



**MINUTES**

**PRESENT:** Piers White (Committee Chair)  
Frances Wadsworth (Principal/CEO)  
Martin Corney

**CLERK:** Evan Williams

**IN ATTENDANCE** Keith Oxspring - Chief Operating Officer (COO)  
Andy Smith - Deputy Chief Executive (DCE)  
Jo Bland - Director of Human Resources (DHR)  
Paul Marsden - Head of IT and Estates (Item 10 only)  
Jean Cook – Chair of LQC

**APOLOGIES** Gordon Smith (Chair of Governors)  
Trevor Morgan  
Jackie Wilding

**QUORUM** The meeting was quorate throughout

**TIMING** 18.00 – 20.15

<p><b>1.</b></p>	<p><b>Introductions and Apologies for absence</b></p> <p>It was agreed that Item 10: ii, iv, and v Health &amp; Safety, Environment &amp; Sustainability and Information Polices would be taken first.</p> <p>Apologies were received from Gordon Smith, Trevor Morgan and Jackie Wilding.</p> <p>Jean Cook – Chair of LQC was in attendance as an observer and a member of the Governing body.</p> <p>The items appear in the minutes in the same order as on the agenda.</p>
<p><b>2.</b></p>	<p><b>Declarations of interest</b></p> <p>No declarations were made in relation to items on the agenda.</p>
<p><b>3.</b></p>	<p><b>Minutes of the previous meeting</b></p> <p><b>RESOLVED: that both the main and confidential (part B) minutes of the meeting on 24 January 2017 be approved and signed by the Chair.</b></p>
<p><b>4.</b></p>	<p><b>Matters arising from the minutes not already on the agenda</b></p> <p><b>Item 8a</b> – The COO advised the Committee that there had been no further</p>

	<p>communication from Barclays regarding the covenants.</p> <p><b>Item 8.b</b> - The COO advised that a Dun and Bradstreet report had indicated that the Brit School was a low risk organisation.</p>
<p><b>5.</b></p>	<p><b>Financial Monitoring and Forecast report</b>  <i>Supporting paper presented by the Chief Operating Officer and Student numbers report tabled by Deputy Chief Executive</i></p> <p>The COO advised that the report summarised the College financial performance for the seven months to 28 February 2017 which showed a deficit of £693k compared with a budgeted deficit of £176k. He informed the committee that a significant cost reduction plan had been agreed and was being implemented.</p> <p>He informed the committee that the College was forecast to incur a full year deficit of £574k, with restructuring costs this would be £974k. He reminded the committee that the full year forecast excluded any potential additional costs as a result of LGPS actuarial valuation as at 31 March 2016, which would have an impact from April 2017.</p> <p>A discussion ensued regarding the sale of the land at Heath Clark with a focus on ensuring the best market value. It was agreed that selling the land quickly for a short term gain was not in the College's long term interests and that it would be prudent to ensure the College secures the most appropriate offer and correct value for the land.</p> <p><b>Student Numbers Report</b> - The DCE presented the report:  <u>16-18 Classroom based learning</u> – as at 11 April 2017 the 16-18 headcount was 1,425 against a contract of 1,440 and a planned target of 1,333. He advised that no further recruitment was planned for the remainder of the year.</p> <p>The DCE informed the committee that the 2017/18 allocation was likely to be 1,399. As at 31 March the College had received 916 applications compared with 1,082 at the same period in the previous year. 648 students intend to progress to the next level compared with 491 in the previous year. The DCE informed the committee that the College was planning a portfolio for 2017/18 to achieve the ESFA headcount.</p> <p><u>Adult Classroom based learning</u> – continuing to recruit to adult programmes. The current projection suggests that the College will need to sub-contract another £150k; approval has been sought via Governors. The College is awaiting a response from Learning Curve who has experienced a big increase in demand.</p> <p>External applications for 2017/18 are down by c300 compared with the same time last year – which is largely due to the reduced demand for access to Nursing and the removal of the NHS bursary.</p> <p><u>Adult Advanced Learning Loans</u> – DCE reminded the Committee of the significant decrease in demand due to the reluctance of potential students to take out learning loans. However, particular courses that adults are willing to pay for are Accountancy, Leadership &amp; Management and Personal Trainer programmes which the College expects to offer in 2017/18.</p> <p><u>Higher Education</u> – The HE market is increasingly challenging especially with the</p>

	<p>increased capacity of the pre 1992 Universities. UCAS applications are down from 341 to 213. However, the critical period will be clearing. A discussion ensued regarding the HE offer including Sussex clearing, sweeteners and hardship allowances.</p> <p><u>Apprenticeships</u> - The number of apprentice starts has increased to 223. The College has continued to increase its number of apprentices in learning over the past two years with a significant growth in Health &amp; Social Care as a result of strong relationships developed with local hospices and care homes.</p> <p>As previously mentioned at the last Board meeting, the College's recent submission to be included on the new RoATP (Register of Apprenticeship Training Providers) had unfortunately been unsuccessful. There had been significant sector concern regarding the process employed to evaluate applications to join the register. Inclusion on the register is an essential requirement for receiving an allocation of funding for apprenticeship delivery, so this was of significant concern. Following sector and political outcry (which AoC and Local MP's engaged in) an early opportunity to reapply was provided. The College has reapplied and should know the outcome in early May.</p> <p>The Chair thanked both the COO and DCE for their reports.</p> <p style="text-align: right;"><b>The committee received the reports.</b></p>
<p><b>6</b></p>	<p><b>Budget Preparation 2017/18</b> <i>Supporting paper by COO</i></p> <p>The COO introduced this item and informed the committee that the business planning process for 2017/18 had commenced and that the plan was appended to the report. He advised that the planning process was due to be completed by early June.</p> <p>Key factors informing the process were:</p> <ul style="list-style-type: none"> <li>• An increase in EFA funding. A reduction in funded student numbers has been more than offset by increases in the programme cost weighting and disadvantage funding</li> <li>• Reduced HEFCE funding due to combined effect of fall in student numbers and the actual funding available per student.</li> <li>• SFA funding being maintained at 2016/17 levels.</li> <li>• Impact of the change in Apprenticeship funding following the introduction of the apprenticeship levy.</li> <li>• Impact of additional LGPS contributions</li> </ul> <p>The Chair thanked the COO for his report and asked if there were any questions from the committee.</p> <p style="text-align: right;"><b>The committee received the report.</b></p>
<p><b>7.</b></p>	<p><b>Property Report</b> <i>Paper tabled by Principal/CEO</i></p> <p>The Principal/CEO presented the Property update report to the committee.</p> <p><b>Sale of Heath Clark</b> – The Principal reminded those present that the exchange of contracts with LSL did not proceed as anticipated. A lengthy discussion ensued regarding LSL's decision to withdraw from the exchange of contracts and possible</p>

	<p>factors that could have influenced their decision.</p> <p>It was agreed that the College continue discussions regarding the sale of the site as well as make preparations regarding the forthcoming Public examination of the site on 31 May.</p> <p>The committee reiterated the importance of obtaining the best value for the land rather than rushing a sale.</p> <p>It was agreed that discussions regarding the sale continue.</p> <p><b>College Green</b> – The Principal/CEO advised the committee that the feedback from the Board meeting on 27 March was finalised and sent to the Council. The Council’s legal advisers had produced a further version of the Heads of Terms – which needs amending to incorporate the specific Board requirements. A further meeting had been arranged with Eversheds and Pinsents for 4 May 2017.</p> <p>The Principal informed the committee that the College Green related consultancy and legal costs, which the Council had agreed to cover, had been collated and invoices raised so that payment could be obtained.</p> <p style="text-align: right;"><b>The committee received the report.</b></p>
<p><b>8.</b></p>	<p><b>HR Update</b> <i>Supporting paper – Jo Bland Director of HR</i></p> <p>The Director of HR introduced the paper to the committee on current HR matters arising from legislative changes, internal re-structure and trade-union pay claim.</p> <p><b>Off Payroll working (IR35)</b> –responsibility was now on employer to deduct tax and NI from workers providing services through a personal services company unless there was an intermediary.</p> <p><b>Industrial action</b> –the Director of HR advised the committee of a change in the legislation regarding ballots and industrial action.</p> <p><b>Gender pay gap reporting</b> – in line with the Equality Act the College will need to report and publish gender pay gap statistics by 30 March 2018. The College is planning to carry this out as part of its reporting on the Equality Strategy.</p> <p><b>Joint Trade Unions Pay Claim 2017/18</b> – The Board considers that a pay award is not currently affordable, but as in previous years this will be kept under careful review. The Director of HR also advised of the efficiency savings that had been made in January 2017.</p> <p style="text-align: right;"><b>The committee received the report</b></p>
<p><b>9.</b></p>	<p><b>LGPS Pension Funding - CONFIDENTIAL ITEM</b> Supporting Paper for information, Keith Oxspring, COO.</p> <p><b>RESOLVED:</b> <i>that, due to the commercially sensitive nature of the discussion, a confidential minute should be taken.</i></p>

<p>10.</p>	<p><b>Policies for Review</b></p> <p>i. <b>Code of Conduct</b> – the Director of HR introduced the policy update, she advised the committee that the policy had been updated to incorporate the College’s Smoking Policy and strengthen the College’s processes in relation to declarations of convictions in employment and key responsibilities. She advised that the revisions had been shown as track changes for ease of reference.  <b>Resolved – Code of Conduct was approved.</b></p> <p>ii. <b>Health and Safety</b> – The Head of IT and Estates introduced this item. He advised that RSM had identified 2 risk items in a recent audit. The two risks were - identifying mechanisms for escalating risks and initial Health and Safety Training to be completed within 6 weeks of staff commencing work at the College. He advised that the revisions had been shown as track changes for ease of reference.  The Chair asked if members of committee had any questions, there were none. The Chair asked about risk assessments for students on work placements. It was agreed that this should be added to section 3.5 of the Policy.  <b>Action – Section 3.5 to be amended to reflect risk assessments for students on work placements.</b>  <b>Resolved – Health and Safety Policy to be recommended to the Board, with one addendum.</b></p> <p>iii. <b>Tuition Fees Policy</b> – Paper presented by the COO. There were no questions from the committee relating to the Tuition Fees Policy. Revisions had been shown as track changes for ease of reference.  <b>Resolved – Tuition Fees Policy was approved.</b></p> <p>iv. <b>Environmental &amp; Sustainability Policy</b> – The Head of IT and Estates introduced this item and advised the committee that the Policy had been developed as a statement of intent. The Chair enquired as to how the College monitored water usage, the Head of IT and Estates advised that the all utilities were monitored.  <b>Action – Head of IT and Estates to monitor data for utilities usage.</b>  <b>Resolved – Environmental &amp; Sustainability Policy was approved</b></p> <p>v. <b>Information &amp; Security Policy</b> - The Head of IT and Estates introduced this item and advised the committee that the Policy and actions taken were constantly being reviewed. He advised that backup facilities had been improved and that backups were now stored off site. Over 500,000 blocked emails a month. A question was raised as to whether the system had been tested from a hacking perspective. The Head of IT informed the committee that the system had had a penetration test with no issues being reported.  <b>Resolved – Information &amp; Security Policy was approved</b></p>
<p>11.</p>	<p><b>Risk monitoring</b>  <i>Supporting papers presented by the COO</i></p> <p>The COO advised that there were three risks that were currently monitored by the committee and that a copy of the current register attributable to F&amp;R together with a risk map had been attached to the report.</p>

	The COO informed the committee that the internal auditors, RSM, were reviewing risk RP3 Severe Business Disruption and that the findings would be reported in due course.  <p style="text-align: right;"><b>The committee received the report</b></p>
<b>12.</b>	<b>Dates of future meetings</b>  The next meeting would take place on Tuesday, 13 June at 6pm.
<b>13.</b>	<b>Other business</b>  The letter from Peter Launer to the sector was noted.

Signed by Chair.....Date.....

<b>Item</b>	<b>Action</b>	<b>Owner</b>	<b>Status</b>
9	COO to continue to review options available regarding LGPS deficit and the future costs of LGPS contributions	COO	
9	COO – LGPS review September 21017	COO	
10.ii	Section 3.5 of the Health & Safety Policy to be amended to reflect risk assessments for students on work placements	Head of IT and Estates	
10.iv	Head of IT and Estates to monitor data for utilities usage	Head of IT and Estates	