

Minutes of the meeting of the South Bank Colleges Board

**held at 4.00pm on Wednesday, 18 September 2019
Lambeth College Board Room (C303)**

Present

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

Apologies

Cllr Jennifer Brathwaite
Shakira Martin
Michael Broadway

In attendance

Richard Flatman
Paul Ivey
Fiona Morey
Jacqueline Mutibwa
James Stevenson
Michael Webb

1. Welcome and apologies

The Chair welcomed the trustees to the meeting. The above apologies were received.

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; Sue Dare is the Interim Principal/CEO at National College of Creative Industries.

The Board noted that Steve Balmont is no longer a director of LSBU.

3. Minutes of the previous meeting

The Board formally ratified the decisions taken at the inquorate meeting held on 3 July 2019.

The Board approved the minutes of the meeting held on 3 July 2019 as an accurate record and their publication, as redacted.

Board Strategy Day

The Board approved the notes of the Board Strategy Day held on 6 June 2019 as an accurate record.

The Board noted that a LSBU Group Joint Strategy Day would be held on 26 September 2019. It was noted that the event would bring together the Boards of LSBU, SBC and SBA and provide an overview of how the group is working together.

4. Matters arising

The Board noted the action sheet and that a progress report on the recommendations from the Ofsted Inspection and the refined 3-year turnaround KPIs with performance measures would be presented at its meeting in November 2019 (as part of the Executive Principal's report).

A visit to the Vauxhall site would be arranged once demolition had been completed.

The other actions had been completed or were on the agenda of the meeting.

Reports from Committees – Quality & Improvement Committee

The Chair of Quality & Improvement Committee gave an update on the key issues discussed at the last meeting held on 11 September 2019 and that most of the issues would be discussed in the Executive Principal's report (item 7) on the agenda of the meeting. The Chair of the Committee noted that there were no other concerns that needed to be brought to the attention of the Board at this time.

The Board requested that the terms of reference of the Committee were circulated to Trustees.

5. Vauxhall Redevelopment Update

The Board discussed in detail the following: the project implementation process to completion, estate development plan and the funding plan.

On the project implementation process to completion, the Board noted the following:

- that a monthly steering group involving the key stakeholders had been set up with membership from SBC, LSBU, DfE and Lambeth Council. It was noted that DfE and Lambeth Council supported the vision and estate development.

- the final estate development and business plan would be presented to the SBC Board for approval in December 2019 and submitted to DfE by 19 December 2019 as set out in the Grant Agreement.

It was noted that the demolition work was underway with an expected completion date of January 2020.

The Board was provided with a progress report on the NESC development and noted:

- that a hybrid- planning application was submitted to the London Borough of Lambeth for the whole Vauxhall site.
- that GLA draft funding agreement was received in August 2019 and the SBC Board's approval was sought at this meeting (see minute below item 6).
- that SBC has appointed Sir Robert McAlpine as the main contractor for Stage 1 works required to develop the design and then build the STEAM Centre. Initially under a Pre-Construction Services Agreement (PCSA). Further approval would be sought from SBC Board for Stage 2 of the work.
- that due to the delays throughout the process there may be a risk to the expected opening date of the NESC centre, which was September 2021.

The Board received a presentation on the estate development plan and the funding plan.

The Board discussed the Vauxhall vision and estate development plan and noted:

- that Vauxhall 'block A' would be developed for the Nine Elms STEAM Centre. 'Block B' would be developed for health and life sciences and 'block D' for management studies and employer engagement. The Vauxhall campus would be focussed on level 2 to 4 technical education for young people and adults. The vision was of a 'Vauxhall Technical College'.
- that Vauxhall 'block C' (tower) would be developed as a commercial capital-generating vehicle.
- that part of Clapham site would be sold and some land retained which was 'block S' entrance building adjacent to the Common would be refurbished and would be a Gateway Centre supporting young people and adults to access further education and entry to employment provision.
- that Brixton would be retained as currently configured and would continue to be a centre of excellence for ESOL.
- that each campus site had a clear identity of its provision, which was helpful for students to access their needs; travel to learn patterns provided a strong rationale to retain three sites.

- the draft prospectus about the technical college was circulated at the meeting and Trustees were asked to send their comments prior to publication.

The Board discussed the proposed funding plan.

There was discussion about the proposed funding plan and that the assumptions on the business model needed to be market tested. It was noted that the approach taken would safeguard the FE assets for the future. The Board noted the value and impact the business model offered and that it was potentially financially viable subject to more detailed work being undertaken on market testing the assumptions. It was noted that a team of specialist advisers was working with the estates team to provide advice on the legal and financial obligations.

The Board supported the Vauxhall site vision and plan and endorsed the business approach that was being developed.

The Board would consider an updated estate development and business plan with the independent valuation i.e. risk assessment & analysis at its next meeting in November 2019.

The Board requested the following: an update on the financial risks relating to the NESC project and the additional costs in developing the Vauxhall estates project and the presentation slides on the NESC discussion.

6. Nine Elms STEAM Centre (NESC) GLA Grant Approval

The Board discussed in detail the draft grant agreement between SBC and the GLA to part-fund the NESC building (block A Vauxhall Campus) which had been reviewed by lawyers and the Group Executive. The Board noted the key documents pertaining to the agreement; the summary of the key terms of the proposed grant agreement; lawyers' risk report and GLA response. The draft agreement was included as a supplement to the report.

