

Minutes of the Corporation meeting held in the Board Room at the Derby Road site on Thursday, 14 April 2011 at 5.00 pm.

BOARD MEMBERS PRESENT:
 Kate Allsop
 Nigel Cooper-Fowkes
 Nevil Croston
 Terry Dean
 Jean Hardy (Chair)
 John Holford
 Asha Khemka
 Mike McNamara
 Nigel Quinton

ALSO IN ATTENDANCE:
 Helen Gyles, Notetaker
 Andrew Martin, Director of Finance and Deputy Principal
 Tom Stevens, Executive Director Capital Projects and Estates
 Patricia Harman, Deputy Principal Teaching & Learning
 Tracy Thompson, Director of HR

		ACTION by whom	DATE by when
11.35	DECLARATION OF INTEREST ON ANY ITEMS ON THE AGENDA		
	The Chair reminded those present to declare at the start of the meeting any interests to be held in any matters to be declared. No matters other than the standing matters were declared. The meeting was confirmed to be quorate.	Clerk	14 April 2011
11.36	<u>APOLOGIES FOR ABSENCE</u>		
	Apologies for absence were received from David Overton, Tim Clarke and James Stafford, India Murcott, Chris Winterton, Steve Carroll and Diana Gilhespy.		
11.37	<u>MINUTES OF THE MEETING HELD ON 10 MARCH 2011</u>		
	AGREED: To approve the minutes of the meeting held on 10 March 2011 were a correct record and were signed by the Chair.	Chair	14 April 2011
11.38	<u>ACTIONS OUTSTANDING AND MATTERS ARISING FROM THE MINUTES</u>		
	Members noted the detail on the progress report, there were no matters arising that were not covered by the summary document.		
11.39	<u>PRINCIPAL`S REPORT</u>		
	The Principal introduced her report and drew the following to members` attention:		

Signed : _____ Chair

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- *Budget Update:* Key points to note for the Education Sector were funding for 24 University Technical Colleges, 50,000 new apprenticeships, 100,000 work experience places and 21 Enterprise Zones. The Derbyshire and Nottinghamshire Chamber of Commerce were proposing another Enterprise Zone for North Nottinghamshire.
- *Bursary Scheme – 16-19:* The Government had announced a consultation on the proposed bursary scheme, replacing the Education Maintenance Allowance (EMA).
- *Funding Allocations:* The College had now received its funding allocations from the SFA and YPLA, which were noted.
- *The Wolf Report:* The Government’s review of vocational education was generally supportive of colleges’ delivery of vocational qualifications, but recognised there were areas for development resulting in a total of 27 recommendations. Work was being undertaken to disseminate what the impact would be on West Nottinghamshire College.
- *The Hutton Review:* The review made recommendations on promoting pay fairness and affordability in the public sector, which would see a radical overhaul of public sector pensions. The recommendations were controversial, with trade unions already engaged in lobbying against some of the proposals.
- *UCU Industrial Action - 24 March 2011:* The disruption at the College had been kept to a minimum, with very few class cancellations.
- *Institute for Learning:* There was an ongoing debate as to whether individuals, or the organisations they work for, paid the registration fees to IfL. The outcome will be provided to Governors in due course.
- *Apprenticeships:* The College had been visited by David Way, the Chief Operating Officer at the National Apprenticeship Service. The CBI had hosted an ‘Apprentices for Business’ event in the College’s No 19 restaurant. Philip Taylor, a candidate from the BBC series ‘The Apprentice’, had provided learners with a presentation and question/answer session on his rise to success and why being an apprentice was so beneficial to individuals and employers.
- *Public Consultation:* The College had held a public consultation event on 12 April 2011 to promote the planning and design concepts for Phase Two of the accommodation strategy.
- *High Profile Visits:* The College had recently been visited by Mr C Gururaj Rao, the Consul General of India, and Tan Jing Shen, the Student Association President of the University of Nottingham’s Malaysian campus.
- *Dates for your Diary:* Dates for the diary were noted.

AGREED: To note the contents of the Principal’s report.

11.40 PROPERTY STRATEGY

- i) Phase One:
The contract documentation for the construction of Phase One was now complete and signed off, with a programme completion date of 18 July. The work was currently running to schedule. The Workshop had been gutted internally and was in the process of refurbishment. Tenders for specialist theatre and media equipment, IT benching and furnishing had been issued. DDA access to the Workshop was now estimated to cost £10,000 more than previously estimated because of an unseen free standing brick chimney between the Workshop and three storey block.

Signed : _____ Chair

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ii) Phase Two:
Design work was now underway. Positive feedback had been received following meetings with Mansfield District Council Planning Officers and Sport England. The police had been informed of the College's proposals and would be kept involved in the consultation process. The plans had been presented to the Wider College Management Group on 8 April and a public open evening had been held on 12 April for local residents and councillors.

