**ESCG Board Meeting**

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| Date | 14 July 2021 | Time | 2 pm – Briefing session  3 pm – Board Meeting |
| Venue | Online meeting | | |
| Chair | David Smith | | |
| **Membership**- David Smith (Chair), Rebecca Conroy, Kevin Cowley, Mark Fisher, Ian Mehrtens, Gill Short, Leo Hunnisett, Marie Sangster, Steve Hedges, Sue Maynard, Graham Cook, Catherine Manning, Andy Vincent, Angela Smith, Zoey Bryant, Alex Cheeseman  In attendance – Tim Hulme, Martin Penny, Dan Shelley, Mark Wardle, Mia Bryden | | | |

Pre-Board Session - The Director of SEND delivered a pre-board session on Safeguarding and Prevent. This focused on contextual safeguarding.

**Action – CEO and Director of SEND to ensure the Prevent agenda is fully embedded in ESCG safeguarding procedures and approach.**

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|  | Item | Start time |
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| 1.1 | **Welcome & Apologies**  Apologies were received from Angela Smith who submitted comments via email. These are available in the minutes.  Leo Hunnisett, Steve Hedges and Marie Sangster sent apologies.  Zoey Thomas was not in attendance.  David Smith thanked all Governors for their commitment and dedication over the academic year. He reminded everyone about the Strategic session on 16 September. |  |
| 1.2 | **Declarations of Interest**  There were no new declarations of interest. |  |
| 1.3 | **Membership Matters**  **Outcome of chair review**  *David Smith exited the meeting. Ian Mehrtens took the chair.*  All Governors and Executive Team members were invited to participate in the Chair’s Performance Review. The ESCG Board conducted its own ‘self assessment’ of its performance and development. The results of that self-assessment exercise were considered alongside the Chair’s 360 performance review process. The National Leader of Governance working with the College undertook a session with the Executive Team to garner their views on the performance of the Chair over the year.  Kevin Cowley, as Chair of Governance Development Committee, has fed back to the Chair in a structured session on the findings of the review.  The Governance Development Committee have reviewed the outcomes from the Chair’s Performance Review have considered the strengths and areas for consideration that have arisen from the process. The Committee recommend the Chair is suitable to continue in role and advise thatthe areas for development will be overseen by the Chair of the Committee and the CEO. The Chair has indicated his intention to cease in his role as Chair in March 2022. The Committee felt this was a reasonable timeframe which provides clarity to begin succession planning in the autumn of 2021.  **Resolution**  The Board resolved to approve that the Chair continues in role until March 2022 (when he has indicated his intention to step away from the Board).  **2021-22 Recruitment**  *Outcome of the Governance Recruitment Campaign*  The Recruitment Panel recommend the following appointments:  Independent Governors   * Averil Price – serving ARaC and People & Culture * Becky Cooke – serving People & Culture and Eastbourne College Board * Nicola Taylor – serving Curriculum and Standards and Hastings College Board * Priscilla Kendall – serving Finance and Search, Performance and Remuneration   Local College Board Members   * Sue Dare – currently earmarked for Lewes College Board, pending a further discussion with the CEO about specialist advisor opportunities with the College due to the candidate’s specific expertise * David Thompson – Eastbourne College Board * Simon Jones – Hastings College Board   Co-opted Member   * Aly Coleman – Curriculum and Standards   Mark Fisher’s first term of office is due to expire in September 2021. The Governance Development Committee recommend Mark serve a second term of office.  Madina Tash’s first term of office has expired and she will not be serving a second term of office. Exit interview, will feedback to S,P&R Committee  The following appointments were recommended for membership onto the  the Local College Board Chairs:   * Jo Rogers (ECB) * Chris Connelley (HCB) * Dan Wahnon (HCB) * Peter Chivers (LCB)     David Smith said the proposed committee structures may change over the summer months and will be discussed at the first Search, Performance and Remuneration Committee of the next academic term.  **Resolution**   1. The governance appointments listed above were approved 2. Mark Fisher’s second term of office in September 2021 was approved 3. The Board noted the exit of Madina Tash, co-optee, from Finance Committee – term of office expired 4. Graham Cook will Chair the Eastbourne College Board 5. Andy Vincent will serve the Finance Committee and no longer the Search, Performance and Remuneration Committee. 6. Gill Short will Chair the People & Culture Committee and no longer serve the Search, Performance and Remuneration Committee. 7. Sue Maynard will become a co-opted member, serving the Capital Development Board |  |
| 1.4 | **Minutes of the last meeting on 23 March 2021, 9 June & 28 June**  THE MINUTES OF THE MEETINGS OF 23 MARCH, 9 JUNE AND 28 JUNE WERE APPROVED AS A TRUE AND ACCURATE RECORD. |  |
