



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

Approved minutes of a meeting of South Gloucestershire and Stroud College  
Further Education Corporation  
Held on 10 October 2019  
At Stroud Campus, Stratford Road, Stroud, Gloucestershire

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

The Chair opened the meeting by informing attendees that agenda items 23 and 24 will be brought forward to the start of the meeting after which members of the Executive Team will be invited to join the meeting. Also agenda item 20 will be un-starred, due to additional policy changes to be tabled at the meeting, and will be taken after agenda item 7 to allow the early departure of the Chief Group Services Officer.

1. **Apologies for Absence**

Apologies were received from Roger Ellis and Jude Saunderson. Charlotte Argust and Juno Sharrock did not attend the meeting.

2. **Declarations of Interest**

The Corporation carried out its annual review of declarations of interests made by Governors, the Clerk and members of staff with significant financial responsibilities.

3. **Other Items of Urgent Business**

There were no other items of urgent business received.

4. **Staff Member**

The Clerk reported that one nomination had been received for Matt Davis and Corporation approval was sought for his appointment as Staff Member on the Corporation. Members asked at which campus Matt was based. The Clerk confirmed that he used to be based at Stroud campus but has now secured a role based at Filton campus however, having worked cross-site previously he is known by staff. In addition, it was recognised that the other Staff Member now has a cross-site role.

Members questioned why the low uptake to join the Corporation and the Clerk agreed to raise with the College Principal.

**It was resolved:**

**To appoint Matt Davis as Staff Member on the Corporation with effect from 11 October 2019 for a 4-year term of office.**

**Action: Clerk to the Corporation.**

5. **Minutes of Previous Meeting**

The minutes of the meeting held 4 July 2019 were approved and signed as a correct record.

6. **Remuneration Committee (Agenda Item 23)**

The minutes of the meeting held 3 Sep 19 were noted. Martin Jones (Chair of the Remuneration Committee) reported that following adoption of the AoC Colleges' Senior Post Holder Remuneration Code there was a need to produce a Remuneration Annual Report to the Corporation, External Interest Policy and Senior Post Holder Remuneration Policy. Revisions to the Committee's terms of reference were also

presented for approval. The Chair of the Remuneration Committee reported that consideration of the SGS Emergency Succession Plan would be carried forward for consideration as part of agenda item 7.

- a) Senior Post Holder Remuneration Policy - it was reported that the Committee are recommending Corporation approval of this policy.
- b) External Interest Policy – it was reported that the Committee are recommending Corporation approval of this policy.
- c) Remuneration Annual Report to Corporation – Members were informed that under the “Code” there is a requirement to produce an annual report and that the Committee are recommending its approval and inclusion as part of the Annual Report and Financial Statements. Following consideration of the report members questioned whether the pay multiple comparisons against the median of all staff related to the Full Time Equivalent staff median. Upon the Executive Team joining the meeting the Chief Group Services Officer was asked this question and she agreed to check and report back. Members also noted that emoluments for SGS Academy Trust had not been included. Members were informed that mention had been made of the position within SGS Academy Trust but as this was a separate legal entity any such emoluments had been excluded.
- d) Revisions to the Remuneration Committee Terms of Reference – it was reported that the Committee are recommending revisions to the terms of reference to Corporation for approval.
- e) SGS Emergency Succession Plan – to be considered as part of agenda item 7.
- f) Confidential Item.
- g) Confidential Item.
- h) Confidential Item.
- i) Confidential Item.

**It was resolved:**

**To approve the Senior Post Holder Remuneration Policy; External Interest Policy; revisions to the Remuneration Committee Terms of Reference; Remuneration Annual Report to the Corporation and its inclusion as part of the Annual Report and Financial Statements.**

**Action: Chief Group Services Officer.**

**7. Remuneration report from Group CEO & Executive Principal (Agenda Item 24)**

Confidential Item.

