



**WEST NOTTINGHAMSHIRE COLLEGE  
CORPORATION BOARD**

***Minutes of the Corporation meeting held in the Vision Room at the Derby Road site on Thursday 12 July 2012 at 5.00 pm***

**GOVERNORS PRESENT:** Kate Allsop  
Howard Baggaley  
Chris Bodger  
Tim Clarke  
Nevil Croston  
Terry Dean  
Diana Gilhespy  
Jean Hardy (Chair)  
John Holford  
Asha Khemka  
Mike McNamara  
Chris Winterton

**ALSO IN ATTENDANCE:** Maxine Bagshaw, Clerk to the Corporation  
Graham Howe, Vice Principal Business Development  
Andrew Martin, Deputy Principal  
Patricia Harman, Deputy Principal  
Tom Stevens, Executive Director Capital Projects & Estates

**12.73 DECLARATION OF INTEREST**

The Chair reminded those present to declare at the start of the meeting any interests in matters to be considered. Howard Baggaley specifically noted his interest in relation to the Sports Hall development. Standing declarations of interest were also noted. It was agreed that the declarations of interest did not prohibit participation in discussion.

**12.74 WELCOME AND APOLOGIES FOR ABSENCE**

Apologies for absence were received from Libby Crane, Malcolm Hall, David Overton, John Robinson and James Stafford. The Clerk to the Corporation confirmed that she had received a letter of resignation from Philip Lancashire today.

**12.75 MINUTES OF THE MEETING HELD ON 17 MAY 2012**

The minutes were agreed as a true and correct record and were signed by the Chair.

ACTION by whom	DATE by when

Signed : \_\_\_\_\_ Chair

Date:

ACTION by whom	DATE by when

AGREED: to approve the minutes of the meeting held on 17 May 2012.

**12.76 MATTERS ARISING AND ACTION PROGRESS REPORT**

There were no matters arising and the action progress report was noted.

**12.77 OUTCOMES FROM THE BUSINESS STRATEGY RESIDENTIAL**

The Principal provided a presentation, which detailed the outcomes and action points. In addition, she circulated an action plan detailing agreed changes and deadlines for completion. The following was noted:

- Summary of outcomes agreed:
  - a) College Business Plan
  - b) Engineering Feasibility (paper 12<sup>th</sup> July 2012)
  - c) Single Employer Engagement Unit (paper 12 July 2012)
  - d) Inward Investment proposals/Community score card - discussion item for 2012/13
- Inspection outcomes key issues:
  - a) Success rates – level 3 at 16-19 and level 2 at 19+
  - b) Teaching & Learning
  - c) Self-Assessment & Quality Assurance
- Since inspection the College has been reassessing, realigning and revisiting.
- Where the College needs to strengthen:
  - a) Internal controls
  - b) External scrutiny,
  - c) Reporting to the Board
- To strengthen internal controls, the Executive will closely scrutinise and focus upon:
  - a) Attendance
  - b) Retention
  - c) Literacy and numeracy
  - d) Student feedback
  - e) Progress tracking
- There will be a mid year review involving the whole team.
- Develop and track key KPI's.
- Observation process owned by Schools of Learning.
- Strengthen performance management.
- Self-assessment quality assurance:
  - a) Revised moderation of self-assessment
  - b) Executive ownership and rigorous scrutiny of the process and outcomes
  - c) Individual curriculum grades
- Self assessment score/service:
  - a) Core SAR will be prepared by Course Team, moderated by Curriculum Managers and progress against Quality Improvement

Signed : \_\_\_\_\_ Chair

Date:

	ACTION by whom	DATE by when
<p>Plan monitored half termly,</p> <p>b)Curriculum area of service team SAR will be prepared by Curriculum Manager or Service Team Leader/Manager, moderated by Head of School or Service and progress against Quality Improvement plan monitored half termly</p> <p>c) School or Service SAR will be prepared by Head of School or Service, moderated by Director Standards and Student Services, Head of Quality and two Members of the Executive Team. The School Quality Improvement plan monitored half termly, service termly</p> <ul style="list-style-type: none"> <li>• College SAR will be prepared by Head of Quality, moderated by the Executive, externally validated, Executive approval (QUIP monitored termly), presentation to the Standards Committee (QUIP monitored termly), and final approval by the Board.</li> <li>• The College will work to strengthen its external validation, this will include: <ul style="list-style-type: none"> <li>a) Internal audit role</li> <li>b) External lesson observers</li> <li>c) External validation of the SAR</li> </ul> </li> <li>• Reporting to the Board – a plan for an internal and external verification framework to be presented to the Board in September.</li> </ul> <p>AGREED: to note the outcomes from the Business Strategy Residential.</p>	Principal	13 Sept 2012
<p><b>12.78 <u>PRINCIPALS REPORT</u></b></p> <p>The Principal introduced this item and drew members` attention to the comprehensive detail of her written report. Members discussed the remarkable achievement of students and particularly in relation to the UK Skills competition, Guild of Bricklayers and local and national Hair &amp; Beauty competitions. The Vice Chair indicated that the Celebration of Achievement evening had been an exceptional event. Members acknowledged the journey and distance travelled by students and felt that in some specific instances, this could only have been achieved as a consequence of the commitment and dedication of tutors. Governors thought that it would be appropriate to write a letter of thanks to the tutors from the Board so that their significant contributions are noted and recorded.</p> <p>The Principal confirmed that, nationally, there are significant developments and in particular in-depth discussion regarding how to raise the profile of FE and the Skills Sector. She indicated that one proposal is to introduce an FE &amp; Skills Guild. This would build in a level of professionalism and work to acknowledge quality providers.</p> <p>It was also noted that the Principal had attended an MP’s dinner for the East Midlands area at the House of Commons.</p>	Chair	July 2012

Signed : \_\_\_\_\_Chair

Date:

AGREED: to note the update provided.

**12.79 PROPERTY STRATEGY UPDATE**

The Executive Director introduced this item and drew members' attention to the following key points:

- Renewal grant allocation of £120k available for colleges with more than 20% of estate in RIBA conditions C&D. Submission to be completed by 31 July 2012. The proposal is to apply for funding to support the cladding of the six-storey tower.
- Enhanced renewal grant of up to £3million to bid for, submission by 11 September. Minimum application of £1million conditional in making two-thirds College contribution. Bid is proposed for circa £600k to support £1.8million estimate to relocate Visual Arts from Chesterfield Road to Derby Road.
- New build – work is progressing. Recent rain means that the project is two weeks behind schedule, but Contractors do not envisage problems in catching up. Delivery of skylights for roof delayed – potential delay risk if skylights do not arrive on site as planned.
- Six-storey block – cost review of the six-storey block and other buildings indicate an increase in total cost of £502k more than budget. This cost can be mitigated to circa £133k by minor design changes and limiting cladding on Number 19 and Sherwood Care Building.
- Sports Hall – work is progressing. External cladding and building commenced. Internal work scheduled for completion for 30 July 2012. External works (cladding and paving) scheduled for completion for 10 September 2012.

Members discussed the detailed update and noted that, in relation to the six storey tower, the Project Team are currently drawing up a long list of contractors. The tender process will include provision for cladding of all of the buildings, but each element of the tender is to be 'packaged' to provide maximum flexibility.

AGREED to:

- a) Note the update provided
- b) Approve the application for an SFA renewal grant of £120k by 31 July 2012 be submitted to support the cost to clad the six storey tower block
- c) Approve a bid for SFA enhance renewal grant of up to £3million be submitted by 11 September 2012, to support the cost of relocation of Visual Arts from the Chesterfield Road Campus to the Trades Building and ground floor of the three storey block at Derby Road.

