Quest (Pennine) Limited

The Annual Report and Financial Statements were presented. These had been considered by the Employment & Finance and Audit Committees, in line with their respective remits, and were recommended for approval.

The Executive Director Finance, Estates & Risk Management explained that:

- College had ended the financial year in a strong position
- An operating surplus of £139,000 had been confirmed
- Quest Pennine had generated a surplus of £109,000 and this was mainly income from the sports arena
- All funds generated from Quest Pennine were gifted back to the College

RESOLVED:

The Board endorsed the opinion of the Audit and Employment & Finance Committee that the College is, and continues to be, a 'going concern'. Members approved the Report and Financial Statements (incorporating Quest Pennine Ltd) for the year ended 31 July 2022 and authorised the Chairman and Principal to sign the relevant pages of the report.

Governors thanked and congratulated the Executive Director Finance, Estates & Risk Management and the Finance team for the clean audit report and the work undertaken on the financial statements.

12. 2021-2022 Remuneration Committee Annual Report

The Clerk presented the report and explained that this was a requirement as part of the AoC Senior Postholder Remuneration code. The key changes were highlighted to members.

RESOLVED:

The Board reviewed and approved the report for publication on the College website.

13. Health & Safety Policy

The Health & Safety policy was reviewed and the Executive Director Finance & Estates advised that minor amendments were being proposed.

RESOLVED:

The Board approved the Health and Safety Policy

14. Safeguarding Update

The Executive Director of Business and Student Support presented the report with the following points highlighted to Governors:

- A new risk had been added following the last Governors meeting addressing the risk of reputational damage to the College of high-profile safeguarding cases
- This has been assessed as moderate risk
- The current completion rate for single agency safeguarding training was 96%
- The Prevent Action Plan had been reviewed and updated since the last report
- College had seen a further increase in the number of Safeguarded and Child Protection learners this year
- There were 328 Safeguarded learners so far in 2022/23 (21/22 – 297 in year)
- There were 206 Care experienced learners so far in 2022/23 (21/22 169 in year)
- One of the student enrichment roles within the College had been included in the Safeguarding and Wellbeing Team for this academic year as it fitted in well with the first stages of the Mental Health and Wellbeing Strategy
- At the start of the academic year all students had received information regarding Sexually Harmful Behaviours (SHB) through the PACE Tutorials
- The Behaviour Team had a Behaviour Support Officer with extensive experience in Sexually Harmful Behaviour
- This was the fourth year of transition projects that have had a significant impact on widening the participation rates of young people in Rochdale, and preventing them from become NEET
- In recognition of the work, the College was currently at the point of being finalists for an AoC Beacon Award
- It was recognised that a high proportion of the College community was living in an area of high deprivation and therefore the current cost of living crisis was impacting significantly on many members
- The initiatives that were identified to support students in addition to the well-established financial support continued to be developed and delivered
- A new initiative, “Shopwood” a “free to you” shop had been set up at the Rochdale campus with targeted students having received clothing, hygiene products and baby milk
- From 21/1/2022, Shopwood was opening to all staff and students Monday and Fridays
- Donations were also being collected for the “Hopwood Hampers” for students and their families for Christmas and the Riverside Salon was providing free haircuts for students

Governors agreed that College needed to highlight the good work being undertaken to support students with the cost-of-living crisis.

Quality Marks

- College had been awarded a Quality Mark for Outstanding Pastoral and Wellbeing Support from the FETN (Further Education Tutorial Network)
- The Pastoral Welfare Officer, Eloise Dale was also awarded with the FETN Outstanding Personal Tutor Award in recognition for the outstanding work she

does to support students studying in the ESOL curriculum area as well as others

Social Prescribing Project

- College had the opportunity to showcase the impact of the social prescribing project recently at a visit from the Department for Education
- The counselling service had been impacted by lack of a Social Prescriber since October half term, but a new link worker was starting after the Christmas break

Governors were shown a video of a student's experience of social prescribing in College and how this had benefited them. They agreed that it was important for them to hear about the experiences of students and the impact that College initiatives were having.

The Safeguarding Governor reported on his recent termly meeting with members of the Safeguarding Team and it was noted that:

- The College had responded positively to the growing demand and need for Safeguarding support
- There was now a greater focus on safer recruitment practices as part of the KCSIE guidance and an update on this would be provided at the next meeting

15. Financial Update incl Capital Projects & Bids

The following update was provided by the Executive Director Finance & Estates:

- The income and expenditure account showed an operating year to date surplus (before FRS102) of £474k for the 3-month period, compared to a budgeted surplus of £31k, a positive variance of £443k
- The full year forecast was showing a net surplus of £274k compared to a breakeven budget, a favourable variance of £274k
- This revised forecast position reflected a total increase to income of £143k
- College remained in 'Outstanding' financial health and complied with all bank loan covenants for the year
- Cash reserves and liquidity were both strong, but cash would reduce during the year to reflect the implementation of the Estate's strategy
- Cash flow forecasting was currently being fully reviewed to reflect the changing profiles of capital spend

Capital Projects Update

- T level Science Project – this was now fully operational with state-of-the-art labs
- Rochdale B block development – following appointment of the contractor, Wates, by DfE, College was working in partnership with DfE, DfE Technical Advisors and Wates Construction to complete an initial design of the new B Block and include the external landscaping of the building and general adjacencies
- H.E Floor (Rochdale B Block) - following further discussions at Chief Executive level with the Principal and Chief Executive of Rochdale Council, financial support from the Council for the HE element was still being considered by members
- TEC Centre – the annex was progressing well and following building control approval on 21 September, sectional completion of the Annex extensions had been given to the College

Capital Funding Bids Update

- The following Post 16 capital bids as previously approved were submitted by due deadlines: Animal management development at Smallbridge, Remodelling of

Rochdale bistro, Salix funding bid to allow the College to be net zero strategy for both Rochdale and Middleton campus

- College was also considering bringing the Chapel back into use and a bid for delivering a T Level in Engineering and Construction was to be submitted

RESOLVED:

The Board:

- Accepted the October management accounts
- Noted the revised capital budget for 2022/23 of £11.39m (originally £9.972m) to take into account the carry forward of capital budget underspend from 2021/22 (£2.7m)
- Noted the update on current major capital projects & funding bids submitted
- Approved, the recommendation of the Employment & Finance Committee that College continued to work up the Rochdale Bistro project to a more detailed design stage as the current facilities were wholly inadequate and needed to be developed for future bids
- Approved the submission of a planning application to retain a temporary structure on land opposite the 3G pitches (Alkrington Building) given the time constraints imposed by the DfE and Rochdale Planners on the current use of the buildings

16. Risk Register – Top 10 Risks

The meeting was informed that:

- 3 risks had been deleted from the register as they were no longer risks or were included within other risks
- A new risk had been added to the register and this was the failure to respond to future emergency closures/lockdowns (this was to respond to the future risk of possible energy outages and impact on the business continuity)
- The financial risk register had also been updated as at 31 October 2022 and monitored by the Employment & Finance Committee

Governor Questions

Q. Why was staff recruitment and retention not identified as a Top 10 risk?

A. The recent pay award had negated some of this risk. Areas where College had previously struggled to recruit were now relatively stable. There were challenges in recruiting security and MIS staff

17. *College KPI's 2022- 2023 Update

It was noted that the KPI's would be added to the Convene library next week.

ACTION:

Principal

18. Items for Information

Governors were made aware of the following documents that had been placed in the Convene document library:

- ONS Re-classification of Colleges
- College Governors Finance Dashboard

19. Date and Time of Next Meeting

Friday 17th March 2023 (Full Day to include Strategy Meeting)