

## CORPORATION MEETING

Draft minutes

Date	29 June 2016	Time	13.15 – board development 14.00 – meeting
Venue	Station Plaza Boardroom		
Chair	Tony Campbell OBE KSG FRSA		

**Membership:** Tony Campbell OBE KSG FRSA (Chair); Pat Farmer (Vice Chair); Principal (Clive Cooke); Staff (Support) Governor (Debbie Baldock-Apps); Staff (Teaching) Governor (Karen Cunnington); Diana Garnham; Harry Harris; Simon Hubbard; Graham How; Vic Kempner; Ken Melsom; Derek Stevens; Student Governor (Lawrence Calton); Sue Walton

**In attendance:** Student President (Bradley Toft); Caroline McKiddie; Deputy Principal (James Mettyear); VP Corporate Services (Biram Desai); VP Enterprise, Employment and Skills (Dan Shelley); VP Curriculum (Jim Sharpe); newly elected Student President (Tsungai Mujera)

**Apologies:** Simon Hubbard; Staff (Teaching) Governor (Karen Cunnington)

At 13.15 governors received a dyslexia awareness session presented by the Head of Student Services (Vicky Chainey) and the SPLD (Specific Learning Difficulties) tutor Kay Zukor. Attendees: Tony Campbell OBE KSG FRSA (Chair); Pat Farmer (Vice Chair); Staff (Support) Governor (Debbie Baldock-Apps); Harry Harris; Graham How; Ken Melsom; Derek Stevens; Student Governor (Lawrence Calton); Sue Walton; Caroline McKiddie; newly elected Student President (Tsungai Mujera)

The Chair welcomed Tsungai Mujera as the newly elected Student President on behalf of the Corporation.

	Item	Action
1.	<b>Apologies</b> Received from Simon Hubbard and the Staff (Teaching) governor (Karen Cunnington)	
2.	<b>Declarations of Interest</b> Caroline McKiddie declared an interest as an employee of East Sussex County Council (ESCC). Sue Walton declared an interest as an employee of Pestalozzi. Ken Melsom declared his directorship of Hastings Plaza Trading Ltd. Pat Farmer declared his membership of the Hastings and Rother Task Force. Diana Garnham declared an interest as a member of the Construction Industry Training Board (CITB).	
3.	<b>Chairs Introduction</b> The Chair noted that it had been an extraordinary year in 2015-16 for the College and for the sector. Prior to the <b>Area Review</b> the College was already well underway in discussions around collaboration and joint working and looking at models of sustainability. The Area Review didn't start or help with these discussions but gave an	



	<p>impetus to move forward more quickly. The AR was shambolic in the way it was presented and organised and gave no benefit to the colleges involved. The final report for the AR will be published in August 2016.</p> <p><b>The Feasibility Study</b> is being carried out by KPMG (see Principals briefing for full details and correspondence to the Corporation from the Clerk). The Chair reminded the Corporation that the Study is in no way connected to the AR and although information is available from the AR to contribute to the study the College should not be presumptive about outcomes. Facts about the future of the College are wanted from the feasibility study to look for a future model of sustainability.</p> <p>The Chair thanked the Joint Working Group for their contributions over the last few months.</p> <p><b>The relationship with the University of Brighton.</b> The Chair, Principal and VP EES have met with the Vice Chancellor UoB, Debra Humphries. A number of other meetings have taken place at management level. At the first Corporation of next year the UoB will attend to look at the way forward for the University Centre and in December the Corporation will meet with the UoB again and undertake a formal discussion and decision making process. Updates will come to the Corporation between these times. The Chair noted that the aim is to lead to more focused regeneration of the area.</p>	
4.	<p><b>Minutes of the last meeting</b>  <b>RESOLVED: The Corporation considered and approved the draft minutes of the meeting held on 27 April 2016 as a true and accurate record. Proposed: PF; Seconded: LC; CARRIED</b></p>	
5.	<p><b>Matters arising on the minutes</b>          Actions were noted as completed, part of the agenda or on-going. The Chair of the Governance Committee provided an update on <b>Succession Planning – 4</b> expressions of interest are being followed up by the Chair of the Governance Committee and the report from the Committee details expressions of interest received this year to date.</p>	
6.	<p><b>Principal's Briefing</b>          The Principal took the report as read. Areas discussed included:  <b>Area Review</b> – the 16 May 2016 AR steering group received and approved the recommendations from the Corporation. The wording in the final draft report reads: “SCC and SDC to form a legally binding federation (in September/October 2016) and undertake a feasibility study to explore all models of joint working, including merger”  <b>KPMG</b> were appointed the contract for the feasibility study. The penultimate draft will be received on the 26 August. The JWG will consider and ask for further clarification/work on the 13 September. The final report will be discussed at the Corporation meeting on the 18 October. The Corporation voted and agreed this should be a standalone agenda item. [The Sussex Downs College consider the item at their Board away day on the 17 October]  <b>Transition Grant</b> – SDC has lead responsibility for the bid which will be submitted on the 16 July. 75% of the feasibility study fees will be covered by the grant. The Corporation questioned the KPMG fees which were confirmed as £50k by the Principal.</p>	



