

THE CORPORATION BOARD OF EAST SURREY COLLEGE

OPEN MEETING HELD ON THURSDAY 4 JULY 2024, BOARDROOM, JOHN RUSKIN COLLEGE, CROYDON

Meeting commenced: 16.00hrs

Meeting ended: 17.50hrs

Present

Bob Pickles	Independent Member	Chair
Liz Rushton	Independent Member	
Lindsay Pamphilon	Chief Executive & Principal	
Phillip Kerle	Independent Member	Attending remotely
Tim Bevans	Independent Member	
Grace Marriott	Independent Member	
Jenny Adamson	Independent Member	
Anne Smith	Independent Member	
Bridgette Anderson	Independent Member	
Karen Feenstra	Independent Member	
Dan Hards	Independent Member	
Victor Muriithi	ESC Staff Member	
James Parsons	ESC Student Member	
Emmanuella Olutayo	ESC Student Member	

Apologies for absence

Simon Bland	Independent Member	Vice Chair
Alex Hayman	Independent Member	
Hazel Beveridge	Independent Member	
Natalie Watkins	JRC Staff Member	
Dorcas Eyenga	JRC Student Member	

In attendance

Eva Dixon	Chief Operating Officer
Kam Dehal	Executive Director Commercial & Partnerships
Rebecca Taylor	Vice Principal Curriculum & Standards

Clerk

Sue Glover	Director of Governance
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The Chair welcomed everyone to the meeting and, as this would be the last meeting before Liz Rushton leaves the Board, took the opportunity before the meeting commenced to thank her for all her hard work and contribution to the Board and the College during her term as a governor. As it was also their last meeting, the Chair gave thanks to the student governors for their hard work and contribution during their term of office.

C.19.24 Declaration of Interests

Members and officers were reminded of the need to declare any personal or financial interest in any item to be considered during the meeting.

Phillip Kerle declared that he is a governor of West London College.

There were no other declarations of interest.

C.20.24 Apologies for Absence

Apologies for absence were received from

Simon Bland	-	business commitments
Alex Hayman	-	personal commitments
Hazel Beveridge	-	personal commitments
Natalie Watkins	-	personal commitments
Dorcas Eyenga	-	personal commitments

The Board accepts the apologies for absence

C.21.24 Notification of Any Other Business

Members agreed that there was no other business to be considered.

C.22.24 Unconfirmed minutes of the meeting of the Corporation Board held on 21 March 2024

The minutes of the meeting were approved and signed as a correct record.

C.23.24 Matters arising and action points from the minutes of the meeting

Members reviewed the schedule of action points arising from the minutes of the previous meeting. It was agreed that all actions had been satisfactorily completed and that there were no other matters arising from the minutes of the previous meeting.

C.24.24 Membership of the Corporation

The Director of Governance presented a report relating to the current membership of the Corporation Board and its committees.

Members were informed that

- Liz Rushton's term will end on 31 July 2024. Following her resignation, the number of independent members will be 12, making a total membership of 17
- the co-opted member of the Audit Committee, James Marshall, has advised he would see his tenure ending within a year, ahead of the next year's year end audit. The Search and Governance Committee are actively seeking his replacement
- as in previous years, members will be invited to give an expression of interest outside of the meeting of any change in the committee they currently serve and whether they would be willing to serve on more than one committee as well as the Strategy Committee

The Chair took the opportunity to remind the Board that all members are eligible to attend any meeting of a committee that they do not currently serve on and encouraged everyone to attend one other during the year to help get a better understanding of the work of a committee.

Student Members

The current student members, James Parson, Emmanuella Olutayo and Dorcas Eyenga, complete their term of office on 31 July 2024. Elections took place during the term to identify new Student Presidents and Vice Presidents, but it has been decided to wait until enrolment has taken place in the autumn term before these can be confirmed. Nominations will be put forward to the Board at this time.

Succession Planning

Members were informed that the Search and Governance Committee monitor a Succession Plan Action and Risk Log at each meeting to help map potential pipelines for key roles, such as the Chair, Vice Chair and Committee Chairs. In the light of some key roles coming to an end next year, it has been agreed that the process for the recruitment of new governors should commence now through an external agency and the use of LinkedIn.

