

**MINUTES OF THE MEETING OF THE
CORPORATION HELD ON
WEDNESDAY, 8 JULY 2020**

Present:

Dr James Sarmecanic (Chair)
Jane Dodsworth (Vice-Chair)
Jeff Alexander
Marilyn Billingham
Dr Roy Bowden
Steve Cooper
Andy Davies (Staff Governor)
Margaret Eva OBE
David Hobson
Helen Kilpatrick CB
Shelagh Legrave OBE DL
Sophie Sargent (Student Governor)
Nick Sutherland
Caroline Wood
Paul Wright

In Attendance:

Sally Challis-Manning, Deputy Principal, Quality and Principal of Brinsbury College
Steve Coulthard, Chief Financial Officer
Andy Green, Executive Principal
Vicki Illingworth, Principal, Crawley College
Julie Kapsalis, Managing Director Commercial
Catherine Vinall, Clerk to the Corporation

APOLOGIES FOR ABSENCE

133. Apologies for absence were received from Tom Crowley, Anne Curle, Nick Fox and Ria Voice.

DECLARATION OF INTERESTS

134. The Chairman 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. On the declaration of Julie Kapsalis, the Corporation noted Julie's role as the Vice-Chair of the Coast to Capital Local Enterprise Partnership.

MINUTES

135. The Minutes of the Meeting of the Corporation held on Wednesday, 1 April 2020 were taken as a correct record and signed by the Chairman.

CHICHESTER COLLEGE GROUP OFSTED INSPECTION 2020

136. The Corporation received for information the report produced by Ofsted following their inspection of Chichester College Group.

Copy attached at APPENDIX 1.

137. Andy Green stated that Chichester College Group had been delighted to be graded as outstanding in all areas following the Ofsted inspection in March 2020. The report had been delayed due to the coronavirus outbreak but had now been published on the Ofsted website at <https://reports.ofsted.gov.uk/provider/31/130843>. Highlights from the report included the quotes that 'learners are very proud of their college', 'learners and apprentices enjoy their time at college' and 'staff rapidly put support in place for learners'. The report also stated that 'Governors, leaders and managers have a detailed understanding of the strengths of the college. They routinely consider the views of staff, employers and learners' and 'Governors have been highly effective in using their skills, experience and knowledge of the colleges during the merger process. They have successfully overseen considerable expansion'.
138. On behalf of the Corporation, the Chairman thanked the staff across Chichester College Group for their commitment, drive and dedication which had produced a fantastic Ofsted result. The Corporation were extremely proud of the outcome of the inspection.

CHIEF EXECUTIVE'S TERMLY PROGRESS REPORT - A REVIEW OF 2019/20

139. Shelagh Legrave gave a presentation to provide an update on progress against the Strategic Plan and a review of 2019/20. The Corporation also received a dashboard to provide an update on progress against the key performance indicators in the Strategic Plan 2019 - 2022.

Copy attached at APPENDIX 2.

140. Shelagh Legrave stated that the first objective related to outstanding teaching and learning, some of the information would be provided in the next agenda item on the performance of teaching and learning across the Colleges. The KPI measurable at this point in the year was linked to the end of year student survey. It was rated green with survey results showing that 92 per cent of respondents from Crawley College, 96 per cent of respondents for Chichester and Brinsbury and 91 per cent of respondents from Worthing College had stated that their teaching during the year had been good. For the second objective, to provide a relevant curriculum, the indicators were not measurable at this point in the year. The third objective related to engaging with employers. For 2019/20 it would not be possible to assess the indicator linked to employer recommendations as the Department for Education would not be running the employer survey this year. The fourth objective was to develop substantial commercial businesses. The key performance indicators referenced performance by First Steps, International, Anglia and other commercial activities. All areas had been rated red due to the coronavirus pandemic and the impact on the Group's commercial areas and budgets for 2019/20.
141. The fifth objective related to staff satisfaction, the information provided was taken from the staff surveys undertaken at Chichester, Brinsbury and Crawley. The staff survey at Worthing College was still open for responses. Of those, 97.5 per cent of respondents stated that they were proud to be an employee of Chichester College Group, 95.7 per cent of respondents stated that they felt their contribution was valued, 93.4 per cent of respondents stated that they were encouraged to try new things without fear of failure and 95.6 per cent of respondents stated that they felt they had the autonomy to do a good job. In response to a comment from the Corporation, Shelagh stated that a working party met to review the results from the staff survey and take forward actions arising from the survey. Objective number six was to create a strong College Group. The first key performance indicator was to improve results at Crawley and Worthing to above national average, it was rated green. The prediction for Crawley was for an achievement rate seven percentage points above the national average and at Worthing eight percentage points above national average. The second indicator would be reported once the staff survey results for Worthing were available. The next indicator related to student survey results. The end of year student survey results showed that all satisfactions rates were above 90 per cent with Chichester and Brinsbury at 96 per cent, Crawley at 92 per cent and Worthing at 91 per cent. The final indicator for this objective related to growth in student numbers. Brinsbury was showing a ten per cent growth in comparison to the previous year and Worthing a three per cent growth in numbers. In response to a question from the Corporation, Sally Challis-Manning said that the Furniture provision at Brinsbury was a growth area and had moved to new accommodation. Animal Care numbers at Brinsbury were also growing.
142. The final objective was to ensure that the College Group was financially viable for the long term. The indicators relating to the budget and banking covenants were rated red and would not be achieved due to the impact of the coronavirus pandemic. For 2019/20 the Adult Skills forecast would be achieved, work to develop the new

