

Minutes of the meeting of the South Bank Colleges Board

**held at 4.00pm on Wednesday, 26 February 2020
Lambeth College Board Room (C303)**

Present

Ruth Farwell (Chair)
Steve Balmont
Cllr Jennifer Brathwaite
Sue Dare
Nigel Duckers
Mee Ling Ng
Adesewa Ogunyomi
Andrew Owen
David Phoenix

Apologies

Shakira Martin

In attendance

Michael Broadway
Richard Flatman
Paul Ivey
Fiona Morey
Jacqueline Mutibwa
Michael Webb

1. Welcome and apologies

The Chair welcomed the trustees to the meeting.

2. Declaration of Interests

The Board noted the following continuing declarations of interest: Mee Ling Ng is a director of LSBU; David Phoenix is a director of LSBU and SBA.

3. Minutes of the previous meetings

Meeting held on 14 November 2019

The Board approved the minutes of the meeting held on 14 November 2019 as an accurate record and their publication with minor amendments to the proposed redactions.

Meeting held on 10 December 2019

The Board approved the minutes of the meeting held on 10 November 2019 as an accurate record and their publication, as redacted.

4. Matters arising

There were no matters arising from the minutes of the meetings.

Chairs report

The Chair informed the Board that a private meeting with Independent Trustees (those who were neither Staff nor Student) would be held after the meeting and in the absence of officers.

5. Executive Principal's Report

The report provided an update on the key areas of the college since the last report in November 2019.

The Board discussed in detail the quality and improvement of the education provision and key developments.

The Board discussed:

- the comprehensive review of the Management Information System (MIS). It was noted that there was increased confidence in the MIS data and its use in making judgement about the quality of provision and the College's performance as a whole.
- the 2019/20 forecast student achievement data. The in-year overall predicted achievement as at 31 January 2020, was 85.4% which was positive though below the previous year's performance. Caution was urged about the reliability of the predicted achievements although the ability to predict will improve as staff become more experienced. English and Maths achievement was a key performance indicator for a successful overall outcome and it was requested that this be reviewed at Board level. The Quality and Improvement Committee would review the data in more detail.
- retention which for 2019/20 was at 98% which was positive and in line with this time last year and above the national average. The Board noted the updated KPI performance table.
- that for 2019/20 student recruitment, the college growth target for learners had not been achieved which would have a negative impact on the planned budget for 2020/21 to the value of £500K. However, the 2020/21 budget target was achievable due to the increments in the funding for 16-19 year olds which would be based on the number of learners eligible for the funding requirements this year.
- that business planning and growth 2020-2023 was underway. The focus continued to be growth in 16-19 year old provision, level 3 provision for learners and to reduce reliance on sub-contracting provision.

- the progress made against the Ofsted identified areas of improvement. It was noted that a monitoring visit from Ofsted was expected before the end of the academic year and its purpose was to monitor the progress made since the last inspection (May 2019) and in particular the areas requiring improvement identified by Ofsted. The Board noted an updated improvement plan to address the Ofsted recommendations (appendix 1 in the paper).
- that on teaching and learning, the outcome of the observation was positive but identified some areas for development which were being addressed.
- the findings from the student survey. The College Leadership team are analysing the data to ascertain the causes of areas of dissatisfaction and that the Quality & Improvement Committee would discuss further the report in detail at its next meeting in February 2020. The Board would be provided with an update at its meeting in May 2020 which would include: an action plan to address the matters arising from the survey, the composition of the 83 colleges benchmarked against which would be helpful in assessing the relevance of the information and specific benchmarking data with a suitable comparator set in order to measure performance against and identify areas for improvement.
- the findings from the staff survey as part of the LSBU Group survey carried out in June 2019 (appendix 2 in the paper). It was noted that a 'temperature check' survey would be undertaken later in 2020 which would provide more specific information about leadership and management. It was considered likely that there would have been a shift in the perceptions about continuing professional development (CPD) activities. The Board noted the high engagement and the findings identified from the survey.
- the FE Commissioner's letter to Chairs and Principals of Further Education Colleges dated 6 February 2020 which set out expectations of governance in the FE sector (appendix 3 in the papers). The Board noted the letter and that the governance arrangements recommended were in place. The Board would be provided with an updated LSBU Group Whistleblowing Policy.

6. Update on Estates Programme

The Board was provided with an update on the Nine Elms STEAM Centre (NESC) and the development of the Vauxhall site.

There was an update on the demolition work which was behind contract due to a party wall agreement with the adjacent housing development. The issue had been raised with Lambeth Council and their advice was awaited. It was noted that whilst access to the site was possible for the NESC, delays with DfE and start of construction phase meant that the project completion was now scheduled for December 2021 at the earliest.

