

THE SOUTH DOWNS COLLEGE CORPORATION

Minutes of the meeting held at 5.45 pm on Thursday 4 July 2013 in the Committee Room

Present: Andrew Turner (Chairman), Tim Bennett, Ray Bolton, Ian Child, Graham Fice, Daniel Hughes, Gary Jeffries, Stephenie Linham, Laxmi Neave, Peter Rhodes, Caroline Strevens, Lyn Surgeon (Principal), James Warner

Apologies: Donna Munday,

In Attendance: Susan Grantham (Temporary Clerk to the Corporation)
Pankaj Makwana (Director of Finance, MIS and IT Services)
Sarah Banach, Director of Estates, Facilities and Resources
Ron Crank, Director and Chief Executive of Coast to Capital LEP
Claire Burrell, member of teaching staff, as an observer

The Chair welcomed Gary Jeffries to his first meeting (appointed 21 March 2013); Ron Cranks (appointment as governor item 2(ii) on agenda); and Claire Burrell who advised she is a governor at a local primary school and wished to observe a meeting for her own professional development. The Chair outlined the format of meetings.

The Chair noted this was the last meeting of Student Governor James Warner and highlighted the significant value of student governors. The Chair thanked James for his contribution to the Corporation and wished him well in examination results and future aspirations.

1029. Minutes

The minutes of the meeting held on 21 March 2013 were AGREED whereupon the Chair SIGNED the minutes.

1030. Search Committee, 5.15 pm 21 March 2013

(i) Minutes of meeting held on 21 March 2013

The Chair reported on the minutes of the meeting held on 21 March 2013 noting the recommendation to appoint Gary Jeffries to the Corporation had been agreed by the Corporation on 21 March 2013.

The minutes were RECEIVED.

(ii) Recommendations of the Search Committee held on 4 July 2013, 5.15 pm

The Chair reported the Search Committee had met at 5.15 pm and had made the recommendation to appoint Ron Crank, Director and Chief Executive of Coast to Capital LEP, and Julia Vincent, Headteacher of Warblington School. The Principal noted the value of having a member of a neighbouring LEP on the Corporation. She had approached the Havant Federation of Schools who had nominated Julia Vincent and noted many pupils from Warblington School progress their education at South Downs. Julia Vincent was unable to attend this evening's meeting.

On the recommendation of the Search Committee (04.07.13) the appointments of Ron Crank and Julia Vincent as members of the Corporation under Clause 2(1)(a) of the Instrument of Government, for a period of four years with effect from 4 July 2013, were AGREED.

1031. Appointment of Vice Chair

The Chair reported that Stephenie Linham's term of office as Vice Chair of the Corporation was due to expire on 6 October 2013. She had expressed her willingness to stand for a further term of two years and the Chair asked if there were any other nominations.

On the proposal of the Chair, the appointment of Stephenie Linham as Vice Chair of the Corporation was unanimously AGREED for a period of two years with effect from 6 October 2013.

1032. Appointment of Clerk to the Corporation

(Doc.C13/10 was circulated with the agenda; Revised Doc.C13/10 was laid around the table)

The Chair noted that following the retirement of John Manterfield as Clerk and Deputy Principal (30.04.13) the Corporation (21.03.13) had appointed Susan Grantham as Temporary Clerk for the summer term. The Chairman and Principal had met with Lynn Payne and recommended her appointment for an initial period of 12 months, to be reviewed after that time. The appointment to be effective from 1 August 2013 as reflected in the revised document C13/10.

The Chair advised that Lynn Payne is a very experienced independent clerk who works for other institutions including FE colleges. In the past a senior member of staff had undertaken the role as Clerk and both he and the Principal welcomed the idea of an independent Clerk.

On the proposal of the Chair, it was AGREED:

- (i) That Lynn Payne be appointed as Clerk to the Corporation with effect from 1 August 2013, for an initial period of 12 months, to be reviewed after that time.
- (ii) That the Chief Executive of the Skills Funding Agency be informed of the appointment of Lynn Payne as Clerk to the Corporation in accordance with the terms of the Financial Memorandum with the College.

1033. Committee Membership

(Doc.C13/24 was laid around the table)

The Temporary Clerk referred members to the Corporation and sub-committee chart (Doc.C13/24) and in particular the two vacancies on the Audit Committee, and the vacancy on the committees of Search, and Staff Appeals. She noted the conflict of interest in membership of both the Audit and Finance and Employment Committees. A further vacancy was noted, on the Standards and Quality Committee with effect from the new academic year, to replace student governor James Warner who was leaving at the end of this term. Daniel Hughes had expressed an interest in joining the committee.

