



**WOKING COLLEGE BOARD OF TRUSTEES**  
**Wednesday 7<sup>th</sup> July 2021 at 6.00pm**  
**Via Zoom**

<b>Present:</b>	<b>Tim Stokes</b> <b>Rob Kemp</b> <b>Jonathan Miles</b> <b>Mike Mulheron</b> <b>Ben Smith</b> <b>Yasmin Aslam</b> <b>Rosh Sellahewa</b> <b>Alastair MacAulay</b> <b>Cullum Mitchell</b> <b>Brett Freeman</b>	<b>Chair</b> <b>Deputy Chair</b>  <b>from 6.30pm</b>  <b>from 6.35pm</b> <b>Principal</b>
<b>In Attendance:</b>	<b>Nuweed Rasaq</b> <b>Barbara Maude</b>	<b>Deputy Principal</b> <b>Clerk to the Board of Trustees</b>

Item	Agenda Description	Action
<b>1.</b>	<p><b>Apologies for Absence &amp; Declarations of Interest</b></p> <p>The Chair welcomed everyone to the meeting. It was noted that Yasmin Aslam had indicated in advance that she would be joining slightly later. Cullum Mitchell joined at 6.35pm and it was noted that Anne Middleton was not present. All other Trustees were in attendance and no Trustee or member of SLT declared any pecuniary or other direct or indirect personal interest in any item on the agenda.</p> <p>The Chair, before taking the next agenda item, extended his support and empathy to the Principal, SLT and all College staff as they dealt with the fall out of the cyber security attack. Ransomware attacks were destructive and crippling and the Board wanted to express their ongoing support.</p>	
<b>2.</b>	<p><b>Introduction to the Board Meeting</b></p> <p>The Principal advised that the strategic intent of the meeting was to ensure that the Board fully understood exactly where the College stood at this moment in time and the appropriate responses the College were taking.</p>	

3.	<p><b>Minutes of the Previous Meeting</b></p> <p>The Board received the minutes of the previous meeting held on 12<sup>th</sup> May 2021. The minutes were agreed as an accurate record and approved for signature by the Chair.</p>																																		
4.	<p><b>Matters arising</b></p> <table border="1" data-bbox="236 383 1305 622"> <thead> <tr> <th></th> <th>Matter</th> <th>By Whom</th> <th>By When</th> <th>Status</th> </tr> </thead> <tbody> <tr> <td>1.</td> <td>Student Focus Group</td> <td>TST/BFR</td> <td>End of term</td> <td>Ongoing</td> </tr> <tr> <td>2.</td> <td>Staff Focus Group</td> <td>TST/BFR</td> <td>End of term</td> <td>Ongoing</td> </tr> <tr> <td>3.</td> <td>Budget sensitivities</td> <td>FMU/RKE</td> <td>07.07.21</td> <td>Completed</td> </tr> <tr> <td>4.</td> <td>NGA Self-Assessment Checklist</td> <td>All</td> <td>End of term</td> <td>Ongoing</td> </tr> <tr> <td>5.</td> <td>Dates of Open Evenings</td> <td>BMA</td> <td>ASAP</td> <td>Completed</td> </tr> </tbody> </table> <p>The Chair advised that the proposed Student and Staff Focus Groups which had originally been intended to be held by the end of the term would now, in light of the ransomware attack, be deferred until the first quarter of the new term in September 2021.</p> <p>The NGA Self-Assessment checklist would be picked up under agenda item 7 later in the meeting and the remaining matters arising had been completed.</p>					Matter	By Whom	By When	Status	1.	Student Focus Group	TST/BFR	End of term	Ongoing	2.	Staff Focus Group	TST/BFR	End of term	Ongoing	3.	Budget sensitivities	FMU/RKE	07.07.21	Completed	4.	NGA Self-Assessment Checklist	All	End of term	Ongoing	5.	Dates of Open Evenings	BMA	ASAP	Completed	TST/BFR
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	<p><b>PRINCIPAL'S REPORT</b></p>																																		
5.	<p>The Board received the Principal's termly report and the Principal gave an oral overview highlighting key areas of note. All KPIs were on track with applications, retention and attendance at very high levels, and applications up 12% on the previous year.</p> <p>In terms of COVID-19, the College had not suffered any significant impact in respect of the Delta Variant and currently did not have any students self-isolating.</p> <p>All TAGs had been sent off in good time and prior to the cyber-attack. The College was hopeful that having been through the TAG process robustly, as like last year, there would be few appeals.</p> <p>Staff morale continued to be good, despite all the challenges that had been thrown at them and in addition, students had also responded well to the implications of the cyber-attack. Parents had been communicated with on at least a weekly basis via emails or video updates and the College had received numerous positive communications from parents. The current level of support from the parent body undoubtedly arose as a result of the high level of trust and rapport that the College had with parents.</p> <p>In terms of the S7 consortium, three of the seven Colleges had been very supportive.</p> <p>Marketing remained centred on social media platforms and the publicising of taster lessons on the website through schools and contacts with applicants. Taster events for Year 10 were to be moved to the autumn term.</p> <p>The catering and cleaning contracts, both of which were recently awarded, continued to be monitored by an external consultant.</p> <p>The windows CIF bid was currently a disappointing scenario. Due to increased costs linked to COVID, Brexit and import-related delays the funds would now not stretch to</p>																																		

