

South Downs College Corporation
Board of Governors
MINUTES OF A MEETING OF THE CORPORATION
HELD ON MONDAY 14th DECEMBER 2015
AT SOUTH DOWNS COLLEGE

Present:

Mrs S Linham (Chair)	Councillor R Bolton
Mr R Crank (Vice-Chair)	Mr R Pearce
Mr I Child	Mr R Showan
Mr M Gaston (Principal)	Ms C Bowles
Mrs J Vincent	Mr L Perman
Mrs L Wells	Ms S Mitchell

In attendance:

Mr R Barlow	Vice Principal
Mrs J Currin	Assistant Principal, Finance & Facilities
Mrs R Abrey	Assistant Principal, HR & OD
Mrs D Smith	Assistant Principal, Student Services & Support)
Ms P Robertson	Clerk to the Corporation

Total Membership	16
Total vacancies	3
Total possible attendance	13
Quorum:	7
Total Present:	12- meeting quorate

Meeting started at 5.45 pm.

PART ONE MINUTES

Minute Number	Minute	Action
1.	<u>Apologies for Absence</u> Apologies for absence had been received from Tony Whitlock who was teaching.	
2.	<u>Declarations of Interest</u> No Member declared any conflict of interest with any item on the Agenda which had not previously been declared. Ron Crank reminded the Board that he was now a Trustee of Nacro. Julia Vincent reminded the Board that she was a Governor at Warblington School.	
3.	<u>Part One Minutes of the Corporation meeting held on 5th November 2015</u> The Part One Minutes from the meeting held on 5 th November 2015, having been previously circulated to	

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	Members, were agreed as a true record and signed by the Chair.	
4.	<p><u>Matters arising from the Corporation meeting held on 5th November 2015</u></p> <p>It was noted that all actions had been completed or were in train.</p>	
5.	<p><u>Board Business Matters</u></p> <p>(i) Membership of the Board – Appointment of Student Governors – Following the recent elections for Student Governor, the Board was advised that Chloe Bowles and Luke Perman had been elected. The Board formally approved the appointment of Chloe Bowles and Luke Perman for a 2-year term of office from 14th December 2015 until 13th December 2017, or until they ceased to be students at the College, whichever was soonest.</p> <p>The Chair welcomed Luke and Chloe to the meeting and invited them to participate fully in the meeting and to seek whatever help they required from the Clerk and any other Governors.</p> <p>(ii) Membership of the Board – External Members - It was noted that the Search & Governance Committee had met directly prior to the Board meeting in order to make recommendations on the appointment of External Governors. There were currently 3 External Governor vacancies and Ray Bolton's current term of office was due to come to an end in March 2016. The Search & Governance Committee had reviewed interest/applications from a number of individuals who offered a range of skills to the Board and Ron Crank, as the Chair, explained that there had been a detailed debate about the most appropriate way forward. The Search & Governance Committee still had one further applicant to meet in the spring term and two prospective Governors, David Todman and Martin Brunner, had previously been appointed as co-options. It had, therefore, been agreed that the following appointments would be recommended at this stage:</p> <ul style="list-style-type: none"> • A further term of office for Ray Bolton of 4 years from the expiry of his current term of office on 29th March 2016 until 28th March 2020. 	

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	<ul style="list-style-type: none"> • The appointment of Clive Dobbin, Employment Law partner at Paris Smith, for a four-year term of office from 14th December 2015 until 13th December 2019. • The appointment of Tom Horwood, Executive Director of Havant/East Hants District Council, for a four-year term of office from 14th December 2015 until 13th December 2019. <p>The Board formally approved these appointments and agreed that the remaining vacancy would be left in abeyance, pending recommendations from the Search & Governance Committee, when all applicants had been considered.</p>	
6.	<p><u>College Strategy</u></p> <p>An update on the Area Review Process and the College's discussions with Havant College had been circulated and the Principal outlined the key points.</p> <p>The Area Review process was in train and two reviewers had visited the College in early December. The most recent meeting of the Steering Group had focussed on finances across the Solent Area Colleges with the aim of communicating area financial findings from the site visits. Thanks were extended to Shena, Richard and Ray who had joined Stephenie in the meeting with the Area reviewers. That meeting had largely confirmed the College's own analysis, although the reviewers had commented that the College's estate was better than many other College estates.</p> <p>There was some concern that the Area Review process as a whole could well be delayed and the process more protracted. Many other local colleges had not been prepared to declare their positions and had been asked to return to the next Steering Group meeting in January 2016 with some options going forward. Participation had been limited at the last meeting and some information was not ready so there was a sense of delay. However, the Steering Group was looking for Colleges to provide and own the solutions. Some parts of the review still lacked clarity, such as the institutes of technology, and the fact that the outcomes of the Comprehensive Spending Review had been less difficult than expected. It was also unclear how colleges might, at this stage, take forward the issue of establishing centres of excellence and where specialisms might lie, as well as the most appropriate geographical arrangements. Governors</p>	

