

**CHELMSFORD COLLEGE**  
**BOARD OF THE CORPORATION**  
**4<sup>TH</sup> DECEMBER 2009**

**Members Present:**

Janice Maclean (Chair), Elaine Oddie (Vice Chair), David Law (Principal) Peter Rainbird, Bob Best, Bill Pigram, Graham Evans, Heather Clarke, Michael Lager, Liz Wood, Phil Bridge, Charles Myers, Ray Joy.

**In Attendance:**

Paul Bayliss (Director of Finance), Willis Field (Director of Client Services), Caroline Williams (Director of Quality and Learning), Mike Tadman (Director of Human Resources), John Fowl (Clerk to the Corporation), Joanne Saward (Minuting Secretary)

**657. TO RECEIVE APOLOGIES FOR ABSENCE**

Apologies were received from John Campling and Jonathan Swan.

**658. DECLARATIONS OF INTEREST**

Janice Maclean declared her interest in item 22 regarding the Pay Award. It was agreed that Elaine Oddie would Chair the meeting for that agenda item.

**659. TO APPROVE THE MINUTES OF THE MEETING HELD ON 18<sup>TH</sup> SEPTEMBER 2009 AND THE PART 2 MINUTES OF THE SAME DATE**

Under item 653 the second sentence should be adjusted to read "the overall data shows that 70% of teaching and learning observations in the College were graded good or outstanding".

The final sentence of the same minute should refer to the Teaching and Learning Improvement Strategy being reported to the Quality Committee.

With these amendments the minutes were **Approved**.

**660. MATTERS ARISING**

There were no matters arising.

**661. DECLARATION IN ADVANCE OF CONFIDENTIAL ITEMS**

There were no additional confidential items declared other than those already on the agenda.

**662. TO RECEIVE THE RECOMMENDATIONS OF THE SEARCH COMMITTEE HELD ON 4<sup>TH</sup> DECEMBER 2009**

Members were informed that the Search Committee had met on 4<sup>th</sup> December 2009 and had considered the reappointment of Elaine Oddie and Bob Best to the Board of the Corporation. The contribution of both governors was valued by the Board and their skills were deemed important to retain.

It was **Recommended** by the Search Committee that they be reappointed for a further four year term of office.

It was **Resolved** that Elaine Oddie and Bob Best be reappointed as governors to the Board of the Corporation for the period ending December 2013.

Members noted that the Search Committee had also discussed the issue of succession planning so that the Board would be in a position to fill vacancies when individuals choose to step down.

The Committee had also reviewed the membership of the Board's committees and a copy of the proposal for updating the membership was circulated to the Board members.

It was **Resolved** that the revised Committee memberships be approved with immediate effect.

### **663. PRINCIPAL'S REPORT**

The Principal outlined the key points in the government initiative "Skills for Growth" which set out multiple strategies to align skills with the economic prosperity of individuals and the nation. The initiative was proposing the introduction of skills accounts for all learners and star ratings for colleges and courses.

The government's Skills Investment Strategy was seeking a £240m efficiency gain in the year made up of cuts in adult learner responsive funding rates and the rate for employer responsive provision. A 6% cut in Train to Gain and a further 10% cut in 25+ apprenticeships would also take place. The Board was informed that this would in turn require the College to also find savings on the cost of delivering its programmes.

Governors were informed of the government's intention to establish University Technical Colleges. However, the Principal felt that this particular initiative was unlikely to be implemented should there be a change of government.

In updating the governors with regards to Machinery of Government changes the Principal informed the Board that the LSC would cease to exist at the end of March 2010. Many of the staff employed by the LSC had already been allocated positions within the new organisations and many of the staff employed in the LSC Essex office, with whom the College work closely would be moving to work with Essex County Council.

The members were of the view that the cuts in funding outlined would be more than the 3% published by government and will continue for the next three to four years. To adjust to this the College faced the danger of having to reduce staffing and increase class size. The Board felt that this would fundamentally change the nature of the College and that poorly performing courses would be most at risk.

It was **Resolved** that the report be received.

**664. TO RECEIVE THE MANAGEMENT ACCOUNTS – OCTOBER 2009**

The accounts indicated that the College currently had an operating surplus for the three month period of £308,021 compared to the budgeted surplus of £237,669 for the same period.

First quarter accounts were showing a sound performance although the College was struggling to generate income on commercial business provision. Overall, the accounts showed the College to be on target with regards to the budget. Payroll budgets are being more tightly controlled and members were informed that the College expected the budget to be as predicted at the year end.

The Board was informed of the position regarding the AM2 centre.

It was **Resolved** that the Management Accounts, October 2009 be received.

