

SOUTH THAMES COLLEGES GROUP CORPORATION

Minutes of Corporation Meeting 27 March 2018 held at Carshalton College, Nightingale Road, Carshalton, SM5 2EJ

(All resolutions passed were the unanimous decision of the Governors present unless otherwise stated)

Meeting Title	Corporation			
Date	27 March 2018			
Members	Mr G. Allen - Chair Mr J. Azah Mr M. Bristow Dr. J Brumwell Mr D Cheema Cllr. B. Fraser Mr J. Hick	Ms J. Murphy (attending by Skype call for part of the meeting) Mr P. Mayhew-Smith - Group Principal / CEO Mr N. Ratnavel Cllr S. Thom Ms C. Wilks Mr G Willett		
In Attendance	Mr R. Greenaway Mr C. Wright Mr J. Pemberton-Billing Mr S. Hedhli Ms S. Horrell Mr M. Tweedale Ms H. Meredith	- Deputy CEO, Finance and Resources - Deputy CEO, Quality and Performance - Principal Carshalton and Merton Colleges - Interim Principal, South Thames College - Vice-Principal, Business and Student Services - Principal Kingston College - Head of Governance		
Key Meeting Outcomes				
1.	APOLOGIES			
1.1	Apologies were received from Mr Byrne-Price, Ms Driver, Mr Foulston, Mr Gilbert, Ms Gordon, Mr Hossain, and Ms Stanley. Ms Murphy attended the first half of the meeting by Skype conference call. Apologies were also received from Mr Hick in anticipation of arriving late. The Head of Governance confirmed that the meeting was quorate.			
1.2	DECLARATION OF INTEREST Interests previously declared by Governors were noted: Governors confirmed that they did not have any other new pecuniary or other interest in any item on the agenda.			
2.	MINUTES OF CORPORATION MEETING OF 6 FEBRUARY 2018 AND MATTERS ARISING <i>Appdx A</i>			
2.1	Accuracy. The minutes were accepted as an accurate record and signed by the Chair. Matters arising The following updates were noted from the action log from the last meeting:			
	Governors still to complete the DBS Check process including producing original ID documentation, were reminded to complete this as soon as possible.	Remaining governors	March 2018	See Item 5.4
	All governors who have not recently completed the on-line safeguarding and Prevent training courses had been given the link to access those courses	HoG	March 2018	See Item 5.4
	The Health and Safety Nominated Governor vacancy was referred to the next HSS Committee for recommendation.	HoG	March 2018	See Item 7
	Link Governors- 2 governors to be linked to each college under the Local Engagement Strategy	HoG	After Easter 2018	See Item 7
3.	Merger implementation update- Operating Plan update			<i>Appdx B</i>
3.1	The Deputy CEO, Quality and Performance, presented the updated Group Operating Plan for 2017/18, which built upon the merger implementation plan. Governors noted that the plan is aligned to the strategic objectives for the first year of operations and that the Internal Audit Service audited progress against the plan in January and their report and recommendations were reviewed by the Audit Committee. The internal audit report confirmed that the Board can take reasonable assurance that the controls in place to manage this area are suitably designed			

