

MINUTES of the meeting of the BOARD OF GOVERNORS held at BICTON COLLEGE on Monday 17 November 2008

Present:	Mr J A T Lee	- Chairman
	Dr F Harper	- Vice Chairman
	Sir John Cave	
	Ms J Bashford	
	Cllr E J Berry	
	Mrs C Bourne	
	Mr M Ellingham	
	Mr C Harvey	
	Cllr A Liverton	
	Mrs J Wymer	
	Mrs J Yung	
	Mrs L Twigg	- Interim Principal
	Mr J Lowe	- Staff Governor
	Mr D Watson	- Student Governor
	Miss C Hogan	- Student Governor
In Attendance:	Mrs A Pearson	- Vice Principal Quality and Learner Services
	Mr J Kelly	- Interim Director of Finance
	Miss J Townsend	- Assistant Principal Learner Responsiveness
	Mr K Bond	- Head of Skills and Employer Responsiveness
	Mr G R Copper	- Clerk to the Board of Governors
Apologies:	Mr N Holmes	- Devon and Cornwall LSC

SUMMARY OF RESOLUTIONS

- There were no resolutions.

1. MINUTES

1.1 The Minutes of the meeting held on 18 August 2008 were confirmed and signed by the Chairman.

1.2 Matters Arising

Minute 2.5 – Strategic Options Review

The Chairman reported that the Clerk was awaiting new proposed dates from the

Exeter College Clerk for a meeting of groups of Governors from Bicton and Exeter College to discuss options for a collaboration agreement.

2. REPORT OF THE FINANCE AND POLICY COMMITTEE

- 2.1** Mr Harvey reported on the meeting held on 13 October. The Committee had received a report on enrolments which showed the 16-18 years funding target would be achieved but that the College had under recruited 19+ learners and it was no longer possible to vire funding between the two groups. HE enrolments were also below target.
- 2.2** Capital spending on improvements was continuing but it was necessary to keep expenditure in line with the cash flow position and also control maintenance costs. Work was continuing on the Property Strategy with a proposed £5.7m development in phase 1, which would require a College contribution of £1.5m. An application in principle for funding would be prepared and the College had to identify how it would fund its contribution.
- 2.3** The Committee was monitoring payroll costs and had made recommendations for improvements to HR reports which would provide useful indicators. New and revised HR policies had been approved.
- 2.4** The Vice Chairman enquired about the current status of the Recovery Plan. The Chairman stated that the LSC had approved the plan in principle but would only sign it off when savings had been identified from the proposed collaboration agreement with Exeter College.
- 2.5** The Interim Principal provided an update on the two employment tribunal cases being pursued by former managers.

3. ENROLMENTS AND FUNDING

- 3.1** The Head of Skills and Employer Responsiveness reported that 16-18 enrolments would achieve the LSC funding allocation. Enrolments of 19+ learners were below target and the income target would not be achieved. Virement between categories of learners was no longer permitted. Higher education enrolments were 39 below target. The Train to Gain contract in collaboration with Exeter College was on target but there were some concerns over the Bicton contract and also with 19+ work based learning income.
- 3.2** The impact on income was that 16-18 funding would be achieved as there was a transitional funding arrangement in 2007-8. 19+ funding would be below target. Although HE numbers were down, there was some movement of student numbers towards the higher funded courses. The actual level of HE funding would be determined by the application of the University of Plymouth funding formula.
- 3.3** Work based learning income for 16-18 learners appeared to be satisfactory but there were concerns about the impact of the economic climate on 19+ learner

numbers as employers may not be willing to pay for their share of the costs. All schools work was now fully funded by the schools and some downscaling was taking place. Bicton was also reducing the cost to schools. Most schools were continuing to work with the College. The increased additional learner support funding would be achieved.

- 3.4** The Chairman was very concerned about the impact of lower LSC funded student numbers on the 2009-10 funding allocation. As the LSC had stated that there was no protection against rebasing of funding, he asked what work was being done in the only areas available for increasing funding, namely, Train to Gain and work based learning. In response it was reported that new work based learning programmes were being introduced in floristry, arboriculture and outdoor leisure management and it was hoped to recover some of the shortfall in 19+ income. HE income was expected to be higher when the funding was confirmed with the University.
- 3.5** The Interim Director of Finance added that Governors should be concerned over the impact on the Recovery Plan. There was also the impact of lower student numbers on residential accommodation income. The College would need to be able to demonstrate to the LSC that action was being taken to react to the reduced income and it may be necessary to adjust staffing levels.
- 3.6** A Governor asked if the raised school leaving age would improve student numbers. The Principal thought that schools would want to retain their students but the Recovery Plan research had indicated a cohort of potential students were within the catchment area. The new Diplomas now available might have attracted some potential students and there had been disinformation about Bicton by other colleges. Delivery of the practical elements of 14-16 courses was being looked at in collaboration with a number of consortia. The LSC were making eligibility for Train to Gain more flexible in response to the economic situation. The Chairman requested a plan to deliver the increased student numbers and income and to show how this would be monitored and provide evidence of improvement.

