

**MINUTES OF THE
EMERGENCY GOVERNANCE COMMITTEE MEETING OF THE CORPORATION**

HELD ON WEDNESDAY 8TH JULY 2020 AT 6.00 P.M.

Third virtual meeting via Google Hangouts

Present: Jane Farrell, Philip Harland, Paul Herridge, Simon Lindfield, Janice Robinson

In Attendance: Peter Bailey, Elaine French, Donna-Marie Janson, Louise Pennington, Alan Walker (Chair of Audit Committee)

The meeting was quorate.

Apologies: None

In the Chair: Janice Robinson

It was noted that the Meeting papers had been circulated to all Governors and questions invited prior to the meeting, which would be considered by the Committee and recorded in the minutes.

The Chair gave a brief introduction summarising the reasons for the meeting and the protocols which would be followed during the Google Hangouts meeting. She also confirmed attendance and quoracy.

The Chair explained the importance of assessing the Covid-19 risks of the College before the site re-opens and to seek assurances from SLT regarding measures implemented. Thanks were recorded to everyone for responding quickly to the meeting short notice and thanks also to Janine for all her work towards this.

1. Welcomes and Apologies for Absence

Apologies – as recorded above.

Welcomes – Alan Walker

2. Declaration of Interests - None recorded – and as per previous declarations/register of interest declarations

3. Minutes of the Meeting on 9th June 2020

The minutes of the last EGC meeting were approved. It was noted that the minutes of the last Corporation meeting would be considered and approved at the next Corporation Meeting. **ACTION: Louise Pennington**

4. Matters Arising and Action Points – Progress Report and Significant Risks Schedule

The Committee reviewed the actions' schedule and all actions which had been progressed or completed were noted. Louise Pennington agreed to revise the schedule for the next meeting. **ACTION: Louise Pennington**

At this point Paul Herridge joined the meeting.

Referring to item 6 from 26th February 2020 – planning Strategic Event at the Amex, the Committee was advised that the College had been informed that the Amex had confirmed that the College could re-book, it's event in order not to lose the deposit and it was agreed that further thought would be given to this. **ACTION: Janice Robinson/Donna-Marie Janson/Janine Hatcher**

At this point the Chair also reminded Governors to keep the evening of 26th November 2020 free in their diaries for the Mid-Term Seminar, which will be used to discuss strategy with the new Principal. **ACTION: All Governors**

SIGNIFICANT RISKS 2019/2020 – noted.

5. Student Governors' Report – carry forward

6. Finance Matters

a) Draft Minutes from meeting held on 9th June 2020

b) Financial Update:

- i. Executive Summary**
- ii. Financial Dashboard**
- iii. Management Accounts**
- iv. Balance Sheet**
- v. Cashflow**

c) Property Matters

Simon Lindfield and Elaine French reported to the various papers above and the following points were recorded:

- Reference was made to the draft FWG meeting minutes and the recommendations therein.
- Simon Lindfield explained that the budget for 20/21 as per the IFMC had been revised and would be included in the additional financial return now required to be submitted to the ESFA in July, noting that it was not necessary for Corporation to approval the revised version.
- Management Accounts to 30th April 2020

It was noted that since the last Management Accounts were presented to Governors at the 9th June 2020 EGC meeting and that since then, Elaine French has reviewed the figures along with SLT. She confirmed that the projected year end surplus had marginally improved in the latest accounts, being £98K. Reference was made to the summary report included with the figures, which detailed the income and expenditure variations since the original budget projections. Elaine French highlighted the main variances including:

INCOME: lower owing to College closure and loss of 1 term of Adult Education provision and secondly external examination fees (the College has refunded those fees already paid). However, this has been largely offset by the success of the International Student income which was over budget. The overall difference was therefore approximately £2K less.

EXPENDITURE: as reported at the last meeting (and FWG), Elaine French confirmed that she had reviewed each expenditure line with great care in order to be confident that the College would be able to meet the Staff pay award, once agreed nationally.

