

ESCG Board Meeting MINUTES

Date	18 th October 2024	Time	14:00 – Pre-Meeting 15:00 – Break 15:10-16:30 – Meeting
Venue	Board Room (SP5119), Station Plaza, Hastings		
Chair	Ian Mehrtens		

Membership – Ian Mehrtens (Chair of the Board), Rebecca Conroy (CEO & Principal), Lionel Bunting, Kim Byford, Andy Davy, Graham Cook (Vice Chair – Resources & Operations), Becky Cooke, Charles Dudley, Derek Richardson, Kerrith Etkin Bell, Ashley Heminway, Priscilla Kendall (Vice Chair – Curriculum & Student Experience), Geoffry Munn, Ann Potterton, Kirsty Reid, Shirley Watson, Jack Woodgate, Emel Yerlikaya

In Attendance – Hannah Caldwell (Chief Operating Officer), Nick Backstrom (Executive Director of Curriculum & Skills), Fenella Potterton (Assistant Principal, Student Experience – *pre-meeting only*), Belle Howard (Director of Governance – *minutes*), Claire Alexander (Governance Assistant)

Apologies: Lionel Bunting, Andy Davy, Ashley Heminway, Charles Dudley, Priscilla Kendall (*main meeting*)

#	Item	Action
PRE-MEETING DISCUSSION		
-	<p>GOVERNOR ESSENTIAL TRAINING</p> <p>0.1 The Assistant Principal, Student Experience and Chief Operating Officer delivered essential training on the following topics to Governors:</p> <ul style="list-style-type: none"> • Safeguarding • Cyber Security • General Data Protection Regulation • Health & Safety <p>Priscilla Kendall left the meeting at 14:28.</p> <p>0.2 Governors confirmed that they had read Part 2 of Keeping Children Safe In Education, which had been updated for 2024. Governors also signed the register to confirm completion of their Safeguarding Training.</p> <p>Fenella Potterton left the meeting at 14:54.</p>	14:08
1. ROUTINE AND STANDING ITEMS		
1.1	<p>WELCOME, APOLOGIES & DECLARATIONS OF INTEREST</p> <p>1.1.1 The Chair of the Board opened the meeting at 14:54 with a warm welcome to colleagues.</p> <p>1.1.2 Apologies were received and accepted from Lionel Bunting, Andy Davy, Ashley Heminway, Charles Dudley & Priscilla Kendall.</p> <p>1.1.3 There were no new declarations of interest received.</p>	14:54

#	Item	Action																
1.2	MINUTES OF LAST MEETING 14:55 1.2.1 Approval <ul style="list-style-type: none"> Governors considered the minutes from the last meeting on 8th July 2024. Governors agreed that the minutes were a true and accurate record of what was discussed. 																	
1.3	MATTERS ARISING 14:56 1.3.1 Governors considered the following actions from the last meeting: <ul style="list-style-type: none"> 8th July 2024: <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>Item</th> <th>Owner</th> <th>Action</th> <th>Due Date</th> </tr> </thead> <tbody> <tr> <td>0.3.1</td> <td>BH</td> <td>Share a copy of the presentation slides related to the pre-Board briefing on the 'Estate Transformation Programme'.</td> <td style="color: green;">Complete</td> </tr> <tr> <td>2.2.2.1</td> <td>RC</td> <td>Incorporate more aspirational language into the 'Curriculum, Skills & Quality Strategic Ambition' within the Strategic Plan, e.g. to reference social mobility.</td> <td style="color: green;">Complete</td> </tr> <tr> <td>3.1.2.1</td> <td>HC</td> <td>Explore the feasibility of providing a summary update on the College's lagged funding position and staffing costs ahead of the first set of Management Accounts being produced in 2024-25.</td> <td style="color: green;">Complete – per in Item 5.1 (Executive Team Report)</td> </tr> </tbody> </table>	Item	Owner	Action	Due Date	0.3.1	BH	Share a copy of the presentation slides related to the pre-Board briefing on the 'Estate Transformation Programme'.	Complete	2.2.2.1	RC	Incorporate more aspirational language into the 'Curriculum, Skills & Quality Strategic Ambition' within the Strategic Plan, e.g. to reference social mobility.	Complete	3.1.2.1	HC	Explore the feasibility of providing a summary update on the College's lagged funding position and staffing costs ahead of the first set of Management Accounts being produced in 2024-25.	Complete – per in Item 5.1 (Executive Team Report)	
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2. STRATEGIC ITEMS																		
2.1	ESCG STRATEGIC PLAN – 2024-27 14:58 2.1.1 The CEO & Principal thanked Governors for their detailed review and feedback on the draft Strategic Plan, as part of the group discussion activity that had taken place during the earlier Strategy Day event. 2.1.2 Given the extent of the suggested amendments proposed, the Director of Governance suggested that approval of the Strategic Plan should be deferred to the Board meeting scheduled for 12 th December 2024. Governors agreed.																	
2.2	FIVE YEAR FINANCIAL PLAN 15:00 2.2.2 The Chief Operating Officer noted that Governors had requested the following amendments to the Five-Year Financial Plan, as output of the feedback shared during the earlier Strategy Day event: <ul style="list-style-type: none"> Amendments to the table headings captured on page 10. Table on page 12 (Appendix 1) to reference that the figures should be £000s, per Appendix 2. Amendments to the 'Assumptions' table on page 14. Strategic ambitions to mirror those detailed in the final version of the Strategic Plan. RESOLUTION – The Board agreed to approve the Five-Year Financial Plan, subject to the agreed amendments. Action 2.2.1 – Include the 'Five Year Financial Plan' as a paper for the Board meeting on 12th December 2024, with a view for the Board to note the finalised version. 	BH																

