East Sussex College Group (ESCG) Board meeting

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| **Date** |  | 22 October 2019 |  | **Time** |  | 14.00 – Risk Assurance (TH) & Quality processes and Ofsted inspection update (JS) 15.00 – Board meeting |
| **Venue** |  | Corporation Room, Tyler House, Eastbourne BN21 2UF | | | | |
| **Chair** |  | Henry Ball | | | | |

**Membership**: Henry Ball (Chair), Tony Campbell (Vice Chair), Clive Cooke, Pat Farmer, Mark

Fisher, Diana Garnham, Simon Hubbard, Ian Jungius, Ian Mehrtens, Joanne Rogers, Gill Short, Derek Stevens, Steve Hedges, Marie Sangster

**In attendance**: Mia Brown (Director of Governance), Biram Desai (Chief Finance Officer), Dan Shelley (Executive Director – Strategic Partnerships and Engagement), Tim Hulme (ED – Resources and Organisational Development) East Sussex College Group Principals [Rebecca Conroy (Eastbourne), Fred Carter (Lewes), Jim Sharpe (Hastings)]

**Apologies**: Ian Jungius

The Board of 22 October 2019 was preceded by a presentation by Tim Hulme, Executive Director Resources & Organizational Development, who provided an update on how risk has evolved and where the Corporation is at the moment.

Tim Hulme advised that as part of the planning process for the 2018/19 academic year, the Executive prepared a new strategic corporate risk register based on seven headline risks, each underpinned by 30 operational risks. He advised that in early January 2019 the Executive Team reviewed the corporate risk register and an emergency risk register was developed with 8 major risks identified he advised these remain live and pose a risk to the Corporation.  Tim Hulme advised the challenges faced by the Corporation on a daily basis are interconnected, e.g. risk 1 (meet required financial savings) and 2 (plan and deliver the budget in line with financial constraints). He described a real tension with risk number 8 (safeguarding and health and safety), and strong correlation with risk numbers 3 (quality standards and targets) and 7 (impact of all operational risks on culture, recruitment and retention of staff).

Tim Hulme requested the following:

1. Committee chairs and members to scrutinise the risks that Exec members put on the risk part of the ESCG reporting template.
2. All Governors to review the Board Assurance Framework and return any comments to Nicola Woodcock by 8 November.
3. All Governors to familiarise themselves with the RSM FE risk management document which talks well to the interconnectivity of risk.

Gill Short noted and challenged the fact the Principals are not listed as control owners. Tim Hulme confirmed that Jim Sharpe in the lead for risks related to quality and safety.

Diana Garnham reiterated Tim Hulme’s point that the risks are interconnected and asked whether a heatmap would be produced to support prioritization. Tim Hulme confirmed this will be developed.

Pat Farmer expressed concern that the assurance framework was not up to date and noted that key actions put in place since June 2019 were missing. Tim Hulme advised that it will be updated prior to sharing with RSM on 13 November.

David Smith reiterated Diana Garnham’s comments regarding risk maturity.

Kevin Cowley said a more thorough understanding of the risk interdependences would support him and other governors in their scrutiny task. Tim Hulme offered all governors and opportunity to talk with him further about this.

Ian Mehrtens asked how many of the identified risks are specific to this College and asked if there was any benefit in talking to peers in sector to discuss. Tim Hulme advised many Colleges are in same place, evidenced by RSM reports with similar content.

David Smith expressed disappointment that more progress had not been made.

**Action: Mark Fisher requested hard copies of the assurance framework be made available.**

Jim Sharp, Principal Hastings, then briefed the governors on quality processes and provided an Ofsted inspection update. More detail regarding preparation and emergent themes are tabled for discussion in the Quality and Standards Subcommittee.

Jim Sharp advised that merged Colleges will be inspected within 3 years of merger. The fact we have a new Chair and CEO on the horizon is likely to trigger an inspection visit. It is critical that the quality of the self-assessment report and actions in place to address deficit areas and sub-optimal arrangements and practices is robust.

Jim Sharp took governors through the EIF structure and areas of focus:

* Intent, implementation (learning assessment and teaching and sequencing) and impact (outcomes, including progress and attainment, and experience of learners)
* Behavior and attitudes
* Personal development
* Leadership and management

Jim Sharpe said Ofsted will be looking for evidence that there is a clear line of strategic intent from the Corporation through to exec, heads, teachers and that all, including learners, are able to articulate the sequencing of the curriculum.

