

THE SOUTH DOWNS COLLEGE CORPORATION

Minutes of the meeting held at 5.30 pm on Thursday 13 March 2008 in the Committee Room

Present: Andrew Turner (Chairman), Frederick Allgood, Richard Andrews, Scott Carless, Yvonne Elliott, Louise Farn, Donna Kinnair, Michael Oakes (Principal), Philip Robinson, David Rowlinson, Patricia Thompson,

Apologies: Gwen Blackett, Wendy Gisborne, Stephenie Linham, Yvonne Weeks, Tony Welch

In Attendance: John Manterfield, Clerk to the Corporation
Susan Grantham, Minuting Secretary

The Chairman noted a particular welcome to Freddie Allgood following recent surgery and thanked Louise Farn for her contribution as student governor and wished her every success at Plymouth University.

715. Minutes
(Circulated with the agenda)

The Minutes of the meeting held on Thursday 6 December 2007 were AGREED whereupon the Chairman SIGNED the minutes.

716. Instrument and Articles of Government for Further Education Colleges 2008
(Doc.C08/01 was circulated with the agenda, and Appendix 1 laid around the table)

The College Secretary noted the document consisted of the covering report, Appendix 1 as emailed to members and laid around the table, and the statutory Instrument and Articles of Government.

In terms of the Instrument, changes to Clause 2 involved the removal of various categories of membership and replacement by the term 'members who appear to have the necessary skills to ensure that the Corporation carries out its functions under Article 3 of the Articles of Government'. This would increase flexibility to recruit governors and provide an increased level of autonomy, and leave the Corporation free to choose members on the advice of the Search Committee. All existing members continue and it would be for the Corporation to decide the composition of the Corporation.

Referring to the Articles, the following were noted:

Article 3 (1)(a) - Periodic review of the College's educational character and mission - the Corporation carried out a review (8 June 2006) and it was proposed to review in 2009/2010.

Article 3 (1)(b) - College Quality Strategy – the Corporation (March 2007) discussed the College's Self-Assessment Report and Quality Improvement Plan and received a presentation (5 July 2007) on Value Added Data. It was proposed that the Corporation's approval to the Quality Strategy as a whole be considered at the July 2008 meeting.

Article 5 (3) Publication on College's website rules specifying 'the way in which the search committee is to be conducted' and search committee's terms of reference. It was proposed that the Corporation asks the Search Committee to draw up rules to be considered at the Corporation's July meeting.

Article 16 – Grievance procedures – Existing procedures published in the Staff Personnel Handbook had been referred to the College's solicitors and following consultation with UCU and UNISON, it was proposed that revised procedures be considered by the Finance and Employment Committee in June and Corporation in July.

On the proposal of the Chairman

- (i) the replacement Instrument and Articles of Government for Further Education Colleges 2008 were RECEIVED, and
- (ii) it was AGREED further consideration be given to the matters referred to in Doc 08/01 at the next meeting of the Corporation (3.07.08) and in respect of Article 5 (3) to arrange a meeting of the existing members of the Search Committee with co-opted members Patricia Thompson, Donna Kinnair and Freddie Allgood, to review the Committee's role and terms of reference and report back to the Corporation's July meeting.

717. Membership

The College Secretary noted that the term of office of Frederick Allgood was due to expire in May.

On the proposal of Philip Robinson, seconded by Patricia Thompson, it was AGREED unanimously to extend the term of office of Freddie Allgood as a member under Clause 2 (1)(a) of the Instrument of Government to 1 May 2009 which was coterminous with his term of office as a County Councillor.

718. Academic Board

(Doc.C08/02 was circulated with the agenda)

The Principal noted the important work of the two Committees. Equality and Diversity, chaired by Lucy Manning Head of Student Services, were enhancing their work across the College. The Staff Development Committee, chaired by the College Secretary, had organised a very successful Staff Development Day on 7 December covering important issues, working in curriculum areas and hearing about national perspectives. In February the College was re-accredited as an Investor in People well beyond the standard required. 14-19 developments was a separate Corporation agenda item.

[Yvonne Elliott joined the meeting at 5.42 pm]

In response to Philip Robinson on gender and ethnicity, statistics are attached to the minutes and these sets of data will be included in the Assistant Principal's Annual Quality Report to the Standards and Quality Committee.

The minutes of the meeting held on 30 January 2008 were RECEIVED.

