

**Minutes of a Meeting of LSEC Corporation
held on 14th July 2021 from 3.30-6.00pm online via zoom**

Welcome, apologies and declarations of interest

Chair-SH

Chair-SH welcomed Governors and advised the following

- Governors CY and MB this would be the last meeting both were stepping down from the Corporation but would continue to serve on the Trust. SH thanked both for their contribution on behalf of the Board.
- The recommendation to appoint David Eastgate as Vice Chair was APPROVED by unanimous vote.
- Chair-SH offered congratulations Group CEO-SP on her CBE Honour -the Group was very proud of her an all that she has achieved.
- Apologies received from Governors: Jane Hobson, Olivia John, Lucie Allen and Allan Carey. The Meeting was quorate.

1. Minutes of previous meeting and Action Log

Clerk-JP

The Minutes of the previous meeting held on 24 March were approved.

2. Chairs' Summaries

2.1. LSEC Curriculum & Standards

Committee Chair-MT

2.2. Group Audit & Risk

Committee Reps-DE/OJ

2.3. Group Finance

Committee Chair-AC

2.4. Group Search & Governance

Committee Chair-SH

The Chairs' verbal updates and summaries of the Committee Meetings were **NOTED**.

Approval and decision items			
A1	2021/22 Budget		
	<p>GCFO-JH presented the 2021/22 budget paper to the Corporation for APPROVAL.</p> <p>It was reported that preparation of the annual budget for the College continued to be a challenging process in the context of the pandemic, static base rates for adult funding, generally accepted low funding rates and under investment in the sector.</p> <p>The Board were advised that although demographics for youth learners were now increasing, with the pandemic recruitment of learners against some funding streams continued to be a challenge for 2021/22.</p> <p>It was reported that on the basis of this uncertainty, the curriculum plan and related budget for 2021/22 includes what we consider to be realistic assumptions of enrolment levels and modest growth where some income streams are expected to return to more normal levels as we either come out of the pandemic or live with the risks posed by Coronavirus.</p> <p>GCFO-JH advised that the budgeted operating surplus for 2021/22 prior to property strategy costs of £775k is £1.07m better than the budgeted for the current year. After allowing for £275k for Estates strategy costs the budgeted surplus of £500k is £970k higher than the budgeted for 2020/21.</p> <p>The Board were advised that this would be a significant milestone for the College with the first surplus budget (prior to FRS102 pension costs) since merger in 2016. After estimated non-cash FRS102 pension adjustments of circa £2.26m are included, the total deficit for the year is budgeted to be £1.76m (2020/21 budgeted deficit of £2.36m).</p>		

	<p>It was reported that this deficit is slightly better than the Three-Year Financial Plan agreed in July 2020 it is important that these improvements are achieved so that we materially comply with the FEC benchmarks and avoid any form of intervention.</p> <p>The Board were advised that the financial health of the College as assessed under the current methodology is expected to improve to 'Outstanding' in 2021/22 with increased cash balances, although the points score is expected to be at the bottom end of 'Outstanding' for the year.</p> <p>The budgeted Education Specific EBITDA for 2021/22 is a surplus of £3.43m (7.08% of income) which is £0.1m higher than the 2020/21 period 9 forecast of £3.36m (7.1% of income).</p> <p>The staff costs ratio for 2021/22 is expected to increase by circa 2.3% from the current year forecast and is budgeted slightly above benchmark 66.4%. This is as a result of the full year impact of the pay award for 2020/21 together with the budgeted pay increase of 2% for 6 months of the year and reduced adult subcontracting with more in College delivery planned.</p> <p>It was reported that the budget includes the planned ongoing annual recurring capital expenditure for the year of £1.25m, together with the expected cash flows relating to Future Greenwich rebuild and £639k in respect of the balance of FE Capital Allocation grant expenditure.</p> <p>The Future Greenwich project assumes a capital receipt of £3.9m in January 2022 and a further £3.08m in May 2022 in respect of part of the sale proceeds. These projections are as per the latest cash flow which could change.</p> <p>The Board were advised that given the significant number of unknown factors for the College next year especially the possible adverse continuing impact of Covid-19, maintaining our learner numbers and realising planned efficiencies in time, the budget does include an appropriate central contingency within non-pay to mitigate a proportion of these risks if required. The budget had been considered by the Group Finance Committee and was RECOMMENDED for approval.</p> <p>The Board were asked to note the following key issues:</p> <ul style="list-style-type: none"> • The budget for 2021/22 provides for a much-improved operating position and the first surplus prior to pension costs since merger • The College Financial Health is budgeted to be Outstanding for 2021/22 and materially compliant with all FE Commissioner Benchmarks • Some income streams for 2021/22 may be at risk due to the ongoing impact of the pandemic <p>The Board were asked to note the following key actions</p> <ul style="list-style-type: none"> • Closely monitor enrolment levels and take management action where required to respond to adverse or positive variances • • Continue to monitor the progress of major capital projects together with expenditure and new bids • Respond to new income streams as that emerge in year in response to economic recovery and catch-up.
	<p>Questions and Challenge</p>
	<p>Governor-DE queried value on sensitivity tables – net impact is understated. Governor-CY confirmed that the Group Finance Committee had reviewed the budget and had good rigorous debate. It had noted that cash flow does depend on what happens with Future Plumstead Project and timings. Governor-DE confirmed Audit Committee had also recognised sensitivities as we progress through the capital plan. The BOARD APPROVED the 2021/22 Budget</p>