<p>3.2</p> <p>3.3</p>	<p>and consistently applied. The College is implementing recommendations to support the improvement of controls and effectiveness of the plan.</p> <p>In response to questions about the item rag rated red the Deputy CEO reported that progress has been made with the re-assignment of the Tooting lease to the college which was ready to be signed and sealed following the meeting.</p> <p>It was resolved to note the update report</p>
<p>4.</p> <p>4.1.1</p> <p>4.1.2</p> <p>4.1.3</p> <p>4.1.4</p> <p>4.1.5</p> <p>4.1.6</p> <p>4.1.7</p>	<p>TEACHING, LEARNING AND ASSESSMENT</p> <p>REPORT FROM QUALITY, LEARNING & STANDARDS COMMITTEE <i>Appdx C</i></p> <p>Mr Willett moved the adoption of the minutes of the Quality, Learning and Standards Committee meeting of 13 March 2018.</p> <p><u>Accuracy of Minutes</u> The Minutes were accepted as an accurate record. <i>Mr Hick joined the meeting at 7:13pm</i></p> <p>The Chair highlighted Item 4.6 of the Minutes reporting that the Committee were assured by the rigour of the IQAR process but spent a considerable part of the meeting discussing the issues discovered at Carshalton College. There had been deep concern and disappointment about the issues reported to the committee as detailed in the additional confidential briefing circulated to governors. The Committee had serious concerns about how the issues had happened and to understand the gap in the flow of information at the college. Other governors also confirmed their anger and bitter disappointment as well as concern about the potential damage to the Group's reputation. The Chair of the Corporation asked the Group Principal / CEO to respond to these concerns. The Group Principal / CEO accepted responsibility for this and confirmed that he was ashamed that students have been let down by the lack of penetration of monitoring systems at Carshalton College. The College is taking all possible action to get to the bottom of these unacceptable issues and to address all failures of controls. Governors asked for assurance that the action being taken will fix the controls.</p> <p>The Group Principal / CEO explained that the problems lay with the forecasting and internal verification processes where woefully inadequate forecasts were not being rigorously tested by senior managers and which failed to uncover some malpractice. Governors challenged the Group Principal about the cause of the issues and he explained that it appears that some staff were not facing up to the problems and were deluding themselves about the quality of the results. There had been a lack of control in monitoring by managers and an aversion by them to challenge under the previous leadership of the College.</p> <p>The Chair of the Corporation asked the views of the new Principal of Carshalton College and he confirmed that the previous leadership had either turned a blind eye or was complicit in not checking the assessments on which the forecasts should have been based. This has been compounded by fundamental errors by teaching staff for example not completing course modules early enough in the year. In response to questions about addressing this the Principal of Carshalton College reported that additional classes were being organised for the students concerned and additional monitoring is taking place weekly.</p> <p>Governors asked the Group Principal / CEO whether the measures put in place will address the issues or whether an external investigation should be commissioned to confirm this. The Group Principal confirmed that an external consultant (recently retired from Kingston Colleges) ran the IQAR process and had been unstinting in his criticism of practice at Carshalton College. Since then the group Quality team is carrying out a review of all the students' portfolios. Following the outcome of that review the Group Principal agreed to consider whether a further external review would be appropriate. Further action may need to be instigated in relation to one case of malpractice which amounted to fraud and governors added their concerns that the member of staff had resigned before a further investigation of the issue could take place.</p> <p>The Chair of the Corporation had met with the Group Principal / CEO before the Corporation meeting to discuss the position in further depth and concluded that the Corporation can be assured that the College has every willingness and appetite to learn lessons and to make sure</p>

