



College

USP College Corporation

Minutes of the Meeting held on Tuesday 29 March 2022

Meeting held in A Level Centre, Palmers Campus

Meeting commenced: 16.00hrs

Meeting ended: 18.00hrs

Present

Gordon Haines	Independent Member	Chair
Phillip Lennon	Independent Member	Vice Chair
Ian Hockey	Independent Member	
Roger Key	Independent Member	
Andy Williams	Independent Member	(attending remotely)
Jacob Smith	Independent Member	
Malcolm Bell	Independent Member	
Nicola Curtis	Independent Member	
Tony Wenden	Independent Member	
Paul Dale	Independent Member	
Dan Pearson	Principal & CEO	
Julie Snelling	Staff Member	
Donna Williams	Staff Member	
Nicole Dragos	Student Member	
Mils Balcombe	Student Member	

Apologies for absence

Vikki Liogier	Independent Member
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In attendance

Steve Hendy	Chief Finance Officer (attending remotely from item 10)
John Revill	Vice Principal Partnerships, Funding & Business Planning
Clare White	Deputy Principal Corporate & Student Services
Jon Briggs	Vice Principal Quality & Curriculum

Clerk

Sue Glover	Clerk to the Corporation
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001.22 Declarations of Interest

Members and staff were reminded of the need to declare any personal or financial interest in any item to be considered during the meeting.

There were no declarations of interest.

002.22 Apologies for absence

Apologies for absence were received from

- Vikki Liogier

The Board accepts the apologies for absence.

Paul Dale, Malcolm Bell and Donna Williams withdrew from the meeting

003.22

Membership Report

The Clerk presented a report detailing issues relating to the membership of the Corporation Board and the Committees.

Appointment and reappointment of independent members

Members were advised that, at the meeting of the Search and Governance Committee held on 22 February 2022, consideration was given to the application for appointment to the Board of Paul Dale as an independent member. The Committee recommended that he is appointed to the Board for a four-year term of office until 31 March 2026.

Paul has completed a skills audit which the Search and Governance Committee reviewed and propose that, in the light of his skills and expertise, he will initially serve on the Finance and Resources Committee.

At the same meeting, the Search and Governance Committee gave full consideration to the reappointment of Malcolm Bell when his current term ends on 30 April 2022 and recommended that he is reappointed for a second four-year term of office from 1 May 2022 to 30 April 2026.

The Board unanimously agreed the appointments.

Staff Members

Members were advised that following the resignation of the previous staff governor for Palmers, an election was held in February for staff at the Palmers campus to elect a new staff governor. Donna Williams has been unanimously nominated as the staff governor for Palmer.

The Board were pleased to accept this nomination and approve the appointment of Donna Williams as the staff member for Palmers for a four-year term of office with immediate effect, noting that this appointment will cease in the event that she leaves the College.

Resolved

The Corporation Board

- endorses the recommendations of the Search and Governance Committee and approves the
 - reappointment of Malcolm Bell for a second four-year term from 1 May 2022 to 30 April 2026
 - appointment of Paul Dale as an independent member for a four-year term to 31 March 2026
- accepts the nomination for the staff member of Palmers and approves the appointment of Donna Williams for a four-year term to 31 March 2026

Paul Dale, Malcolm Bell and Donna Williams returned to the meeting

The Chair welcomed each member back to the meeting and congratulated them on their appointments

Members were reminded that the Board agreed in December 2020 that the number of independent members would be increased to 13, making the total membership of the Board 18, made up as follows:

- 13 independent members
- 2 staff members, one from each college
- 2 student members, one from each college
- The Principal/CEO

The Board carries three vacancies, one of which was carried over from the previous year.

The Board was advised that following the appointment of a new independent member at this meeting, the total number of independent members will be 11, making the total membership of the Board 16 (plus one co-opted member of the Quality Committee). The Search and Governance Committee at their meeting held on 22 February 2022, gave consideration to reducing the size of the Board to this level.

Members discussed the issue and agreed that, following recent appointments, the Board is now made up of suitably skilled and experienced members. However, the Board should continue to consider any potential candidates who may present themselves and should be mindful of the diversity of membership, which will be kept under regular review by the Search and Governance Committee. It was agreed that the size of the Board should reduce to the level that had been set prior to December 2020 of 11 independent members, thus the Board would carry no vacancies.

