

East Sussex College Group (ESCG) Board meeting DRAFT MINUTES

Date	26 March 2019	Time	13.00 – lunch, networking and photos 14.00 – Board strategy session and Board meeting at 15.00
Venue	Hammond Hall, Eastbourne		
Chair	Henry Ball		

Membership: Henry Ball (Chair), Tony Campbell (Vice Chair), Clive Cooke, Lucas Berhane, Pat Farmer, Mark Fisher, Eddie Flyte, Diana Garnham, Peggy Hall, Steve Hedges, Russell Higginbotham, Simon Hubbard, Ian Jungius, Vic Kempner, Caroline McKiddie, Joanne Rogers, Marie Sangster, Gill Short, Derek Stevens

In attendance: 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)]; Ian Mehrtens

Apologies: Tony Campbell, Diana Garnham, Steve Hedges, Lucas Berhane

At 14.00 the Board and Exec met for a strategy session as follows:

A strategic package to forge the future

The Board received an update on the financial challenges for budget 19/20 and the interlink between this and the education case / estates strategy and the dovetailed finance/estates strategy

- The critical strategic inter-link between:
 - Budget 19/20
 - The education case highlights (critical part of the estates strategy) (also in item 5)
 - The estates strategy highlights (to be submitted to the TU this summer) (also in item 5)
 - The dovetailed finance and estates strategy highlights
 - Risk management highlights (also in item 7)

	Item	Action
1)	Apologies were received from Tony Campbell, Diana Garnham and Steve Hedges. Mark Fisher dialled into the first section of the meeting. Lucas Berhane did not attend the meeting.	
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. Caroline McKiddie declared an interest as an employee of East Sussex County Council.	

3)	The draft minutes from the ESCG Board meeting held on 4 December 2018 were agreed as a true and accurate record.	
4)	Matters arising were noted.	
5)	<p>Education Case and Estates Strategy Dan Shelley reported as follows:</p> <ul style="list-style-type: none"> • The Education Case and Estates Strategy provides a sound footing to radically change and grow underdeveloped curriculum provision • Where practical data backs up recommendations • An action and activity plan is being developed and will be enacted over the next three years to link with the finance strategy and T Level implementation to 2022 • The webinars in January and today's strategy session provide enough information for the Board to decide whether to proceed on the Education Case and Estates Strategy • There is no intention at this stage to change the curriculum offer. Henry Ball asked to what extent over the next two to three years there would be any significant change in rationalisation of provision. Dan Shelley noted that it is too early to say, but there is already change planned for 16-18s from 2020-21. There is limited timescale to change because of the timescales of the prospectus but stripping out qualifications at Level 2 and creating pathways that are more exciting are already in train. The way the offer is described will sound very different • Gill Short noted that that it is an excellent piece of work and congratulated the Exec. She noted that the webinars were a good way for the Board to be involved. It was agreed that periodic webinars may be a good way forward • Pat Farmer asked if there is going to be a marketing plan and asked about the timescale and governors involvement in it. Dan Shelley reported that the plan is ready, has been shared with the Exec and will be rolled out to managers next week. Clive Cooke suggested that a webinar with Guy Buckland, Head of Marketing takes place. The plan is based on Generation Z and how they view the world and their use of social media. Clive Cooke suggested that the strategy session prior to the June Board meeting is led by Guy Buckland focused on the prospectus, the career families and the next steps for marketing • Ian Mehrtens noted that the document is superb. He asked about whether a sense of enterprise would be brought into the Education Case and Estates Strategy, demonstrating where learners pick up the ability to move into start-ups and whether that needed to be more specific in the document. He questioned whether there is an opportunity within the Estates Strategy for joining disposal of the estates with the curriculum. Dan Shelley noted that in the career families there would be a range of generic skills for students and that enterprise is a key theme which has been embedded but is not explicit in the Education Case • Simon Hubbard noted it was a good piece of work. He noted that the Education Case and Estates Strategy has presented East Sussex as a single place and a single market. The College Group's focus has been about being relevant to all the communities ESCG is serving and they are all different with 	<p style="text-align: right;">Clive Cooke</p>

