

**Minutes of the Meeting of the Corporation
held on Wednesday, 28 March 2018**

Present:

Kieran Stigant (Chairman)
Margaret Eva OBE (Vice-Chair)
Simon Baldey
David Hobson
Nick Fox
Shelagh Legrave OBE
Patrick McHale
Ryan Sallows
Nick Sutherland
Caroline Wood

In Attendance:

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

APOLOGIES FOR ABSENCE

89. Apologies for absence were received from Marilyn Billingham, Andrew Davies, Jane Dodsworth, Chris Maidment, Benjamin Phillips, James Sarmecanic and Paul Wright.

DECLARATION OF INTERESTS

90. 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.

MINUTES

91. The Minutes of the Meeting of the Corporation meeting held on Tuesday, 5 December 2017 were taken as a correct record and signed by the Chairman.

MATTERS ARISING

92. The Governing Body received and noted a schedule outlining matters arising from the Minutes of the Corporation meeting held on Tuesday, 5 December 2017.

Copy attached at APPENDIX 1.

CHIEF EXECUTIVE'S TERMLY PROGRESS REPORT - SPRING TERM 2017/18

93. Shelagh Legrave gave a presentation to update the Corporation on progress against the objectives in the Strategic Plan. The Corporation also received a report to provide an overview of progress against the key performance indicators in the Group's Strategic Plan.

Copy attached at APPENDIX 2.

94. Shelagh Legrave reported that the first objective related to outstanding teaching, learning and assessment, progress against this objective would be covered by the performance report to be presented by Andy Green later in the meeting. The second objective related to the curriculum offer, most of the objectives were measured at different points of the year. For the objective relating to the growth of higher education, Shelagh reported that there had been growth of 53 per cent in the number of first year HE students at Chichester. At Crawley there had been a drop in HE numbers but the Group Leadership Team felt there were opportunities to grow HE provision at Crawley. The third objective was to provide an education fit for employers and Shelagh reported in relation to apprenticeships that there had been a significant reduction in the number of new starts with partners and increase in the number of internal apprentices. For Crawley in particular considerable work was taking place to re-establish links between the College and local employers. Results from the survey of employers would be published later in the year but there was clearly work to do at Crawley where 67 per cent of the employers surveyed in 2017 had felt Central Sussex met their needs.
95. The fourth strategic objective related to the College's commercial businesses. International, Anglia Exams and First Steps were all

forecasting to achieve their year-end budgets, this would be measured later in the year. First Steps had seen some challenges at the start of the year but were on track to deliver their surplus. International was being closely monitored and appeared to be showing some recovery. The British Council inspection had taken place earlier in March, although the report was not yet available. The fifth objective was measured by the staff survey which would take place later in the year. Again, progress against objective six would be measured later in the year but at this point Shelagh was pleased to report that there appeared to be an improvement in the performance of teaching, learning and assessment at Crawley College. The final objective related to financial performance and would be covered later in the meeting. In response to a question from Margaret Eva, Shelagh stated that the recruitment of staff at Crawley was a concern, in particular in areas such as Engineering where it was difficult for the College to be able to attract teachers as salaries did not compare to those offered in industry. Shelagh stated that the pay scales at Crawley were truncated and work was taking place to harmonise the terms and conditions for lecturers at Crawley with those at Chichester which would open up the pay scales.

96. Moving on to provide an update on funding allocations for 2018/19, Shelagh stated that to date the Group had only received the allocation for 16 -18 learners. Overall the allocation was for 4,788 16 - 18 students, which was down but the Group would be receiving some additional funding due to the introduction of extended work placements for T Levels. The merger transition plan had budgeted for a reduction in student numbers at Crawley for the second year post-merger. Applications were being monitored on a weekly basis, for Chichester and Brinsbury at present applications for 2018/19 were up, for Crawley applications appeared to be down but there was work to do to produce an accurate applications report for Crawley College. In response to a question from the Corporation, Shelagh confirmed there were a variety of actions in place to promote Crawley College including a range of marketing campaigns, taster events and a weekend college event.
97. Finally, Shelagh returned to the College's mission to change lives through learning and shared some of the College's good news stories. Aramark had hosted their annual Enterprise Day at Chichester, this was a fantastic event which provided students with a range of real life working experiences facilitated by some of Aramark's top chefs and managers. The West Sussex Apprenticeship Graduation had taken place at Chichester Cathedral and had celebrated apprentices from Chichester and Crawley. Ten apprentices from Crawley had started their apprenticeships with Boeing and ChiSU had hosted a visit from the NUS President, who had given very positive feedback on the student voice at Chichester. Anglia Exams had celebrated their 25th anniversary with representatives from over 25 countries attending their annual conference in Chichester.

CHICHESTER COLLEGE GROUP PERFORMANCE REPORT 2017/18 AND CHICHESTER COLLEGE SELF-ASSESSMENT REPORT 2016/17

98. The Corporation received a presentation to provide an overview of performance at Chichester College and Crawley College during the spring term 2017/18, together with the Self-Assessment Report for Chichester College in 2016/17.

Copy attached at APPENDIX 3.

99. Andy Green reported that attendance Chichester and Brinsbury to date was 89 per cent. At Crawley the attendance rate to date was 83 per cent which was good but there was work to do on registers and to review the processes in place to support student attendance at Crawley. For the Group this produced an attendance rate to date of 87 per cent. With regard to retention rates to date, Andy stated that retention at Chichester and Brinsbury was very strong at 97.6 per cent. Retention at Crawley was also very strong at 94.8 per cent for 16 - 18 learners and 96.2 for 19+ learners. Andy expected there to be some movement in retention rates but hoped it would not be more than two per cent. For the Group this produced an overall retention rate to date for 16 - 18 learners of 96.4 per cent and for 19+ learners 96.5 per cent.
100. Turning to the analysis of equality & diversity data for attendance and retention, Andy reported that at Chichester and Brinsbury the attendance for female learners was higher than male learners and the attendance for learners from disadvantaged postcodes was lower than that for learners from non-disadvantaged postcodes. For retention there were no significant gaps at Chichester, Crawley or Brinsbury. For Crawley College the only gap was that the attendance for learners from non-disadvantaged postcodes was slightly higher than learners from disadvantaged postcodes. In response to a question from the Corporation, Andy confirmed that targeted learning and support strategies would be put in place to support those students who appeared to be at risk of not achieving by the year-end.
101. With regard to Apprenticeship performance, at this point in the year the prediction was made by targeting the mid-point between the actual and best case scenario achievement. For Crawley College the prediction was high at 84.5 per cent and for Chichester and Brinsbury it was 79.3 per cent. For the Group this produced an achievement rate for apprenticeships of 80.6 per cent. Caroline Wood queried whether the improvement was due to a drop in the level of subcontracting. Andy stated that generally subcontractors had performed well, Chichester and Brinsbury had seen a three year decline in achievement but it was hoped

that actions that had been put in place over the last two years would see an increase in achievement. The difference at Crawley had been a focus on data and effective tracking. The provision was now overseen by Dean Wynter, Vice-Principal at Crawley, who had also focussed on the quality of provision.

102. Lastly, Andy summarised the results of the Chichester College Self-Assessment for 2016/17, which were
- Leadership and management - outstanding
 - Teaching and learning - outstanding
 - Personal development, behaviour and welfare - good
 - Outcomes for learners - good.
103. A copy of the full report was circulated to the Corporation. Andy confirmed that a self-assessment had taken place at Crawley, using data from 2016/17, it had been a developmental process for staff to introduce the processes that would be in place for self-assessment of the current academic year.

SUCCESSION PLANNING AND CORPORATION MEMBERSHIP

104. The Corporation received for consideration the report on succession planning and the membership of the Corporation.

Copy attached at APPENDIX 4.

105. Kieran Stigant stated he had originally been appointed as Chairman for a two year term of office, however due to a change in personal circumstances he was now not able to complete his term. With regret, Kieran had decided to resign at the end of the academic year. In order to maintain stability and continuity for the Corporation the Governance & Search Committee had recommended that Vice-Chair, Margaret Eva, move in to the role of Chairman for the remainder of Kieran's term as Chair, to the end of July 2019. This would leave a vacancy for the role of Vice-Chairman. Following a request for nominations, James Sarmecanic had been put forward to take on the role of Vice-Chairman and it was proposed to appoint James for a one-year term as Vice-Chairman from 1 August 2018. It was

Resolved

To appoint Margaret Eva OBE as the next Chairman of the Corporation from 1 August 2018 to 31 July 2019.

To appoint James Sarmecanic as the next Vice-Chairman of the Corporation from 1 August 2018 to 31 July 2019.

106. The Governance & Search Committee had also met with a potential new member of the Corporation. Tom Crowley had considerable experience of corporate and strategic leadership, business and community development and partnership working. He also had experience as a charity trustee and had a good knowledge of the local area, in particular Horsham, Brinsbury and Crawley. The Committee had recommended the appointment of Tom as a Governor for a period of four years from 1 April 2018. Finally, the Committee had ratified the appointments of Nick Fox, Patrick McHale, Ryan Sallows and James Sarmecanic. It was

Resolved

- i) To ratify the re-appoint of Nick Fox for a second term of four years from 1 January 2018, subject to annual review.**
- ii) To ratify the re-appoint of Patrick McHale for a second term of four years from 1 January 2018, subject to annual review.**
- iii) To re-appoint Ryan Sallows for a second term of four years from 1 March 2018, subject to annual review.**
- iv) To re-appoint James Sarmecanic for a second term of four years from 1 March 2018, subject to annual review. This term would be amended by James Sarmecanic's appointment as Vice-Chairman, but it should be noted that James was eligible to serve a further three years as a member after the end of his appointment as Vice-Chairman.**
- v) To appoint Tom Crowley be appointed as a member of the Corporation, for an initial term of four years from 1 April 2018, subject to annual review.**

HONORARY FELLOWSHIP

107. The Corporation received for consideration a recommendation from the Governance & Search Committee in respect of the award of the Honorary Fellowship.

Copy attached at APPENDIX 5.

108. Shelagh Legrave reminded the Corporation that the Governance & Search Committee considered nominations for the award of Honorary Fellow, which recognised individuals who had made a particular contribution to

the College and/or local community. This year the Committee had considered three nominations and had recommended that the award be given to Diana Levantine, co-founder of the Sussex Snowdrop Trust, an organisation that supported terminally ill children in the Chichester area. It was

Resolved

That the award of Honorary Fellow be given to Diana Levantine at the Graduation Ceremony in June 2018, in recognition of her contribution to the local community.

RISK MANAGEMENT AND RISK REGISTER

109. The Corporation received for consideration a report on Risk Management and the CCG Risk Register.

Copy attached at APPENDIX 6.

110. Steve Coulthard stated that since the last meeting of the Corporation work had taken place to bring together the risk registers for Chichester College, Crawley College and the risk register that had been put in place for the merger with Central Sussex College. The combined risk register used the same format that had been used for the merger risk register in that it showed the unmitigated risk and mitigated position. There were now five sections to the risk register:

- Finance & Management Information Systems;
- Governance & Reputation;
- Quality & Curriculum;
- HR & Corporate Services; and
- Commercial & Growth

111. A new approach had also been put in place which had disbanded the Risk Management Committee, instead each of the risk areas was owned by members of the Group Leadership Team and their areas. Each risk area was given an overall risk rating.

112. It was noted that two risks were rated as extreme after mitigations. The first related to capital investment at Crawley and the second was linked to the recruitment of staff at Crawley. Julie Sleeman stated that the spring term meeting of the Group's investment panel had seen a number of bids from Crawley College which had been approved. For staff recruitment at Crawley, the HR Team had started the process to review the terms and conditions for lecturers and were also considering other

methods to attract staff to posts where recruitment was difficult. After a brief discussion it was

Resolved

That the Risk Register for Chichester College Group, as set out at APPENDIX, be endorsed.

BARCLAYS BANK LETTER OF VARIATION

113. The Corporation received for consideration a Letter of Variation from Barclays Bank PLC setting out amendments to the facility agreement dated 1 August 2017.

Copy attached at APPENDIX 7.

114. Steve Coulthard reminded the Corporation that loan arrangements with Barclays Bank had been renegotiated at the point of merger with Central Sussex College and consisted of three separate facilities which aggregate up to a loan agreement of £8,686,132.97 on the 1st August 2017.

115. It came to light post-merger that two of the standard FE loan conditions were either unachievable or omitted. The Barclays loan facility allowed for such changes to be made via a Letter of Variation, this amended the following two areas:

- i) To effectively bypass the requirement to provide monthly management accounts within 45 days of the end of August and September each year (as the College does not produce management accounts until the first quarter)
- ii) To require the College to provide an updated annual Financial Plan (or Model) with assumptions within 45 days of the end of the academic year

116. It was

Resolved

- i) That the amendments set out in the letter of variation are in the interests of and for the benefit of the borrower and are most likely to promote the success of the borrower for the benefit of the Group as a whole and that such terms and conditions of the letter of variation be and are approved and accepted.

- ii) That Kieran Stigant (Chairman) and Margaret Eva OBE (Vice-Chairman) are authorised to sign the letter of variation on behalf of the borrower to indicate acceptance of the terms and conditions.
- iii) That the bank is authorised to act in all matters concerning the facility as amended by the letter of variation upon instruction from the borrower, in its capacity as borrower of the facility, signed in accordance with the Bank's mandate for any of the accounts of the borrower held with the bank current from time to time.

CORPORATION CALENDAR OF MEETINGS 2019

117. The proposed dates for Corporation meetings in 2019 were noted as follows:

Wednesday, 3 April 2019;
Wednesday, 10 July 2019;
Wednesday, 11 December 2019.

CCG SAFEGUARDING STUDENTS & ADULTS AT RISK POLICY

118. The Corporation received for information the CCG Safeguarding Students & Adults at Risk Policy.

Copy attached at APPENDIX 8.

119. Vicki Illingworth stated that following the merger with Central Sussex College work had taken place to review the Safeguarding and Prevent policies and procedures in place for Chichester College Group. The policy had been aligned to clarify that the Group was meeting statutory duties and procedures had been amended to ensure that processes were in place to meet the needs of the communities at each of the campuses. Work was now taking place to review the Group's online training modules and to review, update and implement the Group's Safeguarding and Prevent action plans.

FINANCE & GENERAL PURPOSES COMMITTEE

Management Accounts to 31 January 2018 and Mid-Year Update 2017/18

120. The Governing Body received the Management Accounts for the period to 31 January 2018 and the Mid-Year Update for 2017/18.

Copy attached at APPENDIX 9.

121. Steve Coulthard reminded the Corporation that a full re-forecast took place at the beginning of the calendar year to assess the financial position at the year-end. The budget for the year had been to achieve a deficit of £2.9m, the position showing as a result of the mid-year update was a year-end deficit of £3m. To the end of January the management accounts were showing a deficit of £1,671k which was £57,000 behind budget. The challenges driving the financial position were in the main against income which was just short of £1m below budget, again adult learning funding was challenging. The position was being closely monitored by the Group Leadership Team and plans were in place at Chichester and Crawley to try to bring the adult skills position back in to line. Work was also taking place to promote the Group's offer for adult learners with employers. In response to a question from the Corporation, Steve stated that he felt that the adults skills budget would be achieved but the allocation than the budget. In response to a question from Patrick McHale, Steve confirmed that apprenticeships were a challenge, but this was against a national decline and a market that was in flux due to reforms and the introduction of the apprenticeship levy. With regard to pay, Steve was pleased to report that the positive variance was holding and it was hoped that this would continue to the end of the year. At present there was a positive variance in non-pay but it was unlikely that this would hold as there was a plan to increase subcontracting activity.
122. The operations summary looked at individual areas of the business, the Central Services line was skewed due to the sale of the North Car Park which it was assumed would complete by the end of the year. The majority of the commercial areas were performing well against budget. The issue at present in the operations summary was the Aramark/Refectories line which was currently showing a deficit of £93,000. This had been discussed in detail at the Finance & General Purposes Committee and was due to the refectory at Crawley which was making a significant loss. The situation with regard to the refectory had not been clear before the budget had been set for the year. A task and finish group had been set up to look at any actions that could be put in place to stem the losses this year and to consider a review of the provision.
123. Moving on to the key performance indicators against the financial objective in the Strategic Plan, Steve predicted that the annual budget would be achieved, the loan agreement covenants would be met and that positive cash balances would be maintained. The performance indicators for the adult skills budget and the indicator in relation to the College estate had been rated as amber. Finally, Steve reported on the key risk and challenges, those which had not already been discussed included consolidating the International position and concluding the best possible position in relation to dilapidations for Stockbridge Halls of Residence.

MAZARS LLP INTERNAL AUDIT REPORT AND INTERNAL AUDIT PROGRESS REPORT

124. The Corporation received for information the Internal Audit report for HR Processes for New Starters, together with the Internal Audit Progress Report.

Copies attached at APPENDIX 10.

125. Steve Coulthard reported that the internal audit team from Mazars LLP had reviewed one area during the spring term, HR processes for new starters. The review had concluded that adequate assurance could be placed on the controls operating in the area. In total four significant recommendations had been made and four housekeeping recommendations. Julie Sleeman stated that she was content with the outcome of the audit, particularly given the work that was taking place across the HR teams at Crawley and Horsham.
126. With regard to the internal audit progress report, Steve confirmed that it had been agreed to move the review of Payroll as work was currently in place to move payroll services at Crawley in-house from West Sussex County Council.

SUMMARY OF COMMITTEE BUSINESS

127. The Governing Body received and noted a summary of the business which had been undertaken by the Standing Committees during the autumn term 2016/17.

Copy attached at APPENDIX 11.

DATES OF FUTURE MEETINGS

128. It was noted that the next meeting of the Corporation would take place on Wednesday, 11 July 2018. The date for the next Governor Development/Strategy Event would take place on Tuesday, 22 May 2018.

ANY OTHER BUSINESS

Simon Baldey

129. Kieran Stigant noted that it was Simon Baldey's last meeting as a member of the Corporation. Kieran thanked Simon for the time and commitment he had given to the role and experience that he had brought to the Quality & Stakeholder Board in particular.

CONFIDENTIAL BUSINESS

130. 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.