A2	2021/22: Three Year Plan		
	<p>GCFO-JH presented the 2021/23 Three Year Plan to the Corporation and requested they consider and comment on the report and APPROVE for 2021-2023.</p> <p>The Board were reminded that the Financial Memorandum with the Education Skills Funding Agency (ESFA) required the College to prepare and submit a three-year financial forecast by 31 July of each year.</p> <p>It was reported that for July 2020, a simple interim return was required but this has now been replaced with the College Forecast Financial Return (CFFR). This is a much more complicated model than the 3 Year Financial Plan which had historically been prepared, but it does represent an improvement on the IFMC which was extremely complex and onerous to complete.</p> <p>The Board were advised that the CFFR has a number of reports which the ESFA and FE Commissioner consider College Corporations are required to have sight, and these were included within the appendices provided.</p> <p>It was reported that the Financial Plan in the CFFR showed the period 9 forecast outturn for the current year, the budget for 2020/21 and a forecast budget for 2022/23.</p> <p>The Board were advised that the ESFA commentary requirements to accompany the CFFR are significant, and this was provided as Appendix 1.</p> <p>The Board were made aware that as the CFFR is new, there are still some errors in the model which need to be resolved. The most material of which are affecting the net operating cash inflows/outflows reported in 2021/22 and 2022/23. This had resulted in a large net operating cash outflow of £5.4m being reported in 2021/22 and a compensating significantly higher than expected inflow of £11.7m in 2022/23. GCFO-JH advised that this error appeared to relate to the model being unable to cope with stage payments in respect of the Plumstead disposal. The issue had been raised with the ESFA. At the time of presenting this report, these issues had not been resolved and this is affected some of the key ratios and the new Financial Health calculation. It was reported that once the error in the CFFR is corrected, it is expected that the Financial Health Score for 2022/23 will either be 'Good' or Outstanding'.</p> <p>The Board were advised that the detail in the plan for 2022/23 is based upon anticipated activity and related expenditure in that year in line with predicted growth, together with logical assumptions regarding grant and other funding values. These have all been agreed with senior curriculum leaders.</p> <p>It was reported that the Financial Plan has been considered by the Group Finance Committee and was RECOMMENDED for APPROVAL.</p> <p>The Board were asked to note the following key points from the Financial Plan.</p> <ol style="list-style-type: none"> 1. The Education Specific EBITDA was expected to be materially unchanged for the life of the plan at circa £3.4m. 2. Efficiency savings of circa £260k were expected to be required in order to achieve the above. 3. Major capital expenditure and receipts in respect of the Future Greenwich development were included in the plan, but no other major capital bids or projects. 4. Underlying cash balances were expected to be materially unchanged over the life of the plan, ignoring the impact of major capital projects. 5. The financial health points score will be 'Outstanding' for 2022/23 as assessed under the current methodology and will be assisted by the receipts from the sale of Plumstead. 6. Business was expected to return to more normal levels and operations emerging from the pandemic. 		

	Question and Challenge	
	<p>In response to questions on when the errors in the model will be fixed, GCFO-JH advised that the ESFA had advised that a patch would be released but that it may need a new version of the model to resolve the issue.</p> <p>The Board APPROVED the three-year financial plan.</p>	
A3	2021/22 Financial Regulations	
	<p>GCFO-JH presented the Financial Regulations 2021/22 for approval.</p> <p>The Board were advised that the Financial Regulations had been reviewed for 2021/22 and a number of changes made. The majority of the changes related to post titles and other minor grammatical and administrative alterations.</p> <p>It was reported that the most significant change relates to clarification of the wording regarding severance payments and making this clear when Corporation authority is required.</p> <p>The Board were advised that this authority has been amended to refer specifically to non-contractual and non-statutory payments only, since we are legally obliged to meet our contractual obligations.</p> <p>It was reported that the delegated authority limits for the College had been amended to increase the authority limit for the Group Director of Estates from £30k to £100k, to reflect the significant budget responsibility in the College and the volume of high value commitments required in running a large Estate.</p> <p>Reference to EU Procurement Regulations has been removed and replaced with reference to post Brexit Procurement Notes (PPN).</p> <p>It was reported that the Financial Regulations had been considered by the Group Finance Committee and were RECOMMENDED for APPROVAL.</p>	
	Question and Challenge	
	.The Board APPROVED the 2021/22 Financial Regulations.	
A4	2021/22 Internal Audit Plan	
	<p>GCFO-JH presented the 2021/22 Internal Audit Plan to the Corporation for consideration and APPROVAL which had been developed in consultation with the Chair of the Audit Committee, the Head of Internal Audit, Group CEO.</p> <p>The Board were advised that this was the first plan developed with Scrutton Bland.</p> <p>The Board were advised that the plan was structured to provide each legal entity with an overall annual opinion on the key areas of risk and assurance. The plan has been considered by the Group Audit Committee and was RECOMMENDED to the Board for APPROVAL</p> <p>It was reported that the draft plan covered the main areas of risk to be considered on an annual basis including Key Financial Controls, Student Funding and Learner Numbers, Governance, and Risk Management. It also included a number of other audit areas for review in 2021/22, i.e. Payroll and Pensions, Additional Learning Support. Management of Capital Projects, Board Assurance and Safeguarding.</p> <p>The Board were advised that the plan also included an annual review of cyber security across the Group.</p>	