A progress report on the NESC project was provided. The Board noted:

- that the monthly steering group meetings involving the key stakeholders of SBC, LSBU, DfE and Lambeth Council were positive.

- that Sir Robert McAlpine (SRM) was appointed to carry out the detailed design of the NESC and completion date was April 2020; the contract for the main construction work was due to commence in August 2020 and completion date in December 2021.
- that the tendering process for the SRM's construction work packages as part of the design development process was underway.

There was a discussion about the Vauxhall estates development. The Board noted:

- that Independent consultants had been engaged to: consider the development scenarios for NESC and the Clapham site; options appraisal for both the disposal of land at Clapham and proposed use of 'block C' at Vauxhall; undertake detailed work on market testing the business model assumptions and validate the costs on the updated business plan.
- the possibility of a change in use of 'block C' (tower) which was being developed as a commercial capital-generating vehicle to provide student accommodation which would change to private residential or office space. The key issue was the valuation of the Clapham site and 'block C' at Vauxhall.

The Board was provided with an update on the DfE's position on the updated SBC Estates Strategy that was submitted to DfE in December 2019.

7. Turnaround KPIs report

The Board noted an update on progress made by the College on the KPIs on turnaround linked to the CFADs model. The College was on target in regard to quality and headline finance measures and underperforming in relation to growth which had an impact on 2019/20 income levels and 2020/21 finance targets.

8. Chief Financial Officer Report

The report provided an update on 2019/20 financial position, statutory reporting matters and financial KPIs.

The Board noted:

- that the Lambeth College Corporation statutory closure accounts ending 31 January 2019 (six months) and the SBC accounts ending 31 July 2019 had been submitted to ESFA as part of the year end return.
- the ESFA end of year (end of July 2019) statutory accounts that had been submitted to ESFA in December 2019 attached to the report.
- the internal audit report on financial controls and the auditors recommendations that had been undertaken.

- the management accounts for the period ending 31 January 2020 (half year), which showed a deficit of £472K against a budget deficit of £1.38m; a positive variance of £910K which was due to some timing differences.
- the 2019/20 full year budget is forecast to be delivered; the forecast deficit was £2.78m in line with the CFADS model. It was noted that depreciation cost showed a £450K better than budget as a result of the revaluation exercise on acquisition of the assets of Lambeth College Corporation by SBC.
- the 2020/21 indicative figures and challenges. The 16-18 year olds funding allocation would increase by c. £600K. The main challenge was creating a sustainable delivery model through growth. Partner and sub-contractors arrangements would be reviewed. An initial budget report would be presented to the Board at the meeting in May 2020. It was noted that Trustees would be provided with a briefing on FE financial management prior to the Board meeting in May 2020.
- the financial KPIs.

9. Corporate Risk Register

The Board noted the risk register which had been reviewed by the Audit Committee at its meeting in February 2020. The Board requested that the register was further reviewed in particular the risks associated with industrial relations and quality of the education provision (in relation to the new Ofsted requirement outcomes) and its presentation improved.

It was noted that a LSBU group risk management policy and risk appetite was being considered. The Board would have a more detailed discussion on the risk register and consider the new and emerging risks at its meeting in May 2020.

10. Health and Safety Update

The Board was presented with a strategic overview of health and safety developments since the College became part of LSBU Group for the period from February 2019 to January 2020.

The Board noted the significant progress that had been made in 2019.

11. Intra-Group Facilities

At its meeting on 1 May 2019, the Board discussed a report on the two proposed facility agreements to be entered into between LSBU and SBC: to enable SBC to fund the turnaround of Lambeth College (Facility 1); and to enable SBC to manage cash-flow for its estates redevelopment plans (Facility 2).

The Board requested that the facility agreements were circulated to Trustees for consideration prior to signing off. The Board:

- approved the key terms of the proposed facility agreements with LSBU; subject to having considered the documents (via email) and no issues being raised;
- authorised the Chair to execute the approved agreements on behalf of SBC. Facility 1 would be executed as soon as possible, and Facility 2 would only be executed following DfE's acceptance of the estates plan.

{Secretary's note: following circulation of the facility agreements no issues were raised and, accordingly, the Chair confirmed that the agreements had been approved by the Board. Facility 1 was executed on 7 May 2020}.

12. Reports from Committees

The Board noted the report from Committee meetings held since the last meeting on 14 November 2019.

Date of next meeting

4.00pm, on Wednesday 6 May 2020

Confirmed as a true record

(Chair)

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