In term of employer involvement, Ofsted will look for evidence that courses are designed with employer engagement and that the Corporation can demonstrate how courses reflect the needs of the communities we serve.

Key developments identified

Jim Sharpe, as the Corporation nominee, will negotiate with Ofsted which curriculum areas will be explored. The will want to see the biggest, best and worst. There will then be deep dives into these areas. This is a departure from previous inspection frameworks, with a move away from outcomes towards quality of education and how learners are supported to progress.

There are minimal lesson observations in the new framework. Jim Sharpe advised the teacher is asked to leave the classroom after 10-15 minutes and learners are asked questions by inspector’s relating to intent and sequencing. This approach is repeated with the teacher. This is all undertaken in the presence of the head of curriculum and information is triangulated.

It was also confirmed that inspectors speak with employers and learners about work placements to further test sequencing and intent.

Pilot sites saw four Ofsted meetings during the inspection:

1. Governance
2. Safeguarding
3. Strategic intent
4. Data – headline outcomes

Feedback on EIF from pilot Colleges has been largely positive, especially how learner centric the revised framework is.

Actions being taken in preparation

* The Corporation are taking the following actions in preparation:
* Observed all full-time teachers
* Learning walks on induction
* Raised awareness of safeguarding policy and practice
* Real focus on understanding the student voice
* Real focus on understanding the staff voice- the internal staff survey is mirrored on the EFI survey
* All heads of curriculum are undertaking their own self-assessment reports
* Support is being offered to heads of curriculum in all aspects of the framework
* Mock Ofsted reviews have been undertaken
* Quality assurance processes across all campuses mirror the new framework
* Jim Sharpe advised that after half term there will be a focus on learning assessment and teaching.

Jim Sharpe said the self-assessment report, as a key document in the processes, needs to be succinct and a cross College approach will be adopted. This will be presented to Board in December 2019.

Henry Ball asked how the local boards will be supporting the SAR process. Jim Sharpe confirmed the SAR is firmly on the cycle of business. Tony Campbell advised the Quality and Standards Committee are providing challenge and support as well.

Gill Sharpe said it will be important to understand the learner and employer experiences of work placements and their added value and urged caution about an overreliance on the percentage completed. She asked what is already known about what employers and leaners say about how placements develop their knowledge, skills and behaviors?

Tony Campbell asked how learner destination is captured.

Derek Stevens asked if the Corporation are confident about partner’s experiences.

Pat Farmer said he anticipates the FEC intervention visit will trigger an Ofsted inspection. Henry Ball advised both visits would likely happen before the December Board meeting.

