

MINUTES of the meeting of the BOARD OF GOVERNORS held at BICTON COLLEGE on Monday 30 March 2009

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	(Items 12-13)
	Mrs J Yung	
	Mrs L Twigg	- Interim Principal
	Mr J Lowe	- Staff Governor
	Mr D Watson	- Student Governor
In Attendance:	Mr D Henley	- Principal Designate
	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
	Apologies:	Miss C Hogan

SUMMARY OF RESOLUTIONS

- Approved updated learner retention and achievement targets for 2008-9.
- Approved the updated Recovery Plan.
- Approved the Governor attendance target for 2009-10 as 78%.
- Approved the Review of Governance plan for 2009.
- Approved Heads of Terms for a federation model with Exeter College.
- Approved the appointment of Grant Thornton to conduct a feasibility study into the proposed federation with Exeter College.
- Approved the arrangements for secondment to the post of Director of Finance.

The Chairman reported on the satisfactory outcomes of the Ofsted inspection, the Care Standards Inspection and the Ofsted HE Inspection (University of Plymouth inspection). Also reported was the BOAT 24 hour tractor rebuild event, the Food and Farming event which was attended by 650 students with good feedback and Lambing Sunday which attracted 700 visitors.

1. REPORT OF THE FINANCE AND POLICY COMMITTEE

- 1.1** Mr Harvey reported on the meeting held on 9 February 2009, and referred to the staff redundancies. Four staff had accepted voluntary redundancy which had been deferred until after the Ofsted inspection. The situation was still open to consider compulsory redundancies. Staff costs had increased in the current year but savings of £200k would result in 2009-10 if the planned redundancies were fully implemented. Noted that the equal pay claim by a former member of staff which had been due to be heard by an employment tribunal had been withdrawn.

2. ENROLMENTS AND FUNDING REPORT

- 2.1** An updated report on enrolments and funding was tabled. 16-18 Learner Responsive numbers were expected to outturn at 750 learners, 32 below target. Action had been taken to address the shortfall in numbers by reintroducing the Kick Start programme and new part time and short courses. Connexions had been able to provide some additional learners. Adult Responsive learner numbers were expected to be on target at 1,300 learners. Some part time and short courses were still to run later in the year. It was noted that some provision had been contracted out at a cost of £150k and that this would maintain 2008-9 learner numbers for funding in 2009-10.
- 2.2** 16-18 Apprenticeships numbers were improving and would outturn at 68 compared with the target of 90. 19+ Apprenticeship numbers were also improving. The Train to Gain contract in collaboration with Exeter College was expected to hit target and the Bicton contract numbers were expected to outturn close to target. Mr Holmes confirmed that there was flexibility to vire learner numbers between the Exeter and Bicton contracts. FE Workplace NVQ learner numbers were unlikely to take up the funding available as enrolments were taking place on Train to Gain and Apprenticeship courses.
- 2.3** The Assistant Principal Learner Responsiveness reported that the data held by the University of Plymouth had yet to be finally reconciled with Bicton's records. The College was confident of the student numbers data and was attempting to resolve this, and was also aware of other partner colleges being in a similar position. Governors would be kept informed of progress.

3. FINANCIAL REPORT

- 3.1** The Interim Director of Finance reported on the management accounts for the period to 28 February 2009. The operating deficit for February was £98,738 compared with the budget deficit of £98,738. The forecast year end outturn was a

deficit of £669,536 compared with the original budget deficit of £265,450. The reasons for the increased forecast outturn deficit were reported. Under recruitment of 16-18 Responsive learners, with a consequential shortfall in residential accommodation income. Staffing costs were not reduced in response to the under recruitment until after the Ofsted inspection. Commercial income was forecast to be reduced from £815k to £699k due to the economic situation. Staff redundancy costs were £117k with a saving in 2008-9 of £82k. There were additional delivery costs of £160k for additional assessors to fulfil the Adult Responsive learner contract. Teaching staff costs were forecast to be £811,890 compared with the original budget of £704,050.