**665. TO RECEIVE THE INTERNAL AUDITOR ANNUAL REPORT AND FINANCIAL STATEMENTS AUDITOR MANAGEMENT LETTER**

Both documents had been reviewed in detail by the Audit Committee. No specific matters for attention had been raised by either audit provider. It was noted that the Internal Audit Service had spent more hours carrying out the audit than had been shown in their audit plan but the College had been informed that they would not be charged for the additional hours worked.

The Financial Statements Auditors had stressed that the challenge for College management in the immediate future would be to maintain the sound financial position.

It was **Resolved** that the Annual Report of the Internal Audit Service and the Financial Statements Auditor be received.

It was suggested that the PF&GP Committee should look at the "Steps" referred to by the auditor as being available to offset FRS17 deficits.

Paul Bayliss confirmed that the 1992 Education Act obliged the College to subscribe to the Local Government Pension Scheme and the Teachers Pension Agency.

**666. TO RECEIVE THE ANNUAL REPORT OF THE AUDIT COMMITTEE TO THE BOARD OF CORPORATION 2008/9**

The Annual Report of the Audit Committee was produced and it was confirmed that it provided the necessary assurance to the Board members for the signing off of the annual accounts. Charles Myers thanked the Clerk for producing the detailed report.

It was **Resolved** that the report be received.

**667. TO APPROVE THE MEMBERS' REPORT AND FINANCIAL STATEMENTS 2008-9, AND LETTER OR REPRESENTATION**

Each of these documents had been received in detail by the PF&GP Committee.

The College had no significant bad debts and members were pleased to be informed that JTL had repaid £53,000 and the Ministry of Defence was expected to settle the £46,000 due shortly.

It was **Resolved** that the Members Report and Financial Statements 2008/09 and Letter of Representation be approved and that the Chair and Principal be authorised to sign them.

**668. TO APPROVE THE DRAFT GRADES FOR COLLEGE SAR 2008/09**

The Board was informed that the completed Self Assessment Review (SAR) will be presented to the governing body on 5<sup>th</sup> February 2010 at their Development Day.

The overall grading in the SAR was deemed to be good. However, the quality of provision had been graded as satisfactory in line with that judged by Ofsted. Equality and Diversity had been graded good by Ofsted as well as Safeguarding. The Board was advised that the grades for these two areas were regarded as "limiting grades" within an inspection in that unless these areas were judged good the College grading overall could not be deemed good.

Caroline Williams was pleased to advise governors that the Engineering Manufacturing & Technology area had been graded good after much hard work to improve in that area. Likewise a similar improvement had been seen in the Leisure & Tourism programmes.

The College was working hard to place students on the right courses and this appeared to be having the necessary impact.

Michael Lager suggested that an indication of capacity to improve for each of the Subject Sector Areas might be useful for governors and it was agreed to include a column showing this in future reports.

It was **Resolved** that the interim college SAR grades be received.

**669. TO RECEIVE THE UNCONFIRMED MINUTES OF THE BOARD'S COMMITTEES**

a) Quality Committee held on 3<sup>rd</sup> November 2009

The Committee had been informed of the Institutional Review and the Institution Quality Enhancement Review (IQER) that had taken place in November 2009.

It was important for the College to do well in the Reviews as their continued involvement with higher education work depended on this. Caroline Williams expressed the view that the meetings appeared to have gone well and the final report was expected soon.

b) PF&GP Committee held on 10<sup>th</sup> November 2009

It was noted that a number of employment tribunals were due to be heard and Mike Tadman advised governors of the delay in hearing these due to a backlog that existed nationally in the tribunal system. Dates for two hearings had been set for March and June 2010

The Board noted the recommendation by the Committee to approve the sale of a small parcel of land behind the Sports Centre to the dental practice adjoining the College.

It was **Resolved** that the Board approves the sale of land to the dental practice and authorises the Chair to sign the sale agreement which included covenants to secure the College's future position.

c) Audit Committee held on 24<sup>th</sup> November 2009

The minutes were **Received**.

**670. TO RECEIVE THE THREE YEAR DEVELOPMENT PLAN 2009/10 TO 2011/12**

This is a rolling three year plan and governors' attention was drawn to the key documents that had informed the Plan. The Three Year Plan had now been updated to include revised data and to adjust the latest developments impacting on further education generally. Members noted the detail of increased flexibility programmes and alternative education provision.

It was **Resolved** that the Three Year Development Plan 2009/10 to 2011/12 be approved.

**671. TO APPROVE THE COLLEGE HE STRATEGY**

The approval of a HE strategy was required by the Higher Education Funding Council and was needed as part of the college's Integrated Quality Enhancement Review. The college's IQER inspection took place on 25<sup>th</sup> and 26<sup>th</sup> November 2009 and the HE Strategy was well received. Anglia Ruskin University was pleased with its content and was keen on the Chelmsford College plan to develop a foundation degree in Public Services.