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|  | Item | Action |
| 1) | **Apologies**  Ian Jungius gave apologies for the meeting. | All to note |
| 2) | **Declarations of Interest**   * Pat Farmer declared an interest as a member of the Hastings and Rother Task Force. * Simon Hubbard declared an interest as an employee of Hastings Borough Council. * Mark Fisher declared that he has an interest as member of Council for the University of Sussex. He is also treasurer of Age Concern Eastbourne and a director of Good Money, a community interest company. * David Smith declared that he is a trustee at Aspire Sussex which is an adult learner provider. He advised Aspire are not in direct receipt of ESFA funding but is a sub-contractor of West Sussex County Council. | All to note |
| 3) | **Draft minutes from the ESCG Board meeting held on 25 June 2019, 2 October 2019 & Electronic Resolutions**  **THE MINUTES FROM THE ESCG BOARD MEETING HELD ON 25 JUNE 2019 AND 2 OCTOBER 2019 WERE AGREED AS A TRUE AND ACCURATE RECORD OF DISCUSSION.**  **THE ELECTRONIC RESOLUTION OF APPOINTMENT OF DIRECTOR OF GOVERNANCE WAS APPROVED.**  Diana Garnham asked for confirmation that administrative support for the Director of Governance is in place. Tim Hulme advised starting next week for four weeks an agency staff member will support the director of governance whilst cross College administrative support is agreed. Gill short advised her preference would be for someone within the College to have provided administrative support from the start of post. | Approved |
| 4) | **Matters arising**  Agreed to have been captured via agenda. |  |
| 5) | **Amendment to the Instrument and Articles Clause 3 Government Determination of membership numbers**  Henry Ball advised that the Board currently has a determined number of 17 independent governors, the CEO, two staff and two student members – 22 in total, but that in actuality the Board has 13 independent governors, the CEO, two staff and as at 22 October 2019 the two elected student governors are not in post.  Henry Ball asked the governors to consider fixing the members as they are at the moment, changing the quorum from 9 to 8 which will be important in the case of an extraordinary board meeting being called.  David Smith supported the drive and ambition of the board to better represent the diversity of the communities served by the Corporation and is looking forward to furthering this agenda when in post. He advised the recruitment of governors would be best timed to include himself and the new CEO in decision making.  **THE AMENDEMENT TO THE INSTRUMENT AND ARTICLES CLAUSE 3 WAS APPROVED.** |  |
| 6) | **CEO report**    Financial health  Clive Cooke reiterated discussions held at the extraordinary meeting on 2/10 regarding the Corporations financial health. Clive Cooke advised that the request for the financial grade to be moderated has not yet been responded to, but it is anticipated that the Corporation will have an inadequate health grade for previous academic year. This will trigger a FEC visit and the Corporation will go into formal intervention. Whilst this is based on finances, not standards, a formal intervention visit will examine both over up to five days.  Simon Hubbard requested assurances that the Executive team are preparing to mitigate any reputational risk and loss of confidence and asked what further challenge and support he and other governors could provide.  Clive Cooke updated that the Barclay Bank covenant tests were passed on 31 July and the PMO (old transaction unit) have waived loan covenant breach for 31st July 2019 and have advised that the cash flow model is shortly being de-commissioned in part due to known errors in the model. Sight of the new monitoring model is awaited.  Biram Desai advised that the FEC diagnostic assessment noted the Corporations’ budget indicated a requirement for an additional overdraft facility during March 2020, following discussion at the monthly finance review meeting he asked Henry Ball and Clive Cooke to sign off on increasing the RCF arrangement of £2.5m by an additional £1m overdraft. Henry Ball advised whilst it is not anticipated to be needed it is favorable to be risk adverse.  Henry Ball asked if Mark Fisher, as Finance Chair was in agreement with the arrangements, he confirmed this was a must do and described the terms as favorable.  **THE EXTENDED OVERDRAFT ARRANGMENTS WERE APPROVED.**  Business Planning model  Clive Cooke reminded governors that they had been invited to look at the new business planning tool developed over seven years by East Kent College Group. He advised that by the end of December Corporation data will be added to the tool to map the Corporations 2019-20 budget to inefficiencies and will then be used to drive where savings from January onwards in preparation for the academic year 20/21. Dan Shelley is leading the process and the schedule is on track. Clive Cooke advised the model is designed to drive out any financial inefficiency within the Corporation in a formulaic way with the aim of balancing the finances of each individual campus, which then contribute to an overall surplus for the group. He advised the current tool, whilst is has served us well, is no longer fit for purpose for a College group of ESCG size.  