

**MINUTES OF THE CORPORATION MEETING
HELD ON WEDNESDAY, 7 DECEMBER 2022 IN
THE CATHEDRAL ROOM, CHICHESTER COLLEGE**



Chichester
College
Group

Present:

Tosin Adebisi, Dr Roy Bowden, Martin Colyer, Steve Cooper (Vice Chair), Keira Embleton (Student Governor), Nick Fox, Andrew Green (CEO), David Jones, Helen Kilpatrick CB (Chair), Richard Moore, David Russell, Ryan Sallows, Dr James Sarmecanic, Nick Sutherland, Ellen Walsh, Paul Wright

In Attendance:

Steve Coulthard (CFO), Vicki Illingworth (Executive Principal), Helen Loftus (Principal, Chichester College), Dan Power (CCO), Paul Riley (Principal, Brighton MET and Haywards Heath College), Helena Thomas (Principal, Worthing College and Northbrook College), Catherine Vinall (Clerk to the Corporation), Sarah Box (Governance Officer)

WELCOME AND INTRODUCTIONS

9. The Chair welcomed members to Corporation meeting.

APOLOGIES FOR ABSENCE

10. Apologies for absence were received from Steve Bassam, Jane Dodsworth, Donna Turner-Irwin and Caroline Wood.

DECLARATION OF INTERESTS

11. 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

12. The Minutes of the Meeting of the Corporation on Wednesday, 6 July 2022 and the Special Meeting held on Tuesday, 19 October 2022 were approved as an accurate record of the meeting.

CHIEF EXECUTIVE'S STRATEGIC UPDATE

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

14. Andrew Green gave an overview of the current economic climate and its impact on the College group and FE sector as a whole. The recent appointment of local MP, Gillian Keegan, as Education Secretary was welcomed. However, the cost of living crisis was impacting both staff and students and a hardship fund set up to support staff struggling the most. So far, 162 applications had been received for £50 in Tesco vouchers. There were inflationary pressures on the College budget and as there had been no mention of FE in the most recent Fiscal Statement, it was considered unlikely that further funding would be made available to the sector. UCU had suspended any further disputes at Chichester, Brinsbury and Crawley, although it was likely that further industrial action would take place.
15. Governors were also updated on the ONS reclassification which moved FE into the public sector. The review had been triggered by a change in law and although Governing bodies would remain in place and colleges would continue to keep reserves, significant changes to borrowing, accounting procedures and reporting were likely to be announced. There was still a lot of detail for the Department for Education to work through but it had been confirmed that colleges could continue to operate subsidiary companies. Further detail on loans could trigger discussions the Group's banks. Andrew reported that £150m in capital was expected by the sector as part of the public sector change. Colleges, along with the AoC, were lobbying government on the VAT position for the FE sector.
16. Updating on the recent Ofsted visits, Andrew confirmed that the Group had been judged as outstanding in all aspects in the recent social care inspection of the Group's residential provision. Crawley College had received safeguarding monitoring visit which had triggered a review of site security and access to all campuses within the Group. Inspectors had concluded that reasonable progress was being made in relation to safeguarding at Crawley.
17. It was reported that a group of CCG students had been successful World Skills winners. Crawley students achieved Gold, Silver and Bronze in Foundation Carpentry and a student from Brinsbury won Bronze in Furniture and Cabinet Making Senior Nationals.
18. Updating on the post-merger integration, Governors were informed that the phase 1 restructure was virtually complete. Phase 2 would commence in the in new year and extensive work was taking place on the cultural alignment, the harmonisation of staff terms and conditions.
19. Development of the new Strategic Plan was well underway. A governor strategic working group had taken place the previous week, to look at the two existing plans and the Group's purpose and vision for the future.
20. Finally, a montage of student successes and achievements during the first term was shared with governors.

