



**APPROVED Minutes of the Meeting of the Corporation Board  
held on 13<sup>th</sup> May 2010 at 4.15 pm**

**Governors Present**

|                           |   |                           |
|---------------------------|---|---------------------------|
| Mr Tony Cobain            | ) |                           |
| Ms Claire Dove, MBE       | ) | External Governors        |
| Professor Gerald Pillay   | ) |                           |
| Dr John Ritchie, MBE      | ) |                           |
| Ms Vivienne Tyler (Chair) | ) |                           |
| Mr David Wilson           | ) |                           |
| 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 Nancy Jenkins    | Clerk to the Corporation                               |
| Ms A Lees           | Assistant Principal Student Services and Support       |
| Ms Irene Loh Lynn   | Vice Principal Corporate Services                      |
| Mr Brendan Ruane    | Vice Principal Finance and Resources                   |
| Mr Barry Sherriff   | Assistant Principal Employer Services and Adult Skills |

**10.44 Apologies**

Apologies for absence were received from Cllr K Afford, Ms L Barry, Ms S Carmichael, Ms S Carthy, Mr A Cearns, Mr M Doyle, Mr M Fletcher, Ms S Navarro and Ms S Greenhalgh.

**10.45 Declarations of Interest**

There were no declarations of interest. It was noted that item 8 (staffing implications of 2010/11 budget settlement) impacted on staff but that there would be no necessity for any staff or governors to withdraw from the meeting.

**10.46 Minutes of the previous meeting**

Minutes of the meeting held on 25<sup>th</sup> March 2010 were agreed as a correct record, subject to the following amendments (in italics) to the list of those present:

Ms Claire Dove, *MBE* Mr *Matthew* Fletcher.

**10.47 Matters arising from the Minutes**

**10.47.01 Actions from previous meetings**

The Clerk's report on actions from previous meetings was noted.

**10.47.02 Integrated Employment and Skills Provision (10.27.06)**

Governors had been sent a useful range of information on work focussed training offered by the College.

**10.48 Risk Monitoring**

It was noted that items on the agenda addressed a wide range of key risks in the areas of strategic leadership, finance and funding, human resources and compliance with legislation.

## **10.49 Principal's Reports**

### **10.49.01 Principal's Report**

The Principal reminded members of the replacement of the Learning and Skills Council by the Young People's Learning Agency (YPLA), the Skills Funding Agency (SFA) and the National Apprenticeship Service (NAS) which sat within the SFA.

Reports later on the agenda outlined steps being taken to deal with the funding shortfall of £2 million in 2010/11 compared to 2009/10.

End of year activities celebrating students' work would commence shortly and the Clerk would circulate details.

The new Learner Centre was progressing on time and within budget. On 19<sup>th</sup> April the Principal put the 'golden bolt' in the steel structure, aided by students from the Construction and Engineering faculty. The building would be called 'The Learning Exchange' as a result of a vote by students and staff to choose the name. Marketing and Branding colleagues would work on the branding which would feed into rebranding of other College sites. The Vice Principal Corporate Services reported that dialogue with local residents continued and the builders produced a regular newsletter.

### **10.49.02 Policy Pledges for Post 16 Education under a new Government**

In her report the Principal picked out the common themes from the Conservative and Liberal Democrat manifestos that seemed likely to go forward under the new coalition government.

Swift and quite severe public sector cuts were expected. It was not possible to anticipate if this would mean cuts in-year to college funding except that both parties had set their sights on reducing or eliminating Train to Gain (TtG).

At this point in time it was unclear whether Further Education came under the Department of Education and/or the Department of Business and Skills. Nevertheless, both parties saw the learning and skills sector playing a key role in helping to provide rapid response training for the unemployed and developing the skills needed for the future. Colleges would need to decide on their range of curriculum offer, consider mergers and alliances, review strategic partnerships within the locality and increase opportunities for innovation outside of government funding.

Both parties had proposed increasing the number of apprenticeships and the expansion of foundation degrees.

It seemed likely that there would be additional money directed towards provision for pupils from disadvantaged areas along the free school meals model. The Association of Colleges (AoC) had put the case that any money directed at disadvantaged pupils in schools should also apply to college students.

The Conservative party was committed to introducing some form of 'technical schools' and encouraging parents or private sector organisations to set up or sponsor schools.

There was a joint commitment from Conservatives and Liberal Democrats to training unemployed young people. Given past experience there was concern that contracts for such training might go to large national providers instead of colleges.

