

GOVERNING B BG[

Present:

Ms Leisha Fullick, External Governor (**Chair**)
Mr Victor Olowe, External Governor (**Vice-chair**) (by Teams)
Mr Alex Cole, External Governor
Miss Justine Brian, External Governor
Mr Pedro Dias Ferreira, External Governor (Items 1-11 only) (by Teams)
Mr Nic Durston, External Governor (by Teams)
Ms Gill Evans, External Governor (by Teams)
Ms Heather Fry, External Governor
Mr Jerome Godfrey, Student Governor
Dr Andrew Gower, Principal and Governor

(by Teams)

Absent:

Ms Jessie Peramal, External Governor
Ms Moyra Samuels, External Governor
Mr James Ward, External Governor

In attendance:

Mr Marco Macchitella, Deputy Principal
Mr Ralph Moran, Chief Finance Officer (CFO)
Mr Jon Cole, Chief Planning and Data Officer (CPDO)
Mr Matthew Cunningham, Chief Marketing and Engagement Officer (CMEO)
Mr Craig Hanlon-Smith, Centre Principal, North Kensington
Ms Alison McNamara, Chief People Officer (CPO)
Mr Matias Shortcook, Centre Principal, Chelsea
Martin McNeill, Clerk to the Governing Body and Company Secretary

RESOLUTIONS

To appoint Marshal Ngcongco as a student governor to serve until 30 November 2024 (Minute 3.1)

To confirm the minutes of the meeting held on 31 October 2022 with one amendment (Minute 4)

To endorse the Principal's decision to offer an additional non-consolidated payment of £250 to each of the 44 lowest-paid members of staff (Minute 5.4)

To approve the letter of representation and assessment of going concern to be addressed to the external auditor (Minute 7.3)

To approve the Annual Report and Financial Statements for the year ended 31 July 2022 and to authorise the Chair of the Governing Body and the Principal (as appropriate) to sign the reports and statements contained therein

4. Minutes of 31 October meeting

The minutes of the meeting held on 31 October 2022 were confirmed as a correct record, subject to the inclusion in Minute 8 of a reference to the assurance given by the Finance, Resources and Sustainability (FRS) Committee that the budgetary shortfall of £549k in the 'worst case' scenario that the Committee had considered could be covered by cost savings that the College had already identified. It was agreed that the amended minutes should be signed by the Chair.

5. Matters arising

22 March 2021 Minute 8.5 College performance (presentation of management accounts)

5.1. The CFO told the Board that he had made the requested change to the presentation of the management accounts, which now showed each variance as a percentage as well as in monetary terms. He apologised for the fact that the version of the management accounts presented to the recent meeting of the FRS Committee had omitted the new 'percentage variance' column.

28 March 2022 Minute 7.1 Principal's Report (provision for local needs)

5.2. The Board noted that a proposal for a review of provision for local needs was on the agenda of this meeting (see Minute 13.2 below)

all KPIs should receive more attention in 2022. The review of KPIs in the summer term (included in the work programme for the Board and for relevant committees) would provide an opportunity to re-consider the whole suite of KPIs and ensure their full alignment with the Strategic Plan. Governors asked that consideration be given to supplementing the analysis of year-on-year changes with information about longer-term trends in performance.

7. Annual Report and Financial Statements

- 7.1. The Board received and considered the annual report of the Audit Committee, which included the external auditor's Audit Findings Report and the Committee's opinion on the College's risk management, control and governance systems and its arrangements for securing value for money, and was pleased to note that over the course of the year the Committee had fully discharged its responsibilities.
- 7.2. In relation to the Audit Findings Report, the Committee Chair told the Board that the report submitted was a near-final draft. Since the Audit Committee meeting, the three issues with a potential impact on the financial statements had all been clarified. Of the four outstanding matters referred to on page three of the report, three were for the Board to address at this meeting; the fourth depended on the Greater London Authority (GLA) providing formal confirmation to the auditor of a repayment to be made by the College in 2022-23 of grant overpaid in 2021-22. The CFO confirmed that the amount of the repayment had already been agreed in email correspondence between the GLA and the College, and no adjustments to the financial statements were required.
- 7.3. Having given careful consideration to both these reports and taking encouragement from the comments of the external auditor on the outcomes of the audit and the auditor's willingness to accept the draft assessment of going concern, the Board was content to approve the letter of representation and assessment of going concern to be addressed to the external auditor and to authorise the Chair to sign both documents on behalf of the Governing Body.
- 7.4. The Board went on to consider the Annual Report and Financial Statements. Asked to explain the difference between the accounting deficit of £3.4 million shown in the financial statements and the operating deficit of £1.7 million reported in his covering paper and in the management accounts, the CFO explained that this involved three main types of adjustment:
 - the writing-back of non-cash costs of approximately £2.2 million related to changes in pension fund liabilities, as shown in the memorandum item at the foot of the Statement of Comprehensive Income;
 - the writing-back of depreciation (£1.3 million) and restructuring costs (£500k)
 - the exclusion of non-operating income from donations (£700k), from grants received under the terms of the post-merger restructuring facility (£1.5 million) and the release of capital grants (£200k).
- 7.5. Following discussion, governors agreed to approve the Annual Report and Financial Statements for the year ended 31 July 2022 and to authorise the Chair and the Principal (as appropriate) to sign the reports and statements contained therein.
- 7.6. Asked whether more use could be made of the Annual Report for marketing purposes and in communication with stakeholders, the CMEo said that elements of the report would be used in the presentation to stakeholders planned for 19 January, to which all governors would be invited. It was his intention in subsequent years to produce an annual report of College achievements, which would include some of this information (including information about financial performance), but without the