STEM centre at Crawley College was broadly on track, as was investment to open Haywards Heath College in September 2020. In response to a question from the Corporation, Andy Green stated that it was hoped that the Government would be announcing new initiatives which would involve colleges in supporting adults to learn new skills and encouraging employers to take on apprentices. To date no further details other than headlines had been released. For apprentices it was hoped that there might be a pre-apprenticeship offer to support learners to progress on to an apprenticeship. In response to a question about colleges experiencing financial problems as a result of COVID, Shelagh stated that her understanding was that some colleges were being supported by short term loans. Where issues were specifically linked to COVID, colleges with a more diverse income base had experienced a greater impact as that diversity tended to be linked to commercial operations. With regard to the Group's banking covenants, Steve Coulthard stated that he had met with the Group's banks and shared the re-forecast that had taken place in the light of the impact of the pandemic. In this instance it was likely that the banks would look to adjust the covenants rather than issue a waiver.

143. Moving on, Shelagh provided an update on the delivery of teaching and learning during lockdown, the support in place for students at that time and the extended opening that had taken place across the Group from June 2020. The average student engagement in online learning across the Group was 85 per cent. Engagement was higher for learners at Level 3 and above and was challenging for learners at Levels 1 and 2, particularly those taking practical subjects and in Foundation Learning. The feedback from students about the support they had received during lockdown was positive, testament to teachers and those providing support to learning and pastoral support who had found many new ways of working with students. Many staff had also been involved in initiatives to support the NHS by making visors and scrubs. Shelagh stated that some enrichment and Student Union activities had continued to take place during lockdown, albeit in a different format. There had been information events for prospective students, online college tours and staff had found new ways to engage with and provide information to students joining the Group in September. In response to a question about the new academic year, Andy Green stated that he and the College Principals were working on a range of scenarios for the new academic year but it was likely that a blended learning approach would be in place with between 50 and 75 per cent of learners on site at any one time.
144. Shelagh provided an update on the STEM Centre at Crawley College which was around five weeks behind schedule. This was mainly due to restrictions on the numbers of contractors on site during lockdown and some supply issues. The project was on budget. At Haywards Heath the refurbishment of the theatre and other work to refresh the campus was nearing completion. Negotiations regarding the final lease for Haywards Heath College were ongoing, Shelagh would continue to update the Corporation as and when appropriate. In response to a question from the Corporation, Shelagh confirmed that the ESFA were aware of those discussions. It had been agreed that the short term lease would be extended if necessary.

145. The Corporation discussed student numbers for 2020/21 which were tracked each week by the Group Leadership Team. Overall, applications seemed to be slightly down on the previous year but it was an exceptional year. There was a concern that some learners might chose to continue in school sixth forms as it was a familiar environment for them. Shelagh reminded the Corporation that, under the Gatsby Benchmarks, schools had a duty to provide students with independent advice in relation to progression. This would have been difficult during lockdown. The Corporation discussed the impact of the pandemic on the area local to Crawley College and Gatwick Airport in particular. Shelagh stated that she had joined a skills group in Crawley which was looking at strategies to support the local economy. A similar group was being set up for the coastal West Sussex area. The Chairman thanked Shelagh for her comprehensive update on the issues impacting Chichester College Group at this unprecedented time.