	<p>different priorities. Henry Ball agreed that this is an important point and links into the local College Board concept.</p> <p>RESOLVED: The Board agreed that the Education Case forms the basis of the Estates Strategy and will continue to be developed.</p>	
6)	<p>Curriculum Design and Development for 19/20</p> <p>Jim Sharpe, Rebecca Conroy and Fred Carter presented on their Colleges' curriculum design and developments for 2019-20 including areas of success and challenges (see presentations for full details).</p> <p>Henry Ball thanked the Principals for the presentations. The Board noted that the curriculum design and developments were consistent with the Education Case presented at the earlier strategy session and hoped that they would lead to an increase in enrolments.</p> <p>Peggy Hall noted that the Principals are working closely with the local schools and asked how they are responding to the changes. Rebecca Conroy noted that some big changes are being made and the Principals are communicating very closely with schools to keep them up to date. They are explaining why the changes are taking place and how the requirements of employers and the need to upskill young people are taking priority. It is part of the comms plan to work closely with the College's partners.</p> <p>Jim Sharpe noted that the schools are keen for the Colleges to come in and speak to parents about T Levels and they are keen to know about changes in progression and qualifications to help them progress their year 9 and 10 students.</p> <p>[Mark Fisher departed 15.49].</p>	
7)	<p>This item was taken under the confidential section of the meeting.</p>	
8)	<p>CEO report</p> <p>Clive Cooke took the report as read. He pulled out the following points:</p> <ul style="list-style-type: none"> • FE funding – Stephen Lloyd MP for Eastbourne would like the Exec to join him in a meeting with the Minister regarding the disparity between teachers' pay in schools and colleges • Newhaven – there is no further news now. On the 14 February the College Group was chosen as the preferred provider. Negotiations are slow and that is because of Brexit and lack of DfE staff available. The Exec will negotiate against the red lines agreed around student enrolments and will walk away if the commercial deal is not met. The building and kit is being taken on, not the UTC • Inspection – a positive monitoring visit took place in September. After March 2020, the third year of the merger the College Group should expect an Ofsted visit. However if the achievement rates are poor in September an early intervention could be triggered. Ofsted undertake a risk assessment in February/March for the previous year • Negotiations with trade unions – a good dialogue with unions is in place, in particular with UCU, the only recognised teaching union. Last week the College Group agreed to draw up a statement of intent which goes some way to meet UCU's wishes. The College Group agreed to no more than 	

	<p>what a good employer would commit to - an annual cost of living pay award review and equalising holiday entitlement across the College Group. ESCG is on a national list of 12 colleges and only two colleges have settled with UCU to date. There is still restructuring to look at further down the line which will be challenging for union negotiations</p> <p>Henry Ball thanked Clive Cooke for his report. He reminded governors that a monthly governor update is circulated by email and in between these times, the Board receive the CEO report.</p>	
9)	<p>Performance Update:</p> <p>1. KPIs</p> <p>Biram Desai proposed a reduced number of KPIs for the Board to approve. There are 15 in total for the Board to review and a more comprehensive set will be monitored at Committee level. The targets cover all three Colleges and local College targets will go to the Local College Boards with aggregated targets coming to the main Board. Pat Farmer noted that the Hastings Local College Board had only received the aggregated targets and was informed that there were no individual College KPIs. Eastbourne and Lewes Local College Boards had received their own College targets as well as the aggregated KPIs. Pat Farmer agreed to discuss further outside the meeting. Simon Hubbard suggested that there are a further three columns on the KPI dashboard detailing the individual College targets and Clive Cooke agreed this was a good idea going forward.</p> <p>RESOLVED: The Board approved the reduced number of KPIs subject to the formatting above.</p> <p>Jim Sharpe, Rebecca Conroy and Fred Carter provided presentations identifying the key risks impeding progress for the three quality improvement plans (see presentation for full details).</p> <p>Clive Cooke noted that in the spirit of being transparent, the Principals wanted to deliver key messages around the challenges on core business and they welcomed advice from the Board on how to mitigate problems. He noted that these matters are considered in detail at the Local College Boards.</p> <p>There was a discussion about recruitment of teaching staff and Russell Higginbotham asked whether the difficulty in recruiting maths teachers was systemic or related to salaries in FE. Jim Sharpe noted that it is a problem all head teachers are experiencing, but FE cannot compete with schools and sixth form colleges on pay scales. Clive Cooke was asked by Henry Ball to give thought about how the Board can understand the nature of the difficulties and ways to resolve it. It was agreed that it is a huge challenge. Jim Sharpe noted that it is crucial that the College Group gives a different experience. He noted that it is about changing the whole model of delivery. Henry Ball noted that he is asking the Exec to articulate the problem and what the possible solutions might be. Tim Hulme noted that in many instances the College Group is already paying market rates and have harmonised pay scales to address issues. More innovative ways to develop a strategy for recruitment is coming to the next HR Committee. It was agreed that the item would go through the HR Committee</p>	<p>Pat Farmer/Jim Sharpe Principals</p> <p>Clive Cooke</p> <p>Tim Hulme</p>

