

LTE Group Board

DATE: 16th October 2024

Present: Rhona Bradley, Tim Sargeant, Malcolm Sugden, Barry Lynch, Adam White, Philip Johnson (Chair), Garry Bridges, Phil Wheatley, Nicholas Garbett, Ann Limb, Anika Ephraim and John Thornhill

Apologies: Malcolm Todd, Paula Cole, Jenifer Burden and Melanie Nicholson (MD Total People)

In Attendance: Lorna Lloyd-Williams (Company Secretary & General Counsel), Peter Cox (MD Novus), Alison Close (Chief Finance Officer), Rachel Curry (Principal, The Manchester College), Sarah-Jane Gilmore (Deputy Company Secretary), Yetunde Dadebo Olabode (Governance and Legal Advisor), Donna Reid (Governance Officer)

Draft Minutes Part A

	The meeting opened at 09.18 and was quorate.
01/24	<p>APOLOGIES</p> <p>Apologies were received and accepted from Malcolm Todd, Paula Cole and Jenifer Burden. The Company Secretary provided an update on the recruitment of a student governor. It was noted that Barry Lynch, Phil Wheatley and Rhona Bradley would be arriving later in the morning. It was noted that Ann Limb and Garry Bridges would not be available for the afternoon session and that Adam White needed to leave early.</p>
02/24	<p>DECLARATIONS OF INTEREST</p> <p>Regarding the agenda item TP/MOL & LTE Group intercompany agreement- declarations of interest were made by Total People Directors, John Thornhill, Barry Lynch, Malcolm Sugden and Alison Close and it was agreed that as there was a conflict of interest, they would leave the meeting for this agenda item.</p> <p>In relation to the paper regarding Nicholls and disposal to the City Council it was noted that Adam White chairs the board of 'This City' which is MCC new housing delivery vehicle. The Company Secretary following the recent IESG meeting had also discussed further details with Adam White the work being undertaken by his employer with MCC and having obtained further particulars agreed that this could be perceived as a conflict of interest so it had been agreed that Adam White would leave the meeting for the deliberations regarding the disposal of Nicholls. A conflict of interest was also declared by Garry Bridges in this regard and it was noted that he would have left the meeting at the point of discussion of this item.</p>
03/24	MINUTES OF THE MEETING 18 JULY 2024 (PART A & PART B), NOTING OF WRITTEN RESOLUTIONS AND MATTERS ARISING

	<p>The minutes of the meeting of the 18th July were approved as a true and correct record of the meeting. In relation to matters arising the Board noted that the AI strategy and people plan were outstanding for later in the year. It was noted that the action in relation Neom transnational remained outstanding and the Board agreed that the action regarding reporting to Group Board and UCEN divisional Board to include reporting on B3 conditions should be taken off the action sheet as this was an ongoing action.</p>
<p>04/24</p>	<p>GROUP STRATEGIC KPI DASHBOARD</p> <p>The Board noted the progress to date which had been positive in most areas with particulars being provided. It was recognised that ongoing work was being undertaken to develop outstanding strategies. It was endorsed that the KPI's would provide an "in-year" view to be reported on at each Group Board to ensure that the Group was making progress against its strategic objectives. Further that metrics would be supplied with a RAG rating, direction of travel and some limited commentary. Where appropriate a score would also be provided.</p> <p>9.27 Barry Lynch joined the meeting.</p> <p>Governors were advised that there was some concern about being able to reduce the staff vacancies as pay rises announced by the government were not applicable for teachers in FE which it was anticipated could lead to industrial action.</p> <p>Governors asked whether AI was being used by students, what the impact was and whether it needed to be addressed. The Board were advised that it was being used in the college and there was a policy in place regarding appropriate usage of AI. AI usage was also discussed in the context of usage in other parts of the Group with the Board being advised that a strategy group had started to meet regarding this. The CEO also spoke to the Board about the risks and the recent ransomware workshop.</p>
<p>05/24</p>	<p>NOVUS – INTERCOMPANY AGREEMENTS NOVUS CAMBRIA AND NOVUS GOWER</p> <p>The Board were advised that the draft service agreements had been presented at both Novus Gower and Novus Cambria boards resulting in a subsequent amendment detailed in the paper. The Board was also advised that the agreements would be going back to these boards for approval with both chairs of these subsidiaries having seen the drafts before the Board and being content with the same. Additionally, the agreement would be going to the Governing Boards of Gower College Swansea and Coleg Cambria for approval. The MD of Novus explained that the agreements were building on existing arrangements which provided best value and consistency with the parent companies performing these services.</p> <p>It was</p> <p>Resolved to approve the intercompany agreements subject to approval from the other parent company boards and approval from Novus Gower and Novus Cambria boards respectively.</p>
<p>06/24</p>	<p>GOVERNANCE: External Board Review report and action plan</p> <p>The Board considered the external board review report and the recommendations which the Governance Committee were proposing should be implemented which were as follows:</p>

