

CHELMSFORD COLLEGE
BOARD OF THE CORPORATION
11TH JULY 2014

Members Present:

Janice Maclean (Chair), David Law (Principal), Elaine Oddie, Michael Lager, Angelika Baxter, Graham Evans, Heather Clarke, Jonathan Swan, Bill Pigram, Barbara Vohmann

In Attendance:

Debs Hurst (Director of Finance), Mike Tadman (Director of Human Resources), Caroline Williams (Director of Quality and Learning), Marco Iciek (Director of Curriculum and Students), John Fowl (Clerk to the Corporation), Joanne Saward (Minuting Secretary)

971. TO RECEIVE APOLOGIES FOR ABSENCE

Apologies were received from Phil Bridge, Dick Madden, Sarah Noble and Susan Hughes.

972. TO RECEIVE DECLARATIONS OF INTEREST AND TO NOTIFY ANY CONFIDENTIAL ITEMS

There were no declarations made and no confidential items notified.

973. TO APPROVE THE MINUTES OF THE MEETING HELD ON 28TH MARCH 2014 AND THE EXTRA-ORDINARY GENERAL MEETING HELD ON 25TH APRIL 2014

The minutes of the meeting held on 28th March 2014 and 25th April 2014 were both **Approved**

974. MATTERS ARISING

28th March 2014

964 - Debs Hurst confirmed that the OJEU regulations did not apply to the setting up of the Essex Shared Services Limited company.

961 – Marco Iciek confirmed that he would present a report to the Governors regarding intervention plans at a future meeting.

962 – David Law explained that the under- recruitment in 13/14 has resulted in less funding being earned for the 2014/15 year. This together with a reduced value in funding for 16-18 year olds indicated the College would receive less funding from the EFA. Members were advised that any over-recruitment in the year ahead would not see additional funding until the subsequent year.

25th April 2014

There were no matters arising.

975. TO APPOINT THE CHAIR AND VICE CHAIR OF THE BOARD OF THE CORPORATION FOR THE PERIOD ENDING 31ST JULY 2015

The Clerk informed the meeting that Janice Maclean and Elaine Oddie had agreed to be considered for appointment for a further year as Chair and Vice Chair respectively. The Clerk had received a number of emails from members in support of their re-appointment and no other nominations had been received.

It was **Resolved** that Janice Maclean be Chair and Elaine Oddie Vice-Chair for the year ended 31st July 2015

976. TO RECEIVE THE PRINCIPAL'S REPORT

David Law presented what was his last report to the Board of Governors. Members were informed of the financial constraints currently affecting further education, and in common with most other Colleges in the region further staff redundancies have proven necessary. Attention was now being given to curriculum design in order to maintain course programmes and quality.

The builders are on the final phase of refurbishment at Moulsham Street and Princes Road and the first floor of Moulsham Street was now being refurbished with restricted access to this area.

Governors were informed of the latest proposals being put forward by the government minister Matthew Hancock, which included encouraging retired persons to take up teaching under the "Teach Senior" initiative.

It was **Resolved** that the report be received

977. TO RECEIVE A REPORT ON THE OUTCOME OF THE OFSTED INSPECTION

Caroline Williams informed the Board that whilst the view had been expressed that the timing of the inspection in mid May 2014 was not the best for the College the College had always felt that it was likely to be graded somewhere between grade 2 and 3. This had been reflected in the College Self-Assessment Report which Governors had received. It was noted that the reduced success rates during 2010/11 and 2011/12 had contributed to the grade 3 allocated at this latest inspection.

An OfSTED inspector has been allocated to the College to assist it with addressing the issues raised and to help the College work towards improvement. Overall it was felt that the OfSTED findings were sound and reflected what the College believed to be an accurate position.

Caroline Williams responded to a number of questions by the Governors. It was noted that the focus currently is to maximise the outcomes for 2013/14 and to develop new strategies to support improvements in teaching, learning and assessment. The OfSTED report emphasised the need for greater consistency across the area of teaching and learning and this will be given due attention. It was confirmed by OfSTED that the College self-

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assessment report had been accurate and that the College SAR showed that it was on the cusp of a grade 2/ 3.

The Governors were concerned that the inspectors' comment concerning why poor teachers were still in the classroom and not dismissed immediately, ignored the legal minefield of simply sacking staff who were considered unable to meet the standards required. It had been acknowledged that good systems existed within the College but needed to result in a positive impact for learners. Caroline Williams expanded on the content of the OfSTED report so that Governors could understand how the inspectors had reached their judgement.

