



**Minutes of the Board meeting
held on 20th March 2012 at 4.15 pm**

Present

Ms Louise Barry)	External Governors
Ms Sara Carthy)	
Mr Tony Cobain)	
Ms Claire Dove, MBE)	
Professor Gerald Pillay)	
Councillor Nick Small)	
Ms Vivienne Tyler (Chair))	
Ms Martha Harris		Staff Governor (Teaching)
Mr John Nolan		Staff Governor (Business Support)
Ms Lenka Cermakova		Student Governor
Ms Elaine Bowker		Principal

In Attendance

Ms Gill Banks	Assistant Principal Curriculum 14-19
Mr Matthew Brown	Director of Finance
Mr Mike Doyle	Assistant Principal Resources
Mr Ford Graham	Director of HR
Ms Nancy Jenkins	Clerk to the Board
Ms Christine Lenderyou	Secretary to the Clerk
Mr Brendan Ruane	Vice Principal Finance and Corporate Resources
Mr Barry Sherriff	Assistant Principal Adult Skills and Employer Links
Ms Leelee Yates	Assistant Principal Student Services and Support
Ms Lynne Caddick	Quality Improvement Advisor (item 6)
Mr Robin Goddard	Quality for Learners consultant (item 6)
Ms Jeanette Kehoe-Perkinson	HR Consultant (item 9)
Mr Steve Pegg	Quality Improvement Advisor (item 6)
Mr Peter Rushton	Leading Quality Improvement Project Director (item 6)

12.20 Welcome

Introductions were made and external consultants Lynne Caddick, Robin Goddard, Steve Pegg and Peter Rushton were welcomed to the meeting as was Ford Graham who was attending a Board meeting for the first time.

12.21 Apologies

Apologies for absence were received from Ms S Carmichael, Mr A Cearns, Ms C Crowther, Mr J Davison, Mr P Grieve and Mr D Wilson. Apologies for late arrival were received from Ms J Kehoe-Perkinson.

12.22 Declarations of Interest

The Principal and Vice Principal Finance and Corporate Resources (VPFCR) had a potential interest in item 12 (Senior Post Holder Policies) but would not be required to withdraw.

12.23 Minutes of the Previous Meeting

Minutes of the meeting held on 7th February 2012 were agreed as a true record.

12.24 Matters arising from the Minutes

12.24.01 Outcome of actions from previous meetings

The Clerk's report on progress with actions was noted.

12.24.02 College Self Assessment Report (SAR) 2010/11 (12.04.04)

The SAR was undergoing thorough revision. Delegated authority was given to the Chair and Principal to approve the final version prior to its resubmission to the Skills Funding Agency (SFA).
Act: EB/VT

12.24.03 Performance Dashboard (12.06)

The Board noted that the level and format of reporting on key indicators had been discussed by the Senior Management Team and the HR consultant. Further work would take place once new senior post holders took up post.

Ms C Dove arrived during the above item.

It was decided to take item 6 at this point.

12.25 Presentation on Key Issues arising from 'Mini-Inspections' and Action being taken

Mr Goddard tabled a paper which drew upon the outcomes of four internal inspections carried out between March 2011 and January 2012 in the areas of Health and Social Care/Child Care, Business, Arts, and Foundation Learning.

Mr Rushton tabled an outline of the Leading Quality Improvement Project on which he, Ms Caddick and Mr Pegg were advising the College. He commented that it was important to focus on moving forward and that the biggest challenge would be to effect cultural change.

Ms Caddick then gave a presentation on Promoting Excellence.

Ms Kehoe-Perkinson joined the meeting at this point.

The Board digested the information and sought clarification where necessary.

The presenters were thanked for their input and Ms Caddick, Mr Goddard, Mr Pegg and Mr Rushton then left the meeting.

12.26 Principal's Report

In her report the Principal described various projects and developments, many of which raised the profile and afforded potential growth for the College. For example, the College had been greatly involved in the Global Entrepreneurship Congress held in Liverpool, including co-hosting fringe events and launching its own Young Entrepreneurs Club.

The bid to run the Offender Learning and Skills Service had been unsuccessful, the contract having remained with the existing provider.

12.27 Student Voice – Autumn Term 2011 update

The Assistant Principal Student Services and Support (APSSS) presented the first termly report on student satisfaction with the College and action taken in response to student feedback.

Results of surveys were generally positive and students felt safe and valued in College, but there were issues around admissions, facilities and social space and some aspects of course management. Students liked the facilities at the Learning Exchange (LEx) but wanted social space at all centres. A range of mechanisms to gain the views of students were in place and a more systematic, college-wide framework would be implemented to formally gather student opinion, act on feedback and communicate back to students. Key actions included a comprehensive review of the admissions process, redesign of the staffing structure, and ensuring the technology and framework for gathering student opinion were fit for purpose. The report was noted.

12.28 Safe College – Autumn Term 2011 update

The Board noted a report from the APSSS on Safe College including Protection of Children, Young People and Vulnerable Adults. Measures introduced during 2011/12 included the membership badge policy, e-safety policy embedded into induction programmes, and more formalised procedures for assessing risk of known offenders and identifying students at risk of extremism.

There had been an increase in reported cases compared to the equivalent period last year; improved staff awareness, increases in mental health issues generally or an easier reporting system may have contributed to the increase. The majority of incidents recorded had occurred externally, however College staff were dealing with the consequences.

It was commented that the report did not cover 'non-vulnerable' adults such as victims of domestic violence so perhaps the definition of 'at risk' should be widened. A thorough review of the cases and process had shown that a more focused organisational structure was needed in order to support all students at risk of leaving and enable them to stay in college. Comprehensive training for Safe College and Safeguarding would form part of a wider CPD (continuing professional development) programme.

12.29 Presentation on Transformation Programme

Ms Kehoe-Perkinson gave a presentation on the transformation programme having tabled an accompanying paper.

The HR Director echoed previous comments that the College possessed many talented and committed staff and reassured the Board that change would be managed in a professional, dignified manner. He also wished to credit the unions for their involvement in the forthcoming staff survey and their intention to promote it to members.

Ms Kehoe-Perkinson was thanked for her presentation.

Mr F Graham, Ms J Kehoe-Perkinson and Mr J Nolan all left the meeting at this point.

12.30 Performance Dashboard

Data on key financial, participation and funding indicators was noted. Most aspects were flagged as 'Green', however, the 'Red' flag for potential under-recruitment of 16-18 year old students was of concern.

12.31 Current Significant Risks

A summary of the current significant risks requiring close management was provided to the Board by the Vice Principal Finance and Corporate Resources (VPFCR). Governors commented favourably on the revised format. The key risks related to student performance, HE (Higher Education) numbers, work with partners, financial status, reduced capacity of management team and the impact on staff of organisational change.

It was clarified that the final three bullet points appearing under 'Growth' should instead have been listed under 'HE Numbers'.

Mr F Graham and Mr J Nolan rejoined the meeting during the above item.

12.32 Senior Post Holder Policies

The HR Director's report proposed updated Disciplinary and Dismissal, and Grievance policies and procedures for Senior Post Holders (SPHs). Both policies mirrored standard staff procedures and were in line with AoC (Association of Colleges) models, ACAS codes of practice and the Instrument and Articles of Government (I&A). Current SPHs had read and were happy with the revised policies.

The Board approved the updated policies and procedures.

In the case of the Disciplinary and Dismissal policy, this required a panel of governors to hear SPH disciplinary matters. Whilst this was in line with the existing Articles of Government, external practice would be to enable the Chief Executive to hear disciplinary cases and dismiss senior staff where appropriate, enabling any appeals to be heard by the Board. The Board might wish to consider this alternative procedure when it had an opportunity to revise its I&A after April 2012 when the Education Act would allow more flexibility.

12.33 Annual Review of Merseyside Pension Fund Discretionary Powers

The Board received a report from the HR Director proposing one amendment to the discretionary elements of the Local Government Pension Scheme (Merseyside Pension Scheme). Regulation 16 (4) which provided details of aggregation of previous pensions had been updated to reflect a change in the scheme regulations. The report also provided a brief outline of the Hutton report into public sector pensions, together with a note about 'auto enrolment' whereby all employees would be automatically enrolled onto a relevant pension scheme on a staged basis commencing in October 2012.

The Board approved the LGPS Discretionary Policy Statements including the updated Regulation 16 (4).

Mr Graham left the meeting at this point.

12.34 Acquisitions Strategy Update

The HoF's report set out progress of negotiations with an independent trading provider, SB Training Ltd, which had been discussed at the recent Finance, Estates and General Purposes (FE&GP) Committee meeting. KPMG LLP had been commissioned to undertake financial due diligence and, as part of their brief, had been asked to express an independent opinion as to whether the valuation was reasonable. Legal due diligence would be commissioned very shortly. The report was noted by the Board.

12.35 Budget Mid-Year Update 2011/12

The DoF reported that a mid-year review of income and expenditure had been undertaken for all cost centres. The College forecasted a cash-based operating surplus of £1.9M for 2011/12 and a cash balance of £10.6m. A financial health score of 'Good' continued to be forecast. It was confirmed that the figures included the increased expenditure on consultancy fees and other areas connected with the College's transformation programme, however governors accepted that this could be viewed as investment.

12.36 Draft Agency Funding Allocations 2012/13

The VPFCR emphasised that his report on funding allocations was based on information received to date and therefore subject to change, highlighting that the Young People's Learning Agency (YPLA) statement did not set out indicative funding, only learner numbers. The overall estimated reduction in agency funding for 2012/12 compared to 2011/12 was 8.4% amounting to £3.26m.

The cut in adult funding had largely been expected but the same was not true of the 16-18 funding as it had been anticipated that the target numbers for 2011/12 would be achieved. However, governors were advised that some of the funding reduction from the YPLA could have been avoided. Insufficient 16-18 year olds had been recruited in 2011/12 and many were on 'thin' programmes as a result of which the College's Standard Learner Numbers (SLNs) were the lowest in the North West. The decline in student performance had also impacted on funding; this might be retrieved if success rates improved. In response to a question regarding why 16-18 year old recruitment was lower than expected it was explained the College was losing market share to school sixth forms; possible factors could be the declining success rates, removal of the Educational Maintenance Allowance, the level of pastoral support or that the College did not seem to have the same cohesive sixth form offer as schools.

The Board noted the report. An update would be provided to the next meeting.

12.37 Implications of the Education act 2011 and adoption of the Foundation Code of Governance

The Clerk presented a summary of the Education Act 2011 which, from April 2012, would remove some restrictions and controls on college corporations (Boards of Governors). Chief of these was that individual college boards would have the power, if they wished, to change their Instruments and Articles of Government (I&A), subject to a minimum core of essential requirements.

Some changes were expected to be inserted into all I&A by a forthcoming Modification Order, one of which was that the Board would be required to publish arrangements for obtaining views of staff and students on the determination and periodic review of the educational character and mission of the institution and oversight of its activities. The Clerk would liaise with the Senior Management Team (SMT) to produce a summary of the processes by which staff and student views were obtained and ensure its publication.

Act: NJ

It was agreed to postpone any changes to the College's I&A until there was greater clarity about the impact of the Education Act across the sector. Nevertheless, it was likely that the Board would review its I&A in due course in order to take advantage of the greater freedoms on offer.

The Board then considered the English Colleges' Foundation Code of Governance (the Code) produced by the Association of Colleges (AoC). Although adopting the Code was voluntary, the expectation was that each college should report, via its corporate governance statement in the annual financial statements, whether or not it had adopted the Code and explain any practices that were inconsistent with it. The Clerk advised that the Board already complied with most aspects and, with minor adjustments could comply fully. The S&G Committee would review aspects relating to paragraphs 1.4, 1.8 and section 3.1 regarding governance and management, roles and responsibilities, how the voice of students and stakeholders was sought and assessment of Board effectiveness. **Act: NJ/S&G Ctte**

The Board noted the implications of the Education Act 2011 and approved the adoption of the English Colleges' Foundation Code of Governance.

12.38 Draft Minutes of Committee Meetings

12.38.01 Audit Committee

Minutes of the 15th March 2012 Audit Committee would be brought to the next meeting.

12.38.02 Finance, Estates and General Purposes Committee

The Board noted minutes of the 8th March 2012 FE&GP Committee. These referred to a discussion about the re-configuring of the Learning Exchange into a designated sixth form centre and remodelling other centres to a lesser extent. The FE&GP Committee had been broadly supportive in principle but had not seen exact figures although members had been advised that the costs would be in the region of £1.5m.

A paper from AA Projects was tabled which presented the initial outcomes of the strategic estate review. Space utilisation was an issue, averaging 26.36% across the whole estate against a sector range of 31-44%. There was also a disproportionate ratio of non-teaching space compared to teaching space. In addition, the College was losing market share of 16-18 year olds to school sixth forms.

One of the College's strategic objectives was to enhance its Sixth Form provision. The SFA had verbally indicated that their £700k share of the £1.4m of unspent capital funding for the LEx could be used for its remodelling. It was proposed to remodel space within the LEx so that it could be rebranded as a sixth form centre and move all sixth form provision to the LEx, with the exception of the specialist science laboratories which would remain at Clarence Street albeit upgraded. The costings were at a very early stage but it was estimated that the cost of remodelling the LEx would be £1.4m and cost of upgrading the laboratories circa £0.7m.

The AA Projects report also suggested that the College had over 16,000m² more space in its estate than it required. However the Principal and the VPFCR were clear that any proposals to reduce the number of buildings would only be made after careful analysis of figures and growth plans.

Governors queried how moving provision around would improve space utilisation and were advised that, although space utilisation was a concern, the remodelling was primarily about improving the offer to 16-18 year olds. The Principal wanted to be able to start branding and marketing the sixth form centre after the Easter break ready for the September intake. The Board indicated that although they did not wish to delay the process they were uneasy at approving a £1.4m spend without having had a chance to read through the proposals before the meeting, especially as two governors with the relevant areas of expertise were not present. The Principal clarified that approval was being sought to approve obtaining a detailed costing and to promote and brand the sixth form centre after the Easter break.

The Board gave approval in principle to branding of the sixth form centre. Approval was also given for the remodelling of the LEx and Clarence Street to be progressed, subject to details of costings to be reviewed by a task group of two or more of the following members of the FE&GP Committee: Mr T Cearns, Mr P Grieve, Dr J Ritchie and Mr D Wilson.

12.38.03 Search and Governance Committee

The S&G Committee minutes of 7th March 2012 were noted. The minutes referenced a discussion about Board self assessment and that it was felt an additional Board meeting was required to discuss past performance and identify any changes that might be made to improve governance further. The additional meeting was scheduled for 23rd April and all Board members were urged to attend. This meeting could also include further discussion in a closed session of the themes covered in today's presentations.

12.39 Other Business

12.39.01 Clerk

The Chair had received notice from the Clerk that she intended to resign but had offered to stay on until her replacement could take up post. The Board noted her resignation with regret; arrangements for appointing a successor were delegated to the Chair and Principal. **Act: VT/EB**

12.40 Confidentiality of Items

The following items were deemed confidential:

Items 6 and 9 Presentations from external consultants

Item 8 Appendix to the Safe College report

Item 14 Acquisitions Strategy update

Item 18.2 AA Projects' tabled paper

12.41 Date of Next Meeting

An additional meeting would be held on Monday 23rd April at 4.15pm; the following meeting would take place on Tuesday 22nd May 2012 at 4.15pm.

All staff other than the Principal and Clerk left the meeting at this point.

12.42 Confidential Minutes of the previous Board meeting

Confidential minutes of the meeting held on 6th March 2012 were agreed as a true record.

12.43 Matters arising from the Confidential Minutes

Confidential minute held by the Clerk.

12.44 Confidential Item

Confidential minute held by the Clerk.

The meeting closed at 7.45pm.