Gender Balance and Diversity

Members noted the current gender balance and diversity of the Corporation Board

- 6 male; 9 female
- 4 male chairs of the Board and committees; 1 female chair of the committees

Professional Negligence Statement

Members were reminded that, previously, there was a concern that for those governors who are also practising professionals (such as accountants, solicitors) they could be held responsible for any advice given. Although assurance is given that this would not be the case, it was felt there could still be a residual risk of action against an individual governor. It was agreed by the Board in July 2017 that the best course of action would be to record annually in the Minutes that:

“Advice given by Governors is incidental to their professional expertise and is not being given in their professional capacity”

Resolved

The Corporation Board

- receives and notes the report
- agrees that membership of the Board Committees will be refreshed from 1 September 2024 and any requested changes taken into account
- agrees that the following Professional Negligence Statement continues to be recorded in the Minutes that **“advice given by Governors is incidental to their professional expertise and is not being given in their professional capacity”**

Dan Hards arrived

C.25.24

Learner Voice

The Student Members gave an update on some of the student activities during the term at both ESC and JRC colleges.

The Board was informed on

- the summer festival which took place in June 2024, which had been a very successful event for students
- student awareness of the General Election, with a mock polling station set up to give students advice about voting and to explain how the voting process works
- applications received for the next student president with recruitment taking place at the freshers' fair in the first week of next term

On behalf of the Board, the Chair of the Corporation thanked the student members for their hard work and contribution during the term. The input at meetings by the student members is very much valued as they are able to provide first hand insight into the experience of being a student.

Agreed

The Corporation Board agreed to receive and note the update

Tim Bevans arrived

C.26.24 Report of the Chief Executive

The Chief Executive presented her report, which provided an overview of the College's position in relation to issues affecting the sector, strategic and performance targets and priorities, under the following headings:

- Executive Summary
- Teaching and Learning
- Open Events, Enrolment and Recruitment
- Student Behaviour, Attendance and Safety
- Leadership and Management
- Student Successes and Activities

Members discussed the issues raised and, in response to questions, were advised that

- Teaching and Learning has continued to go from strength to strength with various initiatives to support the development of teaching staff
- Open events have continued to be very successful, and applications are significantly above 2023/24
- Relationship building with a range of providers in Surrey and Croydon continue to be developed and the Executive have worked hard on partnerships and subcontractors
- New curriculum is being promoted for new GEMs - GCSE offer and Animal Management at JRC and development of the adult offer
- Leadership and Management training has continued for College Managers with the Executive being enrolled on Aspiring to CEO programmes
- Behaviour in the College continues to be very good,

The Board thanked the Chief Executive for a very informative report, which addresses a number of key issues and agreed it was particularly pleasing to hear the commitment to training for college managers and the Executive. It was also encouraging to hear that the culture among students is good. The Executive are to be congratulated on the initiatives in place to support teaching and learning.

Agreed

The Corporation Board agreed to receive and note the report of the Chief Executive

C.27.24 KPI Dashboard

Members received the KPI Dashboards for Curriculum and Quality and Finance.

Members reviewed both dashboards noting,

- Attendance, HE Continuation, Overall Achievement for Apprenticeships, Maths & English pass rate, Learner Satisfaction
- Tuition Fees, Employment Engagement Income, Staff costs as a percentage of total turnover cash balance and 12 months rolling cashflow forecast

It was noted in particular that Attendance is RAG rated red and all other areas green or amber. The Board recognised the range of new strategies that are being employed to focus on level one in particular.

Agreed

The Board receives and notes the KPI Dashboards

C.28.24

College Budget and Financial Forecast Return (CFFR) for 2024/25

The Chair of the Finance and Resources Committee and Chief Operating Officer presented, for consideration and approval, the annual budget for the College.

Members were advised that the College Budget for 2024/25 and the CFFR had been considered at the meeting of the Finance and Resources Committee held on 20 June 2024 and are commended for approval by the Corporation Board. Members were reminded that the capital element of the budget had been approved at the previous meeting.