| 1.5 | **Matters Arising & Written Resolutions, Sign offs**  *Matters arising*  The EDROD as Policy Register owner to ensure ESCG policies are made available on the staff intranet and College public facing website –The CEO said this will be completed by the autumn term.  **Telephone system Hastings** –the EDROD advised theissues have been explored with the Staff Governor and resolved.  *Written resolutions*  Salix grant – as per covering paper.  To *Sign offs*  The Financial Regulations were signed off in May 2021, in consultation with the Chair of the Board, the CEO, the CFO, the Chair of Finance Committee and the Chair of the Audit, Risk and Compliance Committee. |  |
| 2.1 | **Executive Team Report & Performance Update *(KPIs & progress against Quality Improvement Plan update)***  The CEO advised that the College was unsuccessful in its FE Capital Transformation Fund (FECTF) proposals (both Eastbourne and Lewes). Whilst not all estates options that the Board asked to be considered (on 28 June 2021) are dependent on the FECTF, the Exec team will now review the options and seek clarification on the rationale for the bids being declined and opportunities for appeal and resubmission.  The Capital Development Board will further consider options and possibilities.  Graham Cook issued a number of questions before the meeting that were responded to during the meeting:   * The Wisdom Council approach was clarified and the outputs will be shared with the People and Culture Committee in the Autumn. * The Station Plaza defects liability period is due to end in December 2021. It is surmised that prior leadership took the decision to use the funds elsewhere. The retention was released into the revenue accounts, i.e. spent on other things when it should have been retained on the balance sheet   Alexandra Cheeseman challenged how well all students are made aware of opportunities to get involved in college activity, not just course representatives.  **Action – The EDSPE to have a further conversation with Alexandra about College approaches to induction and how to best promote opportunities within the College.**  Gill Short spoke positively about the success of a range of bids including the European Social Fund and the Hastings Town Deal and thanked the Executive Team for their hard work in securing these.  David Smith asked if there was an update on the Sussex Skills Accelerator. There was not.  Mark Fisher highlighted the need for the Board to continue their scrutiny of student recruitment (esp. 16-18 numbers and AEB grant funded learners) and be mindful of the subsequent impacts on finance.  **Questions/Comments from Angela Smith**   * How do class numbers benchmark – the CEO confirmed that ESC is in a positive position compared to sector norms and other local FE providers. * Total income year to date query – CFO advised the YTD income is always showing progress towards the full year target. RAG rating is important and signals areas of concern. * Learner numbers is a priority * Bigger than expected salary bill – strategy right sizes costs and aspirations – the CFO said staff/Income ratio is down on last year but is impacted by the reduced income levels and the subcontracting costs compared to the target. But that the College has made significant savings in staff costs in year.   Catherine Manning asked about the work experience KPI and the EDPSE advised this wasn’t the end position and more reconciliation work is required.  David Smith said he, the vice-chair, the chair and vice-chair of C&S, the DoG and CEO had meet with Sandra Prail, National Leader in Governance, earlier that day to discuss Ofsted preparedness. He said it would be important for the Board to  understand curriculum strengths and weaknesses. The CEO said that the Deputy Principal will be providing a full board briefing session on 16 September. If any Governor would like to attend additional training on either Board involvement at inspection or on the self-assessment and quality improvement process, please let Mia know. | Dan |
| 3.1 | **Budget 2021-22**  **Questions/Comments from Angela Smith**   * Concerns expressed about significantly underestimating and underfunding maintenance.   The EDROD said the College has a budgeted programme of planned preventative maintenance which ensures that all facilities (lifts, ancillary fire provisions, water systems etc) and teaching & learning assets (engineering, construction, catering equipment for example) are appropriately maintained. The budget also includes an element of essential maintenance to cover for e.g. breakdowns and leaks. It was acknowledged that at Eastbourne and Lewes, the current budget is insufficient to address all the known problems. This was the intention of the FECTF application.  Mark Fisher called for the re-appraisal of planned maintenance and routine operational renewals, especially in the light of the news on FECTF.   * The budget for 2021/22 and publication of ESCG 2021-24 strategy are out of sync on timing, but the Board requires confidence in the learner number and staff budget elements as these are the two most significant impacts on the college’s cash position.   The CEO said there are detailed budgets produced below the level shared with the Board, these contain all the details of staff costs and learner numbers/income at delivery level.  Mark Fisher reminded everyone that the College’s primary income streams should remain absolutely at the forefront of all Board and Exec financial.   * Clarification requested on staff costs FY22 projection   It was confirmed that staffing levels are set to achieve increased income targets and that flexibility is built in to adjust post enrolment.  Mark Fisher said the budget had been under close scrutiny at the Finance Committee, but that at this stage he is only able to recommend the approval and lodging with the ESFA, contingent on the fact it may need to be re-visited in the autumn as there are many variables at play.  David Smith said it would be important to ensure the ESFA are kept updated on forecast changes.  **Resolution**  The Budget 2021-22 was approved - with the caveat that it may need further review in the Autumn. |  |