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	<p>queried how far learners would really travel perceived specialisms.</p> <p>As far as partnership with Havant College was concerned, there had been further discussions on formalising the current Working Group and addressing the key aspects of the project to achieve a merger by August 2017. This included a vehicle for managing 2016/17 because the Principal at Havant would be retiring at the end of the current academic year. Both colleges had now talked to staff about the way forward and the proposal to merge. The Board was very anxious that students needed to be fully informed to avoid rumours and it was agreed that a full communications strategy was an early requirement in the Project to ensure that staff and students fully understood the position. There would also need to be wider consultation with all stakeholders. The Principal explained that there was desire to protect both brands and to ensure that there was a robust offer at each establishment.</p> <p>It was noted that there had been some indications from the Area Reviewers that the merger should be sooner than 2017. The Principal reminded the Board of the two types of merger – type A where both colleges dissolved and transferred their assets and liabilities to a new institution, established for that purpose, and type B where only one college dissolved and transferred its assets and liabilities to the other. So far, the Boards of Havant and South Downs had considered a type A merger. This would require Ministerial approval. If a type B merger was pursued, currently, as a designated sixth form college, the regulations precluded Havant from taking over South Downs. In this case, Havant would have to dissolve. A type B merger was like to be less expensive and to take less time as it was a simpler process and not subject to Ministerial approval. There was some support for this option as it offered maximum control to Havant and South Downs.</p> <p>Governors queried the process for taking on assets and liabilities, particularly if there were debts, and how far South Downs could do this. It was noted that, in the case of a type B merger, Havant's underlying financial position appeared to be stronger than South Downs at present. However, all of this would be subject to due diligence, both in respect of the transfer of assets and liabilities and in reviewing the financial viability of any new or merged institution going forward.</p>	

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	<p>The Board also discussed the position of staff. It was noted that any merger would involve the transfer of staff who would be covered by the Transfer of Undertakings (Protection of Employment) Regulations known as TUPE. With the retirement of the Principal at Havant, the Havant Board was minded to ask Mike Gaston to form a single leadership team by summer 2016. It was envisaged that the existing team would continue to be employed by their respective organisations and only the Principal's post would be affected. Governors recognised that these were issues to be addressed in the future and accepted that the Board itself would also be subject to change.</p> <p>At this stage, the Board was asked to formalise the creation of a joint Havant /South Downs Advisory Board which would have overall responsibility for developing the Vision and the Project Plan which would include curriculum modelling and financial modelling. Once the membership was agreed, it was noted that a meeting would take place and formal terms of reference would come back before the Board for approval which would include some proposed delegated powers. It was envisaged that there would also be opportunities for Governors to be involved in the various work streams within the Project Plan which would be developed by the Advisory Board at an early stage.</p> <p>The Board formally agreed that the South Downs members of the Advisory Board would be:</p> <ul style="list-style-type: none"> • The Principal (Mike Gaston) • The Chair (Stephenie Linham) • Vice-Chair (Ron Crank) • Richard Pearce 	
7.	<p><u>Finance & Audit Issues</u></p> <p>(i) <u>Report of the Audit Committee meeting held on 12th November 2015</u></p> <p>The Board received the unconfirmed minutes of the Meeting of the Audit committee on 12th November 2015, including the Annual Report of the Audit Committee and the Annual Report on Risk Management.</p> <p>The Chair provided an outline of the meeting and particularly the following issues:</p> <p>a) Terms of Reference and Annual Schedule of Business for the Audit Committee - These had been updated.</p>	