	<p>completely refurbishing the estate. Instead, SLT were reviewing whether to proceed with a two-thirds replacement or defer and wait until prices had possibly reduced and supply issues had been resolved. In addition, the situation was not helped by the contractors advising that they would not be able to complete the refurbishment during the summer holidays.</p> <p>Discussions concerning the Old Woking Community Centre (OWCC) were progressing well. The new CEO of Woking Borough Council (WBC) had indicated that it was practical to reassign the lease and underlease to 125 years. The ESFA had confirmed orally that it was happy to proceed and the College would shortly present a business case to the DfE to seek formal notice of Ministerial approval.</p> <p>WBC had indicated that the amount of Community Infrastructure Levy (CIL) monies available for the project had reduced but the Principal had received assurances from the CEO that the money would be found to complete the project. Trustees raised a concern over what would be the College's liability if the CIL monies were not available and were advised that, if funds were limited, improvements to the community element would have to be stripped out and any changes to the proposed contribution that the College would make to the overall project would come back to the Board for further consideration.</p> <p>The CIF expansion bid had been unsuccessful, and the Post 16 capacity fund bid had been submitted with SLT currently working on the associated Business Case which had to be submitted to the ESFA together with the local consultation process. A result was expected in July.</p> <p>The portacabins had been ordered and were planned to be fitted during August 2021.</p> <p>The external shelter to provide additional outdoor space, which had been discussed and reviewed at the recent Finance and Audit Committee, was currently waiting on planning permission and once granted would be erected over the summer.</p> <p>The Board also reviewed the section of the Principal's report on staffing, noting that the College was currently experiencing a higher than usual level of staff turnover. Whilst the majority of the moves related to retirement, relocation or promotion, SLT considered that the level of turnover had been exacerbated by lockdown and restricted movement over the last 16 months. The Principal acknowledged that, whilst there was a high level of turnover at this precise time, he was confident that the College would cope well with the number of staff leaving and new staff joining.</p> <p>Turning to the separate report on the Cyber/Ransomware Attack of 11<sup>th</sup> June 2021, the Principal confirmed that he had provided the Board with the complete log of all actions taken since the attack had become apparent on the morning of Friday 11<sup>th</sup> June. Both the Deputy Principal and the Finance Director were also keeping separate daily logs pertaining to their specific areas of responsibility. The period of attack was between 1am and 6am on Friday 11<sup>th</sup> June and represented a state level ransomware attack by a group called PYSAs who were a known cyber-criminal group. The group used data theft, encryption and a threat of revelation on the web as bargaining leverage.</p> <p>The College had immediately contacted Hayes-Parsons, the insurance brokers, who in turn contacted the specialist cyber-insurers, CFC, who appointed specialist help in the disciplines of tech, legal and communications. The Principal emphasised very clearly that</p>	<p>BFR</p> <p>BFR</p> <p>BFR</p> <p>BFR</p>
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	<p>the College had then done everything that they were told to do by the specialists. They were following to the letter the advice they received.</p> <p>Specialists had been assigned to assist with the containment, restoration and recovery of systems and data and the communications team drafted all ongoing communications to main stakeholders, regulators, parents, students, and if needed, to the press.</p> <p>The College had been locked out of all computers on Friday 11<sup>th</sup> June and there was no access to any file, either on-site or from off-site log-ins. The phones system was also out of action. All staff were advised on the protocol to follow if they were contacted by the Threat Actor.</p> <p>In the first two weeks, staff briefings took place every morning to ensure regular communication with clarity and a consistency of messaging. In the last two weeks these had reduced and now took place on Monday, Wednesday and Friday.</p> <p>The Principal advised that fundamentally students' teaching and learning had not suffered and from Tuesday 15<sup>th</sup> June a full Year 12 teaching programme re-started. Students and parents could be communicated with using the externally hosted "mail chimp" and a general Gmail account was set up so they could maintain contact with the College.