

**APPROVED Minutes of the Meeting of the Corporation Board  
held on 29<sup>th</sup> June 2010 at 4.15 pm**

**Governors Present**

Ms Louise Barry	)	External Governors
Mr Tony Cearns	)	
Mr Tony Cobain	)	
Ms Clare Crowther	)	
Prof Gerald Pillay	)	
Mr Shazan Qureshi	)	
Dr John Ritchie, MBE	)	
Mr David Wilson	)	
Ms Vivienne Tyler (Chair)	)	
Mr David Wilson	)	
Ms Sue Navarro		Staff Governor (Business Support)
Ms Martha Harris		Staff Governor (Teaching)
Mr Adam Scovell		Student Governor
Ms Maureen Mellor, MBE		Principal

**In Attendance**

Ms Marie Allen, MBE	Vice Principal Curriculum
Ms Colette Berry	Acting Secretary to the Clerk
Ms Alex Fillingham	Student Governor elect
Ms Becky Hardman	Assistant Student Governor
Ms Nancy Jenkins	Clerk to the Corporation
Ms Irene Loh Lynn	Vice Principal Corporate Services
Mr Brendan Ruane	Vice Principal Finance and Resources

**10.61 Apologies**

Apologies for absence were received from Cllr K Afford, Ms S Carmichael, Ms S Carthy, Ms C Dove, Mr M Fletcher and Cllr N Small and for late arrival from Mr A Cearns and Ms R Hardman.

Those attending for the first time were welcomed and introductions made.

**10.62 Declarations of Interest**

Ms C Crowther, Ms A Fillingham and Mr S Qureshi had an interest in respect of item 3 (appointment of governors).

It was noted that item 11 (Merseyside pension scheme annual review of discretionary elements) could potentially apply to the staff governor (business support) and the Clerk, but that it would not be necessary for either to withdraw from the meeting.

Ms Crowther, Ms A Fillingham and Mr S Qureshi then left the room temporarily.

**10.63 Appointment and Re-Appointment of Governors**

The Board received a report from the Clerk.

Alex Fillingham, a student representative at the Arts Centre, had been nominated by the Student Enrichment Team Leader to replace Adam Scovell as student governor from 2010/11. Ms Fillingham was appointed for a term of four years from September 2010 until July 2014 (or course completion).

The CVs of three people proposed as external governors were noted. Ms Crowther had a strong marketing and public relations background in a range of private and public sector organisations. Mr Qureshi's qualifications were in marketing, he ran a small business and was skilled in business development. Cllr Nick Small was cabinet member for Employment and Skills on Liverpool City Council. He had been nominated by the Leader of the Labour Group and his appointment would continue the Board's practice of having a governor from each of the two political groups on the council. The Search and Governance Committee had recommended all three for appointment.

*Tony Cearns arrived at this point.*

It was agreed to appoint Ms Clare Crowther, Mr Shazan Qureshi and Cllr Nick Small for four year terms from June 2010 until July 2014.

Ms Crowther, Ms Fillingham and Mr Qureshi returned to the meeting and were welcomed to the Board.

Claire Dove's fourth term of office would finish in June 2010 and the Search and Governance Committee recommended her re-appointment in view of her role at senior level in education and the city, her national role in social enterprise and her understanding of the issues facing the College. It was agreed to appoint Ms Dove for a further term of four years until June 2014.

It was also agreed that Ms Becky Hardman could attend some meetings of the Board in preparation for taking over as a student governor from Matt Fletcher during 2010/11.

The Clerk was asked to provide a copy of the John Carver book on policy governance to new governors. **Act: NJ**

The Board recorded thanks to Adam Scovell for his excellent contribution as student governor and wished him well with his studies at Liverpool University School of Music.

#### **10.64 Minutes of the previous meeting**

Minutes of the meeting held on 13<sup>th</sup> May 2010 were agreed as a correct record.

#### **10.65 Matters arising from the Minutes**

##### **10.65.01 Outcome of Actions from Previous Meetings**

The Clerk's report was noted. All activities had either been actioned or were being progressed.

##### **10.65.02 Safeguarding Training (10.13)**

The 'Safeguarding: strategic challenges' training for governors and senior management team that took place on 10<sup>th</sup> June 2010 was felt to be excellent and worth repeating.

One of the recommendations arising from discussion had been to review the content and timing of reporting on Safeguarding to the Board.

The Clerk was asked to circulate to all governors the recent internal audit report on 'Safeguarding students and staff'. **Act: NJ**

## **10.66 Risk Monitoring**

It was noted that the agenda items addressed a wide range of risks, in particular strategic, legal, financial, capital projects and quality improvement.

## **10.67 Principal's Report**

The Principal commenced her report with an update on the government's plans for education. The Secretary of State, Vince Cable, had written to the Chief Executive of Skills Funding removing two aspects of bureaucracy. Firstly, colleges would no longer be required produce an annual summary statement of activities. Secondly, the distinction between Adult Learner Responsive and Employer Learner Responsive funding had been removed, so that colleges would be able to vire funding between the two areas. This aimed to offer more flexibility in meeting the needs of the local economy. Apprenticeships would be expanded. Outstanding colleges would no longer be inspected if they continued to improve.

The budget had announced a 25% cut in government department budgets over the next few years, although precise details were not known.

It would appear that funding for 2010/11 was better than originally expected.

During the summer term many staff and students had received regional and national recognition in a range of competitions and activities. Of particular note was that Chef/lecturer Ian Jaundoo came second in the Craft Guild of Chefs National Annual Award in the Education Chef category. Also, Ben Osu, a second year Business student had not only received a Police Commendation for his work with youth and cultural organisations, but had played a key part in persuading the organisers to bring this year's MOBO (Music of Black Origin) awards to Liverpool.

On behalf of the Senior Management Team the Principal thanked governors for their continued support to the College over the past year.

## **10.68 Budget and Three Year Financial Plan**

### **10.68.01 Budget 2010/11**

In his report the Vice Principal Finance and Resources (VPFR) set out the draft income and expenditure budget for 2010/11. Since writing the report a number of changes had been made in respect of funding, but the headline figures had not changed. A balanced budget was forecast with a surplus of £93,000.

*Becky Hardman arrived at this point.*

Key assumptions were set out in the report. The expected reduction in Train to Gain funding would not now be as large as originally anticipated so the part-time lecturing budget would not need to reduce by quite so much. A provision of 1% for movement in pay costs applied to incremental drift. In all, the position was better than had originally been expected. Appendix C showed that none of the financial covenants relating to College borrowing had been breached.

The question was raised as to whether there was sufficient contingency in the budget and whether, given the planned 25% government budget cuts, the College should aim for a bigger surplus. Members of the Finance, Estates and General Purposes (FE&GP) Committee responded that the Committee had considered the budget in detail and concluded that it contained an appropriate level of prudence and flexibility given the uncertainties. The three year plan allowed for cuts of 6% in 2011/12 and 2012/13.

The budget for 2010/11 was approved, on the understanding that some aspects were likely to change as outlined above. An updated version would be brought to the to the September meeting.

### **10.68.02 Three Year Draft Financial Plan 2010/11 to 2012/13**

The VPFR's report set out updates to the College's financial forecast for the period 2010/11 to 2012/13 taking into account Phase 5c of the accommodation strategy. The forecast and commentary was in the format required by the SFA (Skills Funding Agency).

As with the 2010/11 budget report, there had been some revisions since the report had been written, but the bottom line had not changed.

The plan took account of the costs of building the Learning eXchange. It showed a balanced budget for each year. The cash position was positive going forward for the three year period. The financial health based on the automated Framework for Excellence score was 'Good' for each year of the plan. Borrowing would peak during 2010/11 and 2011/12. Pay movement had been budgeted at 1% inflation for each year.

The financial forecast 2010 to 2013 was approved. An update would be brought to the September Board meeting.

## **10.69 Strategic Plan**

In presenting her report the Vice Principal Curriculum (VPC) explained that some of the detail of the Strategic Plan would have to change in line with budget changes mentioned above. However, the key curriculum priorities remained the same.

The main priorities were to continue to improve student success and provide excellent support services to students; provide efficiency and excellence in staffing; provide a College environment in which staff, students and visitors felt safe; continue to improve the College's financial security through challenging times; provide a quality estate and learning facilities; and respond to the needs of industry, commerce and local communities.

Governors commented positively on the format and content of the Strategic Plan and made a number of suggestions:

- In respect of the strategic aim '*The people of Liverpool city region benefit from vibrant, prosperous and inclusive communities*', the Senior Management Team (SMT) had questioned to what extent this was measurable.
- The statistics included under the socio-economic planning context and local planning context, although the most recent available, put forth a more positive picture than was likely to now be the case. Wording would be added about the likely impact of the recession and coalition government agenda. At the same time the College had a role to play in delivering appropriate education to help combat economic difficulties.
- There was a need to consider who the Plan was aimed at; the messages needed to fit the audience.
- A few of the targets in the Plan appeared to be 'how' rather than 'what'; all targets should be measurable.
- The Plan could be further streamlined because not all sections required the same level of detail.

Subject to the above amendments, the summary of strategic aims, specific aims, outcomes and performance targets as outlined in the draft Strategic Plan 2010/11 were approved.

## **10.70 Preparation for Policy Governance**

### **10.70.01 Board Policy Manual**

The Board considered a report from the Clerk and a final draft of the Board Policy Manual. One of the biggest changes since the version received in February was use of more user-friendly language. Other changes incorporated aspects of the current standing orders and code of conduct that were missed out of earlier drafts. On the recommendation of the Search and Governance (S&G) Committee it was proposed to increase the term of office for student governors from 2 to 4 years in line with other governors. The S&G Committee also recommended reducing the length of co-opted committee member appointments from 4 to 2

years whilst maintaining the opportunity for re-appointment. The process for handling breaches of the code of conduct had been expanded.

Still to be actioned prior to 2010/11 were the addition of a glossary and index, schedule for monitoring reports, planning calendar and some accompanying documentation.

The Clerk was asked to check, and if necessary revise, the wording of paragraph 3.1 (b) which currently stated that the Board was directly responsible to Parliament for ensuring the financial health of the College.

**Act: NJ**

Governors took the view that the operation of the policy governance model, including attendance at meetings, should be reviewed before any decisions were made about which committees to retain, and that FE&GP Committee should certainly stay in place until after completion of major capital projects.

Subject to rewording of paragraph 3.1 (b), the Board Policy Manual was approved.

#### **10.70.02 Calendar of Meetings 2010/11**

The Board approved the calendar of Board and Committee meetings for 2010/11, with the exception of Audit Committee dates which would be finalised after discussion with the Committee's members.

#### **10.71 Merseyside Pensions Scheme Annual Review of Discretionary Elements**

In her report the Vice Principal Corporate Services (VPCS) informed the Board that discretionary elements of the Local Government Pension Scheme (Merseyside Pensions Scheme) had been reviewed and updated from those approved in February 2009. An additional policy statement had been developed and the College now had in place a Flexible Retirement Policy.

The changes outlined in the report were approved.

#### **10.72 Accommodation Strategy**

The VPCS commenced by informing governors that all works associated with Phase 5b (Arts Centre extension) had now been completed.

Construction of Phase 5c, the Learning eXchange, was progressing to programme and project costs remained within budget. Handover and practical completion was anticipated to be 6<sup>th</sup> May 2011. The College had commissioned an artist, Raphael Dadan, to provide a light sculpture within the new building.

When the Learning eXchange opened in May 2011 space would be freed up in other College buildings. Remedial work would be required in other centres to provide more effective space utilisation and enhance the appearance of main entrances for the benefit of all users. College managers were working with AA Projects to identify the work required and likely costs to achieve completion by September 2011. The remedial work would be identified as one project but managed as a series of mini projects. A notional cost estimate was £2.8 million. It seemed likely that the College would need to fund this itself.

The report was noted.

#### **10.73 College Self Assessment Process 2009/10**

The VPC informed the Board that the self assessment process had been amended to align with the new structure of the Common Inspection Framework (CIF) used by Ofsted. Under the Leadership and Management aspect of the CIF, Safeguarding and Equality & Diversity were limiting grades. There was greater focus on quality of teaching and learning and the assessment process, and Capacity to Improve was now a grade on its own. The Self

Assessment Report (SAR) incorporated a section to report on progress against College strategic aims at curriculum level.

The Principal would require the Governance SAR before the end of August since this fed into the Leadership and Management aspect SAR. **Act: NJ**

The Board noted the key issues and timescale for 2009/10 self assessment.

#### **10.74 Current Significant Risks**

The Board noted a report from the VPFR.

Many areas of risk during 2009/10 had reduced in likelihood by this stage in the year and some risks were closed, for example 16-18 year old student numbers and funding. There were still some areas of risk in respect of achieving a balanced budget in 2009/10, specifically 6 Month Unemployed programme, Schools, and Tuition Fees. Financial planning for 2010/11 was a risk in view of uncertainty over funding. There were also risks going forward for 2011/12 arising from the autumn 2010 spending review and potential reductions in future funding as a result, and changes to funding methodology affecting forward planning.

#### **10.75 Draft Minutes of Committee Meetings**

##### **10.75.01 Audit – 23<sup>rd</sup> June 2010**

These would be brought to the next meeting.

##### **10.75.02 Finance, Estates and General Purposes Committee – 17<sup>th</sup> June 2010**

These would be brought to the next meeting.

##### **10.75.03 Search and Governance – 16<sup>th</sup> June 2010**

The minutes were noted.

#### **10.76 Confidentiality of Items**

The following items, or parts of items, were deemed confidential:

- Item 7 Details of the SFA Investigation contained in the Principal's Report
- Item 12 Financial aspects of the Accommodation Strategy report
- Item 18 Confidential minutes of the 25<sup>th</sup> March 2010 Corporation Board

#### **10.77 Other Business**

##### **10.77.01 Assistant Principal Curriculum**

The Board was informed that Sue Greenhalgh, Assistant Principal Curriculum, would retire in August after more than 30 years working at the college. She had been a valued member of the SMT and had overseen the curriculum aspect of the accommodation strategy. Governors recorded thanks and appreciation of her many years of service and wished her a long and happy retirement.

The student governors, assistant student governor and all staff other than the staff governors and Clerk then left the meeting.

#### **10.78 Confidential Minutes of 25<sup>th</sup> March 2010 Corporation Board meeting**

These were agreed as a correct record.

#### **10.79 Matters Arising from the 25<sup>th</sup> March Meeting**

*Confidential minute held by the Clerk*

#### **10.80 Date and Time of Next Meeting**

The next meeting will take place on Tuesday 14<sup>th</sup> September 2010 at 4.15pm.

The meeting closed at 6.10 pm.