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	<p>The Board agreed to accept the recommendation of the Audit Committee to approve the Terms of Reference & Annual Schedule of Business.</p> <p>b) Annual Report of the Audit Committee—This was received and noted, to inform that Board's view of the overall control framework within the College.</p> <p>c) Annual Report on Risk Management – This was received and noted, to inform that Board's view of the overall control framework within the College. The Chair of the Audit Committee also reminded Governors the Risk Management framework was currently being developed.</p> <p>d) Fire Safety Audit – It was noted that there had been a number of matters arising from fire safety audit which were still outstanding as it had not been possible to complete the work. Following the Audit Committee meeting, the Chair had reviewed the original letter from PJ Fire Risk Assessments in the context of the outstanding matters arising and he informed the Board that this stated that "there are no areas of ultimate danger to the occupants of the premises". As a consequence, he was happy that some of the observations might take some time to consider and decide whether any improvements were viable. Where there were increased levels of danger, the College had more than sufficient mitigating controls in place.</p> <p>Overall, the Report of the Audit Committee was noted.</p> <p>(ii) <u>Report of the Finance & Estates Committee Meeting held on 30th November 2015</u></p> <p>The Board received the unconfirmed minutes of the meeting of the Finance & Estates Committee meeting held on 30th November 2015. Part 1 Minutes from the meeting, available for all Governors, were attached to the Report and Part 2 Minutes, for External Governors only, had been dispatched separately for External Governors only.</p> <p>The Chair provided an outline of the meeting and particularly drew the following matters to Governors' attention:</p> <p>a) Terms of Reference and Annual Schedule of Business for the Finance & Estates Committee - These had been updated to reflect the revised Committee structure.</p> <p>The Board agreed to accept the recommendation of</p>	

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	<p>the Finance & Estates Committee to approve the Terms of Reference & Annual Schedule of Business.</p> <p>b) Annual Health & Safety Report – The Board agreed to approve the Annual Health & Safety Report, as recommended by the Finance & Estates Committee. It was noted that there was no reference to Legionella testing in the Report. Although this testing took place, it was agreed that the position should be checked and confirmed and reference included in all future reports.</p> <p>c) Offsite Activities Policy – The Board agreed to approve the Offsite Activities Policy, as recommended by the Finance & Estates Committee. It was noted that the College made extensive and effective use of the HCC system and the expertise associated with that.</p> <p>d) IT discussions – The Head of IT had attended the meeting and provided an overview of the current strategy.</p> <p>e) Estates – Some previous proposals about the estate were currently on pause pending the outcomes of the Havant merger discussions. The Finance & Estates Committee had also approved the new cleaning contract.</p> <p>f) Current Management Accounts – These currently showed a forecast deficit but a plan was in place to reduce that to break-even. Governors' attention was drawn to the position regarding ESF funding and the pressure on the College's break-even plans due to the adjustment for this.</p> <p>Overall, the general report of the Finance & Estates Committee was noted.</p> <p><u>(iii) Financial Statements 2014/15 & Management Report from RSM</u></p> <p>The Board had received the Annual Report and Financial Statements for the year ended 31 July 2015 as well as the External Auditor's Management Report. These documents had all been reviewed in detail by the Finance & Estates and Audit Committees. In the year ended 31 July 2015 the College had total income of £28.35m and total expenditure of £26.28m, after allowing for FRS 17 adjustments. Expenditure in 2014-15 included £618k exceptional costs relating to restructuring. The reported surplus on continuing operations within the financial statements was £2.07M. The External Auditors had given their external audit opinion and confirmed that the Financial Statements:</p>	

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	<ul style="list-style-type: none"> • Gave a true and fair view of the state of the College's affairs as at 31 July 2015 and of the College's surplus of income over expenditure for the year then ended; and • Had been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice. • Could be signed off as a going concern. <p>The Chair of the Finance & Estates Committee reminded the Board that the outturn position and strong balance sheet at end of July 2015, was in line with expectations. However, the Board was mindful of the position going forward and the College's underlying deficit. The Chair also commended the Finance team for their efforts in closing the accounts.</p> <p>On the recommendation of the Finance & Estates committee, the Board agreed to:</p> <ul style="list-style-type: none"> i) Approve the Annual Report and Financial statements for the year ended 31 July 2015, to be signed by the Chair and the Principal. ii) Receive and note the External Auditor's Audit Findings Report. iii) Approve the Letters of Representation for the Financial Statements Audit and Regularity Assurance matters, to be signed by the Chair and the Principal. iv) Approve the Regularity Self-Assessment Questionnaire, to be signed by the Chair. v) Receive and note the External Auditor's Regularity Audit Report. 	
8.	<p><u>HR Issues</u></p> <p>(i) <u>Report of the HR Committee Meeting held on 25th November 2015</u></p> <p>The Board received the unconfirmed minutes of the inaugural meeting of the HR Committee meeting held on 25th November 2015. Part 1 Minutes from the meeting, available for all Governors, were attached to the Report and Part 2 Minutes, for External Governors only, had been dispatched separately for External Governors only.</p> <p>The Chair outlined the key issues arising from the meeting. As a new committee, she explained that it had been very interesting to have open and <i>ab initio</i> discussion about a range of issues. It had also been very helpful to have input from the new co-opted, David Todman.</p>	

