

**Meeting of LSEC Corporation held on
Wednesday 18 October 2023 from 5.30-7.30pm
in person at Orpington Campus Room C1/C2**

Part 1: Above the Line 5.30-6.55pm

Part 2: Below the Line 6.55-7.30pm

Corporation Governors

David Eastgate (DE)	Chair
Louise Nadal (LN)	Vice Chair
Dr Sam Parrett, CBE (SP)	Group CEO
Mark Trinick (MT)	Governor
Lucie Allen (LA)	Governor
David Bailey (DB)	Governor
Joanne Bell (JB)	Governor
Angela Hands (AH)	Governor
Mark Burnett (MB)	Governor
Vince Fihosy (VF)	Governor
Tony Gilbey (TG)	Governor
Kate Shiner (KS)	Governor
Sarah Lewis (SL)	Governor
Darren Kirwin (DK)	Governor
George Ryan (GR)	Governor
Maz Potts/Teresa Langford	Staff Governors
Ruby Davies	Student Governors (FE and HE)

Governance Professional & Clerk to the Board

Jennifer Pharo (JP)	Group Chief Governance & Administration Officer
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Executive Officers in attendance

John Hunt (JHu)	Group Deputy CEO & Group CFO
Asfa Sohail (AS)	Deputy CEO & Principal

Board Papers Published on Board Intelligence on 11 October

- Board Pack 1 includes above the line items
- Board Pack 2 includes below the line items

Minutes

Welcome, apologies and declarations of interest

Welcome extended to Ruby Davies and George Ryan.

Apologies: David Eastgate, Lucie Allen, Vince Fihosy

Kate Shiner attending from 6pm: Joanne Bell attended from 5.50pm: Markt Trinick from 5.45pm.

Expression of Interest Vice Chair

The Board were advised that only one expression of interest had been received.

The Board **RESOLVED** to **APPOINT** Mark Burnett as Vice Chair.

Minutes of previous meeting held on 13 July 2023

The Minutes of the previous meeting were **APPROVED**.

PART 1: ABOVE THE LINE AGENDA ITEMS:

Items **Above the Line** comprise five or six key strategic/operational matters for discussion (10/15 mins per item.)

SPECIAL PRESENTATION :

Peter Ryder, Rockborn presented the findings from the Staff Culture Survey 2023.

Group CEO provided some context around the culture survey initiated from the Big Conversations activity that had been used to test out the culture in the organisation.

It was reported that the culture survey held a mirror up to review cultural relationship between Academic and Business Support Staff.

The responses were discussed and reviewed by the Board.

Key points reported are

- That staff love their job and working for LSEC.
- That staff have a high level of commitment.
- That staff very clearly work for LSEC or work for Sam.
- Senior Leaders were respected and responsive.
- That staff feel they can raise issues and things will happen.
- That staff have pride and ambition in the organisation.
- Love the mission and have loyalty to their individual site and community.

Key changes reported

- Uniformed view that growth is great but infrastructure not keeping up with growth.

- Work loading: need time to plan and build strong foundations
- Impact of decisions on front line not always understood.
- Large organisation - more planning required.

The Board discussed the outcomes and way forward. There was discussions on comparisons with other colleges and how in general the sector was challenged by recruitment and retention issues and the model of devolved leadership.

Board concurred that the review had been really helpful insight into the culture of the college.

Group CEO advised that an accountability and autonomy framework would capture the decision making of middle leaders and provide confidence and strong leadership in line with the One College vision.

The Board **NOTED** the presentation and discussion.

A.1 Group CEO Update

Group Strategy Update
External Policy Update
External Education Advisor Report Nido Volans Lambeth

Group CEO presented the report which was taken as read and included Group Strategy Update, External Policy update and the External Education Advisor Report on Nido Volans Lambeth.

It was reported that HR was being supported though recent structural changes including audits of the SCR and Safeguarding. This would support improvements in the process and procedures.

It was reported that enrolment for young people was looking positive and on par with contract.

