

MINUTES of the meeting of the BOARD OF GOVERNORS held at BICTON COLLEGE on Wednesday 17 December 2008

Present:

Mr J A T Lee	- Chairman
Dr F Harper	- Vice Chairman
Sir John Cave	
Mrs C Bourne	
Mr M Ellingham	
Mr C Harvey	
Cllr A Liverton	
Mrs J Wymer	(Agenda items 1-4)
Mrs J Yung	
Mrs L Twigg	- Interim Principal
Mr J Lowe	- Staff Governor
Mr D Watson	- 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
Mr N Holmes	- Devon and Cornwall LSC
Mr T Borton	- Bishop Fleming

Apologies:

Mrs J Bashford	
Cllr J Berry	
Miss C Hogan	

SUMMARY OF RESOLUTIONS

- Approved the Self Assessment Report for 2007-8
- Approved the Quality Improvement Plan for 2008-9
- Approved the learner retention and achievement targets for 2008-9
- Approved the revised internal audit plan for 2008-9
- Approved the financial statements and report for 2007-8
- Approved revised terms of reference for the Special Committee and Appeals Committee

1. MINUTES

- 1.1** The Minutes of the meeting held on 17 November 2008 were confirmed and signed by the Chairman.

1.2 Matters Arising

Received a report from Mr Parkin (HR Consultant) on the employment tribunal hearing held on 15/16 December involving the former Director of Enterprise. The three claims submitted to the tribunal were rejected.

Minute 4.5 – Staff Costs

The Interim Director of Finance was still working on the staff costs information.

Minute 5.1 Staff Utilisation

The staff utilisation issue was addressed in the Recovery Plan progress report.

Minute 6.1 Clinton Devon Estates

The Head of Skills and Employer Responsiveness was in discussion with Clinton Devon Estates regarding use of their farm facilities for teaching.

- 1.3** Due to sensitive commercial and staffing information to be reported in the meeting it was agreed that the Minutes would be treated as confidential and reviewed for release at a later date.

2. REPORT OF THE EDUCATION AND STANDARDS COMMITTEE

- 2.1** Dr Harper reported on the meeting held on 25 November. The Committee had received a report on the short course offer. The status of the Rural Academy had been questioned and it was advised this was being used as marketing brand. The Chairman commented on opportunities for Bicton to be involved in training for traditional land based skills and specific proposals were being followed up. The Committee had received a quality report but the marketing plan had not yet been received. The Interim Principal stated that this was being worked on and would be presented to the next meeting.
- 2.2** The Committee had looked at the recruitment figures for work based learning and Train to Gain and the College needed to increase numbers on these programmes, although success rates were significantly above national averages. An update report on Child Protection had been received and this had been circulated to the Board for information. Draft versions of the Self Assessment report and Quality Improvement Plan had been received and amendments had been requested. The retention and achievement report for 2007-8 and proposed targets for 2008-9 had been received. The Committee had recommended the targets for 2008-9 for approval by the Board.

2.3 Dr Harper reported on the meeting held prior to the Board meeting. The Self Assessment Report for 2007-8 had been presented incorporating the latest data and amendments requested by the Committee. This was recommended for approval by the Board. The Quality Improvement Plan for 2008-9 had also been received the Committee had noted the actions to be taken to build on strengths and address weaknesses. The Committee would monitor the implementation of the plan. The Quality Improvement Plan was recommended for approval by the Board.

3. SELF ASSESSMENT REPORT

3.1 Received the Self Assessment Report for 2007-8. The Assistant Principal Learner Responsiveness reported that changes to the document had been made to improve the presentation of data and information. Attention was drawn to the grading of the five elements of Every Child Matters. The Chairman questioned whether the learner survey results were a true reflection of learners' views and was advised that there were regular meetings with groups of students which the Student Governor considered were well attended. The possibility of re-introducing lunches with Governors would be looked at. Noted that the College overall success rate for LSC funded learners was 84%, which was above the national average. It was resolved that the report be approved.

