

13.33 Outcome of Actions Arising from the Minutes

12.113 Refurbishment of Clarence Street.

It was discussed whether emphasis of “in the spirit of best economic value” was required however it was felt that the full minute relating to that action made it clear.

Councillor Small joined the meeting at this point.

13.13 Teaching & Learning Observations

In answer to a query from a governor it was advised that the planned observations had been interrupted although a number had been carried out as scheduled over a week before the Ofsted inspection took place.

13.34 Amendment of Board Policy Manual/Appointment & Re-Appointment of Governors

Although Ms Sara Carthy has resigned from the Board, it was felt that some knowledge and experience of strategic HR was still required. The Principal and Chair understood that as the Local Enterprise Partnership (LEP) became more prominent in the skills sector the College would be expected to have a member of the LEP on its Board. As priorities for the College and sector changed it may become necessary to appoint a further governor with different expertise so it was proposed to expand the Board membership from 19 to 21, requiring changes to the Board Policy Manual and Instrument & Articles of Government.

The Board approved: the amendment to to the Instrument & Articles of Government to increase the maximum number of governors to 21; the amendment to the Board Policy Manual to increase the number of external governors to 16; and the principle that one of the additional external governor positions should be normally reserved for a member of the LEP while the other additional external governor position should normally remain vacant.

Mr Pollitt joined the meeting at this point.

It was discussed whether the Board felt there would be value in looking to recruit a governor with a legal background but as lawyers tended to practice in specific areas of the law it was generally more beneficial to seek independent legal advice when required.

13.35 Clarence Street Refurbishment Capital Project

At the last meeting of the Board it was agreed that a costed Feasibility Study would be carried out in relation to refurbishment of Clarence Street. The Feasibility Study was subsequently discussed in detail at the recent meeting of the Finance, Estates and General Purposes (FEGP) Committee. The Board were asked to consider the outcome of those discussions referring to the drawings, cost plan, project costs and programme provided.

Some discussion was had around the various options and the general consensus was that option B was best in terms of the overall programme; and that of the choices regarding the canopy at the entrance, Option A was chosen.

Professor Pillay joined the meeting during the discussion.

It was clarified that as a result of the discussions at FEGP, refurbishment work which would normally be categorised as ongoing maintenance had been stripped out to make the cost of the capital project clear. For instance, the lifts would still be refurbished, but not as part of the capital project and assurances had been given to the Head of School of City 6 to that effect.

Governors were concerned that students would be disrupted and asked for details of how the College planned to mitigate that disruption. It was acknowledged that due to the nature of the work, there would be some term time disruption as no single holiday period was long enough for the work to be completed in. The Board were assured that those students would be accommodated adequately elsewhere in the College and that as exams took place fairly early in the summer term, access for the work could be brought forward. The VPFCR advised that he could prepare a paper for the Board showing how the disruption would be managed.

Act: DMcl.

Governors were pleased to hear that there would be opportunities for students as part of the procurement process.

As the timing of the project was so tight, governors agreed to the proposals to relax the requirement to obtain tenders on the grounds of urgency for the appointments of: the design team comprising Brock Carmichael Associates and their associated sub-consultants; cost consultant Todd and Ledson to act as the College's directly appointed Quantity Surveyor and Employers Agent and to appoint the Construction Design Management Co-ordinator as a sub-consultant for the project; and ARUP to act as Civil and Structural Engineer. Most of this design team had worked on the initial feasibility study and had therefore been through a competitive procurement process previously. **Act: DMcl**

The Board were reassured that the fees had been checked against the North West Construction Hub and Education Framework and were reasonable. This was endorsed by governors who had relevant industrial experience.

Before approving the capital project budget, the Board requested further assurance regarding affordability and the impact of the expenditure in the form of a report brought to the 23rd April Board meeting. It was appreciated that the FEGP Committee had received details of affordability and impact, however as that information had not been brought to the Board, governors would only approve in principle until further assurance had been received. (Also see minute 13.48) **Act: DMcl**

The Board approved the dispatch of tenders to suitable contractors, although the process would only go as far as interview until the capital project budget was approved. **Act: DMcl**

The overall programme to complete the 3rd and 4th floor laboratories, the science learning resource centre and the ground floor entrance works prior to the start of the new academic year in September 2013 was approved. **Act: DMcl**

The programme to extend the construction works for the remaining ground floor café and social space areas into the new academic year with completion in October 2013 was approved in principle pending a further report to Board detailing how the disruption to students would be minimised. **Act: DMcl**

The use of the North West Construction Hub as the preferred procurement route was approved. **Act: DMcl**

The bank borrowing could be sought with the VPFCR, Chair and Vice Chair of FEGP delegated to obtain the most appropriate arrangement was approved in terms of research could be undertaken without being bound to commit until the capital project budget was approved. **Act: DMcl/PG/DW**

Although the timescale for the refurbishment would be tight, its progress would not be affected by further assurance being required for the 23rd April Board meeting. Governors were advised that a bid to the expenditure round of capital funding would be submitted and the timescale would fit in with the project, however its success was not guaranteed.

13.36 Treasury Management Policy

The Treasury Management Policy required updating following changes to the Financial Memorandum. The updated policy had been circulated to governors prior to the meeting. A version tracking the changes from the previous policy was tabled at the meeting.

The updated Treasury Management Policy was approved subject to the changes requested by the Board, namely that the delegation for responsibility for the operational functions should be to the Executive team rather than solely the VPFCR and borrowing arrangements should be the responsibility of the Board, not a committee. On occasion, responsibility for borrowing arrangements could be delegated to the FEGP Committee at the specific request of Board.

Act: DMcl/MB

It was also commented that the term “adequate” in relation to responsibility for borrowings and investment could be expanded further.

13.37 Staff Recruitment & Selection Policy

The Board had retained approval for the Staff Recruitment & Selection Policy. The policy required updating to reflect changes in employment law since it was last reviewed in 2007. The Chair felt the Board could not approve the policy in its current format as it required some further editing. In addition it had not been impact assessed in terms of equality and had not been presented to the Trade Unions. However governors were invited to comment on the policy.

References to the Employment Policy Committee which no longer existed and the term “positive discrimination” would need to be amended. Permission to work in UK (3.9.4) should be brought to front of selection process so time wasn’t wasted recruiting people who were not eligible. Notifying Successful Candidates (4.8.1) should be amended to reflect that if an HR officer was not on the panel, HR would be notified before the successful candidate. Where to Advertise (3.8.3) should be reworded with “...under-represented in the College” rather than society. Governors commented that the policy could be refined further by increased use of flowcharts and reducing repetition.

Act: DMcl/FG

Governors were asked to review the document further and feedback their views to the Director of Human Resources via the VPFCR.

Act: Governors

13.38 Quality Improvement Plan

Despite a significant improvement in success rates in 2011/12, the College’s Self-Assessment Report identified further improvement was required. The Quality Improvement Plan (QIP) contained specific actions to be taken. Feedback received from Ofsted indicated that the Plan was very detailed and reflected Ofsted’s findings but needed to be more specific in terms of impact. The Board were advised that a Director of Learning had been appointed. The QIP had been circulated at Senior Leadership Team (SLT) level and had been included in curriculum SARs. It was commented that it may be useful to have timelines to indicate progress and urgency although the Deputy Principal advised specific points would be RAG rated.

Governors noted that the Post Inspection Action Plan (PIAP) would be discussed later in the meeting and wanted to understand the distinction between the two plans and whether the information was duplicated on the Performance Dashboard. There was some concern that information would become hard to track unless it was contained within one overall report. It was pointed out that the QIP had been produced before the inspection and to a degree would be subsumed by the PIAP. The Performance Dashboard however contained the KPIs most important to the College, including items such as student performance and student voice. The VPPBD advised that going forward, governors would be able to use the Performance Dashboard in conjunction with PIAP updates for a simple but detailed set of tools to drill down. The Board were clear that they expected the agenda to reflect the risk management process with higher risk items being at the start of the agenda. There was acknowledgment that this had been suggested in the past but had not been put into practice.

