

Minutes of the Corporation Meeting Held at 3.30pm on 22 July 2025

Present: Prue Amner, Huw Chapman, Mark Cooper, Ashley Cullen, Alex Dartmouth, Graham Goddard (Teams), Tim Jackson, Aston Muff (student governor), Anne Murphy Shirley Nellthorpe, Rob Nitsch (Chair), Katy Quinn (Principal & CEO), Pauline Tiller & Debora Welsh (staff governor).

Apologies: Shahalam Ali, Mariia-Olena Hodell (student governor), Lyndsey Mason (staff governor) & Mike Stoneham.

In Attendance: Matt Phelps Deputy CEO & Deputy Principal Curriculum & Quality
Paola Schweitzer Director of Governance
Maria Vetrone COO

M i n u t e s

Minutes 357 – 361 were confidential.

362 Attendance and Participation

Rob welcomed Debora Welsh who had recently been elected staff governor (business support). Shahalam Ali, Mariia-Olena Hodell (student governor), Lyndsey Mason (staff governor) and Mike Stoneham sent their apologies.

363 Declarations of Interest

There were no declarations of interest.

364 Minutes

The minutes from the meetings on 25 March and 25 June 2025 were **Agreed** as correct records. Governors **Noted** the Use of the College Seal.

365 Matters Arising

Governors **Noted** that most matters arising were completed.

Minute 325: Digital spotlight session to be held before autumn half term (tbc)

Minute 328: Employer partners to be considered by S&G Committee in the autumn.

Matt confirmed that there had been an increase in Refrigeration Air Conditioning & Heat Pump Engineering apprentices from Bath College (minute 337).

366 Chair's Update

Rob brought three areas of his recent work with the College to governors' attention: working with Katy on the SPA response, Stephen Morgan MP's visit to the College and the

annual strategic conversation with DfE. He reported that the mood at the end of term staff party was positive. There was a brief discussion about the College's engagement with Amanda Martin MP which had not been particularly successful to date although it was hoped she would attend the A Level ceremony again this year.

367 Principal & CEO's Report (paper 838/25/C)

The report updated governors on recent College activity and progress against the KPIs. Good progress included the excellent annual strategic conversation, on track to achieve PIMS targets and emerging areas of excellence in Adult, SEND, aspects of academic provision and construction building services. Areas of focus for improvement included raising the quality in a small number of curriculum areas, driving up consistency in customer service and strengthening communication throughout the organisation. Key areas of risk included the challenge of recruiting to senior business support posts and achieving September enrolment targets.

Governors asked about provision where progress was slow and were advised that staff issues had been resolved and deeper seated issues were being addressed. Good progress had been made with the H&S infrastructure and the priority now was to strengthen the College's H&S culture. One governor noted that Corporation had committed to support engagement with employer partners and asked how that could be best achieved. Katy stated that the huge amount of stakeholder activity at curriculum level and the College's successful track record meant it was now possible to take a more strategic approach towards stakeholders and proposals for governor involvement would be considered by S&G Committee and Corporation in the autumn. Governors welcomed this, noting the importance of softer stakeholder engagement. The staff governor believed a reason for the low staff survey response rate was because staff didn't trust the survey was anonymous. Katy agreed this was a common misconception but stressed responses went directly to the external provider. Another governor asked about the College's AI activity and Katy responded that AI was an integral part of the digital strategy and policies were in place to protect the College, staff and students. Paola would circulate the recent All Staff AI email. There was a discussion about the proposal to delay work on the new strategic plan. Katy noted the College would continue to deliver the current plan until the end of 2025/26 but there was insufficient senior management capacity to respond to the SPA and develop the new plan. Governors recognised that the SPA outcome could mean a very different trajectory for the College and therefore **Agreed** to delay the development of the new strategic plan until Easter 2026. This would be reviewed following the outcome of the SPA (December 2025). The Board Development Day on 24 September 2025 would focus on the SPA as opposed to training and development. Having scrutinised the update and progress to date, governors **Noted** the Principal & CEO's report.

One governor suggested Katy produce monthly updates to governors rather than longer Corporation reports, thereby reducing work for all concerned. This would be explored further but there was a consensus that Corporation reports were a valuable way to ensure governors had oversight of College activity.