ACTION by whom	DATE by when

Signed : \_\_\_\_\_ Chair

Date:

12.80

**FINANCE REPORT MAY 2012**

The Director of Finance introduced this item and confirmed that the detail of the report had been presented to the Finance & Estates Committee at its meeting on 28 June 2012, the following was specifically brought to members` attention:

- Financial performance of the College and College Group continues to be strong against the forecast position.
- Total turnover for the Group of £40.2million for the year to date is around £0.4million behind forecast, accounted for by an adverse variance for 16-18 apprenticeships of £1.2million and adult apprenticeships £9million, offset by a favourable variance with the FE employer responsive income (£1.3million) and recognition of other income.
- Operating profits for the Group up to the end of May 2012 has now increased to £2.564million.
- At College level, an operating profit of £1.999million is £702k ahead of forecast, with the shortfall against income offset by continued under-spending within pay budgets (£483k) and non-pay budgets (£701k).
- Subsidiary Company financial performance includes a £715k operating profit for Skilldrive, a loss of £159k for Safety Plus, a £25k profit for Vision Apprentices, and a loss of £17k for Safety Plus Construction Ltd. In the month Safety Plus recorded £89k profit as a result of the back dated changes in some adult other provision rates, whilst Skilldrive recorded a profit of £91k favourable and a variance to forecast performance of £33k. Members all acknowledged that Safety Plus, as a Company, going forward has significant challenges.
- The Group balance sheet remains strong with current assets of £.525million and cash of £5.298million. Capital spend for the accommodation programme is now £8.079million of the £24million budget.

It was noted that the College has not accessed its borrowing facilities yet, but that the first draw down of £8.3million will take place on 1 August 2012. In relation to this element of borrowing, it has been fixed at a rate of 4.38% for 16 years. This will give the College certainty regarding costs.

Members discussed the savings made in relation to pay (under-spend) and questioned whether this had contributed to the quality concerns noted at inspection. The Director of Finance expressed the belief that there was no direct link, and that the College does have proper recruitment processes and panels in place. He reassured the Board that the College does not prevent recruitment of teaching staff. Members questioned whether the recruitment process has got in the way of recruitment and quality improvement. It was acknowledged that the Executive have looked at this and do not feel that this is the case, but that

ACTION by whom	DATE by when

Signed : \_\_\_\_\_Chair

Date:

there is a problem to be addressed in relation to staff sickness. It was noted that temporary staff have to be utilised in a number of instances because of staff sickness, and that this can impact upon the quality of Teaching and Learning.

AGREED: to note the Finance Report to May 2012.

**12.81 BUDGET AND FINANCIAL FORECAST 2012/13**

The Director of Finance introduced this item and confirmed that the draft budget and assumptions had been thoroughly reviewed by the Finance & Estates Committee at its meeting on 28 June 2012, particular items brought to members` attention were:

- Page 37, paragraph 9 – this table projects a turnover of £49,282million and an operating profit of £1,572million. Members agreed that the environment was getting ever more challenging, but that the College was well placed within the sector.
- Page 40, paragraph 36 – the Board will need to carefully monitor compliance with the loan covenants for the 2012/13 financial year. Key covenants are:
  - a) Total consolidated borrowing to be less than or equal to 160% of reserves
  - b) Capital interest not to exceed 7% of income in any year
  - c) I&E reserves, excluding pension, to be greater than £7.5million
  - d) Operating cash flow to be positive in two years of every three
  - e) Not to have a HC deficit in any two consecutive years
  - f) Provision of audited accounts within 180 days
  - g) Quarterly management accounts within 45 days
  - h) Copies of financial forecast submitted to SFA
- It was acknowledged that each of the finance reports will have a performance record against these specific items.
- Page 42, paragraph 47 – key budget performance indicators. The change in status was noted, it was acknowledged that this solely relates to the fact that the College will have debt on its balance sheet.
- Financial assumptions are currently ahead of what was in the three year forecast, this will need to be carefully monitored going forward.

AGREED: to approve the budget and financial forecast 2012/13.

**12.82 HEALTH & SAFETY ANNUAL REPORT**

The Executive Director introduced this item, members agreed that the report showed a comprehensive set of audit reviews with clear actions identified. Members were particularly interested in the detail provided at appendix 3. Page 19 information shows the significant increase in online training. It was noted that 85% of training is now completed online. Members agreed that there was a need to monitor the impact of this to ensure that training, once completed, was having an impact and of benefit and complied with.

