

PART 1: NON-CONFIDENTIAL MINUTES

CORPORATION MEETING

Wednesday December 11, 2024

4:00 PM - 6:30 PM

Cathedral Room, Chichester College, Westgate Fields, Chichester, West Sussex PO19 1SB

PRESENT

Chris Bennett, Roy Bowden, Eleanor Claridge (Student Governor), Steve Cooper (Chair), Andrew Green (CEO), Caitlin Heydenrych (Student Governor), David Jones (Vice-Chair), Helen Kilpatrick; Paul Lansdowne (Staff Governor), Richard Moore, Ryan Sallows, James Sarmecanic, Steven Skinner

IN ATTENDANCE

Steve Coulthard (CFO), Vicki Illingworth (Executive Principal & Deputy CEO), Helen Loftus (Principal, Chichester College), Dan Power (CCO), Paul Riley (Principal, Brighton MET and Haywards Heath College), Jon Rollings (COO), Helena Thomas (Principal, Worthing College & Northbrook College), Catherine Vinall (Clerk to the Corporation), Dean Wynter (Acting Principal, Crawley College), Sarah Box (Governance Officer)

1. WELCOME AND APOLOGIES FOR ABSENCE

The Chair welcomed all attendees to the meeting, particularly Caitlin Heydenrych (Student Governor) who was attending her first meeting. Apologies had been received from Nick Sutherland, Gayathri Ganesan, Steve Bassam, and Tom Simmonds.

2. DECLARATIONS OF INTEREST

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. No declarations were noted.

3. MINUTES OF THE MEETING HELD ON TUESDAY 15 OCTOBER 2024

The minutes of the meeting of the Corporation on Tuesday 15 October 2024 were approved as an accurate record of the meeting.

3.1 MATTERS ARISING

There were no matters arising.

4. CHIEF EXECUTIVE'S TERMLY REPORT

4.1 A PRESENTATION TO PROVIDE AN UPDATE ON FE SECTOR DEVELOPMENTS AND KEY ISSUES FOR CHICHESTER COLLEGE GROUP

Andrew Green presented his termly CEO briefing which had been circulated previously.

Andrew highlighted the focus for the Labour Government including the budget announcements. It had been confirmed there would be an extra £300m for FE colleges, in addition to funding in other areas such as apprenticeships new funding to support colleges to maintain their estates. Other announcements were outlined and these included increases to the Real Living Wage, a curriculum and assessment review was well underway which would impact the Group's curriculum strategy going forward. It was expected that there would be changes to the Ofsted inspection framework from September 2025.

Governors asked what the risks the curriculum review would present for the Group, particularly in terms of applied generals. Andrew confirmed that the defunding of Level 3 qualifications had

been paused, aside from this, the review was in its early stages and the impact was not yet clear. The Principals were working on curriculum strategies to ensure pathways were in place for students if and when courses were defunded.

A RAG rated matrix covering CCG enrolments and financial performance was shared and this showed that enrolments were either strong or on track in comparison to the previous year. It was noted that Q1 financial results for First Steps and Anglia were behind schedule.

Governors were given an overview of the challenges facing the organisation, which included HE recruitment, maths and English achievement, cyber security risks and the decant of the Broadwater campus. While some of these areas were stabilising (achieving the budgeted EBITDA) or showing a strengthened position (HE recruitment), others such as the new government policy changes had recently been added and were currently assessed as amber.

The Corporation noted that Ofsted had not yet visited the Group, however teams were ready to welcome inspectors.

In terms of opportunities and ongoing areas of work, the leadership team were continuing to focus on improving financial awareness and contributions. The Corporation noted the positive financial position at year end, which would be discussed in detail later in the meeting. The significant increase in 16-18 enrolments and the positive impact on funding for 2025/26 was confirmed. In addition, it was hoped that the Group would receive in-year funding to support growth. There were also opportunities with the new immersive spaces and investment in technology which had been supported by the LSIF.

4.2 STRATEGIC PLAN 2023-26 MONITORING SUCCESS MEASURES

The Corporation noted the two success measures in relation to financial health, these would be discussed further under the finance agenda items.

5. CHICHESTER COLLEGE GROUP PERFORMANCE REPORT 2024/25 AND SAR 2023/24

5.1 UPDATE ON THE CURRICULUM & QUALITY COMMITTEE MEETING

A summary report from the recent Curriculum & Quality Committee (CQC) meeting held on 18 November 2024 had been circulated.

The Chair of the CQC confirmed that the first meeting of the new structure had been held in November. There were two key objectives to the changes implemented, which were to ensure that there was an appropriate level of reporting at Group level and that there was a better balance of governors and college managers at meetings. Richard Moore confirmed that both

objectives had been met and a constructive meeting had been held. It was noted that significant changes were being made to the safeguarding report to ensure that it included behaviour. The autumn term safeguarding and behaviour report would be presented to the next CQC meeting.