**The Apprenticeship Levy** is due to be introduced for large companies with a pay bill over £3m from April 2017. It will gradually remove around £4m from the College's income with the greatest effect felt in 2018-19. The VP EES is looking at how we can respond to the reforms. A new framework is being introduced with new apprenticeship standards and an end point assessment which has to be conducted by an organisation other than that which delivered the provision.

**Functional Skills** A reform programme with an aim for the committee to propose new/reformed qualifications that are better suited to the needs of industry and students in post 16 education is underway. There are a set number of areas to consider– achievement, improved attendance, raised standards, increased IT content. Feedback to the Minister is due in August 2016 and reforms to come into place for 2018.

**Ofsted** The College's 3 year window is up in 2017 and from the end of January the College is vulnerable to an inspection. The inspection regime does lack a consistency and coherence. Inspectors are struggling with the weighting of key elements in 16-18 study programmes around 3 areas: Weight to the main qualification that the student is following; English and maths for students that don't have a GCSE at grade 3 or above; planned external work experience. The Principal provided examples of inconsistencies in recent inspections including Plumpton.

The Corporation considered the inconsistencies and the DP suggested that aside from the importance of the Tier 4 issues and overseas students and ESF funding it would be preferable to place less emphasis on the importance of inspection outcomes.

The Corporation noted that there is no process to challenge the final judgement from Ofsted. They asked how much weighting the demographics and community the College serves impact on grades. The DP noted that it is the role of FE colleges to enable students to progress and for the College to capture progress in Ofsted's eyes. DG questioned whether there is an internal communications issue to manage when it appears it is unreasonable to aim for Outstanding in the climate of Ofsted inspections at the present time. The Principal reported that although the College strategy is to aim to be Outstanding, it doesn't expect to be at this inspection. confidential note

The DP noted that if there is undue emphasis on English and maths it will be a major issue as even with improved results they will not be where they need to be.

It was agreed that the journey to Outstanding takes time and may not be over in this Inspection.

**New accounting standards** The change to re classification as creditors, zero net assets, may be questioned by a reader of the accounts and needs to be managed by the College.

**LGPS pension evaluation** The College may be required to make higher employer contributions and this will be significant in budgets 2017-18 and beyond.

The Principal stressed that the financial risks faced by the College need to be made explicit from SLT to the Corporation. The College does face strain over the next few years with the introduction of the levy and the removal of the apprenticeship grant, the new health score methodology and potential increase in potential costs with the net asset position moving to zero and the increase of debt. The Vice Chair noted that as the College's debt is reduced the ratio improves and the VP CS noted that this is correct.

One governor questioned the financial position with SDC and how this will affect finances. The Chair reminded the Corporation that there is no decision about going forward to merger. The Principal reported that both colleges are balancing their own



books and need to wait for the outcomes of the feasibility study to have clear financial information. **FE Sussex** – The Principal has been nominated by Sussex principals to be the Chair of FE Sussex.