*At this point the College Principal, Chief Operations Officer, Chief Group Services Officer, Assistant Principal and Head of Finance were invited to join the meeting.*

8. **Matters Arising From Those Minutes (Agenda Item 6)**

- a) Actions on the Corporation action log were monitored and updates provided. It was agreed to remove the ongoing actions relating to Ecotricity at WISE campus and solar PV and that the Chief Operations Officer should bring back to Corporation at an appropriate time. The Principal confirmed that she had written to the AoC about apprenticeships and the Assistant Principal, Apprenticeships has been invited to sit on an AoC policy board.

9. **HR strategy and Annual Report reporting (Agenda Item 7)**

The Chief Group Services Officer presented the report. Attention was drawn to the final review of the Group Human Resources Strategy for 2016-19, which would now be replaced by Our People Strategy 2019-2022. This strategy outlines how it underpins the overarching College strategy and how the strategic objectives are translated to staff. Members asked for further details of the mentoring scheme referenced in section 4 and were informed that although an informal link is in place there is an intent for this to be formalised. Although considered to be a comprehensive document members raised that SMART KPIs should be adopted where possible as this would be helpful for monitoring going forward and trend analysis. The Chief Group Services Officer raised the need for a balance to be struck as sometimes measures can drive the wrong behaviours.

The Chief Group Services Officer then presented the HR annual report. It was reported that errors in some of the percentages had been raised and now rectified. Members questioned the number of staff on zero hour contracts and were informed that these were small in number and employed for niche provision. Some staff are not looking for a full employment contract as their work is seasonal. However, the terms are the same as those in permanent employment. Members noted a reduction in sickness absence, which was considered to be a good outcome.

**The report was noted and it was resolved:  
To approve Our People Strategy 2019-2022.**

10. **Safeguarding Children, Young People and Vulnerable Adults Policy (Agenda Item 20)**

Members received an updated policy, reflecting amendments to Keeping Children Safe In Education published on 2 September 2019. The Chief Group Services Officer also tabled a further appendix in relation to self-harm, in response to the 175 audit. One change was raised in the appendix.

**It was resolved:  
To approve the Safeguarding Children, Young People and Vulnerable Adults policy and procedure, subject to one change in Appendix 4.**

11. **CEO & Executive Principal's Report (Agenda Item 8)**

The CEO & Executive Principal reported on the following:

- a) GFirst Pipeline Bids – Members received an update on Expressions of Interests for capital funding for four bids from GFirst. The College was congratulated on the strategic focus and developing the right type of bids in support of GFirst.
- b) GFirst Local Industrial Strategy – The strategy was launched in September and the Gloucestershire Science and Technology Park is identified in the strategy as a strategic asset. The CEO & Executive Principal circulated a masterplan of the Berkeley site.
- c) SGS Academy Trust – Two applications for 11-16 free schools are being prepared to respond to the growth of housing and increasing demand. The rationale for these schools was presented and reflects the strategy to mainstream children from special schools into secondary schools. This also positions the College to support similar activity at Stroud campus at 14-16 and any such proposal will be presented to the Corporation for consideration.

Funding is still awaited to invest in the estate at Forest High School. The School has presented significant issues with quality and safety of the school estate. Members questioned how the Department for Education are responding and were informed that there has been a lack of support to rectify the issues. Members questioned whether the school had any underperformance issues and were informed that the school is now out of Special Measures and a further Ofsted inspection is expected later in the year. The estate being the biggest issue faced by the Trust.

**The report was noted.**

12. **Principal's Report, including KPI reporting (Agenda Item 9)**

The Principal reported on the following:

- a) Savid Javid visit to the College – The Chancellor is a former student of Filton College and used his visit to the College to announce additional funding to the sector. If the College maintains learner numbers it will result in a £0.5m increase in base rate. It was encouraging to have a senior member of the government who understands the Further Education sector and his visit was great publicity for the College.