The point was made that five of the weaknesses identified had been on the risk register which suggest that the mitigating actions did not have the required impact. The inspectors had expressed the view that the College processes were good but needed to operate more speedily and consistently to achieve a positive outcome for learners.

The Governors requested that they receive a College based equivalent of the OfSTED data dashboard on a regular basis. The Governors' workshop to be held on 17th October 2014 will look at the actions needed to address the issues raised in the inspection report.

It was **Resolved** that the report be received

The Chair of the Corporation expressed her appreciation of the hard work that had been undertaken by a number of staff to improve the current position within the College.

978. TO RECEIVE THE STRATEGIC PLAN 2014-17

The Strategic Plan 2014-17 had first been put together at the February 2014 Governors' Away Day and received by Corporation in March. PF&GP Committee had been tasked with receiving an updated version of the March Plan with the final version now being submitted to this meeting. The content had been amended to include the comments of Governors fed at the various meetings. A view was expressed that the Governors would like to discuss the Strategic Plan further at the 17th October workshop.

It was **Resolved** that the Strategic Plan 2014-17 be approved, but would be subject to further review on 17th October 2014 when the new Principal, Andy Sparks would be present.

979. TO RECEIVE THE MANAGEMENT ACCOUNTS, MAY 2014

The year-end figure in the May Management Accounts indicated a deficit of £396,000 against the planned surplus in the budget of £365,000. Debs Hurst informed the Board that this was primarily the result of poor and over optimistic budget setting initially and that steps had been taken to ensure future budgets were more realistic.

The Depreciation Policy needed to be re-aligned and it was proposed that depreciation on buildings should be spread over 50 years from now on. It was noted that this had been discussed and agreed with the College

auditors. A moratorium on expenditure currently in place in the College should result in a year-end position of £355,000 deficit.

It was **Resolved** that:

- i) the report be received
- ii) the College depreciation policy for estates be changed to operate over 50 years

980. TO APPROVE THE BUDGET 2014-2015

The budget as presented to the Board indicated a break-even position for the year 2014-15. As discussed at the PF&GP Committee changes had been made to the operational costs of Beacon House and this has improved the situation under that cost heading. Caroline Williams explained the distinction between the Lee Stafford commercial operation and the Lee Stafford Academy. It was noted that the Academy generated approximately £1m of income per annum with the commercial arm generating approximately £130,000 per annum.

Members noted the income and expenditure forecast for Beacon House for the year 2014/15. The capital programme 2014/15 was received and approved by Governors and included work at the two main campuses and for capital equipment. Once the works were completed the financial cash position should improve albeit gradually. It was noted that there may be a need for a short term loan in January 2015 and this situation will be closely monitored by Debs Hurst.

It was **Resolved** that the budget 2014/15 be approved

981. TO APPROVE THE 3 YEAR FINANCIAL PLAN 2014/15 – 2016/17

Members were informed that the College financial health grading using the SFA assessment software indicated that the College would remain 'satisfactory' for the three years of the plan. The first year of the plan is the same as the budget 2014/15. Whilst student numbers were expected to increase, the funding per student is expected to reduce further and therefore income may not necessarily increase as might be expected. It was confirmed that no pay increases had been included for the year 2015/16 and Governors asked how staff may receive this. It was noted that any award for the year 2015/16 would only be made once the year-end figures for 2014/15 were known.

It was **Resolved** that the 3 year financial plan 2014/15 – 2016/17 be approved

982. TO AMEND THE BANK LOAN AGREEMENT

Members were informed that the initial loan agreement had incorrectly shown the loan to be over 10 years when it was intended to run for 20 years. A revised schedule had been provided by the bank and the Board was asked to approve the Chair and Clerk to sign the revised loan agreement.

It was **Resolved** that the Board approves the Chair and Clerk to sign the revised schedule issued by the bank in respect of the revised loan agreement.

983. TO RECEIVE THE COLLEGE HEALTH & SAFETY POLICY

The Health & Safety Policy had been updated to bring it in line with the South Essex College Policy and had been reviewed by the Chelmsford College Safety Committee. Members were reminded that the College now shared a Health & Safety Manager with South Essex College.