**Sixth form colleges** There is an increasing perception of SFCs/ academies seeing themselves as separate from FE colleges and working together.

DG reported on the **Sainsburys Review of Technical Education** and the suggestion that there should be a divide between academic and vocational study at institutions and more division between funding bodies. The VP EES noted that there is already an SFA/EFA divide between FE and SFCs.

**University Centre** A judicial review was launched against the University's decision to leave Hastings. This was not upheld but the UoB is consulting with all stakeholders until November as to what the University Centre will look like. The College will be a key player in the consultation. The College is continuing with HE recruitment for 2016-17 and will drive and push enrolments for 2017-18.

**The Joint venture** is going ahead with SDC and is named Sussex Skills Solutions. In the pilot year the two Colleges are bringing together both sales teams to operate as one and are currently advertising to recruit a Sales Director to lead the teams.

The JWG oversees the process. In 2016-17 the JWG will look at more permanent governance arrangements. The Corporation commented on the lounge sponsorship deal with Brighton and Hove Albion and questioned whether tickets would be utilised as a reward for those employers at a higher level. The VP EES noted that this would not necessarily be the case and they may be used as an incentive to draw in business. HH noted that the sales team is going to be crucial to the success of the venture and questioned how many staff are employed across the Colleges. The VP EES reported that there are two full time staff at SCCH and one apprentice and 4 full time staff and other support staff at SDC.

**New curriculum management structure** The new structure is substantively in place. The restructure has been achieved at zero cost.

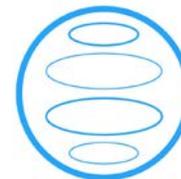
7. **Performance Update**  
a. **Key Performance Indicators Dashboard**

The DP reported as follows:

- Main success rates are broadly in line with last year and there are no areas which are below the national average. There is a consistency across the College.
- Functional Skills is looking better and likely to improve for 16-18 year olds. Adult FS is still weak. GCSE English and maths was at a low base. It is hoping to improve by 100% but will still be below national average
- Progression is looking positive. This is beneficial in terms of student numbers and funding and is a key outcomes for learners measure

The VP CS reported as follows:

- The College is pleased about the current financial performance
- Income is on target to exceed budget
- The SFA haven't finalised their methodology on yearend over runs of delivery to date
- Staff costs continue to be well managed
- Surplus is below budget but has been forecast as the worst case scenario



	<ul style="list-style-type: none"> <li>The College continues to be challenged by the size of the loan</li> </ul> <p>The VP EES reported as follows:</p> <ul style="list-style-type: none"> <li>Apprenticeships predicted success has been hampered by one partner and this is being managed. The College is confident to hit the 81% target for overall success rates and 64% for timely success. The Vice Chair questioned if these were the correct target figures for 2015-16 set by the Corporation. The VP EES noted that figures are above the national average</li> <li>FE choices and employer satisfaction survey. Last year the College achieved 84%, this year it has gone up to 89.8% putting it in the top quartile.</li> </ul> <p><b>b. Quality Improvement Plan</b></p> <p>The VP EES reported that the QIP had been considered in detail at the CQS Committee. The format of the plan is now run through the rest of the organisation. The QIP was taken as read.</p> <p><b>c. Management Accounts – May 2016</b></p> <p>The VP CS reported as follows:</p> <ul style="list-style-type: none"> <li>The College is forecasting 3% over budget and is maximising the income of the college</li> <li>The College is awaiting the SFA treatment of funding streams</li> <li>It is key to make sure sufficient points are calculated for the Financial Health grade, the VP CS estimates the College will land on the borderline of satisfactory which is a fine limit to work to</li> <li>Bank covenants – the VP CS is working closely with Barclays on the covenants. One is comfortably cleared and one is close to being breached. Barclays are sharing a detailed spread sheet with the College to manage the issue and a waiver letter before 31 July will be requested if required</li> <li>One governor asked what happens with the surplus and the VP CS reported that it turns into cash into the College bank account.</li> </ul> <p><b>d. Risk Management</b></p> <p>The VP EES reported as follows:</p> <p><b>Overview of the 2015-16 strategic risk register</b> The Corporation owns 4 risks and the VP EES ran through the mitigations in place. (see full report for details)</p> <p><b>RESOLVED: The Corporation approved the Risk Management Policy for 2016/17 and noted the effectiveness of the risk management processes in 2015-16. The VP EES will continue to agree the risks for each academic year with chairs of committees. Proposed: DG; Seconded: DS; CARRIED.</b></p> <p><b>RESOLVED: The Corporation agreed that “Risk Appetite” remains at 16 or above for 2016/17. Proposed: DG; Seconded: VK; CARRIED</b></p>	<p>VP EES/ Clerk</p>
8.	<p><b>Student Governors’ Report</b></p> <p>The Student President tabled a review of work carried out in 2015-16</p> <p>The Chair of Corporation congratulated the Student Union on a successful evening. The SP noted it demonstrated the great team work from the SU.</p> <p>The wheels are in motion with the Student Working Group. The aim is to bring the discussion back to basics and establish the purpose and the value of the Students Union. The SU is a great journey for a group of people, to gain experience out of the</p>	



