MINUTES OF THE CORPORATION MEETING
HELD ON WEDNESDAY, 05 JULY 2023 IN THE CONFERENCE ROOM, BRINSBURY COLLEGE

Present:
Dr Roy Bowden, Martin Colyer, Steve Cooper (Vice Chair), Jane Dodsworth, Nick Fox, Andrew Green (CEO), David Jones, Helen Kilpatrick CB (Chair), Paul Lansdowne (Staff Governor), Richard Moore, Dr James Sarmecanic, Tom Simmonds, Caroline Wood, Paul Wright.

In Attendance:
Sally Challis-Manning (Principal, Crawley College and Brinsbury College), Vicki Illingworth (Executive Principal), Helen Loftus (Principal, Chichester College), Dan Power (CCO), Helena Thomas (Principal, Worthing College and Northbrook College), Catherine Vinall (Clerk to the Corporation), Sarah Box (Governance Officer)

WELCOME AND INTRODUCTIONS

126. The Chair welcomed members to Corporation meeting, in particular Tom Simmonds, who was attending his first Governing Body meeting. Grateful thanks were also expressed to Jane Dodsworth, Nick Fox and Caroline Wood. All three members had been long standing governors and had given their time, expertise and commitment to CCG over the years.

APOLOGIES FOR ABSENCE

127. Apologies for absence were received from Steve Bassam, Chris Bennett, Tosin Adebisi, Ellen Walsh, Keira Embleton (Student Governor), Ryan Sallows, Nick Sutherland and Donna Turner-Irwin (Staff Governor).

DECLARATION OF INTERESTS

128. The Chair drew the attention of Governors and those in attendance at the meeting to the requirement to declare any interests they might have in any of the items on the agenda, as detailed on the agenda sheet.

MINUTES

129. The minutes of the meeting held on Wednesday, 29 March 2023 and the minutes of the Special meeting held on Tuesday, 16 May 2023 were approved as an accurate record of the meeting.

CHIEF EXECUTIVE'S TERMLY REPORT

130. The Corporation received for information a presentation to give an update on the FE Sector and other strategic issues.

131. Andrew Green outlined the key issues affecting the political and economic outlook and how these in turn would be likely to affect and impact the College Group. Funding pressures were significant and there had been no increase to ease the situation. Andrew confirmed that the sector continued to lobby the government to improve the situation. It was possible that there would be a change of government within 18 months, and this provided further uncertainty. Understanding the educational policy for this parliament and beyond would be crucial, as would positioning skills as the central piece for manifestos. The impact of inflation on the budget had created an extremely challenging financial position for the College, staff and students.

132. Governors were advised of the key political events currently taking place. These included a parliamentary post-16 funding debate, the publication of an AoC report calling for further investment in FE and the NHS Long Term Workforce Plan. It was hoped that colleges would play a prominent role in the latter and it would set out the government's fully funded strategy on recruitment, retention, and training of NHS staff for the next 15 years.

133. Andrew had met with the Secretary of State for Education in the previous week and gave Governors an overview of the main discussion areas. These had included the potential changes to Ofsted inspections, particularly for the inspection of Safeguarding, funding and pay, ONS reclassification, Sir Michael Barber's review, qualification reform and the challenges and disadvantages for L3 learners, investment in skills, economic prosperity and the complexities of the apprenticeships framework. There had been a positive discussion about staff pay which was noted by the Corporation. A formal announcement from government had yet to come through.

134. Within skills news, Andrew explained that the feasibility of digital GCSEs and A 'Levels was being explored. The Ofsted statement that underfunding was impacting students was also discussed, along with the news that many colleges were exiting 14-16 provision. Nationally, colleges continued to struggle with recruitment of staff, and this was clearly impacting on the delivery of education across the sector. A recent survey had shown that school

teachers earnt up to 21% more than FE lecturers. For CCG, Andrew was pleased to report that the recent T level capital bid to refurbish the Music block at Chichester and areas on the farm at Brinsbury had been successful. The Group was also involved in a cross-Sussex LSIF bid.

