

**Minutes of the meeting of the South Bank Colleges Board
held at 4.00 pm on Wednesday, 27 February 2019
Lambeth College Board Room (C303)**

Present

Andrew Owen (Interim Chair)
Steve Balmont
Sue Dare
Shakira Martin
Mee Ling Ng
David Phoenix

Apologies

Leslie Bortey
Jack Hopkins

In attendance

Michael Broadway
Richard Flatman
Fiona Morey
Jacqueline Mutibwa
Carol Rose
James Stevenson
Michael Webb

1. Welcome and apologies

The Board noted the update on recruitment of Trustees (minute 10 refers) and approved the appointment of Andrew Owen as Vice Chair and interim Chair until May 2019.

The Chair of the meeting welcomed the directors to the first meeting of the Board since the transfer of Lambeth College to SBC. The apologies were noted.

2. Declarations of Interest

The Board noted the following declarations of interest: Steve Balmont, Mee Ling Ng and David Phoenix are directors of LSBU; Sue Dare is the Interim Principal/CEO at National College Creative Industries.

3. Minutes of the previous meeting

The minutes of the meeting held on 29 January 2019 were approved as an accurate record subject to minor amendments.

4. Matters arising

There were no matters arising from the minutes.

5. Executive Principal's Report

The report provided an overview on the progress made in key areas of the college.

It was noted that an inspection of the college's provision by Ofsted was due to be held before the end of the academic year. The college was currently graded '3 – requires improvement' by Ofsted in November 2016, the target is for the college to be graded 'Good' by 2020.

The Board requested that it was provided with the previous Ofsted report 2016. It was noted that the Board would also be provided with an update on quality improvement.

The Board noted the following key issues:

- that a new three-year curriculum planning process was being developed with a view to building in growth aligned to national policy drivers, local skills need and delivering a cost effective curriculum offer. It was noted that part of the process was to review the curriculum delivery against income.
- that there was concern about the financial performance which was mainly due to a decline in recruitment to the 16-18 year study programme and that the college was overly dependant on adult education and apprenticeship provision. A fully costed sustainable delivery model was being developed that had a strong staffing structure and aligned to the strategic direction of the LSBU group.
- that work was underway to build a strong and effective leadership team as the college had had a number of interim managers. It was noted that the college was in the process of recruiting a Deputy Principal for Learning and Quality to focus on improving the quality of the college's work. Trustees were invited to participate on the interviews. It was also noted that a Health & Safety Compliance officer had been appointed to ensure that the college meets its statutory obligations.
- that on the performance data, student retention figures were marginally up but there was concern about poor attendance.

The Board noted the summary of the 2017/18 self-assessment report which highlighted the key strengths and weaknesses with areas for development.

6. Accounting Officer's Report

The Board discussed an update on college matters following the successful completion of the transfer of Lambeth College to SBC on 31st January 2019. It was noted that the transition work was progressing well to fully integrate the

college into the LSBU Group, turnaround the financial performance and improve the quality of provision.

It was noted that a Transition Group had been set up to progress the transition work and consider how services and processes could be aligned to benefit the LSBU Group structure.

There was an update on SBC capital programme – Nine Elms Skills Centre (NESC). It was noted that good progress had been made and that the GLA was in full support of the project and would issue the funding agreement to SBC in March 2019. The demolition work was underway and would be completed in September 2019, Wilkinson Eyre had been engaged as the project architects, planning consent was awaited from the London Borough of Lambeth and a phased approach would be undertaken on the delivery of the project.

It was noted that the key risks associated with the NESC project were; complexity of delivering the programme and whether it could be delivered within the required timescale (i.e. by May 2022), managing the various negotiations with stakeholders; assessment on how to maximise the value of the site to be sold to match-fund the project; and short-term cash flow to support the project.

The Board requested a presentation on the NESC project at its next meeting to help develop its understanding of the project and how it fitted in with the wider LSBU group estate strategy.

7. Chief Financial Officer Report

The report provided an update on 2018/19 financial position and on statutory reporting matters.