| 3.2 | **Update on Strategic Plan & Draft KPIs**  This will be bought back to Governors on 16 September 2021. |  |
| 3.3 | **Estates Strategy Update, including Station Plaza.**  **Questions/Comments from Angela Smith**   * Continues to have concerns about estates strategy – would like to see a fulsome business case and Angela urges caution not to progress without Board approval. The spend need to be agreed by Board. Angela Supports rightsizing the organisation but is not yet confident about understanding of the existing estate and operational strategy.   The Board were advised the College has had to progress certain survey and design work in order to satisfy the funding application requirements. Without doing so the application would not have been valid.  On 28 June 2021 the Board has approved the approach being taken of ‘basic, better, best’ (with its inherent description of three scenarios and the works that would be possible given each) and the submission of the business case to FE Capital Transformation Fund and the TOR and scope of the Capital Development Board. No other approvals have yet been necessary. To date the Board has been asked to approve any decisions on capital expenditure (other than professional fees).  Redacted minute.    The CFO said a paper went to the last Finance Committee which set out a proposal to reach a position where the wholly owned subsidiary, Plaza Trading Hastings Ltd (PTHL) can be wound up with the remaining activity being transferred to the College. It was noted the paper contained a confidential report which clarified the legal and contractual position between PTHL and ESCG.  **Resolution**  The Board resolved to approve the proposal (supported by the Finance Committee) to wind down the subsidiary company, Plaza Trading Hastings Ltd. The Subway Franchise will cease. |  |
| 4.1 | **Safeguarding Annual Report**  The Board noted the Annual Safeguarding Report. |  |
| 4.2 | **Equality, Diversity and Inclusion Annual Report**  The Board noted the EDI Annual Report.  Graham Cook asked for confirmation that there are 30% of students with disabilities at the College. He was advised this is correct and that this includes dyslexia and some low-level health related disabilities.  This is in line with other GFE Colleges.  Graham Cook questioned how helpful age data benchmarked against the local population profile was and it was agreed this information was not that meaningful.  Graham Cook asked what is happening to give staff more confidence to share their protected characteristic data so the college has meaningful information to work with. The CEO said the College will be relaunching an EDI approach with all new and existing staff in the new academic year to confirm and clarify the purpose and intentions in asking for this data. |  |
| **5.1** | **Tuition and Fees Policy**  **Resolution**  The Board resolved to approve this policy. |  |
| **5.2** | **Student Support Funds**  **Resolution**  The Board resolved to approve this policy |  |
| **5.3** | **Counter Fraud Policy**  **Resolution**  The Board resolved to approve this policy |  |
| **5.4** | **Subcontracting and Supply Chain Policy**  **Resolution**  The Board resolved to approve this policy |  |
| **5.5** | **GDPR**  **Resolution**  The Board resolved to approve this policy |  |
| **5.6** | **Emergency Plan, Disaster Recovery and Business Continuity Plan**  **Comments from Angela Smith**   * Would like to see proposals for testing as requested by the Audit, Risk and Compliance Committee.   Graham Cook asked if the CEO and Exec Team had media training. It was confirmed the CEO and other Exec members have had media training in previous roles but this will need to be revisited and updated  It was confirmed that the College have previously undertaken a scenario planning exercise with the adjacent hospital in Eastbourne. Scenario training is being planned for all front of house teams**.**    **Resolution**  The Board resolved to approve this policy |  |
| **5.7** | **Health, Safety and Welfare**  **Resolution**  The Board resolved to approve this policy |  |
| **5.8** | **Risk Management Policy**  **Resolution**  The Board resolved to approve this policy |  |
| **5.9** | **Safeguarding and Prevent Policy**  **Resolution**  The Board resolved to approve this policy |  |
| **5.10** | **Compliments, Concerns and Complaints Policy**  Graham Cook asked for clarification about how the college learns from feedback and if there is ‘near miss’ reporting. He was advised that this is work in progress.  The complaints process is now led by the Deputy Principal so that there is one central point so that themes/trends and near misses can be far better used for learning, development and continuous improvement.  **Resolution**  The Board resolved to approve this policy |  |
| **6.1** | **Committee Terms of Reference**  **Resolution**  **The Board approved all Committee TOR, with provisional agreement for the Curriculum and Standards Committee TOR. The Local College Board TOR will be reviewed in September 2021.** |  |
| **6.2** | **Cycle of Business and schedule for 2021-22**  **Resolution**  **The Board approved the Cycle of Business and schedule for 2021-22.** |  |
