

**MINUTES OF THE MEETING OF THE  
CORPORATION HELD ON  
WEDNESDAY, 6 JULY 2022**

Present:

Dr James Sarmecanic (Chair)  
Jane Dodsworth (Vice-Chair)  
Jeff Alexander  
Dr Roy Bowden  
Steve Cooper  
Nick Fox  
Andrew Green  
Helen Kilpatrick CB  
Richard Moore  
Nick Sutherland  
Ellen Walsh  
Caroline Wood  
Paul Wright

In Attendance:

Sally Challis-Manning MBE, Deputy Principal, Quality, Principal of Brinsbury College  
Steve Coulthard, Chief Financial Officer  
Helen Loftus, Acting Operational Principal, Chichester College  
Nathan Lucas, Senior Associate, Eversheds Sutherland  
Vicki Illingworth, Executive Principal & Deputy Chief Executive  
Paul Riley, Principal, Worthing College and Haywards Heath College  
Paul Rolfe, Associate Principal, Employers and Stakeholders  
Nic Tomlinson, Merger Transition Director  
Catherine Vinall, Clerk to the Corporation

**APOLOGIES FOR ABSENCE**

184. Apologies for absence were received from Keira Embleton, David Jones and Ryan Sallows.

## **DECLARATION OF INTERESTS**

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

## **MINUTES**

186. The Minutes of the Meeting of the Corporation held on Wednesday, 6 April 2022 were approved as an accurate record of the meeting.

## **MATTERS ARISING**

### **Minute 132 - Corporation Composition and Determination Membership**

187. Following consultation on the Group's website, Instruments 2 and 3 of the Corporation's Instruments & Articles had been amended to provide flexibility to extend membership numbers.

## **CHIEF EXECUTIVE'S STRATEGIC UPDATE**

188. The Corporation received a presentation to provide an update on the key strategic issues for the FE sector and Chichester College Group.

Copy attached at APPENDIX 1.

189. Andrew Green reported that there were a number of strategic issues impacting the FE sector. There was a new statutory duty for colleges to meet local skills needs, this theme had also been picked up in the new Ofsted inspection framework which would look at meeting skills needs. Planning to remove funding for some Level 3 BTECs and the expansion of T levels continued. While the Group was offering T Levels, with the offer expanding, removal of funding for some Level 3 BTEC provision would have an impact on the Group's curriculum plan and the offer. The Local Skills Improvement Plan had been developed by the Sussex Chamber of Commerce who were consulting with employers on the skills they needed. The Government were also consulting on a life-long learning entitlement which would support adults to undertake qualifications from Level 4 upwards.
190. One of the biggest issues nationally and in the FE sector was staff pay and recruitment. This was reflected in the Group's risk register, where the risk level in relation to recruitment had been increased. Chichester College Group currently had 104 vacancies and GB Met had 60. The HR Team were looking at

changes to recruitment processes from the point of advert to interview in an effort to widen the Group's reach and simplify recruitment whilst continuing to meet safer recruitment requirements. Other changes coming for the sector included the introduction of external governance reviews and changes to the funding rules for apprenticeships which would be introduced from 1 August 2022. Andrew had recently met with the Parliamentary Under-Secretary of State for Apprenticeships & Skills and discussed the need for a period of stability for the FE sector.

191. As reported at the previous Corporation meeting, Chichester College Group was delighted to receive Government investment in the form of a new STEM building at Chichester, the Institute of Technology and Construction Hub at Crawley College and the refurbishment of the Pelham Tower in Brighton. The Group had also applied for funding to support a T Level capital application and HE capital applications for Chichester College. All projects were challenged by the impact of inflation and discussions about additional funding to support the developments were ongoing.
192. Andrew reminded the Corporation of the new senior team, all of whom would be in place for the start of the year. There had also been a re-organisation of the Principals within the Group. Helena Thomas would head up Northbrook and Worthing College, Paul Riley would lead Brighton Met and Haywards Heath and Sally Challis-Manning would take Crawley College and Brinsbury College. The recruitment process for the Principal of Chichester College had started and was planned to conclude by the end of the academic year.
193. In terms of progress against the strategic objectives, Andrew reported that staff surveys had recently closed. Although the targets for staff satisfaction had been met and positive response rates remained high, responses to the two key performance indicators in the strategic plan were down overall. 93 per cent of respondents had stated that they were proud to be an employee of Chichester College Group, compared to 95 per cent in 2021. 84 per cent of respondents had stated that they would recommend Chichester College Group as an employer, compared to 88 per cent in 2021. There were a range of comments made by staff responding to the survey but it was clear that pay and workload were big issues for staff. For student satisfaction, again the results were high and met targets in the strategic plan. There continued to be work to do at Worthing College, both in terms of feedback from staff and students. Andrew was pleased to report an increase of seven percentage points from students at Haywards Heath in response to the statement 'the teaching has been good'. In response to a question about the staff survey results, Andrew stated that there had been 799 responses across the Group. Andrew and Paul Riley had held a series of focus groups with staff at Worthing College during the year to discuss changes which could impact morale. As a result of these meetings, there had been a review of the number of teaching hours which had led to new timetables for 2022/23. This