368 Corporate Dashboard (paper 839/25/C)

The corporate dashboard showed progress against the strategic plan KPIs and highlighted key areas where governors could take assurance. There was a brief discussion about learner progress reports, T levels and out of funding (OOFs) apprentices. Matt believed 10% was a realistic target for OOFs in 2025/26 and Shirley confirmed that staff at a recent apprenticeships QRM were committed to achieving the KPI. Rob noted that the dashboard did not contain any surprises, with most issues explored during the year. Having reviewed progress and sought assurance from management that actions were in place to progress underperformance/declining KPI outcomes, governors **Noted** the corporate dashboard.

369 Finance & Resources Committee, 07 & 14 July 2025 (paper 840/25/C)

Anne, as temporary F&R Committee chair, gave an overview of the two meetings, stating that governors had spent a significant amount of time discussing the management accounts and budget as well as H&S and HR. The Committee considered statutory settlement payments, in particular one payment, and received assurance that appropriate safeguards had been put in place. Governors **Noted** F&R Committee's 07 and 14 July 2025 minutes and **Agreed**:

- Gender pay gap data as at 31 March 2025
- Capital bids and capital programme 2025/26
- Financial Regulations
- Subcontracting Supply Chain Fees & Charging Policy
- HE: Refund & Compensation Policy, Fees Policy & Student Protection Plan.

370 Management Accounts: May 2025 (paper 845/25/C)

Governors considered the May 2025 (P10) management accounts which indicated an operating surplus of £466k. Financial KPIs had been achieved although the College still lagged the sector concerning cash days and EBITDA. Anne outlined the discussions at F&R and the recommendation that the 2024/25 pay award should not be backdated to September 2024 on the grounds of affordability. Katy advised that the best case 2024/25 outturn position had since weakened, further endorsing the Committee's recommendation. However, she noted that whilst not backdating the pay award was a prudent financial decision, it was likely to have a negative impact on staff and could lead to strikes during enrolment in September. Having carefully considered the broader context, governors **Agreed** not to backdate the pay award to September 2024. Governors then turned their attention the June 2025 (P11) management accounts which had been circulated prior to the meeting, which indicated a slightly improved position and would be included in the College's SPA response. Having scrutinised the College's financial position, particularly the KPIs, adverse variances and operating deficits, forecasts to year end emerging financial risks and mitigating actions, governors **Noted** the May and June 2025 management accounts.

371 2025/26 Budget & 1 Year Financial Forecast including Pay Review (paper 846/25/C)

Maria presented the headline income and expenditure (I&E) account for the forecast outturn 2024/25, the 2025/26 budget and one year forecast for the College Group. The College was now a substantial organisation with a budget of £39.404m in 2025/26, rising to £40.947m in 2026/27. Most of this growth was from increased 16-19 core programme funding due to increased student numbers and funding rates. Growth was likely to stabilise

in 2026/27. The budgeted operating surplus in 2025/26 was set to improve from the budgeted operating deficit in 2024/25 by £674k and closely aligned with the forecast outturn of 2024/25 of £467k. The College was now able to plan and deliver operating surpluses to continue to improve financial health and sustainability and to further invest in the quality of education and student experience. KPIs in 2025/26 were positive, although still behind the FEC benchmarks for cash days, EBITDA and the adjusted current ratio. The College was anticipated to achieve *Good* financial health grade in 2025/26 and *Outstanding* in 2027. All indicators would improve in 2026/27 and were expected to be ahead of FEC benchmarks except for cash days. The financial risks associated with the 2025/26 budget continued to be high, with low levels of financial contingency. The College was heavily reliant on the achievement of the curriculum plan (3,589 study programme students), flexibility to reduce staff costs quickly if planned student numbers were not delivered, effective management of curriculum staff utilisation and financial contribution, containment of cost base, effective management of capital expenditure and cash generation and cash flow management. There was a brief discussion about the slight increase of staff costs as a % in income (66.07%) in 2026 due to unfunded students, which would drop in 2027 (65.40%). Governors welcomed the significant achievement of successfully growing the business and breaking the £40m turnover. Having scrutinised the 2025/26 budget and one year forecast, in particular the financial summaries and headlines, governors **Agreed** the 2025/26 Budget & 1 Year Financial Forecast.

