

**Notes of the South Bank Colleges Board Strategy Day
held at 4.15pm on Wednesday, 9 June 2021
Meeting via Microsoft Teams**

Present

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

Apologies

Theresa Quinton

In attendance

Michael Broadway
Philip Cunniffe
Clare Dignum
Alistair Dunkwu
Romy Jones
Monica Marongiu
Rachel McCafferty
Fiona Morey
Jacqueline Mutibwa
Ralph Sanders
Sammy Shummo
Wayne Wright
Phillip Moseley, Tribal Group
Alison May, Lambeth Council

1. Welcome and apologies

The Chair welcomed the trustees to the meeting.

2. Strategy Overview – Fiona Morey, Executive Principal of Lambeth College

The Board was presented with an overview of the strategic work being undertaken to build a high performance college that would deliver its vision to transform lives, communities, business and society through applied education and insight and strategic ambitions.

The challenge was achieving the DfE expectations on the College's 3-year turnaround linked to quality by an Ofsted "Good", growth through the Technical College and

Gateway College and financial sustainability by achieving an operating budget with a 1% surplus.

3. Tribal Data - Presentation by Phillip Moseley, Tribal Group

The Board was presented with the current financial performance of the College using Tribal benchmarking. The Board discussed the key findings:

- The profile of provision was different to other benchmark colleges: no higher education and higher adult education and high needs.
- Reliance on sub-contracting activity which had an impact on the overall financial position (17% of total revenue generated and was £1m more than other colleges), suggesting it should be brought in-house or delivered more efficiently.
- Core activity. Income was £17.5m, expenditure was £21m leading to a 20% deficit which was unusual. The cost of delivering teaching for the same volume of tuition income was more compared with other colleges.
- £3.51m core financial efficiency was needed to 'break-even' and £4.63m to align with other London Colleges.
- The key variance and high cost area was teaching activity. The pay and the teaching delivery costs were significantly higher than other colleges. This may be due to the specific circumstances of the college such as a greater number of 'high needs' students than the benchmark.
- The significantly high spend on estates non pay costs.

It was noted that further work would be undertaken on data modelling/scenario planning to ascertain what the matrix would look like if Lambeth College had the same size as other colleges. A breakdown of the teaching activity would be provided to the Board.

The Board recognised the findings from the report and that there were many ways to address the issues raised and in particular, delivering a more cost effective curriculum. However, it was also important to manage any changes without disrupting the College's work.

FE Commissioner benchmark data linked to KPIs - Presentation by Rachel McCafferty, Lambeth College CFO

The Board was presented with what 'Good' financial performance would look like in the future in light of the revised FE Commissioner financial benchmarks published in February 2021.

The Board discussed:

- the 2020/21 financial KPIs that needed to be achieved in order to meet the FE benchmark and the financial strategy to develop a financially sustainable operating model making the best use of available resources.
- the challenges concerning the changes that were required to deliver a cost efficient curriculum bearing in mind the College's students' profile (high proportion of 'high needs' and adults) and achieving the needs of the local community.
- the 2020/21 budget had not achieved the intended goals i.e. reducing the £2.7m operating budget deficit as the agreed savings strategies had not been achieved. The reason for this was it had been an exceptional year and the pandemic had an impact on growth target, operating costs and the ability to achieve the savings on staff costs. There were challenges in achieving a sustainable position by 2022/23 and the budget management strategies needed to be implemented.

The Board expressed its concern about the challenges in achieving the FE Commissioner's and DfE expectations on financial performance. The Board noted:

- that growth targets had not been met due to delays on the project delivery of STEAM Centre and its impact on the educational delivery, SBC turnaround and the financial position.
- that a more cost effective way of delivering learning needed to be considered including the role of staff in delivering the changes and the budget savings strategies that were needed to achieve the required savings. A number of strategies needed to be considered to address the financial performance such as changing the subject and qualifications mix to achieve growth combined with savings in the meantime.
- that further work needed to be undertaken on the budget modelling to challenge and review the budgets and forecasts, cost analysis and have a better understanding of the financial situation.
- that a step change was needed to improve the financial and growth performance and get the College KPIs in line with the FE Commissioner's expectations and also achieve the DfE break-even budget position.
- that the 2021/22 budget planning would be discussed further at the Estates Disposal and Development meeting on 21 June 2021. The 2021/22 budget approval would be sought at the next Board meeting in July 2021.