For Adults the focus was on restarting careers. Adult responsiveness and non priority provision had taken the biggest cut in the 2010/11 budget settlement.

All parties had committed to the removal of most FE quangos. The Conservatives had also promised to simplify the inspectorate, auditing and improvement services.

As regards funding, the SFA was likely to disappear and TtG either scaled down or scrapped altogether. The College had identified a reduction in TtG funding as a key risk and members asked about the potential effect on the College's finances. They were informed that the allocation in 2010/11 was £1.4 million; however, even if TtG was shelved, this amount would not be cut immediately since there were about 500 continuing students who would be funded until completion. A lot of staff were involved teaching TtG so the impact on staffing levels would depend on whether money got shifted across to Apprenticeships.

Members were concerned about the issue of awarding of large contracts to national training providers. It was suggested that the AoC could bid on colleges' behalf, or a regional group such as colleges in the Merseyside Colleges Association could make a collective bid. Colleges would be able to include social impacting in their bid.

In response to a question about diplomas, members were informed that that the Conservatives saw merit in vocational but not academic diplomas, so it might be that the academic diplomas would be shelved.

The Principal would continue to keep governors updated as the picture became clearer.

#### **10.50 Funding 2010/11**

In presenting his report the Vice Principal Finance and Resources (VPFR) drew attention to the key issues. Funding had now been confirmed for 2010/11. This had been reduced by nearly £1.7 million overall, made up of £1.1 million within SFA funding and £0.6 million reductions in other funding streams. Funding for 16-18 year old students was static, with a small increase of around £180,000. There was a risk of further cuts in any post election budget.

All Learner Responsive funding streams linked to student number targets were subject to in-year and end-year clawback if targets were not achieved. Employer Responsive streams were paid monthly in arrears and subject to re-profiling each quarter.

Given the uncertainty of Integrated Employment and Skills (IES) funding it would be treated as a project in 2010/11 and dealt with outside the main College budget.

Annex B to the report showed the main income stream reductions. The 'efficiency' reduction in HEFCE funding of £130,000 might be reduced as the College had bid for some additional places.

The report was noted.

#### **10.51 Staffing Implications of the 2010/11 Budget Settlement including Redundancy Scheme**

The Vice Principal Corporate Services (VPCS) updated the Board on outcomes of the redundancy scheme.

The College had been faced with a budget reduction of circa £2 million in 2010/11. Savings of £1.2 million had been identified through non filling of vacancies and budget reductions across the College; this left staff savings in the region of £750,000 to be achieved through redundancy.

On 20<sup>th</sup> April a consultation process began with the trade unions following which the Principal wrote to all staff. A voluntary redundancy scheme was launched on 28<sup>th</sup> April targeted at specific teaching and support staff areas. The redundancy programme closed on 12<sup>th</sup> May.

Whilst the process was taking place management and the trade unions held a number of consultation meetings. Suggestions put forward by the unions were considered and proved effective in a number of instances. The process had been completed within four weeks.

Although the target of £750k was not fully achieved through voluntary redundancy, it was the opinion of the senior management team that the remaining savings, in the region of £100K, could be achieved by other means without the necessity for further job reductions. The unions were informed of the outcomes and, assuming this met with Board agreement, asked for their thanks to be recorded that the College had not moved to compulsory redundancies.

Governors supported the decisions made and congratulated the staff involved in managing the process. At the same time they wished to be assured that the staff reductions would not have a negative impact on quality. In response they were informed that the cuts in funding for Adults informed the discussion of which areas might be overstaffed as a result. Courses below minimum levels of performance were also considered. For the first time some business support services had been targeted; this was in the back office rather than student-facing support services. Given that greater funding reductions were anticipated in future years, the potential impact of funding and staffing cuts on quality improvement would be closely monitored.

#### **10.52 Initial Draft Calendar of Meetings 2010/11**

Members discussed the draft calendar of meetings prepared by the Clerk.

It was agreed that all Board meetings would take place on Tuesdays commencing 4.15pm. The spring 2011 strategic planning event would be on Thursday 3<sup>rd</sup> February. Audit Committee dates would be finalised after discussion with committee members and attendees.

It was commented that it had been useful to receive the College term dates in addition to the draft Board calendar.

The final version of the calendar would be brought to the next meeting. **Act: NJ**

#### **10.53 Student Voice**

The Board received a report from the Assistant Principal Student Services and Support (APSSS) based on information provided by the Enrichment Team Leader and Quality Improvement Manager.