Clive Cooke described the key metric EBITDA %. The corporation delivers currently around 4% EBITDA, sector norms are at 6% and an aspiration for the model is at 8% -10%.  Pat Farmer was in favor of aspiring to 8%. Mark Fisher agreed with the aspirational range.  Gill Short asked what East Kent achieved and if they maintained their quality. Clive Cooke advised quality was improved. He advised they are a similar College, but without the sub-contacting arrangements or A-Level provision – Check this is what Clive said.  Jo Rogers advocated maximizing commercial aspects of College. Clive Cooke agreed. Mark Fisher urged the continuation of an entrepreneurial spirit and the continued exploration of income generating initiatives.  Dan Shelley said one of the rationales of having such large sub-contracting arrangements is to grow provision at pace. Clive Cooke advised that whilst sub-contracting causes concern, if not undertaken our adult grant would have been very low.  David Smith said there is clearly strong ambition and was looking forward to the tool being in place and seeing what it can produce. He discussed funding rates increasing and reflected on the uncertainty around impact.  Full funding audit  The College group was selected at random for a full funding audit as part of a national annual audit process. The MIS team prepared well and the latest feedback from KPMG, who undertook the assignment, is of a clean audit with some issues but with no technical funding clawbacks.  Pay savings – 19/20  Clive Cooke said that as a result of the Corporations financial position, significant in year savings in both pay and non-pay are required. He advised some savings have already been made and there have been some difficult decisions reached regarding reducing the number of curriculum directors from 7 to 4. He said that further reviews are due to be implemented before Christmas involve HR and MIS. Clive Cooke updated on discussion held that morning with the Executive Team and confirmed the projected savings target of £650,000. He advised that in some areas savings have been made by not filling vacancies. He affirmed a commitment to avoiding restructure and redundancies, where possible.  Open evenings  Clive Cooke advised the campuses are running a number of open evenings.  **Action: DoG to ensure governors are notified and invited to these.**  Single central record  Clive Cooke said that as reported to HR Committee, to date, of the 1296 staff requiring a DBS certificate, 5 remain outstanding. These relate to long term staff from the former Sussex Downs College. Gill Short asked if there were any safeguarding risks in relation to this. Clive Cooke advised all five have been risked assessed to work whilst awaiting DBS clearance and appropriate safeguards put in place.  East Sussex apprenticeship graduation ceremony  Clive Cooke updated on the first countywide graduation for apprentices which took place at the new conference facility in Eastbourne on 25/09/19. Over 60% of the graduates were from East Sussex College Group and three of the four awards also went to ESCG students, including a Best Progression award to a apprentice with autism who worked in the Coast Canteen at Station Plaza. The apprentice has since secured a job at a pub and has agreed to become a South East Apprentice Ambassador, who will visit SEND schools and highlight the potential of becoming an apprentice.  18 October multi-agency meeting  As described at the Extraordinary Meeting of 02/10/19 in July 2019 Henry Ball invited the ESFA, FEC, TU and the DFE to a meeting to discuss Corporation challenges and performance. An invite was extended to a number of governors and executives. The meeting took place on 18/10/19 and the presentation discussed with governors on 2/10/19 was given. The FE Commissioner declined the invite, advising they were in an arm’s length situation with the Corporation at present.  Outcomes from the meeting were:   * Newhaven UTC – the Corporation requested an agreement on the business agreement of with four-year funding support. The Corporation were advised that no definitive decision has been made as yet. Clive Cook requested a decision be reached by early December 2019. If the business case is approved publicity can begin in January. * SCL clawback – the Corporation requested a 3 year pay-back period with 2019/20 holiday and 50% in 2020/21 and 50% 2021/22 next best option. This requested was accepted. * Review of the terms and conditions within the Restructure Fund loan agreement - the corporation asked either for conversion of £3m of loan to grant from the Restructuring Facility or a review of the length of payment terms and payment holiday until 2022/23 to allow for SCL clawback payments. Clive Cooke said the PMO advised there were content to move the payment of £90k at the end of this academic year to ‘sometime in the future’ and are open to having a conversation about terms and conditions in March/ April, but that if suitable progress is not demonstrated then they will not be able to offer support. Henry Ball reiterated this understanding.   