| **7.1** | **Transformation Committee (15 April 2021)**  The Board noted:   * MCD contracted at a maximum value of £1.5m to carry out the enabling works funded by the College’s FECA grant at Eastbourne and Lewes. * Freeths and Gerald Eve developed Heads of Term to support the Chalk Pit sale |  |
| **7.2** | **Audit, Risk and Compliance Committee (25 March, 20 May and 30 June 2021)**  **Resolution**   * The Board resolved to approve the Internal Audit Plan on the recommendation of ARaC. * The Board resolved to approve the extension of Internal Auditors –1 further year - on the recommendation of ARaC. * The Board resolved to approve the extension of External Auditors- 1 further year - on the recommendation of ARaC.   The Board noted that the ARaC Committee are satisfied with External Programme for 2021-22 |  |
| **7.3** | **Governance Development Committee (10 May 2021)**  The Board noted the plan to commission an external facilitator to support Board development in 2021-22 |  |
| **7.4** | **Chairs Meeting (10 May and 17 June)**  The minutes were noted. |  |
| **7.5** | **People & Culture Committee (25 May 2021**)    The minutes were noted. |  |
| **7.6** | **Local College Boards May 2021**  There will be a review of TOR and remit in September 2021. | n/a |
| **7.7** | **Curriculum and Standards (16 June 2021)**  The minutes were noted. See also 4.1, 4.2, 5.9 and 5.10. |  |
| **7.8** | **Finance Committee (1 and 29 June 2021)**  The minutes were noted. See also 2.1 and 3.1.  The CFO said the Financial Regulations require changes to the bank mandate to be agreed by the Board. The current mandate with Barclays Bank is out of date and requires to be updated to ensure that the College has sufficient signatories to carry out the day to day business of the College. This was recommended for approval by the Finance Committee.  **Resolution**  The Board resolved to approve the amendments to the Bank Mandate.  The CFO advised that as a result of the Local Government Pension Scheme (LGPS) deficit the College is reporting negative reserves in the annual financial statements. This constitutes a default of the T&Cs of the facility agreement. Barclays have agreed to waive any rights as a result of this breach and have agreed to amend the facility agreement so that the pension deficit would be excluded from any future calculation of this clause. The signing of the waiver and variation letters for the two facilities will indicate the College’s acceptance of the revised terms and conditions and ensure that there are no future breaches of this clause caused by the LGPS pension deficit. The singing of the letters was recommended for approval by the Finance Committee.  **Resolution**  The Board resolved to sign the Bank Waiver for Negative Reserves Letter  *CFFR update*  The CFO clarified the position on Governance sign-off.  The Financial Planning Handbook stipulates: *The accounting officer’s declaration within the cover sheet confirms that the corporation has approved the CFFR and that it supports the corporation’s strategic objectives. The accounting officer also confirms that the supporting commentary has been prepared with due regard to the financial planning checklist (see Annex A) and the opening cash balances have been reconciled to bank statements."*  Whereas the CFFR itself provides: *"I confirm that this return is consistent with the college's strategic plan and that the plan and accompanying commentary have been reviewed in accordance with the method agreed by the governing body. I agree that the data provided may be published by the Education and Skills Funding Agency."*  The ESFA have released an update that states: “*please be reminded that the ESFA only needs the Accounting Officer to sign that the CFFR is consistent with the college’s budget that has been approved with governing body. Where budgets have already been approved, we are not requiring that governors see the output of CFFR v1.1 solely because of this update.  However, you may wish to notify your board if the update results in a substantive change to Financial Health outcomes for FY2023."*  It was agreed that the CEO/Accounting Officer reviews the return, in consultation with Chair of Finance and ARaC, and it is then submitted by the CFO and bought to the next Finance Committee for information. This is in line with the process set out in the ESFA’s latest update.  Mark Fisher asked for confirmation that the figures in the CFFR match the budget as shown today. This was confirmed. It was noted that if the budget changes as per discussion at 3.1 this will impact the CFFR. The CFO said returns need to be submitted on a regular basis as the college is still under intervention monitoring arrangements with ESFA and there will be an opportunity to re-submit. |  |
| 8.1) | **Meeting Evaluation Urgent Matters & Farewells**  It was noted that next year the ToR for all Committees will not be circulated in a composite PDF – but will be available on Boardpacks.  Going forward all policies that have already been through Committee scrutiny will not be circulated in a composite PDF - but will be available on Boardpacks  The DoG advised she would offer further optional training on Boardpacks if any Governor wished to be taken through the system again.  Kevin Cowley, Sue Maynard and i(n his absence) Leo Hunnisett were all thanked for their commitment to their terms of office and wished well in their future endeavours. It was noted that Jo Rogers has been similarly thanked at the 28th June Strategic afternoon |  |
| 9.1) | **Part C – Closed Session for Independent Governors only**  Redacted for publication. |  |