	<p>with an update coming back to the next Board meeting in June. Clive Cooke reported that the College Group are paying measurable market supplements for engineers, maths and English teachers but this is on a case-by-case basis rather than a Group policy. Ian Jungius suggested that it is not just money but the experience being offered and if a teacher can add and contribute to the needs of the College Group in a different way this would encourage people to apply. Jim Sharpe noted that the College Group are already successfully appealing to people who do want to make a difference.</p> <p>Henry Ball noted that the Board are aware of the multiple challenges facing the Exec and the proposals that they have put in place to mitigate these in a difficult financial climate.</p> <p>Joanne Rogers noted that it underlines the fact that a people strategy is needed that engenders the type of culture in the College Group to support recruitment, retention and holistically moving the Group going forward.</p>	
10)	<p>Student Governor report Eddie Flyte reported as follows:</p> <ul style="list-style-type: none"> Concerns about the level of communication to students. One example is students being given only two weeks' notice for mock exams which has left students feeling unprepared. Clive Cooke agreed to look into the matter, he explained that formative assessments as well as mocks are taking place and that there is no formal policy for notice to students but agreed it was important to give students as much notice as possible Many students are confused about being moved from GCSE maths to Functional Skills maths. Simon Hubbard noted that he had received similar concerns from his daughter. Clive Cooke reported that the decision is the right one in terms of achievement rates but the issue on how this has been communicated to students will be looked at <p>Henry Ball noted that there a number of different issues around communications but it is clear that some students feel let down. Eddie Flyte reported that he studies at Hastings so the issues are related to the Hastings College.</p> <p>Gill Short noted that the lack of student and staff panels with governors this year had been a real loss as it was difficult to understand issues facing students without these.</p>	<p>Clive Cooke</p> <p>Clive Cooke</p>
11)	<p>Recommendations from Committees for approval Items were taken as read with the exception of items for approval and items Chairs and governors wished to raise. Henry Ball noted that a lot of work has been done since merger on setting up the framework for the Committees and drafting and approving policies and going forward the amount of paperwork from committees should reduce.</p>	
12)	<p>(Ian Mehrstens and Ra Hamilton-Burns departed at 16.38) Search and Governance Committee – 23 January and 19 March 2019</p> <p>1. Recommendations for new members and Succession Planning</p>	

Policy

Henry Ball reported that the Committee and the succession-planning group have been active in looking for new members. The priority had been to recruit co-opted governors to the Finance and Audit Committee. Succession planning is a standing item on the Committee's agenda.

RESOLVED: The following memberships were approved:

- **Ian Mehrtens to join the Board as an independent governor and a member of the Audit and CiC Committee. The first term of office will be 26.03.19-25.03.23. APPROVED**
- **Kevin Cowley to join the Board as an independent governor. The first term of office will be 26.03.19-25.03.23. APPROVED**
- **Angela Smith to join the Audit Committee as a co-opted governor for a two year renewable term of office from 26.03.19 to 25.03.21**
- **Madina Tash to join the Finance Committee as a co-opted governor for a two year renewable term of office from 26.03.19 to 25.03.21**

The Board agreed that all memberships were based on skills needs on the Board and its Committees.

RESOLVED: The Board approved the Succession Planning Policy.

2. CiC membership

RESOLVED: The Board approved the proposed CiC membership as follows:

Key members:

1. Chair **and** Vice Chair of the Board
2. Chair or Vice Chair of Finance
3. Chair or Vice Chair of Quality and Standards
4. One additional member from the existing ESCG Board
5. 2 co-opted governors with specialist expertise as required by the project.
6. CEO ex officio
7. Executive Director of Resources and operational development
8. Chief Finance Officer
9. Executive Director of Strategic Partnerships
10. Invited representative officer of Lewes and Eastbourne District Council as a member of the Committee but not a governor.

Board members appointed with immediate effect are:

Board Members:

- Henry Ball and Tony Campbell
- Clive Cooke
- Pat Farmer
- Ian Jungius
- Ian Mehrtens
- Joanne Rogers
- Co-opted members to be proposed by Search and Governance Committee.

Member: Homira Javadi, Chief Financial Officer, EBC and LBC

Executive:

- CFO
- EDROD
- EDSP

External expertise as required.

RESOLVED: The following policies were considered and approved:

3. **Colleges Senior Post Holder Remuneration Code**
4. **Public Values Statement**
5. **Governor Visits Protocol**
6. **Scheme of Delegation** – Pat Farmer noted that he felt that the delegations for the Local College Boards (LCBs) were inadequate. Henry Ball noted that the Chairs, Vice Chairs and Principals are meeting on the 1 July to review the first year of the LCBs and this will be added to the agenda.
7. **Special Committee Terms of Reference**

Dir Gov

Electronic resolution process – The Board noted the process. Henry Ball explained that the meeting of the Chairs on 6 March 2019 requested that an additional line of text be added to every circulation of an electronic resolution asking any governors who required further information or wished to discuss the resolution should contact the Director of Governance, the Chair and Vice Chair or the Executive member involved. The Board agreed with this inclusion and Henry Ball noted that he did not want to inhibit governors from making a point that needed to be logged but it was important to clarify that the electronic resolution process could not be a debating mechanism and ‘replies to all’ should not be used for any comment made.