719. Finance and Employment Committee

(i) Minutes

(Doc.C08/03 was circulated with the agenda)

In the absence of Stephenie Linham the Principal introduced the minutes. He reminded members that South Downs was the largest College in Hampshire, some 80% of the College's funding was derived from 16-19 students (some 5000 full-time students compared with 1500 at Fareham College and 1000 at St Vincent College). The new LSC funding methodology was demand led with increased fees and therefore attracting fewer adult students. No Hampshire College had achieved its 19+ LSC targets. The College was responding well to government priorities, achieved 6% full-time growth last year and remained in a very strong financial position. The Provider Financial Assurance review was a separate agenda item but he noted that the LSC auditors had graded the College 'outstanding' Grade 1 and listed a few minor recommendations of no real significance to the organisation of the business.

Much money had been spent on refurbishment and equipment rather than new buildings; and the installation of the 747 fuselage had been well received by Air Cabin Crew students.

Three members of staff had been promoted to Head of Curriculum – for Humanities; Sciences and Mathematics; and English and Modern Foreign Languages. The role of Senior Lecturer Teaching Mentors was to enhance the standard of teaching and learning across the College. Four superb additional appointments had been made from 20 internal candidates who had been interviewed and had delivered a micro-lesson to a panel comprising the Principal, two Heads of Faculty and two students.

Minute 417, Local Government Pension Scheme [Freddie Allgood declared his interest as a trustee of the Local Government Pension Scheme]. The College Secretary noted there were important changes to the scheme, for support staff, with effect from 1 April 2008. A number of changes had been determined and published but full details had not yet been received. At least one item required a policy decision by the employer and he had attended a presentation on 28 February. It was expected that the College would normally adopt whatever options were agreed by Hampshire County Council but a final decision would not be made until full details had been received and the financial implications to the College assessed.

On the proposal of the Chairman

- (a) The minutes of the meeting held on 28 February 2008 were RECEIVED.
- (b) With reference to Minute 417, Local Government Pension Scheme, it was AGREED to delegate to the Principal and College Secretary authority to determine any decisions that are required in respect of discretionary choices under the scheme.

(ii) Revised Revenue and Capital Budgets 2007/2008
(Doc.C08/04 was circulated with the agenda)

The Principal referred members to revised budgets on Page 2 - the income of £32.5 million, paybill over £23 million, in-year surplus of £1.2 million. The surplus was reduced by some £400,000 and much money had been spent on refurbishment, resources and equipment for the current cohort of students. The retained surplus was just under £1 million and under Building Project and Equipment (page 9) £336,327 was noted as the available balance. The year-end was 31 July 2008 and the College was in a very strong position and had paid a 5% salary increase to staff.

Philip Robinson noted the College's extremely comfortable position.

The revised revenue and capital budgets for 2007/2008 were AGREED.

720. Standards and Quality Committee
(Doc.C08/05 was circulated with the agenda)

The Chairman noted the Principal had already discussed Senior Lecturer Teaching Mentor appointments and the Provider Financial Assurance Report was a separate item on the agenda. Operational Targets and the College's Self Assessment Report and Quality Improvement Plan had been discussed and Corporation members had received all documents. It was pleasing to note that virtually all full-time and fractional teachers are qualified.

The Minutes of the meeting held on 3 March 2008 were RECEIVED.

721. Audit Committee
(Doc.C08/06 was circulated with the agenda)

Donna Kinnair noted it had been a very busy and successful meeting and all six internal audits had received Substantial Assurance. Comparable benchmarking figures showed the College to be well ahead of other Colleges. The Marketing audit had been described as 'exceptional' with no recommendations against an average in the sector of 5.92. Key

Financial Controls had no recommendations against benchmarking figure of 4.67. Corporate Governance had three recommendations of a minor housekeeping nature against benchmarking of 3.5. Stock control had three minor recommendations. For Student Records Arts and Sciences there was discussion about one proposed 'merits attention' recommendation and the Client Manager was happy for the report to be re-issued with no recommendations. Learner Eligibility had one 'merits attention' recommendation that copy visa/passport documents for overseas students, of whom there were four, should be kept in a central position. The Auditor's progress report confirmed everything had been received on time and Substantial Assurance.

In terms of the Provider Financial Assurance report, changes had already been implemented that appropriate reports should be AGREED rather than RECEIVED by the Corporation.

The minutes of the meeting held on 6 March 2008 were RECEIVED.

722. LSC Provider Financial Assurance Review
(Doc.C08/07 was circulated with the agenda)

The Clerk to the Corporation noted the Provider Financial Assurance (PFA) review had taken place on 4 October following the Ofsted Inspection and the PFA team had spent a day with the College Secretary and Head of Finance going through a checklist of items. The PFA opinion on the effectiveness of the College's Financial management and government was Grade 1 – Full Assurance. A wide range of strengths was detailed in their report (Annex B) and five minor recommendations. Four fell within the terms of reference to Corporation Committees. The Committees had met recently, namely Finance and Employment (28.02.08), Standards and Quality (3.03.08) and Audit (06.03.08) and the College Secretary outlined their recommendations as set out in para 5, sub paras (1), (2), (3) and (5) of Document C08/07.