CHICHESTER COLLEGE GROUP PERFORMANCE REPORT 2019/20

146. The Corporation received for information a presentation to provide an update on the performance of teaching and learning across the Group for 2019/20, this included attendance and retention rates for the year and the overall predicted achievement rates and apprenticeship achievement for 2019/20.

Copy attached at APPENDIX 3.

147. Andy Green reminded the Corporation that the full reports on the performance of teaching and learning were provided to the College Quality & Stakeholder Board. Andy stated that at the end of 2019/20 the attendance rate for Chichester and Brinsbury was 88 per cent, for Crawley it was 83 per cent and for Worthing the attendance rate was 93 per cent. At Group level the overall attendance rate was 88 per cent.

148. The retention rates by College and Level were as follows:

- Chichester and Brinsbury Level 1 - for 16 - 18 learners retention was 95.9 per cent, for 19+ learners it was 98.2 per cent.
- Chichester and Brinsbury Level 2 - for 16 - 18 learners 94.9 per cent and for 19+ learners it was 96.6 per cent.
- Chichester and Brinsbury Level 3 - retention for 16 - 18 learners was 96.2 per cent. At 19+ retention was 95.4 per cent.
- Crawley Level 1 - retention for 16 - 18 learners was 94.8 per cent. At 19+ retention was 97.7 per cent.
- Crawley Level 2 - for 16 - 18 learners retention was 94.9 per cent. For 19+ learners retention was 96 per cent.
- Crawley Level 3 - for 16 - 18 learners retention was 95.9 per cent. For 19+ learners retention had increased considerably to 98.9 per cent.

- Worthing Level 1 - for 16 - 18 learners was 89.5 per cent. For 19+ learners the retention rate was 95.2 per cent.
 - Worthing Level 2 - for 16 - 18 learners retention was 93.4 per cent. For 19+ learners retention was 92.3 per cent.
 - Worthing Level 3 - for 16 - 18 learners the retention rate was 93.5 per cent. At 19+ the retention rate was 86.4 per cent.
149. With regard to predicted achievement, Andy stated that the exam and assessment season had been very different for 2019/20. Curriculum teams were working on calculated grades, delayed assessments and adapted assessments. The overall predicted achievement rate for Chichester and Brinsbury was 89.20 per cent, for Crawley it was 90.80 per cent and for Worthing College it was 91.65 per cent. Overall, the predicted achievement for the Group was 90.50 per cent.
150. Moving to predicted achievement for Apprenticeships, Andy reported that for Chichester and Brinsbury it was 70.4 per cent, for Crawley it was 74.7 per cent and for Worthing predicted achievement for apprenticeships was 89.6 per cent. Andy acknowledged that for the Colleges in the Group with larger volumes of apprentices were predicting a further drop in achievement. In part this was due to the Group's withdrawal from partnership provision which was generally large volumes studying easier programmes. Apprenticeships had also been impacted by the pandemic, with apprentices being made redundant and experiencing breaks in learning.

CCG RISK AND ASSURANCE REPORT

151. 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 4.

152. Steve Coulthard stated that the overall risk environment was very high. Of the key strategic risks, six areas were rated very high, a reduction of one in comparison to the previous update to the Corporation. This related to major capital projects which had continued with minimal impact during the lockdown. With regard to the individual risk areas, Steve stated that the impact on the finance risk area was clear, pandemic meant that it had been difficult to budget for 2020/21. Curriculum planning had also been delayed. For the governance and reputation area, the reputational aspect of the risk had been reduced due to the Group's outstanding Ofsted inspection in March 2020. The senior management aspect had been increased to reflect Andy Green's upcoming secondment to Greater Brighton Metropolitan College. All of the sub-risks in the HR and corporate services area had been impacted by COVID. For the quality and curriculum risk area, the Group had received a positive report on safeguarding from the internal auditors. Again, competitive advantage has been amended in light of the Ofsted inspection. Finally, in the

commercial and growth area all risk levels remained very high, in the main due to the impact of the pandemic on apprenticeships and commercial operations. On behalf of the Audit & Risk Committee, it was noted that the level of detail in the risk register provided some comfort in extremely challenging times. It was

Resolved

That the Risk Registers for Chichester College Group, as set out at APPENDIX 4, be adopted.

MAZARS LLP STRATEGIC INTERNAL AUDIT PLAN 2020/21

153. The Corporation received for consideration the Internal Audit Strategy and Operational Plan for 2020/21 produced by the Corporation's Internal Auditors, Mazars LLP.