classroom, promote independent learning, and instil a maturity and breadth of experience for students.

DG reported that it is vital for Corporation to understand and be clear about how much emphasis the College places on the SU and how that will thrive for the future.

It is a difficult role to undertake in all FE sectors. Many students are on 2 year courses are part time and are not resident on campus. The lack of student support this year needs to be considered. A rethink of the SU in FE is happening everywhere and the group aims to look at the difficulty in supporting SU and what is the best solution for SCCH. The SU is part of student engagement, to bring added value to the student experience and is different from the student voice. For Corporation there needs to be an awareness of this and a means to support it strategically. Getting student awareness, taking initiative and responsibility can be a great route for doing that but currently the College is failing to do this.

Supporting the experience outside the classroom, engaging the diversity agenda, engaging assisted learning students with the SU are all areas that would benefit students, the College and were areas picked up in the last Ofsted inspection.

Encouraging a strong role in the Prevent strategy and an understanding of democracy, active citizenship and gaining a voice could all be areas for focus.

DG reported that there is a real confusion between the SU and student voice.

Student engagement should be part of a good quality of engagement and be able to be tested by the Corporation to ensure it is working well. In the present situation students are torn between serving the needs of the college and fostering a strong student body.

The Corporation considered what will happen with the SU with the University centre.

The Student Governor reported that they are two totally different sectors. He had attended the NUS annual conference and seen the big divide between FE and HE.

The VP EES reported that for the College to be granted a validation only model it needs to provide an SU and appropriate student experience. It was agreed that there is a lot of opportunity to link them together and work with other individuals. The VP EES noted the opportunity locally for student venues such as the Observer building and Printworks for student events.

The Student Governor noted that improvement can only take place if there is more financial backing.

DG and the SP reported that the intention is to look at possible models, the benefits of a volunteer versus sabbatical paid role and support staff. The group will learn from experience elsewhere. There are lots of options in a programme of gradual change, KPIs to inform and monitor. It was evident from the last Student Voice session held that students are crying out for more social activities, local community activities and cross curriculum activity. Correct investment into a model would be of great benefit for the Corporation and providing enough support for the SU to achieve.

The Corporation agreed that students need incentives to be engaged and a reason to join up.

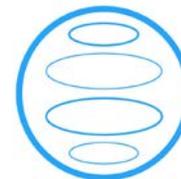
SW reported that the issue is wider than within the College and public transport is a major barrier to success with no real infrastructure in place for rural communities after 18.00. The College will not be able to succeed unless it lobbies on different areas such as transport.

The Student Governor reported that the SU had worked hard this year on social activities but there is no interlinking between areas and no link to SLT to drive forward with new schemes of engagement for students.