CHICHESTER COLLEGE GROUP PERFORMANCE REPORT AND SELF ASSESSMENT 2021/22

21. Vicki Illingworth outlined the key themes detailed in the report, the data reflected achievement headlines for Chichester College Group and GB Met in the year 2021/22, the detail had been reviewed at the College Curriculum and Quality Committee meetings. For Chichester College Group, the achievement rate was reported at 84% which was a 4.6% decline from the previous year. A deep dive on the data was currently underway, but it was widely recognised that the tail end of covid had impacted student behaviour and attendance. The impact of Teacher Assessed Grades and issues with Maths and English achievement were also significant factors. Managers and staff were aware of the anxiety felt by learners in relation to sitting exams. Despite strong progress through the year, many students were finding the final examination process challenging as a result of Covid. Strategies had been put in place to help staff prepare and support students through the examination element of their courses.
22. Vicki summarised the achievement results by the equality and diversity measures, for the Group (not including former GB MET colleges) there was a gap in the achievement for learners from disadvantaged areas and 16-18/19+ learners. Strategies using the catch up fund were in place to ensure that disadvantaged students were given as much wraparound support as possible.
23. Moving on to Apprenticeships, the college data showed some strong outcomes at Brinsbury and Crawley. A discussion was held on the GB MET Apprenticeship Achievement. The final figure was 41.3% but this had previously been predicted at c50%. In response, it was advised that a strategic decision had been taken to close out the tail of apprenticeships that were passed their planned end dates and where students were no longer engaged. Consultation had taken place with employers and students to progress this. Governors accepted this response, although it was noted that the Corporation should have been informed of this via the C&Q Committee meetings.
24. Governors were advised that significant work was underway to improve Apprenticeship outcomes. Strategies included tracking student progress on a monthly basis, training for skills coaches and ensuring greater stability of staffing in the Health and Social Care and Early Years departments. Following a discussion it was also confirmed that going forward the group achievement rate of 60.8% would be used as the benchmark figure. In response to a request, it was agreed to provide four years' worth of historical data in future reports.

Action:

Provide four years' worth of historical data in future reports for Corporation and Curriculum & Quality Committee meetings. (Vicki Illingworth/Sally Challis-Manning)

UPDATE FROM THE CURRICULUM & QUALITY COMMITTEE CHAIRS

- **Worthing College and Northbrook**
25. There had been a variable performance picture for the year 2021/22. Northbrook L1 had seen an improvement over the last two years as a result of management actions. Staff turnover and inconsistent tracking had impacted learners at L2. L3 results had been impacted by TAGs and anxiety around exams. Attendance was a focus area, as was Apprenticeships and the review of learner withdrawals. A discussion had taken place on the HE strategy and improving connections with alumni. The Committee had also received an update on safeguarding at Worthing College and Northbrook, which highlighted concerns around mental health and anxiety.
- **Chichester College**
26. The Committee spent time reviewing the 16-18 L2 achievement rates as they had been a cause for concern. It was noted that the college Apprenticeship data masked some stronger areas, which were impacted by a few poorer performing areas. Attendance and retention data was discussed, particularly the for GCSE maths and English. Similar themes to the other colleges were noted in the safeguarding report. Presentations had been received on the Quality cycle, use of catch up funds to support A levels and an update on the improvement plan for Construction.
- **Haywards Heath and Brighton MET**
27. The Committee had learnt how quickly the Haywards Heath Campus had established itself as a local provision and the Student Satisfaction Survey illustrated a positive picture. A presentation on curriculum development and the drivers of curriculum change had been received, in addition to a report on safeguarding. Committee actions had included a request for finer detail in the performance data. Additional work on maths and English attendance had been noted. The Committee had noted the number of safeguarding referrals at one of the campuses, which looked to be lower than might be expected. This would be looked at in further detail by management.
- **Crawley and Brinsbury**
28. The Committee received a presentation on the recent Ofsted monitoring visit at Crawley and members congratulated the teams for a positive outcome, especially with such short notice. The discussions on the performance report noted the dip in achievement and it was agreed that four year data trends would be helpful. The relaunch of the 'I love Maths and English' initiative was discussed and it was recognised that this was a challenging area for students. An item on curriculum innovation was received giving an overview of the how

the Coast to Capital, SDF and Crawley Town funding had been utilised. It also covered an update on the IoT, as well as the use of technology to enhance the learning experience at Brinsbury. Similar themes were noted in relation to safeguarding and the focus for staff working with affected students was to retain and keep them in education.