	<p>The Board were advised that the internal audit plan contained provision for 100 internal audit days across the Group which compares to circa 85 days planned for the current year.</p>
	<p>Questions & Challenge</p>
	<p>Governor-CY advised that this had also been reviewed by the Trust Board who were pleased to be able to receive this level of assurance.</p> <p>The Board APPROVED the Internal Audit Plan for 2021/22</p>
A5	<p>External Auditors Tender Outcome</p> <p>The Board were asked to CONSIDER and COMMENT on the report and APPROVE the appointment of Buzzacott as the External Audit Auditors.</p> <p>GCFO-JH presented that paper and reported that it had been a number of years since the External Audit services for the College or Trust had been tendered. It was reported that the Group Audit Committee had directed that a tender be carried out for the following services with effect from the 2020/21 external audit.</p> <ul style="list-style-type: none"> • Financial Statements Audit (including London Skills for Growth) • Regularity Audit (use of funds) • Teachers' Pension Audit • Academies Accounts Return Audit. <p>It was reported that using some available benchmarking data, seven audit firms had been shortlisted who had both a good local College client base, and who also had some experience of Multi Academy Trust Audits.</p> <p>The Board were advised that the tender exercise had been conducted in three phases with phase 1 an Expression of Interest (EOI) stage to pre-screen firms.</p> <p>It was reported that at this stage BDO, and KPMG had said that they would not be responding to the tender. This left five firms who were interested in being invited to the formal tender stage.</p> <p>Grant Thornton RSM Tenon Buzzacott Mazars MacIntyre Hudson</p> <p>The Board were advised that these firms were offered the opportunity of a meeting with the CFO to discuss the tender requirements and the Group in more detail, the offer had not been taken up by Grant Thornton and MacIntyre Hudson with the former dropping out of the tender stating capacity reasons. It was reported that meetings took place with all of the other firms as part of the fact-finding exercise about the Group, together with exploring the requirements in more detail.</p> <p>It was reported that RSM Tenon declined to tender once they had considered these requirements in the context of our current audit fees and the changes to the Audit Code of Practice, due to the fact that they did not believe they could put a competitive tender together. It was reported that a further meeting was held with RSM Tenon and although they did consider the matter further, they were unable to tender.</p>

The Board were advised that the remaining three firms all responded to the tender and after some pre-scoring by the Chair of the Audit Committee and the Group CFO. It was agreed that all firms reached the interview stage which consisted of a panel of Audit Committee members comprising College Corporation Governor a Trustee and a Trust Member.

The Board were advised of the total prices for the Group audit services provided by the three firms.

The Board were advised that interviews had taken place virtually comprising standard questions together with some specific questions related to their tender return and presentation. Each interview was collectively scored by the panel based upon the written document and the information presented and gathered during the interview.

The Board received a summary of the scores as detailed below and full details of the scoring criteria was provided in the Board papers.

	Score	Weighted Score
MacIntyre Hudson (MHA)	8.5	9.9
Mazars	12.0	13.9
Buzzacott	16.5	19.4

The Board were provided with a verbal overview of each firm's strengths and weaknesses.

The Board were advised that the results and outcome of the interview was considered by the Group Audit Committee at its meeting in June 2021 where the Committee **RECOMMENDED** the appointment of Buzzacott as External Auditors to the College

Such appointment to be a contract of 3 years with the option to extend for a further 2 years. The offer was subject to satisfactory references which were being taken up at the time of reporting. Two references had been received and were very positive.

The Board were requested, subject to verbal confirmation that the references are satisfactory, to **APPROVE** the appointment of Buzzacott as External Auditors to the Corporation.

Questions and Challenge

Governor-DE advised that although the same audit firm, the management lead was different, and the interview panel had been satisfied that this would provide a refresh and different approach.

The Corporation **APPROVED** the appointment of Buzzacott as the External Auditors to the College.

A6 Group Risk Management Policy

The Corporation were asked to **APPROVE** the Risk Management Policy Framework.