ACTION by whom	DATE by when
Dir. Fin.	Standing Report

Signed : \_\_\_\_\_ Chair

Date:

The Executive Director confirmed that in relation to the incidents called as 'near misses', they are actually investigated as if the accident had actually happened.

The summary key points were noted, of particular interest is the fact that reported accidents have decreased. Members all felt that this needed to be monitored to check that people are still actually reporting accidents and that the systems in place are robust. Members questioned whether the annual report relates to College based activities only or includes partners. Members were advised that the report that is currently provided is College based only. Members felt that it would be useful to extend the reporting requirements to include all provision and partners, particularly as partner contracts represent 50% of provision. The Executive Director confirmed that the annual report for 2012/13 would include this and that there would be a review of accident reporting system for partners in the 2012/13 academic year.

Members commented that with the high level of construction work being undertaken at the current time, there may be an impact upon the downward trend of accidents reported going forward. The Executive Director acknowledged that at this time he was unsure what impact there would be, but that he would look to benchmark with other colleges who have undertaken construction works. It was acknowledged that the building site is separately controlled and therefore this may not impact upon College statistics, but that there needs to be in place a system to accurately monitor and identify the impact of construction works.

AGREED: to note the content of the Health & Safety annual report.

**12.83 RISK MANAGEMENT**

The Director of Finance introduced this item and the following was specifically noted:

- The Risk Management Strategy is largely unchanged from that approved in 2011/12. The approach to risk management of the College subsidiary companies has been added following internal audit recommendation.
- The risk register is constructed in two phases, the first following the construction of the College's business plan.
- The risk register has undergone some significant changes as a result of the inspection process and, as a result, the risk profile at the start of the year is significant. It is anticipated that this profile will reduce throughout the year as the post inspection action plan and other changes to systems of assurance take effect. It is envisaged that the Board will see risks downgraded over the next six months as mitigating actions are introduced.

ACTION by whom	DATE by when
ED CP&E	2012/13

Signed : \_\_\_\_\_Chair

Date:

ACTION by whom	DATE by when

- New risks have been added to incorporate the return on investments and facilities and commercial ventures.
- Other changes include the resourcing of risks relating to the quality of College provision and the downgrading of risks relating to the College's financial stability. The downgrading of this risk is in no way reflective of a less turbulent financial environment for the College, but is rather an indication of the College's ability to respond to such turbulence. The decision is supported by the outcomes of the PFA audit that graded the College's financial planning as 'outstanding'.

Members reviewed the Risk Register at page 67 and noted that the top risk relates to the quality of teaching and learning. Members were advised that the rating of this risk has moved up the register as a consequence of the Ofsted inspection.

AGREED: to approve the Risk Management Strategy and Register for 2012/13.

**12.84 PROPOSALS FOR THE ORGANISATION OF WORK RELATED LEARNING**

The Vice Principal introduced this item and confirmed that this report follows on from discussions at the Residential, various items were specifically noted:

- Executive Team proposals are to separate the management of work related learning from classroom based delivery.
- In the current year, WRL will account for College income of £18.6million (38.6% of total income), with £2.38million of this income delivered by staff employed and managed by the College throughout the Schools of Learning. A further £2million is forecast to be delivered through the College's wholly owned subsidiary, Safety Plus Training & Consultancy Ltd.
- The use of third party sub-contractors provides the College with the flexibility to respond to funding opportunities, although at the same time represents a significant risk as control of off-site contracts is difficult. Furthermore, the extent of sub-contracting within the sector and the costs of sub-contract arrangements are beginning to attract adverse focus and attention. The Funding Body has now included a contractual term within the funding agreement for 2012/13, that the sub-contract management fee must represent the actual costs of managing the arrangements that have been put in place.
- The College has discussed on a number of occasions its strategy for using partners, but on each occasion has preferred the flexibility of delivery capacity over the extent of risk posed by this practice.
- It now appears to be an important time to reconsider the management arrangements for work related learning in light of the challenges identified, and implement a set of arrangements that will

Signed : \_\_\_\_\_ Chair

Date:



ACTION by whom	DATE by when

enable the College to meet its strategic objectives with regard to delivery of education in the workplace.