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	<p>The following issues were raised in particular:</p> <p>a) <u>Terms of Reference and Annual Schedule of Business for the HR Committee</u> – The Board agreed to approve the Terms of Reference & Annual Schedule of Business, as recommended by the HR Committee. It was noted that the terms of reference included a remit to ensuring that the Board was up-to-date on employment law issues. This Committee would also be the basis for the Staff Appeals Committee.</p> <p>b) <u>Revised Grievance Procedure</u> - The Board agreed to approve the Grievance Procedure, as recommended by the HR Committee.</p>	
9.	<p><u>Curriculum & Quality Issues</u></p> <p>(i) <u>Report of the Quality & Standards Committee Meeting held on 26th November 2015</u></p> <p>The Board received the unconfirmed minutes of the meeting of the Quality & Standards Committee Meeting held on 26th November 2015. The following issues were addressed in detail:</p> <p>a) <u>Safeguarding</u> – The Chair reported that the Standards & Quality Committee believed that the College's Safeguarding framework was very strong and had confidence in the College's team. Last year, some 318 students had been supported and the College continued to see growing numbers of students who required specialist support. This was a major concern which was being encountered in colleges and schools generally. The Board agreed that it was important that there was strong support for the staff involved in this area and was keen to identify ways in which the responsibilities could be shared further. Governors were mindful that major cuts were being made to children's services and much of the support work relied on the charities sector. It was agreed that efforts should be made to lobby a range of agencies including via the local MPs to ensure that the position was fully understood. It was agreed that Julia Vincent, as the Safeguarding Governor, would discuss this further outside the meeting with the Chair/Vice-Chair and key staff.</p> <p>The Board also addressed the following:</p> <ul style="list-style-type: none"> • Annual Safeguarding report – The Board agreed to approve the Annual Safeguarding Report as recommended by the Standards & Quality Committee. 	

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	<ul style="list-style-type: none"> • Updated Safeguarding Policy - The Board agreed to approve the Safeguarding Policy as recommended by the Standards & Quality Committee. • Physical Intervention & Physical Contact with Students Policy - The Board agreed to approve the Physical Intervention and Physical Contact with Students Policy, as recommended by the Standards & Quality Committee. <p>b) Annual Teaching and Learning Report – Governors noted particularly the correlation between training and outcomes and the ways in which the College was addressing this.</p> <p>c) Learner Survey Report – The outcomes were noted and Governors also noted the importance of feedback to students to demonstrate the actions taken in response to the Learner surveys.</p> <p>(ii) <u>Annual Self-Assessment Report & Quality Improvement Plan</u></p> <p>The Board received the College's Self-Assessment Report 2014/15 and Quality Improvement Plan 2015/16 which had been considered in detail at the Standards & Quality Committee. The Vice-Principal reminded Governors of the background and context for self-assessment at course and department level, meetings between the Principal, Vice Principal, Heads of Department and the Head of Teaching, Learning & Quality (some of which Governors also attended), and validation and feedback from external reviewers as part of the AoSEC Peer Review & Development process. The SAR had been updated this year to take into account the new Ofsted Common Inspection Framework.</p> <p>The Vice-Principal emphasised the following:</p> <ul style="list-style-type: none"> • The SAR now included an Executive summary which mirrored the new CIF style • The Leadership and Management aspects were very important aspects and explicit statements were notable new features of the CIF. This also included Governance. • The 2 year downward trend in classroom based success rates had to be reversed now. A 3- year decline would mean that it would not be possible to self-assess as a grade 2. Governors noted the range of strategies which were being employed to address this and how they would be monitored. 	

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	<ul style="list-style-type: none"> • The QIP focussed on the key issues to secure the required improvements. • There were further developments to secure in responding to learner feedback although progress had been made. • The development of self-assessment for business support areas was important and needed to reflect the impact of these services on teaching and learning. <p>Whilst the College's Overall Effectiveness was still assessed as good (grade 2) as it was in for 2013-14, Governors noted the following:</p> <ul style="list-style-type: none"> • The strength of 16-18 provision; • The weakness of 19+ provision; • The key issues associated with Apprenticeships; • The need to address success rates in Maths and English; • A 2-year decline in the College's overall success rates; • The emphasis on the importance of actions on improve success and secure financial sustainability. <p>There was a general discussion and the following points were made:</p> <ul style="list-style-type: none"> • The College's performance and reputation as a provider of 16-18 education & training remained sound, but, without improvements in the areas indicated, the College's Overall Effectiveness grade could be at-risk (from either an Ofsted inspection or accurate self-assessment). • The College's current work to secure financial sustainability had to be undertaken in conjunction with a renewed focus on improving student outcomes and an emphasis on the quality of teaching, learning and assessment. • Governors welcomed the peer review process that had been undertaken and the value of external feedback. • The College was currently addressing a number of challenges and Governors were mindful that there were significant changes taking place internally. Whilst the plans to secure these changes included actions to mitigate the risks, the Board emphasised that the student's learning experience was paramount. <p>Overall, the Board agreed to approve the Self-Assessment Report and the Quality Improvement Plan, as recommended by the Standards & Quality Committee. It was also agreed that:</p>	