The Principal thanked members for their valuable contributions to the committees and considered it would be an opportune time to reconsider membership at the next Corporation meeting (7.11.13) to include the three newly appointed Corporation members.

The Chair referred to the schedule of meetings circulated with the agenda (Doc.C13/23) and invited members to attend any of the sub-committee meetings as observers. The Chair further noted it would be good to receive an early nomination for the Audit Committee and interested members should contact Susan Grantham before the end of term.

It was AGREED:

- (i) That Committee membership be considered at the Corporation meeting (7.11.13) and
- (ii) That Daniel Hughes be appointed a member of the Standards and Quality Committee for the new academic year commencing 9 September 2013.

1034. Standards and Quality Committee Minutes 13 May 2013

(Doc.C13/11 was circulated with the agenda)

Stephenie Linham noted the Committee had considered data presented and had discussed the most informative format for future reports, to include effective outcomes. The Committee was pleased to learn of the increase in success rates and comparisons with other Hampshire

Colleges. The processes in place to improve retention on 19+ courses had been commended by the Committee.

The Principal noted that success rates had suffered as a consequence of a historical decision to enrol part-time Skills for Life students on a three-year programme. This continued to impact on retention (which otherwise would have been 10% higher) and we will carry the legacy of that decision this year when success rates are published for 2014. However there will be no Skills for Life students remaining or enrolled on a three-year programme this September. Retention for Skills for Life was under scrutiny.

Stephenie Linham commended the new traffic light system for intervention and the hard work of all staff involved. The Principal reported that since the last report to the Standards and Quality Committee, retention had increased by 2.5% to just over 90% which was significant. Laxmi Neave confirmed the new arrangements for 19+ learners were working well.

The minutes of the meeting held on 13 May 2013 were RECEIVED.

1035. Audit Committee

- (i) Minutes of meeting 23 May 2013
(Doc.C13/12 was circulated with the agenda)

In Donna Munday's absence Peter Rhodes reported on the meeting noting some items were to be discussed separately on the Corporation agenda. Graham Fice highlighted a timing issue in connection with the Director of Finance's Internal Audit Recommendations Progress Report as members wished to ensure they had the opportunity to consider the recommendations in the first instance. Peter Rhodes noted that Minute 412 (iii) confirmed the Internal Audit Report on Strategic Planning had received 'substantial assurance' and this item was a regular agenda item for the Senior Leadership Team. Risk Management (Minute 415) reported that the College had carried out three scenarios to test the Disaster Recovery Plan which confirmed that appropriate systems were in place and understood by staff. The Director of Finance outlined the scenarios to the Corporation.

Graham Fice referred to the Internal Audit Report on Learner Numbers (Minute 412 (v)) noting that the Committee had considered the auditor's comments harsh in relation to staff knowledge of new software which had only been introduced one month previously and staff training was ongoing. The Audit Committee had asked why the audit team had not highlighted the need for such software and the response was noted. The Audit Committee had made it clear that all recommendations should be reported to the Audit Committee. The Principal confirmed that all recommendations are fully supported by the current management.

Ian Child referred members to previous Corporation discussions relating to the work of the auditors. Graham Fice suggested that the Internal Audit Service be an agenda item at the next Audit Committee for the Committee to report back to the Corporation. The Principal highlighted the importance of triangulation.

The minutes of the meeting held on 23 May 2013 were RECEIVED.

- (ii) Risk Management Termly Report
(Doc.C13/13 was circulated with the agenda)

Peter Rhodes noted that the report shows that risks were considered by the Senior Leadership Team and graded Low, Housekeeping, and Significant. Significant risks were detailed towards the end of the document and were considered to be in line with challenges that other FE institutions might expect in the current economic and demographic climate.

On the recommendation of the Audit Committee, the Risk Management Termly Report was RECEIVED.

- (iii) Internal Audit Strategy Update and Operational Plan 2013-14
(Doc.C13/14 was circulated with the agenda)

Peter Rhodes noted the auditors had met with the Director of Finance and reviewed the risk register and areas previously covered in order to determine audits for 2013-14. These focussed on Learner Numbers – Employer Engagement; IT Provision; HR – Recruitment, Retention and Succession Planning; Estates – Health and Safety; in addition to core areas.

On the recommendation of the Audit Committee, the Internal Audit Strategy Update and Operational Plan 2013-14 was AGREED.

