

Minutes of the meeting of the South Bank Colleges Board

held at 4.00pm on Tuesday, 4 May 2021

Meeting via Microsoft Teams

Present

Ruth Farwell (Chair)
Andrew Owen (Vice-Chair)
Steve Balmont
Sue Dare
Nigel Duckers
Jacqui Dyer
Mee Ling Ng
David Phoenix

Apologies

Shakira Martin
Theresa Quinton

In attendance

Michael Broadway
Richard Flatman
Paul Ivey
Rachel McCafferty
Fiona Morey
Jacqueline Mutibwa
Wayne Wright
Moriam Folawiyo – SU Rep (item 8)

1. Welcome and apologies

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

The Board had just received an informative development session on the new Ofsted inspection framework, which was delivered by Kam Nandra an educational consultant and specialist in preparing colleges across the UK for Ofsted and FE Commissioner visits.

Introducing Wayne Wright, the new Lambeth College Deputy Principal and Lead on Quality

Wayne Wright gave a brief update to the Board about his background, achievements and plans for the College. He will be responsible for quality, standards of provision, raising standards of student attainment and preparing the College for the next Ofsted Inspection visit. The Board welcomed Mr Wright to the College.

2. Declaration of Interests

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

3. Minutes of the previous meetings

Meeting held on 17 February 2021

The Board approved the minutes of the meeting held on 17 February 2021 as an accurate record, subject to an amendment and their publication, as redacted.

4. Matters arising

The Board noted the update on matters arising from the previous meeting.

5. Update on Equality, Diversity and Inclusion (EDI) Matters

The Board discussed an update on EDI work being undertaken by the College in ensuring that EDI is a key component of the college's vision, values, behaviours and culture, and central to SBC strategy.

The Board discussed:

- the EDI framework and that an EDI project lead had been appointed to fully embed all aspects of EDI across the College and would be supported by the LSBU EDI Group Director.
- the new EDI Working Group that had been formed to lead on all aspects of EDI work.
- the EDI action plan. The EDI project lead and EDI Working Group would develop a new updated action plan with KPIs and targets, which would be shared with the Board.

The Board welcomed the update and noted the good progress being made, emphasizing the importance of delivering the action plan.

6. Executive Principal's Report

The report provided an update on the key areas of the college since the last meeting in February 2021.

The Board discussed:

- an update on the College situation in regard to Covid19 and the educational delivery since the students return to College (from 12 March 2021) in line with government guidelines. Students and staff were being offered support. Future ways of learning and working post-pandemic are being considered by management.
- DfE guidance that was published in March 2021, regarding the arrangements for awarding of qualifications at the end of the academic year 2020/21. There was concern about the predicted drop in 2020/21 achievement compared to the previous year. Attendance performance was also an area of concern. Retention was positive and in line with last year's performance and above the national average. Further work needed to be undertaken to improve the outcomes. The Quality & Improvement Committee would discuss further in detail the performance on achievement and attendance and any concerns would be brought to the attention of the Board.

- student recruitment 2020/21, the College growth target for students had not been achieved which would have a negative impact on the budget for 2021/22. There was a risk of ESFA and GLA claw back.
- work being undertaken on business planning for 2021/22. The strategic focus continued to be: growth in 16-19 year old provision, to reduce reliance on sub-contracting and partnership delivery, and delivering a sustainable cost effective model. Curriculum planning work was underway which included, the introduction of new courses to support the career progression pathways; new sector based employability and digital skill courses and the new adult gateway curriculum focused on pre-employment and work training programmes.
- an update on planning for the new technical college at Vauxhall. The Board noted the proposed name of the new technical college was London South Bank Technical College. The brand proposition documents would be circulated to the Board. Curriculum planning work for the STEAM centre (Block 'A' at Vauxhall) was underway and the new brand and offer would be launched in September 2021 for student recruitment for 2022/23.
- the rescheduled Deputy FE Commissioner and FE Adviser visit to the College to undertake a progress review specifically linked to the College's special designation status and unique FE/HE Group model would be held on 30 June/1 July 2021. Ofsted would resume visiting colleges in the autumn term and the College's inspection would be in 2021/22.
- a positive achievement, the College had been shortlisted for two TES FE Awards for best teaching & learning initiative and support for learners. The ceremony would be held on 28 May 2021. Staff were congratulated on being shortlisted.

7. Update on Estates Programme

The Board was provided with an update on the Nine Elms STEAM Centre (NESC) at Vauxhall.

It was noted that the demolition works on the Vauxhall site had resumed.

A progress report on the NESC project was provided. The Board noted:

- that the contract with Graham Construction for the construction of Block 'A' had been signed and construction had commenced.
- that due to project delays, the grant funding spend had again fallen short of GLA expectations for the year 2020/21 and that a new Deed of Variation was being negotiated to recover the 2020/21 underspend.

The Board discussed the importance of IT and technology in the new buildings and was updated on progress of the College IT strategy.

The Board requested for a progress update on the development of the NESC Vauxhall site after the monthly project meetings.

8. Update from the Students' Union President

Moriam Folawiyo joined the meeting

In the absence of the Student Union (SU) President, Moriam Folawiyo SU representative was invited to the meeting to update the Board on SU matters. The Board was not able to receive an update on SU matters due to technical issues. The Board thanked Moriam Folawiyo for preparing the report and attending the meeting. The SU report would be circulated to trustees.