	that no similar practice is likely to happen again. The Chair also reported with regret and disappointment the resignation of David Anderson from the Corporation in relation to this issue which he has taken extremely personally.
4.1.8	<p>The committee had also reviewed the following issues detailed in the committee minutes:</p> <ul style="list-style-type: none"> • IQAR reports for all four colleges. • Ofsted reports for Merton Adult Education Provision (largely delivered by Merton College) and Elmwood Nursery (at Carshalton College) • Quality Improvement Action Plan and Notice to Improve Updates • Quality Monitoring and Progress (QMAP) updates • English and Maths Strategy update • Work Experience update • Learner voice update from student survey findings • HE Update – including noting that outcome is awaited re the Groups’ application for TEF (following merger the Group have had to reapply for this) • CPD and Learning Walks update • Complaints • Board Risk Assurance dashboard
4.1.9	It was resolved to adopt the minutes.
4.2	<u>QMAP (Quality Monitoring and Progress) and Performance Monitoring Matrix</u> <i>Appdx C2</i>
4.2.1	The Deputy CEO, Quality and Performance presented the QMAP which had been reviewed by the Quality, Learning and Standards Committee and since updated to include National Averages as requested by the committee.
4.2.2	In response to a question about rag rating the Deputy CEO explained that this had been moderated to reflect the previous accuracy of forecasting as indicated on the key. The Quality, Learning and Standards Committee had discussed the confidence in achievement rate forecasts. The RAG ratings have been updated to include an additional red rating where forecasts may be over-optimistic.
4.2.3	Governors asked about the correlation between attendance and performance noting that Kingston College with the lowest attendance achieves the highest achievement rates. Conversely Carshalton College with the highest attendance achieves the lowest achievement rates. The Group Principal / CEO explained that the correlation is much closer in the schools’ sector and is not so direct where FE students maintain their studies independently.
4.2.4	It was resolved : to note the Performance Monitoring Matrix.
4.3	GROUP EQUALITY POLICY STATEMENT <i>Appdx C 3</i>
4.3.1	The policy sets out an overarching statement about equality for the College and a set of principles/aims identifying how the College will achieve and promote equality.
4.3.2	It was resolved to approve the Group Equality Policy Statement
	REPORTS FROM CORPORATION COMMITTEES
5.	FINANCE, PLANNING & RESOURCES COMMITTEE <i>Appdx D 1</i>
5.1.1	Mr Hick moved the adoption of the minutes of the Finance, Planning and Resources Committee meeting of 6 March 2018.
5.1.2	<u>Accuracy of Minutes</u> The Minutes were accepted as an accurate record.

5.1.3	<p>The key items reviewed / discussed were:</p> <ul style="list-style-type: none"> • January 2018 management accounts – (enclosed as Appendix D2). Governors’ attention was drawn to the Headlines dashboard on Page 2 which has moved to being substantially red – indicating significant risks. The Committee noted that the overall deficit is now looking to be about £2.8m worse than budget. Every college forecast EBITDA remains below budget. The forecast indicates that the College remains in breach of the bank’s operational leverage covenant. • Accommodation and capital plan update • Carshalton / Merton Rationalisation • Budget Assumptions for 2018-19. The Committee set the following financial planning parameters for the College to adopt to ensure the safeguarding of the assets of the institution: <ol style="list-style-type: none"> 1. The College can only commit to capital expenditure through what it receives each year from cash generated by EBITDA, less other cash movements such as repayment of loans plus any capital grant funding or in year property disposal receipts 2. The College will not commit to capital expenditure were such a commit would breach the Reserves Policy. 3. The College will not commit to capital expenditure which is reliant on property disposal receipts or capital grant before they have been received 4. The College will not increase its current level of borrowing 5. The College has surplus building space and needs to work toward identifying and realising property disposal opportunities to generate cash to reinvest in the College estate.
5.1.4	<p>In considering the context for setting these parameters Mr Hick drew governors’ attention to the Annual Cashflow forecast (page 27 management accounts) showing the movement in cash balance from £12.4m at the start of the year to £8.6m at the year end so that the Group’s cash reserves will have reduced by a third during the year. The Committee has asked the College to do more work on the Reserves Policy to calculate what cash reserves the group needs to maintain always.</p>
5.1.5	<p>The committee also reviewed reports on:</p> <ul style="list-style-type: none"> • Report on Lennartz VAT accounting • Partnership (subcontracted provision) report • Reports on HR metrics and Gender Pay Gap Reporting from Director of HR • Institutional Review Timetable • Risks allocated to the committee under the Board Assurance Framework • A confidential report on a claim against the College.
5.1.6	<p>The Group Principal / CEO reported on a further meeting with the bank to discuss the operational leverage covenant and the further discussions in relation to that. Further work on budget planning is now looking to increase savings across the group to c£4m of staff savings (c 100 staff) indicating a significant level of change for the group representing about 10% of the current staff.</p>
5.1.7	<p>It was resolved to adopt the minutes.</p>
5.2	<p>JANUARY 2018 MANAGEMENT ACCOUNTS <i>Appdx D 2</i></p>
5.2.1	<p>The Corporation received with the meeting papers the January 2018 Management accounts which were discussed with the report from the Finance Planning and Resources committee.</p>
5.2.2	<p>It was resolved to note the management accounts.</p>

