

**Minutes of the meeting of the South Bank Colleges Board of Trustees
held on Wednesday 13 July 2022, 4:00 PM — 6:30 PM BST
Lambeth College Board Room (C303), 45 Clapham Common South Side,
London, SW4 9BL**

Present

Andrew Owen (Chair for the meeting)
Steve Balmont (*by conference call*)
Sue Dare
Ruth Farwell (*by conference call*)
Moriām Folawiyō (*from minute 12*)

Apologies

Nigel Duckers
Jacqui Dyer
Shakira Martin
Mee Ling Ng
David Phoenix

In attendance

Michael Broadway
Richard Flatman
Fiona Morey
Ian Rule (*by conference call*)
Wayne Wright (*by conference call*)

1. Welcome and apologies

The Chair welcomed members to the meeting including those joining by conference call. The above apologies were noted.

The Chair welcomed Ian Rule, Interim CFO, to his first meeting of the Board of Trustees.

2. Declarations of Interest

No member declared an interest in any item on the agenda.

3. Minutes of the previous meetings

The Board approved the notes of the Board strategy session of 27 April 2022 and the minutes of the meeting of 12 May 2022, subject to an amendment

that the Board agreed to make the figures on Guided Learning Hours available to the entire Board (not just the Project Working Group).

4. **Matters arising**

All matters arising were either complete or were on the agenda for the meeting.

5. **Project Working Group Notes**

The Board noted the notes of the project working group meeting of 6 June 2022.

6. **Chief Financial Officer Report:**

- **Budget 2022/23 and 3-Year Financial Plan for approval**

The Board discussed the draft 2022/23 budget with a projected deficit of £2.991m including £2m of non-cash pension costs.

The project working group had discussed the assumptions behind the draft budget as it was being prepared. Trustees had discussed the draft budget in detail a focused session on 6 July 2022 along with the risks associated with the budget as identified by the project working group. The risks to the budget included student recruitment, delivering the required costs savings and opening of the new building.

The Board noted that, as required under the Governance Agreement with LSBU and due to the impact on the group consolidated surplus, LSBU had consented in principle to the deficit budget of £2.991m in SBC, subject to the deficit being no more than budgeted and that the SBC board will formally alert LSBU if the position is likely to deteriorate.

The Board noted that the draft budget did not fully account for the 2.5% staff pay rise as recommended to all colleges by the Association of Colleges. The Board requested that this recommended pay rise is included in the staff costs assumptions and noted the impact that this would have on overall staff costs.

The Board approved the draft 2022/23 budget, subject to the change in staff pay award assumptions.

- **Tuition Fees Policy 2022/23**

The Board approved the draft tuition fees policy for 2022/23 which had been updated from the 2021/22 policy with minor changes.

7. Proposed 2022/23 Financial KPIs and targets (to assist monitor the progress of the turnaround plans)

The Board discussed the proposed 2022/23 educational and financial KPIs and targets.

The Board requested that space utilisation is included as a KPI when the new building is in use.

The Board noted that the operating surplus as a percentage of income and the borrowing as a percentage of turnover KPIs were being reviewed.

The Board noted that staff costs as a percentage of income are higher than the sector due to the higher needs of the student body. It was noted that the benchmark is historic and possibly lower than the current sector average. Work was ongoing on staff utilisation. There is no sector norm for staff utilisation. It was noted that teaching is in excess of the funding

The Board requested that the Executive review to ensure that the KPIs are aligned to the financial plans.

The Board supported the proposed KPIs and targets.

The Board discussed the proposed employability, enrichment and pastoral (EEP) hours required to deliver the curriculum efficiently.

The Executive Principal gave a short presentation on Guided Learning Hours. The Board noted that the number of hours for vocational delivery at level 1 and level 2 had been reduced and more time was allocated to delivering English and Maths at level 2. Despite the reductions, some areas are still teaching in excess of the funded hours.

8. Blocks B & D FE Transformation Fund Approval

The Board discussed the approval for a £10.5m grant from the FE Capital Transformation Fund for Blocks B and D at the Nine Elms site.

The Board noted that the grant agreement had been reviewed by the Group legal and procurement teams.

The Board noted that the clawback agreement had not yet been received but was expected to contain similar conditions to the funding agreement.

The Board:

- approved the terms and conditions of the award;
- authorised the Accounting Officer, Executive Principal or Interim Chief Financial Officer to sign on behalf of SBC the Grant Funding Letter agreeing to the terms and conditions of the funding agreement; and
- authorised the Accounting Officer and Executive Principal to approve the clawback agreement upon receipt and any ancillary documents required to complete the transaction.

9. Sub-Contracting Contracts & Policies 2022/23

The Board is approved:

- the draft 2022/23 Supply Chain fees and charges policy; and
- the subcontractors for 2022/23 and indicative contract values.

10. Update on EDI Matters and EDI annual report

The Board discussed the update on EDI matters and the group EDI annual report. A detailed 5 year plan had been developed during the year which had raised the profile of EDI across the college. A student conference had been held on LGBTQ+.

11. Executive Principal's Report

The Board discussed the Executive Principal's report which covered predicted achievements for 2021/22, retention and updates on student recruitment, the Technical College and LSBU Group.

The Board noted that student retention had dropped by 1%. The next report would include a strategy to address this.

The Board noted that student recruitment remains a risk despite the fact that the impact of the turnaround plans for the college appears to be having a positive impact in applications. Detailed work has been undertaken on improving the enrolment process.

A focus of the year for the Executive Principal had been workforce transformation. There had been a 10-11% change across all aspects of college management in order to move the organisation to the next level. The

Board noted that it had been a difficult year for staff at all levels in the organisation.

The Board discussed internal progression which was relatively strong in the college. The ambition is to recruit more 16 year olds to start at level 3.

12. Accounting Officer's Report

The Board discussed the Accounting Officer's report. The Board noted that progress was being made on IT which would continue to be a risk until the estate redevelopment was completed.

The Board noted the delay to the opening of the Nine Elms Skills Centre to 14 October 2022.

Moriam Folawiyo joined the meeting

The Board noted the update on health and safety matters including the three RIDDOR accidents. An investigation was being carried out into the fractured arm in the nursery.

The Board noted the internal audit report into safeguarding which had been discussed by the Audit Committee, in particular the high significance finding that staff DBS checks are not routinely being reviewed every three years in line with policy. The Board noted that this is a major focus for HR and that DBS checks are being monitored on a monthly basis. The policy is also being reviewed with the aim to align it with SBA's policy on staff DBS checks.

13. Update from the Students' Union President

The Students' Union (SU) President gave a report on the recent events which included the annual student conference held on 25 May 2022, the outcome of the Student Union elections, including the re-election of the SU President and two other executives for 2022/23 academic year.

SU activities included a London Basketball Association (LBA) tournament for colleges which was held in June 2022. Lambeth College's boys' team won the tournament and with the best player and the girls' team came third. It was the only college that was represented by both boys' and girls' teams.

14. Corporate Risk Register

The Board noted the corporate risk register which had been reviewed by the Audit Committee.

15. **Health & Safety Annual Report 2021**

The Board noted the health and safety annual report.

16. **Report from Committees**

The Board noted the report from committees.

17. **Any other business**

The Board noted that the papers for the meeting had been sent out very late and that this is addressed for the next meeting.

Date of next meeting

4pm on Tuesday, 27 September 2022

Confirmed as a true record

..... (Chair)