

**MINUTES of the meeting of the BOARD OF GOVERNORS held at
BICTON COLLEGE on Tuesday 27 November 2007**

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 C Harvey	
	Cllr A Liverton	
	Mrs J Wymer	
	Mr P Sadler	- Principal
	Mr J Lowe	- Staff Governor
	Mr J Wyman	- Student Governor
	Miss C Hogan	- Student Governor
In Attendance:	Mr I Carlson	- Director of Finance and Planning
	Miss J Townsend	- Acting Director of Students and Learning
	Mr R Cooper	- Campus Manager (Agenda item 14)
	Mr G R Copper	- Clerk to the Board of Governors
Apologies:	Mrs J Yung	

SUMMARY OF RESOLUTIONS

- Approved the retention and achievement targets for 2007-8.
- The schedule of Board and Committee meetings for 2008 was confirmed subject to two amendments.
- Approved a new Committee membership model to be introduced with effect from 1 January 2008.
- Agreed that the College was in compliance with the principal powers conferred contained in Section 18 and the supplementary powers contained in Section 19 of the Further and Higher Education Act 1992.
- Agreed that Mr Ellingham be approached regarding a local community nomination as a potential Governor to replace Mr Hill.

1. MINUTES

- 1.1** The Chairman welcomed Mr Carlson, Miss Hogan and Mr Lowe to the meeting and congratulated the staff involved in the Annual Awards Ceremony for an excellent day.

1.2 The Minutes of the meeting held on 9 July 2007 were confirmed and signed by the Chairman.

1.3 Matters Arising

Minute 2.1

The Acting Director of Students and Learning advised that after meeting with the Royal Marines there appeared to be no market for the proposed full cost work but it had been agreed to 'cross brand'. The 'mock Ofsted' inspector had made some suggestions for further development of plans for public services courses.

Minute 6.1

The Principal reported that the LSC had responded and said that no growth had been made available as land based provision was not a priority.

1.4 The Minutes of the special meeting held on 24 July 2007 were confirmed and signed by the Chairman.

1.5 Matters Arising

Minute 1.3

The Principal reported that the LSC was still considering the report on the review of land based provision in the south west. Nothing conclusive had been heard but following an external contact, Dr Harper thought that the LSC may now work with individual colleges.

Minute 1.8

It was confirmed that a meeting with East Devon District Council and English Heritage was being arranged to discuss the planning constraints on the College campus.

Minute 1.9

The Principal advised that there was no separate metering of utility services to Bicton House and that the cost of installing new meters was substantial. It was confirmed that commercial lettings charges were inclusive of utilities. Investigation into the possibility of obtaining Heritage funding had been commenced. Governors requested that attempts were made to identify the running costs of Bicton House and noted that an energy certificate would be required by April 2008.

2. REPORT OF THE EDUCATION AND STANDARDS COMMITTEE

2.1 Dr Harper reported on the meeting held on 13 November and noted that a 'mock

Ofsted' inspection had taken place. It was confirmed that the report had now been received and would be reported with the Self Assessment Report. The Committee had received the retention and achievement reports for 2006-7 and there was some concern over the foundation level, level 2 and level 3 achievements. The report of lesson observations for 2006-7 showed some improvement and there was confidence that observation grades were accurate. The Committee was now satisfied that plans to develop the higher education provision should progress.

- 2.2 The Committee had received the plans for full cost courses and were pleased to see the activity but were aware that this was a high risk area for income. The Committee would be looking at the quality and standards of full cost provision.
- 2.3 The draft Self Assessment Report (SAR) had been received and reviewed but was now being updated to include issues arising from the mock inspection. A first draft of the Quality Improvement Plan (QIP) had also been tabled. The final versions of both documents would now be received at an additional meeting on 12 December. The Committee had approved the learner engagement strategy and the sustainability policy, and had requested that the College adopt a common format for new policies. The Academic Board appeared to be working well.