It was **Resolved** that the College Health & Safety Policy as presented be approved and adopted

984. TO RECEIVE THE UNCONFIRMED MINUTES OF THE QUALITY & LEARNERS COMMITTEE HELD ON 20TH MAY 2014

Members noted the work of the committee and the resolutions made. They were advised that the inspector Janet Mercer had sat in on the meeting and had been very impressed with how it had been conducted. The Board was pleased to see that Beauty Therapy course enrolments were good and the view was expressed that the Lee Stafford Academy had helped with this.

985. TO RECEIVE THE UNCONFIRMED MINUTES OF THE PF&GP COMMITTEE HELD ON 24TH JUNE 2014

Prior to the meeting the committee had received a presentation from Bill Lumsden of KPMG on the new accounting standard FRS102.

The Sickness Absence Policy has been updated to provide for a maximum of three months on full pay in the case of long term sickness. The Financial Regulations had been received by the Audit and PF&GP Committees. These would be presented to the Board in October 2014 for approval.

986. TO RECEIVE THE UNCONFIRMED MINUTES OF THE AUDIT COMMITTEE HELD ON 17TH JUNE 2014

The Risk Register had been reviewed by the committee and Governors asked that the Risk Register also be shared with the full Board of the Corporation at least annually.

The committee had agreed a recommendation that all summary sheets prefacing reports to sub-committees and the Full Board should identify any risks and link them to the Strategic Risk Register. The Clerk was asked to circulate a new template for the summary sheets in order that they are used. The Strategic Risk Register will be considered further by the Full Board at the workshop on 17th October 2014.

The committee had considered the appointment of Internal Auditors and Financial Statements Auditors. It had been recommended that KPMG should be appointed to undertake the Financial Statements Audit for 2013/14 and that the Financial Statements Audit should be put out to tender in January 2015. The committee was unhappy with the quality of the Internal Audit Service and had proposed employing specialist auditors to

take on the audit of particular areas of the College following the establishment of the Essex Shared Service Limited and other areas that the committee felt appropriate.

It was **Resolved** that:

- i) KPMG be re-appointed as financial statements auditors for the year 2013/14
- ii) the Board should not re-appoint the current Internal Audit service and that Debs Hurst be authorised to write to MacIntyre Hudson informing them of this decision

987. TO APPROVE DATES OF MEETINGS FOR THE BOARD AND ITS COMMITTEES 2014-15

The schedule of meetings of the Full Board and Committee were approved and the Chair reminded Governors to add the workshop arranged for 17th October.

988. TO CONSIDER THE MEMBERSHIP OF COMMITTEES

The Chair had spoken with Angelika Baxter with a view to her taking on the role as Chair of the Quality & Learners Committee. Angelika had agreed to do this subject to Board approval.

It was **Resolved** that the Board appoint Angelika Baxter as Chair to the Quality & Learners Committee.

The Chair had asked the Clerk to review the membership to committees with the view to having a better gender balance across the committees and to consider a co-optee for the Quality & Learners Committee.

It was **Resolved** that the membership of the committees should be:

PF&GP

Elaine Oddie (Chair)
Janice Maclean
Andy Sparks
(Principal)
Graham Evans
Michael Lager
Bill Pigram

Audit

Jonathan Swan
Heather Clark
Susan Hughes
Ray Joy (co-optee)
Support Staff Governor
(Principal or Deputy
Principal in attendance)

Quality & Learners

Angelika Baxter
(Chair)
Phil Bridge
Dick Madden
Sarah Noble
Heather Clark
Barbara Vohmann
Andy Sparks
(Principal)
Janice Maclean
Student Governor

Search

Janice Maclean
Andy Sparks
(Principal)
Angelika Baxter
Elaine Oddie
Graham Evans
Jonathan Swan

Remuneration

Elaine Oddie
Angelika Baxter
Graham Evans
Janice Maclean
(Principal in attendance
only... not a member)

989. ANY OTHER BUSINESS

Janice Maclean on behalf of the Board thanked David Law for his time at Chelmsford College both as a member of staff and for the past 13 years as College Principal. She thanked him for the many successes he had achieved especially the refurbishment of all College accommodation at the two main sites.

The Board presented David Law with a dedicated ¼ acre of Swan & Cygnet Wood part of the Woodland Trust Charity. The Board wished him a long and happy retirement.

David Law thanked the members for their gift and confirmed he was looking forward to his retirement.

990. DATE OF THE NEXT MEETING

The next meeting will be held on Friday 4th October 2014

Signed _____
(Chair)

Date _____