detailed accounting and audit information that the statutory Annual Report was required to contain.

8. SAR and QEP

- 8.1. The Chair of the CQ Committee introduced the SAR and QEP, and the AQR and QEP for HE, all of which had been considered in detail by the Committee. She confirmed that the changes requested by the Committee had been incorporated in the drafts now before the Board for approval; the Committee had also requested that the 2022-23 SAR and HE SAR each include an executive summary to assist readers who might not be wholly familiar with the subject matter.
- 8.2. The Committee Chair pointed out that the QEP still included some actions carried forward from prior years, but made clear that it was the Committee's and the College's intention that the focus of the QEP (and the HE QEP) should be on actions to enhance quality within the year. She

Education (DfE) had issued a briefing note, which would be made available to governors: the only immediate change for Colleges was the removal of their freedom to borrow on a commercial basis; other details, including a possible realignment of the financial year, would follow in due course.

- 9.6. The impact of the rising cost of living, particularly on the most disadvantaged, continued to be a concern for governors. The Principal said that, while the College had very limited resources at its disposal and needed to avoid making excessive demands of its curriculum and prTJET2cessi

funding came in separate packages, with strict controls on how each package of funding could be spent; additional funding income did, however, make a contribution to overheads in the same way as fee income.

- 10.3. In discussion, governors agreed that it would be helpful to see a more detailed analysis of income and expenditure by funding stream and to gain a better understanding of the impact of past decisions on capital expenditure, borrowing and investment. These issues should be explored at the 6 February SDS.
- 10.4. The Board then agreed to approve the revised Treasury Management Policy, noting that it would not always be possible to determine with any precision the ethical positioning of suppliers of treasury management (or other) services or the extent to which their values aligned with Morley's. The CFO said that the procurement framework that the College was developing would take account of

12. Safeguarding Policy

- 12.1. The Deputy Principal introduced the revised draft Safeguarding and Prevent Policy, which responded to significant changes in the Government guidance *Keeping Children Safe in Education*. These included a requirement for Colleges to have in place a Child Protection Policy and a system for reporting low-level concerns, alongside increased expectations of online safety for staff and students and greater emphasis on the need to raise awareness of dangers of radicalisation (under the Prevent strategy).
- 12.2. The Lead Governor for Safeguarding reported positively on a recent meeting of the Cross-College Safeguarding Team, where high levels of engagement had been evident. The Team had addressed a range of important issues, including the effectiveness of Prevent training and how tutors could safeguard themselves. The Centre Principal, North Kensington added that the structure was working well and encouraging leaders to think about how to sustain high levels of safeguarding awareness across all staff groups. One suggested approach had been a regular short quiz on safeguarding issues that staff would be required to complete when logging on.
- 12.3. Asked about the requirement (in the last part of Section 4 of the Policy) for all visitors and contractors to sign in and to wear lanyards at all College centres, the Principal confirmed that governors and staff were not currently expected to sign in at

said that the review would be considered complete when a final report was submitted to the Governing Body.

representation to give prominence to the role of the student governors and raise awareness across the student body at all three centres of the important roles that they played.

16.3. The Principal thanked all governors for their support for the College over 2022 and wished everyone a happy Christmas.

17. Date of next meeting

Confirmed as Monday 27 March 2022 at 4.30 pm at the Waterloo Centre.

The meeting ended at 6.15 pm

Martin McNeill
Clerk to the Governing Body

Confirmed as a correct record at the meeting held on 27 March 2022

and signed by.....(Leisha Fullick) (Chair of that meeting)