

**Minutes of the meeting of the South Bank Colleges Board
held at 5pm on Thursday, 27 January 2022
Meeting via Microsoft Teams**

Present

Ruth Farwell (Chair)
Andrew Owen (Vice Chair)
Steve Balmont
Sue Dare
Moriam Folawiyo
Shakira Martin
Mee Ling Ng
David Phoenix

Apologies

Nigel Duckers
Jacqui Dyer

In attendance

Michael Broadway
Richard Flatman
Paul Ivey
Romy Jones
Rachel McCafferty
Fiona Morey
Jacqueline Mutibwa
Wayne Wright

1. Welcome and apologies

The Chair welcomed the trustees to the additional board meeting which had been convened to discuss and seek approval for urgent matters on the delivery of the estates strategy and to seek approval to start a consultation on reshaping.

The above apologies were received.

The Board noted Nigel Duckers' concern that the proposal for consultation on reshaping was not a written report and as he was unable to attend the meeting he would not be able to form a view and submit his opinion or questions to the Chair ahead of the meeting. The Board noted the request from management at this meeting was to commence consultation. Following consultation, a report would be issued to the Board for approval for any recommended changes. A meeting with the Executive Principal had been arranged to brief Mr Duckers on the proposal for reshaping.

2. Declaration of Interests

The Board noted that the proposed loan facility agreement between LSBU and SBC (agenda item 5) could lead to a potential for a conflict of interest for the Vice Chancellor as he is both a director of LSBU and of SBC. Having considered the

conditions set out in article 20 (points 1 – 4) and having concluded that the agreement was in the interest of both SBC and LSBU, the Board authorised the Vice Chancellor to participate in the decision regarding the loan facility.

Sue Dare informed the Board that on 4 January 2022, she had been appointed as a non-executive director of the Apprenticeship Training Centre for the Manufacturing Technology Centre (MTC).

3. Project Working Group Notes and NESC Monthly Briefing Note

Project Working Group meeting held on 10 January 2022

The Board noted an update on the recent work undertaken by the project working group including its support for the intent and shape of the curriculum and the financial sustainability plan. The proposed curriculum would be discussed by the Quality and Improvement Committee prior to the Board being requested to approve it at its next meeting. Also at that meeting would be financial forecasts based on proposed cost savings as well as investment in growth.

The Board noted the notes and action sheet arising from the meeting.

The Board noted the NESC project monthly summary report.

4. Proposal for Consultation on Reshaping

Romy Jones, Rachel McCafferty and Wayne Wright left the meeting

The Board discussed the proposal to reshape the workforce to reflect the already agreed structure of having a Technical College (at Vauxhall) and a Gateway College (at Clapham). The aim of the restructure was to create an appropriate workforce structure for the future of the College and to support SBC's move to a financially sustainable position.

The Board noted the proposed process for the workforce re-shaping which would be supported by LSBU Group HR team. Consultation with affected staff and trade unions was due to begin during the week commencing 7 February 2022.

The Board noted the potential opportunities for staff including career development and CPD, it was requested that this is included in the communications to staff.

The Board discussed the risks and potential impact on the student experience. There was concern about managing the staff reorganisation during the estates programme and a potential Ofsted inspection. The risks needed to be managed and the student experience maintained.

The Board supported the proposed reshaping and for the consultation to start. The costing of the proposed workforce structure would be included in the financial forecasts considered by the Board at its next meeting on 24 February 2022.

Romy Jones, Rachel McCafferty and Wayne Wright rejoined the meeting

5. LSBU and SBC Cashflow Facility Agreement for the Estates Programme

The Board discussed the proposed facility agreement.

The Board noted advice from the Secretary on potential personal liability. On the basis that the trustees would not be parties to the contract and that they followed the Charity Commission guidance on the principles of trustee decision-making, including acting in good faith and for the benefit of the charity, it was unlikely that personal liability could arise.

The Board noted assurances from the executive that signing the agreement would not breach other obligations. The minor typos in the proposed facility agreement would be amended.

The Board noted that the LSBU Board had discussed and approved the facility agreement for the NESC project.

Having noted the key terms of the proposed facility agreement with LSBU, the Board:

- approved the facility agreement; and
- authorised the Chair to execute the approved agreement on behalf of SBC.

{Secretary's note: the agreement was legally completed on 8 February 2022}

The Board noted the initial funding of Blocks B and D at the Vauxhall site and that £2.5m was required to progress the development of the buildings so that they could open in September 2024. Funding of £11m from the FE Transformation fund was being sought. A separate facility agreement for the £2.5m funding for blocks B and D may be required if the FE Transformation Bid is unsuccessful.

The Board also noted the current position on the £13.75m facility agreement between LSBU and SBC to enable SBC to fund the turnaround of the College. The balance remaining was £2m and given the projected deficit 2021/22 was the final year that this funding would be available to the College.

6. Increase of Delegated Authority on NESC Project Purchase Orders

The Board discussed the proposal to increase purchase order authorisation for the NESC project.

The Board discussed the approval and delegation process for expenditure purchase orders over the value of £250K under the SBC financial regulations and the request to increase the threshold of the delegated authority on NESC project purchase orders. The construction project was now progressing and the procurement process for IT and fixtures, fittings and equipment (FF&E) needed to commence as soon as possible in order to meet project delivery time and the opening of the new college in September 2022.

The Board noted the agreed project budget for FF&E was £917,500 plus VAT and for AV/IT equipment was £2.2m plus VAT. LSBU procurement framework arrangements would be utilised to ensure value for money.

The Board approved that the orders (with GVAV for £485,842.50 and Vizst for £333,049.80) identified by the project team are authorised and placed immediately.

The Board delegated authority to the Executive Principal and the SBC CFO to approve contracts only for the NESC project irrespective of value but only if in the project budget. Cumulative authorisation for purchase orders in relation to this project are not to exceed the project budgets set out above.

The Board noted that in line with the Governance Agreement with LSBU, LSBU consent is required for contracts with a value above £250k. Contracts with a value above £500k will be considered by the Group Executive.

7. Feedback from FE Commissioner's visit

The Board received feedback on the Deputy FE Commissioner and FE Adviser visit on 12 and 13 January 2022 to undertake a progress review specifically linked to the College's special designation (section 28) status and unique FE/HE Group model.

The main focus of the visit was on the finances and managing the deficit. Overall feedback was positive and the visit recognised the strong governance and group vision, the trusting relationship between LSBU and the College, the improvement in quality and ongoing work to improve financial stability. A final report would be shared with DfE, Ofsted and SBC.

The Chair and Executive Principal thanked trustees and staff who had attended the FE Commissioner meetings for the positive outcome.

The Chair thanked trustees and staff for attending the special meeting, held at short notice.

**Date of next meeting
4.00 pm on Thursday, 24 February 2022**

Confirmed as a true record

(Chair)

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