4. FINANCIAL REPORT

- 4.1** The Interim Director of Finance reported on the management accounts for the period to 30 September 2008. The accounts showed a loss at the end of September of £30k, which compared with a loss of £55.6k for the same period in 2007-8. The forecast for the end of October was a loss of £80k as cost savings had not yet been identified.
- 4.2** The 2007-8 outturn was a deficit of £1.191m. The auditors had requested an increase in the bad debt provision which had increased the deficit. The auditors had sought assurance that the accounts had been prepared on a going concern basis and had been provided with Recovery Group minutes as part of the evidence.
- 4.3** The forecast deficit for 2008-9 was £265K but was now likely to be £400k worse

after taking into account the impact of lower student numbers. This would also impact on funding in 2009-10. No reduction in staffing costs had been identified yet and savings from collaboration with Exeter College had also yet to be identified.

- 4.4 The Chairman of the Finance and Policy Committee supported the additional bad debt provision. He strongly emphasised the need to focus on reducing the £400k shortfall by increasing income and reducing costs. It was essential that the College delivered the Recovery Plan. Looking ahead the College needed to identify new courses to attract more students and new ways to generate income.
- 4.5 The Principal reported savings made in SMT salaries, administration and co-ordinators. A Governor requested that details of staff costs by category be made available to the Board.

5. STAFFING

- 5.1 Received a presentation by the Assistant Principal Learner Responsiveness on staff utilisation and curriculum delivery efficiency. The Chairman questioned the student staff ratio (SSR) which was stated as 13, as this did not accord with the financial information. In response it was said that the average for land based colleges was 16 and that the individual school SSRs and cross school teaching were being identified. Part time timesheet staff had been reduced by 17%. In response to a Governor's question it was reported that there were approximately 60 full time equivalent teaching staff and 250 staff overall employed by the College. Another Governor recommended that staffing levels and costs be benchmarked against other similar colleges.

6. RECOVERY PLAN

- 6.1 Received a progress report. An update was provided on the appointment of a Principal, the closing date for applications was 25 November. The salary had been advertised as circa £100k. An appointment panel of five Governors was required to interview the short listed applicants.

The Chairman of the Estate Advisory Committee enquired about progress on discussions with Clinton Devon Estates on collaboration proposals regarding the anaerobic digester project. The Chairman advised that there was nothing further to report as yet. The Head of Skills and Employer responsiveness was however in discussion with CDE on use of their farms for teaching.

7. COLLABORATION WITH EXETER COLLEGE

- 7.1 A paper from the Principal of Exeter College on developing the strategic alliance had been circulated. The Clerk was still trying to arrange a meeting for a representative group of Governors from both Colleges to discuss the collaboration proposals and options.

8. PROPERTY STRATEGY

8.1 Received an update report and the visual condition survey. The Director of Finance was continuing to work on the Property Strategy and hoped to send a draft to the LSC for their input soon. The condition survey had found most buildings in either category C – below standard or category D – unacceptable. Only one was category B. This highlighted the urgent need to progress with improvements and the new Property Strategy to improve the learning environment to acceptable standard.

9. GOVERNANCE

9.1 The Clerk reported on the outcome of the Board self assessment which had been in line with the Review of Governance conducted earlier in the year. Progress had been made with the areas of concern which was now considered to be sufficient to justify a satisfactory grade. However further actions had been identified and discussed with the Chairman and Vice Chairman to progress towards a good grading by the end of 2010.

9.2 The Clerk provided copies of the draft dashboard of College performance indicators which showed the position as at September 2008. A decision had been made to only use data which was already made available to Governors. Further work was needed to refine the presentation and confirm the performance parameters which determined the colour indicators. Governors welcomed the development and the Clerk invited comments for improvements.

10. DATE OF NEXT MEETING

10.1 Wednesday 17 December 2008, time to be confirmed.
Governor Development Day Tuesday 13 January 2009.

Signed _____
Chairman

Date _____

**BOARD OF GOVERNORS
ACTION ITEMS ARISING FROM THE MEETING**

MINUTE	ACTION	BY	WHEN
3.6	Chairman requested a plan to deliver the increased student numbers and income and to show how this would be monitored and	SMT	17.12.08

4.5	provide evidence of improvement. Requested that details of benchmarking against other colleges and staff costs by category be made available to the Board.	SMT	17.12.08
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