Copy attached at APPENDIX 5.

154. Helen Kilpatrick CB stated that the Internal Audit plan for 2020/21 had been developed in consultation with the Chief Financial Officer and was based on the Group's Risk Register. In light of the recent focus on the funding audit the number of days set aside for the Learner Numbers review had been increased to 15. The plan also included payroll, staff recruitment, subcontracting and health & safety. The total number of days was 55 and included two days for contingency work. It was

Resolved

That the Mazars Strategic Internal Audit Plan for 2020/21, as set out at APPENDIX 5, be adopted.

APPOINTMENT OF CORPORATION MEMBER

155. Catherine Vinall reminded the Corporation that there would be one vacancy for a Corporation member from the beginning of August 2020. The Governance & Search Committee had recommended the appointment of Richard Moore as a new Governor. Richard had a background in the FE sector and a long career as a full time Ofsted inspector. Richard had previous experience as a Governor and continued to work as a consultant with training and skills organisations. Richard had previously served as a stakeholder member of Chichester Quality & Stakeholder Board and, through his Ofsted work, had considerable knowledge of Chichester College and Crawley College. In response to a question from the Corporation, Catherine Vinall stated that a discussion on board diversity would be picked up at the next Governance & Search Committee. It was

Resolved to Recommend

That Richard Moore be appointed as a Governor of Chichester College Group, for a four year term of office from 1 August 2020.

GOVERNANCE ARRANGEMENTS FOR HAYWARDS HEATH COLLEGE

156. The Corporation received for consideration the amended terms of reference for Worthing & Haywards Heath Quality & Stakeholder Board.

Copy attached at APPENDIX 6.

157. Catherine Vinall reminded the Corporation that Haywards Heath College would be opening in September 2020. Given the size of the College and the fact that the offer at Haywards Heath was similar to the offer at Worthing College, it was proposed that the Quality & Stakeholder Board for Worthing become a joint board for Haywards Heath and Worthing. Catherine confirmed that the proposal had been supported by the Governance & Search Committee and Worthing Quality & Stakeholder Board. It was

Resolved

That the Terms of Reference for Worthing and Haywards Heath Quality & Stakeholder Board, as set out at APPENDIX 6, be approved.

MANAGEMENT ACCOUNTS TO 31 MAY 2020

158. The Corporation received the Management Accounts for the period to 31 May 2020, together with a presentation to provide a financial update.

Copy attached at APPENDIX 7.

159. Steve Coulthard reminded the Corporation that the Group had started the year with a budget for a deficit of £1.6m. Commercial operations had set a budget to achieve a surplus of £2.1m but at the mid-year forecast the impact of the coronavirus pandemic was being seen in commercial areas. This position had opened up as a result of the lockdown on the Group's commercial activities. Where possible the Group had taken actions to mitigate the position, such as accessing the Government scheme to support furloughed workers. Steve confirmed that there were no accruals in the accounts in relation to planned new starts for apprenticeships. A further forecast was undertaken in April which showed a deterioration in the year end position to a deficit of £3.7m. Steve stated that it was hoped that at the end of the year the position would be slightly better ending with a deficit of £3m. In

response to a question from the Corporation, Steve stated that it was difficult to determine what the position might have looked like had the pandemic not happened. At the start of the 2020 it did not appear that areas were struggling.

160. With regard to the Group's EBITDA and cash position, it was forecast that the Group would end the year close to budget but, going forward, there would be a pressure on cash.

INTERNAL AUDIT REPORTS

161. The Corporation received for information a summary of the internal audit reports completed during the summer term, together with the reports for Health & Safety, Safeguarding, General Ledger, Income and Other Debtors and Follow Up work.

Copies attached at APPENDIX 8.

162. Helen Kilpatrick CB stated that four areas had been reviewed since the last Corporation meeting. There had also been a review of Follow Up work. The reviews for all four areas had concluded that substantial assurance could be placed on the effectiveness of internal control. No fundamental or significant recommendations had been raised, for the review of Other Income and Debtors no recommendations had been issued. With regard to follow up work, the Audit & Risk Committee had been pleased to note that the number of outstanding recommendations had fallen from 34 to 11. The Audit & Risk Committee were satisfied that actions were in place to address the recommendations raised by the auditors. In response to a question from the Corporation, Steve Coulthard confirmed that health and safety was monitored through the Audit & Risk Committee. The content of the annual health and safety report would be reviewed and the report for 2019/20 would be presented to the next meeting of the Committee.