3. LEARNER RETENTION AND ACHIEVEMENT

- 3.1 Received the retention and achievement report for 2006-7. Governors were concerned to note that achievement for foundation level was 64% against the national average of 86%, level 2 was 71% against the national average of 85% and level 3 was 57% against the national average of 83%. Retention of students was good and when the retention and achievement rates were factored together to provide success rates, the College met the national average. The issue was raised in the SAR. Governors were concerned to ensure that appropriate action to improve achievement was included in the QIP.
- 3.2 The details of retention and achievement at individual course level were examined and explanations sought on the background to some figures in the report. It was resolved that the report be received.
- 3.3 The proposed retention and achievements for 2007-8 were received. Targets ranged from 80-90% for retention and 85-95% for achievement. The targets had been fully discussed with curriculum teams and were considered to be challenging. Dr Harper reported that they had been received and discussed by the Education and Standards Committee and were recommended for approval by the Board. It was resolved the retention and achievement targets for 2007-8 be approved.

4. SELF ASSESSMENT REPORT

- 4.1 The Acting Director of Students and Learning reported that the draft SAR had been presented to the Education and Standards Committee and feedback received. Success rates had now been added and it would be completed for circulation to Governors in early December.

- 4.2** The 'mock Ofsted' inspection report had now been received. This had reported some understatement of weaknesses and the SAR was being amended to reflect this. The inspection process had provided for immediate feedback and there had been no special preparation, to provide a realistic picture. Lesson observation grades had been confirmed as realistic and the issues identified were common to all curriculum areas. Particularly noted were issues with differentiation in the class room and lesson plans. Differentiation was explained and thought to be a difficulty for new and inexperienced staff. The Staff Governor explained some of the information now available to staff to track the progress of learners with learning issues or who were less able.

5. REPORT OF THE FINANCE AND POLICY COMMITTEE

- 5.1** Received the report of the meeting held on 8 October 2007 and Mr Harvey reported on the meeting held on 26 November which would be formally reported to the Board meeting on 12 December.
- 5.2** Mr Harvey stated that the financial outturn for 2006-7 was well short of the budgeted outturn mainly due to a substantial shortfall in Enterprise income, lack of senior financial manager and costs of temporary senior staff. A deficit of £196k was very disappointing. Management accounts for September 2007 had now been circulated but it was too early to draw conclusions on the outturn position for 2007-8.
- 5.3** The Director of Finance and Planning had prepared a revised budget for 2007-8 to be used alongside, but not replacing, the budget previously approved by the Board. The College was now working towards an outturn surplus only slightly below the original budget. Depending on the profile of LSC payments, the cash flow could be under strain and discussions with the bank had taken place in case an overdraft facility became necessary. A longer term loan policy had been discussed which would ease the strain on the cash flow position and would assist in funding capital expenditure. Capital expenditure was currently being held back until the finances were on a sound footing and an operating surplus achieved.
- 5.4** The major risk to achieving the budget outturn for 2007-8 was in Enterprise income. In 2006-7 income sources went down and plans for 2007-8 include new courses and establishing a Rural Academy. Enterprise income was mainly due at the end of the financial year and contracts were being reviewed to make cancellation clauses more robust.
- 5.5** Governors were concerned to note that there appeared to have been no savings from management restructuring in 2006-7. The Principal stated that the reason for restructuring was to get the required skills in place. He also stated that LSC funding had been cut in real terms by £400k and the College response had been to increase Enterprise income. The outturn was very disappointing and restructuring had taken longer to complete than anticipate, with high temporary staff costs.

6. STUDENT NUMBERS AND FUNDING REPORT

The Vice Chairman took the Chair for this item.

- 6.1** Received the student numbers and funding report for 2006-7. Noted the College had delivered 105% of the LSC funding allocation. The overachievement represented £205K which would not be funded but the College was in discussion with the LSC regarding this. It was confirmed that real costs had been incurred. Additional Learning Support (ALS) was an on-going issue and the College planned to incur more ALS costs in 2007-8 that were funded by the LSC. It was not reasonable to turn students away with ALS needs.
- 6.2** Received a report showing the student numbers and funding position for 2007-8. Overall the College had achieved 87% of the LSC funding allocation as at 8 November compared with 85% in 2006-7. There were part time enrolments still to take place later in the year. The Principal stated that the 16-19 full time learner numbers were critical and currently were 502 against the target of 468. The part time target was 32 FTE learners and 13FTE had been achieved so far.
- 6.3** It was reported that the University of Plymouth (UoP) had cut funding by £70k and the College was in discussion about this. The work based learning (WBL) planned profile had been overstated by £80k and had now been re-budgeted. Governors asked why the WBL profile had been overstated and the Principal replied that this was because the LSC had additional funding and this had been included in the budget. Governors requested income numbers on the HE student numbers reports.