Governors then considered the 2025/26 pay review, noting that the 2025/26 pay budget had increased to £25.148m, nearly £1m of which was due to National Living Wage (NLW) and National Insurance increases. The 2025/26 I&E did not include a staff pay award as it was unaffordable however a late DfE funding allocation meant c£500k would materialise as a favourable variance and the report modelled the financial impact of incremental pay awards between 2% and 4%. F&R Committee had agreed to recommend that the c£500k financial envelope be allocated to a pay award and that, as a basic principle, a 2.5% award would be made to all staff. However, the Committee had noted management might wish to vary the pay award and proposals on how this might be achieved would therefore be brought to Corporation in October. Katy clarified that increases in the NLW and associated uplifts to other staff were already accounted in the budget. She noted that for some staff, the total pay increase was likely to be 4%. Governors noted that the DfE had allocated additional funding for staff recruitment and retention and **Agreed** that this funding would be used in its entirety to fund a 2.5% pay award in 2025/26. They were satisfied that whilst they would have like to agree a higher award, 2.5% was affordable and enabled the College to remain within FEC benchmarks.

372 Search & Governance Committee, 23 June 2025 (paper 841/25/C)

Huw, as temporary chair, gave an overview of the S&G Committee meeting on 23 June 2025 stating that governors had discussed Corporation and Committee membership and a more transparent approach to nominating Committee chairs. They had also carried out the annual review of Corporation's Instrument & Articles of Government (I&A) and Standing Orders and compliance against publishing requirements and recommendations in the light of FEC's Weston College intervention report. There was a further discussion about Committee membership. Governors **Noted** S&G Committee's 23 June 2025 minutes and **Agreed**:

- S&G Committee terms of reference
- Huw Chapman join Audit Committee
- Ashley Cullen and Shirley Nellthorpe join Remuneration Committee
- The updated I&A and Standing Orders
- 2025/26 governor link scheme.

One governor asked that Standing Orders was amended to state that governors reserved the right to consider papers if they were not sent out sufficiently in advance. Paola stated that the I&A required agendas to be sent out seven days in advance of meetings and that most papers were sent with the agenda however, this was not always possible. She noted that governors were always able to defer decisions if they did not feel they had sufficient time or information to make a decision.

373 Learning & Quality Committee, 02 July 2025 (paper 842/25/C)

Prue gave an overview of the L&Q Committee meeting on 02 July 2025 where a variety of issues including the L&Q dashboard, quality of education, apprenticeships, student wellbeing and safeguarding, external stakeholder voice and policies were discussed. Governors **Noted** L&Q Committee's 02 July 2025 minutes and **Agreed**:

- L&Q Committee terms of reference
- Equality, Equity, Diversity & Inclusion Policy
- Career, Education, Information, Advice & Guidance Policy
- Attendance & Punctuality Policy
- HE: Self-Assessments on Management and Governance & Guidance on Consumer Protection Law, HE Appendix to Academic Appeals Procedure, HE Appendix to Feedback (Compliments & Complaints) Policy, Access and Participation Plan & HE Student Contract.

374 Audit Committee, 17 June 2025 (paper 840/25/C)

Pauline gave an overview of the Audit Committee meeting on 17 June 2025 where several internal audit reports were discussed, along with the FE Advisor action support visit report on apprenticeships, the external audit plan 2024/25 and strategic internal audit plan and annual internal audit plan 2025/26. Governors **Noted** Audit Committee's 17 June 2025 minutes and **Agreed**:

- Audit Committee terms of reference
- External audit plan 2024/25
- Strategic internal audit plan & annual internal audit plan 2025/26
- GDPR (UK Data Protection Act) Policy.

375 Strategic Risk Register (paper 844/25/C)

The strategic risk register identified 29 strategic risks including two significant/business critical net risks, one new and two deleted risks. Governors noted that Audit Committee had discussed the register in some depth at its recent meeting and **Agreed** the strategic risk register, noting that it reflected discussions during the meeting.

Rob thanked the executive team and all staff for an incredibly successful academic year with the College coming out of financial intervention, securing a *Good* Ofsted judgement and growing student numbers. He also thanked the executive team for their continuing work in preparing the College's SPA response. Finally, he asked that governors publicly support the College through their networks and interactions, thereby aiding its continued success.

The meeting ended at 6.35pm.