The Board was advised that the budget has been set following

- confirmation of the allocation of income from funding agencies
- a review of all income streams
- detailed review of
 - the costed established staff
 - all pay and non-pay costs
 - the 2024/25 curriculum plan

Members noted that the plan includes provision for

- the funded allocation of all the College income streams including 16–18-year-old learners
- the Adult Skills Fund (previously Adult Education Budget), including the carry forward and non-levy procurement Apprenticeships, and the delivery of Tailored and Non-Regulated Learning (previously Adult Community Learning and Local Flexibilities Funding)

Members were advised that the budget setting considered and included where applicable the following:

- grant income has been included in the Budgets as per allocation. This includes 16 -18 which reflects an allocation of 2465 learners. In addition, there has been an uplift of £320K in Teachers Pension Grant for 2024/25
- Apprenticeships target has increased by £150k to £2.5m compared to the 2023/24 apprenticeship income, which is regarded as an achievable target taking into account the carry forward and the pipeline for new recruits. Apprenticeship provision is planned to be rationalised by reducing some low contributing, low quality apprenticeships. There is potential for further growth in JRC direct delivery
- 16-18 subcontractors, Academy of Contemporary Music (ACM) and Surrey Choices are projecting growth in learner numbers, consequently ACM budget increased to 230, and 25 for Surrey Choices learners
- Tuition fees and Education contracts income is slightly reduced compared to 2023/24 as a result of the impact in reduction in HE learners and associated fees in addition to changes in apprenticeship funding and the co-funding requirements from SMEs
- A number of initiatives to promote internal progression are being adopted and the College is also developing strategies around micro-credentials in Digital, Healthcare Management, Engineering and Construction where students enrol for smaller full cost units of accredited study, which will be crucial learning for when the Lifelong Loan Entitlement is rolled out from 2025/26
- There is no contingency or savings to find included in the budget

Members reviewed the

- Executive summary
- College Budget 2024/25
 - Income and Expenditure account
 - Operating position
 - Assumptions
 - Income
 - Pay
 - Non pay
 - Balance Sheet
 - Cash flow
 - Risks an opportunities
 - Financial objectives

In response to questions from members, the Board was informed that

- a surplus operating position of £7k is proposed
- the current budget generates 'good' financial health under the current ESFA scoring mechanism
- the College plans to reduce its subcontracting arrangements and work more closely with those remaining to create progression routes

The Board considered the application data, noting that this is above 2023/24, with progressing learners representing 48% of the total applications and the assumption that the allocation and target of 2700 for 16-18 recruitment will be achieved in R04 is reasonable. It was pleasing to note the increased number of progressive learners.

The Board was informed that, in the light of the recent reduction in inflation and the possible result in interest rates being reduced, the Finance and Resources Committee felt it was prudent for the cash reserves to be moved to an account with more favourable interest rates.

Members were advised that the budget and pay costs will be closely monitored by the Finance and Resources Committee through the monthly management accounts.

The Board considered it would be helpful to receive a finance briefing from the COO to help understand the recent changes in funding. The DofG would look to include this at the strategic event in October.

The Board noted the key measures arising from the proposals, in particular the Strategic, Financial and Learner implications.

Resolved

The Corporation Board endorses the recommendation of the Finance and Resources Committee and approves the College Budget for 2024/25

C.29.24

College Financial Forecasting Return (CFFR)

The Chief Operating Officer presented, for consideration and approval, details of the CFFR to the ESFA.

Members were advised that

- the College is required to submit the CFFR to the ESFA by 31 July 2024, which reports on the 3-year financial plan for the College
- the CFFR is prepared on the basis of the forecast outturn for the year ending 2023/24, the budget for 2024/25 and the forecast for 2025/26
- the model generates a financial health category of 'good' and the College agrees with this assessment

The Board confirmed that through reporting by the Finance and Resources Committee and monthly management accounts full and adequate information regarding the finances of the College have been received. The CFFR presented is in line with the budget approved at this meeting and the current year-end outturn forecast for 2023/24.

Resolved

The Corporation Board endorses the recommendation of the Finance and Resources Committee and approves the CFFR, which is to be submitted to the ESFA by 31 July 2024

Phillip Kerle left the meeting after presenting the Committee Chair's report for the Finance and Resources Committee (minuted under the Committees section)

External and Internal Audit Provision

C.30.24

External Audit Strategy for Financial Statements year ending 31 July 2024 and Letter of Engagement with the external auditor

The Chief Operating Officer presented, for consideration and approval, the report on the East Surrey College External Audit Strategy for year ended 31 July 2024 and the Letter of Engagement with Buzzacott.