Staff Pay Award: It was also confirmed that the College had included the agreed pay award, and noted that Staffing costs had increased by approximately £70K.

Cost Savings: Savings from International Department costs including nil travel costs, together with a reduction in International Agents' commission, partly owing to an increase in the popularity of the shorter High School Programme which incurs less commission (compared to the 2 year academic course which incurs more commission), and also owing to the fact that fewer International Students have been recruited.

There have also been cost savings arising from premises and maintenance and general expenditure – capitation per teaching and support departments, utilities (gas, water, electricity), owing to Staff and Students not being on site.

The year end predicted surplus is approximately £99K.

Ebitda (earnings before interest, tax, depreciation and amortisation) = £278K (3.2%)

Cash in bank – unchanged since last meeting.

Predicted financial health grade: “requires improvement”, being 140 points. It was noted that this had been discussed at the last EGC and also at FWG meeting, reflecting the impact on cash in the accounts. Elaine French provided assurance to Governors that they should not be concerned and that the ESFA recognised the significant impact on all Colleges owing to the pandemic (about 60% of Colleges were already predicting a “requires improvement “ financial health, prior to the pandemic too owing to funding difficulties). She also reported that the ESFA had invited Colleges to re-submit their financial projections so that adjustments could be made to both the current year and next year in light of Covid-19, prior to the final year end figures being issued on 31st December.

It was also noted that based on current projects, Varndean College is likely to be able to show a return to “good” next year, and that the ESFA was not expected to take any further action, aside from closer monitoring eg regular submission of monthly management accounts.

PROPERTY MATTERS

STEM Building – has been completed, laboratories have been fitted and the final fit regarding furniture for the offices etc will be completed during the week commencing 27th July 2020. The STEM centre is not currently being utilised but will be from September 2020.

Huts' removal/planning permission: In response to a question from Governors regarding the huts' removal and recent planning submission outcome, it was noted that permission had been granted to change the LA planning permission conditions and in effect to replace one of the 2 huts due to be removed within 3 months of the occupation of the new building (ie December 2020 latest), with a smaller hut in need of urgent maintenance work. This will help slightly towards providing more accommodation in light of the increased need owing to social distancing requirements from September 2020. The College has calculated that it not taking into account the new STEM centre, there will be slightly more classroom space, than

originally calculated. Despite the December 2020 deadline, the huts will be removed during the Summer break as there will be fewer people on site and therefore it will be easier to comply with health and safety issues.

At this point it was confirmed that some vulnerable Students were currently allowed on site, which allowed SLT to monitor its newly introduced systems and procedures for social distancing, in line with current guidelines.

In response to a question from Governors, Elaine French explained that the College had sought interest from any party willing to buy the 2 huts due to be removed, but that there had been no interest.

During the Summer the College will be working on implementing the access controls to the main building (already in place for the STEM centre) which means that Staff and Students will be able to gain access using their ID cards, but visitors will have to ring the doorbell to gain access.

Capital spend: the budget for next year has been reduced in light of Covid-19 and in order to maintain a reasonable cash position. The capital budget has been reduced from £300K to £100k with some projects therefore having been deferred, probably until next Summer.

REFURBISHMENT: The College is investigating some refurbishment to the estates, based on urgency and also intends to extend the female toilet facilities (next to Room 1). This would be based upon some recently announced ESFA additional capital funding, details of which are awaited.

CHECK RECORDING

d) Budget 2020-21 documents including International Students and Adult Education:

- i. Executive summary
- ii. Revised Budget
- iii. Balance sheet
- iv. Cashflow

The following points were drawn to Governors' attention:

International Student Income: owing to the confidential nature of the discussion, it was resolved to transfer the record to the Part II Minutes.