135. The first year following the merger with GB MET had been challenging but a remarkable amount had been achieved. Andrew confirmed that success of the merger had been down to the commitment and dedication of staff, who continued to deliver an unparalleled education to young people, adults and apprentices. There had been collaboration and unity, sharing of best practice and expertise plus curriculum innovation. The College Group had been awarded membership of the Chartered Institute of Further Education, one of only 44 colleges. The Group's commercial recovery continued with good performance at First Steps and the Farm. Anglia was entering the exam period which it was hoped would also show strong performance.

136. Alongside this though, Andrew outlined the increasing financial pressures felt by the Group. The increases in inflation, energy and fuel, loan interest, food and materials plus the retention factor, which had impacted the funding allocation for 2023/24, had a significant impact on the budget for the coming year. This had impacted the Group's ability to reward staff with a pay increase.

137. In summary, the year ahead would see a renewed focus on teaching and learning, on getting the right support in place, and a belief that outstanding can be delivered with better compliance and improving systems.

138. Governors queried the content of future CEO reports to the Board. It was noted that the Group's new Strategic Plan was included as an item for approval later in the meeting. The plan contained a number of success measures. Progress against these would be overseen by the Committees, with a dashboard to provide an overview of progress to the Board. Andrew would continue to provide overall sector updates as part of his briefing.

139. Governors asked what feedback had been received from staff on the financial pressures and it was confirmed that there were varying degrees of understanding. The recruitment and retention of staff continued to be one of the biggest challenges faced by the Group. Pay was a considerable issue for staff. It was explained that Trade Unions were requesting a 14% pay award and as such industrial action was expected in the autumn term.

CHICHESTER COLLEGE GROUP PERFORMANCE REPORT

140. Vicki Illingworth shared the key headlines detailed in the report. These had been discussed at a College level at the Curriculum & Quality Committee (CQC) meetings during the term. Attendance remained a challenge across the Group and had been impacted by train strikes and economic issues, as the cost of living crisis had forced many students to take on part time work in addition to their studies. Mental health issues had also been prevalent in all Colleges and, for some students, this impacted student ability to attend. The 'Positive About Attendance' strategy had been put in place to tackle these issues. For 2022/23 there had been an overall Group attendance rate of 85% and there was a focus on improving this in the year ahead.

141. Retention remained strong for the 16-18 cohort with an overall group figure of 91.9% and this had been supported by the use of the catch up fund and more focused IAG, ensuring students had made the correct course choice prior to starting their studies. 19+ retention was 95.8% and the outliers in the retention data were noted, these could be attributed to particularly small group numbers on some courses.

142. The overall Group predicted achievement rate currently stood at 86.2%. Governors noted the downward trend at Chichester and Northbrook and it was confirmed that since papers were circulated, there had been an increase in the Chichester predicted achievement rate due to the addition of the VQR achievement data, from 82% to 85.4%. At Northbrook, the figure had also increased from 82% to 83% and this had been due to some staffing issues in English and maths, which had impacted the data slightly.

143. There were no significant gaps to highlight in the overall Group equality and diversity data. Vicki confirmed that areas with more than 2% had been reviewed by each College and work was underway to reduce the gaps.

144. In terms of apprenticeships, predicted achievement for the Group currently stood at 64%, which was above the national average taken from the National Achievement Rate Tables (NARTs) for 2021/22. The phenomenal amount of work to support learners who were past planned end date and ensure they achieved was recognised. There continued to be an issue with access to End Point Assessments (EPAs) and there had been significant recovery, particularly on Health and Social Care, Construction and SECAmb courses.

145. Governors welcomed the data, particularly as the Group was in a transition year, and the efforts to address the issues with apprenticeships were noted.

146. In response to a query on the biggest internal challenges for the Group in the year ahead, the Executive confirmed that English and maths continued to be one of the main issues, with 50% of students on 16-18 courses retaking these subjects. In response, the approach to English and maths had been restructured. Attendance would continue to be scrutinised as certain cohorts, particularly the lower levels at Brighton and Northbrook, required significant support to attend College.