had been welcomed by staff and it was hoped would have a positive impact on work/life balance.

194. Finally, Andrew shared some highlights from the term which included winning the AoC Beacon Award for mental health and wellbeing, a fantastic end of year celebration with Student Executives and some great feedback from staff and students on their experiences at Chichester College Group.

## **CHICHESTER COLLEGE GROUP PERFORMANCE REPORT 2021/22**

195. The Corporation received for information a presentation to provide an update on the performance of teaching and learning across the Group for 2021/22, this included attendance and retention rates for the year and the overall predicted achievement rates and apprenticeship achievement for 2021/22.

Copy attached at APPENDIX 2.

196. Sally Challis-Manning reminded the Corporation that detailed reports on the quality of teaching, learning and assessment had been provided to the College Quality & Stakeholder Board meetings. Sally reported that at the end of 2021/22, attendance rates at all of the Colleges had dropped in comparison to the previous year. For Chichester College attendance for the year was 89 per cent compared to 92 per cent for the previous year. At Brinsbury, attendance was also 89 per cent, compared to 92 per cent for the prior year. At Crawley College the attendance rate was 82 per cent, compared to 85 per cent for 2020/21. For Haywards Heath the attendance rate was 88 per cent, compared to 88.3 per cent for the prior year and at Worthing College the attendance rate was 87 per cent, compared to 91.8 per cent for 2020/21. The overall attendance rate for the Group was 85.5 per cent, this was in comparison to 90.1 per cent for 2020/21. There were a number of issues impacting attendance, including ongoing disruption from the pandemic and students adapting to coming back to College. Attendance was also lower in vocational groups.

197. The overall retention rates for 2021/22 by College were as follows:

- For Chichester retention for 16 - 18 learners was 91 per cent, for 19+ learners it was 96.2 per cent.
- For Brinsbury for 16 - 18 learners retention was 91 per cent, for 19+ learners it was 96.6 per cent.
- For Crawley retention for 16 - 18 learners was 93 per cent. At 19+ retention was 92.6 per cent.
- For Worthing retention for 16 - 18 learners was 90 per cent. For 19+ learners the retention rate was 91.3 per cent.
- For Haywards Heath retention for 16 - 18 learners was 89 per cent and for 19+ learners it was 64.7 per cent.

198. The Corporation noted the low retention rate for 19+ learners at Haywards Heath. This was adversely affected as it was a cohort of only 32 learners. At Group level the retention rate was 90.7 per cent for 16 - 18 learners and 94.5 per cent for 19+ learners.
199. Sally provided the following predicted achievement rates by College:
- Chichester 89 per cent.
  - Brinsbury 90 per cent.
  - Crawley 87 per cent.
  - Worthing 88 per cent.
  - Haywards Heath 86 per cent.
  - At Group level 89 per cent.
200. In response to a question, Sally stated that there would be a focus on supporting staff at Haywards Heath College with Level 2 learners in 2022/23. Other areas for focus included:
- Crawley, Level 1 health and social care had seen lower attendance. Overall attendance at Crawley had been impacted by students taking employment opportunities.
  - At Chichester there had been a number of issues in Construction where an improvement plan was in place.
201. Moving on to the equality measures, Sally stated that for retention the only significant gap was between 16 - learners and 19+ learners. For predicted achievement there was a gap for learners from disadvantaged areas. For apprenticeships predicted achievement was as follows:
- Chichester - 66 per cent.
  - Brinsbury - 70 per cent.
  - Crawley - 65 per cent.
  - Group - 70 per cent.
202. In response to a question, Andrew Green stated that at present there were no national benchmarks as this information had not been provided during the pandemic. It was hoped that national data would be available in April 2023. In response to a comment, Sally stated that it was clear that some students had come from school with inflated Teacher Assessed Grades and this was impacting their achievement at College.