- It was agreed that a Corporation/EGC meeting should be convened for the week beginning 15th September 2020, in order to review the financial position, once the domestic Student enrolments were known and International Student income has been secured. **ACTION: Louise Pennington**

CASH FLOW: In response to a question from the Committee, Elaine French reported that it was unlikely that in light of the difficult financial circumstances facing Colleges owing to the pandemic, the DfE would adjust the existing monthly funding allocation regime for the year, with the lowest tranche being paid in March, which for next year will almost certainly put the College into an overdraft situation – refer figures in schedule indicating an approximately £130k deficit position. As a consequence of this, Elaine French is meeting with the bank next week to discuss overdraft facilities

to cover this, should it materialise and she confirmed that she had no concerns that the bank wouldn't offer an overdraft facility. However, she also explained that the College could also manage its cash flow during March 2021 with the aim of avoiding an overdraft occurring. It was noted though that the SFCAs were continuing to lobby the DfE with the aim of implementing a revised funding timetable to avoid the low allocation in March, although the payment formula has historically followed the DfE's own financial year.

Governors queried the staffing cover allocation in respect of absences in the budget for next year, bearing in mind that Staff may be self-isolating and/or there may be a second wave of infection, suggesting that this should be higher than the normal rate. Elaine French advised that even though Staff may be self-isolating, they may still be able to teach/work remotely, so this has been taken into account.

Subject to the points made above, the Committee approved the revised budget as recommended by the Finance Working Group. **ACTION: Elaine French**

7. Strategic Plan – summary update

Philip Harland introduced the paper, the contents of which were noted by the Committee and the following points were highlighted, along with questions from Governors:

- Centre Assessment Grades (CAG) – noting that the overall average assessment grade is 0.5 higher than previous years and this also reflects the position across the SFC sector as a whole. An assessment of the CAG grades nationally has raised the issue of potential bias in respect of certain disadvantaged Student which it has been suggested may lead to lower than expected grade predictions for some Colleges; however, having checked the details prior to submission, the Deputy Principal confirmed this was not the case for Varndean College.
- The Principal reported on various Teaching and Learning projects introduced over the last year, to assist Students to become effective independent learners and to recognise their ambitions.
- Responding to a question from Governors, submitted prior to the meeting regarding the CAGs for the Level 3 A level cohort, “outperforming” the non-A level cohort, the Principal explained the difference in grade outcomes with the non-A level qualifications requiring a distinction or distinction star, whilst the A level qualification has a broad spread of grades which are therefore less likely to be under/over assessed. It was also explained that with regard to success, retention and achievement figures, although the figures also seemed lower for non-A level qualifications, it was not possible to compare these on a like for like basis. It was also reported that it wasn't realistic to compare success rates for 19+ A Level outcomes compared to the 16-18 cohort.
- Governors also noted the popularity of Psychology compared to other subjects such as Modern Foreign Languages (MFL), noting that this was a national trend (Currently 10% of all undergraduates are studying Psychology), whilst MFL has continued to decline over the last few years. The College continues to offer French, Spanish and German A Levels and also noting that by offer the IB qualification, this helps sustain MFL at Level 3.
- In response to a question regarding the Music curriculum, Pete Bailey summarised the various course options offered to Students, together with many music enrichment facilities and noting the declining (nationally) popularity of the traditional Music A Level. The Committee noted declining numbers in subjects such as MFL and Music but that the College continued to provide a broad curriculum offer where possible.

- Question from a Governor pre-meeting: “*Understandably, the metrics centre on exam and degree results. Although recognisably difficult to extend the range of metrics used in this domain, I’d welcome us considering these further in the subsequent 5 year plan*”. It was agreed that discussion regarding the range of measures, when the next strategic plan is considered, would be welcomed.
- The Principal highlighted the Higher Education aspects relating to Varndean College Students, noting that their HE success rates were higher than the sector average (state sector) and comparable to the average with the Independent sector.

The update was approved by the Committee.