It was reported that additional funding had been received on our youth contract this would be used to fund a better than originally forecast pay award, details of award to be offered being modelled but was anticipated it would be in line with AoC recommendations and national negotiations.

It was reported that profile of young people had shifted with c1000 English and maths aims being delivered than previous year, this is on par with national reported statistics c35%increases experienced across the sector.

It was reported that qualification reforms proposed by DfE were still being contested. Defunding of some level 3 and level 2 qualifications still being challenged.

It was reported that External Adviser's report on Nido Volans Centre Lambeth had been shared to the Board outlining the progress of the provision and development of the curriculum since transfer.

It was reported that Lead Safeguarding Governor AH and Group CEO-SP had visited the Centre at the end of September 2023, engaging with staff and students. Access and use of the core college systems and services had been embedded alongside a CPD offer and training for all staff.

Questions and Comments

In response to questions it was advised that the removal of qualifications was already having an impact, and which would increase over the next two years.

In response to questions around T-levels it was reported that 9 weeks of work experience was a barrier – delivery in constructions was already underway. Overall T-Level delivery nationally was appearing to be

challenging and difficult. New Advance British Standards had already been proposed to replace A-levels and T-Levels.

In response to key issues and concerns it was reported that Ofsted Inspections were always a period of heightened risk. It was reported that apprenticeship had not performed as expected, nationally this had also been a challenge. Attendance was a challenge and in particular in English and maths.

In response to questions the Board was pleased to hear the pace at which College processes and procedures had been imbedded at Nido Volas Lambeth and that teaching and learning in the Centre was being monitored closely through quality reviews and senior leadership meetings.

A.2 Executive Principal Operational Update English & Maths Policy

The Executive Principal presented a detailed update which was taken as read.

The report covered a number of matters, Ofsted Readiness, 22/23 Achievement and progress across Classroom, Apprenticeships and HE provisions, Curriculum Strategy, Safeguarding and Student Experience.

It was reported that the current classroom-based achievement rates for the year 2022/23 are at 80%, expected to rise to 80.6%.

It was reported that Apprenticeship achievement rates were reporting at 46.3% a reduction in previous year and lower than forecast this would result in ESFA intervention as below threshold.

It was reported that HE Achievement rates were reporting as improved on previous year at 84.1%. It was reported that the HE provision was fully embedded in Ozone building at Orpington

It was reported that enrolment and current year recruitment was positive for youth learners and reporting above target at 4116 it was anticipated that early withdrawals would impact on this, but Executive were confident that targets would be met.

Adult recruitment was reported as below target and activities were underway to plan additional provision like sector-based work academies and other short adult provision to ensure adult funding targets can be reached.

It was reported that attendance was a priority area and the new tutorial model including SATs was pivotal to supporting improved attendance working in partnership with academic teams.

It was reported that Ofsted readiness continues with position statements being prepared and SARs and QUIPs finalised. SAR validation panel with Governors would take place on 1 November prior to C&S Committee. Further preparation and development for Governor would be arranged for the New Year Lead Governors for Ofsted categories had been agreed.

It was reported that safeguarding practices continue to be a strength. A new filtering and monitoring software had been introduced for this academic year which provides more oversight and intervention and ensures that we meet the new statutory guidance.

It was reported that students have started to enrol in a variety of enrichment programmes from debate, performing, art groups and sports. Welcome Fairs had been held across every campus where students

had the opportunity to try different enrichment options, meet with community support groups and opportunities and meet internal support services.

It was reported that the first student survey was planned at the end of the first half term.

It was reported that a new stretch and challenge project, FAME (Further Advancement of Maths and English) with a focus on young learners who have achieved their GCSE grade 4 in maths and/or English. It is an independent project which develops students' maths and English skills as well as personal and professional skills.

It was reported that Career Advantage had also been refreshed for this academic year with an introduction of a new platinum module and a new employability theme which provides students an opportunity to practice their interview skills with AI feedback.

Questions and Comments

In response to questions on Apprenticeships it was reported that ESFA intervention would involve working towards actions identified. It could also determine or restricts starts on poor performing standards.