- b) Brexit – There has been a noticeable increase in government communication and the main areas of concern have been included in the risk register and mitigated as far as possible.
- c) KPI Report and Sunburst Report – At this stage it is too early for the final outturn but success rate is expected to be 2% higher than last year's outturn with improvements in Maths, English, Functional Skills and Apprenticeships. Achievement is also forecast to be 5% above benchmark.
- d) Recruitment – Recruitment is monitored daily. Based on the lagged learner methodology the 2019/20 funding settlement will be based on the December 2018 return. The challenge is retention of students and this will be a continued focus.
- e) Apprenticeship allocation update – Increases in allocations have been received, however, it does not give SGS sufficient headroom to maintain growth within the current allocation period. It is predicted that non-levy starts from Nov 19 to Mar 20 will need to be halted.
- f) Successful registration on to the Register Apprenticeship Training Providers – SGS has successfully passed the assessment to be a main provider and the organisation will remain on the register.
- g) Submissions to Stroud Community Infrastructure Fund – Two bid applications for funding have been submitted. Further details of the applications were included in the written report.

**The report was noted.**

13. **Management Information (Agenda Item 10)**

- a) Management Accounts exception report – The Head of Finance presented the 31 Jul 19 draft accounts, awaiting finalisation of audit work. The report included the draft consolidated year end position for the Group, against budget and forecast. Performance for last year had been pleasing for many reasons, in part due to a prudent budget and strong performance, with financial health remaining as “Good”. With the inclusion of provision for a 1% non-consolidated pay award the pay to total income ratio ended up at 62.6% for the year. Based on the favourable financial performance for 2018/19 and to recognise the hard work of staff it is recommended that a 1% non-consolidated or minimum of £250 (to ensure lower paid staff are recognised) pay award pro-rata for FTE is payable to all current staff who are still employed at the College and who were employed during 2018/19. For those staff that started mid-way through the year the non-consolidated award will be on a pro-rata basis. For Senior Post Holders (including the Clerk) and members of the Executive Team this pay award will be considered by the Remuneration Committee at their January meeting.

Should it not be permissible to put through the pay award in the 2018/19 accounts then the non-consolidated award will not be recommended. To ensure

affordability, any such non-consolidated award would not be paid until December, following the approval of Annual Report and Financial Statements. As this is an ongoing approach it was suggested that in the July Corporation report, accompanying the budget and financial plan, reference is made to the payment of a non-consolidated award subject to affordability and the College's final financial outturn. Also suggested was the creation of a special reserve for staff pay awards and the Head of Finance agreed to explore all options. The Corporation were keen that the efforts and contribution of staff are recognised and asked that their thanks be passed onto staff at the time the award is communicated.

The non-consolidated award will be in addition to the 1% cost of living allowance which is budgeted for 2019/20 and will be formally presented for Corporation approval in November, payable in December but backdated to 1 Aug 19.

When asked, confirmation was received that the 24 month cash flow will be included in the 2019/20 management accounts. Assurance was provided that cash flow is healthy and there are no issues to report. The College was congratulated on this result.

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

**That, should it be permissible to put through a pay award in the 2018/19 accounts and subject to end of year sign off of the Annual Report and Financial Statements, a 1% non-consolidated or a minimum of £250 (to ensure lower paid staff are recognised) pay award pro-rata for FTE is payable in December to all current staff who are still employed at the College and who were employed during 2018/19. For those staff that started mid-way through the year the non-consolidated award will be on a pro-rata basis.**

**The only exception to the above are Senior Post Holders (including the Clerk) and members of the Executive Team whose pay award is to be considered by the Remuneration Committee at their January meeting.**

**Action: Head of Finance.**

- b) Review of full risk register (including SGSCSL) - The Principal reported that, at the request of the Audit Committee, the College risk register had been reviewed and duplication had been eliminated. The format of the risk register had also been revised and risks assigned on a PESTLE analysis, focused on Political, Economic, Social, Technological, Legal and Environment. Members concurred that this was an improvement and the Chair of the Audit Committee passed on his thanks for the prompt response to this request which was a positive start.

Members raised the need to understand emerging risks around cyber security. The CEO & Executive Principal advised that this had been discussed at Audit Committee and plans are being made for penetration testing of the systems.

Members questioned the risk relating to catering and that more detail is provided. In addition there was a mathematical error raised in risk E6. The need for

visibility at Corporation of new risks emerging was raised and it was agreed that the Corporation reporting template has a section on resource and risk implications to be used for that purpose.

