

**MINUTES of the LSEC Board
held on Wednesday 11 December 2019 1.45 pm-3.45pm
in C1/C2 at the ORPINGTON campus.**

Board	Stephen Howlett, CBE DL (SH)	Chair
	Charles Yates (CY)	Vice Chair
	Dr Sam Parrett, OBE (SP)	Group Principal & CEO
	Max Bero (MB)	Governor
	Nick Hobden (NH)	Governor
	Christopher Briggs (CB)	Governor
	Barry Spencer (BS)	Staff Governor
	Kelly Momla (KM)	Student Governor Proxy
Clerk	Jenny Pharo (JP)	GEX Director Governance
Officers	John Hunt (JH)	Group CFO
	Mary Herbert (MH)	College Principal
	David Lambert (DL)	GEX Director Information & Performance
	Louise Wolsey (LW)	GEX Corporate Strategy & Organisational Development
	Andrew Cox (AC)	Chair of Staff Forum (Observer)

1. Welcome, introductions and apologies

Chair welcomed the Board.

Apologies received from Daniella Oni-Okeke Student Governor, Vice Chair Student Union attending as proxy and Jane Hobson, Governor.

No apologies received from Lauren Ovenden, Governor, not in attendance.

Governor-NH noted that there were a volume of papers and requested if papers could be circulated 14 days before the meeting.

Chair-SP advised that 7 days was sufficient and ensured that papers were up to date and relevant for the Board.

2. Declarations of interest

No new declarations were provided.

3. **Minutes of Previous Meeting held on 9 July 2019**

Presenter: Jennifer Pharo	Attached
To APPROVE the minutes of the LSEC Board on 9 th July 2019.	
Governors Questions and Comments	
The Minutes of the previous meeting held on 9 th July were APPROVED .	

4. **Action Log & Matters Arising**

Presenter: Jennifer Pharo	Attached
The Board was requested to	
<ul style="list-style-type: none"> a) To NOTE the actions log attached arising from the minutes of the previous meeting. b) To NOTE and RECORD the use of the company seal on 29th August for a Deed of Variation in respect of a Grant Funding Agreement between London South East Colleges and The Greater London Authority concerning the provision of funding relating to the “London Aerospace and Technology College” Project. c) To NOTE and RECORD the written resolution approved by the Board on 29th July 2019 in relation to the Bank Covenants. d) To NOTE and RECORD Office for Students Letter date 21st October in relation to compliance and regulatory deadlines. 	
Governors Questions and Comments	
a) The action log was NOTED . Some items would be discussed in the meeting.	
b) The Board NOTED the use of the Company Seal on 29 th August 2019.	
c) The Board NOTED the written resolution dated 29 th July 2019 in relation to Bank Covenants.	
d) The Board NOTED the issues with regard to the late payment of QAA fees which had resulted in a letter from the OfS. Board were assured that the controls are in place to ensure invoices are paid on time. OfS required the minute to be sent to them to demonstrate and evidence that the issues had been discussed at Board Level. Clerk-JP to action.	

5. LSEEG Corporate Strategy – Operating Statement for LSEC

Presenter: Louise Wolsey	Attached
<p>The Board was asked to REVIEW and APPROVE the LSEC operating statement, as recommended by the LSEEG Strategy, Search and Remuneration Committee on 16th October 2019.</p>	
<p>The operating plan details the objectives and actions that the College will implement to deliver the Group Goals and Strategy.</p> <p>Working with GEX and Managers on the operating plan for the college is to work on objectives that have been set across all the Group Goals.</p> <p>Operating Plan – aligned to the TOMS framework and additional activity to monitor working with Social value portal to create a benchmark for education.</p>	
<p>Questions and Comments</p>	
<p>Chair-SH asked how this would be used and measured at a Board Level. LW advised that the TOMS Metrics would be mapped to the goals within the operating plans with a mid-year report presented to the Board. This would also include a KPI scorecard.</p> <p>Governor-MBX stated that it would be very useful to have sight of this at the next Board Meeting to see how this would link to the strategy and performance management.</p> <p>LW requested to provide an Interim report demonstrating the TOMS Metrics at the next Board Meeting on 25 March 2020.</p>	

6. Student Governor Update

Presenter: Kelly Momla	Verbal
<p>Board was asked to NOTE the verbal update from the Student Governor Proxy.</p>	
<p>Student Governor advised that the first student council had taken place where there were discussion around</p> <ul style="list-style-type: none"> • Access to the College Safeguarding Team • Cafeteria food, portion sizes and price. • Long queues in the cafeteria due to number of staff on duty, leaving students insufficient time for students to eat. • Issues with opening up about mental health. Mental Health Student council requested more external speakers on the subject and reinstatement of the Empowerment Group which had provided support last year. • Issues with computers not working in some areas had been reported but still needs some resolution. 	

- Some students had suggested they did not have access to lockers and this was causing an issue.
- Printer credits need to be increased from £15 per term as this is not sufficient for students to complete their work particularly on more academic subjects.