Henry Ball said they discussed the interlinked nature of the financial recovery plan; estates strategy and quality improvement plans require connected conversations, and all seemed in support of the estate’s strategy.  Henry Ball said there had been an important meeting on the 17/10/19 as well, between Henry Ball, Pat Farmer, Clive Cooke, Tim Hulme, Rob Cottrill and Ian Fitzpatrick where all parties understood the Corporations financial situation and agreed to find ways to support the continued development of the strategy.  Clive Cooke advised that as if the FE Commissioner awards an inadequate financial health grade the ESFA will also have a monthly case conference with the Corporation regarding the financial situation.  Jo Rogers said the calling of the meeting was a positive proactive step undertaken by Henry Ball and asked if some communications will be shared with partners and stakeholders. Henry Ball said he would rather err on the side of caution regarding sharing his interpretation of the meeting. Jo Rogers urged Henry Ball and Clive Cooke to consider putting out some high-level communications via the CEO blog.  Simon Hubbard supported Jo Rogers request saying proactive communications will demonstrate to partners and stakeholders’ pace and will to grasp and move the situation forward.  Clive Cooke thanked Jo Rogers for suggesting the number of asks be reduced to three after the Extraordinary Meeting on 2/10/19. |  |
| 7) | **Estates Strategy Update**    Tim Hulme provided an update on the estate’s strategy. He reiterated the point made in the item above regarding the business plan being submitted to the PMO at the end of July 2019 for consideration.  He reminded all that the purpose of the strategy is to sell surplus land assets and invest in new and/or refurbished facilities at Lewes and Eastbourne campuses.  He advised that as a result of cashflow, an external funder is required to help the Corporation deliver objectives from the estates strategy. An outline proposal from one private sector provider, which includes indicative land receipts for Lewes and Eastbourne will be considered at the Capital and Infrastructure Committee on 24/10/19. He advised an indicative offer for the same land is due to receive by Homes England. This will provide helpful compare and contrast.  Tim Hulme referred the Board to the draft program which set out the key timescale to achieve the aims of the estate’s strategy. By December 2019 the College aim to prepare a draft development brief and prospectus which will require approval by January 2020. Following this work, the College will need to develop a draft development agreement with the preferred strategic partner (yet to be decided).  There is also a need to release professional fees. The major part of the planning application work will need to be funded by the strategic partner (as a result of the College’s cashflow position). This will form part of the development agreement.  Pat Farmer questioned how the business planning tool and the estates strategy are working together. He requested an update on this at the next Board meeting. He said in essence, the estates and finances need to be de-coupled. The Corporation’s finance strategy needs to sustain the College’s business as a standalone element so as to demonstrate a capacity to improve.  Action: an update on this to be tabled at the next board meeting.  Gill Short asked for assurance that in either of the proposed options for the Lewes campus that consideration will be given to the music school arrangements. Tim Hulme advised this is being given due consideration.  Simon Hubbard discussed Homes England’s commitment to grow affordable housing, re-iterating that a significant factor influencing the estates options at Eastbourne is predicated on a significant grant from both Homes England (and SELEP, as well as the College’s land receipt from the sale). Tim Hulme said there exists a number of options for the Corporation in terms potential partnering, these include the local authority, private sector, as well as Homes England or a hybrid model involving all of these partners.  Ian Mehrtens advised not to lose sight of exploring partnership and discussed the pace of movement with the environmental sustainability agenda. A great opportunity lies ahead with the future residential and College developments at Lewes in relation to carbon-free development and ensuring this forms part of the College’s academic brief.  David Smith summarised his meeting with the Leaders of Eastbourne Borough and District councils and their increased interest in development of vocational and technical training and furthering the green aims of the LAs. It was noted there was a strong political support in favor of environmental sustainability.  Tim Hulme extended an invite to all to meet with him if they wished to know any more about the estate’s strategy aims, objectives and progress. |  |
| 8) | **Performance update of Corporation and Transaction Unit KPIs (18/19)** | . |