1. Meetings could be shorter in time if, for example, written reports were focussed and succinct, and verbal presentations were kept to an exception only- the executive summary template to be revised and consistently used. Additionally, papers being presented as read with room for updates and then Q&A and discussion. The next Novus Divisional Board to be used to pilot this approach together with the non-statutory items at the December Group Board meeting.
2. To increase the connectivity and communication between the elements and the Group Board – inclusion of summary reports from divisional Boards and committees in the Group Board pack. To be implemented by Spring 2025
3. Use of KPIs by the Group Board for monitoring corporate and divisional performance- dashboards are already in development -to be implemented during 24/25.
4. A regular summary of risk monitoring for the Group Board- a risk heatmap to be included in Group Board papers- to be implemented during 24/25.
5. Development of a written succession plan- to be implemented during 24/25.
6. Annual self-assessment of governance effectiveness to take account of a wider range of indicators to form an annual report- to be implemented end of 24/25/beginning of 25/26 as the Group Board undertakes its next annual self – assessment.
7. Annual Reports to be accompanied by action plans and impact statements – to be implemented during 24/25 as reports are presented to Group Board.
8. Simplifying the Group Board agenda- to be implemented during 24/25.
9. Development of a diversity plan for the membership of the Group Board-to be implemented during 24/25 as part of the work of the ED&I committee.
10. Formation of a Governance Handbook- to be introduced by Spring 2025
11. Expanding the governance support team with a Governance Professional- completed
12. Increasing the membership number of the Audit and Risk Committee- to be further considered at next Governance Committee meeting.

The Chair of the Governance committee explained that an External Governance Review had been undertaken by Stone King which had been provided within the appendices and contained a lot of information including recommendations about what could be done better. The Chair drew Governor's attention to the opening paragraph from the summary which stated: 'this review recognises that the governing of the LTE Group is effective, committed, positive, challenging and demonstrates ambition. There is a supportive and enquiring governing culture'. The Chair of the Governance Committee noted that the report recognised a lot of good practice and helped recognition of how much progress had been made over the last 2-3 years.

The Company Secretary advised that the original report had been revisited with Stone King to review the recommendations and improve the flow; there was no change to the content just to the style and presentation of the report. Governance Committee had considered the report at their October 2024 meetings and went through each recommendation to identify and agree which would be recommended to the Group Board to approve taking forward. The recommendations would be monitored as an action plan and part of the Governance QIP by Governance Committee and Board as part of the self-assessment.

The Chair of the Governance Committee felt the review had been very thorough review, supported by several meetings with Stone King to arrive at the final report. Proposed improvements include looking at how decision making linked to risk management, thereby

making the governance model robust. Stone King acknowledged how diverse the LTE group is and had to step back from some of their assumptions due to the unique way that the group operates. The Chair of the Governance committee noted that the 'new ideas' section was important, but it could be seen that a lot of the areas were already in progress anyway.

She added that the Governance Handbook would be crucial for all Governors and Co-optees. Communications from Divisional Boards to group Board will aid the Group Board to operate strategically. The Handbook would cover all aspects from recruitment/induction to administrative processes that sit behind each area. The Company Secretary added that a succession planning policy would also be included however the process already exists. The review felt Board meetings were too long, however it was important for Board to have discussions so this would not be about making meetings shorter for the sake of it, just ensuring the time is used for focus and direction.