The Performance Report had been considered in depth at the meeting, and the continuing work on attendance, A levels, English and mathematics and children looked after were confirmed as key areas of focus. Two sets of student survey results had been received by the Committee and the positive nature of these was noted. There had also been a complaints report showing low numbers of complaints.

5.2 CHICHESTER COLLEGE GROUP PERFORMANCE REPORT 2023/24 AND 2024/25

The performance report had previously been circulated to the Corporation. Vicki Illingworth provided an update on the performance of teaching and learning. The report included retention and achievement for 2023/24 and an update on attendance to date for 2024/25, as well as student numbers.

Discussing highlights from the report, it was noted that apprenticeship achievement at Chichester College Group was currently situated at 15.8pp above the 2022/23 national average of 54.6%. Considerable work had taken place to review apprenticeship monitoring, particularly at Group Leadership level and this had improved reporting and practice.

Vicki commented on the focused work on 2 year A level retention, with students receiving wrap around support to sustain levels of attendance and to aid the transition to the second year of study. Governors inquired about the improvement plans in place for T Levels, particularly in terms of retention. It was explained that a positive impact was expected as a result of the work to enhance the advice and guidance and on-programme support. In addition, the sequencing of assessment and placements had been reviewed to support retention. However, it was recognised that the loss of students following their work placements could continue to be a risk as students were attracted by offers of work.

In response to a query on the Group's AI strategy, Vicki confirmed that the Group's approach was to educate and support staff to use AI rather than discourage its use and this was demonstrated by the staff development sessions available. A further example was the Group's investment in TeacherMatic, a system to support staff to develop teaching resources.

5.3 CCG SELF ASSESSMENT REPORT 2023/24

Vicki Illingworth confirmed that the report had been considered at the Curriculum and Quality Committee in November, and it had been recommended for approval. A summary of key headlines, judgements from the annual self-assessment report had been circulated. The Corporation noted the strengths and areas for development outlined in the report. Vicki confirmed that Governors would receive a full copy of the Self-Assessment Report. It was

Resolved:

That the CCG Self-Assessment and overall judgement of 'Outstanding' for 2023-2024 be approved.

6. FINANCIAL STATEMENTS 2023/24 AND ASSOCIATED REPORTS

6.1 CCG MANAGEMENT ACCOUNTS FOR THE YEAR ENDED 31 JULY 2024 AND MOVEMENT SUMMARY

Steve Coulthard gave a presentation to provide an overview on the Chichester College Group Management Accounts for the year ended 31 July 2024.

Steve advised governors that the EBITDA forecast had been exceeded, and the month 12 MMA position had been held through the external audit process. Forecasts had been surpassed in Apprenticeships and Adult Education and the central services forecast achieved. In response to a query on how the positive improvements to adult education had been made, it was confirmed that ESOL numbers were significantly increased but also demand for VRQs had increased and bespoke provision responding to local skills agendas such as DWP and West Sussex County Council contracts. Both improved planning and reporting at Group Leadership level had supported oversight and helped with in year agility.

The upside and downside risk table provided information on impact and probability for governor information. The upside assessed impact was £2.876m and the downside assessed impact was £2.750m, which gave a net position of £126k. The downside expenditure section included additional expenses arising from the 16-18 growth and additional costs of National Insurance and Real Living Wage increases had been factored into the downside expenditure section. The summary of capital projects outlined the significant programme taking place across the Group and the associated risks.

A confidential minute was taken at this point.

The cashflow analysis showed the upside and downside positions. It was noted that the uncommitted major capital cash had been reduced to mitigate in worst case downside case from £4,130k to £5,693k.

There was a discussion on the Group's financial health journey. It was explained that it normally took 2-3 years to stabilise the financial position post-merger, hence the current RI rating. The original post-merger target had been to achieve 'good' by 2025/26, however this would now take longer. Improvements to the EBITDA were being targeted to demonstrate improvements in financial health. The performance indicators applied to the assessment were discussed, and the levels of cash required. In response to a query on the percentage of colleges assessed as having good financial health, it was explained that many colleges, both small colleges and large groups, were holding high levels of cash which gave them a good overall score.

A confidential minute was taken at this point.

6.2 MHA CHICHESTER COLLEGE GROUP AUDIT FINDINGS REPORT 2023/24

A summary on the audited statements was provided. No material adjustments or misstatements were noted. There had been two regularity points which had been addressed and a key financial control point had been cleared. In addition, there had been a two advisory points noted, which had subsequently been responded to. It was confirmed that an Audit Closure meeting had taken place attended by the External Auditor, the Chair of Corporation and the Chair of the Finance & General Purposes Committee, Chair of the Audit & Risk Committee, the Chief Executive and Chief Financial Officer. It was

Resolved

That the MHA Chichester College Group Audit Findings Report 2023/24 be approved.