In response to questions on apprenticeship profile it was reported that this has not changed significantly with leavers volumes on par with previous year, some apprenticeships had not completed timely with delays in access to Testing Centres and learner readiness to enter Gateway and complete End Point Assessments had been challenging.

In response to questions on English and Maths delivered to apprentices it was reported this is an area of development.

In response to questions on behaviour it was reported that this good.

In response to questions on attendance it was reported that letters being sent home were having a better-than-expected outcome with increased calls from home.

The Board NOTED the report.

A.3 GCFO Update & Presentation

For Discussion JH

The Group CFO report and update was presented and taken as read.

It was reported that the management accounts for the year ended 31 July 2023 (period 12) show a pre-audit adjusted operating surplus for the year, prior to FRS102 charges of £0.43m.

It was reported that this was better than forecast breakeven outcome, primarily due to a non-cash reduction in annual leave accrual of £0.24m.

It was reported that after FRS102 pension charges and the gain in the disposal of the Plumstead site of circa £8.9m, the College made a surplus for the year of £8.26m.

The Board were advised that FRS102 pension and our enhanced pension costs were £2.2m lower than budgeted at £1.5m. This represented a significant downward shift in pension costs which have been increasing each year, and will no doubt reflect the current economic conditions.

It was reported that cash balances at the end of the year in July 2023 were strong at circa £26.4m, although this was slightly lower than forecast due to timing differences.

It was reported that the FE sector had been provided with £200m of additional funding to support a pay award to staff, and our share of this funding is circa £1.8m.

It was reported that the AoC had recommended that colleges should aim to make an award of 6.5%, with is the same as the NEU accepted for teachers.

It was recommended that he Board approve a pay award to all staff of 6.5%, to be paid with effect from October 2023, which will account for the majority of the increased funding.

It was reported that the College risk register has been given a provisional update ahead of a full review in time for the November Audit committee. The Board were advised that a significant change to the involved the College SEND provision where it was known that senior leaders would be retiring.

It was reported that final P12 figures in relation to Lambeth pensions were still awaited.

The Board receive an update on the capital projects in particularly Future Greenwich.

Questions and Comments

In response to questions on financial health score it was reported that this would be Good.

In response to questions it was reported that overall enrolment and recruitment position was unknown. Contribution rates and staff utilisation would be reported alongside other key performance metrics at the next Corporation Meeting.

In response to question on the capital programmes and risks around large values and significant impact on the College finances, it was reported that risks would be continuously monitored. The Board expressed some concerns at the risk and requested close monitoring and reporting the large capital projects with a significant potential impact on the financial health of the College.

In response to questions on capital cost inflows and outflows it was reported that these were being modelled and would be prepared for Finance Committee in November.

In response to questions on capacity issues on capital programmes it was reported that the internal team had been increased. Further scrutiny of capital programmes would be conducted at the Finance Committee in November.

In response to questions on the pay award it was reported that the increase had been factored into future finances.

The Board **NOTED** the report

The Board **RESOLVED** to approve the 6.5% pay award as presented and previously discussed, following receipt of the additional grant funding to be use for this purpose.

CONFIDENTIAL: Fraud

Group CFO provided a verbal report on a payment diversion fraud that had taken place in Finance Department. The fraud totalled c£25k split relatively evenly between the College and Trust. The values for both entities are spread across two academic years and therefore below the threshold for reporting.

A decision to report to ESFA has been taken by the Executive supported by the external auditors.

Questions and Comments

In response to questions it was reported that it had been a complete shock and a very upsetting experience for the finance team. The perpetrator was a long-standing member of the finance team.

In response to questions it was reported that the first reported incident was in June running through the September.

In response to questions on whether the executive were confident they had found everything it was reported that the type of fraud involved was not hard to hide and once one had been uncovered the Executive were quick to act.

Chairs of the College, Trust and Audit Committee had been informed immediately and internal auditors instructed to complete a complete review and audit of the issue and systems log. A full report would be provided to the Audit Committee when finalised.