The Board noted that the purpose of the grant was to create a new 10,450m² centre of excellence for Science, Technology, Engineering, Arts and Maths at Nine Elms, Lambeth. The grant is for a total of £19,652,482 for the period from 1 July 2019 to 31 December 2027.

The Board commended the estates team for the hard work put in to deliver the project to this stage.

After careful consideration, the Board approved the draft GLA funding agreement, subject to consent of LSBU under the Governance Agreement. It was noted that the draft agreement would be submitted to the LSBU Major Projects and Investment Committee at its meeting on 19 September 2019.

{Secretary's note: At its meeting of 19 September 2019, the Major Projects and Investment Committee on behalf of LSBU Board of Governors approved that SBC execute the proposed agreement with the GLA}.

7. Executive Principal's Report

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

The Board discussed:

- the 2018/19 student achievement data, which was positive though below the national average. Adult learners and apprenticeship sub-contracted provision remained key risk areas and were being closely monitored by the Quality & Improvement Committee. On the apprenticeship delivery, a new long-term strategy was being developed in collaboration with LSBU. An update on student achievement (adult learners and apprenticeship) would be provided at the next meeting as part of the Self Assessment Report (SAR).
- that the initial indication showed that student recruitment was currently below target. However the targets were achievable and the outcome for 2019/20 would be known in the first 6 weeks of the term. An update on the student recruitment would be provided at the next meeting.
- that an ESFA audit on the college's 2018/19 funding claims was being undertaken. It was noted that the recent internal audit had identified it as an area of risk, which could lead to claw back of claimed funding and would have a negative impact on the 2018/19 financial outturn.

The Board noted the positive Annual Safeguarding report, which had been discussed in detail by the Quality & Improvement Committee on 11 September 2019.

8. Update on LSBU and Lambeth College Transition Activity

The Board discussed an update on Lambeth College and LSBU transition work across the professional services areas with particular focus on Health and Safety.

It was noted that a number of health & safety estates concerns had been identified which were due to poor historical record keeping (compliance issues), lack of training and accountability and weak processes/systems for managing health and safety. It was noted that LSBU estates management was working closely with the college Leadership team to rectify the issues and had employed additional staff on a temporary basis to bring extra capacity to ensure that standards and processes aligned to LSBU.

There was some discussion about other health & safety risks, which included legionella, fire risk assessment, asbestos removal, emergency lighting and the Control of Substances Hazardous to Health (COSHH). It was noted that

these matters were being addressed to ensure that the college meets its obligations and the Board would be kept updated on health & safety matters. The Executive were able to provide assurance to the Board. An updated Health & Safety Policy 2019/20 and annual report for 2018/19 would be presented to the Board at its meeting in February 2020.

The Board noted that an Emergency Response plan and Business Continuity Plan were in place, which are aligned to LSBU. It was noted that good progress was being made on the transition work.

9. Chief Financial Officer Report

The report provided an update on 2018/19 financial position, statutory reporting matters and financial KPIs. It also sought the Board's approval for the college to enter into contracts with The Skills Centre and The Finance and Management Business School.

The Board noted the Management Accounts for the period ending 31 July 2019, which showed a deficit of £4m against a budget deficit of £2.7m which was due to a shortfall in income from apprenticeship and tuition fees and an over spend on staff pay costs. The Board also noted:

- that projected income showed a £0.85m surplus compared to budget, which was due to more income received from local authority funded students, commercial contracts and nursery income.
- that on projected pay costs there was an over spend of £0.61m compared to budget mainly due to holiday pay costs and temporary staff costs.
- that projected non –pay costs showed an over spend of £1.56m due to premises costs, partner payments and an increase in depreciation costs.
- that the forecast figures did not include the ESFA balances as a result of the acquisition of the college by SBC and the year-end recharges from LSBU.

On the statutory matters, the Board noted:

- that the Lambeth College Corporation statutory closure accounts ending 31 January 2019 (six months) were substantially complete.

{Secretary's note: On 9 October 2019, the Chair and the Accounting Officer signed the closure accounts ending 31 January 2019}.

- that an ESFA audit on student number returns was being undertaken which may lead to a claw back funding of some of the AEB allocation.
- the financial KPIs.

The Board discussed two proposed partnership services contracts, which were budgeted for in 2019/20 and were integral part of delivering the Adult education courses. The Board approved that SBC enter into a contract with The Skills Centre for the delivery of construction courses.

10. Safeguarding & Prevent Policy 2019/20

The updated Safeguarding Policy incorporates the revised statutory guidance 'Keeping Children Safe in Education – For Schools and Colleges' published by the Department of Education in September 2019.

The Board discussed the updated policy, which had been reviewed and recommended to the Board for approval by the Quality & Improvement Committee on 11 September 2019.

The Board noted its specific responsibility for overseeing safeguarding issues and ensure that the college complies with the statutory requirements, which included checks on DBS, section 128 and provision of training.

The Board approved the updated Safeguarding & Prevent Policy 2019/20.

11. Corporate Risk Register

The Board noted the risk register and that the Board would be updated on risk F6 concerning industrial relations and its negative impact.

Date of next meeting

4.00pm, on Thursday 14 November 2019

Confirmed as a true record

(Chair)

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