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|  | Biram Desai provided an update on Corporation and PMO/Transaction Unit KPIs.  Corporation  *Curriculum and Quality*  The following is on target as at October 20199   * Retention 19+ education and training (this has consistently been on target since March 2019.   The following are rated ‘amber’ and have been consistently amber since March 2019   * Achievement 16-18 Education and training * Retention 16-18 Education and training * Achievement 19+ Education and training   The following where on target in June 2019 and have moved to Amber   * Achievement apprenticeships overall * Achievement apprenticeships timely   The following has been red but has now moved to Amber   * Attendance 16-18.   *Financial KPIs*  David Smith noted the total College income is above target.  The following are Red   * Operating surplus * Staff costs (as a % income)  |  | | --- | | * Year-end bank balance – The cash position is tight but tracking in line with expectations. The new overdraft facility of £1m agreed today in line with FEC recommendations will support pressures in March 2020. |   The following are Amber   * Estate utilisation   *Workforce KPIs*  Staff turnover and sickness absence is positive, with performance below threshold. Staff  ulitliastion is 1% under target.  PMO KPIs  David Smith noted a reduction in staff costs to 65%, which was considered a remarkable achievement in the year.  Henry Ball asked for clarification about the data on EBITDA. Mark Fisher advised there is no direction relation as EDITDA is performance over time, not a moment in time.  Biram Desai advised the September management accounts reflect a good start to 2019/20. Enrollments are looking largely likely to track, apprenticeship funding looks strong, international had a busy summer, pay costs are tracking in line with budget, and there has been significant reduction in agency costs compared to previous years and the SEAF process more robust. He concluded by saying at this stage and with mitigations to apply in Q3 and £ the Corporation are focused on achieving the overall non pay budget.  Clive Cooke advised a significant non savings review is taking place which will identify quick wins and longer-term savings.  Biram Desai advised a new performance dashboard is being developed and asked governors if they would be interested in supporting its shaping and review. There was discussion about utlising best practice dashboards used by other Colleges and the need for dashboard to be a ‘live’ document, and for it to sufficiently capture learner experience and progress.  Simon Hubbard and Pat Farmer expressed an interest in being involved.  **Action: Governors to notify Mia if they would like to form part of the working group.**  KPIs  College group combined  Jim Sharpe advised the following group KPIs are showing a positive direction of travel:   * Achievement combined * Pass rate combined * Pass rate 16-18 * Achievement 19+ * Pass rate 19+ * Retention apprenticeships.   Retention continues to challenge with a 0.6% drop in combined Retention in 18/19 and a 2.2% drop in 16-18 years. This is attributed to legacy issues.    Dan Shelley advised that apprenticeships have reduced slightly by 4%. He advised this is a national challenge. Timely achievement is moving about, and Dan Shelley advised the College is likely to be down 2-3% from where we were this time last year but anticipated better outcomes than national averages.  Hastings  GCSE pass rates as below, with retention issues in both   * Maths - 40% * English – 27%     There are 17 vocational areas and 15 of these are up on last year and above national rates. Electrical engineering and Hoscat have small members and are below national rate.  Eastbourne  Rebecca Conway presented an improving picture. As a single campus Eastbourne had outcome challenges last year.  Achievement has improved by 6% combined and 4.3% in 16-18 years. There has been an 11.3% improvement in adult learning.  **Highs**   * Significantly improved outcomes across a wide range of areas; Beauty, Sport, Catering, Engineering, AAT, ESOL and Access. * 100% of students (in scope) undertook an external industry placement * Functional skills increase in both English and maths.   **Lows**  **A Levels**   * Performance was very poor and adversely affected by the retention of 33 ‘red rated’ students in Y2, staff recruitment and Leadership & Management challenges. * Computer science provision requires significant improvement * GCSE high grades fell in English     Lewes  The following was highlighted:   * Achievement combined is up 0.9% since 17/18 * Achievement 16-19 is up 0.3% * Achievement 19+ is up 5.9% * Retention remains an issue - and this was said to be due to A levels in the inherited 17-19 cohort. It was only 85% by the start of year 2 in Sept 2018. The current retention for 18-20 A level cohort is 95%, 10% up on same stage last year   **Achievement**   * Best in Public Services, Care and Early Years, Performing Arts, Business and Travel * Lowest in Computing, Hair and Beauty * A level pass rate up slightly to 97.3%, but achievement rate remains below NA (78%) due to low retention in inherited (17-19) cohort. Current retention for 18-20 A level cohort is 95%, 10% up on same stage last year   **GCSE Maths and English**   * Overall achievement rate: 87%, up 5% on last year (NA 83%) * Maths 9-4 rate 31% – up 10% on last year and now 10% above NA of 21% * English 39%, down 7% on last year but still 9% above NA of 30%   **Functional Skills (maths and English)**   * Achievement 78.3% (NA 70.2) – up 17.4% on last year and now 8% above NA   **Value added (ALPS)**   * A level – ALPS 4 (“good”) overall – up from ALPS 5, target achieved – but still some low scores (sciences, maths, law) * BTEC – ALPS 4 overall (same as last year)   **Recruitment (FT learners) – as of 21st October:** 1426 (99% of target 1437)  Fred Carter advised that this information will be in input into the self-assessment report which will inform the quality improvement program which will be overseen by the local College boards and Quality and Safety Committee.  