A.4. GCGO Update

LASER update

The Board received an update on the Charity Commission Registration for the LASER Education Foundation alongside the registration document which outlined the core purposes and objectives of the charity, reflecting LASER's Articles of Association and our Group Ambitions. It was reported that once finalised the application will be presented to the Charities Commission with evidence including a bank account with £5,000, to commence the Foundation's registration application.

The application process could take up to 12-16 weeks. Registration does not impact on the operational status of the Charity, which can legally trade as a company limited by guarantee until registration is awaited and approved.

The Corporation was asked to **NOTE** that recruitment continues to fill skills gaps within the current board composition, to include a search for experienced non-executive directors with funding raising, philanthropy and charity sector leadership skills.

The Corporation was asked to **NOTE** that the recruitment of Patrons for the Foundation continues, with the appointment of the first Patron confirmed as Baroness O'Neil and an approach has been made to Baroness Thornhill and Lord Tope. It is anticipated that up to three Patrons will be sourced who can advocate and represent the Charity and its work.

The Corporation received a promotional brochure on work of the charity for noting,

The Corporation was received the LASER Operating Plan and Three-Year Budget, approved by the LASER Board in September 2023, these papers outline the planned operations and outcomes of the Charity over the next three years.

Questions and Comments

In response to questions it was reported that updates on LASER and progress of funding raising, and activities will be reported to the College Board.

The Board **NOTED** the report.

New Governance Code & External Board Review

The Board were advised that the AOC Code had been published and approved by DfE. Colleges could adopt the code in year or wait and adopt in September 2024.

It was reported that the Code was significantly different and changes had been fed back and reviewed by the Board in previous meetings.

A review of the code against the Standing Orders and Board Self Evaluation would be completed.

The Board were provided with details of the External Board Review which will commence in January 2024 and be conducted by the External Reviewer through the AOC.

A scoping meeting with the reviewer will take place in mid-December.

Questions and Comments

The Board Noted the update on the Governance Code and the External Governance Review

PART 2: BELOW THE LINE

(30-45 mins to cover pre questions and comments on papers and decisions)

Items **Below the line** are presented for approval and/or for information, monitoring and noting.

Below the line items will be presented and categorised using the same category types as above.

Governors or Trustees wishing to address matters arising should notify the Group Chief Governance Officer in advance of the meeting and complete pre-questions template provided.

B1.Reports, Updates & Executive Briefings
Group People Structure
The Board NOTED the updated structure.
B1.1 Executive Principal Operational & Performance Update
Safeguarding Update
The Board NOTED the report.
B1.2 Group CFO Update
Risk Register
The Board NOTED the risk register update.
B.2 Information or Recommendations from Committees for Approval
B2.1 Group Finance Committee on Capital Programmes
The Board received an update on the sub committee Capital Programme.
B2.2 Finance Sub Committee on Capital – TOR
The Board APPROVED the Terms of Reference
B.3. Policies
B3.1 Group GDPR Policy
The Board received the revised policy which had been updated. The Board APPROVED the Policy.
B3.2 LSEC Complaints Policy
The Board received the revised policy which had been updated. The Board APPROVED the Policy.
B3.3 23/24 Subcontracting Management Plan
The Board received the revised plan which had been updated. The Board APPROVED the Plan.

B.4 Governance/ Statutory / Regulatory Updates (Annual reports, etc)
B.4.1 Health & Safety Annual Report
The Board received the Annual Report and noted its content. It was reported that progress and was being made on administration and culture of H&S. It was reported that more improvements were required in STEM although good progress had been made.
B4.2 Regularity Self-Assessment Questionnaire
Regularity Self-Assessment Questionnaire was presented for approval. The Board Approved regularity.
B4.3 Governor Link Programme
The Board reviewed the allocated Link Areas and approved the proposals.
B.4.4 Resolutions
The Board NOTED the previously approved Resolutions.

AOB & Date of Next Meeting – Monday 11 December 2023

Minutes APPROVED :



David Eastgate, Chair
11 December 2023