



**WEST NOTTINGHAMSHIRE COLLEGE
CORPORATION BOARD**

Minutes of the Corporation meeting held in the Vision Room at the Derby Road site on Thursday, 17 May 2012 at 5.00 pm

GOVERNORS PRESENT: Kate Allsop
Howard Baggaley
Tim Clarke
Libby Crane
Nevil Croston (Acting Chair)
Terry Dean
Diana Gilhespy
Malcolm Hall
Adrian Harpham
John Holford
Asha Khemka
Philip Lancashire (Until 6.20 pm)
Mike McNamara
David Overton
John Robinson

ALSO IN ATTENDANCE: Maxine Bagshaw, Clerk to the Corporation
Tom Stevens, Executive Director: Capital Projects & Estates
Louise Knott, Director: Communications, Marketing & Learner Engagement
Sandra Cowley, Vision Apprentices Director (Until 5.30 pm)

12.56 APPOINTMENT OF THE MEETING CHAIR

In the absence of Jean Hardy, it was agreed that the Vice Chair would be appointed as Chair for this meeting.

AGREED: to appoint Nevil Croston as the meeting Chair.

12.57 DECLARATION OF INTERESTS

The Acting Chair reminded those present to declare at the start of the meeting any interests in matters to be considered. Howard Baggaley declared an interest in relation to agenda item 7. It was agreed that his association with Baggaleys Construction would not prohibit his involvement in an update discussion regarding the Sports Hall development.

ACTION by whom	DATE by when

Signed : _____Chair

Date:

12.58 WELCOME & APOLOGIES FOR ABSENCE

Malcolm Hall was welcomed to his first meeting as a Governor. Round table introductions were made.

Apologies were received from Chris Bodger, Jean Hardy, James Stafford and Chris Winterton. Apologies from members of the Executive Team were also received from Patricia Harman (who was attending a funeral), Andrew Martin (who was annual leave), and Graham Howe, (who was attending an alternative business meeting).

12.59 MINUTES OF THE MEETING HELD ON 26 APRIL 2012

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

AGREED: to approve the minutes of the meeting held on 26 April 2012.

12.60 MATTERS ARISING AND ACTION PROGRESS REPORT

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

12.61 SUBSIDIARY COMPANY PRESENTATION – VISION APPRENTICES

Sandra Cowley introduced this item and reminded Governors of the following:

- 1) Why did we create Vision Apprentices?
 - Strategic shift towards more apprenticeships
 - Unachievable exponential growth using typical employer engagement techniques
 - Innovative way to engage additional employers
 - Creation of apprenticeship vacancies for local young people

- 2) Vision Apprentices Aim
 - Launched as a subsidiary company in April 2010
 - Operates as a cost neutral organisation
 - Support the business community to recruit and upskill their new and existing workforce today, to meet the business challenges of tomorrow
 - Raise the awareness of the benefits of apprenticeships with young people, businesses and parents

- 3) What makes Vision Unique?
 - Full vacancy advertising and recruitment service (desk, screening, face to face screening, initial online based assessments)
 - Flexible options which include a) hosting an apprentice from Vision Apprentices, b) employ an apprentice directly, c) invest in upskilling existing workforce, d) actively promote host to

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- employer status for permanent employer outcomes.
- Easy release options for both businesses and the apprentice

4) Vision Performance

- Since launched in April 2010, Vision has generated a total of 1237 apprenticeship opportunities.
- 1199 job vacancies have been advertised, 88 of which were pulled and 11 of which were withdrawn
- Supported 1100 people in to jobs – engineering and rail sector is the largest area
- 137 existing staff trained through the apprenticeship programme
- Non successful candidates referred to support for other courses and vacancies

5) Lessons, Developments & Linked Projects

- Web advertising most successful when engaging young people
- 50% of applications will not be ready for work and/or level 2 apprenticeship, therefore the Company has developed employability programmes
- The myth of apprenticeships – an employer view
- New vacancy assessment centre
- Broader apprentice offer
- Women into Engineering
- Summer job shop
- Roots to success
- Mansfield & Ashfield GP referral service
- Mansfield & Ashfield Employment Group

In general discussion members were advised that what the Company has seen is that approximately 50% of all applicants are not actually ready to undertake apprenticeships when they apply, and therefore further work to upskill them before even commencing an apprenticeship has been needed. All agreed that there needed to be a wider NEET strategy with schools to be developed, so that young people have much clearer pathways identified at an earlier age. Governors were informed that schools were very welcoming at the minute and a very collaborative approach is being taken.