GCFO-JH presented the Group Risk Management Policy Framework, which set out the Group's approach to risk management, appetite for risk, responsibilities for risk and how risks would be scored.

The Board were advised that the policy is reviewed and revised every two years. There were a number of amendments that had been applied to the current policy to take account of the board assurance, improvements suggested by senior management, the external regulatory framework and comments made by the internal auditors. Updates to the policy included providing more clarity on the underlying approach to risk management and clarifying that although the Group has a low tolerance of risk, for some areas of business or specific activities / projects, each legal entity may take a different view of risk in the furtherance of its business and strategic aims.

	<p>It was reported that following the recent internal audit of risk management, the policy has been updated to include more detail on the risk scoring system and matters to take into account when considering each element of the risk score.</p> <p>It was reported that the policy had been considered by the Group Audit Committee and was RECOMMENDED to the Corporation for APPROVAL.</p>
	Questions and Challenge
	<p>In response to questioning, it was as advised that a number of improvements had been made essentially to provide more updates and detail including around Board Assurance.</p> <p>The Corporation APPROVED the Group Risk Management Policy Framework.</p>
A7	Subcontracting Controls
	<p>The Board were asked to APPROVE the Subcontracting Controls Document.</p> <p>DCEO-DL presented the Subcontracting Controls Document and advised the Board that assurance presented indicated that the subcontracting provision meets all funding, audit and Ofsted quality requirements.</p> <p>It was reported that subcontracting controls were established to ensure that the provision subcontracted is in line with the College's strategic objectives, is robustly monitored for quality and meets the conditions of funding and audit.</p> <p>The subcontracting controls include.</p> <ul style="list-style-type: none"> • Procurement: The process and documentation used to procure subcontracting partners • Due diligence: The process to ensure partners meet all the requirements from a compliance, quality and funding perspective. • Contracting: The legal processes for contracting with partners • Batch headed process: The data processing arrangements with partners to ensure timely processing of data in line with GDPR regulations • Payment controls: The systems to support accurate payments to partners • Performance review meetings: half termly meetings reviewing all aspects of the subcontracted provision • Quality and Compliance visits: schedule of visits to supports the performance review meetings • Learner existence surveys • Subcontracting Steering Group: Chaired by Deputy CEO this group is responsible for the management oversight of subcontracting controls being implemented <p>It was reported that the controls presented, met all the funding, audit and Ofsted requirements.</p> <p>The Board were advised that the value off subcontracting across all lines at the time of presenting the report comprised £1.6m ESFA 16-19 and £57k apprenticeship, for which the college operates a management fee of; 20% for AEB and Apprenticeships 15% for 16-18 Study Programmes</p> <p>These are in line with subcontracting rules and the management fee in the contract is itemised detailing the services and associated to the costs.</p> <p>The Board were advised that ESFA funding agreements and rules require providers to obtain an annual report from an external auditor that provides assurance on the arrangements to manage and control the delivery subcontractors. This certificate must be sent each year, to confirm that this process has been completed by an external auditor.</p>

	It was reported that this process was completed by the college's internal auditors Buzzacott on the 16th and 17th June 2021 and the Board were advised that an assurance certificate would be published.		
	Questions & Challenge		
	The Board APPROVED the Subcontracting Controls Document.		
A8	Policies	A8.1	Whistleblowing Policy
		A8.2	Group Data Sharing Policy
		A8.3	2021/22 Safeguarding Policy
	<p>The Board were asked to APPROVE the following policies that require Corporation oversight and approval as they relate to statutory and regulatory matters.</p> <ul style="list-style-type: none"> • Group Data & Information Sharing Policy • LSEC Whistleblowing Policy • LSEC Safeguarding Policy for 2021/22 <p>GEX Director Governance presented the Corporation with the statutory policies for approval that cover whistleblowing, safeguarding and data protection.</p> <p>It was reported that these policies had been drafted to ensure the College meets its statutory requirements in these legislative areas and to provide assurance to the Board in the discharge of their legal duties to the Executive.</p>		
	Questions and Challenge		
	<p>The Board advised that they were pleased to receive comprehensive policy updates on these regulatory matters. Policies were of high quality.</p> <p>The Corporation APPROVED the Policies.</p>		
A9	2021/22 Governance Arrangements		
	<p>The Board were asked to REVIEW and APPROVE the following</p> <ol style="list-style-type: none"> 1. Terms of Reference and Operating Procedures Group Committees and Curriculum & Standards Committee 2. Meeting Dates for 2021/22 3. Group Board Register including Committee Members and Leads 4. LSEC Role Descriptions. 5. Link Governor Role and Programme <p>GEX Director Governance presented the following items to the Corporation.</p> <p>The Board were asked to RECEIVE and APPROVE the Terms of Reference and Operating Procedures for the Group Committees and the LSEC Curriculum and Standards Committee, that have been updated for 2021/22 to reflect changes to membership and dates of meetings.</p> <p>The Board were asked to RECEIVE and APPROVE the Scheduled Meeting Dates for 2021/22.</p> <p>The Board were asked to RECEIVE and APPROVE the 2021/22 Group Board Register which provided details of Group, College and Trust Board Members together with details of Group Committee Members, and those Governors or Trustees, leading on specific areas.</p> <p>The Board were asked to RECEIVE and APPROVE the Role Descriptions for the following roles as RECOMMENDED by the Group Search & Governance Committee.</p> <ul style="list-style-type: none"> • Chair LSEC Corporation • Vice Chair LSEC Corporation Board • LSEC Governor 		