- 3.2** The Vice Chairman enquired about additional expenditure for the marketing plan. The Interim Director of Finance said that there was an ongoing debate, the LSC required the College to adjust existing budget lines. The new mobile display unit had been incorporated into capital expenditure. The Vice Chairman requested that after review of the budget lines, targeted funding for marketing should be available to ensure the College hit learner recruitment targets for 2009-10. The Principal Designate added that there was a need to look at increasing the impact of existing marketing plans and reported that the school liaison officers of Bicton and Exeter Colleges were now working together. Another Governor recommended that the College maintained awareness of competitors marketing activities.

4. OFSTED INSPECTION

- 4.1** Received a presentation by the Interim Principal on the outcome of the Ofsted inspection with an explanation of the grading structure. The College had received grade 3 (satisfactory) for achievement and standards, quality of provision, leadership and management, and equality of opportunity. Grades for work based learning for the first three headings were all 2. Subject area grades were two at grade 2 and two at grade 3. Grade 3 was given for overall effectiveness, capacity to improve, improvement since last inspection and the self assessment process. No grades, including unpublished subsidiary grades, were unsatisfactory. The Principal Designate thanked the team of staff involved for achieving the Ofsted outcome and the Chairman also thanked the staff for the excellent result and also the Education and Standards Committee for their role in monitoring the quality and achievements of the College
- 4.2** The inspection report carried out by Ofsted under the Care Standards Act had been circulated. The overall quality rating was good. The College had been judged as good for helping children to be healthy, protecting children from harm or neglect and helping them stay safe, and also for organisation.
- 4.3** The Vice Principal Quality and Learner Services reported that initial teacher training provision had been inspected as part of an inspection of the University of Plymouth. This had been judged as inadequate in the last inspection but had now been judged as satisfactory.

5. MINUTES

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

5.2 Matters Arising

Minute 2.1

The Chairman noted the status of the College Rural Academy and reported that discussions were on going regarding establishing a national hub.

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

5.4 Matters Arising

Minute 1.1

The Chairman reported that Mr David Henley, Principal designate would take up the post of Principal on 1 April 2009.

6. REPORT OF THE EDUCATION AND STANDARDS COMMITTEE

- 6.1** Dr Harper reported on the meeting held on 23 February 2009. The Committee had received a report on the full cost enrolments and 14-16 schools work. There had been good feedback from the learner satisfaction surveys and where there had been unsatisfactory comments the reasons and action to be taken had been requested. The lesson observation reports continued to show improvement, but the Ofsted inspection had suggested that College observation grades may have been generous. Updated retention and achievement targets for 2008-9 had been presented and recommended for approval. A new report on student discipline had been received. The learner recruitment report for 2009-10 had been updated and showed the College to be in line with 2008 but the position needed improve further and reference was made to the proposed additional marketing expenditure. The Committee had requested monthly updates to the learner recruitment report.
- 6.2** Received the full time FE and HE course offer planned for 2009-10. The Assistant Principal Learner Responsiveness explained the new courses being developed. Governors requested that courses being withdrawn also be reported.
- 6.3** Received the full time learner admissions report as at 31 March 2009 and comparison with the previous two years.
- 6.4** Received the updated full time FE retention and achievement targets for 2008-9 which were recommended by the Committee for approval. The targets were approved.

7. REPORT OF THE AUDIT COMMITTEE

- 7.1** Sir John Cave provided a verbal report on the meeting held on 24 March 2009. Matters outstanding from previous audit reports were reported to the Committee with actions planned to resolve them. Three internal audit reports were received on catering, estate management and student recruitment. The assurance rating for catering and student recruitment was moderate assurance, but estate management was limited assurance.
- 7.2** The Interim Director of Finance reported on the Financial Management and Control Evaluation audit. In contrast to the Ofsted inspection outcomes the LSC auditor had assessed the College as inadequate. The Colleges had contested the audit approach and appealed against the decision. The first appeal had been unsuccessful but a further appeal had been submitted and the outcome was awaited. A report by the LSC on Work Based Learning was received, the report concluded that the College's controls and use of funds were satisfactory. The Committee had examined the risk register and noted the updated action plan.
- 7.3** The performance of the financial statements and internal auditors had been reviewed. To comply with the LSC Audit code of Practice, the financial statements audit partner would now need to be changed. There were also potential staff changes to be discussed with the internal auditors. Subject to satisfactory discussions with the auditors, the Committee would be recommending the re-appointment of the auditors at the July meeting.