Data will go into SAR and SAR will go into a succinct QIP to local boards and Q&S.  Jim Sharp reminded governors that under the new inspection framework Ofsted are interested in educational progress, as well as attainment.  Henry Ball thanked the Principals for their presentation, their hard work and for good achievement all round. | **All Governors** |
| 9) | **Strategic Plan 2018-21 - an addendum**  Clive Cooke advised that last year Henry Ball had requested a Strategic Plan be put in place post-merger. This covers the following elements, standards sustainability, and strategic partnerships. It was proposed that this plan not be radically amended prior to the new Chair and CEO arriving. Over the next six months the Chair and CEO will work with the board to update priority areas of business and determine direction of travel.  Widening strategic aim 3 – strategic partnerships – was considered. As well as including actions around targeting an increase in EBITDA % from 4% to between 6%-8% was discussed as well as actions to lower staff ratio.  **THE FOLLOWING WAS AGREED**   * **ACTIONS TO ADDRESS AND MITIGATE RISKS ASSOCIATED WITH THE UNWIELDY FINANCE SYSTEMS SHOULD BE ADDED.** * **CLARITY ON CPD COST REDUCTION PLANS AND STAFF DEVELOPMENT IS NEEDED.**   Under strategic aim two – sustainability – Clive advised cumbersome business planning systems need to be addressed as a priority, but the financial means to do this are limited.  Clive asked for governors to reflect on the strategic plan and consider actions that need to be amended or pulled through into any new plan.  Joanne Rogers reiterated the point about the importance of getting business systems right and highlighted concerns about digital security and the impact cyber breaches on College systems and reputation. She urged that if there are any concerns about insecure systems, that they be addressed as a priority.  Joanne Rogers suggested the College focusing more on green sustainability, including and eco-estates strategy and cited Eastbourne being in the top 10 most polluted cities in the UK. Gill Short suggested green sustainability be given a higher focus on the local College Board agendas given the local and national focus on environmental issues. Rebecca Conway and Dan Shelley updated on local work on the green agenda.  Mark Fisher discussed priority two and asked for actions around generating income as well as controlling cost.  Diana Garnham asked what was known about systems used within other Colleges and whether tried and tested models could be considered. She urged caution about trying to move to new systems without appropriate and adequate technical support. Tim Hulme discussed Project Harmony. Clive Cooke confirmed there was no external roving team nationally. He advised the financial position would prevent investment in a new system, but the plan is to build a suite of proforma’s on MIS that can better support triangulation. Simon Hubbard asked what models are used by partners. Clive Cook advised the East Kent model links finance, MIS and HR in one system and that this would help the Corporation significantly. There was a brief discussion about out sourcing solutions within the district boroughs.  Mark Fisher emphasised the importance of considering the questions raised by Diana Garnham and Clive Cooke noted there was not a lot of good practice within the FE sector to adopt.  Mark Fisher asked for clarification where IT systems sit within the Corporations committee structure. Henry Ball advised it sits with CIC Committee, but it was widely acknowledged that the estates strategy has dominated committee meetings leaving a gap in discussions around IT infrastructure.  **Action: Clive to amend plan accordingly to hand to new chair and new CEO.** | **CC** |
| 10) | **Enrolment update 2019**  Clive Cooke updated on the enrolment for each main funding stream. He advised 16-18 full time students have enrolled 103% of target, with a forecast withdrawal rate of 4% it’s anticipated that full time enrolment will be at 97% of target.  All other funding streams are currently enrolling to profile and no risks were flagged.  Clive Cooke updated that part time provision is in place which includes a variety of ‘other’ students, e.g. Year 11 electively home educated. These figures are still being reviewed and, in the College is working in partnership with the local authority, and additional part time programs for young people not in education are scheduled for enrolment in October and November.  Clive Cooke said pprocesses are in place at each campus to explore every option to avoid students leaving and issued a reminder that 2017/18 and 2018/19 were the lowest points for Year 11 demographics and numbers start rising from now until 2021/22 when there are 650 more per year group for the next 10 years.  *Other funding stream enrolment updates*  Adult education budget – there are 22% more than targeted full time 19+ students infilled into study programs. Clive Cooke said that the wider part time adult provision is still enrolling and further detail on performance will be available in late October.  