It was noted that year to date (YTD) deficit was £3.6m compared to budget deficit of £0.79m. It was noted that the poor financial position was due to a shortfall in income from apprenticeship and tuition fees and high staff pay costs due to agency and temporary staff costs. It was noted that a recovery plan was being progressed.

The Board was reassured that robust systems that complied with the financial regulatory framework were in place. It was noted that the budget 2019/20 preparation work had commenced and that the draft Budget would be presented to the Board at its next meeting. It was also noted that the ESFA funding letter was expected in March 2019.

The Board noted the following:

- that the financial regulations had been reviewed and approved by the Board on 16 January 2019. The financial regulations would be further reviewed in order to be reasonably aligned with LSBU group regulations and the Governance Agreement between SBC and LSBU.

- that KPMG Group, External Auditors would commence the audit work on 1 April 2019 for the final accounts of Lambeth College Corporation ending 31 January 2019. These accounts would be presented to the Board for approval at its meeting in June 2019. The Internal Audit Programme for 2018/19 was being delivered by RSM.

The Board requested that a 12-month rolling cashflow is circulated to directors.

8. Due Diligence Update Report

The report updated the Board on the risks identified on legal due diligence that was undertaken by Veale Wasbrough Vizards LLP as part of the transfer of LC to SBC, and management response to the risks identified.

The Board requested more information on the high risks in the next update report.

9. Corporate Risk Register

The Board reviewed the risk register and noted that its being aligned with the LSBU risk register. A question was asked about whether there were any other emerging risks that the Board needed to be aware of. It was noted that the key risks were: NESC project, curriculum delivery, financial performance, staff structure and compliance with statutory obligations i.e. health & safety matters.

It was noted that in the future the risks would be “scored” in accordance with the LSBU risk ratings with the score being a product of the impact and the likelihood.

10. Update on Recruitment of Trustees to SBC Board

The report provided an update on the recruitment of Trustees.

The Board approved:

- The appointment of Ruth Farwell as an LSBU Trustee from 7 May 2019.
- The appointment of Ruth Farwell as Chair of the Board from 7 May 2019.
- The role description of the Chair of the Board.
- The proposed recruitment process of the Staff Trustee.

11. Formation of Committees and Designated Individuals for specific roles

The Board discussed the proposed Audit Committee, Quality & Improvement Committee and Lead Trustees.

The Board approved:

- the formation of an Audit Committee and Quality & Improvement Committee and the terms of reference (TOR) of the committees.
- the appointment of Andrew Owen as Chair of the Audit Committee and that the membership would comprise Mee Ling Ng, Jack Hopkins and Steve Balmont.
- the appointment of Sue Dare as Chair of the Quality & Improvement Committee and that the membership would comprise Shakira Martin, Leslie Bortey and Fiona Morey.
- the role description for the Lead Trustees for Safeguarding/ Health & Safety matters.
- the appointment of Steve Balmont as Lead Trustee for Remuneration & Nomination.
- the nomination of Sue Dare as Lead Trustee on Safeguarding matters.
- the nomination of Andrew Owen as Lead Trustee on Health & Safety matters.

12. SBC Governance Arrangements

The Board noted the SBC governance arrangements i.e. the Articles of Association and the Governance Agreement between SBC and LSBU.

13. Exempt Charitable Status

The Board noted that on 7 January 2019 the Charity Commission had confirmed that SBC was an exempt charity.

14. AoC Code of Good Governance for English Colleges

The Board approved that SBC adopts the AoC Code of Good Governance for English Colleges. It was requested that the Board's annual work plan 2019 was presented to the Board at its next meeting.

15. Post Transfer Completion Report

The report set out a number of agreements that SBC had entered into as part of the transfer of Lambeth College to SBC on 31 January 2019. The Board noted the agreements and a summary of the obligations.

16. ESFA Funding Agreement

The Board noted the funding agreement with the ESFA and its obligations under the agreement.

17. **Any Other Business**

Trustees Training

It was noted that training on Safeguarding and Ofsted Inspection would be provided to Trustees in March 2019.

**Date of next meeting
4.00 pm, on Wednesday, 1 May 2019**

Confirmed as a true record

..... (Chair)