



**Minutes of the Board meeting
held on 29th November 2011 at 4.15 pm**

Present

Ms Louise Barry)	External Governors
Ms Susan Carmichael)	
Ms Sara Carthy)	
Mr Tony Cearns)	
Mr Tony Cobain)	
Ms Clare Crowther)	
Mr Peter Grieve)	
Professor Gerald Pillay)	
Councillor Nick Small)	
Ms Vivienne Tyler (Chair))	
Mr David Wilson)	
Ms Martha Harris		Staff Governor (Teaching)
Mr John Nolan		Staff Governor (Business Support)
Ms Lenka Cermakova		Student Governor
Mr Joseph Davison		Student Governor
Ms Elaine Bowker		Principal

In Attendance

Ms Marie Allen, MBE	Vice Principal Curriculum
Ms Gill Banks	Assistant Principal Curriculum 14-19
Mr Matthew Brown	Director of Finance
Mr Mike Doyle	Assistant Principal Resources
Ms Nancy Jenkins	Clerk to the Board
Ms Christine Lenderyou	Secretary to the Clerk
Mr Brendan Ruane	Vice Principal Finance and Resources
Mr Barry Sherriff	Assistant Principal Adult Skills and Employer Links
Ms Leelee Yates	Assistant Principal Student Services and Support

11.142 Welcome

Ms L Cermakova, Mr J Davison and Mr M Brown were welcomed to their first Board meeting and introductions were made.

The Board recorded their sympathies to Ms I Loh Lynn on her recent bereavement.

Councillor Small joined the meeting at this point.

11.143 Apologies

Apologies for absence were received from Ms C Dove and Ms I Loh Lynn. Ms L Yates gave apologies for early departure.

11.144 Declarations of Interest

Ms Cermakova, Mr Davison and Mr Wilson declared an interest in item 2: Appointment and Re-Appointment of Governors.

At this point the Chair advised that, in order to give significant items due consideration, some items would be moved through more swiftly than usual. Items 19 and 20, Disability Leave Policy and Heseltine Leahy Report on Liverpool City Region, would be deferred.

Ms Cermakova, Mr Davison and Mr Wilson left the room at this point.

11.145 Appointment and Reappointment of Governors

Ms Cermakova and Mr Davison were formally appointed as Student Governors for a period of four years until November 2015.

Mr Wilson had been recommended for re-appointment by the Search and Governance Committee. The Board approved Mr Wilson's re-appointment for a period of four years until November 2015.

Ms Cermakova, Mr Davison and Mr Wilson then rejoined the meeting and were advised of their appointments.

11.146 Urgent Item of Other Business

The Principal informed the Board that a day of strike action across various parts of the public sector including colleges was planned for 30th November. Given the widespread disruption this was expected to cause, the Senior Management Team (SMT) had taken the decision to close the Drop in Study Centres on that date and reduce opening hours across the main campus sites to daytime, apart from the Learning Exchange which would be open until 8pm as usual. This would provide students with access to the Learning Resource Centres should classes need to be cancelled. The Principal wished to check that the SMT had the support of the Board in their handling of the strike. After speaking to both Unison and the University and College Union it was apparent that some local colleges had taken the decision to close completely; the unions had asked her to consider closing all buildings. As both unions were participating in the strike action, it was estimated that 90% of staff would not be reporting for work.

The student governors felt that, while some students would welcome a day to study at home, other students would rather use the College's facilities.

Governors sought reassurance that the College could maintain a robust approach to health and safety if it remained open. The Principal advised that, without technicians, practical courses such as catering and motor vehicle would not run. Precise staff numbers would not be known until the day itself. The suggested approach SMT would take was to assess the situation on the day, once staffing and student numbers were apparent, because full closure would not be fair on students who wanted to access College facilities.

The Board supported the SMT's decision to keep the College open and review as the situation developed.

11.147 Minutes of the Previous Meeting

Minutes of the meeting held on 1st November 2011 were agreed as true record.

11.148 Matters arising from the Minutes

The Clerk's report on outcome of actions from the previous meeting was noted. All actions had either been completed or were being progressed.