8. Report on Online Activity during Lockdown (in place of Data Dashboard)

The Principal introduced the Report and the contents therein were noted by the Committee. The following points and issues were recorded:

- Focus on briefing Governors on online activity for teaching and learning, highlighting that on day 1 304 of 312 google on line classes were running remotely and the number of classes increased from 2,237 (pre 2nd June) to 3,212 (up to 26 June). However, although the provision was easy to record, the consistency and quality is more difficult to assess. Feedback from Staff, Students and Parents has been obtained from a survey, regarding remote working and to identify what aspects worked well etc which will form part of the assessment (via a working party established specifically for this) prior to the blended face to face/on line working plans for the next academic year. However, it was noted that a number of Students had reported that there was too much work set for them to do at home and adjustments were made, where appropriate; many parents had reported to the contrary, when compared with some of the Student feedback. The main issue identified by Parents regarding home working, was the difficulty in motivation to study. Where some Students have struggled to work at home, they have been able to use the College Library and other classroom spaces during this term. SLT intends to circulate some key themes from the feedback before the end of this term, to assist Staff in planning for next term.
- In response to a question from the Committee, it was agreed that a paper should be presented to the next Corporation/EGC meeting summarising the learning lessons from lockdown working and the systems, processes etc which have been implemented as a result. **ACTION: Donna-Marie Janson**
- Governors thanked the Staff for all their work and efforts made during the lockdown.
- In response to a question from Governors about whether some classes could be offered both on and off site at the same time, without impacting Teaching resources, Donna-Marie Janson advised that this was being investigated at present noting that Chromebooks were available for all Teachers to assist delivery, together with a very limited number of cameras. To date some departments have trialled this e.g. Classics, but noting that it would not necessarily suit all departments and that there were limited resources which would also limit this offer, unless further grant funding could be acquired.

9. Risk Assessment Update including Covid-19 Update, Safeguarding and College Re-Opening

The contents of the paper were noted, along with the additional paper entitled “planning for September” which was circulated to all Governors on 3rd July 2020.

Reference was also made to the Risk Management Group Meeting draft minutes circulated earlier today (meeting held yesterday 7th July 2020) and the relevant sections of the Audit papers below (item 10).

The following points and questions were recorded:

RISK ASSESSMENT

- The environmental risk assessment had been updated as discussed at the last Audit Committee meeting (version 4 included in the papers) and noting that this was a working document so further revisions would be issued probably in September. Governors queried what the changes were on version 4, noting the revisions agreed at Audit Committee, including risk wording details and ratings (updated version also considered yesterday at the Risk Management Group meeting). However, the further points raised at Risk Management Group meeting were still to be added to latest version (refer draft RMG minutes). **ACTION: Elaine French**
- It was noted that the Health and Safety Officer, Nick Stubbs, was continuing to work with SLT, the Estates Team, Curriculum Teams and the Union reps. To ensure the assessment document is comprehensive.
- The risk assessment covers all activities having an impact/possible impact on the College during this pandemic.
- A question from Governors received prior to the meeting was raised “*should there be a provision in the Risk Assessment for shared IT equipment and the handling of books in the Library*” – in response Donna-Marie Janson explained the current thorough processes in place for cleaning shared equipment and the management of book allocation and returns, together with the details regarding the general room and door cleaning which has been introduced since the lockdown. On reflection it was agreed that it wouldn’t be necessary to add further details regarding this in order to manage the already very long risk assessment document. At this point Elaine French advised that in preparing the risk assessment document, each department had reviewed their operational area and submitted details for consideration/inclusion in the whole College risk assessment.
- *Question from a Governor arising from the Risk Assessment and submitted prior to the meeting: “In terms of assessing risk, a growing body of evidence shows disproportionate morbidity among BAME communities. A status report, including options for future engagement and support, on this important area, would be welcomed. In response to this the Vice-Principal advised that based on the information available to the sector, that risks to Students within this age group were no higher. However, she suggested that SLT intended to complete a separate risk assessment to investigate risk factors for staff/students from the higher risk groups.*