It was **Resolved** that the HE Strategy be approved.

**672. HEALTH AND SAFETY COMMITTEE ANNUAL REPORT**

An updated Health and Safety Policy was received by the Board of governors.

It was noted that the annual report included two reportable accidents during 2008/09. One had involved a member of staff and another student. David Law stressed the importance being placed in ensuring health and safety is being embedded within the college and that high risk areas are regularly audited and risk assessed.

It was **Resolved** that the Health and Safety Policy be approved and the report be received.

**673. EQUALITY AND DIVERSITY ANNUAL REPORT**

Governors were told that the Senior Leadership Team members would be undergoing safeguarding training during January 2010 and will report on this at the governors' Development Day on 5<sup>th</sup> February 2010.

Members received the Equality and Diversity data for the whole College and noted the impact measures. Willis Field stressed that the high level data can be drilled down within the College and examined at course and individual level by College managers and all College staff. The key strengths and areas for improvement were noted together with the action plans to address them.

It was **Resolved** that the Equality and Diversity Annual Report be received.

**674. TO APPROVE THE FINANCIAL MANAGEMENT CONTROLS EVALUATION RETURN 2009**

This questionnaire was self assessed in 2007/8 as good and the PFA Auditor during inspection had judged the College to be "Outstanding" in its Financial and Corporate Governance Systems. However, due to the aborted capital development the College continues to regard itself as good and the FMCE has been submitted to the LSC giving that grading. The full return had been examined by the Audit Committee and approved by them prior to being forwarded to the LSC.

It was **Resolved** that the FMCE be received.

**675. ENROLMENT UPDATE 2008-9**

All areas of provision had either met or exceeded the target set and it was projected that the learner responsive outturn for 2009/10 for 16-18 year olds would be 11% above target. Enrolment to Response to Redundancy courses was proving difficult to achieve the target income for. Currently less than 10% of the Response to Redundancy funding had been earned with Train to Gain having just 74%. The Principal advised that this was due to the low numbers in the 25+ age group that had been unemployed for six months in

order to quality under this funding source. Governors noted that this provision was unlikely to reach the full income target.

It was **Resolved** that the report be received.

**676. SUCCESSION PLANNING, DIRECTOR OF CLIENT SERVICES**

Willis Field will be retiring in May 2010 and hence a designated "Senior Post" will need to be filled. The report set out the key elements of the recruitment process that needed Board approval.

It was **Resolved** that:

- i) The Chair of Corporation, Principal, HR Director and Clerk be authorised to manage the appointment process.
- ii) That Liz Wood and Elaine Oddie be the nominated governors to participate in the selection process (along with the Chair).
- iii) That the timescale for the appointment should be set for Board approval on 5<sup>th</sup> February 2010 if possible. Alternatively the Board could approve this at its meeting on 26<sup>th</sup> March 2010.

**677. PAY AWARD – JANUARY 2009**

The Chair having declared her interest and took no part in the debate. Elaine Oddie Chaired the meeting for this agenda item.

Members received a paper setting out a recommendation that the Board approves a 2.5% pay award for all staff with effect from 1<sup>st</sup> January 2010. This sum had been built into the budget previously approved by the Board. The Principal stressed that he wished the award to reflect the thanks of the College and governors for the hard work during the past year and also to assist in retaining good staff within the College in order to move the College from being assessed as good to outstanding.

Elaine Oddie shared her concern that 2.5 % increase may set the College pay bill too high to be sustainable in the future and suggested a 1.5% increase across the board with 1% to be allocated by management to staff who deserved it. After some discussion the view was that this may prove divisive amongst staff. Paul Bayliss stated that whilst 2.5% was at the top end of pay awards offered by other colleges during the year it would bring the college up to the UCU pay rates for the first time for some years.

There was a formal vote, by show of hands, on the matter and it was **Resolved** that the Board approves a 2.5 % pay award for all staff with effect from 1<sup>st</sup> January 2010 (this was passed: 10 votes in favour, 2 votes against and 1 abstention).

**678. ANY OTHER BUSINESS.**

Caroline Williams informed governors that on 5<sup>th</sup> January 2010 the College will be hosting a Teaching and Learning Conference where Geoff Petty would be the speaker. This will be held at the 5 Lakes Hotel and all governors are invited to attend. The Governors' Development Day had been arranged for 5<sup>th</sup> February 2010 and governors were asked to put forward any items for inclusion on the day's agenda.

**679. DATE OF NEXT MEETING**

26<sup>th</sup> March 2010 at 2.00 pm

Signed \_\_\_\_\_  
(Chair)

Date \_\_\_\_\_

The meeting moved onto the Part II Confidential Items.