Questions and Comments

Group Principal- SP responded to Student Governor advising that every campus had brought up issues with the canteens recently. Group Principal-SP advised working with a new catering company this year Aramark and there have been some issues identified, including staffing, that the College is not happy with and are addressing with Aramark.

Chair-SH advised that the Board do want students to have access to a proper meal and important that issues relating to staff resources be resolved as soon as possible.

Group Principal-SP advised that issues relating to mental health are increasing. Group Principal-SP will ensure that that the Empowerment Group is reinstated by the College Chaplin.

Group Principal-SP also advised that College Councillors are also available to support students through mental health related issues.

Group Principal-SP advised that that it is usual for the College for nominate a Student Charity for the year, Group Principal-SP suggested that the Student Council propose a charity to sponsor this academic year that relates specifically to young people and mental health. Once selected the College will engage with this charity and ask for some awareness raising and information to be disseminated to the student and staff body.

The Board agreed that student mental health was a very important issue and should be high profile in terms of raising awareness and providing support necessary.

CFO-JH advised that IT issues are being resolved with over 600 new PCs purchased as part of the Windows 10 Refresh Projects. The network is constantly under attack. There are continued and ongoing developments of the IT network and systems to improve the learner experience.

7. LSEC College Principal's Report

Presenter: Mary Herbert	Attached
The Board was asked to CONSIDER and NOTE the contents of the report and appendices.	
<p>Summary College Principal-MH advised that that the report details the work undertaken by the curriculum teams and managers to make sure that the students receive the highest standards of education and pastoral care.</p>	

College Principal-MH advised that whilst the College broadly recruited to its target, subsequent withdrawals have impacted on live learner numbers.

College Principal-MH advised that low attendance of learners particularly in English and maths classes continues to be challenging and we continue to strive towards full attendance in all classes.

College Principal-MH advised that curriculum planning for 20/21 will focus on improving internal progression with new pathways created to increase the number of level 3 learners progressing onto the Colleges HE programmes.

College Principal-MH advised that the current key issues were

- Under – recruitment of learners
- Attendance of learners

Actions to address these issues are to continue to plan for in year recruitment and search for opportunities to make up the shortfall in income and to continue to make sure early intervention and action plans are in place and actioned.

Questions and Comments

Governors noted the report and the issues identified which were also reported on the College Risk Register.

Chair-SH advised the Board that LSEC had been awarded the Queen's Anniversary Prize a very prestigious prize which would be received at Buckingham Palace in February. It was a real honour, usually awarded to top universities. Details of communication plan and follow up media coverage would be provided to the Board.

8. LSEC Audit Annual Report

Presenter: Jennifer Pharo on behalf of Audit Committee Chair	Attached
<p>The Board were asked to NOTE the activities of the LSEEG Audit Committee as summarised in the 2018/19 Audit Committee Annual Report and APPROVE and CONFIRM the opinion outlined that LSEC has adequate and effective risk management, control and governance processes to manage the achievement of its objectives.</p>	
<p>Clerk-JP reported that the on behalf of the LSEEG Audit Committee, the Board are asked to approve and confirm the Committee's 2018/19 Annual Report which contains the opinion that 'the College has adequate and effective risk management, controls and governance processes to manage the achievement of the College's objectives'.</p> <p>Clerk-JP advised that based on the advice of the Audit Committee and the Accounting Officer, the Corporation is asked to confirm that this opinion, which is also stated within the Annual Financial Statements, that the College has an adequate and effective framework for governance, risk management and control, and has such has fulfilled its statutory responsibility for "the effective and efficient use of resources, the solvency of the institution and the body and the safeguarding of their assets".</p>	

Questions and Comments
<p>Governors MB and NH as members of the Audit Committee confirmed their approval of the Annual Report stating that there are very good controls in place and although there are some issues still to resolve with the Internal Auditors, the process was very solid and good progress has been made against actions.</p> <p>The Board resolved to APPROVE the Annual Report of the Audit Committee.</p>

9. Audit Management Letter

Presenter: John Hunt	Attached
<p>The Board were asked to NOTE the 18/19 Audit Management Letter</p>	
<p>CFO-JH requested the Board to consider the Post Audit Management Report prepared by Buzzacott as external auditors.</p> <p>CFO-JH advised that the Post Audit Management Report explains the findings of the external auditors following completion of the audit work for 2018/19, in respect of the consolidated Financial Statements, setting out benchmarking data together with an update on recent developments in the sector.</p> <p>CFO-JH advised that the report shows that clean audit opinions will be provided for both the Financial Statements and Regularity audits and that there are no adjusted or unadjusted errors to report.</p> <p>CFO-JH also advised that the report confirms that both current assets and current liabilities were subject to material non-cash and non-operating changes during the year. This information has been provided to Barclays bank to support the reasons why these changes should be removed from the covenant tests.</p>	
Questions and Comments	
<p>The Board NOTED the Audit Management Letter as requested. The Board congratulated CFO-JH on the good work of the Audit Committee</p>	

10. Financial Statements 2018/19

Presenter: John Hunt	Attached
<p>The Board was asked to</p> <ul style="list-style-type: none"> a) NOTE the content of the report and Financial Statements. b) APPROVE the 2018/19 Financial Statements c) APPROVE the letter of representations for signing d) APPROVE the Regularity Self-Assessment Questionnaire for signing e) APPROVE the extension of the guarantee to support the working capital requirements of LSGF until the Bexleyheath site is sold, or 31 December 2020, whichever is sooner. 	