ITEMS FOR APPROVAL

FINANCE AND GENERAL PURPOSES COMMITTEE CHICHESTER COLLEGE GROUP MANAGEMENT ACCOUNTS 2021/22, MOVEMENT SUMMARY, CHICHESTER COLLEGE GROUP ANNUAL REPORT & FINANCIAL STATEMENTS 2021/22, DIRECTORS REPORTS FOR THE SUBSIDIARY COMPANIES AND MHA MACINTYRE HUDSON AUDIT FINDINGS REPORT 2021/22

29. The Corporation received for consideration the Management Accounts, Chichester College Group Annual Report & Financial Statements 2021/22, Directors Reports for the subsidiary companies, together with the Audit Findings Report from MHA MacIntyre Hudson, the Corporation's External Auditors. There was also a Movement Summary to demonstrate the movement between the management accounts and financial statements.
30. Steve Coulthard reminded the Corporation that an EBITDA of £1.7m had been budgeted and at the mid-year point had exceeded forecast. This was largely due to the successful post covid recovery of the Group's commercial businesses, but also anticipated costs for End Point Assessments had not materialised. Overall, the accounts illustrated a strong performance at year end, with no deficit. The movement summary outlined the adjustments made from management accounts to the audited financial statements relating to pensions and other FRS102 year-end adjustments.
31. In terms of the audit, Steve gave an overview of the key findings. There had been significant FRS102 pension asset movements, two grade C control weaknesses with actions undertaken to rectify four minor advisory points and three updates to prior year recommendations. It was

Resolved

- **That Chichester College Group's Management Accounts for 2021/22, be noted.**
 - **That the Audit Findings Report presented by the Corporation's external auditors, MHA MacIntyre Hudson, for 2021/22, be noted.**
32. It was noted that under the terms of FRS8 (Related Party Disclosures) any Governor who believed that he or she had any relevant interest in the Corporation's operations should declare it. No declarations of interest were made. Corporation Members noted statement in the Members Report and Financial Statements in relation to the disclosure of information to auditors,

the statement of governance and internal control, the statement of regularity and propriety and statement of their responsibilities as Governors. The Corporation confirmed that they were not aware of any actual or potential non-compliance with laws and regulations, it was

Resolved

- That the Corporation was not aware of any actual or potential non-compliance with laws and regulations that had a material effect on the ability of the College Group to conduct its business and therefore on the results and financial position to be disclosed in the financial statements for the year ended 31 July 2022;
 - ii) That no material changes had been made to the Management Accounts since the audit; and
 - iii) That the Financial Statements and Members Report for the year 2021/22, be adopted for submission to the Education & Skills Funding Agency, following signature by the Chair and Chief Executive on behalf of the Corporation.
33. With regard to the Group's subsidiary companies, it was confirmed that the Accounts for First Steps had been approved by the First Steps Board, including a prior year restatement where income related to year end 31 July 2022 had been incorrectly included in the income to the year 31 July 2021. For Anglia, there would be a small tax liability as a result of the loss in the prior year. The Board of Anglia was due meet the following week. It was

Resolved

- That the Corporation endorsed the Directors Reports & Financial Statements for First Steps Childcare Group and Anglia Examination Syndicate with adjustments for the tax position included;
- That the Corporation should continue to provide financial support as necessary to its subsidiary companies;
- That the subsidiary companies continue to pay any profits made to the College Group under the Gift Aid scheme.

GB MET MANAGEMENT ACCOUNTS 2021/22, RECONCILIATION STATEMENT, GB MET ANNUAL REPORT & FINANCIAL STATEMENTS 2021/22, AND MHA MACINTYRE HUDSON AUDIT FINDINGS REPORT 2021/22

34. The Corporation received for consideration the GB MET Management Accounts, Annual Report & Financial Statements 2021/22, together with the Audit Findings Report from MHA MacIntyre Hudson, the College's External Auditors. There was also a Reconciliation Statement to show the movement between the management accounts and financial statements.