11.149 Principal's Report

The Principal reported on a range of developments and initiatives affecting the College.

Regarding the University Technical College (UTC), a meeting had been held with representatives from the College, John Moores University and the Department of Education (DfE) to receive detailed feedback on the original UTC bid. The DfE feedback was that the bid had the 'best vision and employer support' but did not contain enough information about employer implementation. It was clear that there had been inconsistencies in the advice given as to exactly what information should be included and also to what extent the local MP could lobby on the College's behalf; Cllr Small undertook to contact Stephen Twigg MP to clarify the situation. All relevant information would be included in any future bid.

The Principal had met with Everton Football Club (EFC) regarding their successful bid for a Free School. At that point, EFC were still examining potential locations and had not come to a conclusion on what role they want the College to play. The Principal has been invited to sit on the board of the Free School and would bring further information to the Board once available.

Good press attention had been received over the last four weeks; the efforts put into raising the College's profile were starting to take effect. The College has been invited onto key groups with Liverpool Vision and Downtown Liverpool and had contacts at senior levels in Liverpool City Council. Mr Grieve remarked that the Principal's profile on the corporate scene had been very impressive.

Mr Ford Graham had been appointed as HR Director and was expected to take up post on 1st December.

The Principal and Vice Principals had attended the Association of Colleges annual conference and the Principal drew attention to the speech by Geoff Russell, Chief Executive of the Skills Funding Agency, which focussed on four key points:

1. Less bureaucracy and less regulation for colleges going forwards; but also less security.
2. Success will be judged on the outcomes for the customer, not targets for Government.
3. Colleges will have to compete in an open market to survive, both at a domestic and international level.
4. There will be less difference between colleges and private training providers going forwards: colleges will become more like private training providers and private training providers more like colleges.

The College had taken a lease on the *Glaciere* ship diving centre and so could now offer nautical provision.

The Board asked for congratulations to staff be recorded for the College having achieved the Investors in People Gold Standard. **Act: NJ**

11.150 Performance Dashboard

Governors noted achievement to date against key performance indicators in the Dashboard; there were no issues flagged as 'Red'.

It was observed that the percentage of qualified or 'on course' Protocol visiting lecturer staff was lower than that for directly employed staff and was flagged as 'Amber'. Governors were informed that, although the College requested qualified staff, in some areas there were shortages and so not-yet-qualified staff with expertise in their field had sometimes to be used instead. It was a College and Institute for Learning requirement that lecturers obtain teaching qualifications within a certain date of appointment. It was suggested that including a deadline date in the table would provide useful clarification. **Act: HR Management**

11.151 College Mission and Delivery Plan 2011-14

The Board had previously received the draft Outline Strategic Plan 2011-14 which provided an overarching framework for all aspects of College business, including clear strategic aims and initiatives. An updated version was presented along with the draft Delivery Plan 2011-14.

The Plans included a new Mission Statement. Governors discussed the wording and made a number of suggestions for rewording. It was mentioned that the Mission Statement should be used to guide the College in what it wanted to achieve rather than as a PR tool. In order for the Mission Statement to be finalised as quickly as possible the final wording was delegated to the Principal. The Board would be able to review the wording on a future occasion.

It was put forward that more clear measurables and performance indicators could be included in the Strategic Plan, the targeting of the 75th percentile for performance being the headline measure. Under 'Our Measures' for Performance it was felt that achieving a balanced budget was a minimum expectation and should be replaced by a more ambitious target such as to 'grow income by x%'.

The Delivery Plan was presented and it was acknowledged that the People section needed expansion, but that the appointment of the HR Director should rectify this. It was queried whether the use of the word 'products' on page 3 was too corporate and whether 'courses' might be more suitable.

The Mission Statement, Strategic Plan and Delivery Plan would be amended in line with comments made during the above discussions. **Act: EB/SMT**

11.152 Financial Statements 2010/11, Financial Statements Auditor's Management Letter and Letter of Representation

The Director of Finance presented the financial statements for the year ending 31st July 2011 and informed the Board that the Finance, Estates and General Purposes (FE&GP) Committee had suggested a number of minor corrections. The accounts showed a historic cost surplus of £1.6 million and total net assets of £54.7 million (inclusive of pension liability). In their audit highlights memorandum and management letter the auditors anticipated issuing an unqualified audit and regulatory opinion.

The Board approved the signing of the accounts and for these to be submitted to the Skills Funding Agency. It was also agreed that the letter of representation be signed and submitted to the financial statements auditors.

11.153 Liverpool Business Services Ltd Financial Statements and Appointment of Board representative to attend the Annual General Meeting

The Board noted the financial statements for Liverpool Business Services Ltd for the year ending 31st July 2011.

Ms Carthy was appointed as the Board's representative to attend the Liverpool Business Service Ltd Annual General Meeting which would take place immediately after the Board meeting.

11.154 Financial Management and Control Evaluation

The Board considered the Financial Management and Control Evaluation (FMCE) presented by the Director of Finance.

Governors were informed of caveats raised by the Audit Committee in respect of the grades for 'Operational Oversight' and 'Risk Management' in view of recent educational performance levels, particularly since the proforma now included a question on this aspect. The Improvement Plan included action being taken to improve student success rates.

In view of the above, it was agreed that the grades for sections 1.2 (Operational Oversight) and 3.1 (Risk Management) should be assessed as 'Good', but that the Area and Overall self assessment grades would remain as 'Outstanding' given the College's strong financial management.

11.155 Acquisitions Strategy Update (Confidential Item)

The Vice Principal Finance and Resources (VPFR) reported on progress to date with the companies indentified as potential acquisitions or joint ventures.

11.156 Executive Restrictions: 2010/11 Compliance Monitoring

The Board received a report from the Clerk which set out the executive restrictions laid down by the Board, outlined by what means each aspect had been monitored by the Board to date and those areas where compliance information had not yet been provided.

It was felt that, while there were some gaps, overall there was good compliance. To some extent requirements were being exceeded so there was scope to slim down the amount of monitoring reports on some aspects. The report format could be smarter and linked to key performance indicators of the Strategic Plan. As new legislation reducing regulation became clearer this would impact on Board agenda and monitoring requirements.

11.157 Student Success (Learner Responsive Performance) 2010/11 and Performance Management Actions

The Assistant Principal Resources and the Vice Principal Curriculum and Quality presented the latest information on student performance for 2010/11.

Key issues for Learner Responsive provision were that declining success rate trends over 3 years were apparent for long 16-18 year olds; the key contributing factor in under performance was considered to be low retention; there was particular under-performance in certain sector subject areas (SSAs); and value-added was poor for most qualification types and SSAs. There was some good and some solid and improving performance in identified SSAs. Adult long success rates (all levels) improved by 1% in 2010/11 but remained 6% below the national benchmark and 12% below the 75th percentile.

In the case of Employer Responsive provision, the College had increased its apprenticeship volumes in 2010/11; all age and level apprenticeship success rates had fallen in 2010/11 but remained above national rates.

The report included a précis of performance management action being taken.

Governors expressed disappointment at the continuing trend of poor and declining success rates and asked what work had been carried out to analyse the reasons. The Vice Principal Curriculum (VPC) advised that in-year retention reports had been received throughout the year and reviewed with managers. Until April/May 2011 the situation seemed positive but there had been a sharp decline after that, particularly for Level 3 16-18 students, which was unusual and unexpected. Although it was difficult to track former students, feedback indicated that some students had suffered from examination nerves and left their courses late on. Measures put in place included On Track reviews to support students whose attendance or performance was trailing. It was hoped that timely intervention would pay dividends and it was acknowledged that there were some elements of poor teaching and learning to be addressed at course level.

Governors asked why the outcomes from the Teaching and Learning observations were at variance with the student performance outcomes. They queried whether the poor performance and retention were uniformly distributed and were advised that there were curriculum areas which were of particular concern. The Principal confirmed that a more

rigorous approach to Teaching and Learning was needed and that actions would be taken to address this.

It was noted that reports to the Board needed sufficient clarity to enable effective monitoring. Success rates and Value Added data were not subjective and the College's performance would be compared to national figures going forwards. Grade 1 colleges should be aspirational, hence the strategic target for performance being the 75th percentile.

It was emphasised that success rates for long courses were of great significance, especially for the 16-18 cohort. Internal notices to improve, using clearly defined criteria, would be issued to some curriculum area programmes.

Although the College had made great strides in reducing staffing costs it was apparent there was too much of a reliance on part-time agency teaching, and the Principal confirmed that she would be taking action to reduce the dependency on agency staff and increase the ratio of full to part time staff.

Governors asked for regular reports to the Board on student performance, with a particular emphasis on actions to bring about improvement.

Ms Yates left the meeting during the above item.

11.158 College Self Assessment Report 2010/11

The Board discussed a report from the VPC regarding the College Self Assessment Report (SAR) 2010/11. The College SAR and Development Plan were based on self assessment at course, curriculum, cross-college and business support services. The SAR was required to be submitted electronically to the SFA in December in order for SFA officers and Ofsted Inspectors to access it.

Strengths included: improving success rates for 16-18 and 19+ at Level 2; improving success rates for 19+ at Level 3; excellent care, guidance and support; very effective partnership management; and excellent success rates for employer responsive provision.

As discussed in the previous item, areas for improvement included: low retention for 16-18 at Level 1 and Level 3; declining success rates for 16-18 Long Level 1 and Level 3; and declining success rates for 19+ Long Level 1.

It was acknowledged that the SAR presented a slightly worse position than the previous year and for this reason grades for some areas required further discussion. Nevertheless VPC felt the overall 'Outstanding' grade could still be justified.

The Board delegated authority to the Chair and Principal to agree the final version of the College SAR 2010/11, within the parameters given in the report, prior to its submission to the SFA.

Act: VT/EB

11.159 Current Significant Risks

Governors commented favourably on the revised format of this report from the VPFR whereby the covering report had been expanded to explain which current significant risks required close management by SMT. The format might be further revised after discussion with the Chairs of the Audit and FE&GP Committees.

Act: AC/AC/BR

The Board was informed that the Chair of Audit Committee and the Principal had met with the internal auditors that day and discussed ways of making risk management more relevant, linked around the three areas of the strategic plan (growth, performance and people).

The report was noted.

11.160 Latest Financial Position for 2011/12

The report from the Director of Finance set out the College's latest financial position based on the management accounts as at 31st October 2011. Since that date there had been a further increase of £1.4 million income due to increased SFA Adult funding and release of clawback for Adult Skills provision. The updated income and expenditure position was tabled which showed a predicted cash-based operating surplus of £2.9 million. A detailed forecast preparation indicated that, even under the worst case scenario, a financial health autoscore of 'Good' was achieved.

The reports were noted.

11.161 Annual Reports 2010/11

The annual reports for the Quality Improvement Service, Equality and Diversity, Estates Management, Human Resource Management, Health and Safety, and the Audit Committee were noted.

Unless there were significant issues to be brought to the Board's attention, in future the majority of annual reports would be forwarded directly to governors rather than appearing on Board agenda.

11.162 Disability Leave Policy

This item was deferred as no paper had been submitted.

11.163 Heseltine Leahy Report on Liverpool City Region

This item was deferred.

11.164 Confidentiality of Items

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

- Item 2 Appointment & Reappointment of Governors – personal details to be removed
- Item 4 Minute 11.127 (Free School), parts of minute 11.129 (Acquisitions Strategy) and minute 11.134 (Learning Exchange Flooding Incident)
- Item 6 References to Mersey Maritime in the Principal's Report
- Item 12 Acquisitions Strategy
- Item 24 Confidential Minutes of 1st November 2011 Board Meeting
- Item 25 Confidential Item

11.165 Date of Next Meeting

The next meeting will take place on Tuesday 7th February 2012 at 4.15pm.

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

11.166 Health and Safety Annual Report

Mr Grieve commented on aspects of the Health and Safety annual report in relation to reportable accidents; the Health and Safety Executive standard for reporting being the recognised indicator.

11.167 Confidential Minutes of 1st November 2011 Board meeting

These were approved as a true record.

11.168 Confidential Item

Confidential minute held by the Clerk.

The meeting closed at 7.05pm.