	<ul style="list-style-type: none"> • Group Committee Chair • Lead Governor Safeguarding • Lead Governor EDI • LSEC Staff Governor <p>The Board were asked to CONSIDER and APPROVE the LSEC Link Governor and Programme which is detailed in the appended report and outlined how LSEC Governors can get involved in linking with allocated sector or curriculum area through activities and visits, as RECOMMENDED by the Group Search & Governance Committee.</p>
Questions and Challenge	
	<p>The Corporation extended thanks to the GEX Director Governance for comprehensive Governance documentation.</p> <p>The Corporation APPROVED all items,</p>

B Discussion items	
B1	Group Principal & CEO Update
	<p>The report presented by the Group Principal & CEO provided a comprehensive update and overview on the following areas for London and South East Education Group and Corporation, on key issues impacting on the Group, College and Trust, these included updates on</p> <p>External policy landscape. Equality, Diversity & Inclusion Grant Programme. Strategic Developments across the Group including Good for Me Good for FE. Operational updates Staffing update including support for mental health and wellbeing. Health & Safety Covid opening and testing. Estates update.</p> <p>The Board were advised that new funding and new opportunities could be available post pandemic, particularly around supporting Mental Health. This could be the next key issues impacting on the college.</p> <p>The recent and celebrated TES awards the College received, were a fantastic achievement and demonstrated the positioning and reputation of the College nationally.</p> <p>Good for Me Good for FE initiative has really captured interest with c100 colleges interested in joining the project and demonstrating nationally the social value that FE provides.</p>
Questions and Challenge	
	<p>Chair-SH extended the appreciation of the Board to the Group Principal & CEO and Executive Team. Fantastic achievement and work.</p> <p>A comprehensive report and update that was NOTED by the Board.</p>
B2	Skills for Jobs FE White Paper
	<p>Group Principal & CEO-SP delivered a presentation on the Skills for Jobs White Paper.</p> <p>The Board were advised that in the main it was reported that the White Paper was positive and going in the right direction, applying some of the recommendations of the Augar Report and complimenting FE on being anchor institutions.</p>

	<p>The White Paper was likely to have a fairly rapid passage through to legislation which is anticipated to be end of 2021.</p> <p>Impact will be a lot of qualification reforms and various consultations on this particular matter and high-level skills at level 4 and 5.</p> <p>It was reported that new powers were likely to be given to central government suggesting a potential loss of autonomy for the FE Sector. Secretary of State to be given additional powers still to be determined and clarified. Anticipated that here will be new duties for the Corporation.</p> <p>The Board were advised that the complexity of the funding system also formed part of the review, with a intention and drive to simplify.</p> <p>It was reported that Employers remained key and engagement with Local Skills Improvement Plans was still not entirely clear or articulated. Job outcomes remained a suggested performance measure.</p> <p>Board was advised that it was expected that there would be some robust debate on this adult funding, accountability and qualification reform in both the Lords and Commons. MPs would be lobbied.</p> <p>Collaborations and Partnerships will be key as will the development and positioning of our curriculum plan and offer and changing the profile of our learner base to increase the volume of Level 4 & 5 students, a clear priority and challenge.</p> <p>Progressing learners up through the levels so that they do not step off at level 2 is key. Addressing and re-engaging with our alumni a priority as well as increasing progression rates.</p> <p>In response to questions relation to Degree Awarding Powers, the Board were reminded that these ambitions had been put on hold due to some quality issues in HE. The change in leadership in this area was now strong and new partnerships were being developed that could be further explored.</p> <p>The Board were advised that a Strategic Development Day for the Board would be consider in early 2022 to review the outcome and impact of new Post 16 Education Act.</p>
B3	Employer Boards Impact and Update
	<p>The Board RECEIVED an update on the Employer Boards.</p> <p>VP-NC presented the report on LSEC Employer Boards The Board were advised that as a result of the pandemic, employers were struggling with new flexible working arrangements, changes to recruitment practices and generally ensuring their business is viable.</p> <p>During this period, LSEC's work with employers had been vital to support them to develop the skills and workforce to meet these demands.</p> <p>The Board were advised on the College's approach to employer engagement and how it aligns to the government policy, the needs of employers and supporting our learners to get the skills needed to access the jobs now and in the future.</p> <p>It was also reported that this approach addresses how the sector specific employer panels are influencing curriculum design, innovation and developing strong strategic relationships with key employers and stakeholder partners to improve the student experience and ensure they are receiving the training needed to access the career opportunities open to them.</p> <p>The board were advised that since the employer boards were reformed in March 2020, they have supported to generate over £720k of funding, redevelop the Career Advantage Programme, support</p>