6.3 LETTERS OF REPRESENTATION

The Letters of Representation were received. These had been prepared in connection with the audit of the Financial Statements for CCG and the subsidiary companies. The letters were in standard form. It was

Resolved

That the Letters of Representation be approved and the Chair and Chief Executive be authorised to sign the Letters of Representation (Financial Statements) and Letter of Representation (Regularity).

6.4 CCG AUDIT & RISK COMMITTEE ANNUAL REPORT 2023/24

The CCG Audit & Risk Committee Annual Report 2023/24 was received. Catherine Vinall stated that the report provided an overview of the work undertaken by the Audit & Risk Committees in 2023/24 and confirmed the audit opinions from the internal and external auditors.

The Audit & Risk Committee had confirmed that they were satisfied that it was operating effectively and in line with its terms of reference and that the Corporation had adequate and effective internal and external audit arrangements in place. It was

Resolved

That the CCG Audit & Risk Committee Annual Report 2023/24, be approved and submitted to the Education & Skills Funding Agency.

6.5 REMUNERATION COMMITTEE ANNUAL REPORT 2023/24

Catherine Vinall confirmed that the report provided an overview of the work undertaken by Committee during 2023/24. The focus for the Committee now included oversight of performance of senior post-holders and the Clerk and comparison of salaries. The report had been recommended by the Remuneration Committee. It was

Resolved

That the Remuneration Committee Annual Report 2023/24 be approved.

6.6 ANNUAL REPORT AND FINANCIAL STATEMENTS

The Chichester College Group Annual Report and Financial Statements 2023/24, in addition to the Anglia Directors' Report and Financial Statements 2023/24 and First Steps Directors' Report and Financial Statements 2023/24, had been circulated previously having been reviewed by both the Finance & General Purposes and Audit & Risk Committees and for First Steps and Anglia, the company boards. It was

Resolved

- i. **That the Corporation was not aware of any actual or potential non-compliance with laws and regulations that had a material effect on the ability of the College Group to conduct its business and therefore on the results and financial position to be disclosed in the financial statements for the year ended 31 July 2024;**
- ii. **That no material changes had been made to the Management Accounts since the audit; and**
- iii. **That the Annual Report and Financial Statements for the year 2023/24, be adopted for submission to the Education & Skills Funding Agency, following signature by the Chair and Chief Executive on behalf of the Corporation.**

COMMITTEE UPDATES AND ITEMS FOR APPROVAL/INFORMATION

7. FINANCE & GENERAL PURPOSES COMMITTEE

7.1 UPDATE ON THE FINANCE & GENERAL PURPOSES COMMITTEE MEETING.

A summary report from the recent F&GP Committee meeting held on 28 November 2024 had been circulated. The substantive items were included on the Corporation agenda.

7.2 MANAGEMENT ACCOUNTS 2024/25

A summary was given on the Q1 2024/25 accounts to 31 October 2024. Steve Coulthard confirmed that there had been a reasonable start to the year. Overall, pay was tracking below budget as expected and the contingency fund was holding. The main variance showing in non-pay was exam fees. The finance team would be looking at this in greater detail but it was expected to level out over the course of the year. Overall, there were currently no areas of concern with EBITDA, income, pay or non-pay.

8. AUDIT & RISK COMMITTEE

8.1 UPDATE FROM THE AUDIT & RISK COMMITTEE MEETING.

A summary report from the recent Audit & Risk Committee meeting held on 27 November 2024 had been circulated. The substantive items were included on the Corporation agenda.

8.2 RISK MANAGEMENT AND ASSURANCE REPORT

Steve Coulthard explained that the autumn term review of strategic risk registers had showed a continued improving risk profile where two more strategic risks had been downgraded from very high to high. The only remaining very high risk was the risk of cyber-attack and there were a range of actions in place as a result. In response to a query, it was confirmed that the broad downgrading of risk was typical in the post-merger period where risk levels reduce down towards the end of the second year. It was

Resolved

That the updated Risk & Assurance Report and updated Risk Registers be approved.

8.3 RSM CHICHESTER COLLEGE GROUP INTERNAL AUDIT ANNUAL REPORT 2023/24

The Internal Audit Annual Report for 2023/24 was received and the Corporation noted the audit opinion. There had been five audit assignments in the year, and it had been concluded that substantial assurance had been reported for the Key Financial Controls audit and the remaining four audits were assessed as having reasonable assurance. No high actions had been identified in the course of the internal audit work.

8.4 RSM INTERNAL AUDIT REPORT: DATA QUALITY - OFS ILR DATA RETURN

It was confirmed that this was an additional piece of audit work requested by the College Group as a follow up to the 2022/23 OfS ILT report and in addition to the agreed Internal Audit

Operational Plan. There had been one medium priority and four low priority recommendations. It was noted that actions were in place to address all issues raised.