</p> <p>In addition, pay related software and all safeguarding data were held separately and had been unaffected.</p> <p>It was believed that a Trojan, a type of malware often disguised as legitimate software, may have been on the College's system since last June 2020, and through a staff member possibly downloading or clicking on a weblink had enabled it to get inside the College's system, uninstall the College's Bitdefender antivirus, steal data and download encryption software and start the attack.</p> <p>There was currently no evidence that any of the College data had been leaked or appeared on the Threat Actor's website. In addition, SRM had been successful in being able to de-encrypt some data, which was one of a few occasions they had been able to do so. Trustees asked if this put the College at any greater risk and the Principal advised that SRM continued to monitor the College's network to see if there had been any attempt to re-enter.</p> <p>Furthermore, in light of the highly specialised consultancy input the College were receiving, together with the advice and set up of a more sophisticated and next-generation antivirus that should protect against the full spectrum of modern cyber-attacks, then he would anticipate that the College would be in a much stronger position going forward.</p> <p>The Principal also advised that, in the context of cyber-attacks within the education sector, apparently there had been 17 similar attacks this year of FE/HE institutions and he had been put in touch with another College who had had a similar experience. By comparison, it appeared that the College were further down the road to recovery than the other College had been at a similar time, but this was clearly linked to the specialist advice that we were receiving.</p>	
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	<p>Looking forwards, the Principal advised that the phone system was back up and operational; internet access had been accessed and it was anticipated that Microsoft 365 and Teams would be operational shortly. An email service would also hopefully be available although the College may have lost previous emails and attachments.</p> <p>The College were also hopeful that it would be able to retrieve data, but it would take some time to do so and it may not all be useable.</p> <p>The Principal advised the Board that the insurance cover extended to £250k and to date the specialists had incurred approximately £200k worth of fees. Whilst he did not anticipate costs would greatly exceed the insurance cover limit, it was a possibility and the Board should be aware.</p> <p>In terms of a ransom payment, then no such demand had been received to date and payment, if at all, was a matter for the insurance company to respond to, if such a demand was made. The Department of Education had already advised that it would not pay a ransomware demand and neither did it have any material support available for the reconstitution/construction of lost data and materials.</p> <p>Trustees asked if there had been any positives to come out of a dire situation and the Principal advised that teachers had adapted very well. In a short space of time, teaching had moved from completely online during the pandemic to now more traditional methods without the use of IT and as a result there were more examples of group work and presentations taking place. Some feedback from students noted that it felt more like a school environment than before.</p>	BFR
	<b>FINANCE</b>	
6.	<p>The Acting Chair of the Finance and Audit Committee presented the minutes of the Finance and Audit Committee meeting that took place on 17<sup>th</sup> June 2021 and took Trustees through the recommendations arising from that meeting.</p> <p>The Committee had reviewed the Risk Register for 2021/22. Last year the Risk Register had included 16 separate risks, but this year SLT were proposing to amalgamate a number of previous individual risks under the heading of compliance which now included GDPR, Health and Safety, IT, Safeguarding and Equality and Diversity.</p> <p>In reviewing the proposed Risk Register for 2021/22, the Committee had acknowledged that this had been prepared prior to the ransomware attack. The Committee discussed whether in the circumstances it was right to amalgamate the compliance risks into one and after discussion, it was agreed that the best course of action was to allow SLT to take time to consider the impact and ramifications of the ransomware attack, to receive and reflect on the report that would be compiled by the insurance company and then review the Risk Register as appropriate.</p> <p>The Committee had reviewed the Management Accounts for May 2021. In headline terms, the Management Accounts showed an operating surplus of £730k which was £542k better than the budgeted surplus to date.</p> <p>The Committee had then reviewed the draft Revenue and Capital Budget for 2021/22</p>	