Resolved

The Corporation Board agreed to endorse the recommendation of the Search and Governance Committee and approve that the total membership of the Board is 16 made up of

- 11 independent members
- 2 staff members, one from each campus
- 2 student members, one from each campus
- The Principal/CEO

004.22 Unconfirmed open minutes of the meeting of the Corporation Board held on 14 December 2021

The minutes of the meeting were approved and signed as a correct record, subject to minor amendment as agreed.

005.22 Matters arising and action points from the minutes of the previous meeting

The Board reviewed the schedule of actions outstanding from the previous meeting, noting those that will be carried over and the items that will be picked up under this agenda.

It was agreed that all other Actions Points had been satisfactorily completed and that there were no other matters arising from the minutes of the previous meeting.

006.22

Learner Voice

The student members updated the Board verbally on some of the activities being undertaken by the students at both colleges during the term.

Members were advised that

- both student members have attended the Quality Committee Spring term meeting
- a number of students are not attending the Progress Groups as they perceive no benefit from these and are asking if this time could be used for revision purposes. The meeting was advised that this issue had been raised through learner voice and is being reviewed with changes likely to be made following detailed feedback
- Pride Week had been successful, with lots of positive feedback
- A group has been formed to support fund raising for the current situation in the Ukraine
- some students are becoming anxious about exams and the meeting was advised that an email has been sent to students and their parents detailing the College's approach to help prepare for exams and the support available

Agreed

The Board agreed to receive and note the update and thanked the student governors for their contribution

007.22

Principal's report

The Principal presented his report, which updated the Board on the College's Career Focused Strategy, and on recent developments since the last report:

- Update on FE Commissioner's Notice of Concern and outcome of ESFA strategic meeting
- College Strategy – next steps
- Update on Land Sale
- SEND expansion and next steps
- College Sector Boards - update

Members were advised that

- following assessment of the College's latest financial information submitted in July 2021, written confirmation has been received from the ESFA that the College is no longer in Early Intervention
- the strategic conversation with the ESFA took place on 16 December 2021 when a number of issues were discussed and the ESFA were pleased to hear about the College's successes, challenges faced, thoughts for the future and potential opportunities
- the strategic development of the curriculum offer forms a major part of the additions to the Career Focused Strategy and new key sector areas are being proposed which will be further discussed at the Board's Strategy Day on 10 May
- since the update provided to the Finance and Resources Committee on the land sale, the Castlepoint Council will be meeting later in the month to consider the local plan for adoption, there is low expectation this will be approved due to political reasons. The draft masterplan has been received and will be reviewed with Glenny and Persimmon before attending a meeting with Castlepoint in early April to share our strategy

- the number of young people within Greater Essex with learning difficulties and/or disability is increasing significantly in the pre-16 population with a consequent increase in places. There have been early conversations with Essex County Council regarding capital funding regarding a new post 16 SLD provision at Seevic and discussions with Thurrock council regarding a potential free school at Palmer's campus for an 11-19 SEMH provision
- all five College sector areas held a recent sector board meeting where the focus of each agenda included future skills required in the Sector, Digital Skills and Green Skills

Members discussed the issues raised and, in response to questions, were advised that

- the Early Years, Childcare & Education sector area has merged with Sport to become Sport and Healthcare Professionals to give greater refinement and closer alignment with the forthcoming T-Levels and a new area created Digital Innovation and Emerging Technologies, which will focus on the work at Xtend
- lobbying continues to ensure the local plan is adopted by the Council. If it is not our strategy is likely to change as we will then need to submit a planning application, supported by the Masterplan. We will work with Glenny and Persimmon on this and with other key stakeholders/developers to understand plans and build a stronger case
- despite the Option Agreement not currently being in place, Persimmon Homes have agreed to engage with the College to ensure neither are disadvantaged and will work collaboratively along with Glenny on all matters going forward
- the outcome of the meeting with the Council will be reported to the Finance Executive Group who will consider as appropriate

The Board thanked the Principal for a very informative update on developments relating to the College business. It was agreed that all members of the Board would be advised of the date of the next meeting of the Finance Executive Group and given the opportunity to join the meeting if they wish when further updates on the land sale would be presented.

Agreed

The Corporation Board agreed to receive and note the Principal's report.

008.22

Annual Schedule of Meetings of the Corporation Board and Committees for 2022/23

Members were presented for consideration and approval a draft schedule of the meetings of the Corporation Board and Committees for the 2022/23 academic year.

Members were advised that the schedule of meetings

- reflected that of the previous year and provided for a committee structure of termly meetings of the Corporation Board and Committees
- provided for termly 'training and development' meetings for governors

The Search and Governance Committee at the meeting held on 22 February 2022 had considered the schedule and are recommending this to the Corporation Board for approval and acceptance. It was agreed that this presented a clear schedule and should be accepted.