In terms of successes, members were advised that the transfer rate is 100% into employment, when both the employer and apprentice choose to stay together. It was explained that there are occasions when the apprentice does not wish to continue in employment, and that this can be for various reasons, some give travel as an example, others that they want to try a different area, etc. Of the apprentices employed, it was confirmed that approximately one third are in the Nottingham area and approximately one fifth in the Mansfield area, and that this is strong example of the Company having both a national and regional presence.

Signed : _____ Chair

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Sandra Cowley was thanked for her presentation and update and left the meeting at 5.30 pm.

12.62 PRINCIPAL'S REPORT

The Principal introduced this item and updated members on the following areas:

1) Visit to Australia

The Principal confirmed that the recent visit to Australia had been very successful. She reminded Governors that the purpose of the visit was to explore potential partnerships with specific education and training organisations, identify skills gaps and how the College can help bridge those gaps, and to promote BKSb to a new market. She confirmed that the visit spotlighted a lot of similarities in the education sector, but that there are some distinct differences. She explained that significantly there are very few central policies, with much more regional development of policy and priorities. The most obvious similarity is the Government's investment into the Apprenticeship scheme. It was noted that Australia has been working with an Apprenticeship model that has been adopted by the UK recently, for a much longer period. What is of concern in Australia at the current time, is skills gaps, particularly at the highest level in areas such as mining, manufacturing and engineering, etc.

Members were advised that the Principal and the Chair had attended MEGT's workforce planning Australia two day conference, which was impressive in presenting an international perspective on planning a work force. In terms of the College's links with MEGT, it now has an opportunity to provide a labour conduit to Australia. She explained that options for partnership include BKSb sales and the opportunity to find employment for the Colleges' own successful students, and in return there would be a recruitment fee.

In terms of development of the apprenticeship programme, it was noted that the Australian Government provides a much wider support package to employers and not just one off payments, as seen in the UK. Australia shows that the apprenticeship model can be well established and offer sustainable provision if the right level of investment is made.

Members all agreed that the feedback provided had been very useful.

2) Key Performance Indicators 2011/12 – data as at 30 April 2012

The Principal provided an in-year update regarding KPI's established for the 2011/12 academic year.

3) Visit by John Hayes, Minister of State for Further Education Skills & Lifelong Learning

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The Principal confirmed that at long last the Minister had agreed to visit the College, she confirmed that the meeting had gone very well and had given the College an opportunity to showcase its good practices.

4) Skillbuild Competition

Members noted the detail of the written report and all agreed that College students had performed exceptionally well.

5) Inspection

The Principal confirmed that the College has received notice of Ofsted inspection for the week commencing 28 May 2012. The programme for the inspection has been outlined and includes:

- 5 day inspection from 28 May to 1 June 2012.
- 12 – 13 inspectors plus 2 PFA inspectors
- Curriculum areas to be inspected, 1) Visual & Performing Arts (learner responsive), 2) Hair and Beauty Therapy (learner and employer responsive), 3) Health, Social Care & Childcare (learner responsive), 4) Engineering (employer responsive), 5) Literacy, Numeracy, ESOL and Functional Skills (learner responsive), 6) Business Administration (employer responsive).

She indicated that Ofsted have taken a risk based approach to identifying colleges to be inspected, with questions asked, 1) is the College different, 2) has there been a decline in success rates, 3) Ofsted agreed to sample 5% of outstanding colleges.

She indicated an expectation that this time the inspection would feel different and that this was as a consequence of a new inspection framework having been introduced in 2009. She explained that at the last inspection only cross college themes had been measured and that much more specific areas would be observed on this occasion. She explained that under the current framework, inspectors would be looking at grading curriculum areas and cross college provision, and that much of their attendance would be focussed on teaching and learning, impact on students and the learner journey. In addition, inspectors have indicated that they would also be keen to look at the 'A' level provision.

