



**SOUTH GLOUCESTERSHIRE AND STROUD COLLEGE**  
**FURTHER EDUCATION CORPORATION**

Approved minutes of a meeting of South Gloucestershire and Stroud College  
Further Education Corporation  
Held on 5 December 2019  
At Stroud Campus, Stratford Road, Stroud, GL5 4AH

<b>Present:</b>	Moyra Pascoe	(Chair)
	Sophie Chester-Glyn	
	Mike Croker	
	Matt Davis	
	Carly Dyson	
	Phil Eames	
	Roger Ellis	
	Sophie Green	
	Kevin Hamblin	(CEO & Executive Principal)
	Martin Jones	
	Dave Merrett	
	Richard O'Doherty	
	Ben Short	
<b>In Attendance:</b>	Rich Aitken	(Head of Finance)
	Gavin Murray	(Assistant Principal, Quality & Performance)
	Andy Slaney	(Chief Operations Officer, Commercial & Estates)
	Sara-Jane Watkins	(College Principal)
	Sharon Glover	(Clerk)

1. **Apologies for Absence**

Apologies were received from David Benson, Moira Foster-Fitzgerald, David Hagg, Joe Lamonby and Jude Saunderson. Charlotte Argust and Juno Sharrock did not attend the meeting.

2. **Declarations of Interest**

The following declarations of interest were reported and noted:

- As Trustees of SGS Academy Trust, Phil Eames and Kevin Hamblin in the confidential CEO report relating to SGS Academy Trust.
- As Directors of SGS Group Services, Kevin Hamblin, Martin Jones and Sara-Jane Watkins in agenda item 8b.
- As Directors of SGS Commercial Services Limited, Kevin Hamblin, Martin Jones and Andy Slaney in agenda items 8c and 14.

3. **Other Items of Urgent Business**

There were no other items of urgent business received.

4. **Minutes of Previous Meeting**

The minutes of the meeting held 7 November 2019 were approved and signed as a correct record.

5. **Matters Arising From Those Minutes**

- a) Actions on the Corporation action log were monitored.

The Principal reported that measures in relation to safeguarding had already been developed and have now been extracted into an overarching paper. These have been reviewed by the Assistant Principal Quality & Performance who is satisfied from an Ofsted perspective. The Clerk was asked to circulate the measures to members and add to the Document Library on Convene.

The Principal also raised that the HE report, presented at the last meeting, had been updated and appended to her Principal's report. However at pre-Corporation meeting an error was identified relating to disability data and confirmation was received that this was a typographical error. For completeness, the Clerk agreed to circulate the email to members.

The Principal reported that she had picked up the action relating to minute 10a on behalf of the CEO & Executive Principal and had raised concerns with the AoC Regional Director and Mayor at a meeting she had recently attended.

**Action: Clerk.**

## 6. **CEO & Executive Principal's Report**

The following was reported:

- a) HEI partnerships – The University of Gloucestershire has accepted the Bilateral Agreement, which will be signed before Christmas. The intent will then be for the CEO & Executive Principal and Chair of the Corporation to meet with the Vice Chancellor of UoG to progress matters.
- b) SGSAT – Confidential Item.
- c) SGS Pegasus – The school is now open and occupied. The school provides local Special Educational Needs provision and will help the pupils' transition onto College.

**The report was noted.**

## 7. **Principal's Report**

The following was reported:

- a) Confirmation of Good financial health – ESFA has confirmed that the College's three year financial plan has been scored as Good for 2018/19 and 2019/20. Appended to the report was a financial dashboard produced by the ESFA.
- b) Disciplinary Policy – Following feedback and consultation with staff, revisions to the policy were presented for Corporation approval. One of the Staff Governors confirmed that the changes were a positive improvement and offered to be part of any future working group for the further development of the policy. It was recognised that there are now more challenging learners and that the policy would remain under review.
- c) Ofsted – Appended to the report was feedback from experiences of the new inspection regime. Confirmation was received that the College is in the process of developing an internal inspection action plan.
- d) ESFA new financial reporting – ESFA have now launched their new integrated Financial Model for Colleges and the deadline for submission is now 28 February 2020. A further update will be provided in the next Principal's report once the College has had the opportunity to digest the new requirements.
- e) Election 2019 – The College has tried to engage learners within the Election process and to encourage learners to register to vote. Two hustings were also arranged and a great deal of press interest as well as learner engagement has been generated.