#	Item	Action
2.3	<p data-bbox="177 309 539 338">COMMITTEE CHAIR UPDATES</p> <p data-bbox="1321 309 1393 338">15:02</p> <p data-bbox="177 383 699 412">2.3.1 Audit, Risk & Compliance Committee</p> <ul data-bbox="229 456 1347 792" style="list-style-type: none"> <li data-bbox="229 456 1011 486">• The ARaC Committee Vice Chair shared the following update: <ul data-bbox="325 530 1347 725" style="list-style-type: none"> <li data-bbox="325 530 1347 624">○ An extraordinary meeting was recently held to consider a reactive internal audit report that had been commissioned by the Chair of the Board, related to variable staffing costs. <li data-bbox="325 669 1347 725">○ The next meeting would focus on business continuity planning (BCP) and the potential renewal of service for the Internal and External Auditors. <li data-bbox="229 770 1331 792">• Governors considered whether a full senior leadership led BCP exercise may be needed. <p data-bbox="177 831 587 860">2.3.2 Capital Development Board</p> <ul data-bbox="229 904 1390 1240" style="list-style-type: none"> <li data-bbox="229 904 804 934">• The CDB Chair shared the following update: <ul data-bbox="325 972 1390 1240" style="list-style-type: none"> <li data-bbox="325 972 1390 1106">○ Further to the recent Board approval of the ‘red line plans’ related to the Estate Transformation Programme (ETP), discussion had focussed on the potential delivery approach for funding the professional fees required to progress development at Lewes and Eastbourne. <li data-bbox="325 1140 1390 1240">○ A fuller update on potential land sale options, taking into consideration the College’s current financial position for delivering the ETP, would be shared at the next Board meeting on 12th December 2024. <p data-bbox="177 1274 724 1303">2.3.3 Curriculum, Skills & Quality Committee</p> <ul data-bbox="229 1341 1390 1408" style="list-style-type: none"> <li data-bbox="229 1341 1390 1408">• The CS&Q Committee Chair advised that a key focus of the next meeting would be reviewing progress against the new committee specific Key Performance Indicators (KPIs). <p data-bbox="177 1442 879 1471">2.3.4 Governance, Performance & Reputation Committee</p> <ul data-bbox="229 1509 1362 1644" style="list-style-type: none"> <li data-bbox="229 1509 1362 1644">• In the absence of the GP&R Committee Chair, the Director of Governance advised that the forthcoming meeting would focus on the Governance Improvement Plan refresh, the planned Governor Training Programme for 2024-25, the Annual Report of the GP&R Committee and the year-end appraisal process for senior post holders. <p data-bbox="177 1677 735 1706">2.3.5 Resources, Culture & Impact Committee</p> <ul data-bbox="229 1744 1370 1845" style="list-style-type: none"> <li data-bbox="229 1744 1370 1845">• The RC&I Committee Vice Chair advised that a key focus of this meeting would be the year-end financial statements and the necessary follow up on the recent reactive audit on the variable staffing cost overspend in 2023-24. 	
2.4	<p data-bbox="177 1906 783 1935">FINANCIAL STATEMENTS LETTER FROM THE ESFA</p> <p data-bbox="1321 1906 1393 1935">15:05</p> <p data-bbox="177 1973 655 2002">2.4.1 Financial Health Grade – 2022-23</p> <ul data-bbox="229 2047 1259 2076" style="list-style-type: none"> <li data-bbox="229 2047 1259 2076">• Governors noted the associated letter from the ESFA, dated 11th September 2024. 	