35. Steve Coulthard reminded the Corporation that as a result of the merger, Chichester College Group was required to sign off the statutory accounts for GB Met and submit them to the ESFA. It was reported that the £1.7m budget had been downgraded to just under £1m and the actual figure taken to audit was £617k. A £2.6 million operating deficit was noted, with adjustments for the pension scheme, Apprenticeships, AEB. In addition, a significant downward adjustment for the revaluation impairment on land and buildings as part of the merger meant a final Audited Financial Statements showed a deficit of £23 million. Due to the merger, the accounts had been prepared on a non-going concern basis and three grade C control weaknesses had been identified, which were now being actioned by CCG.
36. The Chair of the Audit & Risk Committee confirmed the external audit report had been discussed at length at the Audit & Risk Committee on 22 November. Committee members had queried the pensions adjustments and property re-evaluation. In response to a query, Steve Coulthard explained that the impairment re-evaluation was required to be incorporated in GB MET's final set of accounts or carried over. Management had taken the decision to finalise them this year and the property had to be taken at fair value. It was

Resolved

- **That the GB MET Management Accounts for 2021/22, be noted.**
- **That the GB MET Audit Findings Report presented by external auditors, MHA MacIntyre Hudson, for 2021/22, be noted.**
- **That no material changes had been made to the Management Accounts since the audit; and**
- **That the Financial Statements and Members Report for the year 2021/22, be adopted for submission to the Education & Skills Funding Agency, following signature by the Chair and Chief Executive on behalf of the Corporation.**

CCG FINANCIAL PROCEDURES

37. Steve Coulthard explained that following the recent merger, the Financial Procedures were due a comprehensive review. This would take place in the Spring Term, but in the meantime, approval was sought to amend the policy for updates to the sections on delegated authorities relating to contract signing, delegated authority relating to investments, authority to vire between budgets and depreciation.
38. Governors queried whether the policy amendments had been put forward as a result of the ONS changes. It was confirmed that the changes had been drafted pre-reclassification. Once further detail on the impact of reclassification was available it was likely that a full review of the Financial Procedures would need to be taken place. In response to a query on the limit of

the term relating to investments, Governors were advised that it was not a long term arrangement.

Resolved

That the changes to the Financial Procedures be approved.

**AUDIT AND RISK COMMITTEE
CHICHESTER COLLEGE GROUP, ANGLIA, FIRST STEPS AND GB MET LETTERS OF REPRESENTATION**

39. The Letters of Representation were received. These had been prepared in connection with the audit of the Financial Statements for CCG, the subsidiary companies and GB Met. The letters were in standard form, with the exception of that for GB Met which reflected specific representations around the impairment of land and buildings and the Strategic Development Fund. It was

Resolved

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

RISK MANAGEMENT AND ASSURANCE

40. The Corporation received for consideration the Risk & Assurance report for the autumn term 2022/23, together with the updated Risk Registers.

41. Steve Coulthard stated that the risk environment continued to be rated as very high overall, with the government policy changes, staff recruitment and retention and delivery of capital projects all rated as very high. It was noted that the risk review had taken place prior to the ONS announcement. The government policy risk had been increased due to the political uncertainty, however the risk level for Financial Management Controls had been downgraded to high now that the funding audits had been completed. Safeguarding was moderate, with a review of security and access arrangements across all sites in progress. The risk for commercial and growth continued to be rated as high despite the commercial activity rebounding post covid, It was explained that this was because it was grouped with Apprenticeships and therefore the rating acknowledged the uncertainty in this area. It was

Resolved

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

CCG AUDIT & RISK COMMITTEE ANNUAL REPORT 2021/22

42. The CCG Audit & Risk Committee Annual Report 2021/22 was received. Catherine Vinall stated that the report provided an overview of the work undertaken by the Audit & Risk Committees in 2021/212 and confirmed the audit opinions from the internal and external auditors.

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

Resolved

That the CCG Audit & Risk Committee Annual Report 2021/22, be approved and submitted to the Education & Skills Funding Agency.