**The report was noted.**

14. **Treasury Management annual report and strategy (Agenda Item 11)**

The Head of Finance presented the report on the performance of the Treasury Management function from 1 Aug 18 to 31 Jul 19 and strategy to be pursued in the current year.

It was reported that the cash reserves are improving. At the low point for cash flow for the group the balance compared favourably to the previous year. The strategy for 2019/20 will be looking at low risk short term investments to increase returns to the College and this will continue to be reviewed. Members asked for the timescales for this review and were informed that the aim will be for this term to make firm decisions and invest the cash.

**It was resolved:**

**To note the Annual Report on Performance and Treasury Management function for 1 August 2018 to 31 July 2019 and approve the strategy and plan to be pursued in the current year 2019/20.**

15. **Annual Health & Safety & Environmental Report (Agenda Item 12)**

The Chief Operations Officer reported a downward trend in Health and Safety statistics and a good outcome from a recent audit. Members raised that the tables of total number of accidents recorded were the wrong way around in the report and that the bottom table was the current one. Members also questioned the data of those staff that had not started or in progress of the ergonomic essentials training as there appeared to be a typographical error in the report. The Chief Operations Officer agreed to investigate and report back. Members also discussed the completion rates versus assigned data for Office Fire Prevention and Response and were reminded that this training was in addition to other key training requirements. The Assistant Principal confirmed that amendments had been made to the Professional Development policy to link with the grievance procedure and annual conversations.

The Chief Operations Officer reported that there are no substantive changes to the Health and Safety policy and following review no changes are proposed to the Sustainability policy. With the focus on sustainability the College continues to make good progress in respect of specific initiatives. One member suggested that the College captures all that it does in relation to sustainability in relation to the UN's sustainable goals. The CEO & Executive Principal reported that a graphic is being drafted to illustrate the direction of travel since 2012 and the future aspirations of the College in relation to sustainability. The aim being to demonstrate the actions being taken as employers and to encourage a change in mindset of learners. Corporation suggested mapping against the UN's sustainable goals to demonstrate that the College

is working outside of what it is mandated to do and the Chief Operations Officer was tasked to review the UN's strategy in detail.

When asked, the CEO & Executive Principal agreed to continue to act as the Health and Safety Champion on behalf of the Corporation.

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

- a) **To approve the Health and Safety Policy Statement for 2019/20 and delegate authority to the Chair of the Corporation and CEO & Executive Principal to sign the statement.**
- b) **To note pages 1 to 30 of the Health and Safety manual as prepared for use by the College by Ellis Whittam.**
- c) **To nominate Kevin Hamblin, CEO & Executive Principal, to act as Health and Safety champion on behalf of the Corporation.**

**Action: Chief Operations Officer.**

16. **Alternative Catering Contract (Agenda Item 13)**

Confidential Item.

17. **Annual Governance Report (Agenda Item 14)**

Members undertook an annual review of the key documents which exist to regulate the conduct of Corporation business. The Clerk reported the following:

- a) Instrument and Articles of Government – There were no changes proposed.
- b) Standing Orders for the Corporation and its Committees – one minor revision was proposed.
- c) Code of Conduct for Corporation Members – Following revisions to the Eversheds Sutherland Code of Conduct a revised SGS Code of Conduct was presented for approval.
- d) Committee Terms of References – Reviews of Committee Terms of References had been undertaken as part of the self-assessment process with any revisions presented separately for Corporation approval.
- e) Appointment, Reappointment, Induction and Training Procedure – The annual review had taken place at 3 Apr 19 Search Committee meeting.
- f) Code of Good Governance for English Colleges - Members were informed that the Code had been revised to include adoption of the Senior Post Holder Remuneration Code. Compliance against the Code had been reviewed by the Clerk and changes were tracked and appended to the report. No further changes were raised by members.
- g) Publishing arrangements for obtaining the views of staff and students – Following the College Principal's review of these arrangements, minor changes were presented.