Moriam Folawiyo left the meeting

9. Chief Financial Officer Report, Update on 2020/21 Budget Performance and Budget Planning 2021/22 onwards

The Board discussed:

- the management accounts as at 31 March 2021, noting that these were the first set of management accounts to be produced following the extended LSBU IT outage. Due to the IT outage, the March management accounts were not fully complete. The Board expressed its concern about the long period of time without access to complete financial data and received assurance that the April 2021 management accounts would be complete. Reassurance was also given that adequate controls had been maintained. It was noted that the IT systems had resumed operation and the recovery work was underway.
- that the full year forecast was trending towards a deficit of £2.5m (before pension costs) against the previous forecast of a deficit of £2.25m. The Transition Unit grant covers the deficit. There was then only 12-18 months of runway left of the grant.
- the key risks to delivering the 2020/21 budget, including reduced student income due to the impact of the Covid19 pandemic and subsequent lockdowns. In addition, there was a risk of ESFA and GLA claw back of funding for achievement levels 2020/21.
- the balance sheet position which had been updated to include KPIs to reflect the revised FE Commissioner financial benchmarks published in February 2021.
- the ESFA Covid19 cash flow return for April 2021 which was a risk-based return and would be submitted by 30 April 2021. CFADs monitoring return as at 30 April 2021 was due at the end of May 2021.
- an update on progress being made on delivering the cost saving strategies to manage the 2020/21 budget position, discussed at the meeting in January 2021. It had not been possible to introduce all the measures to implement savings. However, contracts for some operating costs had been reviewed and that significant savings and efficiencies were expected to be realised later in the year.

- the development of budget 2021/22 and a 3-year financial sustainability strategy which was informed by the report and findings from the external benchmarking exercise carried out by Tribal Consulting. The key findings were outlined in the report. The strategy was also driven by assumptions and key objectives set out in the report along with the modelled target outcomes.
- the key budget management strategies included; an increase in the level of in-house curriculum delivery, improved efficiencies in the curriculum delivery, changed approach to the curriculum delivery and improved course contribution rates, savings on staff costs and management of other costs.
- the challenges in achieving the target improvements identified in the Tribal report and the key risks were; growth in student recruitment in particular 16-18 year old provision (uncertainty due to the current situation), ensuring continuing high levels of curriculum delivery, new revenue opportunities and delivering a cost effective sustainable curriculum model.

The Board expressed its concern about the College's financial situation and the challenge in achieving a break-even budget agreed with DfE on the College's turnaround in an appropriate timescale.

The Board noted:

- that a more aggressive approach to delivering the strategies would address the budget deficit especially through growth and delivering a cost effective sustainable curriculum model.
- that further work needed to be undertaken on budget planning 2021/22 including Board input; challenging and reviewing the assumptions in the budget planning report, reviewing the proposed areas of savings, further measures and interventions that would need to be considered to achieve the required savings and further consideration on the 3-yr strategy.
- that an update on budget planning and the management accounts would be discussed further at the forthcoming meetings. The 2021/22 budget approval would be sought at the next Board meeting in July with further discussion and an update on progress at the June strategy meeting.
- that the April 2021 management accounts would be circulated as soon as they were available.

10. Health & Safety Annual Report - December 2020

The Board discussed the annual group health, safety and wellbeing report 2019/20.

The Board noted the health and safety developments and in particular the significant work on Covid19 arrangements and the various wellbeing support initiatives progressed at the College.

The Board noted that mental health and stress were the main reasons for staff absences.

The Board thanked the Group Health & Safety team for the comprehensive report and support provided to the College. The Board noted the good progress that had been made on health, safety and wellbeing.

11. SBC Estate Disposal and Development

The Board discussed the proposed disposal strategy for part of SBC's Clapham and Vauxhall sites.

The Board noted:

- that the development costs for Vauxhall and Clapham required selling 'block C' at Vauxhall and much of the present campus at Clapham. The disposal strategy aimed to raise capital by maximising the assets' value and hence reduce the financial risk and project timescale. The challenge was the shortfall in the capital raised by disposal that was needed for the development.
- that a number of approaches to the estate disposal had been considered and had evolved to both close the shortfall in capital and minimise development risk.
- that the challenge with both disposal approaches was the uncertainty in the market following Brexit and the unknown post Covid19 environment affecting both disposal and development valuations. There were also challenges inherent in a piecemeal market approach to asset disposal and building development which would increase project delivery time and delay the educational delivery and SBC turnaround.
- the changes to the planning process, as advised by Lambeth Council. The pre-planning process may now take up to nine months, though it was hoped that this could offset the work required during the full planning process. The implications for the opening date at Vauxhall were noted.

Steve Balmont left the meeting

The Board noted the work that should be undertaken prior to seeking final agreement and received assurance. The Board noted the legal advice from VWV to the SBC Board on trustees' legal duties and responsibilities.

12. SBC Strategy - KPI and Milestone framework

The Board discussed the proposed KPI and milestone framework linked to the SBC strategic plan and fit in with the Group framework and would enable the delivery of the overarching goals.

It was noted that the dashboard was 'work in progress' and would be reviewed quarterly to monitor progress being made and areas of risk. The College Leadership Team would monitor the progress made at the operational level.

The Board approved the 5-year KPI dashboard.

13. Career Strategy

The Board discussed and approved the College's careers strategy.

14. Declaration of Interests – Update

The Board authorised the declared interests of Steve Balmont, LSBU nominee trustee.

15. Board Effectiveness Review Action Plan

The Board noted the Board Effectiveness Review Action Plan.

16. Any other business

Update on IT Strategy

The Board was updated on progress of the College IT strategy, which would be taken forward by the new Group Director of IT who would start on 4 May 2021.

Board Reports

The Board expressed its concern about the number of late reports and requested that the matter is addressed as part of the board effectiveness review action plan.

Resume face-to-face meetings

It was suggested that face-to-face meetings should resume at Lambeth College when possible following government guidance.

**Date of next meeting
4.00 pm on Wednesday, 9 June 2021 – strategy meeting**

Confirmed as a true record

(Chair)

.....