- (iv) Accountability Review
(Doc.C13/15 was circulated with the agenda)

Peter Rhodes advised the Director of Finance's covering report highlighted the key elements and issues that might trigger an Accountability Review, including an Ofsted Inspection. He referred members to page 24 of the Skills Funding Agency (SFA) Guidance document 'Monitoring of the College's Education Performance' and references to a 'Standards' committee receiving timely information. The Audit Committee had noted that the next Standards and Quality Committee was scheduled to meet early in December and accordingly proposed an earlier October meeting. Stephenie Linham concurred noting the Committee would review 19+ at that time.

The report was RECEIVED and it was AGREED that the Clerk would arrange to convene an earlier meeting of the Standards and Quality Committee in late October.

- (v) eGovernance

Peter Rhodes referred to the Audit Committee's discussions on the Corporate Governance and Risk Management Audit and the auditors' recommendation for an on-line portal for governors to access key documents. The Committee had referred this for discussion by the Corporation. Members discussed their experiences of paperless meetings - disadvantages and advantages and highlighted the importance of good governance.

It was AGREED that Chris Harris should make a presentation to the Corporation at the training meeting on 26 September 2013.

1036. Finance and Employment Committee

- (a) Minutes 20 June 2013
(Doc.C13/16 was circulated on 27 June 2013)

Ian Child reported on the minutes noting there had been some lengthy discussions. He highlighted the huge challenges facing the College; the reduced surplus (Minute 21) against a turnover of £34m; sub-contracting costs and staff savings. The College had made significant savings of £2.5m this year, including £1m from overtime and he noted the impact of this on staff. There will also be continued pressure on savings in future years.

The Committee had noted the need for a long term estates plan and welcomed the work being progressed by Sarah Banach. The plans for the Football Pitch Changing Facilities had been reviewed and the College was exploring options for a permanent structure rather than a prefabricated unit. A response to an application for capital funding from Sport England was anticipated by the end of July.

The Committee had also reviewed its Terms of Reference and agreed minor changes to the Financial Regulations to reflect changes in senior posts.

The minutes of the meeting held on 20 June 2013 were RECEIVED noting the above amendment.

(b) Terms of Reference
(Doc.C13/17 was circulated with the agenda)

Ian Child reported that the Committee had been operating for one year and had recommended one change for the Corporation's approval which would better inform the Committee's strategic role regarding staffing, namely:

'To receive termly (or more frequently if it so wishes) appropriate management information relating to staff;'

On the recommendation of the Finance and Employment Committee, the Corporation agreed revised Terms of Reference as detailed in Doc.C13/17.

1037. Revenue and Capital Budgets 2013/14 and Financial Planning 2013-15
(Doc.C13/18 was circulated with the agenda)

The Director of Finance noted the Financial Plan was now based on two years instead of three. He drew attention to the Financial Objectives, para 2 of his covering report, the Income and Expenditure Account which detailed the predicted surplus, and the Balance Sheet and Table 4, 8a indicated the ratio of pay to income. He went through the Financial Plan which was formatted on an automated template. The assessment of Financial Health, Schedule 4.8, had been graded as Good for the next two years, as calculated by the automated Financial Health Grade (Schedule 4). The College's assessment for all years was 'Good' also. Members were also referred to 'Sensitivities' (Schedule 5) and 'Key Assumptions' (Schedule 6).

The Director of Finance responded to questions from members on the budgets and financial plan.

The Chair requested the Director of Finance make a presentation of documents on screen at future meetings.

Ian Child noted the self-assessed Financial Health Grade of 'Good' for the two years and whether this was strategically sustainable in the long term based on current challenges and the need for investment in capital.

The Revenue and Capital Budgets for 2013-14 and the Financial Plan 2013-15 were RECEIVED.

1038. Accommodation Update
(Doc.C13/19 was circulated on 27 June 2013)

Sarah Banach's report updated that submitted to the Finance and Employment Committee (20.06.13) in respect of a proposal to either hire or purchase a circa 220m² double dance studio depending on overall costs. She noted that currently the College spent £30k p.a. renting additional space off-site and on associated transport costs. The College is currently considering quotes for both the hire and purchase of this facility and references are being taken up from educational institutions who have used these companies.

Doc.13/19 outlined the rationale for the proposed Dance facility and noted current applications for Dance are up 9%; the costs and time taken to transport students to an off-site hiring; and savings in staffing costs by not splitting groups into smaller class sizes. The College is offering a Dance Teacher qualification from September which is seen as a growth area and there is also an opportunity to rent out the new facility.