	<p>virtual placements for over 2,000 learners and lead to the formation of 6 high profile employer led projects and courses.</p> <p>It was reported that the next steps for the boards will be to set up an employer conference, generate a wider and more diverse employer membership, drive the endorsement of every vocational area and build opportunities for staff industry experiences to ensure staff have up to date industry knowledge, which will improve the student experience and progression opportunities.</p> <p>The Board were asked to NOTE the report and update.</p>
	<p>Questions and Challenge</p>
	<p>The Board extended thanks to VP-NC on the work of the Employer Boards and NOTED the report.</p>
B4	<p>Estates Strategy Update</p>
	<p>The Corporation was asked to consider and comment on the content of the Estate Strategy Update and NOTE the Chairs Action to approve the submission of the Post 16 Capacity Fund Bid.</p> <p>Group Director Estates-AS presented the paper and reminded the Corporation that the Estates Strategy had been approved in March 2021 and was now being enacted through master planning, bid preparations, and the delivery of capital projects.</p> <p>It was reported that delays by the DfE are impacting capital bid outcomes for both the Trust and LSEC at this time. At the time of writing, outcomes from the 5 projects submitted for CIF 2021/22 funding into the Trust are overdue, together with outcomes from the FE Capital Transformation fund (stage 1).</p> <p>It was reported that the College has submitted a bid to the newly released Post-16 Capacity Fund, with outcomes anticipated in 'Summer/Autumn 2021'. Due to the timing of the publication of the bid and 4-week turnaround period, a chairs action was taken to approve the submission of the bid and up to £300k of match funding from College reserves.</p> <p>This bid was submitted in order to cover our position in the absence of the FECTF bid outcome.</p> <p>It was reported that the planning application for the new Plumstead campus has been submitted and is due to be heard at Committee in late July or September 2021.</p> <p>The Board were advised that the refurbishment works project to decant into the rear is progressing well and will complete over summer 2021, on time.</p> <p>Work is in progress to develop an aligned Bromley campus master plan shaped through a strategic term-based curriculum plan. This work is realising capital bid opportunities as it proceeds.</p>
	<p>Questions and Challenge</p>
	<p>The Board were advised that the College had just received notification that the FECT Bid had been successful at Stage 1.</p> <p>It was reported that the Future Plumsted Planning Committee was now scheduled to be 20th July and was anticipated that this would go through without challenge. Project moving in the right direction .</p> <p>Board received brief update on Orpington with some discussions ongoing with Bromley NHS on using the space. Options for Holly Hill still being considered and how long it can remain fit for purpose.</p> <p>The Board extended thanks to the Group Director Estates-AS on the good work and progress on the Estates Strategy.</p>

Monitoring items	
C1	2020/21 Financial Performance
	<p>The Corporation were asked to consider the Financial performance update, including P9 Management Accounts.</p> <p>GCFO-JH presented the Management Accounts for the period ended 31 April 2021 (Period 9) which reported an adjusted operating surplus for the year to date, prior to FRS102 pension adjustments of £2,927k. This was broadly in line with the year-to-date profile.</p> <p>The Corporation were aware that College income had been significantly impacted by the pandemic due to under recruitment against some targets, but it was reported that much of this had now been mitigated and replaced with new income streams in year such as the Covid Catch-up Grant. It was reported that total income is expected to be circa £793k higher than budgeted.</p> <p>It was reported that as a consequence the adjusted operating position for the year prior to FRS102 charges was likely to be £974k better than budgeted at a surplus of £0.5m.</p> <p>The Board were reminded that at its March meeting, the Corporation had approved a consolidated 1% pay increase for staff and delegated the timing of the award to the Group CEO. Following a further review of the forecast outturn for the year, this award was paid to staff with effect from 1 May 2021.</p> <p>It was reported that the new Access finance system had gone live on 17 May and other than a number of small teething issues for end users, no material problems have been highlighted to date.</p> <p>The Board were advised that the College has received the annual letter from the ESFA setting out its assessment of financial health and this has confirmed that following a review of our financial plan submitted in July 2019, together with the financial statements submitted in December 2020, the financial health assessment had been confirmed as Good.</p> <p>The letter also confirms that after having considered the financial statements and Audit Committee Annual Report, no financial control concerns have arisen.</p>
	Questions and Challenge
	The Board CONSIDERED and REVIEWED the report.
C2	Risk Register Update
	<p>The Corporation were asked to CONSIDER and COMMENT on the Risk Register update.</p> <p>GCFO-JH presented the Risk Register Update and confirmed that since the risk register was last considered by the Corporation, it has been subject to a review by the Group Audit committee, risk owners and the Group Executive as appropriate.</p> <p>It was reported that this has resulted in a number of changes to the risk scores and the content of some risks. Some of these changes relate to the longer-term impact of the Coronavirus pandemic on attendance and achievement, but the risks relating to the pandemic are static for the College and have reduced slightly in the case of the Schools.</p> <p>The detailed risk register entries for the High risks together with those where scores have changed were provided for information.</p>