and 3 Year Financial Forecast noting the key ratios and the main sensitivities, which were student numbers and expenditure rate increases, mainly salaries. The draft budget assumed a 2% pay increase for all staff from 1st September 2021.

The Acting Chair highlighted that the Committee had reviewed the impact of the assumptions and this had been a reassuring exercise to undertake. In terms of student numbers, if enrolment figures in September 2021 were high (approximately 1,550 students) this would increase the predicted operating surplus in 2022/23 from £275k to £519k but, if enrolment was low (1,450 students), this would decrease the predicted operating surplus from £275k down to £31k.

Whilst the College would be funded for 1,408 students, budgeting expenditure was based on 1,500 students but, due to lagged funding, these additional students would not be funded until 2022/23.

The operating surplus before FRS17 pension adjustment was noted as being £135k and the Board also noted the detailed cash forecast up to 31<sup>st</sup> August 2022.

In terms of the proposed new outdoor social space for students, the Committee had been advised that the proposal was to put a steel frame in the quad which had a louvred roof. Fitted with rain detectors, this structure would provide an outdoor space which could accommodate 100 seats. Additional outdoor social space would be vital as the OWCC social space would not be available from November onwards and social space was currently at a premium. The structural appearance would be softened by planting and the expected spend was £100k and the Committee had suggested that Chair's action should be taken to approve the spend immediately so that the process would not be delayed, but to seek retrospective approval from the Board at this meeting. The Committee had also asked for details of the lifespan of the structure and any ongoing recurrent maintenance costs. The Clerk had circulated these details to Trustees before the meeting but it was confirmed, for the avoidance of doubt, that the structure had a guarantee of 5 years, a lifespan of approximately 30 years and ongoing maintenance costs were itemised at approximately, £0 for the first year, and then for years 2-5 £1k per year and for Years 5-10, £2k per year.

It was also noted that the Committee had agreed that it would be sensible if Chair's action was taken to sign off the business case for the Post 16 capacity fund if the timeline for submission fell outside of scheduled meeting dates, provided that full details were in turn circulated to the Committee.

The Board **resolved:**

- **To note the Minutes of the Finance & Audit Committee meeting of 17<sup>th</sup> June 2021;**
- **To approve the Risk Register 2021/22;**
- **To approve the May 2021 Management Accounts;**
- **To approve the Budget for 2021/22;**
- **To approve the Three-Year Financial Forecast; and**
- **To approve the projected spend on new outdoor social space of up to £100k.**

The Principal updated the Board on the Audit Plan for the year ending 31.08.21 and the implications on the Plan of the ransomware attack. Prior to the meeting, the Finance Director had prepared a report which had been circulated to Trustees. Wylie & Bisset,

	<p>the internal auditors were due to commence an internal audit on 5<sup>th</sup> July in line with the Audit Needs Assessment which had been formally approved by the Board on 24<sup>th</sup> March 2021. The audit areas identified had been Business Continuity in light of COVID-19, bursary and free school meals; and budgeting and forecasting. As a result of the cyber-attack, the College's systems were currently unavailable and therefore it was now proposed that there should be two areas audited instead, firstly, budgeting and forecasting as it was possible to re-create the backup on the budget that had been submitted to the Board for approval. The second area was Safeguarding and, in view of a potential OfSTED inspection, it was considered that this would be a valuable and timely area to audit now. These two areas would be audited this academic year and, once the College's system was back up and operational, then a third audit area could be identified.</p> <p>The Board <b>resolved:</b></p> <ul style="list-style-type: none"> <li>• <b>To approve the proposed changes to the work programme of the Audit Needs Assessment 2020/21.</b></li> </ul>	
	<p><b>GOVERNANCE</b></p>	
<p><b>7.</b></p>	<p><b>Election of Chair &amp; Vice Chair</b> The Clerk advised that the election of the Chair and Vice Chair of the Board were annual appointments and she had received confirmation that Tim Stokes was prepared to stand as Chair of the Board and Rob Kemp confirmed that he would stand as Vice Chair. Both candidates were proposed by Jonathan Miles and seconded by Mike Mulheron and unanimously appointed by the Board.</p> <p>The Board <b>resolved:</b> <b>To appoint Tim Stokes as Chair of the Board and Rob Kemp as Vice Chair with effect from 1<sup>st</sup> September 2021 for the duration of the academic year 2021/22.</b></p> <p><b>Committee Membership 2021/22</b> The Board noted the proposed committee membership for 2021/22.</p> <p><b>Schedule of Meeting Dates for 2021/22</b> The schedule of Trustee meeting dates was noted and agreed in principle, but the Clerk did highlight that at the moment it had not been possible to cross-reference the dates to wider College events.</p> <p><b>Declaration of Gifts &amp; Hospitality for 2020/21</b> Trustees were asked to complete and return the Declaration form for any gifts and hospitality received in the course of their role as a Trustee during the current academic year. Even if no such gifts or hospitality had been received, NIL forms were required to be completed and returned.</p> <p><b>NGA Trustee Self-Assessment Checklist;</b> Trustees were also asked to review the NGA Self-Assessment checklist and it was proposed that a stand-alone virtual meeting would be held on Wednesday 14<sup>th</sup> July 2021 at 6.30pm for just Trustees in order to collectively discuss and complete the checklist and review progress again the Trustee QIP for 2020/21 and areas for development for 2021/22.</p>	<p>ALL</p> <p>ALL</p>

8.	<p><b>Any Other Business</b></p> <p>There were no other items of business although the Principal advised that he would circulate the insurer's cyber report to the Board as soon as it was available.</p>	BFR
9.	<p><b>Date &amp; Time of Next Meeting</b></p> <p>It was agreed that the next meeting of the Board would take place on Wednesday 15<sup>th</sup> September 2021 which would be Annual Conference with Heads of Department starting at 4.15pm. The exact arrangements would be confirmed nearer the time in accordance with government guidelines.</p> <p>The meeting concluded at 7.10pm.</p>	