CFO-JH presented the Financial Statements for the year ended 31 July 2019 which reported a deficit for the year of £2.78m. This is consistent with that reported to the Board in the Management Accounts and includes Local Government Pension Scheme (LGPS) charges of £1.9m in accordance with the requirements of Financial Reporting Standard (FRS)102.

CFO-JH advised that the Total Comprehensive deficit for the year of £4.12m includes an Actuarial Loss of £1.37m in respect of the Local Government Pension Scheme (LGPS).

CFO-JH advised that the Financial Statements have been prepared in accordance with the 2015 FE/HE SORP. An analysis of the final forecast outturn for the year and the actual outturn for the year can be found in the report which follows. The Financial Statements include comments made by the external auditors following completion of their audit fieldwork, and have been recommended by the Audit Committee for approval. The Board were also asked to consider the Audit Representations letter which must be approved by the Corporation. The letter provided sets out the representations the Board is making to the Financial Statements auditors regarding a number of key issues relating to their audit work.

The Board were asked to APPROVE the Regularity (use of Funds) Self-Assessment Questionnaire. CFO-JH advised that this is required by the external auditors and had been recommended to the Board for signature by the Audit Committee.

CFO-JH advised that upon recommendation from the Finance Committee, the Board were asked to extend the guarantee to support the working capital requirements of LSfG until the Bexleyheath site is sold, or 31 December 2020, whichever is sooner. This will enable the financial statements to be prepared on the Going Concern basis.

Questions and Comments

Chair-SH commented that it was reassuring to note the outturn financial position but did need to have a continued watch on the capital projects, Future Greenwich and LATC and possible impact to the College's financial position.

Governor-MB advised that the Audit Committee did acknowledge this challenge.

Chair-SH advised that ongoing risk management these capital projects is crucial.

The Board **RESOLVED** to **APPROVE** the 2018/19 Financial Statements, the Letter of Representation, the Regularity Self-Assessment Questionnaire

CFO-JH advised that the sale of LSFG Bexleyheath property was progressing slowly with exchange of contracts scheduled for January 2020.

The Board **RESOLVED** to **APPROVE** an extension of the guarantee to support the working capital of LSFG until the sale of the Bexleyheath property or 31 December 2020 whichever is the sooner.

11. LSEEG Finance Committee

Presenter: Charles Yates with Jennifer Pharo	Attached
<p>The Board was asked to NOTE the minutes of LSEEG Finance Committee held on 13th November 2019 and associated papers enrolment position for 2019/20.</p>	
<p>Clerk-JP advised the Board that to facilitate communication and information flow between the Group Committees and Legal Boards, minutes of the meetings are shared.</p> <p>The Group Finance Committee discuss all fiduciary related matters across the three Group Organisations. Two items are particularly interest were highlighted for discussions.</p> <p>LSFG – extension of guarantee</p> <p>Clerk-JP requested that the Board were to NOTE and APPROVE item 5.3 in relation to LSFG, which provides information on a recommendation to the LSEC Board from the LSEEG Finance Committee, to extend the LSEC guarantee of LSFG liabilities for a further six months until such time as the premises at Bexleyheath are sold or until December 2020, whichever is the sooner.</p> <p>Clerk-JP provided and extract of the minutes of the Finance Committee pertaining to this recommendation.</p> <p>Governor-CY advised that the Finance Committee had spent considerable time reviewing the position of LSFG and were encouraged that steps are being taken to reduced costs and increase income.</p> <p>1920 Enrolment</p> <p>CFO-JH advised on the current status of recruitment as reported to the Finance Committee – headlines as follows</p> <ul style="list-style-type: none"> • ESFA youth learner numbers was reported as being currently below target but with recruitment continuing, further updates to be provided at the March Board Meeting. • Adult Education Budget ware reported as being below target and is likely that subcontracted provision will increase, further updates to be provided at March Board Meeting. • HE learner numbers were reported to be below target by c150. • Apprenticeship income is reported to be stronger than anticipated with a recently awarded national contract with Compass Group. Commercial Apprenticeships targets with JTL are anticipated to be met. 	
Questions and Comments	
<p>The Board NOTED the minutes.</p>	

