



Minutes of the Meeting of the Corporation

23rd March 2011

Held in the Boardroom in the South Building

Present:

Mr Warwick Hall (Chair)
Councillor Kevin Maton (Vice-Chair)
Mr Mohammed Adnan
Ms Debbie Davies
Mr Robert Hall
Ms Chrystal Hill
Ms Claire Hodge (from the point indicated)
Ms Briony Parker-Brown
Mrs Louisa Rigden
Mrs Sandra Smith
Ms Kollette Super
Mr Paul Taylor (Principal)
Ms Wendy Tomes

In Attendance:

Mr David Beckett, Clerk to the Corporation
Mr Jim Edwards, Director of Estates
Mrs Christina Fowers, Vice-Principal Quality & Curriculum
Mr Mark Payne, Vice-Principal Finance
Mrs Carrie Smith, Vice-Principal Commercial Development
Mr Andrew Foster, Robothams Architects (for item C9/11)
Mr David Robertson, Capita Symonds (for item C9/11)

C4/11 **Apologies for Absence** were received from Mr Colin Hefford, Mr Bill Woolhead and Mrs Gill Manthorpe (Vice-Principal Communications, People & Development).

C5/11 **Disclosure of Interest**

The Clerk to the Corporation declared an interest in the Minutes of the Special Meeting of the Corporation, 13th January 2011, and in the Annual Review of Standing Orders in respect of his personal position.

C6/11 **Membership**

The Clerk reported:

(a) That Ms Chrystal Hill, Student Governor, was attending her last meeting of the Corporation prior to the end of her course in June 2011. The Students' Union was nominating and electing a replacement. Ms Hill was thanked for her work as a Governor.

(b) That Ms Claire Hodge had been elected as Support Staff Governor and at her New Governor Induction Training Session had indicated a preference to serve on the Finance & Strategy Committee.

The Corporation resolved to appoint Ms Hodge as Support Staff Governor for the four-year term of office 23rd March 2011-22nd March 2015 and to appoint Ms Hodge as a member of the Finance & Strategy Committee.

Ms Hodge then joined the meeting and introductions were made around the table.

(c) The resignation of Mrs Jenny Hughes as an Independent Governor with effect from 10th January 2011 after six years' service. The Corporation expressed its appreciation of Mrs Hughes' work as a Governor.

(d) That, following her appointment as an independent Governor on 15th December 2010, at her New Governor Induction Session Ms Debbie Davies had indicated a preference to serve on the Quality & Performance Committee.

The Corporation resolved to appoint Ms Davies as a member of the Quality & Performance Committee.

(e) On the current vacancies position on the Corporation and the response to the recently-placed recruitment advertisement for Governors, from which so far there had been five expressions of interest and one application.

C7/11

Minutes

(a) **The Minutes of the Meeting of 15th December 2010** were confirmed as a true record and were signed by the Chair.

(b) **Matters Arising from the Minutes**

Minute C68/10 (University Technology Colleges)

The Principal reported on the visit undertaken by the Chair and the Principal to Vienna in February 2011 to view that city's Technical Schools.

The visit had proved to be very interesting and the College was now reflecting on what had been seen as to how to take the UTC model forward in partnership with other providers. Questions from Governors on this matter were answered and the linkage with the proposed Phase 3 project was probed.

(c) **The Minutes of the Special Meeting of 13th January 2011** were confirmed as a true record and were signed by the Chair. There were no matters arising.

C8/11

Order of Agenda Items

The Corporation resolved to vary the order of agenda items as recorded in these minutes.

C9/11

Results of Feasibility Study Re: Phase 3

The Director of Estates presented a report noting that following the sale receipt for the Maxwell Centre, approval had been given by the Estates Committee at its meeting on 26th January 2011 to undertake a feasibility study on the viability of a Phase 3 development for the College.

In addition, an in-house analysis of the need for a Phase 3 development had been undertaken which also assessed the opportunity that such a scheme would facilitate.

The results of the feasibility study and in-house analysis indicated that there was a requirement for additional accommodation that would contribute to the achievement of the College's strategic objectives.

Mr Andrew Foster of Robothams Architects and Mr David Robertson of Capita Symonds thereupon gave a presentation to Governors on the outcomes of the feasibility study and answered questions.

During discussion, Governors considered the juxtaposition of elements in the proposed development, the impact on students, the facilities that would be available, the nature and composition of the site area, potential community use, access and security issues,

Safeguarding, possible sports activities and the adaptability of any such building for the future.

Mr Foster and Mr Robertson were thanked for their presentation and left the meeting at this point.

During further discussion, the Chair queried what other alternative uses for the space had been considered. Governors expressed reservations as to how the potential community access might operate and how this could best be facilitated via membership of the College. It was felt that the character of the building was unclear and that a better picture was needed of what it was to be developed for.