## **APPOINTMENT OF THE NEXT CORPORATION CHAIR AND VICE-CHAIR**

203. The Chair confirmed that the Governance & Search Committee had recommended the appointment of Helen Kilpatrick as the next Corporation Chair. The Committee had also recommended that Steve Cooper be appointed as the next Corporation Vice-Chair. It was

### **Resolved**

- i) That Helen Kilpatrick CB be appointed as the next Chair of the Corporation from 1 August 2022, for an initial term of two years, with the option to extend to 31 July 2025.
- ii) That Steve Cooper be appointed as the next Vice-Chair of the Corporation from 1 August 2022, for an initial term of two years, with the option to extend to 31 July 2025.

## **CHICHESTER COLLEGE GROUP GOVERNANCE STRUCTURE POST-MERGER**

204. The Corporation received for consideration the proposed governance structure for the Group following the merger with GB Met.

Copy attached at APPENDIX 3.

205. Catherine Vinall stated that the governance structure had been reviewed in light of the merger with GB Met and alongside the review of the Quality & Stakeholder Boards. The recommendation from Governance & Search was that the Curriculum & Quality Committees follow the structure in place for the College Principals. It was recommended that going forward there should be four Committees, Chichester, Crawley & Brinsbury, Worthing & Northbrook and Brighton Met & Haywards Heath. The Institute of Technology Strategic Panel would be established in the new academic year. For the Staff Committees, work would take place on staff voice mechanisms next year. This will include looking at the structure and number of Staff Committees, with a view to any changes being introduced for the following academic year, 2023/24.
206. The Clerk and Deputy Clerk would be undertaking a review of Committee membership in the new year, taking into account new members joining from GB Met and the information from the Skills Audit which had been undertaken earlier this year. It was

### **Resolved to Recommended**

**That Chichester College Group's governance structure, as set out at APPENDIX 3, be approved.**

## **COLLEGE CURRICULUM & QUALITY TERMS OF REFERENCE**

207. The Corporation received for consideration the Terms of Reference for the College Curriculum & Quality Committees.

Copy attached at APPENDIX 4.

208. As previously discussed, the new Curriculum & Quality Committees would replace the Quality & Stakeholder Boards. The aim was to refocus on the scrutiny of teaching and learning. In response to a question, Andrew Green stated that stakeholder engagement would take place through Stakeholder Advisory Panels. These would fulfil the new skills obligations. It was suggested that a report on the Stakeholder Advisory Panels be given to a future Committee or Corporation meeting. The increase in Governor membership on the Curriculum & Quality Committees was noted. It was

### **Resolved to Recommended**

**That the Terms of Reference for the College Curriculum & Quality Committees, as set out at APPENDIX 4, be approved.**

### **Action**

**A report on the Stakeholder Advisory Panels to be presented to a future meeting of the Corporation or Committee.**

## **APPOINTMENT OF GOVERNORS FROM GB MET**

209. Catherine Vinall stated that four Governors from GB Met had expressed an interest in joining Chichester College Group's Corporation post-merger. Meetings with three individuals had taken place on Friday, 1 July. A meeting with the fourth individual was being planned. A recommendation on the appointments would be presented to the Corporation meeting on 19 July.

## **CCG RISK AND ASSURANCE REPORT**

210. The Corporation received for consideration a report providing an update on Risk Management and Assurance, together with the revised Risk Registers for Chichester College Group.

Copy attached at APPENDIX 5.