GB MET AUDIT & RISK COMMITTEE ANNUAL REPORT 2021/22

44. The GB MET Audit & Risk Committee Annual Report 2021/22 was received. Martin Colyer noted that the External Auditor had been re-appointed in year to avoid a conflict of interest with Chichester College Group's internal auditors. The GB MET Internal Auditors, TIAA, had reported an improving position during the year. It was

Resolved

That the GB MET Audit & Risk Committee Annual Report 2021/22, be approved and submitted to the Education & Skills Funding Agency.

AUDIT & RISK COMMITTEE TERMS OF REFERENCE

45. Catherine Vinall explained that the Committee Terms of Reference had been updated and aligned with the latest ACOP requirements. She noted that for the future health and safety reporting would become part of the Resources Committee remit. It was

Resolved

That the Audit & Risk Committee Terms of Reference be approved.

REMUNERATION COMMITTEE

REMUNERATION COMMITTEE ANNUAL REPORT 2021/22.

46. The Corporation received the Remuneration Committee Annual Report 2021/22, which provided an overview of the approach to Senior Post Holder

remuneration at Chichester College Group. The report would be submitted to the ESFA with the accounts pack for 2021/22. It was

Resolved

That the Annual Report of the Remuneration Committee for 2021/22 be approved and submitted to the Education & Skills Funding Agency.

MONITORING SENIOR POST-HOLDER (SPH) PERFORMANCE

47. Catherine Vinall explained that the PRP scheme had been withdrawn in the previous year. She had subsequently been asked to consider how the Remuneration Committee should have oversight SPH performance following the removal of the scheme. The Remuneration Committee had recommended a proposal that the Committee would receive a summary of SPH appraisals each year. It was

Resolved

That a summary report providing an overview of the SPH's appraisals would be considered by the Remuneration Committee on an annual basis.

GOVERNANCE & SEARCH COMMITTEE CORPORATION SCHEME OF DELEGATION

48. The Scheme of Delegation, which had been recommended for approval was received. Catherine Vinall confirmed that it had been reviewed and updated taking into account the ACOP and the Code of Good Governance for English Colleges. She noted that the Financial Delegations were set out in the Financial Procedures. It was

Resolved

That the Corporation Scheme of Delegation be approved.

CORPORATE TARGETS

49. Andrew Green stated that the interim targets were recommended in advance of a full review in the summer term. The KPIs had been considered by the Governance and Search Committee, and the attendance measure had been increased as a result.

50. An in-depth discussion took place on the targets presented and how they drive behaviour through the organisation. Governors asked if they were adequately aspirational and how they compared to the indicators used in previous years, before and during the pandemic. It was confirmed that they were higher than the previous academic year, but level with the years before that and were

incremental in terms of post pandemic recovery. Governors pointed out that local demographics indicated an increase in 16-18 learners over the next few years. As a result, the recruitment KPI might not be suitably challenging for the organisation. Governors requested that further KPIs were included in future iterations. It was also noted that the achievement benchmarking data had not been produced for some time due to the pandemic. It was hoped that these comparisons would resume to enable a comparison with the rest of the sector. In response to a further query, Andrew confirmed that the work would take place to consider performance indicators linked to the new strategic plan. It was

Resolved:

The Corporate Targets for 2022/23 be approved.

CORPORATION MEMBERSHIP - REAPPOINTMENTS

51. Catherine Vinall stated that the Governance and Search Committee had recommended three re-appointments. James Sarmecanic to 31 July 2025, Roy Bowden to 31 March 2025 and Amy Kensett (Co-opted Audit & Risk Committee member) to 30 November 2026.

Resolved

The re-appointments for Dr James Sarmecanic, Roy Bowden and Amy Kensett were approved.

ITEMS TO NOTE

OFSTED SOCIAL CARE INSPECTION OF RESIDENTIAL PROVISION SEPTEMBER 2022

The report was noted and had been discussed earlier in the meeting.

OFSTED MONITORING VISIT, CRAWLEY COLLEGE OCTOBER 2022

The report was noted and had been discussed earlier in the meeting.

ESFA ASSESSMENT OF FINANCIAL HEALTH 2021 TO 2023

52. The Corporation received a copy of the letter from the Education & Skills Funding Agency outlining their response to the College's Financial Plan 2021 to 2023. It was noted that the Requires Improvement was planned as part of the merger and would be reinstated to Good after a period of two years.