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	<p>2.4.2 Management Actions Update</p> <ul style="list-style-type: none"> The Chief Operating Officer explained that the letter from the ESFA had been somewhat delayed, however the associated management actions raised by External Audit were now complete, with the exception of one item. This related to the annual Declarations of Interests Register for 2023-24, which was not due until December 2024, and was currently under review by External Audit as part of their fieldwork activity. 	
3. COMMITTEE RECOMMENDATIONS		
3.1	<p>NEW LEASE ARRANGEMENTS</p> <p>3.1.1 The Chief Operating Officer shared the following update:</p> <ul style="list-style-type: none"> The associated paper related to the proposed leasing arrangements for: <ul style="list-style-type: none"> Marine Works (Newhaven), where ESCG were the tenant. Charleston (Southover Road, Lewes), where ESCG were the tenant. Racquet Studios (Southover Building, Lewes), where ESCG were the landlord. <p>3.1.2 The following discussion then occurred:</p> <ul style="list-style-type: none"> Governors considered the turnover rent charges for the Marine Works lease arrangement, particularly with regards to the likelihood of generating any related profits. It was concluded that the probability was relatively low. Governors considered the need for terms related to the Racquet Studios to be very specific as regards to the use of space at the site, to ensure that the tenant did not breach this. As such, careful monitoring would be necessary to ensure that this was appropriately managed. RESOLUTION – The Board agreed to ‘approve in principle’ the following new leasing arrangements, with the specific terms to be delegated to the Sub-Group for approval: <ul style="list-style-type: none"> Marine Works, Newhaven Charleston, Southover Road, Lewes Racquet Studios, Southover Building, Lewes 	15:07
3.2	<p>INTERNAL AUDIT REPORT</p> <p>3.2.1 Variable Pay Costs: Control Framework, Reporting & Forecasting</p> <ul style="list-style-type: none"> The Chair of the Board shared the following context: <ul style="list-style-type: none"> Towards the end of the 2023-24 academic year, it had become apparent that variable staffing costs had been significantly higher than anticipated. Consequently, concerns were raised regarding the College’s financial health position, and as a result, Internal Audit were commissioned to undertake a full review on a reactive basis. An extraordinary ARaC Committee meeting was held on 11th October 2024 to review the resultant audit report. Given the key implications for the College’s financial health and the broader control environment, the ARaC Committee had recommended that the report also be noted by the Board. This would also be an ongoing focus area for the RC&I Committee moving forward. 	15:12