12. **LSEEG Audit Committee**

Presenter: Max Bero & Nick Hobden with Jennifer Pharo	Attached
<p>a) The Board was asked NOTE the minutes of the LSEEG Audit Committee held on 27th November 2019.</p> <p>b) The Board was asked to NOTE the risks on the summary LSEC Risk Register</p>	
<p>Clerk-JP advised the Board that to facilitate communication and information flow between the Group Committees and Legal Boards, minutes of the meetings are shared.</p> <p>The Group Audit Committee discuss all audit related items across the three Group Organisations.</p> <p>Clerk-JP advised that the risk register for LSEC forms one of the items discussed at the Group Audit Committee and this was attached for the Board's information.</p> <p>CFO-JH advised the Board that the Committee noted that the financial risks facing both the College and London Skills for Growth are Critical/High, with this all being linked due to the correlation between enrolment levels and financial performance / health.</p> <p>CFO-JH also advised the Board that at the request of the Audit Committee, a new risk covering the potential impact of major capital projects impacting on the financial health and solvency of the College has been added. This risk has initially been assessed as High.</p> <p>Clerk-JP advised a that a summary of the key risks for LSEC were as follows: -</p> <p>Risk C2 covering the financial failure of College / inadequate financial health has been merged with risk C10 which previously covered failure to meet income targets and savings. These risks were inter-related and had some duplication, therefore it was sensible to combine them into a single risk. With the merging of the risks, the content of Risk C2 has been updated accordingly and reflects the latest enrolment position for the year. This risk score of C2 remains unchanged at 36, with risk C10 previously being scored at 40.</p> <p>Risk C3 covering declining learner results triggering an Ofsted inspection has reduced further following the Ofsted inspection in March 2019 which graded the College as Good and the learner outcomes for 2018/19. The score of this risk has reduced by 7 to 7 and it is now considered to be a Low rather than a Medium Risk.</p> <p>Risk C10 has been introduced at the request of the Committee to cover these risks posed by two simultaneous major capital projects. The monetary resources committed to such projects together with staff time are significant and the potential for a project to become abortive, or exceed budget could push the College towards insolvency, or result in an inadequate financial health assessment. This risk has initially been given a score of 27 and is considered to be a High risk. This risk also has an interdependency with risk C2 covering the financial health of the College.</p>	

Risk C20 which covers the stretch of GEX with the volume of new projects being undertaken has reduced with the appointment of a new Director of Estates who has been employed to implement the property Strategy and drive the major capital projects through to a successful completion. The new Director, Andy Simpson is a very experienced surveyor and project manager and commenced employment in the middle of October. As a consequence of this appointment this risk score has reduced by 6 from 24 to 18 and is now considered to a Medium rather than a High risk.

Risk C24 relating to insufficient investment in college infrastructure and equipment for learning has reduced with the planned investment totalling £32m in LATC and Future Greenwich. This risk had reduced by 3 to 18 and is now considered to be a Medium rather than a High risk.

Risk C40 has been added to reflect the risk posed by the poor experience of some learners on the HND Business course in 2018/19. A number of these learners are continuing with their programme in 2019/20 and this matter has been discussed at the Curriculum and Standards Committee. This risk has initially been given a score of 24 and is considered to be a High risk. This risk could have an interdependency with risk C35 covering the regulations.

Questions and Comments

Governor-NH advised the Board on risk associated with the Cyber Security and the associated risks of fines from the ICO.

College Principal-MH advised that the volume of withdrawals and no-shows after main enrolment period was not acceptable and contact has been made with other London Colleges to ascertain whether the volumes are an associated trend. College Principal-MH advised that internal progression was key strategy in terms of support and retaining students.

Student Governor provided some insight into why they may be a larger drop out than anticipated linked to some learners enrolling on any available course if their first choice was not available or full.

Group Principal—SP commented that research suggests school progression to school sixth forms is improving with circa 50% of progression to post 16 provision in school. It is a known issue for FE providers that students will make multiple applications as contingency to not being accepted in their School's post 16 provision. Unless we can develop a UCAS style FE System it is very difficult to analyse and manage the drop out and movement of post 16 applicants.

Chair-SH asked if contact can be made with those students who have dropped out. College Principal-MH advised that when a learner leaves tutors will make all attempt to contact and record the reason for withdrawal. Non-attendance highest category recorded for withdrawal reason.

The Board **NOTED** the minutes.

13. Academic Performance Update

Presenter: David Lambert/Mary Herbert	Attached
<p>The Board was asked to NOTE the Self-Assessment Report and Quality Improvement Action Plan and Approve the KPI 2019/20 targets.</p> <ul style="list-style-type: none">a) 18/19 Self-Assessment Report (DL)b) 18/19 Quality Improvement Action Plan (MH)c) 19/20 Academic Performance and Targets (DL)	
<p>GEX Director-DL provided a full version of the LSEC self-assessment report (SAR and advised the Board that during the production of the SAR the grade profile, strengths and areas for improvement were reviewed by the Curriculum and Quality Committee and recommended for presentation to the LSEC Board. This full document now contains the underpinning narrative behind these judgement and grades.</p> <p>GEX Director-DL advised that the College has accurate mechanisms for self-assessment, with curriculum managers and teams involved in the process. This has included additional training and support this year, as the decision was made to write the self-assessment against the new Ofsted Education Inspection Framework (EIF).</p> <p>GEX Director-DL advised that as confirmed during full inspection in March last year the College has effective self-evaluation and quality improvement procedures in place, which accurately identify the quality of provision. The College remains an organisation which understands well its strengths and weaknesses and as such the self-assessment presented here is accurate and informs improvement.</p> <p>GEX Director-DL advised the Board that it should be remembered that the self-assessment report is an externally facing document and following approval there is a requirement to upload the self-assessment to the Ofsted portal.</p> <p>GEX Director DL advised that following Self-Assessment, the Quality Improvement Plan (QIP) has been revised, to include areas for improvement identified in the SAR. It was confirmed that the focus of this document is to take the key themes and set out clear actions which will be monitored for impact. As such the document focusses on the major themes rather than an intricate level of detail, with additional underpinning action plans focussing on specific areas where this is required. The Board were advised that the QIP is a live rolling document and is regularly reviewed, amended and updated as part of the College's quality process and cycle.</p> <p>GEX Director-DL advised that there have been a number of minor amendments and additions to the KPI scorecard for 2019/20, to split out some of the reporting to give a clearer picture of performance across the different provision types and also to give some addition measures relating to staff productivity. With the changes and additions clearly signposted in this report for ease.</p> <p>GEX Director-DL advised that the 2019/20 KPI scorecard has also been populated with targets for 2019/20, which the Board are asked to APPROVE.</p>	