The Board was advised that the Committee had also given consideration to the basis for the continuation of virtual meetings post Covid-19 restrictions. The Committee had considered that virtual meetings have been successful since the start of lockdown in March 2020, not only by allowing the Board and Committees to continue their business without interruption, but had also greatly improved the attendance by members with the convenience of virtual meetings and the benefit of attendance of college events online.

In discussion, it was agreed that as the current arrangements of virtual meetings for committees and in College for the full Board had been successful they should continue for 2022/23.

Resolved

The Corporation Board endorses the recommendations of the Search and Governance Committee and approves

- the Annual Schedule of Meetings of the Corporation Board and Committees for 2022/23
- the continuation of virtual meetings in 2022/23 for meetings of the Committees and in College when the full Board meets

009.22

Link Governors

Each Link Governor was invited to report on the activities undertaken during the term in their capacity as a Link Governor.

Link Governor for Safeguarding – Ian Hockey

The Link Governor reported that there had been no requirement to undertake any safeguarding review this term as this was done in the previous term. However, he would be conducting a review in the summer term and report back at the summer term board meeting.

Link Governor for Higher Education – Jacob Smith

The Link Governor advised that he had met with Vice Principal and Head of HE during the term and was informed of the situation with regard to Oxford Business College and Docklands Academy, which had been reported to the Quality Committee.

He advised there are some promising leads with Roehampton University and proposed that the Head of HE presents an update to the Board on key governance issues coming through in the HE sector. It was agreed that this would initially be presented to the Quality Committee.

Link Governor for Health & Safety – Andy Williams

The Link Governor advised that he attended the termly Health and Safety Committee meeting and continues to be impressed with how much is covered during these meetings and has confidence in the systems and processes in place for H&S.

The Chair of the Corporation took the opportunity to thank the Link Governors for their contribution and the additional time they devote to this role.

Steve Hendy joined the meeting

010.22

Budget Review for 2021/22

The CFO presented a report, detailing the outcome of the February 2022 budget review for 2021/22.

Members were advised that:

- the budget review commenced in January 2022 and the most up-to-date version at the time was presented to the Finance and Resources Committee on 9 March 2022
- some key budget outcomes will not be known until the end of the financial year, including Trust bid income, Xtend Centre income and the outcome of the pension revaluation
- the key issues since the November budget review are:
 - budget error identified – negative impact circa £300k
 - HE partner OBC delivery ceased – further reduction to target recruitment numbers and budget
 - further reductions to HE income, full cost income and catering income identified
 - ITEC expected surplus now a deficit
 - further mitigations identified but not sufficient
- the budget review focused on establishing whether the College will still be able to achieve a surplus budget for 2021/22
- the target budget advised to the Finance and Resources Committee was a revised one from a £208k surplus to a breakeven budget at year-end. At their meeting on 9 March, the Committee agreed that, while everything should be done to work towards a breakeven outturn, it would be more prudent to adopt the 'likely' outturn of a deficit in the region of £200k. Consequently, the College is now proposing a deficit budget of £220k
- an issue has arisen with regard to ITEC - a significant adjustment has been made in the final version of their accounts, which were presented to the ITEC Board on 22 March. The impact of this adjustment results in a profit of £31,591 from a previously reported profit in the draft accounts presented in December of £260,969

Members discussed the issues raised with regard to ITEC and were advised that this adjustment relates to a bad debt provision against ESFA accrued income. An internal review is to be carried out to try to establish the supporting documentation for this accrual as, currently, neither ITEC nor the external auditors have been able to provide any evidence of this accrual. Should the evidence to support the accrual not materialise, then there will need to be an adjustment in the 2021/22 accounts for USP College in order to write-off this amount of £229k. Alternatively, the accounts could be restated for 2020/21 in order not to impact on 2021/22. Either way, and assuming the adjustment is required, the adjustment should be incorporated into the revised budget, which would result in the agreed 'likely' outturn of a deficit of £220k increasing to a deficit of £449k.

The Board raised concern that this error had only just come to light and the impact this could have on the financial health rating of the College. The Board were content that the College was doing all that it can at this time to establish whether this adjustment will need to be made. Members were advised that the internal review was expected to be complete by the end of April and it was agreed that it would be more practical for the Finance Executive Group (FEG) to consider the outcome from this review when it next meets in May. It was agreed that authority is delegated to the FEG to consider the most appropriate action to be taken and all members of the Board would be invited to join the meeting.