- h) Access to Corporation Information - This policy had been approved 14 Sep 17 with the next review due September 2020.
- i) Annual review of Committee membership – The Clerk reported a vacancy on the Strategic Property Group and that Carly Dyson had expressed an interest in joining this Group. Members were informed that Joe Lamonby wished to step down from the Audit and Search Committees thereby creating vacancies on these Committees. The Clerk reported that the Chair of the Audit Committee would also need to be appointed and Mike Croker indicated his willingness to continue in this role. Ben Short put himself forward to replace Joe Lamonby on the Audit Committee and Sophie Green put herself forward to replace Joe Lamonby on the Search Committee.

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

- a) **Approve revisions to the Standing Orders for the Corporation and its Committees;**
- b) **Approve revisions to the Code of Conduct for Corporation Members;**
- c) **Approve revisions to the arrangements for obtaining the views of staff and students on the determination and periodic review of the educational character and mission of the College and the oversight of its activities;**
- d) **To appoint Carly Dyson to the Strategic Property Group, with immediate effect;**
- e) **To appoint Ben Short to the Audit Committee, with immediate effect, to replace Joe Lamonby;**
- f) **To appoint Sophie Green to the Search Committee, with immediate effect, to replace Joe Lamonby;**
- g) **To re-appoint Mike Croker as Chair of the Audit Committee;**
- h) **To confirm current membership of all Committees and Working Groups.**

18. **Governance Self-Assessment (including Governor Attendance data and Training and Development plan) (Agenda Item 15)**

The Clerk presented a draft 2018/19 Governance Self-Assessment Report (SAR) and action plan. Members noted the collated responses following completion of the member satisfaction/self-assessment questionnaires, Corporation Chair's performance review, Executive Team questionnaire on governance and self-assessments against Committee terms of references.

The Governance SAR had identified strengths, areas of continuing focus and also included a governance action plan. Members were invited to validate the Governance SAR and a detailed discussion ensued. The CEO & Executive Principal reported that Leadership and Management had been graded 1 (Outstanding) at the last Ofsted inspection and the robustness of governance, challenge and support provided by the Corporation was considered difficult to find in other Colleges. It was recognised that

the Corporation is in transition due to new members joining, however, the performance and financial position of the College is strong in comparison to others, with a strong governance framework in place.

Members raised the need to focus on exception reporting in order to help provide a high level view of where to improve. The need for members to attend more Voice of the Learner meetings was raised in order to appreciate the “Golden Threads” that will be looked for by Ofsted under its new framework. The Clerk reported that attendance at Learner Walks and Voice of the Learner meetings forms part of the 2019/20 Governor Training and Development plan. Following discussion and due consideration of the Governance SAR members validated the Governance SAR grade as 1 (Outstanding). However, it was recognised that there is no room for complacency and always room for improvement.

Members received Governor attendance data for 2018/19, which reflected 77% overall compared against the 80% target. Benchmarking data obtained from the Clerk’s network was also shared with members.

The Clerk reported on governor training and development undertaken during 2018/19. Members considered the outcome of governor training needs analysis and training/development topics covering 2019/20 were agreed.

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

- a) **To note the collated results from the questionnaires completed as part of the 2018/19 Governance Self-Assessment Report (SAR) process.**
- b) **To approve the 2018/19 Governance Self-Assessment Report and 2019/20 action plan and to validate the Governance SAR grade as 1 (Outstanding).**
- c) **To note the 2018/19 Governor attendance data.**

19. **Search Committee (Agenda Item 16)**

The minutes of the meeting held 3 Sep 19 were noted. It was reported that the prospective candidate had withdrawn his application after the meeting with the Search Committee and the reason for this reported to Corporation.

20. **Strategic Property Group (Agenda Item 17)**

The minutes of the meetings held 11 Sep 19 & 26 Sep 19 were noted. David Benson (Chair of SPG) reported that the Group had met twice since the last Corporation meeting and two recommendations were presented to Corporation for approval. The first being approval of revised floor plans revision 17.1 and that the WISE STEAM project be zero rated for VAT purposes and to delegate authority to the Chief Accounting Officer (Kevin Hamblin) to sign the necessary zero rating certification for the project.

