

Present:

Dr James Sarmecanic (Chair)
Jane Dodsworth (Vice-Chair)
Jeff Alexander
Dr Roy Bowden
Steve Cooper
Nick Fox
Andrew Green
Donna Harfield
David Jones
Helen Kilpatrick CB
Ryan Sallows
Nick Sutherland
Donna Turner-Irwin (Staff Governor)
Ellen Walsh
Caroline Wood
Paul Wright

In Attendance:

Sally Challis-Manning MBE, Principal, Brinsbury College and Lead Principal Quality
Steve Coulthard, Chief Financial Officer
Vicki Illingworth, Principal, Crawley College
Helen Loftus, Acting Principal, Chichester College
Paul Riley, Principal Worthing College and Haywards Heath College
Catherine Vinall, Clerk to the Corporation

WELCOME AND INTRODUCTONS

1. The Chair welcomed new Governors Donna Turner-Irwin and Ellen Walsh to their first Corporation meeting.

APOLOGIES FOR ABSENCE

2. Apologies for absence were received from Keira Embleton and Richard Moore.

DECLARATION OF INTERESTS

3. 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

4. The Minutes of the Meeting of the Corporation on Wednesday, 7 July 2021 and the Special Meeting held on Tuesday, 19 October 2021 were approved as an accurate record of the meeting.

CHIEF EXECUTIVE'S STRATEGIC UPDATE

5. The Corporation received for information a presentation to give an update on the FE sector and progress against the Group's strategic objectives.

Copy attached at APPENDIX 1.

6. Andrew Green stated that the Government's Comprehensive Spending Review had been positive for the FE sector update, with a commitment to maintain 16 - 19 funding rates in real terms. This would include funding to support additional hours for students, although to date there was little more detail available. Other announcements included the confirmation that the Government would invest in 20 Institutes of Technology (IoTs). This was not new investment, Chichester College Group was hoping to hear the outcome of the Coast to Capital IoT application. In terms of funding for adults, there would be more funding coming through to support bootcamps and the Level 3 offer for adults. It was noted that the increase in National Insurance contributions due to take place in April 2022 would be supported by Government for schools, but not for colleges. In terms of quality, Ofsted had recently announced that all colleges would receive a full inspection between 2022 and 2025. Ofsted were also due to publish a new inspection framework which would include a focus on colleges contribution to local skills development. Other areas of interest in the sector included the Skills Development Fund. Chichester College Group was the lead in a consortium bid for Sussex colleges which would focus on green technology. Andrew also noted that national issues impacting the labour market were impacting staff recruitment and retention for a range of roles across the Group, particularly in areas such as Construction.
7. Turning to progress against the Group's strategic objectives, Andrew stated that information on achievement rates would be covered by the next agenda item. Value added for A Levels at Chichester and Worthing

was at the highest level and was an improvement on the previous year. In terms of student satisfaction, induction surveys showed that 98 per cent of respondents had stated that they felt they had chosen the right College. The second objective related to a relevant curriculum to equip students with appropriate work and life skills. Andrew reported that 96.9 per cent of students had progressed to a positive destination after leaving College. The second KPI was not yet measurable. The third KPI linked to students moving on to university. Across the Group, 81.6 to 85.2 per cent of students who applied to university gained a place. The final KPI for this objective related to routes to higher education. Information showed that HE numbers for the Group for 2021/22 were down. This reflected a national picture for higher education in FE, some students had achieved higher grades due to adapted assessment methods and had chosen to go to university as a result.

8. The fourth objective focussed on engaging with employers. Apprenticeship achievement would be reported in the following agenda item. The second KPI was linked to employer satisfaction, this was difficult to measure accurately as Government employer surveys had not taken place. Over 300 employer reviews on the apprenticeship database showed that Chichester College Group had been rated as good. The next objective related to the Group's commercial businesses. All commercial activity had struggled during the year due to the impact of the pandemic. First Steps had recovered more quickly than expected and had exceeded the budget set for the year. Turning to the sixth objective on staff satisfaction, Andrew stated that all of the KPIs had been rated as green. Staff survey responses showed that staff at Worthing College were not as satisfied as staff at other Colleges within the Group. Andrew was working with Paul Riley to understand the issues for staff at Worthing. Objective number six was to create a strong College Group. Andrew was pleased to report that student surveys showed that, across the Group, there were minimal differences in student satisfaction. The final objective linked to financial strength. The detail would be reported under the item on the Management Accounts and Financial Statements. Andrew was pleased to report that both the budget and forecast for 2020/21 had been exceeded, the Group's financial covenants had been met and there had been capital investment of £2m during the year. As in previous years, the Group had not achieved the Adult Skills budget.
9. Finally, Andrew shared student stories and achievements. The Group was delighted to have been awarded a Queen's Anniversary Prize for its renowned work in furniture making and upholstery. The award ceremony would take place in the new year. The new STEM Centre at Crawley College had been opened and facilities were being enjoyed by students. Students and staff had taken part in the national campaign to plant trees for the Queen's Green Canopy. In addition, there had been sporting success and a number of creative and performing arts events. In terms of

the ongoing challenges of the pandemic, Andrew stated that mask wearing continued to be in place, although this was challenging for some students. Covid tests were available for staff and students who were advised to continue to test twice a week. Students would also be asked to self-test in January before they returned for the spring term.

CHICHESTER COLLEGE GROUP PERFORMANCE REPORT 2020/21

10. The Corporation received a presentation to provide an overview of the performance of teaching and learning across Chichester College Group in 2020/21.

Copy attached at APPENDIX 2.

11. Sally Challis-Manning stated that detailed performance reports for each College had been presented to the College Quality & Stakeholder Board meetings. It was noted that for 2020/21 achievement had been based on different methods of assessment in some areas due to the impact of COVID and restrictions related to the pandemic. The achievement rates for the Group were as follows:

- Level 1 - for 16 - 18 learners achievement was 90.30 per cent, compared to 88.90 per cent in 2019/20. For 19+ learners it was 89.70 per cent, compared to 86.30 per cent for the previous year.
- Level 2 - for 16 - 18 learners achievement had dropped to 85.90 per cent from 92.30 per cent in 2019/20. For 19+ learners achievement was up to 90.20 per cent from 85.70 per cent.
- Level 3 - achievement for 16 - 18 learners was 90 per cent, compared to 93 per cent for 2019/20. At 19+ achievement was 85.40 per cent, compared to 82.50 per cent in 2019/20.

12. The overall achievement rate for the Group was 88.60 per cent, compared to 90 per cent for the prior year. Sally reminded the Corporation that Level 2 was the bulk of the Group's vocational provision. A number of areas had seen achievement drop as students had struggled to complete qualifications or the practical elements of their courses. Sally summarised achievement rates by College. Chichester had seen the impact of the drop in Level 2 achievement, due to the numbers at Level 2. Crawley College continued to see achievement increase. For Haywards Heath there was an issue with retention which would be a focus through quality improvement plans. It was too early for A Level results at Haywards Heath as this was the first full year for the College.

13. Sally summarised the achievement results by the equality and diversity measures, for the Group there was a gap in the achievement for learners from disadvantaged areas and female/male learners. The achievement

gap for female/male learners was linked to the drop in achievement at Level 2 where areas such as Construction had been impacted. These areas had higher numbers of male learners.

14. For Apprenticeships, the overall achievement rates by College were as follows:
 - Brinsbury - apprenticeship achievement was 62.2 per cent, an increase from 57.1 per cent in 2019/20.
 - Chichester - apprenticeship achievement was 59.6 per cent, down from 67 per cent in 2019/20.
 - Crawley - apprenticeship achievement was 59.6 per cent, down from 65.5 per cent in 2019/20.
 - Worthing - apprenticeship achievement was 68.2 per cent, a drop from 86.2 per cent in 2019/20.

15. The issue for apprenticeships was linked to late achievement rather than retention. Apprentices were progressing but end point assessments had been delayed by the pandemic. In addition, there were a large cohort of learners working in the health sector who had experienced breaks in learning as a result of the pandemic. The Group achievement rate for apprenticeships for 2020/21 was 59.8 per cent. In response to a question, Sally stated that learners have to meet measures to move through a gateway to end point assessment, apprentices were in placement but some had not been able to provide evidence to progress through the gateway to end point assessment. In response to a further question, Sally confirmed that strategies were in place through quality improvement plans to address apprenticeship achievement. The Corporation acknowledged that it had been another year of disrupted learning and adapted assessment methods and thanked staff for their flexibility in meeting the challenges posed by the pandemic.

CHICHESTER COLLEGE GROUP MANAGEMENT ACCOUNTS, MEMBERS' REPORT AND FINANCIAL STATEMENTS FOR 2020/21

16. The Corporation received for consideration the Management Accounts, Financial Statements and Members' Report for 2020/21 for Chichester College Group and the subsidiary companies, together with the Audit Findings Report from MHA MacIntyre Hudson, the Corporation's External Auditors. There was also a Movement Summary and a report summarising the actions required with regard to the Financial Statements and Members' Report.

Copies attached at APPENDICES 3, 4, 5, 6, 7 and 8.

17. Steve Coulthard stated that, as a result of the pandemic, budgeting for 2020/21 had been particularly challenging. There had been a number of re-forecasts during the year, each had depicted a declining outlook. The final months of the year had produced stronger than expected performance against both budget and forecast. Pay had ended the year almost on forecast, both income and non-pay had exceeded forecast. The position had been supported by strong apprenticeship income for the year and in central services there had been rebates, for example for exam fees. The areas that had struggled included refectories, lower footfall through the restaurants and shops in Colleges had impacted income. The Sports Centre at Chichester had been impacted by further lockdowns during the year and Anglia had struggled due to the impact of the pandemic on exams. Both First Steps and International had performed better than expected. The Corporation discussed the approach to forecasting. For the mid-year forecast all budget holders were asked to review their areas. The Finance & General Purposes Committee had expressed the view that they would like to see a greater focus on non-pay forecasting.
18. The Movement Summary set out the year-end adjustments between the Management Accounts to the audited Financial Statements. There had been a large adjustment linked to FRS102 pensions.
19. Turning to the statutory accounts, Steve stated that the table on page six of the Accounts explained the adjustments that had taken place and reconciled the underlying financial position at the year-end, which was a deficit of £1.4m. This was an improved position compared to the previous year and was close to the position shown in the management accounts for month 12 2020/21. The Group's cash position had been positively impacted by an unbudgeted capital grant during the year.
20. With regard to the Audit Findings Report, it had been the first year with new external auditors, MacIntyre Hudson. It had been a challenging process, there had been a practical approach and adjustments to meet new ways of working. In addition, the Audit Code of Practice now required a thorough review of funding which had involved extra work. The auditors had identified one Grade A recommendation which was linked to learner source documentation. Steve confirmed that the recommendation had been accepted and an action was in place. The audit team expected to issue an unqualified opinion for the year and had concluded that there were no material misstatements in relation to income. The audit team had also confirmed that they were satisfied that the Group's accounting policies were appropriate.
21. The Corporation noted their thanks to the Finance Team and Information & Funding Team for their work in producing the accounts and supporting the external audit. It was

Resolved

That the Management Accounts for 2020/21, as set out at **APPENDIX 3**, be noted.

Resolved

That the Audit Findings Report presented by the Corporation's external auditors, MHA MacIntyre Hudson, for 2020/21, as set out at **APPENDIX 7**, be noted.

22. The Corporation was reminded 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 in response to this request. 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

- i) 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 2021;
 - ii) That no material changes had been made to the Management Accounts since the audit and the Chair and Chief Executive were authorised to sign the Letter of Representation (Financial Statements) and Letter of Representation (Regularity); and
 - iii) That the Financial Statements and Members Report for the year 2020/21, as set out at **APPENDIX 4**, be adopted for submission to the Education & Skills Funding Agency, following signature by the Chair and Chief Executive on behalf of the Corporation.
23. With regard to the Group's subsidiary companies, Steve Coulthard reported that Anglia had seen shown a surplus of £67,000 in the management accounts. This had been taken back to a loss due to an FRS102 adjustment. There had been an issue of shares to support the company's balance sheet. The audit team had confirmed that they were comfortable with signing off the going concern statement. First Steps

Childcare Group had ended the year with a surplus of £222,000. The company had issued shares to support the balance sheet. There was an adjustment to be made to reflect a tax payment of approximately £40,000. The audit team had confirmed that they were comfortable with signing off the going concern statement.

24. It was further

Resolved

- i) That the Corporation endorsed the Directors Reports & Financial Statements for First Steps Childcare Group and Anglia Examination Syndicate;
- ii) That the Corporation should continue to provide financial support as necessary to its subsidiary companies.

RISK MANAGEMENT AND ASSURANCE

25. The Corporation received for consideration the Risk & Assurance report for the autumn term 2021/22, together with the updated Risk Registers and a presentation to provide an overview of the Group's risk environment.

Copy attached at APPENDIX 9.

26. Steve Coulthard stated that the risk environment continued to be rated as very high overall, with the financial and MIS area, governance and reputation and commercial and growth risk areas all rated as very high. The risk level for the HR and corporate services risk area had been downgraded to high, due to a reduction in the risk linked to capital investment and business continuity. The quality and curriculum area was rated as moderate. The risk level in the commercial and growth area had reduced slightly as a number of actions in the area had been completed. The resignation of the Managing Director (Commercial) had increased the risk in this area. Helen Kilpatrick CB stated that there had been a robust discussion about the Group's risk environment, particularly in the governance and reputation area, which would be reviewed for the next Audit & Risk Committee meeting. It was

Resolved

That the updated Risk & Assurance Report and updated Risk Registers, as set out at APPENDIX 9, be adopted.

ANNUAL REPORT OF CHICHESTER COLLEGE GROUP'S AUDIT & RISK COMMITTEE 2020/21

27. The Corporation received for consideration the Annual Report of Chichester College Group's Audit & Risk Committee for 2020/21.

Copy attached at APPENDIX 10.

28. Catherine Vinall stated that the report provided an overview of the work undertaken by the Audit & Risk Committee in 2020/21 and confirmed the audit opinions from the College's internal and external auditors. The 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. It was

Resolved

That the Annual Report of the Audit Committee for 2020/21, as set out at APPENDIX 10, be adopted and submitted to the Education & Skills Funding Agency.

CHICHESTER COLLEGE GROUP'S REMUNERATION COMMITTEE ANNUAL REPORT 2020/21

29. The Corporation received for consideration the Annual Report of Chichester College Group's Remuneration Committee for 2020/21.

Copy attached at APPENDIX 11.

30. Jane Dodsworth stated that the report provided an overview of the approach to Senior Post Holder remuneration at Chichester College Group, a comparison of salaries and overview of the performance related pay scheme which operated at the Group. The report would be submitted to the ESFA with the accounts pack for 2020/21. It was

Resolved

That the Annual Report of the Remuneration Committee for 2020/21, as set out at APPENDIX 11, be adopted and submitted to the Education & Skills Funding Agency.

CORPORATION MEMBERSHIP AND SUCCESSION PLANNING

31. Catherine Vinall gave a verbal update on Corporation membership. There was currently one vacancy for a Student Governor. The Student Executives' from across the Group had nominated Chloe Harrison, the Student President from Crawley College for the role. Chloe was studying a Level 3 Extended Diploma in Health & Social Care. The Governance & Search Committee had also recommended that Nick Sutherland's membership be formalised for a second term of office and had reviewed Ryan Sallows term of office. Ryan's initial term of office had included his service as a Governor of Central Sussex College. It was recommended that Ryan's term should start from the time he joined Chichester College Group. It was

Resolved

- i) **That Nick Sutherland's term of office be ratified for a four year term of office from 31 December 2020.**
 - ii) **That Ryan Sallows term of office be reset from 1 August 2017 and that Ryan be appointed as a member of the Corporation until 31 July 2025.**
32. In terms of succession planning, James Sarmecanic confirmed that he would reach the end of his term of office as Chair at the end of the current academic year. In addition, Jane Dodsworth was due to reach the end of her term of office as Vice-Chair at the same time. Catherine Vinall requested that anyone interested in either the Chair or Vice-Chair roles should notify her by Monday, 31 January 2022.

Resolved

That the Clerk should circulate a request for nominations for the roles of Chair and Vice-Chair. Nominations should be submitted to the Clerk by Monday, 31 January 2022.

EDUCATION & SKILLS FUNDING AGENCY ASSESSMENT OF FINANCIAL HEALTH 2021 - 2023

33. 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, together with the Education & Skills Funding Agency Financial Dashboard.

Copy attached at APPENDIX 12.

34. Steve Coulthard reminded the Corporation that the ESFA had not previously confirmed the Group's financial health assessment grade for 2020/21. This had now been confirmed as good for 2020/21 and requires improvement for the current year, 2021/22. Steve confirmed that at the ESFA assessment was based on the Group's self-assessment.

MANAGEMENT ACCOUNTS TO 31 OCTOBER 2021

35. The Corporation received for information the Management Accounts for the period to 31 October 2021.

Copy attached at APPENDIX 13.

36. Steve Coulthard reported that it had been a relatively good start to the year, with a positive variance of almost £500,000 at the end of October. The areas for concern were HE and full cost commercial fees which were both down against budget. If the merger with GB Met went ahead, it was hoped that there would be a positive impact on HE as GB Met had a strong offer.

37. By budget area, Steve reported that First Steps had seen a slow start to the year. The nurseries had continued to be impacted by staff absence due to Covid, which had meant that settings had closed at short notice. Adult funding continued to be a challenge and this reflected the national picture. In response to a question, Andrew stated that there were a number of issues with adult funding, including that the funded qualifications were not the qualifications in demand. The funding model was complex and adults were not keen to co-fund or take out a loan for qualifications.

MAZARS LLP CHICHESTER COLLEGE GROUP INTERNAL AUDIT ANNUAL REPORT 2020/21

38. The Corporation received for information the Chichester College Internal Audit Annual Report 2020/21 from Mazars LLP.

Copy attached at APPENDIX 14.

39. Helen Kilpatrick CB stated that the report provided an overview of the work of internal auditors, Mazars, in 2020/21, the last year of their contract with Chichester College Group. The annual report concluded that the framework of governance, risk management and control in place at Chichester College Group was moderate in its overall adequacy and effectiveness. None of the weaknesses or exceptions identified as part of

the internal audit work were considered fundamental and no limited assurance reports had been provided during the year.

SAFEGUARDING & PREVENT ANNUAL REPORT 2020/21

40. The Corporation received for information the Group's Safeguarding & Prevent annual report for 2020/21.

Copy attached at APPENDIX 15.

41. Vicki Illingworth stated that each of the College Quality & Stakeholder Boards had received reports to provide an update on safeguarding and Prevent for their respective Colleges. Generally, the information showed that the key themes were mirrored across the Group, these included mental health, sibling/family concerns and self-harm. The Corporation noted the high level of referrals that the Safeguarding & Wellbeing teams were picking up across all Colleges and queried whether sufficient resources were in place. Andrew Green said that the Group Leadership Team were aware that the team were under pressure due to increased referrals and were looking at additional support. Wellbeing Officer roles had been introduced to pick up lower level support. In response to a further question Vicki stated that the Safeguarding Officers were also supported by the College Counselling Teams, as well as the Wellbeing Officer and College Community Support Officers. Student Tutors also supported safeguarding through their one to ones with students and ACES sessions. External support was available from a number of organisations including Healthwatch West Sussex and MIND.
42. The Corporation also discussed how data was shown in the report. It was suggested that it would be useful to provide context by including head counts in the report. Other information such as the progress of learners receiving safeguarding support would be interesting to monitor. Vicki stated that the Team continued to work with the software supplier on the information provided by the system to improve reporting.

SUMMARY OF COMMITTEE AND BOARD MEETINGS

43. The Corporation received and noted a summary of the business which had been undertaken by the Standing Committees and Boards during the autumn term 2020/21.

Copy attached at APPENDIX 16.

44. Catherine Vinall reminded the Corporation that members were welcome to observe any of the Committee or Board meetings, if they wished to attend they should contact the Clerk to make arrangements.

DATES OF FUTURE MEETINGS

45. The Corporation received and noted the Corporation calendar of meetings for 2022.

Copy attached at APPENDIX 17.

46. It was noted that the next meeting of the Corporation would take place on Wednesday, 6 April 2022 at 4.00 pm. The date for the next Corporation Development Event would take place on Tuesday, 1 February 2022 at 2.00 pm, venue to be confirmed.

CONFIDENTIAL BUSINESS

47. 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.