Act: EB/VT/Clerk

The Board thanked the Deputy Principal for a well written and detailed document and conditionally approved the Quality Improvement Plan on the basis it would be superseded.

13.39 Higher Education Policy

The Board had retained direct approval for the College’s HE Policy and were asked to approve the HE Strategy for 2013/14.

Governors were pleased to learn the College had strengthened its links with universities, notably demonstrated by an open day event at Hope University for students of the College. The College had been validated by Huddersfield University to offer Teacher Education.

It was asked what specific mechanisms the College had or would put in place to respond to the demands of employers. The VPPBD explained that work had been undertaken to successfully build partnerships between the College and employers. In addition to degrees the College offered a range of HNC and HND qualifications which were aligned with the demands of

employers and the College also had the ability to offer bespoke programmes. The VPPBD emphasised that it was critical to move from the abstract to reality and brokerage of relationships between skills providers and employers was vital. The College would also be looking to work with the LEP.

The Board approved the HE Strategy for 2013/14.

13.40 Merseyside Pension Scheme Annual Review of Discretionary Payments

The College was required to review its Discretionary Elements to the Support Staff Local Government Pension Scheme (LGPS) on an annual basis and notify the LGPS of any changes. There had been no changes since those agreed in February 2012.

The Board approved the Local Government Pension Scheme Discretionary Policy Statements.

13.41 Fee Policy

The Tuition Fee Policy for 2013/14 had been considered by the FEGP Committee which had recommended the Board's approval. The Policy was required to be in place by 1st April 2013 so that fees could be published to prospective students including via the Student Loans Company.

The VPFCR advised that where "TBC" was stated, the formula was the key information as the specific rates would be driven by the corresponding funding rates once confirmed by the funding agencies.

Governors queried whether the waivers relating to JSA claimants needed to be more specific but were advised that the team assessing fees on enrolment would follow the national policy.

The fee policy was complex and while the entire policy usually remained internal, elements of it could be disseminated as appropriate to enable prospective students to make as informed a choice as possible. Governors pointed out that as the FE loans for students aged 24+ on access courses would be nullified upon success at HE level there was great potential for marketing and were pleased to hear there were plans to promote this aspect.

The student governors requested and received clarification regarding resit fees for AS and A2 examinations.

Governors queried the decision to reduce fees for overseas students and were informed that while the College was not actively pursuing overseas students it needed to remain competitive and be in a position to respond to demand with a simplified fee policy. Governors were reminded of recent debate in the sector regarding colleges focussing on overseas growth at the expense of their core activity.

The Board approved the Tuition Fee Policy for 2013/14.

13.42 Principal's Report

As expected, the Principal had dedicated a lot of time to the Ofsted inspection and post-inspection issues. A number of meetings had taken place with representatives from the SFA and the Principal had also had met with a minister. Although the overall outcome from the Ofsted report had been disappointing, feedback the Principal had received indicated the SFA were confident that the College had the capacity to make the required improvements. There would be a case conference in early May attended by the Executive, the Chair, the Vice Chair, a staff member and representatives from the SFA, Liverpool City Council and LSIS which would monitor the action plan against required improvements.

Governors wanted to know the immediate implications of the outcome of the Ofsted inspection and were advised that growth was capped and the College would not be able to bid for further SFA contracts. The Executive were clear that the College must be able to demonstrate substantive improvements at the follow up inspection in six months time, in particular the strength of the College's data and robustness around teaching, learning and assessment. Governors were informed there had been two weeks of performance reviews which had been challenging but had for the most part been positive.

As the Ofsted report largely reflected the College's own assessment, the Principal explained that she had requested only two changes to the report: "consistently declining success rates since last inspection" be amended to "very poor success rates over a period of time"; and "short term improvements" be removed as it was impossible to tell at that point whether the improvements were short term or long term.

The final report was embargoed until Friday 15th March. The Principal acknowledged that there was a need to work with staff to challenge and support but to also lift morale.

Governors were reminded that they had been invited to the Tuesday 19th March ceremony where the College would be awarded the Freedom of the City. It was commented that the Mayor would take the opportunity to reiterate his confidence in the College.

In January, the College had hosted a roundtable event with employers around the Superport and the opportunities for the city region. A further roundtable event focussed on the visitor economy had been held in March with employers from Liverpool ONE and John Lewis in attendance.

Equality and Diversity had been celebrated in the College by participating in LGBT History Month and holding a Diversity Day on Friday 8th March.

The Board noted the performance of College students in national competitions with particular congratulations being offered to the Hospitality students and their spectacular success at the Welsh Culinary Championships.

Councillor Small left the meeting at this point.

13.43 Post Inspection Action Plan

The Post Inspection Action Plan (PIAP) was tabled at the meeting and governors were asked to review it and feedback comments; the Plan would be brought back to the April Board meeting. The PIAP would be finalised on receipt of the official Ofsted report. The Wider Leadership Team (WLT) had been given verbal feedback and had been able to offer their own contributions. The newly appointed Director of Learning would be pulling the PIAP and feedback together. The PIAP would be tracked against Ofsted's areas for improvement but would also contain other actions. A revised version would be produced and an update brought to each subsequent Board meeting.

13.44 Current Student Performance

Governors were advised that due to the roll on/roll off nature of apprenticeship provision, the current position of success rates was more favourable than in the report. The VPPBD also commented that there were a large number of apprentices currently recorded as "null grades" but this would be reconciled once the College held a copy of their certification.

The Deputy Principal explained that due to the intensive work being carried out on improving the accuracy of the College's data, some percentages appeared to have dropped.

It was highlighted that there had been a drive to improve attendance figures which had resulted in a slight increase. Governors queried why some curriculum areas had achieved significantly better punctuality than others and were informed that this tended to be the areas with lower student numbers. It was agreed that it would be useful to add student numbers to give context.

Act: AC

Ms Barry mentioned that she had been in discussion with the Deputy Principal around Narrowing the Gap and they hoped to be able to bring some information to the next Board meeting.

Act: LB/AC

The VPC mentioned that various incentive schemes were being explored to encourage better attendance and punctuality.

One governor drew upon recent experience of another FE college and pointed out that their attendance data was very sophisticated – reports could be given on individual students to show parents the hours a student had missed. The Deputy Principal acknowledged that parents of College students were not currently given the opportunity to get involved beyond receiving progress reports and the concept of a parent portal was being explored.

The Principal emphasised to governors that the report was extremely important as it gave an indication of the future position in terms of success rates. Governors needed to be aware of the risks mentioned in the report.

Mr Cobain (Chair of Audit Committee) explained that RSM Tenon were acting as consultants to the College Information Services (CIS) to ensure the College had the right systems, controls, processes and reports. The quality of the data would be a key area for examination when the College was reinspected but it would also allow the College to have an accurate real time picture of where performance was. Mr Cobain referred to discussions at the meeting of the Audit Committee the previous week where assurance had been received regarding different partners at RSM Tenon being responsible for Internal Audit and reviewing CIS. The reports on data and the learner experience would be brought to Board. **Act: TC/DMcl/Clerk**

13.45 Teaching & Learning Observations

BW Consultants had carried out 87 lesson observations prior to the Ofsted inspection. Ofsted observed 100 lessons. As a result of the disparity between the College and Ofsted results from observation, the College would be moving to no-notice observations. The Principal accepted that there was some concern from the unions but was clear that the change was necessary and governors gave their support.

13.46 Performance Dashboard

At its December meeting, the Board agreed a draft strategic plan with key indicators and targets. The Performance Dashboard needed to be revised to give the Board the assurance it required that progress was being made towards those targets.

The VPPBD had tried to keep the format simple and had incorporated RAG ratings. Mr Cobain suggested it may be useful for the VPPBD to speak to the Internal Auditors. **Act: DB**

Where benchmarks were available, they would be applied however governors were reminded that data from previous years was not necessarily comparable. Governors suggested confidence indicators relating to data from previous years could be used. **Act: DB**

It was also clarified that where quarterly data was included it would be compared against targets for the quarter rather than for the year.

Governors were asked whether there was any further information they would like included. It was suggested that as well as linking to the three strategic pillars, foundation activity such as back office support could be included. A “dashboard dial” was also suggested. Mr Lazenbury offered to meet with the VPPBD to discuss further. **Act: NL/DB**

Ms Tyler left the meeting temporarily at this point and Ms Dove chaired the meeting in her absence.

13.47 Indicative Funding Allocations 2013/14 & Implications

The Board noted that the funding methodologies were complex and had changed from the previous year. Not all information was available yet, but early impressions were that the net position for 2013/14 would be similar to 2012/13. There was growth in student numbers for protected provision although there would be a reduction in transitional protection funding. Governors commented that the growth in 16-18 year old student numbers had placed the College in a better position than it would have otherwise been. The VPFCR informed the Board that actual allocations should be known within the next few weeks.

The Board noted the report.

Ms Tyler returned to the meeting at this point.

13.48 Budget Mid-Year Update 2012/13

The College was forecasting to make a cash-based operating surplus of £0.5m for 2012/13. A financial health score of “satisfactory” remained forecast.

The budget took account of anticipated additional in-year funding to be allocated although final negotiations were still ongoing. It was clarified that the SFA formula would not take into account First 4 Skills.

Governors noted that there were periods when a negative cash balance was forecast which would be covered by an overdraft facility. In previous years the shortfall had sometimes been covered by using the College’s reserves but the College currently held no cash deposits. The Board queried whether there was scope to smooth out the profile to reduce borrowing costs and were advised while it could be examined, the scheduling of payments from funding agencies was a major contributory factor.

Act: DMcl

Governors wished to know how the predicted surplus from 2012/13 would be allocated. The Principal felt it was a dilemma between funding for desperately required resources and the need to build up some cash reserves and would be considered further.

It was commented that the financial situation meant it was particularly important that the Board understood the impact of interest and repayment of a loan for the refurbishment of Clarence Street. The Board felt the College needed to be careful allocating money for interest payments when resources required investment. It was requested that the VPFCR address this in his paper on the affordability of the Clarence Street refurbishment project which would be coming to the 23rd April Board meeting.

Act: DMcl

The Board noted the report.

13.49 UTC Progress Update

The Board were pleased to hear the UTC was progressing well although the concerns regarding finding a suitable site were noted. The Executive were confident the situation would be resolved in the near future. The VPPBD and Principal had met with the company engaged to manage the project and detailed their concerns around the level of support provided so far; the situation was under review. Governors agreed they had confidence that the Executive would be able to resolve the situation.

The Board noted the report.

13.50 Studio School Update

The Board acknowledged the decision to defer the opening of the Studio School (Liverpool Tourism & Culture Studio). All stakeholders concerned supported the College’s decision to defer the opening until September 2014.

Furthermore governors were advised that the DfE would not support the College’s proposed sponsorship of Christ the King Academy and it was therefore advisable to withdraw from the process of sponsoring Christ The King Academy and the second studio school bid.

13.51 Committee Minutes

Draft minutes of the 27th February meeting of the Search and Governance Committee were noted by the Board.

Draft minutes of the 28th February FEGP Committee meeting and 6th March Audit Committee meeting would be brought to the next Board meeting.

Act: Clerk

13.52 Confidentiality of Items

No items were deemed confidential.

All staff (with the exception of the Principal) and students left the meeting at this point.

Confidential items held in a separate minute by the Clerk to the Board.