147. Andrew Green advised that a key internal issue was the difficulty in recruiting student tutors. This group of staff were crucial in supporting students to attend and ultimately achieve.

UPDATE FROM THE CURRICULUM & QUALITY COMMITTEE CHAIRS

- **Worthing College and Northbrook**

148. Roy Bowden reported that the performance at both Colleges had been reviewed thoroughly and the success of the L2 retention data at Northbrook was noted although further improvements in attendance were still required. There was still some work to ensure that disadvantaged and non disadvantaged students were performing equally, but overall good progress had been made. Student applications looked healthy, with 16-18 applications up by 6% and a small increase in HE applications. Eileen Darby had presented the safeguarding report and the Committee had asked for an update to the next meeting on the young carer cohort and strategies to identify and support that group. In terms of HE, work had been undertaken to create a more distinct HE culture and a campaign had been launched to increase internal progression from L3 to L4 and beyond.

- **Chichester**

149. Richard Moore noted similar themes at the Chichester meeting and the Committee had been broadly happy with the metrics on attendance, retention and predicted achievement. There had been a significant achievement with the good attendance at GCSE maths and English exams, although this had been counterbalanced by reduced attendance in lessons. There were no significant E&D achievement gaps and in particular a positive gap for ALS students was noted. The courses in the Intensive Care programme had been discussed and most were now performing well, this was primarily due to improved retention where some had increased by up to 10%. Predicted achievement for apprentices and those learners who were PPED was encouraging and predicted to be c60%. The reasons for, and impact of, the recent curriculum realignment had been reviewed, along with an item looking at the outcome of the T Level Oftsed thematic review.

- **Brighton MET and Haywards Heath**

150. In Steve Bassam's absence, Catherine Vinall reported on the recent meeting. Retention had increased at Brighton to 93.4% from 86.6% in the previous year and at Haywards Heath to 92.9% from 87.3%. Attendance

remained fairly similar to the previous year at both colleges, 78.5% at Brighton and 86% at Haywards Heath. Predicted achievement had increased in Brighton by 5.9% pp to 85.5% and by 2.4% at Haywards Heath to 87.2%. The Safeguarding report highlighted the main reasons for disclosure at both colleges, these included mental health, anxiety, low mood and family problems. There had also been a deep dive item on the investment of the SDF2 project, focusing on digital skills and the VR technology that had been installed at Brighton MET.

- **Crawley and Brinsbury**

151. **In the absence of Ryan Sallows, Catherine Vinall agreed to circulate an update on the Crawley and Brinsbury CQC meeting by email.**

COMMITTEE UPDATES AND ITEMS FOR APPROVAL
CHICHESTER COLLEGE GROUP STRATEGIC PLAN 2023 – 2026

152. The Strategic Plan 2023-26 was presented to the Corporation for final approval. A Governor Task & Finish Group had been set up to oversee and shape the plan's development. Consultation on the plan had taken place with staff, students and external stakeholders. It was

Resolved
That the Strategic Plan be approved.

AUDIT & RISK COMMITTEE

i) Update on the Audit & Risk Committee meeting

153. Martin Colyer updated on the ARC meeting that had taken place on the 28 June. There were three main areas of focus, the External Audit plan, Internal Audit reports and the plan for 23/24, plus the latest Risk Register. Both the External and Internal Auditors had been in attendance, and it was confirmed that there had been a reasonable level of challenge from the Committee. It was felt that the proposed External Audit Plan provided a good external perspective and took account of the impact of the reclassification. The Committee considered the cost of the work to be reasonable.

154. A heatmap had been provided with the external audit plan. This outlined the key areas of risk for the Group and the changes in audit approach bought about by the ISA 315 were felt to be low risk for the organisation, particularly in light of the assurance received on the recent Key Financial Controls Internal Audit. The Committee were briefed on the Managing Public Money compliance and there was a discussion on the Going Concern and potential breach of covenant in July 2024. Governors were advised that this was a key area of risk in the audit, but were assured that early discussions were underway to resolve the issue.