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	<ul style="list-style-type: none"> • The Chief Operating Officer shared the following update: <ul style="list-style-type: none"> ○ As output of the review, a total of twenty management actions had been raised, of which, two were 'high', nine were 'medium', and nine were 'low' priority. These would be revisited in a follow up audit in the Spring Term. ○ One of the high priority actions had since been closed and the other was in progress. Most actions were expected to be completed by December 2024. ○ An additional audit had also previously been planned to look at staff utilisation. However, the recent reactive audit had since addressed this, at least in part. The ARaC Committee would need to determine whether a further audit on this area was also required. • A robust discussion then occurred, which focussed on the following areas: <ul style="list-style-type: none"> ○ Whilst the report had provided assurance that the associated issues were not systemic, it would be important to ensure tighter adherence to cost management and approval processes, moving forward. ○ Similarly, greater transparency would be needed, particularly for Budget Holders, through more timely communication, increased accountability, robust challenge, enhanced data and reporting, as well as additional training and support. ○ Moving forward, in the event of key cost management processes not being appropriately followed, prompt escalation would be ensured through close monitoring an oversight. • Governors noted the report. 	
4. EXECUTIVE ITEMS		
4.1	<p>EXECUTIVE TEAM REPORT</p> <p>4.1.1 The Executive Team shared an update, which focussed on the following areas:</p> <ul style="list-style-type: none"> • Overall Achievement – rates had fallen by 3.4% (16-18 by 1.1%, 19+ by 5.8%). • Self-Assessment – a rigorous process had been undertaken, with 6 areas self-assessed as 'outstanding', 26 as 'good', 16 as 'requires improvement' and 2 as 'inadequate' (however, there has since been rapid improvement to address these). All areas of the Self-Assessment Report had been self-assessed as 'good', except for Behaviours & Attitude (which had been self-assessed as 'outstanding'). • Student Recruitment – 16-18 recruitment had been positive again this year and was currently at 109% of funded student numbers. Consequently, receipt of additional in-year funding was anticipated. A Level student recruitment was currently below planned levels on all sites. Early recruitment levels for the Adult provision was promising and no clawback was anticipated this year. Whilst there had been an upward trend for the Higher Education provision, this remained below target and work was underway to mitigate this. There was currently a shortfall against current Apprenticeship enrolment targets, with focus now upon recruiting higher value apprenticeships to mitigate this. 	15:23

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	<ul style="list-style-type: none"> • Finance – 2023-24 pay costs had exceeded budget, and the forecast year end position had been reported in the period 11 Management Accounts. Fieldwork would shortly commence by External Audit for the Year-End Financial Statements, ensuring an earlier timeline than in the prior year. The Q1 budget review process was due to commence from November 2024. The Financial Health Grade for 2023-24 was due to be submitted in December 2024, and a point score decrease was currently anticipated. • Future Gazing – nationally, College finances were relatively fragile, with an upward pressure on pay costs. The AoC had recommended a 2.5% pay increase for 2024-25. The College had currently budgeted 2%, with a sliding scale award planned for non-managerial staff. <p>Kerrith Etkin Bell left the meeting at 15:34.</p> <p>4.1.2 Governors raised questions related to the following areas:</p> <ul style="list-style-type: none"> • It was noted that Apprenticeships had performed below target. However, this target had been somewhat ambitious and there had been good levels of growth in the provision, with several new partnership opportunities with other local employers currently on the horizon. • Whilst attendance levels continued to improve, this was also still below target. There remained some areas of the provision where this continued to be a challenge, such as English and Maths. New attendance data reporting processes would strengthen monitoring and oversight moving forward. • Potential reputational risk may arise related to the College’s English and Maths provision. Work was currently underway for the College to partner with local employers, where they would facilitate talks on English and Maths and the linkages to their respective industries. This approach had been proven to raise attainment levels overall in other settings. • Work was currently underway to explore the recent decline in A Level student recruitment at the College, though early indications were that there had been a corresponding increase in engagement with vocational courses. This would be explored in further depth at the forthcoming CS&Q Committee meeting. • Consideration of the ‘Skills England’ agenda, which was the Government's new body responsible for <i>‘bringing together businesses, providers, unions, and mayoral combined authorities to ensure the UK had a highly trained workforce’</i>. 	
5. WRITTEN RESOLUTIONS		
5.1	<p>JIGSAW NURSERY LEASE RENEWAL</p> <p>5.1.1 The Board ratified the following written resolution, which had been approved effective 11th July 2024:</p> <ul style="list-style-type: none"> • Further to the authority delegated by the Board to the Sub-Group appointed to make decisions on capital development projects and lease arrangements, recommendation to authorise Rebecca Conroy, CEO & Principal to execute the signing of the Jigsaw Nursery Lease on behalf of East Sussex College Group, related to the Station Plaza site at the Hastings Campus. 	15:47