COLLEGE RE-OPENING PLANS

- The College has not been closed as some Staff and Students (those who are vulnerable or who were having difficulties motivating themselves to work remotely).
- Work is progressing on plans for managing Student attendance on site for September, at any one time.
- Guidance has been received from both Government and the SFCA/AoC and SLT has also liaised with other Colleges, mainly S7 too to share practice for next year.
- Issues still to be resolved, including taking into account the College's 7 block timetable i.e. if it was a 5 block timetable, Students could come in 1 day a week owing to 5 days' teaching provision. SLT did consider whether it would be feasible to change from 7 to 5 blocks, but decided to maintain the existing format.
- SLT has to prepare for various options including a full return to normal, partial return – blended learning and a return to lockdown scenario. At present work is focusing upon split groups of Students working on the basis of 1 small double lesson, 2 independent learning sessions and 3 on line sessions, whilst at the same time taking into account travel issues so that Students having to travel furthest should be allocated on site lessons at the same time of day, without significant gaps, so that they don't have to return home during the day and thereby minimising travel time. Hence although it wouldn't be possible to establish "class or tutorial based bubbles", owing to the flexible subject choices allowed per Student, the College will aim to provide some segregation based upon Student travel to College and will also minimise how often Students are on site and for how long. The College will also introduce a staggered break and lunch time. Regarding on site social areas, in general Students who do not live locally, will expect to use the canteen etc, whilst local Students will be encouraged to return home between lesson times. It was noted that BHASVIC would be implementing a similar system although other S7 Colleges are working to provide on-site tuition for each year group – 1 week on site and 1 week at home (ie each year group is in effect a "bubble", despite comprising a significant number of Students).

10. Audit Matters:

- a) Draft minutes from meeting held on 23rd June 2020 - noted**
- b) Performance Review for Internal and External Auditors and Establish Performance Indicators for Current Year - approved**
- c) Reappointment and Remuneration of Auditors (verbal) - approved**
- d) Risk Management**
 - i. Register – refer comments below**
 - ii. Action Plan – noted**
 - iii. Assurance Map – refer comments below**
- e) Financial Regulations – refer comments below**

The Committee noted the various documents included within the papers, together with the accompanying Audit Committee draft minutes and recommendations therein. Reference was also made to the Risk Group meeting held yesterday and the draft minutes circulated earlier today. Alan Walker (Chair of Audit Committee) and Paul Herridge (Chair of Risk Group) brought Governors' attention to the various items discussed at Audit and Risk Management Group:

- **Risk Register:** the Audit Committee's recommendation that the Risk Management Group should meet to review the Risk Register and make recommendations for approval, was noted and Paul Herridge confirmed that following yesterday's RMG meeting, and following the addition of the new risk MA13 (Covid-19 risks), the RMG were happy to recommend the Risk Register to the Governing Body for approval. He also made reference to the RMG's request to ensure that sufficient detail regarding risk and control measures were included within the document, in order to aid Governors' understanding. In conclusion it was resolved to present the revised Risk Register to the next Audit Committee in the Autumn Term, for final endorsement, based upon the RMG's recommendations. **ACTION: Elaine French**
- **Risk Assurance Map** – subject to the points raised at the Risk Management Group, it was noted that the RMG had recommended the Map to Corporation/EGC for approval and this was endorsed, subject to any further comments from Audit Committee at its next meeting. **ACTION: Elaine French**
- **Financial Regulations:** The latest draft included within the meeting papers, was noted, together with the comments recorded at the Audit Committee, particularly those requiring further amendments to the value for money (VfM) section so that Governors receive the required assurance in order to meet the specific responsibilities prescribed in the ESFA Funding Agreement. Alan Walker explained that discussions regarding this had continued post the meeting between himself, Richard Seager (Audit Committee member), Elaine French and Louise Pennington. He advised that although further revisions had been proposed to the VfM section (and included in the attached version), that this would need to be scrutinised further prior to final agreement by the Audit Committee. At this point Elaine French reminded the Committee that value for money assurances were provided to Governors from a number of areas including Management papers, internal audit reports, regularity audit (external auditors) and relevant policies and procedures which have been implemented.