FURTHER EDUCATION WHITE PAPER

163. The Corporation received for information a report to provide an overview of the Further Education White Paper.

Copy attached at APPENDIX 9.

164. Shelagh Legrave stated that the Department for Education were planning to publish a Further Education White Paper. The original intention had been to issue the paper in September but it was likely to be delayed. It was believed that the paper was partly driven by the financial challenges within the FE sector and subsequent level of Government intervention. It was thought that the paper would also address continuing competition between FE colleges and universities over provision at Levels

4 and 5. In response to a question from the Corporation, Shelagh confirmed that the Group was able to provide feedback to the Department through the Collab Group.

CHICHESTER COLLEGE GROUP PREVENT RISK ASSESSMENT 2019/20

165. The Corporation received for information Chichester College Group's Prevent Risk Assessment for 2019/20.

Copy attached at APPENDIX 10.

166. Vicki Illingworth reminded the Corporation that colleges were required to have a Prevent Risk Assessment in place to demonstrate the level of risk of radicalisation in the College. There were 12 risk areas, of which nine had been rated as low and three as moderate. This provided a low level of risk overall. Vicki confirmed that actions were in place to support the risk areas rated as moderate. In response to a question from the Corporation, Vicki confirmed that the nominated Safeguarding Governor was regularly updated on Prevent issues.

ESFA FINANCIAL HEALTH AND FINANCIAL CONTROL ASSESSMENT 2018/19

167. The Corporation received and noted a letter from the ESFA to confirm their assessment of Chichester College Group's Financial Health and Financial Control in 2018/19.

Copy attached at APPENDIX 11.

168. Shelagh Legrave stated that the letter from the ESFA confirmed their assessment that the Group's financial health had been graded as 'requires improvement'. Shelagh confirmed that, as part of the monitoring process for the Group's merger plans, regular meetings took place with the ESFA.

WRITTEN RESOLUTIONS

a) Student Union Constitution

169. The Corporation noted the Written Resolution to amend the Student Union Constitution which had been passed in June 2020. The amendment provided flexibility to the terms of office for the Group's Student Presidents.

b) Haywards Heath Re-commissioning Grant

170. The Corporation noted the Written Resolution which had been passed in June 2020 in relation to the re-commissioning grant for Haywards Heath College. Shelagh

Legrave confirmed that there had been no material changes to the Grant Agreement which she had executed on behalf of the Corporation.

SUMMARY OF COMMITTEE BUSINESS

171. The Corporation received for information a summary of business considered at the Corporation's Committees and Boards during the Summer Term 2019/20.

Copy attached at APPENDIX 12.

172. The paper provided an overview of the business considered at Committee and Board meetings which had taken place during the summer term. Due to the national lockdown in place as a result of the COVID-19 pandemic all of the meetings had taken place online. If anyone required a full copy of the minutes these were available from the Clerk. Members of the Corporation were welcome to observe any of the Committee or Board meetings if they wished and should contact the Clerk to make arrangements.

DATES OF FUTURE MEETINGS

173. It was noted that the next meeting of the Corporation would take place on Wednesday, 9 December 2020. It would be followed by Christmas Dinner in Restaurant 64 at Chichester College. The next Corporation Strategy/Development event would take place on Tuesday, 20 October 2020 at 2.00 pm. The venue was to be confirmed.

ANY OTHER BUSINESS

Governor Retirements

174. The Chairman stated that it was the last Corporation meeting for Margaret Eva OBE and Marilyn Billingham. Margaret had served eight years as a member of the Corporation and had been Chair of the Corporation for a number of those years. Margaret had taken on extra responsibilities during both mergers with Central Sussex College and Worthing College. Margaret had been an exceptional ambassador for the College Group. On behalf of the Corporation, the Chairman thanked Margaret for the time, energy and commitment she had given to Chichester College Group.
175. Marilyn Billingham had first served as a Co-opted Member of the Corporation, moving on to be a Governor and serving for eight years. Marilyn had been the Chair of the Corporation's Quality & Curriculum Committee and post-merger had chaired by Chichester Quality & Stakeholder Board and Crawley Quality & Stakeholder Board. Marilyn's wisdom and knowledge had supported the Group through inspections and

Ofsted monitoring visits. On behalf of the Corporation, the Chairman thanked Marilyn for the support and commitment she had given to the College Group.

CONFIDENTIAL BUSINESS

176. 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.