211. Steve Coulthard stated that the overall risk profile had reduced from very high to high. The number of areas rated as very high had reduced from five to two as a result of the most recent review. In the finance and MIS area, Steve noted that four learner number reviews were currently taking place which was an exceptional level of attention. This had driven the increase in risk rating for that area. In the governance and reputation area, the overall risk rating had dropped to high. In part, this was due to the successful appointments to the roles of Executive Principal and Chief Commercial Officer. In HR and corporate services, the risk rating was fairly static, with the exception of staff recruitment. The risk relating to staff recruitment had been increased to very high in light of the challenges to recruit and retain staff. Steve reported that whilst there had been no increase for the capital risk at present, this would be reviewed and was likely to increase in the autumn term. Under the commercial and growth area, the overall risk score had reduced from very high to high to reflect that fact that the Group's commercial businesses were recovering more quickly than had been predicted.
212. In response to a question from the Corporation, Steve confirmed that work planned for the first year post-merger included bringing together Chichester College Group's risk register with GB Met's risk register and the merger risk register. Work would also be taking place to look at the Group's risk appetite.

### **Resolved**

**That the Risk Registers for Chichester College Group, as set out at APPENDIX 5, be adopted.**

### **RSM UK AUDIT LLP INTERNAL AUDIT STRATEGY 2022 - 2025**

213. The Corporation received for consideration the Internal Audit Strategy for 2022 - 2025 and internal audit plan for 2022/23, produced by the Corporation's Internal Auditors, RSM UK Audit LLP.

Copy attached at APPENDIX 6.

214. Helen Kilpatrick CB stated that the plan had been based on the Group's risk register and discussions with the Chief Financial Officer. For 2022/23 there was a moderate increase in audit time from 60 days to 67 days. The plan included key financial controls, learner numbers, staff recruitment, safeguarding and cyber security. In response to a question from the Corporation, Steve Coulthard confirmed that there were no significant internal audit follow up recommendations to bring across from GB Met. In response to a further question, it was confirmed that it was planned to review governance in the year 2023/24. A discussion about the focus for that review would take place nearer the time of the audit. It was



### **Resolved**

**That the RSM UK Audit LLP Internal Audit Strategy 2022 - 2025 and plan for 2022/23, as set out at APPENDIX 6, be adopted.**

### **RE-APPOINTMENT OF CORPORATION MEMBERS**

215. Catherine Vinall reminded the Corporation of the change to the Instruments of Government which enabled the Corporation to temporarily increase membership of the Corporation. The proposal was to extend the membership of the Corporation up to 31 July 2023 and in doing so provide continuity in membership by extending the terms of office for Jane Dodsworth, Nick Fox and Paul Wright. The rationale behind the proposal were the considerable changes at Chichester College Group over the last year, including the appointment of a new Chief Executive and other members of the senior team, the appointment of a new Corporation Chair and Vice-Chair and the merger with GB Met. It was

### **Resolved**

- i) To extend the appointment of Jane Dodsworth as a Governor to 31 July 2023.**
- ii) To extend the appointment of Paul Wright as a Governor to 31 July 2023.**
- iii) To extend the appointment of Nick Fox as a Governor to 31 July 2023.**

### **MANAGEMENT ACCOUNTS TO 31 MAY 2022**

216. The Corporation received the Management Accounts for the period to 31 May 2022, together with a presentation to provide a financial update.

Copy attached at APPENDIX 7.

217. Steve Coulthard reminded the Corporation that the budget for the year was an operating deficit of £1.3m and EBITDA of £1.9m. By the end of May 2022 the Group was travelling well financially and was out-performing the budget and forecast position. The drivers were a better than predicted recovery for the Group's commercial operations and careful financial oversight. The areas which had struggled during the year were under-delivery against targets for adults and HE numbers had been lower than budgeted. Full cost commercial delivery had also struggled and had not return to pre-pandemic levels. Pay and non-pay mitigations had been put in place to manage this area. Looking at non-commercial areas by campus, the impact of HE challenges and full cost

commercial could be seen in the line for Chichester College. In Central Services the positive variance was supported by the sale of 2 Blakes Cottages earlier in the year and positive variances in College overheads. In the commercial areas, First Steps was currently behind budget, in part this was due to the impact of staff absences. The Sports Centre was also behind budget and had been impacted by an increase in competition. Work was taking place to look at the offer at the Sports Centre in Chichester.

218. In response to a question, Steve stated that GB Met had seen similar challenges for adult numbers and HE. International and commercial operations at GB Met were also down. While mitigations had been put in place it was not clear whether GB Met would achieve their forecast EBITDA.