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6. MEMBERSHIP		
6.1	MEMBERSHIP & RECRUITMENT UPDATE 15:48 6.1.1 Student Governor Recruitment <ul style="list-style-type: none"> • The Director of Governance shared the following update: <ul style="list-style-type: none"> ○ A Student Governor recruitment campaign was currently underway for the Lewes and Eastbourne campuses, with 2 positions currently vacant. ○ Campus wide communications had been planned, to include the forthcoming round of Student Council meetings. ○ Applications were being welcomed online from eligible students at both campuses. ○ Student Governors were due to be elected ahead of the next Board meeting. 	
7. ANNUAL REPORTING		
7.1	ANNUAL REPORTS 15:49 7.1.1 There were no annual reports due for consideration or approval.	
8. CONSENT AGENDA		
<i>Approval</i>		
8.1	POLICIES & KEY DOCUMENTS 15:49 8.1.1 There were no policies or key documents due for consideration or approval.	
<i>Committee Meeting Minutes</i>		
8.2	CAPITAL DEVELOPMENT BOARD 15:49 8.2.1 Governors noted the minutes of the meeting on 17 th September 2024.	
8.3	CHAIRS GROUP 15:49 8.3.1 Governors noted the notes of the meeting on 25 th September 2024.	
8.4	AUDIT RISK & COMPLIANCE COMMITTEE 15:49 8.4.1 Governors noted the minutes of the extraordinary meeting on 11 th October 2024.	
9. OTHER MATTERS		
9.1	ANY URGENT MATTERS 15:50 9.1.1 There were no new items raised for discussion.	
9.2	DATE OF NEXT MEETING 15:51 9.2.1 Governors noted that the next meeting was scheduled for 12th December 2024, 14:00-17:00.	

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9.3	<p>LIVE MEETING EVALUATION</p> <p>9.3.1 Fourteen survey responses were received from Governors, as follows:</p> <table border="1"> <thead> <tr> <th>#</th> <th>ASSESSMENT QUESTION</th> <th>RESULT</th> </tr> </thead> <tbody> <tr> <td>1.</td> <td>Was the agenda sufficiently balanced between core governance business and strategic priorities?</td> <td>100%</td> </tr> <tr> <td>2.</td> <td>Where the papers succinct, with clarity in the information being communicated and the action required by Governors?</td> <td>100%</td> </tr> <tr> <td>3.</td> <td>Did you have all the information you needed to fully participate in discussion and decisions?</td> <td>100%</td> </tr> <tr> <td>4.</td> <td>Was there sufficient time to debate priority items in depth?</td> <td>100%</td> </tr> <tr> <td>5.</td> <td>Were you satisfied that decisions were arrived at in a proper manner?</td> <td>100%</td> </tr> <tr> <td>6.</td> <td>Was the student experience at the heart of decision making?</td> <td>93%</td> </tr> <tr> <td>7.</td> <td>Did the Chair facilitate the meeting effectively, enabling adequate focus on strategic priorities and creating an environment where a range of perspectives were considered?</td> <td>100%</td> </tr> <tr> <td>8.</td> <td>Were opportunities created to invite input from Student and Staff Governors?</td> <td>93%</td> </tr> <tr> <td>9.</td> <td>Any comments or suggestions?</td> <td>Yes</td> </tr> </tbody> </table> <p>Comments:</p> <ul style="list-style-type: none"> Keep focusing on keeping papers as succinct as possible. 	#	ASSESSMENT QUESTION	RESULT	1.	Was the agenda sufficiently balanced between core governance business and strategic priorities?	100%	2.	Where the papers succinct, with clarity in the information being communicated and the action required by Governors?	100%	3.	Did you have all the information you needed to fully participate in discussion and decisions?	100%	4.	Was there sufficient time to debate priority items in depth?	100%	5.	Were you satisfied that decisions were arrived at in a proper manner?	100%	6.	Was the student experience at the heart of decision making?	93%	7.	Did the Chair facilitate the meeting effectively, enabling adequate focus on strategic priorities and creating an environment where a range of perspectives were considered?	100%	8.	Were opportunities created to invite input from Student and Staff Governors?	93%	9.	Any comments or suggestions?	Yes	15:51
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9.4	<p>CLOSE</p> <p>The meeting closed at 15:52.</p>	15:52																														

Action Summary

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2.2.1	BH	Include the 'Five Year Financial Plan' as a paper for the Board meeting on 12 th December 2024, with a view for the Board to note the finalised version.	Complete