Positive press coverage had been received and suppliers were already in contact touting for business. This was just the start of the journey. This time the College was master of its own destiny and there was a confidence that it would actually happen. Mansfield District Council had been particularly supportive.

AGREED: To note the contents of the update provided.

11.41 HR 6 MONTHLY REPORT

The Director of HR presented her report and highlighted:

- Staff turnover and absence continued to be low.
- The percentage of staff whose ethnicity was unknown had slightly increased as a result of the TUPE of cleaning staff from Nottinghamshire County Council in February. The paperwork for these staff was being followed up and would, hopefully, be reflected in next month's figures.
- Work was progressing to ensure that the College was compliant with the legal requirement for teaching staff to be appropriately qualified within 5 years of joining the FE teaching profession.

It was acknowledged that this was a good, comprehensive report and showed a positive position overall.

AGREED: To note the contents of the report.

11.42 FINANCE REPORT – FEBRUARY 2011

The Director of Finance introduced this item and drew the following to members' attention:

- The College Group financial position was holding steady, with a total income of £26.1 million, providing an operating surplus of £1.3 million.
- Performance in the month of February had fallen slightly below forecast by £13k, but there were no significant concerns, at this stage in the year, that the financial out turn forecast would not be achieved.
- A shortfall in income for the 16-18 Work Based Learning programme had led to an adverse variance within turnover. Whilst the adverse variance of £250k was relatively small, it did not follow the marked improvement in performance for the programme in January and one which must be maintained for the remainder of the year if the £8.5 million budget was to be achieved.
- Pay costs continued to under spend against forecast, producing a small favourable variance of £28k.
- Non pay costs of £10.6 million were lower than expected at the end of February, partly due to the lower partner costs linked to the under

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performance of the Work Based Learning programme, but also due to under spends within the maintenance and marketing departments. Both favourable variances were expected to be temporary, following the agreement of specific programmes of expenditure for the remainder of the year.

- Subsidiary company trading performance continued to be reported close to forecast expectations with Skilldrive returning operating profits of £469k for the year to date and Safety Plus £64k for the year to date. Skilldrive was £38k ahead of expectations and Safety Plus £3k below expectations. Vision Apprentices was performing as expected at the mid year review with a close to break even position.
- A total of £797k had now been spent on the capital programme, including the first £500k relating to enabling works as construction work began on the Creative Arts Centre.
- The balance sheet currently retained some strength with net current assets at £1.9 million and cash balances of £6.4 million as at 28 February 2011.
- The College financial health status retained an `outstanding` rating which would reduce to `good` at the end of the financial year.
- The College had not yet planned any borrowings for the remainder of the financial year relating to the Capital Programme, but was in discussion with the major banks pending a tender process to secure an appropriate facility in line with Board approval for the beginning of the next financial year.

AGREED: To note the Financial Report to February 2011.

11.43 FINAL FUNDING ALLOCATIONS 2011/12

Final funding allocations had now been received from the Skills Funding Agency (SFA), Young Peoples Learning Agency (YPLA) and Higher Education Funding Council for England (HEFCE) for the 2011/12 financial year. The funding allocations and contracts for 2011/12 were better than both the current year and the forecast prepared for next year. The Director of Finance drew the following to members` attention:

- The total funding capacity allocated for 2011/12 for the core programmes amounted to £39,934,276, which represented an allocation and contract increase of £3,162,643 (8.6%) on the current year.
- Allocations had increased for 16-18 participation, 16-18 Additional Learner Support, Adult Apprenticeships, Adult Skills including Train to Gain and Adult Learner Responsive and Adult Additional Learner Support.
- Allocations had fallen for the 16-18 Apprenticeship programme and Higher Education.
- There were a number of risk areas within the current allocation position which would impact upon the budget setting process for 2011/12. The key amongst these was the way in which the ALS allocation for 16-18 learners was treated. In addition, the apprenticeship contracts for both adults and 16-18 learners were results based contracts. Furthermore, for 16-18 apprentices, the forecast for next year indicated that the College`s ambition for 16-18 apprentices was greater than the initial contract allocation allowed and the College must be reliant on the SFA to performance manage the

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Dir. Fin.	14 July 2011

national programme to ensure any over delivery could be supported contractually.

It was noted that this was a healthier position than originally thought, but funding agreements had not yet been received for signature.

AGREED: To note the funding allocations for the 2011/12 financial year and the risks and issues that these would place upon the budgeting process.

11.44 HE FEES

The Director of Finance gave the background to the changes in Higher Education fees proposed in England from 2012/13.

Three options were put forward and discussed:

- Base option single fee for all subjects
- Differentiate lower fees for STEM subjects ie Science, Technology, Engineering and Mathematics, which were Government priority areas
- Full time degree for less than £5,000

There were risks around setting fees which could impact on recruitment patterns and WNC should not set its fees too early. Fees may be perceived as an indicator of quality and prestige. The College needed a balance of full time and part time fees. WNC may see a significant fall in overall HE learner volumes in September 2012. Only new entrants would start to pay fees from 2012.