Members were advised that these had been considered at the meeting of the Audit Committee held on 13 June 2024 and are commended for approval by the Corporation Board.

Members considered the key issues arising from the report:

- Overview of arrangements
- Financial statements and regularity assurance
- Issues of audit significance
- Fees
- Timetable

The Board was advised that the document reflected the clarifications and updates in the 2023/24 Accounts Direction published by the ESFA and that the regularity assurance process has remained in place for 2023/24 and follows guidance by the ESFA and Post-16 Audit Code of Practice.

Members were advised on the key risks of audit significance identified at the pre-audit planning meeting

- Going Concern assessment
- Management override of controls
- Capital works
- Income recognition
- Accounting estimates
- Bank loan covenants
- Related party transactions
- Regularity

Members were reminded that it is the Corporation's responsibility to certify and assure on the going concern status of the College.

Members noted the fee proposal, excluding VAT, for the financial statements audit, including regularity assurance and Teachers' Pension Scheme audit is £37,500.

The Audit Committee had considered the Letter of Engagement with the external auditor and agreed that there are no changes required and could be signed by the Chair of the Corporation.

Resolved

The Corporation Board endorses the recommendations of the Audit Committee and approves the

- External Audit Strategy for year ending 31 July 2024 and the fees quoted at this meeting
- Letter of Engagement between ESC and Buzzacott LLP

C.31.24

Board Assurance Framework (BAF)

The Chief Operating Officer presented the outcome of the recent training exercise completed to establish the Board's appetite for risk.

The Board was advised that

- The risk mapping exercise has identified 8 high level strategic risks that will be mapped to the Assurance Framework going forward
- These will help to inform the internal audit plan for 2024/25, which will be presented to the Audit Committee in the autumn term

Members considered the high-level strategic risks and the new risk register and agreed these were appropriate. However, it was suggested that a threat of a cyber-attack should be incorporated and were advised this was included under the risk relating to implementing structures that future proofing the college.

The Board was pleased with the progress made on the BAF and the high-level strategic risks, noting that the Audit Committee will be monitoring progress at their next meeting.

Agreed

The Corporation Board agreed to receive and note the update on the BAF

C.32.24

Search and Governance Committee

Meeting of the Search and Governance Committee held on 16 May 2024

Members received the unconfirmed minutes of the meeting.

Report of the Chair of the Search and Governance Committee and issues for consideration and approval

The Chair of the Search and Governance Committee reported on the key issues considered at the meeting, not otherwise considered at this meeting of the Corporation Board, for formal consideration and approval:

- Risk Management: Summer Term 2024
- Governors' Development and Training Programme 2023/24: Summer Term update
- Governors' Quality Improvement Plan 2023/24: Summer Term 2024
- Review of governance policies for 2024/25
 - Terms of Reference and Standing Orders for the Conduct of meetings of the Corporation Board
 - Code of Conduct for members of the Corporation
 - Governor Induction and Training Policy
 - Attendance at meetings, access to Corporation business and confidentiality
 - Governor recruitment and succession planning policy and procedures
 - Instrument and Articles of Government
 - Scheme of Delegation

- Terms of reference and standing orders of the Search and Governance Committee for 2024/25
- Annual schedule of business of the Corporation Board and Committees for 2024/25
- Appraisal of Chair of the Corporation

C.33.24

Learning and Quality Committee

Meeting of the Learning and Quality Committee held on 6 June 2024

Members received the unconfirmed minutes of the meeting.

Report of the Chair of the Learning and Quality Committee and issues for consideration and approval

The Chair of the Learning and Quality Committee reported on the key issues considered at the meeting, not otherwise considered at this meeting of the Corporation Board, for formal consideration and approval:

- Risk Management Summer Term 2024
- College Quality Improvement Plan for 2023/24: Term 2
- Termly Safeguarding report for ESC and JRC
- Termly Quality & Standards report Summer Term 2024, including subcontracting
- Termly Careers and Skills Education update
- Termly HE report and Access and Participation Plan
- Terms of Reference and Standing Orders of the Learning and Quality Committee for 2024/25
- Annual schedule of business of the Learning and Quality Committee for 2024/25

C.34.24

Finance and Resources Committee

Meeting of the Finance and Resources Committee held on 20 June 2024

Members received the unconfirmed minutes of the meeting.