CORPORATION CALENDAR OF MEETINGS 2023

53. The Corporation received and noted the Corporation calendar of meetings for 2023.

ITEMS FOR INFORMATION

FINANCE & GENERAL PURPOSES COMMITTEE: MANAGEMENT ACCOUNTS TO 31 OCTOBER 2022

54. Steve concluded by giving an update on the first set of Management Accounts for the year 2022/23, in which he noticed a promising start to the year. He advised that there would be challenges to the budget relating to the current issues with recruiting and retaining staff. There would also be pressure on the Apprenticeship, Adult and Commercial course budgets. The risk level of the major capital programmes had been increased due the impact of inflation on build costs. He advised that the ONS reclassification would be likely to impact at some point in year.

AUDIT & RISK COMMITTEE

RSM CHICHESTER COLLEGE GROUP INTERNAL AUDIT ANNUAL REPORT 2021/22

55. The CCG Internal Annual Report 2021/22 was noted.

FUNDING ASSURANCE REVIEWS 2021/22

56. The Internal Audit report and overview of external audit work was noted. Steve Coulthard noted the historical information contained in the reviews, this had been superseded by more recent reports.

GOVERNANCE & SEARCH COMMITTEE

EXTERNAL GOVERNANCE REVIEWS

57. Catherine Vinall informed the Corporation of a new funding agreement requirement, which stated that corporations must have an external governance review every three years. A timetable had been presented to Governance and Search Committee, proposing that the review takes place in July 2024, with a mock review in the 2023 autumn term.

58. Governors challenged the proposed timings and suggested that the mock should take place earlier, in the summer term 2023. It was agreed that this would be considered, subject to the timetabling of Governance and Search Committee meetings and an updated timeline would be discussed at the next meeting.

ACCOUNTABILITY AGREEMENTS

59. The agreements were a new government requirement to provide an overview of priorities for each year. The Corporation noted the report provided.

ONS RECLASSIFICATION OF COLLEGES

60. The summary was noted.

CCG SAFEGUARDING ANNUAL REPORT 2021/22

61. The Corporation received for information the Group's Safeguarding & Prevent annual report for 2021/22.
62. Vicki Illingworth stated that each of the Curriculum & Quality Committees had received reports to provide an update on safeguarding and Prevent for their respective Colleges. Generally, the report showed that the key themes in 2021/22 were consistent across the Colleges and included mental health and emotional wellbeing. In response to a query regarding the recording of, Vicki confirmed that welfare and safeguarding disclosures/concerns had previously been captured together, but the two areas could now be separated out to provide a clearer picture of the level of support being provided to students.

CCG HEALTH & SAFETY ANNUAL REPORT 2021/22

63. The Corporation received for information the Group's Health and Safety annual report for 2021/22. Steve Coulthard explained that it had been difficult to report useful trends due to the impact of the pandemic. The document had been reviewed by Audit & Risk Committee and suggestions had been made of the format of future reports. The key themes highlighted included the recruitment and retention of First Aiders and Fire Wardens, plus the completion of mandatory staff training.

SUMMARY OF COMMITTEE AND BOARD MEETINGS AUTUMN TERM 2023

64. The Corporation received and noted a summary of the business which had been undertaken by the Standing Committees and Boards during the autumn term 2022/23.
65. Catherine Vinall reminded the Corporation that members were welcome to observe any of the Committee. If they wished to attend they should contact the Clerk to make arrangements.

DATES OF FUTURE MEETINGS

66. It was noted that the next meeting of the Corporation would take place on Wednesday 29 March 2023 at 4.00 pm in the Gallery Restaurant, Brighton MET. The date and venue for the next Corporation Development Event would be confirmed in due course.

Action: Arrange for Governors to receive a tour of the Brighton MET campus prior to the next Corporation meeting. (Governance Team)

ANY OTHER BUSINESS

67. There was no other business.

CONFIDENTIAL BUSINESS

68. 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.

Ellen Walsh left the meeting