### **RSM INTERNAL AUDIT REPORTS**

219. The Corporation received for information a summary of the internal audit reports completed during the summer term, together with the reports for Key Financial Controls, Apprenticeship Support, IT Disaster Recovery and Follow Up.

Copies attached at APPENDIX 8.

220. Helen Kilpatrick stated that four areas had been reviewed by the internal auditors during the summer term, key financial controls, apprenticeship (business development) support, IT disaster recovery control framework and follow up. The review of key financial controls found that substantial assurance could be placed on the effectiveness of internal control, no recommendations had been made. The apprenticeship support review had been of an advisory capacity, there had been some helpful suggestions on streamlining contact with employers.

221. The audit of the IT disaster recovery control framework found that partial assurance could be placed on the effectiveness of internal control, no recommendations had been made. A total of nine recommendations had been identified, one of which related to a test of the disaster recovery system. A further report on progress against the actions raised would be presented to the next Audit & Risk Committee meeting. In terms of follow up work it was noted that five actions were yet to be completed.

### **ESFA FINANCIAL HEALTH REVIEW 2020/21**

222. The Corporation received and noted a letter from the ESFA to confirm their assessment of Chichester College Group's Financial Statements and Financial Health for 2020/21.

Copy attached at APPENDIX 9.

223. Steve Coulthard stated that the letter from the ESFA confirmed their assessment that the Group's financial health for the year 2020/21 was good. The reference to financial control issues related to the ESFA funding assurance audit which was ongoing.

#### **ESFA ANNUAL STRATEGIC CONVERSATION**

224. The Corporation received and noted a letter from the ESFA following the Group's Annual Strategic Conversation.

Copy attached at APPENDIX 10.

225. The Chair confirmed that the annual strategic conversation meeting had taken place at the end of March. Members of the Group Leadership had also attended, together with Student President and Student Governor, Keira Embleton. This was a new process which had been introduced to ensure that annual meetings took place with Colleges to discuss strategic plan, achievements and challenges.

#### **ONS REVIEW OF THE CLASSIFICATION OF FE COLLEGES**

226. Andrew Green stated that the Office for National Statistics would be starting a piece of work to review whether FE colleges should be reclassified as public sector organisations. At present there was no further detail on the progress of the review.

#### **SUMMARY OF COMMITTEE BUSINESS**

227. The Corporation received and noted a summary of business considered at the Corporation's Committees and Boards during the Summer Term 2021/22.

Copy attached at APPENDIX 11.

228. The Clerk noted that in addition to the meetings listed, there had been additional meetings in relation to the merger with GB Met and the appointments of the Executive Principal and Chief Commercial Officer. It had been an exceptionally busy year, the Clerk thanked Corporation members for the additional time they had given to the work of the Corporation.

229. If anyone required a full copy of the minutes of the Committee and Board meetings that had taken place during the summer term these were available from the Clerk. Members of the Corporation were welcome to observe any of

the Committee or Board meetings and should contact the Clerk to make arrangements if they wished to do so.

## **DATES OF FUTURE MEETINGS**

230. It was noted that a special meeting of the Corporation would take place on Tuesday, 19 July 2022 at Worthing College. The autumn term meeting of the Corporation would take place on Wednesday, 7 December 2022. It would be followed by Christmas Dinner in Restaurant 64 at Chichester College. The next Corporation Strategy/Development event would take place on Tuesday, 18 October 2022 at 2.00 pm. The venue was to be confirmed.

## **ANY OTHER BUSINESS**

### **Governor Retirements**

231. It was noted that Dr James Sarmecanic would be stepping down as Chair at the end of July 2022. James's term had been exceptional in that there had been the appointment of a new Chief Executive, a further two members of the executive team and work on the merger with GB Met through the Transition Board. James said that it had been a fascinating experience, it had been an honour to serve as Chair. James thanked the Corporation for their support during his term of office and in particular the Vice-Chair, Jane Dodsworth, Paul Wright and Nick Fox. The Chair also thanked the Clerk for her support.
232. In addition, Jane Dodsworth would also be stepping down as Vice-Chair of the Corporation. The Corporation noted the significant time Jane had dedicated to the role, her involvement in the various appointment processes and membership of the merger Transition Board.

## **CONFIDENTIAL BUSINESS**

234. It was

### **Resolved**

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