The Student Voice was an important feature of college life. In 2009/10 several embedded means of gauging student satisfaction had continued, for example, Principal's surgeries and student surveys. New developments included the Student Union Committee and Principal's Student Briefings.

Via the Student Union Committee the SU now operated in a much more sophisticated way than in the past. The Principal's Briefings would be reviewed in terms of timing, content and advertising.

The student governor reported that 2 assistant student governors had been appointed, one of whom would take his place from 2010/11. The Clerk would obtain details from the Enrichment Team Leader. **Act: NJ**

The importance of the student representative role for personal development was emphasised as was the need to keep up the momentum when student representatives or governors left and were replaced.

The report was noted.

#### **10.54 College Software – Control Measures**

The VPFR presented a report from the IT Manager which outlined measures in place to control procurement and installation of software.

The College operated a network of over 2,800 computers at an annual expenditure of over £200,000. The task of ensuring legality in respect of software licences was significant; however, current systems were such that the College could demonstrate that all reasonable steps had been taken to ensure no illegal software was installed.

A clear policy around installing and procuring software existed and was made available to staff. The acceptable use policies (AUP) had explicit statements regarding restrictions on installing software without authorisation and at the start of 2009/10 all staff had been required to sign up to the AUP on their first log-in. Software requiring a licence could only be installed by IT support technicians with appropriate privileges. Continuous checks identified instances where unlicensed software had been installed and any such software was automatically removed. The IT service had developed their own administrative tool named Harvest which continuously scanned all college computers for any new software installations, including counting and reconciling the number of licences.

The measures in place were in line with best practice across the sector. In addition, the internal audit service had carried out a recent audit of software. Verbal feedback was positive in respect of measures in place and no issues had been identified.

The report was noted.

#### **10.55 Protection of Children, Young People and Vulnerable Adults: Mid Year Update**

The APSSS provided a report on the period September 2009 to mid February 2010. 25 cases had been dealt with in the first half year of 2009/10 compared to 38 in the whole of 2008/09, continuing the trend of year-on-year increases. Cases were outlined in the appendix. All cases had been dealt with promptly and appropriately by college designated staff.

The Safeguarding Children and Vulnerable Adults Group had been expanded to include an IT Manager, the Health and Safety Officer, a Centre Manager and the 14-19 Manager and was working well to bring all aspects of 'Staying Safe' together.

There had been renewed emphasis on refresher training for tutors on Safeguarding including staff safety. Arrangements were in place to ensure key groups of staff employed by contracted-out services received basic training. The internal audit service had carried out an audit of 'Safeguarding' which was now being considered by managers.

The government had removed the requirement for young people to register with the Independent Safeguarding Authority until they were 18. This had implications for Childcare courses whose students were currently required to obtain Criminal Records Bureau clearance. The Head of Section had been asked to find out how local nurseries who took student placements intended to respond to this new ruling.

The report was noted. The annual review of 2009/10 cases would be brought to the Board in the autumn term.

#### **10.56 Current Significant Risks**

The VPFR set out the most significant risks facing the College. The main risk areas were: the assumptions made in the draft budget for 2010/11 now that the funding allocations had been confirmed; Human Resource risks linked to a redundancy programme in response to income reductions; achievement of a balanced budget in 2009/10 faced with underachievement of student numbers in some budget lines; and Train to Gain delivery and success rates impacting on management of delivery profiles and associated staffing resources.

Members noted the report and asked about risk 2 in relation to the risk of students paying fees moving to providers who did not charge fees thus putting the achievement of the tuition fee target in doubt. They were informed that the College was expected to achieve FE fee income of around £500,000. The fees could be undercut by private training providers who did not have the same overheads. Assurances in place included monitoring other providers' fee levels, reviewing the tuition fees annually and increased marketing of fully funded provision.

#### **10.57 Modification to the Instrument and Articles of Government, 31<sup>st</sup> March 2010**

The Board noted the technical changes to the Instrument and Articles of Government as summarised in the Clerk's report. These had been modified to take account of the replacement of the Learning and Skills Council and changes to government departments.

#### **10.58 Confidentiality of Items**

Item 17 (confidential minutes of the 25<sup>th</sup> March 2010 Corporation Board meeting) was deemed confidential.

All staff, other than the Principal and Clerk, then departed. From this point the meeting was no longer quorate.

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

This item was deferred to the next meeting.

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

The next meeting will take place on Tuesday 29<sup>th</sup> June 2010 at 4.15pm.

The meeting closed at 5.46 pm.