4. Quality and Progress since the last full Ofsted Inspection in May 2019 - Presentation by Lambeth College Leadership Team

There were six main areas for improvement identified by the Ofsted inspection of the College carried out in May 2019 which were; developing learners' English and Maths, improving attendance at lessons, providing better support to apprentices so that timely achievement improves, planning & delivering learning to meet individual learning

needs, learners know what progress they are making & what they need to do to improve, and continuing to implement strategies to improve the quality of Teaching, Learning & Assessment (TLA).

The Board discussed the actions that had been put in place to address the areas for improvement, the progress and impact made since the last inspection.

The Board noted the preparation work for the Ofsted visit which was anticipated in the autumn term 2021/22. It would be the College's first Ofsted inspection under the new Education Inspection Framework (EIF) which was significantly different from the previous inspection framework.

5. Growth:

Gateway College – Presentation by Monica Marongiu, Assistant Principal Curriculum Innovation

The Board discussed the Gateway College's vision, curriculum provision and planned growth. The curriculum offer focussed on employers' needs and upskilling/reskilling the workforce in key areas such as Health & Social care and hence the launch of the Health Centre at Tabard Street. A new Adult Gateway department (within the Gateway faculty) had also been launched to address the needs of unemployed or furloughed individuals and local employers as a consequence of the Covid19 pandemic. The Board noted the 10% planned growth in the next five years and that the quality of provision would be maintained.

London South Bank Technical College – Presentation by Romy Jones, Project Director

The Board discussed the curriculum strategy and planned growth for the London South Bank Technical College at Vauxhall. The curriculum had been aligned to the GLA skills policy, Lambeth Council's adult skills strategy and the labour market. The curriculum strategy focused on growth targets for L3-4 provision and apprenticeships.

Apprenticeships – Presentation by Philip Cunniffe, Assistant Principal Student Success and Sammy Shummo, LSBU Group Director Apprenticeships

The Board discussed the apprenticeship strategy, offer and delivery which was aligned to the LSBU group. The apprenticeship organisational structure was unique within the sector, the model offered the benefits of shared staff resources and a joint approach to the apprenticeship delivery and management which would improve the quality of the apprenticeship experience and outcome and was a cost effective model. The Board noted the 5-year plan for apprenticeships which was aligned to local and national priorities for skills.

6. Lambeth Council Workshop - Presentation by Cllr Jacqui Dyer and Alison May, Assistant Director Skills and Employment at London Borough of Lambeth

The Board received a presentation on the Local authority context on skills & employment. The key message was the severity of unemployment in the Borough of Lambeth (forecast to have the highest numbers of unemployed residents), a disproportionate impact on minority groups and the post pandemic recovery indicated high skilled jobs growth i.e. upskilling and not reskilling.

The Board discussed how SBC could work with Lambeth Council to deliver its skills & employment strategy. The Board discussed:

- the role of the College as an anchor organisation in South London and how it could support the Council address the disproportionate matters discussed in the presentation. The skills strategies for both organisations were closely aligned and the College needed to consider how it could provide the services needed to deliver the Council's strategy.
- the connectivity of the LSBU group organisations in partnership with NHS needed to be fully utilised to enable a more collaborative approach in delivering the needs of the local community.
- the skills strategy should consider more effective working with local businesses to support pathways to work. Enterprise skills in order to stimulate entrepreneurship and provide support to SMEs and startups hence creating opportunities and facilitating partnerships.
- a curriculum strategy that would meet the needs of the local community and would include; a greater emphasis on English & Maths, more higher qualifications, good quality apprenticeships, gateway provision that enable long term aspirations, pathways that would encourage long term learning and transform students' lives.

7. Summary and close

- The Gateway college and Technical college had the potential to meet the local skills needs.
- The priority was to manage the challenges concerning DfE and FE Commissioner expectations on quality, growth and finances and the expected Ofsted inspection. A more effective use of finances and resources and growth forecasts that were realisable was needed to improve performance. The need to work with staff to deliver the regulatory expectations should be borne in mind and the improvement strategies should be cost effective and sustainable.
- The Board supported the Council's skills & employment strategy and that it was closely aligned to SBC strategy.