3.2 Received the Quality Improvement Plan for 2008-9. It was explained that a monitoring report was produced. A Governor suggested that it would be helpful to have a summary of the key actions for improvement. The strengths and weaknesses were cross referenced with the Self Assessment Report and items not yet completed from 2007-8 had been brought forward. The Vice Chairman enquired about monitoring of the outcomes of marketing actions and the Interim Principal advised that she was directly line managing marketing to ensure a more strategic focus. Governors noted that the plan had no longer term actions but these were identified within the Recovery Plan. It was resolved that the Quality Improvement Plan be approved.

4. RETENTION AND ACHIEVEMENT

4.1 Received the retention and achievement data for 2007-8. It was confirmed that instances where retention or achievement which was a concern, this was fed through to the Quality Improvement Plan. The use and calculation of success rates was explained. Governors sought explanations for some of the figures and considered the overall position to be satisfactory.

4.2 Received the proposed targets for retention and achievement for 2008-9. The Vice Chairman commented that some of the targets were particularly challenging but fully supported the need to set challenging targets. It was resolved that the targets for 2008-9 be approved.

5. REPORT OF THE AUDIT COMMITTEE

- 5.1** Sir John Cave reported on the meeting held on 26 November 2008. The Committee had received the Annual Internal Audit Report for 2007-8 and were concerned that this gave only limited assurance. The reasons for this were identified as irregular consideration of risk management and lack of costing of commercial work and the Committee was satisfied that management had taken action to resolve the issues raised. The Financial Statements auditors management letter had been received and Mr Borton explained the basis of preparation of the accounts and the statement which had been agreed with the LSC. The audit opinion was unqualified.
- 5.2** The Annual Report of the Audit Committee to the Board of Governors was presented. The report summarised that audit reports received during the year. The Committee noted the audit recommendations that had been made and was satisfied that management had taken timely action to implement improvements to systems. The Committee therefore concluded that the system of internal control was basically satisfactory and the arrangements for risk management and governance were adequate.
- 5.3** Received a revised internal audit plan for 2008-9 which had been updated to include payroll and catering projects in place of nominal ledger and Saplings Nursery. This was approved.

6. REPORT OF THE FINANCE AND POLICY COMMITTEE

- 6.1** Mr Harvey reported on the meeting held on 8 December 2008. The Committee had received management proposals to address the financial impact of the shortfall in learner numbers and consequential reduction in accommodation and related income which amounted to £400k. Costs had been rigorously examined and additional income was being sought. A plan had been produced to bring the financial position back into line with the Recovery Plan and budget. There was expected to be an impact on 2009-10 due to LSC funding being based on 2008-9 learner numbers. Any shortfall would have to be met by cost reductions and additional income being generated.
- 6.2** The HR report showed a reduction of 26 FTE staff since February 2008. It was also been reported that East Devon District Council officers were looking at the land at Woodbury Salterton which had been notified to the Council as being available for potential development. The College was making good use of sustainability funds to improve the monitoring and control of utilities consumption and reduce costs.
- 6.3** The Committee had received the draft Financial Statements for 2007-8 which had been examined in detail and noted the very unsatisfactory outturn position. The Committee had recommended approval of the report and Financial Statements to the Board.

7. FINANCIAL STATEMENTS

- 7.1** The Interim Principal presented the Financial Statements and report for the period 1 August 2007 to 31 January 2008. The year had been very challenging and a Recovery Plan had been submitted to the LSC but was still awaiting approval. Governors had received recommendations for approval from the audit and Finance and Policy Committees which had examined the details. It was resolved that the report and Financial Statements be approved.