**RESOLVED: The Corporation agreed that the Working Group will be jointly**

SLT

SP/DG/



	<p><b>chaired by the Student President and DG, membership will be two governors (SW and HH) and two staff members (DBA and KB). Preliminary work will be carried out by the SP and DG and the group will convene on September and October. A plan will come forward to the CQS Committee in November and to the Corporation in December 2016.</b> The Chair of Corporation thanked the SP and DG for the work carried out already.</p>	<p>SW/HH /DBA</p>
<p>9.</p>	<p><b>Report from CQS Committee</b> The Corporation took the report from the meeting held on 23 June 2016 as read. The Vice Chair noted that the Committee had received a presentation from Hayley Robertson from Work Based Learning who is leading on <b>the Acquire project</b> and felt that management is robust and the Committee were encouraged by her lead. Success rates of 30-40% are expected and this will have an impact on overall success rates which the Committee is monitoring closely. The Vice Chair asked if the Principal required further support from Corporation at this stage for the project and he confirmed he did not. <b>Annual cycle of business</b> The DP had presented changes to the Committee on the way CQS functions with 3 CQS meetings (originally 4) following on from PPRs and monthly management monitoring group meetings which will be looking at all aspects of curriculum performance. An informal meeting with the VP Curriculum and the VP EES and the Chair and Vice Chair of CQS and other CQS governors who wish to come along will follow.</p>	<p>DP/ Clerk</p>
<p>10.</p>	<p><b>Report from Audit Committee</b> The Corporation took the report from the meeting held on 8 June 2016 as read. The Chair of Audit reported an additional meeting of the Audit Committee would not take place in September but the Committee would receive the outcomes of the RSM Tenon visit to review outstanding audit points as an emailed item of business. The following items were considered and approved:  <b>RESOLVED: The Corporation approved the Internal Audit Strategy 2016-17</b> subject to considering any further work required following the outcomes of the feasibility study; checking whether 3 full days are required for governance considering the outcomes of the last review; further discussion on the timing of the apprenticeship levy audit. The Vice Chair suggested the timing of the levy audit may be better placed at a later date to embrace the joint working with SDC and the bedding in of levy changes. <b>Proposed: DS; Seconded: VK; CARRIED</b>  <b>RESOLVED: The Corporation approved the continuation of the current Fraud Policy and noted that the VP CS reported that no updates were required.</b> <b>Proposed: DS; Seconded: LC; CARRIED</b></p>	<p>VP CS</p>
<p>11.</p>	<p><b>Report from Search and Governance Development Committee</b> The Corporation noted the report from the meeting held on 11 May 2016 and the change to the Committee name to Governance Committee. The following items were considered and approved: <b>RESOLVED: The Corporation approved the updates to the Corporation's statutory documents (Standing Orders and Code of Conduct). Proposed: GH; Seconded: DG; CARRIED</b> (15.50 CMc and KM depart)</p>	



	<p><b>Membership recommendations</b> The following recommendations were considered and approved: <b>RESOLVED: The Corporation approved that Caroline McKiddie is appointed as an independent governor for a four year term of office from 29.6.16-28.6.20. Proposed: DG; Seconded: GH; CARRIED</b></p> <p><b>RESOLVED: The Corporation approved that Ken Melsom is appointed as a coopted governor on the F&amp;HR Committee for a one year period from 5.7.16-4.7.17. Proposed: DG; Seconded: GH; CARRIED</b></p> <p><b>RESOLVED: The Corporation approved that Paul Evans is re-appointed as a coopted governor on the F&amp;HR Committee for a one year period from 3.7.16-2.7.17. Proposed: DG; Seconded: GH; CARRIED</b></p> <p><b>RESOLVED: The Corporation approved that Roger Dennard is re-appointed as a coopted governor on the Audit Committee for a one year period from 8.7.16-7.7.17 Proposed: DG; Seconded: GH; CARRIED</b></p> <p><b>Governance Matters</b> The following recommendations were considered and approved:</p> <p><b>RESOLVED: The Corporation approved the Committee membership for 2016-17 was approved following updates to the paper by the Clerk. Proposed: DS; Seconded: GH; CARRIED</b></p> <p><b>RESOLVED: The Corporation approved the updated Terms of reference for all Committees. Proposed: VK; Seconded: DG; CARRIED</b></p> <p><b>RESOLVED: The Corporation approved the Annual Cycle of Business for Corporation and its Standing Committees for 2016-17. Proposed: VK; Seconded: DG; CARRIED</b></p>	
12.	<p><b>Report from Finance &amp; HR Committee</b> The Corporation noted the report from the meetings held on 4 May and 8 June 2016 The following items were considered and approved: <b>RESOLVED: The Corporation approved the Final Budget and three-year financial plan 2016/17. Proposed: KM; Seconded: PF; CARRIED.</b> The Corporation thanked the VP CS for the thorough job being done in putting together the budget.</p> <p><b>RESOLVED: The Corporation approved the College contribution to the Student Union Budget 2016-17 of £2500. Proposed: KM; Seconded: TC; CARRIED</b></p> <p><b>RESOLVED: The Corporation approved the Subcontractor and Supply Chain fees and charges policy and 2016/17 management fee and the Recommendations for 2016/17 subcontractor allocations. Proposed: KM; Seconded: GH; CARRIED</b></p> <p>The Corporation considered the recommended policies and approved the following:</p>	