The Principal indicated that it was important for the Governing Body to understand the national context of inspections, particularly in relation to the appointment of the new Chief Executive. She took the opportunity to circulate a report provided in FE Week, dated 30 April 2012, this provides a summary break down of all college inspection grades since the introduction of the common inspection framework in September 2011. Members noted the data presented.

One worrying aspect for the Principal is the fact that Inspectors seem to be totally unwilling to take the local context into account, and that in a deprived and challenged area like Mansfield, this does have an impact and influence on student performance. That being said, she confirmed

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that when the College was inspected four years ago it was found to be outstanding, and in her view, the College was currently better than at the previous point of inspection. She reminded Governors of the significant investment made into the capital estate, improvements seen in teaching and learning, strong partnerships, growth and the effective and individual way that the College interacts with its students.

She provided a detailed explanation of the College's success rate data and indicated that whilst headline data was strong, there was some pockets of provision where there will be variances from the point of last inspection. Members noted the detail presented. It was agreed that the Director of Communications, Marketing and Learner Engagement would provide a briefing to Governors in advance of the inspection, so that they had a clear understanding of success rate data, strengths and areas for improvement.

The Principal confirmed that the College has done a lot of work internally to collate College information, update the SAR and particularly explain and evidence the student journey. She was confident that the College has an outstanding story to tell and that all that the College does well will be showcased during inspection week.

A number of action points were agreed prior to inspection:

- 1) Diana Gilhespy to receive Visual and Performing Arts data with an explanation regarding any discrepancies. It was agreed that all Governors would make the most of their link areas to show an outstanding understanding of College operations.
- 2) Asha is to provide a half hour briefing session with Governors on Wednesday prior to their meeting with inspectors.
- 3) Kate Allsop is to meet with Louise and Tricia regarding standards data.
- 4) The Clerk to pull out example of minutes where the Board, either through full Corporation meetings or Committees, have challenged/probed.
- 5) The Executive Team to find a mechanism for updating students regarding all of the inspection work undertaken.

AGREED: to note the update provided.

(Philip Lancashire left the meeting at 6.20 pm).

12.63 PROPERTY STRATEGY UPDATE

The Executive Director: Capital Projects & Estates introduced this item and drew members' attention to the following:

- The College has now received the full £2.2million grant from the SFA to support the construction costs of the new build.
- Baggaley Construction have now produced a works timetable for completion of the Sports Hall. This shows internal works to be

Louise
Knott

May 2012

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completed by 30 July, external by 27 August and completion by 31 August 2012. Members were advised that the College has had to formally write to Baggaleys requesting an explanation regarding the cause for delays. It was noted that this explanation is due tomorrow. Once this clarification is obtained, the College will assess whether the delays may be justified, but technically until this information is provided, an assessment of the position is not possible.

- Work is still progressing on schedule on the covered courtyard and new build. Two days work was lost due to rain in April, which Mansells anticipate can be caught up later in the programme.
- Members` attention was drawn to the fact that an amendment to the fire strategy may require the road to be lowered under the pedestrian bridge to allow access for fire fighting appliances. He confirmed that an alternative proposal has been presented to the Fire Authority that negates the need to make any alterations to the road and the bridge and a response on this is anticipated shortly.
- A substantial number of meetings have taken place regarding the cladding to the new build. It was confirmed that Governors should have a better understanding of what the façade will look like after the summer break.
- Six storey tower – Members` attention was drawn to the detailed discussions at the Finance & Estates Committee meeting, and it was noted that the Committee did not feel able to progress with an appointment at that time. It was explained that the College is seeking further clarity with Mansells regarding the additional costs. It was noted that discussions have led to a reduction in price (actual £450k, discussions £375k), however, this is still on the basis of only one fully compliant tender being received. On this basis, the Committee did not feel that a proper competitive tender process had been undertaken, and that it was too risky to proceed in isolation.