155. The Internal Audit provided an important layer of assurance and the Committee agreed that the proposed plan for 2023/24 provided good coverage. It was noted that audit costs for the year ahead had increased with inflation. Four internal audit reports had been received by the Committee. It was explained that the Learner Numbers and GDPR reports did not provide an assurance opinion, but it was felt that both would have achieved a 'reasonable' outcome. The historical issues relating to Learner Numbers had been resolved, the audit noted a strong improvement in this area and the team were congratulated for their extensive work. Key Financial Controls had been issued with substantial assurance and Health and Safety with reasonable assurance. Cyber Security had been allocated a partial assurance rating. The Committee had been informed that it was a particularly difficult area. As Group's use of digital solutions increased, a balance with the cost and resource to manage the related security would be required. The standard across the organisation was Cyber Essential Plus. Management recognised the risk, and it had been added to the Strategic Risk Register and would be carefully tracked. It was

Resolved
That the Internal Audit Plan for 2023/24 from RSM UK Audit LLP was approved.

ii) Risk Management and Assurance Report

156. In terms of Risk Management, Cyber Security, Capital Projects and the bridge funding required for the Worthing rationalisation had all been discussed. The Committee had been cognisant of the effect that a low pay award would have on staff recruitment and retention. The financial risk was considered to be higher than shown in the Corporation papers, which was due to timing, an increase in the risk in insolvency, and the heightening of the covenant risk. It was

Resolved
That the updated Risk & Assurance Report and updated Risk Registers were approved.

GOVERNANCE & SEARCH COMMITTEE

i) Reappointment of Governors

157. Thanks were expressed to Paul Wright for agreeing to extend his appointment to the 31 July 2024. At the point of merger, the terms of office for Martin Colyer and Steve Bassam had reflected their original GB MET terms of office. These were due to expire at the end of July, and it was recommended that both appointments were extended to 31 October 2023. This would allow for completion of the current governor recruitment process and to enable an overall review of terms of office/succession planning. It was

__Resolved__
To extend the appointment of Paul Wright as a Governor to 31 July 2024.

To extend the appointments of Martin Colyer and Steve Bassam to 31 October 2023.

ii) Update on the Governance & Search Committee meeting

158. Catherine Vinall confirmed that the Committee had focused on the review of a new CCG Code of Conduct for Corporation members, which had subsequently been updated following feedback from Committee members. In addition, the Recruitment and Selection of Governors Procedure had been refreshed to include a number of a steps prior to recruitment and to reflect support from the DfE. Both the Code of Conduct for Corporation Members and Recruitment and Selection procedure for Governors had been recommended for approval. It was

__Resolved__
That the CCG Code of Conduct for Corporation members be approved.

That the Recruitment and Selection of Governors Procedure be approved.

RESOURCES COMMITTEE

i) Update on the Resources Committee meeting

159. Nick Fox updated the Corporation on the summer term Resources Committee. Key items has been the Group's People Strategy, which was recommended for approval, and the project to harmonise the Terms and Conditions of staff across the Group. There had also been an update on the capital projects taking place across the Group.

160. In terms of IT, a strategy was in place to harmonise the various systems across the Group and progress on this would be updated in the autumn term. Estates had continued to focus on environmental and sustainability targets put in place as part of the strategy.

161. Jon Rollings explained that the People Strategy had been reviewed at Staff Committees and in consultation with union groups. It linked to the Strategic Plan and its key measurables and KPIs would be monitored by Resources Committee going forward. It was

__Resolved__
That the CCG People Strategy was approved.

FINANCE & GENERAL PURPOSES COMMITTEE

i) Update on the Finance & General Committee meeting

162. Paul Wright provided an overview of the recent Finance & General Purposes Committee meeting. The Management Accounts to month 10 and the Budget had been reviewed, along with a discussion on the pay award and a presentation on the positive progress of the Group's commercial areas. The budget would be discussed further under the confidential agenda.

163. The meeting had also received revised Finance & General Purposes Committee Terms of Reference, which had been recommended for approval. It was

Resolved

That the F&GP Terms of Reference were approved.