8. Extension of a term of office

(Pat Farmer and SLT depart at 16.47)

Diana Garnham produced a note for this item in her absence which was circulated to the Board. Gill Short noted that the Board needed time to read the note and this was given.

Henry Ball reported that a large number of the Board including the Chair and Vice Chair, and the Chairs of Finance, HR, Quality and Standards, Eastbourne LCB, Lewes LCB and Hastings LCB, Audit and Search are leaving the Board in the next 18 months.[After note: Advice had been provided prior to merger around governors requiring longevity for chair roles]. It is a very significant risk to the College Group with so many experienced governors leaving. The CiC is going to be a hugely important committee essential not only to the development of our estate but also to the financial health and curriculum development of the College Group. He noted the advice from various organisations to say that extending repeat terms of office is bad practice and he agrees with this principle

and intends that all governors coming to the end of their terms of office will exit at the appropriate dates. However he is asking for an exception to be made with Pat Farmer in order that he can Chair the CiC in the first 18 months of its existence. CiC will be working with key Borough and District council leaders and it is the Chair's view that Pat Farmer should be asked to Chair the CiC until 31 July 2020 to give the CiC eighteen months of stable leadership. Pat is intimately involved in the finances of the College Group and will remain as Vice Chair on the Finance Committee with a new Chair coming in to lead the Finance Committee, who Pat will be able to mentor in this crucial role. This will give time for the new incoming Chair of the Board to form a view on the continued leadership of the CiC. No further extension will be granted and the extension would give comfort to local authority partners who want to see a continued and stable leadership in the programme. Pat Farmer has agreed to take on the role as Chair of CiC as a full independent governor. The Chair of the Search and Governance Committee (S&G) disagreed with this extension for Pat Farmer and it was agreed not to bring the item as a recommendation from the S&G Committee but instead to bring both points of view to the Board for a final decision. Henry Ball noted that the opposing point of view is that Pat Farmer (PF) has had a number of terms of office and the advice from the Directors of Governance is that an extension is in breach of the governance codes and best practice. Henry Ball noted his strong recommendation, however, is to approve an extension for a period of one year in order that the Board meets its duty to minimise the risk to its financial health. There was a lengthy debate [confidential item].

Henry Ball concluded that it was clear that the mood of the discussion was that the majority of governors felt the Board should not agree that PF is given a one-year extension to his term of office but would like to offer a co-opted status. Henry Ball felt that this is a process device that ticks a box but does not meet the real needs of the Board and as PF is likely to refuse the role it will place the College Group in a significant risk position. However as he noted that the Board is not minded to accept the proposition of PF as Chair of the CiC then he will go back to him with the co-opted proposition. Simon Hubbard noted that it is not necessarily right to say the organisation will be placed at risk as there would be others who could chair this committee. Gill Short noted that she would like it to be relayed to PF that the decision is not related to his value and knowledge and that the Board would appreciate him taking up the co-opted role.

There was a break in the meeting and Pat Farmer and the SLT return.
(17.34 meeting reconvenes)

Henry Ball noted that he had notified Pat Farmer of the outcome of the discussion on a term of office extension. Pat Farmer noted that there seemed to be some confusion about the co-opted status. He reported that Henry Ball had asked him to Chair the CiC and he felt it was inappropriate to be responsible to the Board as a co-opted member and would he feel uncomfortable about this.

- 13) **HR Committee – 05 February 2019**
The minutes were noted. Peggy Hall reported that an extraordinary HR Committee is taking place on the 20 May to consider the restructure and staffing

	matters.	
14)	<p>Audit Committee – 19 March 2019 The minutes were noted. RESOLVED: The Board approved the Annual Report of the Audit Committee.</p>	
15)	<p>Finance Committee – 20 March 2019 The minutes were noted. RESOLVED: The Policy for Tuition and Other Fees was approved. The Board noted the following:</p> <ol style="list-style-type: none"> 1. Management accounts – January and February 2019 2. Budget 2019-20 initial assumptions 3. Electronic resolution for approval of the ESCG financial statements 4. Electronic resolution for approval of the Sussex Downs College (SDC) financial statements 	
16)	<p>College Boards: The minutes were noted. RESOLVED:</p> <ol style="list-style-type: none"> 1. The terms of reference for the Local College Boards were approved. These will be reviewed at the meeting on the 1 July 2019. 2. Membership of the Local College Boards was approved. 	Dir Gov
17)	<p>Quality and Standards: RESOLVED: The Q&S terms of reference were approved. It was agreed that they will need to be reviewed in line with revisions to the Local College Board terms of reference.</p>	
18)	<p>AOB notified in advance to the Director of Governance There was one item raised by Henry Ball and Clive Cooke under the Confidential C part of the agenda.</p>	