The Executive Director:Capital Projects & Estates indicated that in reality, the College has now probably missed the opportunity for the summer works to be undertaken, and this gives the opportunity to retender for works to start on an uninterrupted basis in December. One word of caution made by the Executive Director: Capital Projects & Estates is that the Tower costs may in reality be higher than budgetted, and that if this is the case, to proceed with the design as it currently stands, there will be a need to find savings in other areas of the project.

Members were assured that the College has sought information direct from the cladding manufacturer (as this is a significant proportion of the project costs), and that what seems to be at variance is the fixing rather than manufacturing costs, and this has led to the increased tender price. All Governors agreed that they needed to have more information before the six storey tower element of the programme can be progressed. All Governors felt that progression could only move forward if the College can be assured it will deliver the whole project within budget. Members were advised that a full presentation would be provided at the June residential. Members requested that the Executive Director: Capital

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Projects & Estates produce a graph showing dcritical points in the project, and that these were to be put into the context of work undertaken to date, assumptions made and current estimates.

EDCPE

June 2012

AGREED: to note the update provided.

12.64 MANAGEMENT ACCOUNTS TO 31ST MARCH 2012

Members` attention was drawn to the written report, where the following was specifically noted:

- The financial performance of the College and College Group up to the end of March 2012 continues to be strong against the year to date forecast position, although has softened marginally in the month of March. This is due to the impact of the continued shortfall against forecast within 16-18 apprenticeships, and a clean trading performance without any specific gains reported in the period.
- Total turnover for the Group of £31.5million for the year to date is around £0.5million below forecast, accounted for by an adverse variance to 16-18 apprenticeships of £880k, offset by a favourable variance with the adult skills budget and recognition of other income projects secured in recent months.
- Operating profits for the Group up to end of March 2012 has now increased to £1.839million.
- At College level an operating profit of £1.393million is £317k ahead of forecast, with the shortfall against income offset by continued under spending within pay budgets (£254k) and non pay budgets (£476k) caused by an underspend across pay and non pay headings, more than offsetting a £414k under performance within income.
- College income of £30,544million is £414k behind the forecast position and continues to be influenced by the 16-18 apprenticeship activity.
- College pay costs of £15,768million continue to underspend against forecast, adding a further £99k underspend in the month of March to bring the year to date favourable variance up to £254k.
- Due to the position with the apprentice programme and the shortfall against forecast of income, non pay costs report an underspend of £476k for the year to date with £311k of this due to the partner programme. Examination costs are also over spent against forecast due to significant costs recorded in the month, although this is expected to even out across the remainder of the year. This is also the case within premises costs, where combined overspend against forecast is £79k.
- Subsidiary company financial performance includes a £583k operating profit for Skilldrive, a loss of £153k for Safetyplus, a £30k profit for Vision Apprentices, and a loss of £14k for Safety Plus Construction. In the month, Skilldrive has recorded the first month of the year where performance was lower than forecast whilst Safetyplus recorded a strong profit in the period as it seeks to reverse the year to date accumulated loss.

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- The Group balance sheet remains remarkably strong following the receipt of the enhanced renewal grant, with net current assets of £1.02million, and cash of £5.63million. Capital spend for the accommodation programme is now £6.4million of the £24million budget approved.

AGREED: to note the update provided.

12.65 CONTEXT FOR THE BUDGET 2012/13

Members' attention was drawn to the detailed report provided, it was acknowledged that the report had been reviewed in some detail at the Finance & Estates Committee meeting. Key points to note were:

- The College's current allocation of £12,390k represents a reduction of around £392k for 16-18 income compared to the current year 2011/12, despite the learner volume requirements increasing from the current year target of 3214, to an expected 3,328 (plus 144).
- The College's allocation for adult skills budget in 2012/13 of £14,009k represents a small reduction over current year values, but a much better settlement than had been anticipated through the financial forecast and initial settlement allocations.
- In general terms, funding mechanisms will be much the same, except for the introduction of loans.
- Squeeze on the public sector continues.
- All allocations have now been received, and on the whole are not as bad as originally anticipated. The College does not expect the allocations to now change.
- Curriculum planning now very much underway with a view to aligning provision against targets.
- The College needs to devise a competitive strategy for growth in numbers.
- The pay bill is tight.
- Non pay costs dominated by partner costs.
- In terms of capital transactions, expenditure up to the end of July 2012 is forecast to reach £12.2million, with a further £11.8million due for expenditure up to the end of July 2013. These values exclude any additional decisions that the Board may choose to make regarding additional capital projects.
- HE in the 2012/13 academic year involves a lot of unknowns and uncertainties. It was noted that the Director of Finance has included a very prudent budget, with an estimated 40% reduction in income in this area.
- Arrangements are now in place to partner with Birmingham City University regarding HE validation.