In conclusion it was resolved to approve the Financial Regulations, excluding the Value for Money section. Furthermore, the Committee agreed that the wording for the Value for Money section should be delegated to Alan Walker and Richard Seager to finalise, noting that the wording would be reviewed for final approval at the Audit Committee in the Autumn Term. **ACTION: Elaine French/Alan Walker** It was also noted that consideration would be given by the Audit Committee to including value for money within internal audit in the next internal audit strategy. **ACTION: Elaine French**

11. Staff Matters – HR Annual Report

The report was noted by the Committee.

The Principal drew attention to the low staff turnover this year compared to the two previous years.

Although there were issues nationally in terms of recruitment as application levels for many posts, has been lower than usual during the pandemic, the College itself has not had any issues in recruiting suitable Staff, except for the recently advertised Senior Science Technicians.

Regarding days lost to sickness, the pandemic has distorted the usual pattern and numbers have reduced significantly, probably as a result of the fact that Staff can continue to work from home with some of the usual minor illnesses (coughs and colds), being the main reasons for sickness absences.

In response to a question regarding the Gender Pay Gap, the Principal reported that the latest analysis demonstrates that this was in favour of female staff at the College. On the suggestion from the Committee, SLT agreed to develop the Pay Gap analysis to incorporate race issues, to determine whether there are any issues at Varndean. **ACTION: Donna-Marie Janson**

Question from a Governor, received prior to the Meeting: "HR report (staffing): I was unsure how to reconcile Phil's point in his summary paper: "*Coughs & colds and gastrointestinal problems have been, and continue to be, the most frequently cited reason for absence. However, the days lost per occurrence is 1 or less.*" ...with the statement in the main report of "*The figures from this year's show an overall absence rates of 3 days sickness days for support staff and 4 days per teaching member of staff (including adult education teachers)*". Is there an easy explanation please?" Donna-Marie Janson explained that this reflected how the averages were calculated noting that those Staff members who were absent owing to other illnesses, were absent for longer than 1 day.

12. Policies:

The following policies were approved:

- a) **Child Protection/Safeguarding – deferred to Autumn Term**
- b) **Admissions 16-18**
- c) **Charging Policy and Financial Support Policy including Fees**

It was noted that with regard to the International Student tariffs, that these had increased slightly for next year, noting that the fees had been set, prior to the Covid-19 outbreak.

It was also noted that with regard to A Level and IB courses that increases have had to be made to cover an increase in examination fee charges.

In response to a question from the Committee regarding accommodation costs which International Students incur each year, Elaine French confirmed that this was approximately £120 per week per Student.

QUESTION FROM GOVERNOR regarding the Admissions policy: "*Although perhaps not requiring an amendment to the written policy, do additional challenges arise in relation to students who have not achieved their expected results at GCSE level?*" **ANSWER:** *The College's main issue arises for those Students who were home-schooled and therefore not able to sit all of their exams as some centres did not give predicted CAGs for external entries. The College is look at these on a case by case basis.*

13. Date of Next Meeting – Wednesday 14th October 2020 at 6.00 p.m.

It was also noted that an additional meeting would be arranged for September – refer above.

14. Any Other Business

Governors queried progress in respect of the Parking scheme in the local area (Surrenden) and it was advised that it was likely to be a "light touch" approach would be applied between

Monday to Friday 8 a.m. to 6 p.m. Further details will be issued in due course and it was suggested that SLT could liaise with the Council to ensure that the College's views (Staff/Student parking issues) should be recorded to make sure that the wishes of the College and the Staff/Students, are taken into account. It was recorded that the implementation date was March 2021.

The Principal reported that this year's IB results had been released and were extremely good – details to follow. Congratulations were recorded to all Staff and Students involved.

As it was Philip Harland's last Governing Body meeting prior to his retirement, the Chair recorded thanks from all Governors for his 14 years' excellent service and achievements through some difficult times.

Part II Confidential business - refer to separate Part II minutes

Chair.....

Date.....

Louise Pennington 8/07/20