7. FINANCIAL REPORT

The Chairman took the Chair for the remainder of the meeting.

- 7.1** The director of Finance and Planning presented the management accounts for September 2007, and the sensitivity analysis was noted. There had been some inaccuracies in the phasing of expenditure and the budget and profiles had now been reviewed and revised. Some previously unrecognised costs had now been included in the budget. The year end forecast was a surplus of £80k. The cash flow position had deteriorated and was a significant problem for the next four months. Capital expenditure had been deferred until later in the year but cash generating items would go ahead. Without year end figures it was not possible to give an indication of the LSC financial health category for 2007-8.
- 7.2** The outturn position for 2006-7 had been reported earlier. There had been a significant additional year end cost for pensions, this had now been built into the budget for 2007-8. The Finance and Policy Committee had considered the Financial Statements in detail.
- 7.3** A new three year financial forecast would be started for 2008-9 and it would be necessary to revise the starting point. It was considered that the planned financial health position was overstated.

8. SAPLINGS NURSERY

- 8.1** It had been agreed to prepare a full report for discussion by the Finance and Policy Committee. This would be circulated before the next meeting. There had been a slow improvement and there were issues with discounts for staff. The SMT would receive a paper and report to Governors but there was no quick solution to the problems.

9. STRATEGIC PLAN

- 9.1** It was agreed that Governors had not been good at monitoring progress against the current plan and this would be improved. The Principal reported that there had been some progress against the key objectives. The SMT were working on a new plan and would propose key objectives for Governors to set. The Chairman stated the Governors need to give much more attention to the plan.

10. PROPERTY STRATEGY

- 10.1** The Principal stated that the strategy was currently caught between the views of Governors that the College should develop the present site, and the LSC who favoured a relocation to Cranbrook. The next step was to establish the planning constraints on the present site and meet with EDDC and English Heritage for discussion. A further option had emerged following the proposed merger of East Devon and North Devon Colleges but at this stage was a sensitive issue. It was noted that costs for preliminary work to progress the strategy were estimated at £300k

11. GOVERNANCE REVIEW

- 11.1** The Clerk provided an update report on progress with action items arising from the review of governance in 2006-7. Eight actions had been completed and the remainder were being progressed. Some would not be fully completed until July 2008.

12. GOVERNANCE

- 12.1** The schedule of meetings for 2008 was confirmed subject to two amendments. The Clerk would circulate the agreed dates to Governors.
- 12.2** To address the concerns of some Governors who felt out of contact with the main issues, a revised Committee membership model was proposed for trial. It was agreed to implement this with effect from 1 January 2008.
- 12.3** Received a paper summarising the activities of the College including commercial work and agreed that the College was in compliance with the principal powers conferred contained in Section 18 and the supplementary powers contained in Section 19 of the Further and Higher Education Act 1992.

13. HEALTH AND SAFETY

13.1 The Campus Manager presented the Health and Safety report for 2006-7. It was noted that one third of the recorded accidents had occurred in Equine. The detailed list of accidents involving staff and students were noted. It was also noted that students were treated as members of the public and serious accidents were reported to the Health and Safety Executive under the RIDDOR regulations. A number of minor accidents had occurred at Saplings Nursery but this was not unexpected. The College Health and Safety Committee had been re-established and had a student member. It was confirmed that any urgent work for fire prevention was included in the 2007/8 maintenance plan. The report was received.

14. SENIOR POST HOLDERS

14.1 The Principal recognised the need to have a second senior post holder should be considered. However at present he was not able to bring a recommendation to the Board but the matter would be considered as soon as possible.

15. REPORT OF THE SEARCH COMMITTEE

15.1 Mrs Wymer reported on the meeting held on 1 October 2007. The meeting had considered potential names for a Governor to replace Mr Hill. A list of names had been circulated to Committee members to prioritise and it was proposed to approach Mr Mike Ellingham regarding a local community nomination. It was agreed that Mr Ellingham be approached.

DATE OF NEXT MEETING

16.

Wednesday 12 December 2008, time to be confirmed.

16.1 Governor Development Day Tuesday 15 January 2008.

Signed _____
Chairman

Date _____

BOARD OF GOVERNORS

ACTION ITEMS ARISING FROM THE MEETING

MINUTE	ACTION	BY	WHEN
6.3	Include income on HE student numbers reports	Director of Finance and Planning	1.4.08