Report of the Chair of the Finance and Resources Committee and issues for consideration and approval

The Chair of the Finance and Resources Committee reported on the key issues considered at the meeting, not otherwise considered at this meeting of the Corporation Board, for formal consideration and approval:

- Risk Management: Summer Term 2024
- College policies
 - OSC74 Business Continuity Plan & IT Disaster Recovery Plan
 - Fees Policy
 - Refunds Policy
 - Subcontractor Fees Policy
- Higher Education Tuition Fees for 2025/26
- Insurance provision for 2024/25
- ESFA letter and dashboard confirming financial health
- Termly HR report
- Management Accounts to April 2024
- Terms of Reference and Standing Orders of the Finance and Resources Committee for 2024/25
- Annual schedule of business of the Finance and Resources Committee for 2024/25

Members were reminded that the management accounts to May 2024 were available on the Team Engine governance portal.

C.35.24**Audit Committee****Meetings of the Audit Committee held on 16 April and 13 June 2024**

Members received the unconfirmed minutes of the meetings.

Report of the Chair of the Audit Committee and issues for consideration and approval

On behalf of the Chair of the Audit Committee, Karen Feenstra reported on the key issues considered at the meeting, not otherwise considered at this meeting of the Corporation Board, for formal consideration and approval:

- Risk Management Summer Term 2024
- College policies
 - OSC37 Best Value Policy
 - OSC40 Fraud Policy
- Terms of Reference and Standing Orders of the Audit Committee for 2024/25
- Annual schedule of business of the Audit Committee for 2024/25
- Audit Tracker – outstanding audit items

Resolved

The Corporation Board

- notes the reports of the Chair of each of the committees of the Board
- endorses the approval by each committee of the key issues considered and approved at the meetings
- endorses and approves the reports submitted by each committee for consideration and approval

C.36.24**Strategy Committee**

Members received the unconfirmed minutes of the meeting held on 9 May 2024.

C.37.24**Link Governors**

The Board received the termly reports from each of the following Link Governors:

Link Governor for Safeguarding, Prevent and SEND – Jenny Adamson
Visit undertaken 27 June 2024

Link Governor for Careers – Simon Bland
Visit undertaken 29 May 2024

Link Governor for EDI – Bridgette Anderson
No visit undertaken during the term

Link Governor for Sustainability – Natalie Watkins
No visit undertaken during the term

Link Governor for Higher Education – Bob Pickles
No visit undertaken during the term

Governor Visits

The reports on the following governor visits were received:

Liz Rushton/Jenny Adamson/Anne Smith/Hazel Beveridge – JRC visit – 21 March 2024

Anne Smith – JRC leadership & management discussion – 21 March 2024

Liz Rushton – JRC Construction – 21 March 2024

It was noted that two governors had attended recent end of year events and the Chair and CEO had attended a recent event arranged by the FE Commissioners office. Feedback reports will be captured at the next meeting.

C.38.24 Any Other Business

There was no agreed any other business.

C.39.24 Dates of Corporation Board Meetings: 2024/25

TBA September – joint training with Brooklands/Nescot
Thursday 17 October 2024 – Corporation Strategic Planning
Thursday 12 December 2024 – main Corporation Board
Thursday 20 March 2025 – main Corporation Board
Thursday 8 May 2025 – Strategy Committee
Thursday 3 July 2025 – main Corporation Board

At the conclusion of the Part 1 meeting, the Corporation Board moved into a meeting restricted, in accordance with the Instrument and Articles of Government and with Section 22 of the Freedom of Information Act 2000, to the independent members of the Board, the external co-opted member of the Audit Committee and to the senior post holders.

Signed as a correct record:

Date: 12 December 2024

A handwritten signature in black ink, appearing to read 'P. P. P.', is written over the signature line.