8. LSC DELIVERY PLAN

- 8.1** The Principal Designate reported that the issuing of LSC funding allocations to colleges had been delayed. It was anticipated that the 16-18 allocation would be received in a few days. Mr Holmes reported that colleges had received an indication of the allocation from the local LSC.

9. RECOVERY PLAN

- 9.1** The Interim Principal referred to operational action plan of the updated Recovery Plan. The Interim Director of Finance said that the changes in the updated Plan were to the financial information which reflected the latest information. The financial issues had been reported in the management accounts. The Plan assumed that the college would return to 2007-8 levels of student numbers in 2009-10, but any shortfall would require adjusting down of staffing. Collaboration with Exeter College was expected to result in savings of £100k. Losses incurred in 2008-9 would be funded from the LSC advance of funding, but in order to recover the net current assets position a further £250k advance would be required. A rolling 12 month cash flow forecast was now included.
- 9.2** After discussion, the updated Recovery Plan was unanimously approved.

10. REPORT OF THE SEARCH COMMITTEE

- 10.1** In the absence of the Committee Chairman, the Chairman of Governors reported on the meeting held on 10 March 2009. Two Governors would be standing down on 31 July 2009. The skills audit had identified the need to strengthen the financial skills on the Board. A Governor suggested that legal and marketing skills would be useful. The attendance target was recommended to remain at 78% and it was noted that attendance was currently above target. The target was approved. The list of potential Governors had been updated for further consideration and the Committee would then make a recommendation to the Board.

11. GOVERNANCE

- 11.1** Received a paper detailing the proposed basis for the 2009 Review of Governance. The Clerk explained that this was a new approach which introduced a range of performance indicators and would be refined in the light of experience. A small group of Governors would be involved in completing the assessments and it was planned to report back to the Governors Away Day. The Clerk confirmed that the outcomes of the review would feed into the College Self Assessment Report. The Review plan was approved.
- 11.2** The guide to documents available under the Freedom of Information Act publication scheme was approved.
- 11.3** The priorities identified for Governor training from the skills audit were confirmed. The Clerk invited any additional requirements from Governors.

12. COLLABORATION WITH EXETER COLLEGE

- 12.1** Received a presentation by the Principal Designate on collaboration with Exeter College. The Principal of Exeter College was in attendance for the presentation and Governors were able to ask questions.
- 12.2** Draft Heads of Terms for a federation model prepared by Eversheds were presented by the Principal Designate with a recommendation for approval. It was resolved that the Heads of Terms be approved.
- 12.3** An invitation tender for a feasibility study on the proposed federation had been issued and three firms had submitted tenders. These firms had provided presentations on the tender submissions to a selection panel which had included a Governor. It was recommended that Grant Thornton be appointed which was unanimously approved.
- 12.4** The Principal Designate reported the proposed secondment of the Director of Finance of Exeter College to Bicton for three days per week. Due to the urgent need to provide cover for the role of Director of Finance following the ending of interim arrangements and recognising the proposed collaboration arrangements,

formal approval by the Board was requested to comply with Financial Regulations. It was resolved that the secondment arrangement be approved.

- 12.5** The draft Heads of Terms required a steering group to be identified which would require at two Governors to be nominated to join it. The Chairman questioned whether two was a sufficient number and recommended inclusion of a Governor with a curriculum background. Two Governors were nominated with a third Governor to be discussed and agreed with Exeter College.

13. DATE OF NEXT MEETING

- 13.1** To be confirmed.
Governor Development Day Tuesday 5 May at 9.30 am

Awards Ceremony – Friday 19 June 2009

The Chairman and Governors thanked Louise Twigg and John Kelly for their work as Interim Principal and Interim Director of Finance.

Signed _____
Chairman

Date _____

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

MINUTE	ACTION	BY	WHEN
12.5	Nomination of a third Governor to join the collaboration steering group .	Chairman with Principal	30.4.09