- Work related learning is currently managed through a number of areas within the College, these areas include:
  - a) Delivery across five main Schools of learning, where management of resources are run alongside the classroom based teaching provision
  - b) Operations of Safety Plus, where sales and engagement of delivery is run and managed outside of College structures
  - c) The partner programme, where the College acts as a conduit for funding, but performance manages and quality assures provision
  - d) The Business Development Sales Team unit who have engaged employers to sell education provision to be either delivered by College staff or partners
- Currently the College attracts new employers and students in a number of ways, all of which are not centrally co-ordinated. Firstly, the Business Development Unit engages directly with employers for training delivery, either by College based staff or partner deliverers. Safety Plus have a separate team of sales people seeking to recruit for the Company, but do not integrate contacts or resources with the College based Business Development Unit. Finally, the curriculum responds to employer queries, but do not have a dedicated sales force
- As a result of the separation of the sales function across the College and Safety Plus, and to an extent the Schools of Learning, there is a lack of cohesion which makes it impossible to utilise the delivery and assessment capacity in a consistent manner across all elements of the work related programme.
- The strategy of growth perceived by the College over the course of the last four years has been underpinned by an expansion of the extensive network of delivery partners. This has proved to be fruitful and rewarding for the College and enabled the financial position of the College to be maintained and strengthened in the current period of economic challenge and property investment.
- However, the extent to which the College can grow its employer focused delivery and continue to expand through partner providers must be in question, as the Skills Funding Agency and the wider sector raises concern about the cost of sub-contracting, and rightly or wrongly the impact on resources diverted away from the front line.
- The College proposes to change the management arrangements of the delivery capacity to take out what is currently within the Schools of Learning and the sales and delivery capacity within Safety Plus to a common point within the Business Development Unit.

Members all felt that the consolidation of activities was very sensible, one concern raised was that the potential 'flip side' of taking Teaching and Learning out of the workplace could mean that tutors were not getting workplace experience, and this may dilute the ability to provide what

Signed : \_\_\_\_\_ Chair

Date:

employers want. The Vice Principal confirmed that the College was looking closely at CPD and industrial experience to ensure that this risk does not materialise.

Members were advised that the changes proposed would not have any personnel implications, and that there were no redundancies or restructure costs proposed. It would simply be a matter of redefining roles.

AGREED to:

- a) Move the work related capacity from the Schools of Learning into the Business Development Unit
- b) Merge the sales and delivery resource from Safety Plus Training & Consultancy with the Colleges current capacity
- c) Develop a Business Plan for work related learning to set out key improvement measures for developing an improved and more efficient offer to employers.

VP

Sept 2012

**12.85 EXCEPTION REPORT – SAFEGUARDING, EQUALITY AND DIVERSITY**

The Deputy Principal introduced this item and confirmed that there was one reported incident relating to Equality and Diversity in May 2012. The incident was reported during inspection week through the web based feedback process for students. As this is anonymous, the incident cannot be investigated further with the individual student. The complaint related to an incident of a bus driver shouting at a deaf student. In order to ensure that this type of incident does not happen again in the future, the College has provided Disability Awareness Training to drivers from Redferns, during Staff development week in July 2012. It was noted that there were no E&D reported incidents for June.

In relation to safeguarding, there was one reported incident in May 2012 and this related to an on campus learner with mental health issues who threatened to commit suicide. The student was taken to an emergency GP appointment. There were no safeguarding incidents in June 2012.

Governors who had attended an E&D Celebration of Achievement event all agreed that it had been a very positive event.

AGREED: to note the update provided.

**12.86 DRAFT MINUTES OF THE STANDARDS COMMITTEE MEETING HELD ON 17 MAY 2012**

AGREED: to note the content of the minutes.