Questions and Comments
<p>The Board NOTED the SAR and commented that this was a good document.</p> <p>The Board NOTED the QIP and understood that this would be reviewed and monitored by the Curriculum and Standards Committee in year.</p> <p>The Board APPROVED the targets presented on the 2019/20 KPI Scorecard and NOTED the current red indicators around attendance and understood that the KPI Scorecard would be presented at the next March Board Meeting to demonstrate progress against targets.</p>

14. Board Self-Evaluation 1510-1515 (5 mins)

Presenter: Stephen Howlett/Jennifer Pharo	Attached
<p>The Board was asked to APPROVE the Board Self-Evaluation for 2018/19</p>	
<p>Chair-SH reminded the Board that they are responsible for the strategic oversight of the College, are the guardians of public money and must ensure its effective and efficient use. It is therefore important that the Board have the right mix and balance of skills and experience and should be empowered to ask the difficult questions, scrutinise and hold the Executive Team to account.</p> <p>Chair-SH advised that underpinning the self-assessment of the LSEC Board is the acceptance of the ten principal responsibilities and objectives for Governors at LSEC as below.</p> <ol style="list-style-type: none"> 1. Formulate and agree the mission and strategy including defining the ethos of the organisation. 2. Be Collectively accountable for the business of the organisation taking all decisions on all matters within their duties and responsibilities. 3. Ensure there are effective underpinning policies and systems, which facilitate the pupil or student voice. 4. Foster exceptional teaching and learning. 5. Ensure the organisation is responsive to workforce trends by adopting a range of strategies for engaging with employers and other stakeholders. 6. Adopt a financial strategy and funding plan which are compatible with the duty to ensure sustainability and solvency of the organisation. 7. Ensure that effective control and due diligence takes place in relation to all matters including acquisitions, subcontracting and partnership activity. 8. Meet and aim to exceed statutory responsibilities for equality and diversity. 9. Ensure that there are organised and clear governance and management structures with well understood delegations. 10. Regularly review governance performance and effectiveness. <p>Clerk-JP advised the Board that a self-evaluation proforma had been developed to align to these principal responsibilities and consider the behaviours and skills required and as defined in the AoC Code of Good Governance, Public Interest Principles and the Nolan Principals all of which form part of our regulatory regime.</p>	

Clerk-JP advised that the Chair and Vice Chair of the LSEC Board has reviewed the self-evaluation form, assessing the Board on its performance in 2018/19 against the criteria.

Chair-SH requested the Board to review the Heat Map of these scores and comment or challenge the assessment as appropriate. The outcome of this activity will identify areas where the Board requires improvement or increased knowledge, training and skills to improve performance. A Board Improvement Plan will be produced to be presented to the Board in March 2020.

Questions and Comments

The Board **RESOLVED** to **APPROVE** the self-evaluation as presented.

15. Regulatory

15.1 OFS Regulatory Issues and Governors Responsibilities

Presenter: David Lambert/Jennifer Pharo	Attached
<p>The Board was asked to REVIEW and COMMENT on the report.</p>	
<p>GEX Director-DL advised the Board that there have been major changes to the way in which Higher Education is regulated with the establishment of the Office for Students (OfS) This is new to all HE institutions not just the College and the sector is working with the OfS conditions for the first time.</p> <p>GEX Director-DL advised that the regulatory approach of the OfS is a policing role with a number on going conditions of registration to which the College must adhere. Interventions are on a risk-based approach but the OfS does have substantial powers including the imposition of financial penalties.</p> <p>The Board were presented with a briefing document outlining the new regulatory framework and some key information on the OfS and its approach.</p> <p>The Board were advised that the establishment of the OfS accompanies the introduction of a new approach to regulating the higher education system in England. How the new approach will develop and evolve over time has been the subject of much speculation, and only time will tell as to how the emerging model of regulation will work in practice.</p> <p>Governing Bodies are expected to understand the regulatory framework and how the conditions of registration accountabilities are being discharged within their institutions.</p> <p>In this regard a HE Risk Register has been developed to monitor and measure risk against the conditions of registration and the various elements as outlined above. Items such as reportable events, student protection plans and accessibility plans or statements and value for money are regulatory requirements and are a change or modification to previous business models and cycles.</p>	

The new HE Quality Manual developed for HE managers and staff outlines the HE committee structure through which monitoring of activities against both the HE Quality Code and OfS Regulations of Conditions is being addressed and actioned

The Board were advised that compliance with the ongoing conditions of registration are critical and as such the College has been working to ensure the right systems and processes are in place for compliance.

A monitoring document feeding into HE academic structures and reporting to the overarching HE Academic Committee was presented by GEX Director-DL. The document identified the key leads against each of the conditions and the actions/mitigations in place.

Questions and Comments

Group Principal-SP advised that the OfS has been established to operating in the best interest of students, but over regulation is making it very difficult for FE provider with HE.

Group Principal-SP is the Vice Chair of Mixed Economy Group and Advanced HE Board Member so has insight into the policies and procedures.

The intention of OfS was to be fair but tough.

The Board were advised that the College have commissioned an external HE Quality Advisor to support the embedding of good practice policy and procedures aligned to OFS regulations.

Clerk-JP advised that the Board has also been strengthened with the recruitment of a HE Specialist, Louse Nadal, University Secretary at London School of Economics.

15.2 Health & Safety Annual Report

Presenter: John Hun	Attached
<p>The Board were asked to CONSIDER whether the organisation has suitably discharged its duties in this statutory area of its operations in 2018/19 and APPROVE the priorities for action are appropriate.</p>	
<p>CFO-JH reported that Health and Safety (H&S) is subject to the oversight of the Group Health and Safety Committee which consists of key staff from each entity together with governor representation from the Group Board.</p> <p>CFO-JH advised that a significant amount of progress has been made to improve Health and Safety as reported in the Annual H&S Report for 2018/19 which sets out a summary of the work during the year and further improvements planned for the future.</p> <p>CFO-JH advised that the report also provides details of some accident statistics and has been considered by the Health and Safety Committee. Although the report does not</p>	

reveal any major concerns, Health and Safety is subject to continuous improvement in order to ensure the College environment is safe for students, staff and visitors.

The Board were asked to consider the following key points from the report.

- Violence is the biggest contributor of incidents at 25%.
- Ill health is the second biggest contributor of incidents at 21%.
- Accountability will be the main focus in 2019/20. There are systems in place for delivery and metrics to measure: compliance, training, risk assessment, trip management, first aid and other incidents.
- As the group continues to change and expand new entities will be evaluated in accordance to LSEEG standards and be expected to comply with LSEEG systems and policies.

Questions and Comments

Governor NH expressed concern at the percentage of violent incidents reported and queried if it was typical.

CFO-JH advised that a majority of violent incidents occurred within the schools and a further breakdown of the information could be provided to the Board.

Governor-CY requested if it was possible to see year on year trends.

CFO-JH advised this would be a consideration for next year's report.

Chair-SH requested if it was possible to identify knife crime specifically.

CFO-JH advised that knife arches and regular checks with wands are in place as a deterrent.

Student Governor confirmed that she had evidenced that the arches and wands did work as a deterrent. Student Governor also confirmed when questioned by the Board that she felt the College was a safe environment and there is good support around the College to ensure students feel safe.

The Board **NOTED** the report.

15.3 Equality & Diversity Annual Report

Presenter: Mary Herbert	Attached
<p>The Board were asked to CONSIDER whether the organisation has suitably discharged its duties in this statutory area of its operations in 2018/19 and APPROVE the priorities for action are appropriate.</p>	
<p>College Principal-MH presented the report which sets out the work carried out on equality and diversity over the 2018/19 academic year. The Board were advised that the report includes a RAG rated table outlining progress this year towards the achievement of the four-year equality objectives set out in the Single Equality Scheme.</p>	

College Principal-MH advised that the College is set to meet the majority of its equality objectives although some have proven to be more challenging than others. In particular: the Board were advised that raising the achievement rates of Young Care Leavers and students who have disclosed a mental health issue were areas that required continued focus.

College Principal-MH advised the Board that the main successes of 2018/19 have been:

- proposed Trans Equality policy,
- a variety of equality and diversity linked events for staff and students; and
- achieving the Disability Confident Committed accreditation.

The key issues reported to the Board are as follows

- staff training in equality and diversity.
- growing Gender Pay Gap.
- equality gaps in achievement data.
- staff disclosure rates of personal sensitive data.

Questions and Comments

The Board **NOTED** the report and **APPROVED** the priorities for action.

15.4 GDPR Annual Report

Presenter: Jennifer Pharo	Attached
<p>The Board were asked to CONSIDER whether the organisation has suitably discharged its duties in this statutory area of its operations in 2018/19 and APPROVE the priorities for action are appropriate.</p>	
<p>Clerk-JP as the Group Data Protection Officer advised the Board that this is the first Group Annual Report on Data Protection and provides the Board with an oversight of the policy, procedures and activities across the Group Organisation, to provide assurance that the organisation has suitably discharged its duties in this statutory area of its operations in 2018/19 and approve the actions as priorities for 2019/20.</p> <p>Clerk-JP advised that the number of interactions and requests that have been received since GDPR came into force in May 2018 to date, have been steady but not excessive, with an average of two requests a month. The Board were advised that in total, including Freedom of Information and other official requests from Police and/or Local and Central Government Agencies, circa 36 requests have been received. Requests are evenly split between LSEAT and LSEC with no requests for data received for LSFG staff or students.</p> <p>Clerk-JP advised that all requests have been responded to within the legal time frame. Only one individual has informally complained to the College, that a deadline for returning information was missed. This was a vexatious ex-member of staff whose request for additional information was not received.</p>	

Clerk-JP advised that possible data breaches or near misses have numbered less than eight across the Group Organisations. Fifty percent of these relate to HR where information was accidentally shared internally, for example a letter sent to the wrong person. On only one occasion was it necessary to speak to the ICO to seek guidance.

Clerk-JP advised that there has also been two thefts or loss of memory sticks or devices that caused a level of anxiety for the user, but no breach occurred and access to email was deactivated immediately due to prompt action from the staff involved, our internal IT team and other IT service providers.

Clerk -JP advised the Board that human error remains the biggest risk followed by cyber threat or security breaches of our networks.

The Board were advised that two tier authentication that offers a level of protection for mobile devices has been problematic in rolling out in LSEC but will be refined to operate more effectively in 2020.

Clerk-JP advised that staff mobile devices (personal or business) present a large risk should they be lost or stolen and hacked. Policy changes may be required to support better data protection and use of personal devices moving forward relating to a change management programme in IT and ISO accreditation.

Prohibiting the use of memory sticks and other mobile storage devices has been fully successful in some areas of the business, for example at some LSEAT Schools. The Board were advised that at LSEC, students use memory sticks to store course work and evidence, which means other technical solutions need to be activated alongside a wholesale change management programme on the LSEC networks to prevent staff from using mobile storage devices.

The Board were advised that any restrictions would require a broad communication programme to staff. To provide assurance, the GDPR training and awareness campaign has had an impact on the use of mobile storage devices with staff more aware about the risks of using these for storing data and personal information, including their own.

Clerk-JP advised that in general staff have applied these principles and are data-aware, due to more general public awareness of the need to protect personal information and data. More and more staff are using and migrating to one drive and 365 applications to remotely access information safely.

Clerk-JP advised that unattended personal papers on photocopiers, desks and unlocked offices also poses a threat and high risk. Imposing a clear desk policy and providing additional security waste bins and notices in highly vulnerable areas will limit this risk across the Group Organisations.

The Board were reminded of the earlier Board discussions in relation to the Audit Committee which outlined a recent internal audit of IT conducted by RSM Tenon, where a number of risks relating to Cyber Security had been identified.

Clerk-JP advised that the audit was a pre-requisite to the work being undertaken by IT to support ISO accreditation, which when achieved, will support more secure and stable IT

security processes and procedures and provide additional assurance to mitigate against cyber-attacks.

Clerk-JP advised that the investment in a change management programme will also support processes to manage internal access and permissions to our information and data. Annual penetration testing to our network continues and will form part of our ISO accreditation requirements. The security of our external network and cloud applications, like office 365, are supported through JISC, who also provide training and support for IT Staff and are continuously monitoring and preventing attacks to education establishments nationally. LSEC pays an annual subscription charge for these services.

Clerk-JP provide the Board with details on actions for 2020.

- Awareness Raising Staff and Students Refreshed Poster Campaign and Staff Training Plan for Group Organisations.
- ISO accreditation cyber security and penetration testing improvements.
- IT Change management programme to limit access and permissions.
- Paperless systems, clear desk policies and archiving prioritised.
- Security waste disposal and housekeeping.
- Data Processing Impact Analysis (DPIAs) process maps updated and reviewed.
- Review of Data Sharing Agreements.

Questions and Comments

The Board **NOTED** the report and **APPROVED** the priorities for action.

15.5 Annual Complaints Report

Presenter: David Lambert	Attached
The Board were asked to CONSIDER and NOTE the Report.	
<p>GEX Director-DL presented the annual report and confirmed to the Board that the volume of formal complaints reduced last year, with a concerted effort on resolving complaints quickly and more informally wherever possible.</p> <p>GEX Director-DL advised that this report gives an analysis of the complaints received broken down by campus, type and issue. The volume of activity of formal complaints is small and where issues do arise there are largely dealt with swiftly and to the satisfaction of the complainant.</p> <p>The Board were advised that it was worth noting that whilst not addressing formal complaints the HE compensation policy has been enacted with a limited number of HE learners, relating to a very specific issue, for which there is a recovery plan in place.</p> <p>GEX Director DL identified the following key issues to the Board for 2018/19.</p> <ul style="list-style-type: none">• A decrease in formal complaints.• Complaints were dealt with at an earlier and more informal stage• No formal complaints were left unresolved rolling over into this year.	