Resolved

The Corporation Board

- approves the revised budget for 2021/22 of a deficit of £220k, but acknowledges that this could be a potential deficit of £449k, dependent on the outcome of the internal review regarding the bad debt accrual in ITEC
- delegates authority to the Finance Executive Group to take the most appropriate action following consideration of the outcome of the internal review regarding the bad debt accrual in ITEC when it meets in May

011.22 Search and Governance Committee

Meeting of the Search and Governance Committee held on 22 February 2022

Members received the unconfirmed minutes of the meeting.

Report of the Chair of the Search and Governance Committee and issues for consideration and approval

The Chair of the Search and Governance Committee reported on the key issues considered at the meeting, not otherwise considered at this meeting of the Corporation Board for formal consideration and approval:

- Governors' Development and Training Programme – termly review
- Review of College Governance with Members of the Corporation

012.22 Quality Committee

Meeting of the Quality Committee held on 1 March 2022

Members received the unconfirmed minutes of the meeting.

Report of the Chair of the Quality Committee and issues for consideration and approval

The Chair of the Quality Committee reported on the key issues considered at the meeting, not otherwise considered at this meeting of the Corporation Board for formal consideration and approval:

- College Quality Improvement Plan 2021/22 – termly review
- ITEC Quality Recovery Plan
- Termly Safeguarding report

013.22 Finance and Resources Committee

Meeting of the Finance and Resources Committee held on 9 March 2022

Members received the unconfirmed minutes of the meeting.

Report of the Chair of the Finance and Resources Committee and issues for consideration and approval

The Chair of the Finance and Resources Committee reported on the key issues considered at the meeting, not otherwise considered at this meeting of the Corporation Board for formal consideration and approval:

- Financial update – March 2022 including Management Accounts to 31 January 2022
- Termly Health and Safety Report
- Termly HR Report
- HE update
- ITEC financial impact
- Land Sale update
- T Level capital bid

014.22 Risk and Audit Committee

Meeting of the Risk and Audit Committee held on 23 March 2022

Members received the unconfirmed minutes of the meeting.

Report of the Chair of the Risk and Audit Committee and issues for consideration and approval

The Chair of the Risk and Audit Committee reported on the key issues considered at the meeting, not otherwise considered at this meeting of the Corporation Board for formal consideration and approval:

- Whistleblowing Policy
- Risk Register – Q3 Headline Risks
- Internal and External Audit Performance Indicators – approved the continuation of the internal audit provision with Scrutton Bland and the reappointment of Buzzacott as external auditors for a further year when, at the end of this period, the College will plan to retender this provision

015.22 Committees of the Corporation

The Chair of the Corporation thanked each Committee Chair for their reports of the meetings.

Resolved

The Corporation Board

- Notes the reports of the Chair of each of the committees of the Board
- Endorses the approval by each committee of the key issues considered and approved at the meetings

016.22 ITEC Technologies Limited

Meeting of the ITEC Board held on 22 March 2022

Members received the unconfirmed minutes of the meeting.

The Chair of ITEC reported on the meeting, informing the Board that

- the final 2020/21 accounts had been approved, subject to a Letter of Support from USP College to ITEC
- as reported under an earlier agenda item, there is a potential bad debt accrual against ESFA accrued income and is subject to an internal audit

The Board agreed that, whilst there is the potential bad debt accrual being investigated, the Letter of Support from USP College should be given so that the accounts can be finalised and submitted to Companies House.

Resolved

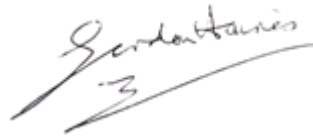
The Corporation Board approves the Letter of Support from USP College to ITEC

017.22 Any Other Business
There was no other business.

018.22 Schedule of Meetings 2021/22
Tuesday 10 May 2022 – Strategy Day to be held at Xtend, commencing at 12.30
Tuesday 12 July 2022 – main Corporation Board to be held at Seevic, commencing at 4pm

At the conclusion of the Part 1 meeting, the Corporation Board moved into a meeting restricted, in accordance with the requirements of the Instrument and Articles of Government and with Section 22 of the Freedom of Information Act 2000, to the independent members of the Board and to the senior post holders.

SIGNED AS A CORRECT RECORD:

A handwritten signature in black ink, appearing to read "J. Gendall", with a horizontal line underneath it.

DATE: 5 July 2022