Signed : \_\_\_\_\_ Chair

Date:

12.87	<b><u>DRAFT MINUTES OF THE AUDIT COMMITTEE MEETING HELD ON 28 JUNE 2012</u></b>	<b>ACTION by whom</b>	<b>DATE by when</b>
	AGREED: to note the content of the minutes.		
12.88	<b><u>DRAFT MINUTES OF THE FINANCE &amp; ESTATES COMMITTEE MEETING HELD ON 28 JUNE 2012</u></b>		
	AGREED: to note the content of the minutes.		
12.89	<b><u>APPOINTMENT OF CHAIR &amp; VICE CHAIR 2012/13 – 2013/14</u></b>		
	Jean Hardy was nominated to continue as Chair for the period up to 31 July 2014, this nomination was seconded and agreed.		
	Nevil Croston was nominated as Vice Chair for the period up to 31 July 2014, this nomination was seconded and agreed.		
	AGREED: to approve Jean Hardy as Chair and Nevil Croston as Vice Chair until 31 July 2014.		
12.90	<b><u>COMMITTEE MEMBERSHIP 2012/13</u></b>		
	Members took the opportunity to discuss Committee constitution and vacancies, the following was agreed:		
	Audit Committee: Nevil Croston, Diana Gilhespy, David Overton, Chris Bodger, Adrian Harpham.		
	Finance & Estates Committee: Howard Baggaley, Terry Dean, Chris Winterton, Asha Khemka, Kate Allsop, John Robinson, Malcolm Hall.		
	Search Committee: Jean Hardy, Tim Clarke, Asha Khemka, Diana Gilhespy.		
	Remuneration Committee: Jean Hardy, Nevil Croston, Kate Allsop.		
	Standards Committee: Kate Allsop, Asha Khemka, John Holford, Adrian Harpham, Diana Gilhespy, Marie Oakton.		
	It was noted that a specialist Director is to be appointed/recruited for Skilldrive/BKSB. The Principal explained that the individual will receive an honorarium payment so that he or she can be differentiated from Governor appointments.		

Signed : \_\_\_\_\_ Chair

Date:

ACTION by whom	DATE by when

AGREED: to approve committee membership for 2012/13

**12.91 COMMITTEE AND SUBSIDIARY COMPANY TERMS OF REFERENCE 2012/13**

The Clerk to the Corporation introduced this item and confirmed that Committees and Subsidiary Company Boards had, at their recent meetings, been given the opportunity to review Terms of Reference. Recommendations for changes have been provided in red. Members were entirely happy to support the changes identified.

AGREED: to approve Committee & Subsidiary Company Terms of Reference for 2012/13.

**12.92 STUDENT GOVERNOR APPOINTMENT**

The Clerk to the Corporation introduced this item and confirmed that the Board had previously agreed that the appointed Student Union President in any academic year would also become one of the Student Governors. James Stafford has now left his position after two years and is replaced by Marie Oakton for 2012/13. This change in appointment will mean that Marie Oakton is eligible to be appointed as a Student Governor.

AGREED: to approve the appointment of Marie Oakton as a Student Governor from 1 August 2012 until 31 July 2013.

**12.93 INSTRUMENTS AND ARTICLES**

The Clerk to the Corporation introduced this item and drew members' attention to the notes of the working group meetings. Members were entirely happy to endorse the relatively minor changes proposed.

AGREED: to approve amended Instruments and Articles of Government.

**12.94 CONFIDENTIAL ITEMS**

It was agreed that confidential items would be recorded separately.

**12.95 AOB**

The Principal indicated that, as discussed at the residential, it was agreed that three Board meetings in the next academic year would be extended to allow in-depth discussion regarding identified strategic issues. The meetings agreed were October, January and March. The Principal confirmed that the meetings would be followed by a dinner at the Number 19 restaurant. The Clerk to the Corporation confirmed that she would amend the calendar of meetings and re-circulate for Governor information.

Clerk

July 2012

Signed : \_\_\_\_\_ Chair

Date:

**12.96**      **DATE OF NEXT MEETING**

The Clerk to the Corporation confirmed that the next meeting was scheduled for Thursday 13 September 2012.

ACTION by whom	DATE by when

Signed : \_\_\_\_\_Chair

Date: