

STRATFORD-UPON-AVON COLLEGE CORPORATION

MINUTES OF CORPORATION MEETING HELD ON FRIDAY 19 SEPTEMBER 2008

Present:	Alan Richardson	Chair
	Satnam Bhogal	Governor
	Graham Crump	Governor
	Phil Krstic	Student Governor
	Jayne Longfield	Governor
	Ian Lumley	Support Staff Governor
	Martin Penny	Principal
	Karen Ralph	Governor
	Gill Roache	Governor
	Andy Tyers	Teaching Staff Governor
	Lauren Wilcock	Student Governor
In attendance:	Charles Anderson	Deputy Principal
	David Jackson	Clerk to the Corporation
	Norman MacDonald	Vice Principal – Finance
	Yvonne Rose	LLSC
	Kay Taylor	Vice Principal – Corporate Development

1. WELCOME TO NEW MEMBERS

Andy Tyers, Teaching Staff Governor, and Lauren Wilcock, the second Student Governor, were welcomed to their first Corporation meeting.

2. APOLOGIES

- a) Julia Morris sincerely regretted that she was unable to attend this, her first meeting owing to notification on 12 September of her School's OFSTED Inspection on 17-19 September.
- b) Ludo Keston's resignation from the Corporation, which resulted from pressures of a new job, was noted and the Corporation wished him well for the future. A new Governor with business/arts experience should be sought to replace him.

It was resolved **THAT:**

Apologies be received from Jenny Andrews, Mike Atkins, John Latham, Julia Morris and Jessica Blaynee.

3. DECLARATIONS OF INTEREST

Members were invited to declare any interest in business to be discussed at the meeting, following which the Chair reminded the meeting that he was a Governor of Coventry University.

4. MINUTES OF LAST MEETING

The Chair sought confirmation that these minutes reflected the comments made at the last meeting.

It was resolved **THAT:**

Governors expressed their satisfaction and the minutes of the Corporation meeting held on 11 July 2008 were regarded as correct and signed by the Chair of the Corporation.

5. MATTERS ARISING

Item 5.2. Governor Development Days

Following an email survey of Governors regarding length of the event, It was resolved **THAT:**

The Governor Development Days planned for Thursday and Friday 22 and 23 January 2009 start on Day 1 at 5.00pm with an evening session, followed by dinner, with overnight accommodation and a full Day 2.

6. APPOINTMENT OF GOVERNORS

- a) Counting of votes for the election of the Teaching Staff Governor was held on 8 September 2008 and Andy Tyers was successful;
- b) Counting of votes for the second Student Governor position took place immediately prior to the meeting and Lauren Wilcock was successful.

It was resolved **THAT:**

- a) Andy Tyers be appointed Teaching Staff Governor for the 4 year period to 30 September 2012 or until such time as he leaves the College, whichever is the earlier;
- b) Lauren Wilcock be appointed Student Governor for the 4 year period to 30 September 2012 or until such time as she leaves the College, whichever is the earlier.

7. STRATEGY

Principal's Up-date

The Principal up-dated the Corporation on current and future issues including:

- Developing Destinies document written two years ago would be revisited to cover the many changes in education, funding and the world. Suggested amendments to key elements would be discussed at the Governor Development Days on 22/23 January 2009, eg goals were still in line but need to revisit targets; International market could change if cheaper to teach in country, soft collaborations and working in different ways with partners.
- National Skills Academy for Creative Arts was being set up and the College should aim to be at the centre of this project in the heart of England area.
- Application in Principle –The College's bid should go to the LSC (Learning and Skills Council) Capital Committee in November 2008. Lloyds TSB overnight market interest rates had dropped from 5.3% to 2.6%. A careful watch would be kept on the financial aspects as the bid progressed from AIP to final project approval.
- New Rugby Campus – A Heads of Terms Agreement had been sent to Warwickshire College for agreement and signature and the College would wish to immediately move to a full contract. Building work will start within the next few weeks for completion in 2010.
- Strategy Collaboration – Colleges and schools were concerned that the LSC had decided on NEETs (Not in Education, Employment or Training) hotspots which did not include South Warwickshire area even though numbers would be increasing. Collaboration with other colleges was being investigated. Concerned for On Board programme which no longer received funding in this area.
- Land Rover - Six 16-18 apprentices were recruited for 2008/09. Next year Land Rover would be present at College open events to promote the programme when hopefully 24 apprentices will be recruited.
- Results – Headline result figures showed a gain in all areas. Getting students on the right programme at the start was important. The Standards and Performance Monitoring Committee would look at the audited results. An action plan would be implemented for one area still causing concern.
- Enrolment – To date 1,527 students had enrolled compared with 1,597 at the same time last year; however, there was confidence that numbers would increase to last year's level.
- International – There had been an increase of 20 HEFP (Higher Education Foundation Programme) students this year over last year.
- Staffing – Changes in management were shown, with some replacements owing to retirement or maternity leave. A management induction programme would be held.
- Stratford Business Services/Cygnet Court - In 2007/08, SBS failed to meet Train2Gain targets and they held contracts with three different consortia. In 2008/09 there is a single contract with College managers responsible for all processes.

A new short course brochure had been distributed. A number of audits of contracts had taken place in quick succession. The Deputy Principal was in talks with the LSC in an attempt to clear areas of their concern.

- ESF (European Social Fund) On Board Project – Following an audit of the On Board project, a request had been received to claw back £50,000 of funding. This action was in dispute and the Corporation will be advised should the College not successfully resolve this matter. Any claw-back was likely to be shared with our partners in the project.
- Finance and Funding – Auditors came to College on 4 and 5 August and the main audit starts on 29 September. FRS17 funding of Local Government Pension Scheme was discussed and the Vice Principal – Finance would send the latest information to Governors.
- F04 Funding – Headline figures were given.

Following questions being raised by Governors, including whether or not there were any trends emerging in the audits of SBS that were a cause for concern,

It was resolved **THAT**:

- a) The report be noted;
- b) Vice Principal – Finance to send latest Pension Scheme information to Governors.

8. COLLEGE BUDGET OUT-TURN TO DATE 2007/08

The Principal introduced the Budget Out-turn Up-date report for 2007/08 which went to the Finance and General Purposes Committee on 10 September 2008. The Chair drew attention to the settlement of the David Mclean account relating to the recent new building project, allowing the removal of the £300,000 contingency from the budget. Some issues came to light in the budget at half year stage that led to a surplus turning into a deficit:

- the College had deliberately over-recruited 16-18 year olds to improve funding for 2008/09. This had resulted in recruitment of more teaching staff as students could not be in-filled as hoped at the start of the year;
- failure to meet T2G targets;
- late start for SBS in new Cygnet Court premises which could have impacted on the ability to find adequate numbers of new customers in the marketplace for courses and room hire;
- SBS was currently receiving much management attention, the outcome of which would be reported to Governors in due course.

In depth discussion took place with Governors. It was considered acceptable for one year to be an investment year but no longer as this could affect future borrowing and Framework for Excellence grading. Lessons would be learnt for 2008/09. The Vice Principal – Finance considered that the College would achieve a category B status once the accounts had been finalised, as opposed to category A in 2006/07.

It was resolved **THAT**:

The report be noted and the Corporation record their expectation that the 2008/09 budget would achieve a surplus.

9. ACCOMMODATION

The financial implications of the Application in Principal bid to the LSC were discussed in detail by the Finance and General Purposes Committee on 10 September 2008 following its up-date. The projected costs of the proposed new accommodation had increased from £58million to £66.8million, mainly attributable to a rise in costs from the initial costing exercise. The final costs would not be known until the next stage but they would have to be within LSC guidelines and the approved limits. The Corporation recognised that the older buildings were no longer fit for purpose or cost effective.

The Corporation was invited to formally up-date resolution 2 passed at its meeting on 11 April 2008.

It was resolved **THAT**:

- a) The report be noted;
 - The Corporation support the Application In Principle (AIP) submission to the Learning and Skills Council for financial support, to enable the proposal for Alcester Road at a cost of £60m to take place;
 - If required, the Corporation support the College undertaking short-term borrowings of £4.5million to finance the building project, this sum to be repaid by 2013/14. The calculation is based on a 90% LSC grant, with claims being settled each quarter during the building programme;
 - If required, the Corporation support the College undertaking long-term borrowings of £6million, in addition to the short-term borrowings, for a period of 25 years. The calculation is based on 90% LSC grant, with claims being settled each quarter during the building programme;
 - The Corporation support the delegation of power to the Chair of the Corporation to approve reasonable variations to the above and, subject to any variations, being brought to the next Full Corporation meeting for consideration;
 - The Vice Principal – Finance keep up-dated the Income and Expenditure Risks chart for 2008/09;
 - Details of the new site plans continue to be treated by Corporation Members and those present as confidential.

10. COMMITTEE REPORTS

10.1 Finance & General Purposes Committee

The Vice Principal – Finance tabled and talked through a paper on Income and Expenditure Budget Up-date for 2008/09 which was considered to be a worse case scenario. The revised budget would be challenging but the aim was not to affect quality. The AoC (Association of Colleges) final offer of cost of living increases for staff was discussed which, for 2008/09, was 3.2% or £550 whichever was the greater. The Union responses were still awaited.

Governors felt that the College should try not to do everything but to concentrate on those areas that it did well and look at partners to deliver other areas which were expensive for the College.

Vice Principal – Corporate Development reported that International student applications were up greatly this year but numbers were affected by the recent introduction of visas with biometrics, making it not easy for students to enter the country. It was hoped that the system would have improved by 2009/10.

The Principal was in correspondence with the LSC regarding the College's real concern that ALS (Additional Learning Support) funding was being cut by 16%, resulting in ALS staff being redundant and a likely drop in students' success rates. Entry qualifications, particularly on Maths and English, and selection have of necessity been more stringent. Those students receiving support will continue to obtain this for the remainder of the year.

Governors were most concerned that students in need of support would not receive the levels previously available, especially with the College's excellent past track record, and requested that a strong letter be sent from the Corporation to the LSC stating Governors' concerns.

It was resolved **THAT**:

- a) The minutes of the Finance and General Purposes Committee meeting held on 10 September 2008 be received by the Corporation and the action endorsed;
- b) The Principal draft a reasoned letter for the Chair to send to the LSC, clearly stating the effects this would have on success rates;

- c) The revisions to the budget be agreed and College Management be requested to keep the income and expenditure under close scrutiny and advise the Corporation of any changes in a timely manner;
- d) Staff be made aware of the financial challenge facing the College and seeking their help in working together to ensure a vibrant, financially sound College.

10.2 Audit Committee

The Audit Committee Chair introduced the minutes of the meeting held on 16 September 2008 which were tabled at the meeting and the Internal Audit Annual Report and Risk Register and Action Plan.

The Vice Principal – Finance stated that the Wider Management Team had recently received budget and College Financial Regulations training and this training would be carried out at future induction sessions.

It was resolved **THAT:**

- a) The minutes of the Audit Committee meeting held on 16 September 2008 be received by the Corporation and the action endorsed;
- b) The Internal Audit Annual Report be received by the Corporation;
- c) The Risk Register and Action Plan be approved by the Corporation.

11. SUSPENSION & DISMISSAL PANEL / SPECIAL COMMITTEE REVIEW

The Corporation considered membership of the Special Committee/Panels, which would be revisited later when new Governors had been appointed.

It was resolved **THAT:**

Membership of the Special Committee/Panels be as follows:

a) **Special Committee**

1. Karen Ralph	2. Mike Atkins	3. Gill Roache
With two reserves:	1. Jenny Andrews	2. Graham Crump

b) **Appeal Against Dismissal Panel**

1. Satnam Bhogal	2. Jayne Longfield	3. Jenny Andrews
With two reserves:	1. tba	2. tba

c) **Appeal Against Suspension Panel**

1. John Latham	2. Alan Richardson	3. Satnam Bhogal
With two reserves:	1. Karen Ralph	2. Graham Crump

12. CORPORATION MEETINGS CALENDAR 2008/09

The Corporation Meetings Calendar for 2008/09 was emailed to Governors on 2.9.08 for any comment.

It was resolved **THAT:**

The Corporation Meetings Calendar for 2008/09 dated 2.9.08 be approved.

13. APPLICATION OF COLLEGE SEAL

In accordance with the requirements of the Instrument and Articles of Government, Governors noted that the College seal had been applied to the following agreements:

- Minor works building contract with TEEPEE Materials Handling Ltd for creation of mezzanine floor and workshop improvements at Masons Road;
- Minor works building contract with Trills Interiors Ltd for creation of Marketing office;
- Minor works building contract with Trills Interiors Ltd for creation of Learner Services office;
- Gladman Developments Ltd for the lease on Cygnet Court;
- David McLean for phase one of the teaching accommodation.

It was resolved **THAT:**

The report be noted.

14. ANY OTHER BUSINESS
There was no other business.

15. DATE OF NEXT MEETING
It was resolved **THAT:**
The Corporation meet again on **Friday 19 December 2008 at 1.30pm.**

CONFIDENTIAL ITEM

Staff and Student Members were asked to withdraw for this item of business which was associated with the salaries of the Senior Post-holders.

Signed :(Corporation Chair)