The Principal stressed the importance of using any such development to grow student numbers. However, any such scheme would be subject to full economic appraisal and a financial forecast that had costs included.

The Chair commented that the matter had raised many issues that needed careful thought. Strong justification would be needed for such a project to proceed. In order to take the matter forward it was proposed that a group of Governors meet informally with management to go through the issues in detail in order to give guidance as to future steps.

The Corporation resolved:

- (a) To receive and note the content of the report.
- (b) To approve the proposal of the Chair and to authorise the Chair to nominate relevant Governors to attend the informal meeting.

C10/11 Strategic Plan 2011-2014 & Key Performance Indicators

The Principal and the Vice-Principal Finance presented a report comprising the Financial Strategy Update presented by the Vice-Principal Finance to the Finance & Strategy Committee on 9th March 2011 along with the return to the SFA assessing the College's financial health and a finalised version of the KPI grid for information.

A final version of the Strategic Plan would be presented to the Corporation for approval in July 2011 pending developments in a range of policy areas including the final 16-18 funding allocation, Government response to the Wolf Review and the HE White Paper.

Governors discussed the report, noting that from the state of the numbers within it some Colleges and Universities would struggle to survive.

The Corporation resolved to receive and note the content of the report.

C11/11 Framework for Excellence Outcomes 2009/10

The Vice-Principal Curriculum & Quality presented a report that had been considered in detail by the Quality & Performance Committee at its meeting on 16th February 2011 on the Framework for Excellence, which was the Government's performance assessment framework for Colleges and providers.

For the first time this year the outcomes were accessible to all providers. This gave the College the opportunity to make comparisons with local Colleges and similar Colleges across the country. The results had been delayed for several months due to the change of Government. Full details were attached.

The key headlines for the College were that it was top of the local league for long FE success rates (78%), mid-table for FE short and very short qualifications and in fourth position in the sub-region for A, AS and A2 qualifications. The apprenticeships outturn was 68.5%, which was better than one but not the other Coventry College. Advanced apprenticeships at 79.7% was second only to one local College. The College was top of the league for Train to Gain at 81.6%. In respect of learner views, the College came second at 8.3 out of 10, behind one local College at 8.4. Overall these were impressive results.

In discussing the report, Governors probed learner destinations and how the College could make best use of the results in its marketing.

The Corporation resolved to receive and note the content of the report.

C12/11 Overall Self Assessment Report – Summary of Outcomes

The Vice Principal Quality & Curriculum presented a report which had been considered in detail by the Quality & Performance Committee on 16th February 2011 giving an overview of the College Self-Assessment Report that had been uploaded on to the Provider Gateway in December 2010.

Governors were asked to note the content of the evaluation, in particular the headline grades relating to Outcomes for Learners (Grade 2; 2008/09 Grade 3), Quality of Provision (Grade 2; 2008/09 Grade 3), Leadership & Management (Grade 2; 2008/09 Grade 3), Capacity to Improve (Grade 2; 2008/09 Grade 2) and Overall Effectiveness (Grade 2; 2008/09 Grade 3).

During discussion, Governors examined how the profile of ESOL learners had changed over the years.

The Corporation resolved to receive and note the content of the report.

C13/11**Retention & Attendance 2010/11**

The Vice Principal Quality & Curriculum presented a report that had been considered in detail by the Quality & Performance Committee on 16th February 2011 on retention and attendance 2010/11.

Current in-year retention was 97% compared to 98% at the same time in the previous year. Multi-year retention was currently 95%, the same level as at the same time in the previous year. The target for the current year was 90% and all Faculties were above target.

Overall attendance was on target at 89%. Attendance was above target in the faculty of Technology (90%) and the Faculty of Creative Studies (90%). The remaining two Faculties were at target.

Retention and attendance, amongst other data, were monitored on a weekly basis by the wider management team at the Key Performance Indicator (KPI) meetings. Issues were discussed by the group and good practice was shared at a relatively detailed level. In addition, the quality review system would consider poor performance and improvement action plans for individual courses would be drawn up.

The Corporation resolved to receive and note the content of the report.

C14/11**Charterhouse Disposal Update**

The Director of Estates presented a report providing Governors with a proposal in respect of the disposal of the Charterhouse.

A market appraisal had been undertaken, relevant extracts of which were set out in the report. This suggested that there was a small but viable property market for premises such as the Charterhouse. Accordingly, it was proposed that it be marketed with a view to completing a sale as soon as possible.

In discussing the report, Governors probed the present liabilities with regard to the building, any security or maintenance problems that had occurred since it had been decommissioned and how it was managed presently. Governors also sought and received explanation on property marketing terminology used within the report.

The Corporation resolved:

- (a) To receive and note the content of the report.
- (b) To agree to the marketing of the premises on an open market private treaty basis as soon as practically possible.
- (c) To note that the costs of the agent's role in marketing and selling the premises were likely to be in the order of £8,500 plus VAT.

- (d) To note that any decision on who to sell the property to would be made by the Corporation.

C15/11 Leaner & Strategic Governance

The Principal presented a report noting that at its Strategy Workshop on 13th January 2011, Governors had discussed a paper on Leaner & Strategic Governance. A copy of this was attached.

The Corporation was now asked formally to approve the outcomes of the Strategy Workshop, namely that there should be three half-day Strategy Workshops per year to cover key strategic topics, that the Annual Governors' Strategy Conference should take place later in the year, that the Estates Committee be disbanded and that the Quality & Performance Committee should meet twice a year with managers' presentations being removed and instead taking place at the Strategy Conference for the benefit of all Governors. It was also proposed that, in agreeing that strategies be redistributed from the Finance & Strategy Committee, that Committee's name be changed to the Finance & Resources Committee.

The effects of the proposed changes were duly reflected in the item on Annual Review of Standing Orders later on the agenda.

The Corporation resolved:

- (a) To receive and note the content of the report.
- (b) To approve the proposals made.

C16/11 Student Disciplinary Procedure

The Principal presented a report of the Vice-Principal Communications, People & Development informing Governors that consultation and equality impact assessments were being carried out with regard to the Student Disciplinary Procedure.

Any changes arising from this process would be brought to the next meeting of the Corporation for approval. In the interim, Governors were asked to approve the continuance of the use of the existing procedure.

The Corporation resolved:

- (a) To receive and note the content of the report.
- (b) To give the approval requested.
- (c) To note that any changes from the process would be reported at the next meeting.

C17/11 Fees Policy – Response to Equality & Diversity Impact Assessment Consultation

The Vice-Principal Finance presented a report asking Governors to approve a scheme of discretionary fee remission for adult learners on means-tested benefits that could be adversely affected by SFA funding changes from 1st August 2011.

The funding changes would affect new students. Existing students would not be affected by the change. The changes would affect around 400 students and could result in lost public funding of up to £1.2 million.

The Equality & Diversity impact assessments related to the emerging Fees Policy for 2011/12 indicating that students felt that these changes were discriminatory and unfair and would result in affected students not coming to the College. The student consultation clearly showed that students wished the College to explore all avenues that would eliminate this inequity.

The College's response to the student consultation was to seek to establish a legitimate and transparent scheme free from risk which would provide for a continuation of free education for adults on means-tested benefits in appropriate cases. Extracts from relevant guidance were incorporated for Governors' perusal and options for implementing a scheme for discretionary remission were also outlined. Implementing a scheme might protect up to £600,000 of adult income for the College.

In discussing the report, Governors examined the potential effects of the changes on various categories of students, the level of students' expectations of concessions and the charitable issue referred to in the report.

The Principal commented that the paper was very impressive and a reflection of clear thinking on the matter.

The Corporation resolved:

- (a) To receive and to note the content of the report.
- (b) To delegate approval of a final detailed scheme to the Principal with the provisos that the scheme be legal, affordable, independently scrutinised and that if subsequent guidance placed the scheme at risk, it should cease.

C18/11 Management Accounts to 31st January 2011 & Mid-Year Forecast 2010/11

The Vice-Principal Finance presented a report including a copy of the management accounts to 31st January 2011. The report had been considered in detail by the Finance & Strategy Committee at its meeting on 9th March 2011.

The key financial results were set out along with a series of graphs for Governors' perusal. Specifically it was expected that the College would break even at the year-end against a budgeted deficit of £250,000 and would end the year with cash balances of £7.015 million against a budgeted £6.056 million. The current ratio, a key indicator of solvency, was expected to be 2.1:1 at the year end. 1.5:1 was considered to be robust. The College's ability to deliver this outturn would depend on continued progress against commercial income targets and in achieving adult targets set by the SFA.

During discussion, Governors agreed that the figures represented a great achievement by staff particularly in the light of the July 2010 restructuring.

The Corporation resolved to receive and note the content of the report.

C19/11 Pay Negotiations 2010/11

The Principal presented a report of the Vice-Principal Communications, People & Development giving Governors an update on the current position with regard to the pay award for 2010/11 at both local and national levels.

Negotiations had not yet opened with the College Joint Negotiating & Consultation Committee (JNCC) for the 2010/11 pay award.

The Corporation resolved:

- (a) To receive and note the content of the report.
- (b) To agree that pay talks with the JNCC might commence as outlined in the report.

C20/11 Members' Report & Financial Statements for the Year Ended 31st July 2010

The Vice-Principal Finance presented a report noting that at the meeting of 15th December 2010 Governors had considered the members' report and annual accounts and had been advised about an ongoing matter relating to banking covenants that was delaying the sign-off of the accounts by the auditor.

Negotiations with the bank were ongoing and were close to being resolved. As things stood, the accounts had not changed. Because the sale of the Maxwell Centre had been completed in January 2011, this would be reflected as a post balance sheet event in the notes to the accounts.

Governors were asked to note that the Finance & Strategy Committee had nominated a Governor to be involved in deliberations relating to the banking covenant and to approve the sign-off of the accounts

subject to satisfactory resolution of the banking covenant issue in due course.

The Corporation resolved:

- (a) To receive and note the content of the report.
- (b) To approve the sign-off of the accounts subject to the resolution of the banking covenant and the changes to the notes relating to the Maxwell disposal.

C21/11 Annual Review of Standing Orders

The Clerk presented a report noting that under its Standing Orders, the Corporation was to review the Standing Orders themselves on an annual basis at this time.

The report made recommendations to amend Standing Orders to formalise the necessary changes resulting from the Leaner & Strategic Governance item earlier on the agenda and for other relevant updates including the change in the provision of Clerking services.

The Corporation resolved:

- (a) To receive and note the content of the report.
- (b) To approve the recommendations set out within it.

C22/11 Recommendations of Committees

The Clerk presented a report presenting the recommendations of Committees from their meetings which had taken place since the last meeting of the Corporation, other than where set out among other agenda items.

The Corporation resolved:

- (a) That Baker Tilly be re-appointed as Financial Statements Auditor for the year ended 31st July 2011; and to note that, during 2011/12, the College would be going out to tender for provision of the Financial Statements Auditor service.
- (b) That BDO be re-appointed as the College's Internal Audit Service for the year commencing 1st August 2011; and to note that, during 2011/12, the College would be going out to tender for provision of the Internal Audit Service.
- (c) To note that the Internal Audit Plan 2010/11 was on track for completion to timescale.
- (d) To note that the levels of assurance in the Internal Audit report received at the meeting of the Audit Committee on 9th

February 2011 were, for Financial Systems – Redundancy Payments design, ‘Substantial’ and for operational effectiveness, ‘Moderate’; for Financial Systems – Treasury Management design, ‘Substantial’ and for operational effectiveness, ‘Substantial’; for Safeguarding and Equality & Diversity design, ‘Moderate’ and for operational effectiveness, ‘Moderate’; and for Income & Debtors design, ‘Moderate’ and for operational effectiveness, ‘Moderate’.

- (e) To note that the Audit Committee was continuing to oversee review and refinement of the monitoring of implementation of audit recommendations.
- (f) To note that the Audit Committee had decided that reporting on the effectiveness of the College's financial regulations should in future be annual rather than to each of its meetings.
- (g) To note that the Audit Committee had carried out its annual review of the performance indicators for the auditors and had confirmed them for the next year.
- (h) To note that the Audit Committee had received an update on the timescale for the ILR (Student Numbers) Audit.
- (i) To note that the Audit Committee had received an updated report on the College's Financial Management & Control Evaluation and had approved the grades within in.
- (j) To note that the Quality & Performance Committee was now receiving as requested streamlined and more strategic summary reports.
- (k) To note that the Students' Union Executive had met with the Senior Management Executive on 31st January 2011 and that the key points discussed were plans for the Phase 3 building and changes to the existing College buildings, refectory items and printing.
- (l) To note that at the request of the Finance & Strategy Committee (now Finance & Resources Committee), it would receive at its next meeting a report on review of College investments.
- (m) To approve changes to the College's financial regulations as described in the attached report.
- (n) To approve the negotiation of franchise contracts up to the value of £500,000 and to authorise management to enter into such contracts.

C23/11 Any Other Urgent Business

Membership of Finance & Resources Committee

Further to the disbandment of the Estates Committee and the transfer of its strategic remit to the Finance & Resources Committee, the Corporation resolved to appoint Councillor Kevin Maton, outgoing Chair of the Estates Committee, as a member of the Finance & Resources Committee.

C24/11 Date of Next Meeting

The Corporation noted that its next meeting had been set for 5.00 pm on Wednesday 6th July 2011.

C25/11 Publication of Papers

The Corporation resolved that the following documents be withheld from publication:

Document 2 (Minutes of the Special Meeting of the Corporation, 13th January 2011) due to references to an individual;

Document 7 (Charterhouse Disposal Update) for commercial reasons;

Document 8 (Results of Feasibility Study re: Phase 3) for commercial reasons;

Document 13 (Pay Award 2010/11) due to being under negotiation with the trade unions;

and that the other papers of the meeting be published.

Meeting Opened: 5.00pm

Meeting Closed: 7.19pm

DPB