5.3	ACCOMMODATION UPDATE	
	This item was deferred to the Corporation Strategic Planning day on 11 th June 2018.	
5.4	FEES POLICY	<i>Appdx D 4</i>
5.4.1	The Deputy CEO, Quality and Performance presented the Fees Policy for approval	
5.4.2	It was resolved : to approve the Fees Policy.	
5.5	SCHEME OF DELEGATION	<i>Appdx D 5</i>
5.5.1	The Head of Governance presented the Scheme of Delegation for approval.	
5.5.2	It was resolved : to approve the Scheme of Delegation	
5.6	ESFA Financial Health Grade	<i>Appdx D 6</i>
5.6.1	The Deputy CEO, Finance and Resources presented the letter from the ESFA reporting that although the letter refers to the College as 'South Thames College', the 2016/17 financial statements and historic data are those of Kingston College. The forecasts for 17/18 and 18/19 are South Thames Colleges Group forecasts. The Group Principal will ask the ESFA to correct the letter.	
5.6.2	Governors noted that the management accounts are currently forecasting 'Good' financial health but if forecasts do not materialise this grading will drop another grade.	
5.2	AUDIT COMMITTEE	<i>Appdx E</i>
5.2.1	Mr Ratnavel moved the adoption of the minutes of the meeting of the Audit Committee of 15 March 2018.	
5.2.2	<u>Accuracy of Minutes</u> The Minutes were accepted as an accurate record.	
5.2.3	It was resolved to: <ul style="list-style-type: none"> • Note that the Committee had reviewed three Internal Audit Reports and their recommendations in relation to: <ol style="list-style-type: none"> 1. Operating Plan – merger implementation progress 2. IT Cyber / Data Security 3. Risk Management – the recommendations covered the failure for the Corporation and Committees to review the Board Assurance Framework as this was not in place last term • Note the Group progress as to Implementation of General Data Protection Regulations including agreeing the proposal to appoint the two Deputy CEOs to carry out the role of Data Protection Officer; • Note that the Board Assurance and Risk Management Framework was presented to the Committee for the first time since the merger • Note the Risk Register – the full Risk Register was included with the Corporation Papers as Item E. 2 at the request of the committee because there is a significant level of high risk and the committee considered it important that the Corporation have sight of this regularly; • Note the Fraud Register and the Confidential Briefing attached to the minutes providing more detail on issues reported about Carshalton College. 	
5.2.4	Governors noted that the Committee had also reviewed: <ul style="list-style-type: none"> • the fees of Buzzacott for providing the External Audit Service for 2017-18 agreeing a combined fee for the Group audit substantially less than the combined cost of the previous year's audits for the separate colleges. 	
5.2.5	It was resolved to adopt the minutes.	