- f) Non-consolidated pay award – Confirmation was received that the pay award accrual has been put through the 2018/19 accounts and subject to Corporation approving the Annual Report and Financial Statements the non-consolidated pay award approved at the 10 October 2019 Corporation meeting will be payable in the December payroll. This is to recognise the good financial outcome and reward performance for last year. The Principal advised that she would be briefing staff next week and until then asked that confidentiality be respected.
- g) WECA AEB Allocation – Following the first formal performance review with WECA there is now more confidence with the relationship the College has with WECA. They have also signalled their wish to have a much more detailed discussion about the College’s delivery in the WECA area.
- h) Funding methodology for the 16-19 discretionary bursary fund 2020/2021 – Concerns are being raised with the proposed ESFA bursary funding changes, which is the main support fund for full-time learners and is a critical lifeline for many. The College is currently working through the data to understand how the College is impacted compared to others and how to lobby further. Members also questioned whether the AoC intend to lobby and it was hoped that they would.
- i) Apprenticeships non-levy allocations from April 2020 – Members were informed of a change in the allocation system and of the ESFA’s intent over time to wind-down the allocation process and move all starts to the Digital Apprenticeship Service. The City of Bristol College are also providing SGS with some of their allocations.
- j) Growing relationship with WECA – The Mayor and Skills team are showing positive engagement with the FE sector in the West of England region. The Principal has agreed to pull together, for the WECA based Colleges, the vision of estates and capital funding needed to deliver the Local Industrial Strategy over the next 5-10 years. Members were pleased with the positive growing relationship with WECA and that the College is leading on the collective strategy.
- k) HE annual report – Appended to the report was an updated HE annual report that responded to the areas raised at the last meeting.
- l) Exclusions and Suspensions – An update was provided as at the end of October.
- m) Christmas Closure – Members were informed that the College would be closed 23 December 2019 and will re-open on Monday 6 January 2020. The College has allocated an additional four discretionary leave days and staff will be required to use three days from their annual leave entitlement.

Members were informed that the staff satisfaction survey will be launched next week and the timing of this was discussed by members. Confirmation was received that the closing date is the beginning of January and a report of the findings will be presented at a future Corporation meeting.

Members asked for, and received, further information on supporting the College's employer engagement event. The Principal agreed to circulate a brief that is being prepared by the Assistant Principal, Apprenticeships.

**The report was noted and it was resolved:  
To approve the Disciplinary Policy and Procedure.**

**Action: College Principal.**

8. **Annual Report of the Audit Committee**

a) The minutes of the meeting held 18 Nov 19 were noted. The Chair of the Audit Committee (Mike Croker) reported the following key areas of focus at the meeting:

- Financial Statements and associated documentation.
- The requirement for the mandatory implementation of ISO 27001 by 2021 and Ben Short's helpful input to discussions about cyber security and the new IT standard.
- The Committee considered the ESFA letter to Chairs re: Bournville College and assurances can be provided to the Corporation. The Committee requested a further report explaining the returns and end of year submissions requirements for presentation at the next Audit Committee meeting.
- The 2018/19 bad debt write off report was presented with bad debt of £25,375 written off.
- Consideration was given to the re-tendering of the Internal Audit Service with the recommendation for Corporation to approve the re-tendering of this service for 2020/21.

Members were also informed that the Audit Committee are recommending Corporation approval of KPMG's appointment as Financial Statement Auditors for 2019/20 (being the third year of a three year period from 2017/18) based on the fee structure previously agreed.

b) Members noted the approved SGS Group Services Annual Report and Financial Statements 2018/19.

- c) Members received the approved 2018/19 Annual Report and Financial Statements for SGS Commercial Services Limited. As with last year, the Board of SGSCSL is requesting a Letter of Support from SGS Corporation.
- d) The reconciliation between management accounts presented at the October Corporation meeting and financial statements to clarify the changes made were presented and noted by the Corporation.
- e)
  - (i) 2018/19 Annual Report of the Audit Committee, including risk management annual report – The Chair of the Audit Committee presented the report, which summarised the work of the Audit Committee and a positive opinion was provided. The Chair of Audit raised the need for the Corporation to be satisfied with the content and accuracy of the Annual Report and Financial Statements. Attention was drawn to the new requirement for the disclosure of Senior Post Holder remuneration and that the Remuneration annual report is appended to the Financial Statements.
  - (ii) Internal Audit Service Annual Report – The Chair of Audit confirmed a positive opinion had been provided by RSM.
  - (iii) SGS College Members’ Report and consolidated Financial Statements 2018/19 – The Head of Finance tabled minor changes that had arisen following the despatch of the Financial Statements to the Corporation. Members were informed that the outcome was good for the College and as the pay award had been included in the 2018/19 Financial Statements there would be no impact on the 2019/20 accounts. Student achievement had improved which was considered to be impressive in light of the decrease in income.
  - (iv) Financial Statements Auditor’s Management Letter – The Chair of Audit presented the Management Letter. The outstanding matters were consistent with this time last year. A clean opinion has been provided which reflects well on the Head of Finance and the Finance team.
  - (v) Letter of representation to KPMG – The Head of Finance reported that this was a standard requirement and the letter was similar to that presented last year.

The Head of Finance and his team were thanked for the excellent work undertaken. The Head of Finance asked that thanks are particularly recorded to Janine Davies (Planning and Reporting Manager) for all her hard work.

As Directors of SGS Commercial Services, Kevin Hamblin and Martin Jones refrained from resolution f) below.

**It was resolved to approve:**

- a) **The 2018/19 Annual Report of the Audit Committee.**
  - b) **The Internal Audit Service Annual Report.**
  - c) **Financial Statements Auditor's Management Letter.**
  - d) **SGS College Members' Report and consolidated Financial Statements 2018/19, subject to changes tabled at the meeting, for signing by the Chair of the Corporation and Accounting Officer.**
  - e) **Letter of representation to KPMG, for signing by the Chair of the Corporation.**
  - f) **Letter of Support to SGS Commercial Services Limited, for signing by the Chair of the Corporation.**
  - g) **KPMG's re-appointment as Financial Statements Auditors for 2019/20 (being the third year of a three year period from 2017/18) based on the fee structure previously agreed.**
  - h) **The re-tendering of Internal Audit Service for 2020/21.**
- f) The Counter-Fraud Strategy was presented for approval, upon the recommendation of the Audit Committee.

**It was resolved:**

**To approve the Counter-Fraud Strategy.**

9. **Modern Slavery Act 2015**

Members received a report covering the statutory duty under the Modern Slavery Act 2015 together with a recommendation for approval of an anti-slavery and human trafficking statement for publishing on the College website.

**The report was noted and it was resolved:**

**To approve the anti-slavery and human trafficking statement for publishing on the College website and to delegate authority to the Group CEO & Executive Principal to sign the statement.**

10. **Management Information**

The Head of Finance drew attention to the inclusion of the 24-month cash flow. Members noted that cash flow was looking positive and the usual pinch point of March had seen an improvement and members questioned the reason behind this. The Head of Finance advised that when preparing the 3-year financial plan there is a lack of clarity compared to the current position. Members also asked that the presentation of the cash flow graph be extended for ease of review.

Attention was drawn to the overall forecast, which has since been updated following the first reforecast meeting. Members questioned the pay costs and the reasons for the low forecast. Members were informed that this was a timing issue and although there are vacancies being recruited for, all vacancies have been filled, where possible. Although reporting against the original budget members raised the need to keep the current position under review.

**The report was noted.**

11. **Catering Contract**

Confidential Item.

12. **Fees, Charges and Refund Policy**

Revisions to the Fees, Charges and Refund Policy were presented for approval.

**It was resolved:**

**To approve the Fees, Charges and Refund Policy.**

13. **Voice of the Learner**

The Assistant Principal reported on Voice of the Learner activity. Appended to the report was an updated review of the Learner Voice 2018/19 report which included the final satisfaction rates for Employers, Work based learners and National Student survey for HE learners. Reference was made to the publishing of league tables of satisfaction in FE Week and the College was in the top quarter. However, if more students completed the surveys the results would be further improved.

Members received feedback following the first term of 2019/20, with some specific areas of feedback being incorporated into the College Self-Assessment Report, which will be shared with governors ahead of the SAR validation meeting. It was confirmed that attendance at the Voice of the Learner meetings by one of the Staff Governors was high and governor feedback was appended to the report. Further attendance from all governors was raised, however, it was recognised that many governors have full time jobs which makes it challenging to attend these events. One governor raised that having attended some of the Voice of the Learner events they were not well attended and questioned whether there were other ways to engage with the learners via twitter chats or TEAMS. The Assistant Principal confirmed that a variety of approaches are being tried as some events are better attended than others. Also looking to introduce the “Big Debate” to build on the success of the recent hustings. It was also suggested that there is more prominence of governor communication and the Clerk advised that she has plans to prepare a Corporation communication strategy with input from the Staff Governors. It was also suggested that governors become engaged with the Careers Fair and that a monthly look ahead of student engagement events is issued as there are many collated dates to digest.

Members questioned how feedback was provided to staff and students and the Assistant Principal confirmed that a “You said, We did” poster campaign is in place.

**The report was noted.**

14. **SGS Commercial Services Limited**

Confidential Item.

15. **Strategic Property Group**

Confidential Item.

16. **Student Union Financial Statements and Annual Report**

Members received the Student Union annual report and financial statements together with revisions to the Student Union Constitution. The main changes to the Constitution were referenced in the report and it is hoped that these changes will improve student engagement. It was reported that there has also been a change to the filling of the Student Member positions on the Corporation in that the Head Representative Officer and Higher Education Officer positions automatically fill the two Student Member positions.

**The report and financial statements were noted and it was resolved:  
To approve revisions to the Student Union Constitution.**

17. **Confidentiality**

Members agreed that due to business sensitivities the confidential part of CEO & Executive Principal’s report (item 6), confidential Audit Committee minutes (item 8a), Catering contract and appendices (item 11), SGSCSL report and appendix (item 14) Strategic Property Group and appendix (item 15) and minutes 6b, 11, 14 and 15 are to be treated as confidential.

18. **Assessment of meeting**

A summary of feedback in relation to the meeting held 7 Nov 19 was received. The Clerk distributed forms to members so that an assessment of the Corporation meeting could be undertaken.

19. **Date of Next Meeting**

Thursday, 30 January 2020 at 5pm, WISE Campus.

The meeting commenced at 5.05pm.

Sophie Chester-Glyn joined the meeting at 5.17pm (during item 6)

Richard Aitken left the meeting at 7.05pm (during item 15)

Ben Short left the meeting at 7.12pm (towards the end of item 15)

The meeting closed at 7.24pm

The meeting was quorate.