Sarah Banach and the Principal responded to members' queries on curriculum growth areas, cost benefits and budgets. Ian Child advised that the Director of Finance had discussed the

proposal with him last week and had forwarded costings estimates - some £185k over a five year period. Ian Child considered the business case stood up based on current hiring costs, additional staffing and travel costs, and it made sense to buy rather than to rent. Graham Fice noted that Sarah Banach has recently taken him on a tour of the area. Members also noted that many AS Level Dance students study up to three other AS Levels as part of their programme, Dance is an important part of the Musical Theatre courses and many high performing Maths students also choose to study Music.

It was agreed:

- (a) That the update be RECEIVED.
- (b) That the recommendation for either hiring or purchasing a circa 220m2 single storey double dance studio depending on the overall costs be AGREED, and
- (c) That authority be delegated to the Principal, Director of Finance and Director of Estates to proceed with arrangements for the on-site dance studio following the due diligence processes outlined in the Financial Regulations

1039. College Structure

The Principal gave an update on current staffing changes including those to the Senior Leadership Team which had now reduced from twelve to eight members. A copy of her presentation slide is circulated with the minutes.

1040. Strategic Direction 2013-16 and Strategic Plan 2013-14

(Doc.C13/20 was circulated with the agenda and the Principal's Presentation Slides (Doc.C13/20(a) are circulated with the minutes)

The Principal outlined the consultation meetings she had undertaken with the Senior Leadership Team and the Wider Management Group who had in turn consulted with their own staff teams across the College. The Strategic Direction and Plan had been further reviewed with the SLT earlier in the day. The Principal presented the outcomes of these meetings in the form of the Vision and key Values and Ambitions which in turn informed the Strategic Direction for the College for the next three years.

She discussed the proposals with members in detail and responded to their queries and as a consequence a couple of amendments were made. Once approved by the Corporation the final documents would be disseminated to the Wider Management Group, to all staff at the Principal's staff meeting on 22 August, and through the College's website.

The Strategic Direction 2013-16 and the Strategic Plan 2013-14, and the Vision and Values of the College were AGREED

1041. Principal's Termly Report

(Doc.C13/21 was circulated with the agenda)

The Principal offered to take any questions on her report and she noted the current position on applications had improved following some recent A level applications.

1042. Constitution of the Student Union

(Doc.C13/22 was circulated with the agenda)

The Chair reported that Daniel Hughes had this evening advised that since the compilation and circulation of the report the Student Union had attended further conferences and wished to vary the Constitution further. As a consequence, on the recommendation of the Chair:

It was AGREED to adjourn the item on the Constitution of the Student Union to the next Corporation meeting.

1043. Dates of Meetings for the Next Academic Year
(Doc.C13/23 was circulated with the agenda)

The Chair introduced the schedule for the academic year 2013-14.

- (i) The schedule of meetings for the Academic Year was AGREED, noting:
 - (a) That the 12 December 2013 meeting would commence at 4.30 pm, followed by Dinner in the College Restaurant at 6.45pm, and
 - (b) That the Clerk would convene an additional meeting of the Standards and Quality Committee in late October (Minute 1035 (iv) above refers)
- (ii) The dates of Corporation Meeting were CONFIRMED as:
 - Thursday 26 September 2013, 6.00 pm (Training Meeting)
 - Thursday 7 November 2013, 5.45 pm
 - Thursday 12 December 2013, 4.30 pm and 6.45 pm Dinner in the College Restaurant
 - Thursday 20 March 2014, 5.45 pm
 - Thursday 26 June 2014, 5.45 pm
- (iii) Training priorities for 26 September 2013 were CONFIRMED as:
 - eGovernance
 - Quality and Ofsted

In respect of an update on funding, the Chair invited governors to attend a meeting of the Finance and Employment Committee.

1044. Other Business Arising Since the Preparation of the Agenda
(Doc.C12/25 was laid around the table)

The report outlined a variation to the Staff Appeals Committee Terms of Reference and was RECEIVED.

The Chair noted this was Susan Grantham's last meeting. He thanked her for her contribution to the College over 28 years, as minuting secretary to the Corporation for 17 years, and for her role as Temporary Clerk to the Corporation and wished her a long and happy retirement.

Susan Grantham thanked the Chair noting it had been a privilege.

[The Chair declared the meeting closed at 8.15pm].

Sg/09/07/13