	<p><b>RESOLVED: The Corporation approved the revised Student Support Funds Policy. Proposed: KM; Seconded: DS; CARRIED</b></p> <p><b>RESOLVED: The Corporation approved the Grievance Policy. Proposed: KM; Seconded: PF; CARRIED</b></p> <p><b>RESOLVED: The Corporation approved the Pay Harmonisation proposal. Proposed: KM; Seconded: SW; CARRIED</b></p> <p>The Vice Chair reported that there had been a discussion at CQS on one subcontractor with performance management issues and whether they would continue to appear on the list for next year. The VP EES reported that another PPR had taken place with them yesterday and they have come back with better news on success and timely success rates. A member of the College team will be working with them 5 days a week until the situation is resolved and they have been warned that carry in and new starts are at risk if improvement does not take place. There is a new contract but it is not being released for signature until the College is satisfied with the situation and the company has been financially sanctioned. The Vice Chair asked that this is noted as a live risk.</p>	
13.	<p>The Corporation noted the Calendar of Corporation and Committee meetings for 2016-17 and the additional meeting date of 18 October 2016, 14.00 start to consider the outcomes of the feasibility study.</p>	Clerk
14.	<p><b>AOB</b></p> <p>The Chair gave the following thanks on behalf of the Corporation:</p> <ul style="list-style-type: none"> <li>• Welcoming Caroline McKiddie as a full member of the Corporation and for her contributions and commitment to the board over the last year.</li> <li>• To the Vice Chair Pat Farmer for his tremendous work over the year and his chairmanship of the CQS committee and for attending all the PPRs.</li> <li>• To the JWG for their commitment and hard work</li> <li>• To the Student President Brad Toft and Student Governor Lawrence Calton for their contributions over the year. The students are the main focus for the Corporation and their views are invaluable</li> <li>• To the chairs of Committees for their hard work through the year leading their committees</li> <li>• To the DP who has added a lot to the College in the short time he has been here and welcoming him back next year</li> <li>• To Ken Melsom who has been such an asset to the Corporation and has provided such tremendous support over the years to the College, staff, governors and to the Chair. His opinions and views are highly regarded and respected and the journey going forward for sustainability will continue to be an area for Ken to contribute to in his new role as coopted governor on F&amp;HR</li> <li>• To the SLT and the Principal in particular for getting the College through troubled waters this year. He noted that he hoped that the SLT felt supported in everything they have done by the Corporation</li> </ul> <p>The Chair of the Governance Committee thanked the Chair on behalf of the Corporation for the huge amount of additional work and untold commitment during the AR process.</p>	

	<b>Meetings for 2016-17</b>	
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	19 October 2016; 8 December 2016; Strategic Away Day 10 March 2017; 26 April 2017; 6 July 2017 <b>[additional date added 18 October 2016, 14.00 start]</b>	
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Meeting closed at: 15.59

Attendance for 2015-16: 84%

Meeting length: 1hr 59mins