GEX Director-DL advised the Board of the following ongoing actions <ul style="list-style-type: none"> • Continue to deal with complaints in a timely manner • Continue to monitor the complaints process and nature of complaints.
Questions and Comments
The Board NOTED the report.

16. Policies

16.1 2020/21 Admissions Policy

Presenter: Mary Herbert	Attached
The Board were asked to APPROVE the Admissions Policy.	
<p>College Principal-MH presented a policy document and highlighted the key change was a move away from the course confirmation events as approximately 30% of those invited to the course confirmation events converted to enrolments. Similarly, the amount of time spent updating the CRM is huge as for every applicant there is a lengthy process to record all collected information.</p> <p>College Principal-MH advised that the proposal is to have more staff focus on recruitment, through the webchat and the enquiries line speaking to those who actively want to apply and come to the college and using a sales-driven approach, offering places based on the application with appropriate dialogue to check predicted grades.</p> <p>College Principal-MH advised that the facility for multiple applications is available this year and use will be made the open events as opportunities for potential students to discuss course detail with teachers to enable them to make informed decisions.</p> <p>College Principal-MH advised the Board that the plan is for curriculum teams to offer masterclasses, delivered by teacher, that applicants can book directly onto through the website, again focussing on those who really want to come in to see what the college offer, and similarly the potential exists to book into a Friday afternoon multi-disciplinary college tour.</p>	
Questions and Comments	
The Board APPROVED the Policy.	

16.2 LSEEG Treasury Management Policy

Presenter: John Hunt	Attached
The Board were asked to APPROVE the Treasury Management Policy.	

CFO-JH presented the Board with the Group Treasury Management Policy which sets out the parameters for investing surplus cash balances and the types of financial instruments which can be used by the College. It also sets out the approved sources of finance the College can access and the authorities required.

CFO-JH advised that other than the edits required to combine the policies of each group entity into a single document and the addition of point 2 below, no material changes are recommended for approval.

Under the Financial Regulations the Group CEO and Group CFO are permitted to make banking arrangements and open bank accounts for treasury management purposes, provided that such accounts comply with the Treasury Management Policy in force at the time when the account is opened.

CFO-JH advised the Board that the Group Treasury Management Policy has been considered by the Finance Committee and is recommended for approval.

The policy is a fairly technical document and the key points were explained to the Board as follows

- The policy requires each entity to deposit its cash balances with banks which have a Long-Term Credit Rating of at least 'A' and a short-term credit Rating of at least 'A-2'. Short term is generally defined as an investment which matures within less than 365 days.
- In circumstances where this cannot be achieved, banks with the highest available credit ratings will be used.
- These ratings represent a relatively low risk, but there will always be some degree of risk.
- The policy also sets out a number of financial instruments which each group entity may access to either gain a greater return, or to mitigate interest rate risk. It is not anticipated that any financial instruments will be used at this time.
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Governors Questions and Comments

The Board **APPROVED** the Policy.

17. Governance Matters

Presenter: Jennifer Pharo	Attached
<p>The following Governance matters were raised by Clerk-JP for the Board to NOTE or APPROVE.</p> <ul style="list-style-type: none"> • The Board were asked to NOTE the change to the LSEEG Curriculum & Standards Committee Terms of Reference following the establishment of the LSEAT Education, Performance and Standards Committee (LSEAT EPS). • The Board were asked to RESOLVE to APPROVE the revised LSEEG Scheme of Delegation and Terms of Reference for the Independent Boards. 	

- The Board were asked to **NOTE** the recommendation to LSEAT Members to appoint Christopher Philpott to the Board of Trustees.
- The Board were asked to **APPROVE** the appointment of Christopher Philpott as Chair of the LSEAT EPS Committee.
- The Board were asked to **APPROVE** the appointment of Mark Trinick to the LSEC Board and for Mark to continue as the Chair of the LSEEG Curriculum & Standards Committee.
- The Board were asked to **APPROVE** the appointment of Louse Nadal to the LSEC Board and as HE Lead Governor for LSEC.

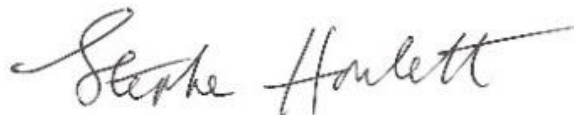
Questions and Comments

The Board **NOTED** the changes to the Terms of Reference for the LSEEG Curriculum and Standards Committee and the **RECOMMENDATION** to the LSEAT Members to appoint Christopher Philpott to the Trust Board.

The Board **RESOLVED** to **APPROVE** the changes to the Scheme of Delegation and Terms of Reference of the Independent Boards, the appointment of Christopher Philpott as Chair of the Trust EPS Committee and the appointment of Mark Trinick and Louise Nadal to the LSEC Board.

18. **Any other business – none declared.**
19. **Date of next meeting: 25 March 2019 at 5.30pm**

Approved:



Stephen Howlett, CBE DL
Chair