5.2.6	RISK REGISTER	<i>Appdx E.2</i>
5.2.6.1	The full Risk Register is included with the Corporation Papers at the request of the committee. The Chair of the Corporation requested a dashboard from the Audit Committee to make it easier for the Corporation to focus on key risks.	
5.2.7	GENERAL DATA PROTECTION POLICY	<i>Appdx E. 3</i>
5.2.7.1	The Deputy CEO, Quality and Performance presented the General Data Protection Policy for approval. Governors noted that the Audit Committee had reviewed the proposed appointment of the Deputy CEOs as Data Protection Officer on a job share basis. In response to questions about their capacity to undertake this role the Deputy CEO reported that in addition the College is considering the appointment of a compliance officer.	
5.2.7.2	It was resolved to approve the General Data Protection Policy	
5.3	SEARCH COMMITTEE	<i>Appdx F 1 and F 2</i>
5.3.1	The Chair of the Corporation moved the adoption of the minutes of the Search Committee meetings of 6 February and 20 March 2018 in the absence of the committee Chair.	
5.3.2	<u>Accuracy of Minutes</u> The Minutes were accepted as an accurate record.	
5.3.3	It was resolved that: 1) Sunita Gordon be appointed as Chair the Health Safety and Safeguarding Committee from 1 st April 2018; 2) Janis Brumwell should be appointed as the lead governor for Safeguarding from 1 st April 2018; 3) Dr Jane McSherry should be appointed as a Governor with effect from 1 st April 2018; 4) All Governors should complete the Skills Audit and Training Needs Form included in the meeting papers for the March Corporation meeting to help the Search Committee with succession planning and planning governor training.	
5.3.4	It was resolved to adopt the minutes.	
5.4	HEALTH, SAFETY AND SAFEGUARDING COMMITTEE	<i>Appdx G 1</i>
5.4.1.1	Dr Brumwell moved the adoption of the minutes of the Health, Safety and Safeguarding Committee meeting of 7 March 2018. The meeting had looked at both Safeguarding and Health and Safety issues including: <ul style="list-style-type: none"> • Safeguarding Report- one overarching report for the Group received for the first time • Safeguarding and Prevent training for governors progress update • Health and Safety Reports and minutes of H & S Committees for all colleges • Prevent Action plan progress updates • HR updates • Board assurance- review of risks allocated to the committee 	
5.4.1.2	The committee noted that the number of students with mental health issues is rising across all the colleges (and nationally) which is putting a strain on resources. The Committee was disappointed to note that outside agencies are not always able to offer the support which students need when the College needs to make an external referral. Governors noted the reported difficulty with recruiting a Health and Safety advisor.	
5.4.1.3	Mr Azah mentioned the increase in knife and violent crime and his plans to work with the College and Police in helping to develop preventative action.	
5.4.1.5	<u>Accuracy of Minutes</u> The Minutes were accepted as an accurate record.	
5.4.1.6	It was resolved to adopt the minutes.	

5.4.2	<p>GOVERNORS' SAFEGUARDING, PREVENT TRAINING AND DBS CHECKS <i>Appdx G 2</i></p> <p>Governors reviewed the list of governors still needing to complete safeguarding, prevent training or DBS checks. All concerned had been sent individual reminders by the Head of Governance and were reminded to complete these, including producing original ID documentation for DBS checks, as soon as possible.</p>
<p>6.</p> <p>6.1</p> <p>6.1.1</p> <p>6.1.2</p> <p>6.1.3</p>	<p>PRINCIPALS' REPORTS <i>Appdx H 1</i></p> <p>COLLEGE DEVELOPMENTS</p> <p>Members noted the report highlighting key activity across the four Colleges prepared by each of the College Principals. The report detailed many student successes and the College Principals each highlighted area of success or areas for development from the report for their individual colleges. It was agreed that the next report should also include a section from student services.</p> <p>Governors asked to be invited to college events and on Learning Walks and it was agreed that they will be sent a calendar of college events early next term.</p> <p>It was resolved to note the report.</p>
<p>6.2</p> <p>6.2.1</p> <p>6.2.2</p> <p>6.2.3</p> <p>6.2.4</p> <p>6.2.5</p>	<p>CARSHALTON/MERTON RATIONALISATION PROPOSALS <i>Appdx H 2</i></p> <p>The Group Principal presented the Consultation document which had been released to staff last Friday on the proposed rationalisation of curriculum delivery between Carshalton College and Merton College. The proposals had been discussed in detail at the Finance Planning and Resources Committee meeting.</p> <p>The Group Principal explained that although the net change in the number of students at each college is only about 100, there will be a significant amount of changes which should net out to a £1.2m saving as the duplication of provision across both sites is ended (apart from English and Maths and some overlaps in SEND provision) FE provision will be retained at both sites.</p> <p>One of the main reasons the choice of campus for each of the curriculum areas is to maintain a gender balance on both sites. It is proposed that a shuttle service will run regularly between the two sites.</p> <p>The Institutional Review paper will be launched on 21 May 2018 to set out plans for delivery of this rationalisation.</p> <p>It was resolved to note the report.</p>
<p>7.</p> <p>7.1.1</p> <p>7.1.2</p>	<p>GOVERNANCE</p> <p><u>Update on election of a Student Governor</u></p> <p>The Search Committee meeting on Tuesday (20 March) asked the Group Principal for a progress update on the election of the Student Governor. The merged group has struggled with the different processes in place at each of the Colleges for previous Student Representation and the election of Student Governor is now going to take place with the new cohort of students in September when one transparent and democratic process can be put in place across the whole student body of about 18,000 students. The new Link Governors will be linked to the Colleges and next term will be holding Student Focus Groups. In addition, the Student Forum (made up of student representatives from the colleges) will be invited to contribute to the Corporation Strategy Day in June 2018.</p> <p>It was resolved to note the report.</p>
7.2	<p>It was resolved to note the resignations of Mr Anderson as a Governor with effect from 26 March 2018 and Ms Stanley as a Governor with effect from 31 March 2018.</p>