9. GOVERNANCE & SEARCH COMMITTEE

9.1 UPDATE FROM THE GOVERNANCE & SEARCH COMMITTEE MEETING

Catherine Vinall confirmed that the substantive items from the Committee were to follow on the Corporation agenda. Other items discussed at the meeting were the analysis of the skills audit, governor attendance for the year 2023/24 and training and development. It was highlighted that there had been a considerable decline in governor attendance, and it was hoped that this would improve in 2024/25 academic year.

9.2 CORPORATION APPOINTMENTS

Catherine Vinall gave an update on Corporation membership noting the following:

- Tosin Adebisi and Kam Bains had resigned from their roles as governors.
- Governance & Search Committee had recommended that Richard Moore's appointment was extended for a further four-year term of office.
- The appointment of Caitlin Heydenrych as the second Student Governor had been recommended by Governance & Search Committee.
- Peridot Partners had been working with the Group to appoint two new Governors, one with a finance background and one with experience of estates and/or capital projects. To date Governance & Search have met with three candidates and were meeting with a fourth in due course. It was proposed that the approval of the appointment of these Governors would be delegated to the Governance & Search Committee.
- A recruitment process had also taken place to appoint a staff governor from the business support staff. In total eight applications had been received, and Governance & Search Committee shortlisted to interview four candidates. The recommendation was to appoint Sue Lal to the role for a four-year term of office from 1 January 2025. It was

Resolved

- To re-appoint Richard Moore as a Governor of Chichester College Group for a further four-year term of office until July 2028.**
- To appoint Caitlin Heydenrych as a Student Governor, with immediate effect, until the end of their term as Student President.**
- To delegate the approval of the appointment of new Governors to the Governance & Search Committee.**
- To appoint Sue Lal as a Staff Governor (Business Support) for a four year term of office until December 2028.**

9.3 SUCCESSION PLANNING GUIDANCE AND RECRUITMENT AND SELECTION PROCEDURE FOR CORPORATION MEMBERS

Catherine Vinall confirmed that the Succession Planning Guidance had been drafted to support the Corporation to plan to ensure that key roles within the board were filled and to support the recruitment and selection of members. Rather than setting targets, the aim of the guidance was to provide a practical approach to testing out potential appointments thus ensuring that the board was able to fulfil its functions. In drafting the guidance, the recruitment and selection procedure for Corporation members had been amended to reference the guidance. It was

Resolved

That the Succession Planning Guidance and updated Recruitment and Selection procedure for members of the Corporation be approved.

9.4 CAREERS EDUCATION, INFORMATION, ADVICE AND GUIDANCE GOVERNOR ROLE DESCRIPTION

Catherine Vinall confirmed that the Department for Education's FE governance guide recommended that college boards should designate a governor to take a particular strategic interest in careers guidance. Governors were asked to make contact if they would like to become the designed CEIAG Governor. It was

Resolved:

That the Careers Education, Information, Advice and Guidance Governor Role Description be approved.

10. RESOURCES COMMITTEE

10.1 UPDATE FROM THE RESOURCES COMMITTEE MEETINGS

A summary report from the Resources Committee meetings held on 24 October and 3 December 2024 had been circulated. It was confirmed that two meetings had taken place this term in line with the requirement for a sharper focus on capital projects.

The Chair noted the Committee's extensive remit, explaining that the oversight of the newly recruited governors would be welcomed. It was confirmed that managers from IT and H&S also attended the meetings, giving assurance that the relevant expertise was in place within the Group.

11. STUDENT COMMITTEE

11.1 UPDATE FROM THE STUDENT COMMITTEE MEETING

A summary report from the Committee meeting held on 4 December 2024 had been circulated. Strong engagement and lively discussions were reported, and attendees noted the enthusiasm and openness from all students. The reports from the first Student Conferences of the year had confirmed that there were more Student Representatives in place across the Group than ever before and all involved were proud of the achievements made.

12. DATES OF FUTURE MEETINGS

It was noted that the next Corporation Development/Strategy Event would take place on Tuesday, 11 February 2024 from 2.00 – 4.00 pm at Brinsbury College.

The next Corporation Meeting would take place on Wednesday, 2 April 2025, at 4.00 pm. The location would be confirmed in due course.

13. ANY OTHER BUSINESS

Nick Sutherland

It was confirmed that this meeting would have been Nick Sutherland's last Corporation meeting had he been able to attend. Heartfelt thanks had been offered to Nick in person at the Student Committee he had recently chaired. The Corporation formally thanked him for his commitment to the Group and his expertise on the Finance & General Purposes and Student Committees and through mergers over the years.

CONFIDENTIAL ITEMS

It was

RESOLVED

That in view of the confidential nature of the business to be transacted, the minutes for the remainder of the meeting be recorded on a confidential basis.