A member noted that the recommendations were very positive and approved of them and they way they had been taken on. A member noted that papers being 'taken as read' is good but also cultural, as reports may not be read if it is known that the content will be reiterated in the meeting. Report presentation work would back up a change to how reports are presented. The template for covering paper would be reviewed and formatted to show outcomes/impacts etc at the front.

The Group Board having considered the proposals from the Governance committee it was

Resolved to approve the recommendations for action as outlined above.

12.30 The Group Board broke for lunch and Garry Bridges left the meeting. The meeting remained quorate.

07/24 GOVERNANCE UPDATE

The Company Secretary presented the Governance Update noting the recommendations which had been agreed by the Governance Committee for referral to LTE Group Board.

Attendance

On attendance the Company Secretary advised that it was usual in the sector to have an attendance target. The proposal was to introduce a target of 85% for the academic year 2024-25. The Chair added that this applied to all Boards and Committees as Governors/Co-optees agree to undertake meeting attendance in accepting the role. Additionally, as Governors were also now remunerated (and LTE Group were one of the few providers to remunerate) it should be overseen. Outcomes would be reviewed year on year as part of the Governance Committee processes. The Chair of the Governance Committee noted this was also linked to the Governance Review as recognition that all Governors and Co-optees have a valuable role to make but that there was an expectation of attendance. Allowances would of course be made where circumstances are unavoidable, but this was standard professional practice.

A member asked if quoracy would be amended; the Company Secretary advised this would be reflected through the Constitution Review that would be reported to Governance Committee in February 2025. A member asked what would happen if a members attendance dropped below 85%, the Company Secretary explained that initially a discussion would be undertaken, but ultimately a member could be removed from the

Board. The Chair noted that potentially a leave of absence could be agreed and that flexibility would be offered but as good practice there was an expectation of attendance. It was

Resolved to agree an attendance target of 85% and implement for the academic year 2024-25.

ED&I Committee membership

The Company Secretary advised a number of expressions of interest had been made. The Governance Committee now proposed that all members be invited to express their interest by a specified date and then interviews take place with the Governance Committee to put forward recommendations for the Chair of this committee.

Currently Standing Order 44 states that staff and student governors or co-optees may not be elected as a Chair of a standing committee. It was proposed that the Board agree to amend the constitution by exception i.e. in relation to this committee only, to delete the provision regarding co-opted members in order that expressions of interest can be gathered from a wide pool and any member who has the requisite knowledge and experience could express interest.

A member noted that if a co-optee were to be appointed as Chair there would be a need to consider how their voice would be heard at LTE Group Board; the Company Secretary suggested that the Co-optee Chair could be invited in for the specific item.

It was

Resolved to approve the process regarding the selection of a Chair for the ED&I committee and amend the constitution by exception to allow co-opted members to be considered for the Chair position.

Appraisal Themes

The Company Secretary noted each theme that had been raised from the Governor/Co-optee Appraisals and provided an update on activity relating to each:

1. Development of Members – written succession plan agreed
2. Total People review – on the agenda for discussion
3. Board relationships – If appropriate for team building this could be built into strategy day
4. Financial info on Total People – Governors do have access to this through the management accounts
5. Group Professional Services – following the changed scope from Group Operations, this now covered Finance additionally. As well as the scope change there had been a cultural change with a revised leadership team. The CFO and GPS Board would consider when, where and how renewed strategy was presented. The CFO explained that the functional strategies were to be devised and would probably be reviewed at May strategy days. The Chair added that as GPS goes across all business units it was appropriate that it had a voice at Group Board.

08/24 Health & Safety Annual Report

This item was elevated on the agenda.

The Board had received a report providing a summary of the Group's health, safety, and risk performance for the 2023-24 financial year and the following was highlighted:

	<ul style="list-style-type: none"> • 4 Riddor accidents – no follow up from HSE • Non reportable accidents increased and mainly slips and falls • Near miss reporting increased which demonstrates a proactive H&S culture. Not so in TP and support being given • Audit and assurance perspective e- accredited in 2021 ISO reassessment was underway and there was no major no conformance. Next part of visit late November. <p>In summary the Board were advised that there was a strong health and safety culture and advised of the focus for 24/25. Members were also informed that there was a need to strengthen the risk management process in 24/25 and become more sophisticated regarding documenting controls.</p> <p>Governors asked about occupational health and questioned the reasons for the increases in referrals and whether this was due to pressures placed on the workforce. In response, members were advised that upskilling was needed as to when referrals are made and this was also a consequence of the backlog in ER cases. The Board were also advised that there are challenges on the quality of occupational health reports and that the Group were going to tender on this. Governors advised it would be good to have a focus on different business units in future reports.</p> <p>Action: CFO</p> <p>The Board noted the annual Health and Safety Report.</p>
09/24	<p>TMC SAFEGUARDING POLICY (RECOMMENDED BY TMC DIVISIONAL BOARD) & LTE SAFEGUARDING SCHEME</p> <p>It was noted that the divisional Board of TMC had recommended the TMC safeguarding Policy and the Board were reminded of their obligation to read Keeping Children Safe in Education. The Board were also reminded that individual business units had their own safeguarding policies. The Group Safeguarding Governor gave the board assurance about the work behind the scenes and operational structure for safeguarding with the Board being reminded about mandatory training. The Group Safeguarding Governor confirmed that she endorsed the paper. Governors asked whether the Group had assurances from companies that agency staff undertook this training too and were advised that agency staff are expected to undertake our training if they are with the Group for longer than 4 weeks. The Board were also advised that the executive were looking at proposals regarding agency staff here for less than that period.</p> <p>The Company Secretary was asked to check what had been allocated to governors regarding them reading Keeping Children Safe in Education and report back.</p> <p>Action: Company Secretary</p> <p>It was Resolved to approve the TMC safeguarding Policy and LTE Safeguarding scheme and note the updates in KCSIE.</p>
10/24	<p>REVIEW OF STRATEGIC RISK REGISTER</p> <p>This item was elevated on the agenda.</p> <p>11.41 Ann Limb left the meeting and it remained quorate. Rhona Bradley joined the meeting.</p>

	<p>The Board were advised that there were 28 risks, 4 with a high rating, 20 risks were classified as medium, with 5 new risks. The Board were alerted to the rising risks and the Board were taken through these with it being highlighted that AI was a new risk. The Board were also advised there might be the possibility of a new risk around government policy approach post the autumn statement.</p> <p>Governors asked about AI and its rating and what was driving the red rating. Governors were advised that because the AI strategy was in development the Group didn't necessarily have all the controls in place to mitigate at this time. The CEO gave details of the cybersecurity/ransomware session. Governors challenged this and commented that it was a cyber risk. There was debate regarding this and the Board noted that the AI strategy was due in 23/24. Governors commented that CIMA have recently published a risk matrix on AI which also looked at the risk of not using this and that ARC would be able to feed into this going forward.</p>
11/24	<p>REGULARITY & PROPRIETY QUESTIONNAIRE</p> <p>The Board were reminded that as good practice this should be brought to the Board as both the CEO and Group Board are asked to sign the document. The Board were updated on the KPMG audit with it being explained that their audit opinion cannot be given until December when they also give their opinion on the financial statements. The Board were advised that there are no audit issues at this stage save re the intercompany agreement and the Regularity and Propriety questionnaire will need to be updated regarding this as DfE Consent will be needed.</p> <p>It was Resolved to approve the Regularity & Propriety Questionnaire and for the Group Chair and CEO to sign upon the Groups behalf.</p>
12/24	<p>MODERN SLAVERY STATEMENT</p> <p>The Company Secretary noted that the Modern Slavery Statement was substantively revised and approved by LTE Group Board in October 2023. The statement has been reviewed in its annual cycle and updated in terms of the number of suppliers to the Group. The Company Secretary also advised there had been no incidents and investigations conducted into reported cases of modern slavery during the financial year ending July 2024.</p> <p>The Board noting the minor changes to this, it was Resolved to approve the Modern Slavery statement and for the Group Chair to sign upon the Groups behalf.</p>
13/24	<p>GOVERNOR & CO-OPTED MEMBER TRAINING PLAN 24-25 (RECOMMENDED BY GOVERNANCE COMMITTEE)</p> <p>It was Resolved to approve the Governor & Co-opted member Training Plan 24-25.</p>
<p>The meeting closed at 16.47</p>	