The Vice Chairman took the Chair for Agenda Items 9-12

8. FINANCIAL REPORT

- 8.1** The Interim Director of Finance and Resources reported on the management accounts for the period ending 31 October 2008. Noted the revised reporting of income to account for income as earned instead of when invoiced. Also noted that LSC Structural support funding was separately identified so as to make the trading position clear. The result for the three months trading was a deficit of £108k compared with the budget deficit of £49k. This compared with a deficit of £173k for the same period in 2007-8. The adverse variance was attributed to staff costs not yet being reduced to offset the reduction in income arising from lower than budgeted learner enrolments. This would be addressed in January 2009.
- 8.2** Fees income was £310k below budget and residential income was lower due to reduced occupancy rates. HE income was expected to be on target. Saplings Nursery was now making good progress. Other income was marginally down on budget. Staff costs were £17k over budget due to more agency staff being used than planned due to delays in CRB checks. It was necessary to respond to reduced enrolments and income by reducing staff costs and therefore redundancies were being planned. Redundancy costs would be lower than the cost of staff if retained. This action with other actions planned would enable the Recovery Plan to be brought back on track.
- 8.3** Benchmark financial data for other land based colleges had been distributed for information.

9. RECOVERY PLAN

- 9.1** Received an update report on progress with the Recovery Plan as at 1 December 2008. The next meeting of the Recovery Group would be held on 15 January. The sensitivities were explained. The forecasts had now been updated to reflect the audited outturn for 2007-8. Recruitment for 2008-9 was lower than anticipated, although the effect on income would be less than expected due to LSC transitional arrangements, but would have an impact in 2009-10. HE and accommodation income were also reduced. The impact of this was to increase the forecast operating deficit from £265k to £657k.
- 9.2** The reaction to the reduced enrolments and income had been to look at cost

savings and increasing income. Plans to reduce staff costs and enhance the curriculum offer were reported. Other savings in catering, utilities costs, transport, and maintenance, and also the reduction in VAT were highlighted. Taken together these measures were planned to reduce the deficit to £126k. Staff redundancies would not be implemented until January and voluntary redundancies would be pursued as a first option and the overall process was explained in the report. Shared services with Exeter College were still to be discussed in detail and a net saving of £143k was envisaged. Collaborative curriculum developments were already being planned. Governors of both Colleges would be meeting to discuss the collaboration model on 13 January.

10. PROPERTY STRATEGY

- 10.1** The Interim Director of Finance and Resources stated that the Property Strategy was still being worked on, but it was intended to be completed and shared with the LSC before the Christmas holiday.

11. HEALTH AND SAFETY

- 11.1** The Campus Manager presented the health and safety report for 2007-8. Overall accidents were down 17% compared with the previous year. It was reported that 50% of accidents to students had occurred in the equine area, and 26% of accidents to staff were in the catering area. A Governor expressed concern about potential health and safety issues at the Farm due to poor infrastructure. Health and Safety improvements to the campus were detailed in the report. The Health and Safety Committee was now meeting once per term and there was good attendance. Noted the improvements in management of health and safety at Saplings Nursery.

12. APPOINTMENT OF PRINCIPAL

- 12.1** The Chairman reported that the post of Principal had been advertised nationally and there had been 31 applications. Seven candidates had been short listed and interviews held on 8/9 December. A key responsibility for the new Principal was the collaboration arrangement and the Principal of Exeter College had been an observer at the interviews. Another important consideration was the ability of a new Principal to connect with the land based sector. Four candidates were selected for formal interview at the end of the first day and provided a presentation before the formal interview.
- 12.2** On completion of the interviews and deliberation, the appointment panel was unable to make a recommendation for appointment. It was not considered cost effective to re-advertise the post and candidates would now be sought from other sources and contacts and the panel would be re-convened to interview any new candidates identified.

13. COLLABORATION WITH EXETER COLLEGE

13.1 The Chairman reported that the Clerk was making arrangements for representatives of Bicton and Exeter College governors to meet and discuss the options for collaboration models on 13 January after the Governor Development Day.

14. GOVERNANCE

14.1 The Clerk presented revised terms of reference for the Special and Appeals Committees. These had been updated with advice and guidance from HR specialists. A minor amendment was proposed and agreed for the membership of the Appeals Committee. Subject to this the revised Terms of Reference were approved.

15. DATE OF NEXT MEETING

15.1 Tuesday 24 March 2009.
Governor Development Day Tuesday 13 January 2009.

Signed _____
Chairman

Date _____

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

MINUTE	ACTION	BY	WHEN
	No actions requested.		