	<p>The Board were advised that the risk heat map shows the top 21 risks facing the College with the risk numbers and registers being coded for each separate entity.</p> <p>It was reported that of the 43 risks currently identified on the risk register, 9 are High, 27 as Medium and 7 as Low.</p> <p>The Board were advised that the Risk Register had been considered by the Group Audit Committee. Risk C1 Failing to achieve ESFA and HE; will be reviewed at the start of the new year. Risk C8 Achievement Rates: had increased due to non-attendance on English and Maths.</p> <p>The Board were advised that a Summer School to support catch up in English and Maths would be running from 5 through to 12 August.</p>
<p>Questions and Challenge</p>	
<p>The Board NOTED the Report.</p>	
<p>C3</p>	<p>DCEO Performance Update</p>
	<p>The Board were asked to CONSIDER and NOTE the DCEO Performance Report.</p> <p>DCEO-DL presented the performance update and advised the Board that all Awarding Body QTAG deadlines and sampling requests had been met and supported internally through robust validation and Award Boards.</p> <p>It was reported that evidence and Head of Centre declarations had been submitted and signed where needed.</p> <p>The Board were advised that enrolment for progressing learners has started, with the next batch being accepted offers in July. This meant that learners get earlier confirmation of actual enrolment over the summer supported by additional keeping warm materials. It also means that large volumes of enrolment will be completed ahead of the much earlier GCSE results day this year.</p> <p>It was reported that English and maths remains a significant challenge and Government decisions to retain FS exams whilst cancelling GCSE means there are still significant volumes of students to get through exams.</p> <p>The Board were advised that detailed plans are in place to support a full programme of summer school activities. Whilst these mitigations are in place, and everything will be done to maximise achievement this remains a significant risk to the College achievement position. This also extended to catch up work with some vocational learners where there are later submission deadlines, although this is not identified as a major risk. The Government had announced the extension of the catch-up funding although the detail and amounts will not be released until late July. It is anticipated that a significant proportion of this funding will be allocated to English and maths where lost and disrupted learning and QTAG grades have had the most impact and considerable work will be to help learners fill gaps in their knowledge and skills.</p> <p>It was reported that there was work ongoing to support our journey to outstanding with the reworking of process, policy and procedure. Including additional focus on teaching and learning with the introduction of ungraded lesson observations and a supported programme of coaching on the learnership of learning which will be cascaded through the management team.</p> <p>The board were advised that the College will continue to watch the DFE guidance closely and the headline messages starting to emerge regarding testing arrangements which may change for September and a potential move to daily testing which depending on details would have a major impact on operations.</p>

	Questions and Challenge		
	<p>In response to questions in relation to TAGs on Function Skill, DCEO-DL advised that the College had not met the criteria and process would have been arduous. Governor-CB questioned if this was the case.</p> <p>The Board NOTED the report.</p>		
C4	KPI Scorecard		
	<p>The Board was asked to NOTE and COMMENT on the 2020/21 KPI Scorecard.</p> <p>DCEO-DL reported and presented the KPI Scorecard.</p> <p>The Board were advised that under Goal 1 press coverage remained strong, with a wide range of publicity pieces and articles published contributing to the College's external reputation.</p> <p>It was reported that Qualification-level Teacher Assessed Grades (QTAG) and the submission of most learner work and grades was complete. The exception to this are Functional Skills English and maths, where there remains a challenge in getting learners through their exams. A range of actions and mitigations are in place to maximise achievement and provide additional and multiple opportunities for learners to complete. In terms of risks this issue has the potential to impact on whole College achievement and therefore is the focus of much work going into the summer period.</p> <p>It was reported that the financial climate whilst remaining challenging has been tightly controlled with the result being that the adjusted operating surplus prior to FRS102 charges will be better than budget and show a surplus. Helped through the introduction of a range of new learner income streams which will continue into next year.</p>		
	Challenge		
	The Board NOTED the report.		
C5	Group Strategy Progress Update & 2021/22 Priorities		
	<p>The Board were asked to NOTE the progress made during the latter half of 2020/21 on the implementation of the Group Strategy and the proposed priorities and actions for implementation in 2021/22.</p> <p>GCTO presented the report and update to the Corporation and advised that following the previous update in December, the Transformation and Growth Team had continued to work with external organisations to finalise both the 2019/20 Social Value Report for the Group and the Community Wealth Building Report from the Centre of Local Economic Strategies (CLES).</p> <p>It was reported that both documents formed the full findings from external research partners conducted earlier in the year to quantify the social value generated through current operational activity (as measured using the National TOMS Framework) , and opportunities for further improvement in the embedding of the strategy across the organisation.</p> <p>It was noted that since the pilot study in 2018/19, the level of social value generated by the Group has significantly increased, and a further increase is expected in 2020/21. In addition, robust progress had been made in the external positioning of the Group as a social enterprise.</p> <p>The Board were advised that the Group had been invited to attend a number of high-profile events to share our work e.g. the CBI, Cabinet Office, AoC Conference, Social Value UK Exchange and the London Recovery Board Anchor Charter, and this now setting us apart in the sector nationally.</p>		