	Cllr Thom indicated his intention to resign as a governor when he ends his term of office as Councillor in May 2018.			
7.3- 7.5, 7.7	Other points covered in the report had been covered under the Search Committee Minutes (Item 5.3) including: <ul style="list-style-type: none"> the appointment of Ms Gordon as Chair of HSS Committee, the appointment of Dr Brumwell as Safeguarding Nominated Governor, the appointment of Dr Jane McSherry as a Governor with effect from 1 April 2018. All governors to complete and return the Annual Skills Audit – form 			
7.6	It was resolved to appoint the following as Link Governors and to organise a training session for them early next term: <ol style="list-style-type: none"> John Azah – Kingston College Mike Bristow- Carshalton and Merton Colleges Katie Driver- STC, Wandsworth Rob Foulston- STC, Wandsworth Brenda Fraser- Carshalton and Merton Colleges Clarissa Wilks- Kingston College 			
8.	KINGSTON COLLEGE OF FURTHER EDUCATION CHARITABLE TRUST			
8.1	Governors received and noted the minutes of the meeting of the Trustees of the charitable trust of 4 January 2018 for information.			
9.	TO NOTE DATES OF NEXT MEETINGS <ul style="list-style-type: none"> Governor Training Session Tuesday 22 May 2018 at Merton College @7pm Corporation Strategic Planning day Monday 11 June 2018 @ Merton College followed by dinner at Taste. The Head of Governance asked governors to confirm whether they will be able to attend the conference and / or the dinner Tuesday 10 July 2018 - Corporation meeting at Merton @ 7pm 			
	The Open Business was followed by a Confidential Session.			
Action points		Responsible	Deadline	Signed off
1.	The Group Principal will ask the ESFA to correct the Financial Health Assessment letter.	Group Principal		
2.	The Chair of the Corporation requested a dashboard from the Audit Committee re the Risk Register to make it easier for the Corporation to focus on key risks.	Audit Committee	June 2018	
3.	All Governors should complete the Skills Audit and Training Needs Form	All Governors	30 April 2018	
4.	Governors needing to complete safeguarding, prevent training or DBS checks to complete these as soon as possible.	All remaining governors	30 April 2018	
5.	Next College Developments report should also include a section from student services.	VP B & SS	July 2018	
6.	Governors to be sent a calendar of college events	Group Principal	April 2018	
7.	Training Session for Link Governors to be set up	H oG	April/ May 18	
8.	Corporation Strategic Planning day Monday 11 June 2018 @ Merton College followed by dinner at Taste. Governors to confirm whether able to attend to Head of Governance	All governors	End March 2018	
9.	The new Link Governors will be holding Student Focus Groups.	Link Governors	End July 2018	
10.	The Student Forum will be invited to contribute to the Corporation Strategy Day in June 2018.	Group Principal	June 10`8	
	The Open Business of the meeting closed at 9:00pm			
	Signed:..... Date:.....			