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	<ul style="list-style-type: none"> • The Board developed partnership arrangements with newly appointed Directors in the College management structure, to support improvements and curriculum development • The Quality Improvement Plan would be monitored as a standing item by the Standards & Quality Committee. <p><i>(At 7.30 pm, during discussion of this item, Shena Mitchell left)</i></p> <p>(iii) <u>Ofsted Update</u></p> <p>The Board had received a paper dealing with Ofsted's Annual Report, covering all aspects of education, reflecting on the outcomes of inspections and identifying the key strengths and weaknesses of each sector including any regional variations. From September 2015 Ofsted had introduced a number of changes including short inspections for providers whose overall effectiveness was previously judged to be good and a new Common Inspection Framework which includes a renewed emphasis on the effectiveness of leadership and management (including Governance). It was noted that the Report outlined the context in the FE sector of financial pressures, Area Reviews and the challenges in delivering English & Maths and emphasised the need for strong leadership. It expressed concern about the quality of GFE colleges based upon inspections during 2014/15 and the continuing low participation of 16-18 year-olds in apprenticeships. As far as Governance was concerned, the Report emphasised the importance of :</p> <ul style="list-style-type: none"> • Managing resources to benefit learners; • Working closely with college managers and external stakeholders; • Improving quality & developing curriculum; • Linking effectively to subject areas within the college's provision; • Being well-informed, well-trained and experienced, including safeguarding & Prevent; • Receiving high-quality reports that enabled support and challenge; <p>There was a general discussion about the issues raised by the Report. Governors considered the amount of time which was focussed on the business aspects of the College and there was some concern that Governors needed to develop their knowledge and understanding of teaching and learning, otherwise there was a danger that the core business of the College was given</p>	

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	<p>insufficient attention. It was agreed that a range of strategies could be employed to address this, including development of the Governors' Link Scheme, inviting key staff to Board/Committee meetings and providing opportunities for Governors to have informal contact with staff and students. The Board was also mindful of the importance of celebrating success and being involved in this. The Board agreed that it would welcome a seminar on reviewing teaching and quality, as well an update on Ofsted requirements to prepare Board members for any future Ofsted inspection.</p> <p>The Clerk reminded Governors that a self-assessment questionnaire as due to be circulated shortly, partly as the basis for the Chair to talk to individual Governors about their experiences but also to feed into the College's self-assessment processes. There would also be a review of training needs in the summer term. It was agreed that these processes would be helpful. The Vice-Principal and the Clerk were also asked to consider how the Board could be involved in teaching and learning issues to gain a clearer understanding.</p>	Vice-Principal/Clerk
10.	<p><u>Principal's Update</u></p> <p>The Principal's Termly Update on key College issues had been received and he outlined the key issues. The Board was reminded that this term had focussed on implementing a change programme to assist the College in progressing towards agreed milestones to meet strategic objectives. This was in a context of ensuring that the College could deliver a break-even budget in 2015/16 prior to exceptional restructuring costs. The financial position remained challenging and the College's pay to income ratio remained stubbornly high. There was a need to develop a viable and robust plan to grow income in line with government priorities, i.e. apprenticeships, HE, full cost and ESF opportunities. Meanwhile, the 2 year downward trend in overall success rates highlighted the need for improvements in key areas of Adult provision, Apprenticeships and GCSE English and Maths. The Principal also emphasised that this was a period of enormous opportunity for the College and staff continued to work every hard. There were many day-to-day successes and staff did understand the big changes taking place. The Principal also outlined a meeting which he had attended with the Chair and the Chair of the Audit Committee with Nick Boles, the Minister of State for</p>	

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	Business, Innovation and Skills and the Department for Education. This had been very informative.	
11.	<u>Date of Next Meeting</u> Thursday 17 th March 2016 at 5.45 pm.	
12.	<u>Meeting Evaluation</u> It was agreed that evaluation forms would be circulated.	

Meeting ended at 8.00 pm

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