	<p>It was reported that while significant progress has been made it was recognised that further progress must be made to increase the impact that the Strategy has on the:</p> <ul style="list-style-type: none"> • Development of a Group wide social value procurement strategy • Individual ownership of the strategy at operational level (staff & students) • The emerging role of the Multi Academy Trust as a Civic Trust.
	<p>Question and Challenge</p>
	<p>Chair-SH advised that this was an impressive piece of work and the progress made.</p> <p>In response to questions on what the impact on learners has been, the Board were advised by GCTO-LW that more impact on learners is required in terms of wider social action.</p> <p>The Board NOTED the report.</p>
C6	<p>Safeguarding Update</p>
	<p>The Board were asked to receive and consider the information submitted in the report regarding safeguarding profile for the academic year, safeguarding processes and areas for development.</p> <p>Group Head Safeguarding-BM presented the report and advised that the college had a core safeguarding team who are all DSL trained and effectively responded to safeguarding concerns when they arose.</p> <p>It was reported that the safeguarding team work with a high volume of students who do not meet threshold for statutory referral or do not consent to be referred; along with the Mental and Emotional health team and Engagement team students are supported in college.</p> <p>The Board were advised that most safeguarding files have an excellent level of detail, action and follow up and provide a clear narrative; there are a few files that are not completed to the same level and there are differences at each campus.</p> <p>It was reported that standardisation and training is required to ensure there is consistency across the college. When reflecting on readiness for Ofsted inspections there are a few areas that require further development to improve the student experience and fully embed a safeguarding culture.</p> <p>The Board were advised on the following key issues:</p> <ul style="list-style-type: none"> • Vulnerable cohorts were not always identified early in the academic year. • Students sharing indecent imagery and receiving threats regarding the forward sharing of images. <p>The Board were advised on the following key actions</p> <ul style="list-style-type: none"> • Data to be collected at enrolment and shared with safeguarding team. • Relationships to be developed further with virtual schools to improve information sharing. • Review approach to peer-on-peer abuse through tutorials, student voice, staff training and safeguarding practices.
	<p>Questions and Challenge</p>
	<p>In response to questions the Board were advised that a review of mental health support and our strategy was being considered.</p> <p>It was reported that safeguarding is effective in the college.</p> <p>Lead Safeguarding Governor-JH had advised that the report was comprehensive and provided assurance.</p> <p>In response to questions, the Board were advised that the 2021/22 Safeguarding Policy would be amended and updated to reflect changes to KCSIE 2021 and presented for approval.</p>

D Information items			
D1	Staff Governor Update (verbal)		n/a
	Staff Governor-BS reported that it had been an incredible year for Staff. Staff had been supported throughout the pandemic with communications through Lunch and Learn and Cross College Staff Forum. This would be refreshed and revised for next academic year to improve on participation.		
D2	Student Governor Update (verbal)		
D3	Governance Matters Chair's Actions Post 16 Capacity Fund was NOTED		

3. AOB

Governor-CY advised that he had been proud and privileged to serve on the Corporation.

4. Next meeting date 21 October 2021.

Attendees:

Board Members

Stephen Howlett, CBE DL (SH)	Chair	
Charles Yates (CY)	Vice Chair	
Dr Sam Parrett, CBE (SP)	Group Principal & CEO	
Max Bero (MB)	Governor	
Jane Hobson, OBE (JHo)	Governor	Apologies
Christopher Briggs (CB)	Governor	
Mark Trinick (MT)	Governor	
Louise Nadal (LN)	Governor	
Olivia John (OJ)	Governor	Apologies
David Eastgate (DE)	Governor	
Allan Carey (AC)	Governor	Apologies
Lucie Allen (LA)	Governor	Apologies
Chinyama Okunuga (CO)	Governor	
Barry Spencer (BS)	Staff Governor	
Keat Senior (KS)	Student Governor	

Clerk to the Board

Jennifer Pharo (JP) Group Executive Director Governance

Executive Officers in attendance

John Hunt (GCFO-JH)	Group CFO & Deputy CEO Trust
David Lambert (DCEO-DL)	Deputy CEO & Principal

Officers in attendance for specific items

Neil Coates (NC)	Vice Principals (Item B3)
Andy Simpson (AS)	Group Director Estates (Item B4)
Louise Wolsey (LW)	Group Chief Transformation Officer (Item C5)
Beth Moore (BM)	Group Head Safeguarding (Item C6)
Andrew Cox (ACx)	Chair Staff Forum (Observer)



Approved by Chair: Stephen Howlett, CBE DL

Date: 21 October 2021