AGREED: to note the context of the budget and financial forecast 2012/13 report.

Signed : _____Chair

Date:

12.66 **STUDENT GOVERNOR UPDATE**

The content of the Student Governors` report was noted. The Director of Communications, Marketing and Learner Engagement asked that the personal contribution made by James Stafford during his two years as a Student Union President, be commended. She explained that he has worked hard and tirelessly to bring about improvements and improve engagement. All members of the Board asked that their gratitude be passed on to him.

In relation to a safeguarding/health and safety issue, the Principal indicated that at Station Park, she has taken the view to provide an external smoking area at the back of the building, this is at odds with the no smoking policy, but in her view had to be introduced to ensure student safety.

AGREED: to note the update provided.

12.67 **EXCEPTION REPORT – SAFEGUARDING & EQUALITY AND DIVERSITY**

This report was introduced and Governors all agreed that it was self explanatory. It was noted that of the partner returns required, two out of three had been received, and that one partner, because of the lack of the return, had now had their payments suspended. During discussion it was explained that the likely delay in submitting the return was not because of any problems, and that the suspension of payments may just focus the attention to providing the requested additional information.

AGREED: to note the content of the report.

12.68 **GOVERNANCE – SUBSIDIARY COMPANY TERMS OF REFERENCE**

The Clerk to the Corporation introduced this item and confirmed that following a recommendation by Internal Auditors, proposed amended Subsidiary Company Terms of Reference were presented, each of which make specific reference to risk management responsibilities. Members all agreed that the recommendation was self explanatory, and were happy to approve the changes identified in red.

AGREED: to approve amended Subsidiary Company Terms of Reference.

12.69 **MINUTES OF THE MEETING OF THE FINANCE & ESTATES COMMITTEE HELD ON 3 MAY 2012**

Members reviewed the content of the minutes and agreed that detailed discussions regarding some of the items discussed at the meeting today had quite clearly taken place.

One item raised by the Clerk at the request of the Finance Director was in relation to the loan agreement discussed at paragraph 12.32 of the minutes. She reminded Governors that an email had been sent round

Signed : _____Chair

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enclosing the proposed loan agreement for signature. Members confirmed that they had read and reviewed this document. Governors did not feel able to sign the proposed resolution today, as they felt that the wording could be read to provide authority to either the Finance Director or one Governor to sign variations. Governors did not believe that this could possibly be the intention of the document, and that if it was the intention, it was felt that it may be in breach of the financial regulations.

Members requested that the Finance Director clarify the position and ensure that the resolution proposed provided for any two signatures as identified in the resolution.

AGREED:

- a) To note the contents of the minutes of the meeting of the Finance & Estates Committee held on 3 May 2012.
- b) Subject to the requested signature changes identified, approve the loan arrangements resolution

12.70 AOB

The Clerk to the Corporation raised one item of additional business, and this was just to simply notify the Board that Brian Stopford has tendered his resignation. She explained that increased work commitments have led to him feeling that he cannot give the College the commitment that he feels it requires at this time. She confirmed that the Search Committee had met earlier, and would be looking to identify an alternative Governor with financial experience to replace him.

12.71 CONFIDENTIAL ITEMS

1. Confidential minutes of the meeting of the Board held on 26 April 2012.

AGREED: to approve the confidential minutes of the meeting held on 26 April 2012.

12.72 DATE OF NEXT MEETING

The Clerk to the Corporation confirmed that the next full Board meeting was Thursday 12 July 2012, it was however, noted that the Corporation Strategy Event will take place in June.

Meeting closed at 7.10 pm.

Signed : _____Chair

Date: