

**South Downs College Corporation  
Board of Governors  
MINUTES OF A MEETING OF THE CORPORATION  
HELD ON THURSDAY 29<sup>th</sup> SEPTEMBER 2016  
AT SOUTH DOWNS COLLEGE**

**Present:**

Mrs S Linham (Chair)	Mr R Pearce
Mr R Crank (Vice-Chair)	Mr T Whitlock
Mr M Brunner	Mr R Showan
Mr C Dobbin	Mrs L Wells
Mr M Gaston (Principal)	
Mr T Horwood	

**In attendance:**

Mr R Barlow	Vice Principal
Mrs D Smith	Assistant Principal, Student Services & Support
Mrs A Whitworth	Interim Director of Finance
Ms R Abrey	Assistant Principal, HR and OD
Ms P Robertson	Clerk to the Corporation

<b>Total Membership</b>	16
<b>Total vacancies</b>	3
<b>Total possible attendance</b>	13
<b>Quorum:</b>	7
<b>Total Present:</b>	10 - meeting quorate

**Meeting started at 5.45 pm.**

Prior to the start of the formal agenda, the Assistant Principal, HR & OD, and Anna Rowen, Senior HR Advisor, gave a presentation on the College's Performance Management framework. The presentation and notes are attached to these minutes as an appendix.

**PART ONE MINUTES**

Minute Number	Minute	Action
20/16	<b><u>Apologies for Absence &amp; Welcome</u></b>  Apologies had been received from David Todman.	
21/16	<b><u>Declarations of Interest</u></b>  No Member declared any conflict of interest with any item on the Agenda which had not previously been declared.  The Principal reminded the Board that, as approved by the Board at the last meeting, he was now Interim Principal at Havant Sixth Form College.	
22/16	<b><u>Part One &amp; Part Two Minutes of the Corporation meeting held on 7<sup>th</sup> July 2016</u></b>  The Part One & Part Two Minutes from the meeting held on 7 <sup>th</sup> July 2016, having been previously circulated to	

Minute Number	Minute	Action
	<p>Members, were agreed as a true record and signed by the Chair, subject to the following amendments:</p> <ul style="list-style-type: none"> <li>• <b>Minute 16/16 (ii)</b> – The final sentence should read “<i>The appointment would be kept under review by the Chair</i>”, with the deletion of “0.4 FTE”.</li> <li>• <b>Note following Minute 17/16(i)</b> – This should read: “... <i>Ian Child was stepping down</i>” with the insertion of “was”.</li> </ul>	
23/16	<p><b><u>Matters arising from the Corporation meeting held on 7<sup>th</sup> July 2016</u></b></p> <p>The action schedule was reviewed and the following was discussed:</p> <ul style="list-style-type: none"> <li>• <b>Min 17/16 (ii)(b) Accounting Policies</b> - The Interim Director of Finance reported that she had raised the matter of revaluation with the College’s Relationship Manager at Barclays and with a firm of surveyors (CBRE). The Bank had indicated that it would not make any difference to the Bank if the land was revalued, firstly because, if the College did not choose to revalue, then the Bank would take account of that fact if/when the College sought a loan facility from them, and secondly, if the land was valued as permitted by the new SORP (as at August 2014), then the valuation would already be considered to be out-of-date. If the College did require a loan facility from the Bank in the future, it would be required to have land and buildings valued at that time and the loan would be secured against the College’s assets. The cost of having the land valued with a firm of surveyors had also been investigated and would probably cost of the order of £10,000.</li> </ul> <p>The Board was reminded that this issue required full Board approval as it was an accounting policy. The Board concluded that the assets/land should not be revalued at this stage as there was no major benefit in so doing.</p> <ul style="list-style-type: none"> <li>• <b>Min 18/16(i)(g) Using risk registers to set agenda</b> – The Clerk reported that this issue was covered by the report on Board self-assessment and would feature as one of the ways in which the Board could streamline its <i>modus operandi</i>.</li> </ul>	

Minute Number	Minute	Action
24/16	<p data-bbox="316 271 639 300"><b><u>Board Business Matters</u></b></p> <p data-bbox="316 342 1038 409">(i) <b><u>Report of the Search &amp; Governance Committee Meeting held on 23<sup>rd</sup> September 2016</u></b></p> <p data-bbox="316 450 1098 734">The Board had received the report of the Search &amp; Governance Committee and the Chair of the Committee outlined the key issues. The current membership position was noted, with 3 vacancies (2 External Governors and 1 Student Governor), as well as proposals for future governance, appointment of another Student Governor this year and Committee Membership during the year.</p> <p data-bbox="316 775 1134 1305">The Chair of the Search &amp; Governance Committee reminded the Board of his actions from the last meeting and his discussions with all Governors which had informed particularly proposals about the Committee membership this year. Meanwhile, discussions had taken place with Havant about the Governors who would serve on the Board of the merged College and the options for appointing 2 of those Governors to fill existing vacancies on the South Downs Board or, indeed, increasing the size of the current Board to invite all 6 Havant members to join the South Downs Board immediately. This was with a view to strengthening the Board, assisting communications and providing for total transparency. The key issue in this regard was the potential for conflicts of interest/trust.</p> <p data-bbox="316 1346 1134 1843">The Chair of the Board explained that she had originally made this proposal but had made it clear that the decision rested with the full Board. She felt that the benefits outweighed the disadvantages and this would demonstrate trust and close co-operation from the top of the organisation. She believed that the potential conflicts could be managed effectively. However, she also explained to the Board that, given the need for Board members who were conflicted, to not be involved in some key discussions, she thought that it was likely that the risks were greater for the Havant Board where there were currently vacancies and the quorum was 8. If key members were unable to vote, then that presented some key practical risks.</p> <p data-bbox="316 1883 1134 2020">The Chair of the Search &amp; Governance Committee updated the Board on more detailed legal advice which had been obtained regarding the potential for conflicts of duty for Havant Governors joining the South Downs</p>	

Minute Number	Minute	Action
	<p>Board. There was no legal impediment to this action, but it did bring with it some risks which needed to be considered and, if the Board was minded to proceed, managed carefully. The Havant Governors would have a potential conflict of duty in that they would owe a duty to both Havant and to South Downs so it would be inappropriate for them to vote on certain issues, such as the formal approval of the merger. It was noted that, given the Principal's current position, he also faced the same issues. The Clerk reminded the Board that the College had a very clear Policy on Conflicts and could reinforce how this this would operate. Whilst the conflict of duty issue had to be considered, if the Board was really convinced that there was a strong case for going forward because of the goodwill and joint working, then the position could be managed.</p> <p>The Board discussed the proposals about future governance in depth and the Clerk circulated the names and outline profiles of those Governors who were being nominated by Havant on the basis of their skills and experience against specific criteria.</p> <p>The following issues arose in discussion:</p> <ul style="list-style-type: none"> <li>• <b>Numbers of Governors who were potentially conflicted</b> - It was noted that the legal advice was clear that, if the majority on the Board was conflicted, then the appointment of the Havant Governors would not be appropriate because that could jeopardise governance processes. That would not be the case at South Downs as there was a majority who were not conflicted. However, this might not be the position at Havant College where there were currently vacancies on the Board. The removal of key Governors from the voting process processes on key issues there might be more problematic. It was noted that Havant was aware of the position and it was suggested that, whatever the South Downs Board's final decision, the Havant Board would welcome an opportunity to consider the position further.</li> <li>• <b>Management of potential conflicts</b> – The Board was clear that, whilst it fully endorsed the union with Havant, it must ensure that any actions did not jeopardise effective governance processes. It was, therefore, agreed, that the College should develop a clear protocol for dealing with the position of Governors who served on both Board, based on the existing Code of Conduct for the circumstances. This</li> </ul>	

Minute Number	Minute	Action
	<p>would demonstrate clear acknowledgement of the need to address the issue and deliberate action as to how it would be managed. The Board considered the options as it was clear that this could, from time to time, affect the Principal's position. There was the expectation that anyone with a conflict would not be in a position to influence the decision which could mean not participating in the discussion or, indeed, being asked to leave the room. It was noted that there might be occasions when an individual's participation might be helpful so consideration should be given to allowing the Chair the opportunity to invite such participation, even though the individual would certainly not be permitted to participate in the decision/vote. The Clerk was asked to take this into account in drafting a protocol for consideration by the Board.</p> <ul style="list-style-type: none"> <li>• <b>Timescale for proceeding</b> – Some members of the Board were concerned about appointing Havant Governors to the Board at this stage, prior to the formal resolution to merge. However, it was also recognised that the merger plans were already very advanced and significant joint working was already in train in order to plan effectively for the student intake in September 2017. It was agreed that a phased approach could work well, particularly after the resolutions to merge had been passed.</li> <li>• <b>Other options to facilitate joint working</b> – If either of the Boards now felt that there too many risks associated with appointing 6 Governors immediately, consideration was given to other options. These included appointing 2 Havant Governors at this stage to fill existing vacancies only and inviting the remaining 4 to be observers and allowed to speak at meetings, it was agreed that this appeared to be an appropriate solution at this stage. The Chair advised that the Chair of Havant was aware of this possible option and he felt that this would be acceptable to the Havant Board as it addressed the main concerns but still enabled effective joint working. Havant Board had also invited Some South Downs Governors to attend the Havant Board meetings as Observers.</li> </ul> <p>The Board was convinced that involvement of Havant Governors as soon as possible was highly desirable and would facilitate effective joint working in the interests of the future College. In this sense, there was a very strong case for South Downs to proceed with the appointment of the 6 Havant Governors. This was notwithstanding the</p>	<p><b>Action: Clerk</b></p>

Minute Number	Minute	Action
	<p>importance of demonstrating that the Board was fully aware of the conflict of duty issue and would act accordingly, making sure that those who faced that could vote in the relevant circumstances. However, there was concern about the possible risks for the Havant Board and Governors were keen to allow the Havant Board a further opportunity to review the position. The Clerk advised that the Havant Board would be meeting again on 20th October and South Downs was meeting on 31st October this matter could be resolved by the end of October 2016.</p> <p>At the conclusion of the discussion, the Board approved the following:</p> <p><b>(i) In order to facilitate the move towards the new merged Board structure, the Board agreed that the membership would not be re-determined at this stage but that two of the nominated Havant Governors would be appointed to South Downs Board to fill the current vacancies and the remaining four would be invited as observers and allowed to speak at all meetings.</b></p> <p><b>(ii) The South Downs Board approved the nominations from the Havant Corporation, with a view to appointing two of them, as full members of the South Downs Board, pending final responses from the Havant Corporation. It was agreed that the Chair would approach the Chair of Havant to determine the most appropriate members to fill the current vacancies, taking into account the current skills requirements.</b></p> <p><b>(iii) The Board endorsed the proposals for the governance of the new merged College as follows:</b></p> <p><b>a) That the Board of the new merged College would eventually comprise 17 members in total:</b></p> <ul style="list-style-type: none"> <li>• 12 external/Ordinary members</li> <li>• 1 Principal</li> <li>• 2 students</li> <li>• 2 staff</li> </ul> <p><b>b) In reaching the above Membership determination, there would be 6 External/Ordinary Governors from each of the existing Boards, following an assessment of</b></p>	

Minute Number	Minute	Action
	<p>their skills and experience against agreed criteria.</p> <p>c) The new Board would develop a strengthened committee structure which enabled the key duties and functions of the Board to be undertaken effectively and further proposals would come forward on this in due course.</p> <p>d) A shadow Board would not be established to avoid duplication of effort. A joint Search &amp; Governance Committee would be established, to make recommendations on future governance, via the Advisory Board, to the College Boards, to ensure that the new Board could be fully functioning from the first day of merger. This would include addressing details such as the timescale for reaching the desired numbers, arrangements for self-assessment of Board members' skills and experience and overall regard to equality and diversity issues.</p> <p>The Board considered the arrangements for filling the current Student Governor vacancy. <b>The Board accepted the recommendation that the Student Union be invited to nominate a Student Governor to serve until 31<sup>st</sup> July 2017.</b></p> <p>The Board reviewed the proposals for committee membership. <b>The Board accepted the proposals outlined in Appendix B and delegated responsibility to the Chair to address vacancies and any further changes arising from discussions with Havant Governors when they joined the Board.</b></p> <p>At the conclusion of the discussions, the Chair informed the Board that the Havant Board was meeting on 20<sup>th</sup> October 2016 and the focus of that meeting was the College's Marketing Strategy. Two Governors had been invited to attend. Governors were invited to volunteer although the Chair and the Vice-Chair agreed to attend.</p> <p><b>(ii) <u>Merger Update</u></b></p> <p>The Board had received an update on the progress with the Area Based Review (ABR) process and the merger project.</p> <p>The Principal gave an update on the ABR and it was noted that the final report had been delayed to provide time for consultation with the Trade Unions. The</p>	

Minute Number	Minute	Action
	<p>recommendations remained unchanged. The Board was mindful that all of the Colleges in the area faced some significant financial challenges and there were still concerns about how these would be met, despite the outcomes of the ABR.</p> <p>As far as the merger project was concerned, the project was largely on time. There had been a slight delay in undertaking the due diligence work and further, more detailed work, was required on the Business Plan to reflect the September 2016 enrolment. Governors were advised that both Colleges had not achieved target enrolments and this was being investigated to identify the main reasons. This had an impact on the financial forecasts supporting the Merger Business Plan. The target date for merger remained at 1<sup>st</sup> August 2017, although the Advisory Board had agreed a revised timescale within the Merger Project Plan.</p> <p>Governors asked about the Estates Strategy and the Principal advised that the Colleges were continuing to review a variety of options, particularly in the context of the Havant Borough local plan. The College has been invited to send a letter to the Council to indicate its interest in aspects of the Plan as it affected the College, although this was entirely without commitment. Governors were also pleased to note that the LEP bid had been positively supported in the early stages of review. There were further stages of scrutiny. This was one aspect only of the longer term estates plan.</p> <p>Overall the position was noted. The Chair stated that the Advisory Board was working very effectively and excellent relationships and trust had been build up between the members.</p> <p><b>(ii) <u>College Governance Self-Assessment</u></b></p> <p>The Board had received a report on the work completed during the last few month to produce a summary of Governance for the Self-Assessment Report and related Quality Improvement Plan. The Clerk reminded Governors that individual Governors had undertaken a self-assessment exercise earlier in spring term 2016 and the Board, via the committee structure, had reviewed the performance of the Board against the criteria in the <i>Code of Good Governance for English College</i>, during the summer term 2016. The summary outcomes for Governance were presented. Overall, the outcomes of</p>	



Minute Number	Minute	Action
	<p>the self-assessment activities were positive and the Board has identified a range of key strengths, particularly an emphasis on securing financial security, focussing on excellence in teaching and learning and setting challenging targets. However, the Board had also identified areas for improvement, particularly in relation to deepening Governors' understanding of the College, working directly with stakeholders and developing governance processes so that they were streamlined. Some work was already in train to address these and work would continue during this year to secure further improvement.</p> <p>There was a general discussion about the Governance SAR and the key issues. The Board acknowledged that it had to remain focused on the College's strategy and supporting the College's efforts to improve outcomes whilst it would, itself, be undergoing a period of significant change during the year as the College moves towards merger and it would be important to maintain current strengths. Governors remained very committed to developing their informal links and the opportunities to meet staff and students. It was noted that they would shortly be invited to the first Learner Voice Conference of the year in October 2016. Governors who had attended the recent College SAR meetings outlined how useful this had been to develop their understanding of the College. The Vice-Principal stated that he was happy to assist any Governors who wanted to attend College meetings and events.</p> <p>Overall, the Governance SAR and QIP was approved for inclusion in the full College document.</p>	
25/16	<p><b><u>Curriculum &amp; Quality Issues</u></b></p> <p>(i) <b><u>Overview of Student Success Rates</u></b></p> <p>The Board had received a report providing an overview of student outcomes and the Vice-Principal outlined the key issues. He informed Governors that there had been a change in performance data terminology from previous years, as follows:</p> <ul style="list-style-type: none"> <li>• 'Retention' was still called "retention".</li> <li>• 'Achievement' was now called "pass".</li> <li>• 'Success' was now called 'achievement'.</li> </ul> <p>It was also noted that the National Averages were from 2014-15, sourced from ProAchieve, except where stated</p>	

Minute Number	Minute	Action
	<p>from 'The Hub' which was the official source used by funding bodies and Ofsted.</p> <p>Governors were aware the Achievement rates were the most important performance indicator of the College's success in meeting the needs of all learners, delivering high quality teaching &amp; learning, and supporting all students to achieve success. The key issues in the report were:</p> <ul style="list-style-type: none"> <li>• Although there were still some figures to be confirmed which might lead to a small increase in the current figures, the College has seen a further decline in its overall achievement rate.</li> <li>• The main cause of this decline was a significant further decline in 19+ achievement.</li> <li>• GCSE Maths had seen a small improvement and GCSE English a decline in A*-C grades for 16-18 learners.</li> <li>• Functional Skills Maths &amp; English had seen a decline in success rates for all age groups of learners.</li> <li>• A level high grades had seen a small decline (but remained the second highest locally travel distance – Portsmouth/ Havant /SD).</li> <li>• During the first wave of linear A levels, like most colleges, the College had entered students for AS equivalent exams but the results had been poor. This practice would not continue.</li> <li>• Value-added had declined slightly for BTEC Level 3 and AS levels.</li> <li>• Apprenticeship timely achievement had significantly declined.</li> </ul> <p>It was noted that there was a range of contributory factors to the decline. These included persistent weaknesses in management information regarding learner information, a failure to completely mitigate the impact of structural and contractual changes on outcomes, limited impact of the new management structure in tackling under-performance and successfully monitoring learner progress. Despite some major changes, some areas had performed very well. However, the new structure had not the impact in the first 2 terms in tackling under-performance. Some issues, such as MIS problems had been tackled and were resolved so progress had been made. It was clear that there needed to be immediate and effective actions to improve student outcomes which could be clearly evidenced. This meant that more effective performance management and development was a key priority for</p>	

Minute Number	Minute	Action
	<p>the College in 2016-17, with implications for leaders &amp; managers and teaching staff in particular</p> <p>The Board discussed the position. Whilst recognising that there had been many areas of success and some notable areas of excellent provision, it was agreed that this decline needed to be addressed as a priority. Governors were very concerned that the College could be at risk of an adverse Ofsted inspection outcome due to the decline. It was recognised that, without ambitious plans to remedy the position quickly which provided tangible proof that learners were enjoying an improved experience, the College could be severely damaged by an Ofsted grade 3. The College would have to be able to demonstrate the actions it had taken and their likely impact. The Principal pointed out that existing strategies had not had the expected impact or were too early to measure. It was vital that the College could now demonstrate a robust response to reverse the decline. Governors agreed that they wanted to understand what improvement measures were in train and how their success would be measured. The emphasis now had to be on outcomes because so much else within the College could be in jeopardy if the decline was not reversed. It was vital that there was an effective action plan which showed the change could be effected at a fast pace.</p> <p>Governors discussed performance management and the importance of leaders ensuring that there was consistently high performance in all areas. It was agreed that best practice needed to be widely shared and that all staff needed to be clear about their own role and accountability in achieving good outcomes. The Principal explained that he was seeking to ensure that the current year provided a period of stability to focus on teaching and adherence to key areas such as attendance, work marked and clear monitoring and review. This was required at all levels. In addition, the new Learning Managers were working on a Leadership programme and dissemination of good practice. A range of actions had also been established to support the staff, e.g. there was now a new automatic text system to alert parents to non-attendance which had been, largely positively received by parents.</p> <p>As far as Maths and English was concerned, Governors were aware that this was a national problem. The College had adopted practices from exemplar colleges</p>	

Minute Number	Minute	Action
	<p>and changes, such as designated classrooms, had been made. It was agreed that there were some major cultural issues to be addressed and that this work was delivered and was the responsibility of all staff.</p> <p>Governors asked had staff currently tracked their professional development. It was noted that this needed to be improved and it was anticipated that the introduction of Blue Sky would assist. There was also a need to review the use of the Teaching and Learning Centre as it did not attract staff and was under-utilised.</p> <p>The Board considered how it could most effectively support the College in achieving rapid and effective changes. Governors emphasised the need for all staff to take responsibility and to be accountable for their own areas and outcomes. Managers needed to ensure that this rigour operated throughout the College and to monitor effectively, intervene quickly and address weak performance immediately. The Board would keep all of this under close review and would scrutinise particularly reports on relevant issues such as attendance and retention.</p> <p>The Board agreed the following recommendations and action:</p> <ul style="list-style-type: none"> <li>• That Governors would provide support and challenge regarding the actions in place to improve student outcomes (contained within the 2016-17 Quality Improvement Plan);</li> <li>• That Governors would support managers in their response to improve student outcomes via the Link Governor system;</li> <li>• That Governors would seek to attend self-assessment, quality improvement, and student monitoring meetings with members of SLT and CMG during 2016-17.</li> </ul> <p>(ii) <b><u>Update on Ofsted Issues</u></b></p> <p>The Vice-Principal gave a verbal update on Ofsted issues. He explained that the new inspection handbook had recently been published. Whilst there were few changes, some issues had been addressed with regard to newly merged colleges. They would be regarded as new providers, previous inspection grades would not be carried forward and the new institution would be inspected within 3 years.</p>	

Minute Number	Minute	Action
	<p>It was noted that there was the possibility that the College could be inspected prior to merger and there was a discussion about the ways in which Governors could support the inspection process and ensure that they were prepared for inspection. It was agreed that continuation of the links scheme would give Governors a good overview of the College and an understanding of the key issues. These informal routes also provided the chance for Governors to become familiar with the ways in which performance and support was addressed. Within the Board's Committee structure, there would also be an emphasis on the areas of key risk.</p> <p>It was agreed that the questions from the recent Board training on Ofsted would be circulated again for Governors' information.</p>	<p><b>Action: Clerk</b></p>
26/16	<p><b><u>Principal's Update</u></b></p> <p>The Board had received the Principal's report which highlighted key issues for the College and the sector. He outlined the key issues as follows:</p> <ul style="list-style-type: none"> <li>• As discussed earlier in the meeting, outcomes for 15/16 showed a three year decline in headline success rates which had to be reversed as a matter of urgency.</li> <li>• There was significant under-performance in GCSE and Functional Skills English and Maths.</li> <li>• Learner numbers had continued to decline for 16-18 student programmes although there was growth in Apprenticeships and HE.</li> <li>• The College's share of the Local Government Pension Scheme deficit had recently been confirmed and had increased from £11.6m to £17m.</li> </ul> <p>The Board discussed the implications of the key issues and was particularly concerned about the continued decline in learner numbers and the impact on the financial forecasting and planning for post-merger, and the options within the Estates strategy in terms of space requirements.</p> <p>In the light of the discussion, the Board endorsed the following key priorities for 2016/17:</p> <ul style="list-style-type: none"> <li>• Outcomes at all levels and age groups, including value added.</li> <li>• Continued focus on English and Maths.</li> </ul>	

<b>Minute Number</b>	<b>Minute</b>	<b>Action</b>
	<ul style="list-style-type: none"> <li>• Review of the effectiveness of Performance Management.</li> <li>• Marketing strategy for the new college</li> <li>• Financial stability.</li> </ul>	
<b>27/16</b>	<b><u>Dates of the Next Meeting</u></b> 31 <sup>st</sup> October 2016 at 1745	

**Meeting ended at 8.15pm**

**Signed:.....Date:.....**