Advanced learner loans – the College has already deployed over 55% of the £3m facility the group has, with further intakes planned in October and throughout the year.  Apprenticeships –, internal apprenticeship starts in September are in line with last year, with c. 210 year 1 starts. These are mainly in the trades, engineering and AAT, with a rolling program of starts scheduled throughout the year.  Higher education (HE) – Clive Cooke said was something to celebrate - we have enrolled 535 HE students across the group, a 13% increase on 2018/19 (473), with students still enrolling. This means that we should hit the internal income target of c. £3m.  Pat Farmer asked for clarity about how many (and the rational) for learners withdrawing.  David Smith asked for more detail on how the College group benchmark against statistical neighboring Colleges. He suggested it would be helpful to demonstrate how the curve has bottomed out with recruitment and how this compares. |  |
| 11) | **Confirmation that subcontracting arrangements are in line with ESFA requirements**  **THE SUBMISSIONS TO THE ESFA WAS SIGNED BY HENRY BALL AND CLIVE COOKE AND SUBMITTED BY DAN SHELLEY.** |  |
| 12) | **Health & Safety Executive update**   1. Accident investigation   Governors were advised that the HSE are currently undertaking an accident investigation, triggered by a serious accident involving a staff member in June 2019 at the Hastings Station Plaza campus.  The HSE have now been on site a number of times and their specific remit to understand what happened and why. A number of staff have been interview under caution. A range of evidence has been requested.  Two HSE inspectors undertook a site visit of high-risk areas on Thursday 5 September. These included, but were not limited to visits to: Engineering, Construction, Motor vehicle, Art & design and Hair & beauty. Following the visit three material breaches were identified and a fourth material breach relates to the accident itself. Clive Cooke advised the three material breaches were responded to quickly. These were storage of gas cylinders, service history of extractors, approach to the training and writing of risk assessments etc.  An update is within the HR Committee minutes circulated with the agenda.   1. Site visits   There will be another visit to art and design at the Eastbourne site at the end of October, and the Exec team have been reviewing risk assessments and action plans in anticipation. Clive Cooke advised additional health and safety staff have been bought in to support with this work.  Diane Garnham asked if there was going to be an awareness training for staff across the campuses and suggested learners would support awareness raising, as mock inspectors. Jim Sharpe said an action plan is in place which includes awareness raising activities. Health and Safety will be a standing item on the local College board agendas and on the HR Committee, as well as having a slot on the upcoming Audit committee where a report on health and safety processes will be tabled for consideration.  Pat Farmer asked for clarify about where Health and Safety related incidents and issues are discussed. Health and Safety will be a standing item on the local College board agendas and on the HR Committee, as well as having a slot on the upcoming Audit committee where a report on health and safety processes will be tabled for consideration. The three Principals chair a local operational health and safety meetings and Tim Hulme has been chairing an annual College wide. It was confirmed that minutes are available should governors like access to these. |  |
| 13) | **Recommendations from Committees for approval** |  |
| 14) | **TOR**     * Local College Boards * Quality and Standards * Remuneration Committee   **THE ESCG APPROVED ALL REMAINMING TERMS OF REFERENCE.**  **Action: Mia to ensure updated TOR are on the ESCG Governance pages.** | **MB** |
| 15) | **Cycle of business 2019-20**     * Local College Boards     **THE CYCLE OF BUSINESS FOR THE LOCAL COLLEGE BOARDS WAS APPROVED.**  Tim Hulme advised the cycle of business for the CIC will be discussed at the upcoming CIC meeting. |  |
| 16) | **Search and Governance – 25 September 2019**  Diana Garnham advised the last minutes from Search and Governance were appendixes to the agenda for review. |  |
| 17) | **HR Committee – 14 October**    **Policies for approval:**   1. Health and Safety 2. Equality and Diversity     The Health and Safety policy was discussed during the Health and Safety training session with governors earlier in the day and a few amendments were requested as there was felt to be disconnect and needed to be updated to reflect that Jim Sharpe is now leading the Health and Safety Agenda from a senior manager point of view agenda.  **IT WAS AGREED THE HEALTH AND SAFETY POLICY WOULD BE REVIEWED AND SIGNED OFF VIRTUALLY BETWEEN THE NEXT MEETING IN DECEMBER 2019.**  **THE EQUALITY AND DIVERSITY POLICES WERE AGREED – ON THE PROVISO THAT AMENDS REQUESTED BY THE HR COMMITTEE ARE MADE TO THE FINAL VERSION.** |  |
| 18) | **Remuneration Committee – 14 October**  To **note** that annual reference reviews for all members of the SLT were reviewed at the meeting.    **For approval:**   1. CEO Terms and Conditions   **THE PRINCIPAL TERMS AND CONDITIONS OF THE CEO WERE APPROVED- NOTED CHANGE IN MAIN BASE TO EASTBOURNE.** |  |
| 19) | **AOB**  **Redacted -** Information provided in confidence by a third party who has not authorised its disclosure |  |
| Meeting dates for 2019-20   * 10 December – Hastings * 31 March – Eastbourne * 24 June – Lewes     All 15.00-17.00 with board development from 14.00 | |  |