Additionally the Corporation was asked to consider setting an overall target for attendance at Corporation and Committee meetings. Members were referred to the table at para 4 which summarised attendance by members at Committees and Corporation meetings for the last three full academic years. For 2006/07 the average attendance for Corporation was 73% which was considered to be low, although overall attendance for individual meetings had been much higher. A particular reason had been that student governors had had a poorer level of attendance that year. Auditors had suggested that 80% was a minimum acceptable figure.

[Richard Andrews joined the meeting at 6.10 pm]

Following a full discussion external Governors considered 5.45 pm would be a more beneficial start-time for Corporation meetings and proposed an aspirational target of 90% attendance for 2008/09.

On the proposal of the Chairman it was AGREED

- (1) (i) that financial monitoring balance sheets will include a previous month figure as well as the previous year end.
- (ii) that the ratios for financial health scoring under the Framework for Excellence be added to the College's financial monitoring statements.
- (2) (i) that the current ratio will be shown on the balance sheet of the monitoring statements with a target of at least 1.5.
- (ii) a target of nil borrowing; a target range of £750,000 to £1,000,000 for the general reserve after transfers to specific reserves. No other targets being considered necessary.

- (3) that the Assistant Principal (Quality) will include in his Annual Quality Report a paragraph on the reasons for student withdrawals.
- (4) that a target figure of 90% be set for attendance at Corporation Meetings for the academic year 2008/09 and a slightly later start time of 5.45 pm with effect from 3 July 2008.
- (5) that no further action was required in respect of Audit Committee reports given that the Corporation considered the audit reports referred to at its meeting on 6 December 2007, when the items were all minuted as AGREED.

723. Presentation by the Principal – ‘National perspective and local delivery – post 14 education and training, and funding for the next three years’

[A copy of the Principal's slides are attached]. The Principal outlined government priorities for the period 2008 – 2010 including issues below and answered questions from members.

- The former Department for Education and Skills was now replaced by the Department for Children, Schools and Families (DCSF) headed by Secretary of State – Ed Balls; and the Department of Innovation, Universities and Skills (DIUS) headed by Secretary of State John Denham. The publication of a green paper ‘The Machinery of Government’ was scheduled to have been published two weeks ago but was still awaited.
- In 2010 14-19 funding would move from the LSC to the LEA – The Principal considered a planning blight was inevitable and would represent a major risk factor for the College.
- The new Diploma being introduced from September 2008 represented an important issue - the government wished the Diploma to be the favoured qualification 14-19 to replace GCSE and A Levels, and delivery would include private training providers. By 2013 there would be 17 specialist lines. The Principal chairs the Havant 14-19 Consortium (comprising local secondary schools, colleges, special schools, Connexions, LSC, LEA) which would be offering some diplomas from September 2009. The College was also part of the Portsmouth Consortium. The Havant Consortium had bid for 6 lines through the Gateway process and would be offering at least 2 (Engineering and Catering) in September 2009 to be published in the College Prospectus. Market forces (led by schools, parents and students) would determine the Diploma's success and it would need to be accepted by Universities. Cambridge had indicated they would be happy to accept someone for an Engineering degree with a Level 3 Diploma in Engineering plus an extra Maths unit. The Diploma would be offered at Level 1 (equivalent to lower GCSE pass), Level 2 (equivalent to GCSE A* - C) and Level 3 (equivalent to 4.5 A Levels). Students must achieve an equivalent level in Functional Skills (English, Maths and ICT), complete 10 days work experience, and a planned project. From a school perspective David Rowlinson noted that pupils already choose from GCSEs, BTECs and apprenticeships. He considered there would be a philosophic void at higher level.
- The NEETs (Not in Education, Employment and Training) figure of 10% was noted. David Rowlinson considered the 10% figure for Havant did not accurately reflect pupils who had left secondary schools as some may have been in the process of moving to a job and more detailed research was required.
- The review of University Fees 2009 – the Principal believed in equality of opportunity and considered a section of society would be excluded as they would be unwilling to take on a debt of £30k.

The Principal would continue his presentation on Funding Methodology at the July meeting.

The Chairman thanked the Principal for his informative presentation which was RECEIVED.

724. Date of Next Meeting

The date of the next meeting was CONFIRMED FOR Thursday 3 July 2008, at **the revised later agreed time of 5.45 pm**

[The meeting was declared closed at 7.20pm]

(SG180308)