Financial Procedures

165. The Corporation were advised that the College Group had been working to Managing Public Money rules since reclassification. Work was now taking place to formally incorporate those changes in the Group's Financial Procedures. It was agreed that approval of the Financial Procedures would be delegated to the CEO and Chair of F&GP Committee. It was

Resolved

That approval of the Financial Procedures reflecting MPM updates be delegated to Andrew Green and Paul Wright.

ITEMS FOR INFORMATION

Management Accounts to 31 May 2023

164. Steve Coulthard gave a presentation to Governors covering the Management Accounts, Budget and a Budget sensitivities supplementary paper, as requested by F&GP. The Budget was discussed separately under the confidential agenda.

165. As previously reported, income challenges and shortfalls had been seen in apprenticeships, adult income and fee income. The scale of these had meant that mitigation had been extremely difficult. As a result, the budgeted EBITDA had reduced from £2.8m to £2.2m and although pay and non pay had been managed effectively, there were some elements of higher than normal

non pay costs, which were skewing the numbers. The cost of borrowing had also increased resulting in unplanned £1.5m cash outflows. Some anomalies to the T&L contribution from Brighton MET and Northbrook were noted but these did not change the budget position. Steve noted that the Admin and Central Services included both depreciation and interest. The overview of commercial income presented a positive post pandemic picture, with the forecast showing £2m at year end, where it had previously been £1.4m pre-pandemic.

RSM INTERNAL AUDIT REPORTS

166. The Internal Audit reports for GDPR, Key Financial Controls, Learner Numbers, Cyber security, Health & Safety and Follow Ups were received.

CAPITAL PROJECTS UPDATE

167. Jon Rollings provided an update on the Capital Projects programme. The Chichester STEM and HE building was currently completing stage 3, planning was complete and demolition was scheduled to take place over the summer. There continued to be cost challenges and the stage 3 cost plan required some work.

168. Following a budget review and value engineering exercise in relation to the Sussex & Surrey Institute of Technology at Crawley College, a procurement had been relaunched June 2023. Jon explained that this delay had impacted the timing of both the programme itself, and the grant expenditure. Contractors were now expected to start on site in Spring 2024. Jon confirmed that the Department for Education were fully informed of the situation.

169. Governors were advised that contractors had started onsite at Pelham in Brighton. There had been some issues at the start of the project which had impacted timescales and budget. The project was back on track, with the additional costs being part DfE and part contingency funded.

UPDATE ON CORPORATION MEMBERSHIP

170. Catherine Vinall provided an update on the recruitment of new Corporation members. Peridot had been appointed as the recruitment partner. The closing date had initially been set for 14 July, with interviews to follow in September. The recruitment microsite would be shared with Governors.

171. With regard to the External Governance Review, the scope of the review had been agreed with the reviewer who would start work in the autumn term. The final report would be presented to the Corporation in February 2024.

RECLASSIFICATION UPDATE

172. The Corporation received a report providing an overview of changes to the College Accounts Direction as a result of reclassification was noted by the Corporation. This included the letter from the ESFA, dated 29 November 2022 which referenced the Managing Public Money changes and changes to colleges borrowing position. It was noted that a link to the ESFA's bite size guides summarising the changes relating to reclassification was included in the report. These would also be circulated separately to Governors.

SUMMARY OF COMMITTEE BUSINESS

173. The summary of the business discussed at the Committee meetings held during the summer term was noted by the Corporation.

DATES OF FUTURE MEETINGS

174. It was noted that the next meetings of the Corporation would take place as follows:

- Corporation Development/Strategy Event and formal Corporation meeting to take place from 2.00 pm on Tuesday 17 October 2023 at Worthing College.
- Corporation Meeting followed by Christmas Dinner to take place at 4.00 pm on Wednesday, 13 December 2023 at Chichester College.

ANY OTHER BUSINESS

175. There was no other non-confidential business.

CONFIDENTIAL BUSINESS

It was

Resolved

176. That, in view of the confidential nature of the business to be dealt with, the Minutes for the remainder of the meeting be recorded on a confidential basis and remain so unless and until they become public in the ordinary course of the Corporation's business.