Following discussion on the options proposed, it was agreed that:

- It would be confusing for learners to differentiate fees and it would not be right to treat STEM subjects any differently to other subjects.
- It would be difficult to charge pro rata higher fees for part time learners and it was difficult to know what the relationship between part time and full time should be.
- There would be a need for transparency and understanding of the fee structure when set.
- HE provision at WNC would need to be promoted and reasons given why people should come to their local College to undertake HE.
- If there was a significant reduction in numbers, a bursary to be considered.
- The fee structure would need to be set before the HE prospectus was published in the summer.

A decision was not required at this meeting, but the Director of Finance would come back to the Board for final approval of the fee structure within the next couple of months.

AGREED: To note the contents of the report.

11.45 EMPLOYER RESPONSIVE PROVISION UPDATE

The Director of Finance updated the Board on the College's progress in the delivery of Employer Responsive Provision activity and drew the following to members' attention:

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- Employer Responsive Provision represented a budgeted £15.6 million (35%) of the College's total income budget and was, therefore, critical to the success of the College's Strategy and Business Plan.
- During March 2011, the College's contracts were adjusted following the SFA review of core performance at the end of the second quarter of the year. The outcomes of this review were mixed.
- The College 16-18 Apprenticeship contract capacity had now been reduced down to £8.7 million, from £10 million at the start of the year. The plan and forecast remain to deliver around £8.5 million in the delivery programme.
- For Adult activity, the College had been given significant additional capacity to increase its Adult Apprenticeship programme, some funded through a reduction in Train to Gain and the rest additional funding. This followed a strong performance in Adult Apprenticeships at quarter 2 and a demonstrated shift from Train to Gain to Adult Apprenticeship activity.
- The additional Adult funding had been received after the Board had agreed its mid year forecast and, as a result, the latest expectation is that the College would over deliver against its agreed forecast position for the year.
- The Train to Gain programme had generated £2.9 million of activity up until the end of period 7 (February 2011). This represented 55% of the full year target in the financial forecast. Whilst this was marginally behind where a straight line trajectory would be required, the management team remained confident that the activity with partners would be sufficient to meet this outcome.
- The Work Based Learning programme, particularly for 16-18 apprentices, demonstrated a marked acceleration in January, although this appeared to have slowed somewhat in February. This was likely to be due to the pressure applied to capture and record all activity in preparation for the mid year review.
- Up to the end of February 2011, 16-18 apprenticeship activity amounted to £3.6 million which was just under 43% of the full year forecast of £8.5 million. The target remained challenging and the performance to date suggested that this would be difficult to achieve.
- Adult Apprenticeship activity of £1.149 million was now compared against a much higher full year contract capacity of £3.7 million. Compared to the current forecast, actual activity represented 45% of the required level of activity after 7 months of the year. Compared to contract this was just 30%. Whilst both targets remained challenging, the management team considered that the current financial forecast of £2.5million would at least be achieved with some progress made towards the recently increased contract limit.
- There are no changes proposed to the Board for current approved partner contract limits.

AGREED: To note the current performance of the Employer Responsive programme, including the 16-18 Work Based Learning programme.

11.46 EXCEPTION REPORT – SAFEGUARDING AND EQUALITY AND DIVERSITY

The Deputy Principal: Teaching and Learning introduced this report which covered the period 1 January 2011 to 25 March 2011.

Signed : _____ Chair

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There had been one complaint relating to equality and diversity during this time.

The College had a new incident reporting system which enabled more detailed recording of any reported incidents. Incidents within this report related to safeguarding in its widest remit. Not all support provided for students in relation to safeguarding, related to incidents which were linked to College premises or the College community. As a College, support was provided, where reasonably possible, for all safeguarding related incidents.

The analysis of the nine reported incidents relating to safeguarding in the period under consideration was noted.

There had been five disclosures under the Young People and Vulnerable Adults Protection Policy during this period. In three of the cases the police had been informed. In one case, the student had refused to progress the claim further, in the second parents had also been involved and no further action had been taken and in the third case the student was considering whether to make a formal complaint to the police.

Two of the disclosures had been reported to Children's Social Care.

There had been no referrals to the Local Safeguarding Children Board during this period.

Members noted Appendix A which provided the trend analysis for the period 1 August 2010 to 25 March 2011.

It was noted that it was the first time this information had been tracked in this way, hence comparisons were difficult, but the statistics were no worse than any other year.

AGREED: To note the contents of the report.

11.47 MINUTES OF THE FINANCE AND ESTATES COMMITTEE MEETING HELD ON 3 MARCH 2011

AGREED: To note the minutes of the Finance and Estates Committee meeting held on 3 March 2011.

11.48 2011/12 CALENDAR OF MEETINGS

AGREED: To note the dates in diaries.

11.49 WHISTLEBLOWING POLICY REVIEW

AGREED: To continue with the existing policy.

The meeting closed at 6.00 pm

Signed : _____ Chair

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