**It was resolved:**

- a) **To approve the revised floor plans, revision 17.1:  
0020\_STEAM-HEW-ZZ-00-DR-A-269-0020-Proposed Site Plan;  
0050\_STEAM-HEW-ZZ-00-DR-A-269-0050-Proposed Ground Floor  
Plan;  
0051\_STEAM-HEW-ZZ-01-DR-A-269-0051-Proposed First Floor Plan;  
0052\_STEAM-HEW-ZZ-02-DR-A-269-0052-Proposed Second Floor Plan.**
- b) **That the WISE STEAM project be zero rated for VAT purposes and to delegate authority to the Chief Accounting Officer to sign the necessary zero rating certification for the project.**

21. **Audit Committee (Agenda Item 18)**

The minutes of the meeting held 19 Sep 19 were noted. Mike Croker (Chair of the Audit Committee) reported the following key points:

- a) The Committee has commissioned a review of risk management reporting. The risk on cyber security is to be reviewed in light of Swindon College's experiences.
- b) The Committee is recommending Corporation approval of the Internal Audit needs assessment, strategic plan and Annual Plan 2019/20.
- c) Members were informed of the requirement to complete the ESFA Regularity and Propriety Questionnaire for sign off by the Group CEO & Executive Principal and Chair of the Corporation for use by KPMG as part of their audit process.
- d) At the request of the Corporation the Audit Committee reviewed the FE Commissioner's letter to Chairs and Principals. Following review, the Committee are recommending to Corporation to retain the status quo and keep the need for a Finance Committee or financial type working group under review.
- e) The College has been requested to produce a Counter Fraud strategy for presentation at a future Audit Committee meeting.
- f) Improvements needed in the implementation of audit recommendations was also discussed.

**It was resolved:**

- a) **To approve the Internal Audit needs assessment, strategic plan and Annual Plan 2019/20.**
- b) **To note the ESFA Regularity and Propriety Questionnaire.**
- c) **To note the responses to the FE Commission's letter to Chairs and Principals and retain the status quo and keep the need for a Finance Committee or financial working type group under review.**

22. **Absence Policy & Procedure (Agenda Item 19)**

Members received a revised Absence policy and procedure.

**It was resolved:**

**To approve the Absence policy and procedure.**

23. **2018/19 Compliments, Suggestions & Complaints Annual Report (Agenda Item 21)**

Members received the annual report.

**The report was noted.**

24. **Corporation Seal (Agenda Item 22)**

The application of the Corporation Seal to the Professional Services contract with Kier for the Growth Hub development was reported and noted by the Corporation.

25. **Confidentiality**

Members agreed that due business and personal sensitivities the Remuneration Committee agenda items 6e, f, g, h, i; Remuneration report from Group CEO & Executive Principal (item 7), Alternative Catering Contract (item 16 ), Confidential Search Committee minutes (item 19), SPG minutes (item 20) and minutes 6f-i, 7 and 13 are to be treated as confidential.

26. **Assessment of meeting**

A summary of feedback in relation to the meeting held 4 Jul 19 was received. The Clerk distributed forms to members so that an assessment of the Corporation meeting could be undertaken.

27. **Date of Next Meeting**

Thursday 7 November 2019 at 5pm, WISE Campus.

The meeting commenced at 5.05pm.

Sophie Green joined at 5.06pm (during item 2)

Sophie Chester-Glyn joined at 5.25pm (during item 7)

Sara-Jane Watkins, Andy Slaney, Moira Foster-Fitzgerald, Gavin Murray and Rich Aitken joined the meeting at 6.15pm (after item 7)

Richard O'Doherty left the meeting at 6.26pm (during item 9)

Moira Foster-Fitzgerald left the meeting at 6.38pm (after item 10)

Dave Merrett and Martin Jones left the meeting at 7.20pm (after item 13)

Rich Aitken left the meeting at 7.40pm (after item 16)  
The meeting closed at 8.10pm  
The meeting was quorate.