



**Minutes of the Meeting of the Corporation  
held on Tuesday 5 July 2016**

**Present: -** Mrs Val Ainsworth (Chair)  
Mr Igor Andronov  
Mr James Caird  
Mr Tony Ford  
Dr Alan Lavers  
Mr Norman Moon  
Miss Andile Ngulube  
Mrs Elizabeth Patrick  
Mr Ian Peake (Principal)

**In attendance: -** Mr David Williams (Deputy Principal)  
Mr Edward Gwillim (Director of Finance)  
Mrs Debra Baldwin (Director of Personnel)  
Mrs Linda Watkins (Clerk to the Corporation)

The meeting was quorate as nine Members were present.

- |           |  | <b>Action</b> |
|-----------|--|---------------|
| <b>1.</b> | <p><b>I. Apologies for Absence</b><br/>Cllr Sebastian Bowen, Mrs Sally Cassels, Miss Tayla Farr, Mr Richard Garnett, Mrs Debbie Lambert, Mrs Magda Prail and Mr Garry Thomas</p> <p><b>II. Chair's Remarks</b><br/>The Chair welcomed Edward Gwillim, Director of Finance, to his first Board meeting. She informed everyone that this was Andie Ngulube's last meeting who had served as Student Governor and made an outstanding contribution to both the students' experience and the Board. Governors wished Andie every success as she progressed to university and showed their appreciation.</p> <p><b>III. Declaration of Interest</b></p> <p><b>IV. Process Review</b><br/>Igor Andronov would complete the process review.</p> |               |
| <b>2.</b> | <p><b>I. Minutes of the Last Meeting</b><br/>The Chair signed the minutes of the Board Meeting held on 19 April 2016 as a true record.</p> <p><b>II. Matters arising from the Last Meeting and Action List</b><br/>Matters arising were covered in the action list</p> <p><u>The Board agreed: -</u></p> <ul style="list-style-type: none"> <li>• To approve the minutes</li> </ul>  |               |

*Discussion*

**3. Principal's Report**

- I. *Principal's Written Report:* Governors noted the report which covered College partnerships, Local Authority and schools, universities, external and internal meetings/events and Ludlow College meetings and events.
  - a. The Principal's term in office as Chair of the AoC Colleges Regional Committee had finished. His successor was the Principal from the Heart of Worcestershire College.
  - b. Anthea MacIntyre, Conservative MEP, had been invited to be the guest speaker at the Graduation Ceremony. Governors agreed that this was an appropriate choice of guest.
  - c. The Principal had attended numerous Curriculum Resource Model budget meetings.
  - d. Appreciation was recorded to Governors who had attended the successful awards celebrations showing their support to students.
  - e. The Principal had held one to one meetings with all staff from County Training over four days.
  - f. Shropshire, Telford and Wrekin Principals' Group had appointed Ian Peake as Chair.
  
- II. *KPIs:*
  - a. Retention: Overall, long retention was 93.7% compared to 94.7% in the last academic year, which included c33 more withdrawals. The breakdown by levels showed more students had left Level 1 programmes compared to last year. Management had scrutinised all Level 1 programmes to identify reasons students had left courses. Those were not related to the quality of teaching, but individual students. Level 2 retention had declined by 1% compared to last year. Reasons included a strong labour market which meant some students had left programmes to take up jobs, and the mandatory requirement for students to study GCSE English and maths which some students found difficult. A Governor asked if there was a pattern when students leave courses. It was noted that the majority leave College earlier in the academic year with retention becoming more stable as the year progresses.
  - b. Work-based learning: A breakdown of apprenticeships and numbers of apprentices was provided as requested by a Governor. This would include County Training apprenticeships next year.
  - c. Attendance: Full-time and part-time programmes had achieved the target of 90%.
  - d. 2016/17 full time applications: These showed a slight decrease of c5% which was broadly in line with the demographic decline in school leavers. The

most significant decrease was in the Faculty of Technology Studies. Some of the applicants to Level 1 programmes had opted for employment or apprenticeships as an alternative.

- III. *Skills Funding Agency College dashboard*: This showed the College had sound financial performance and outcomes for programmes of learning. There had been a decline in apprenticeship success rates.

The Board agreed: -

- To note the Principal's report

#### *Decisions*

#### **4.**

#### **Finance**

- I. *Budget 2016/17*: The Board are required to approve the College budget by 31 July 2016 for submission to the Skills Funding Agency. There were a number of assumptions within the financial forecast; major assumptions had been discussed by the F&E Committee.

Income and expenditure were outlined.

The Curriculum Resource Model (CRM) had been used to set the budget using key assumptions for each course. These include funding, projected student numbers, staffing, fees and income. This would also be used, for example, to assess if two groups should be provided for some courses.

Assumptions included a low level of inflation and capital investment in line with the bids to the LEP. Budget holders had been challenged on costs whilst setting the budget. Income from the sale of land at Holme Lacy was assumed. Some staff restructuring was expected, which happens each year. The College has a positive financial position and would be able to make future investments or capital development to improve students' experience.

The Director of Finance confirmed that income and expenditure for County Training were being reviewed to ensure that it would provide a positive contribution during the year.

The F&E Committee recommended that the Board agree to sub contract up to £650,000 which would ensure that the College retained funding at the current levels. Robust controls were established to monitor sub contracted provision.

Risk and disaster management plans were presented for approval, which had not changed from last year. These proposed CMT undertake a mock exercise such as a plane crash or minibus accident to test if the risk and disaster management plans were effective. This would be arranged.

A Governor asked about the potential reputational risk to

I Peake

the College as £300,000 had been allocated for staff restructuring. They also asked what the impact of staff restructuring would be as staff numbers showed an increase. The increase in staff incorporated County Training which would require some restructuring in addition to other changes across the College. It was confirmed that these planned changes would have minimal impact on students and minor impact in College. Governors were reminded that the College has a track record of managing mergers and restructuring without destabilising the College or students' experience.

- II. *Checklist for the financial plan commentary:* This was useful for Governors who are not members of the F&E Committee or Audit Committee.
- III. *Barclays: approval of amendment to existing loan facility:* A separate minute was recorded confirming arrangements to amend the bank loan in response to failing a condition of the covenant on cash flow in 2014/15.

The Board agreed: -

- To approve the College budget 2016/17 and financial forecast
- To sub contract up to £650,000 in 2016/17
- To approve the risk management and disaster recovery plans
- To note SFA's checklist for the financial plan commentary
- To approve the amendment to existing loan facility, which was recorded in a separate minute for submission to Barclays

**5. Audit**

- I. *Internal Audit Strategy 2016/17-2018/19 (RSM):* The Audit Committee had discussed the strategy, particularly the audit plan for 2016/17, agreeing to recommend this to the Board for approval. Audits would be focused on areas identified where improvements could be made to maximise the benefit of Auditors.
- II. *External Auditor's Annual Plan 2015/16 (PricewaterhouseCoopers):* The Audit Committee had discussed the annual plan agreeing to recommend this to the Board for approval.

The Board agreed: -

- To approve the Internal Audit Strategy 2016/17
- To approve the External Auditor's Annual Plan 2015/16

**6. Governance**

- I. *Scheme of Delegation:*

The Board agreed: -

- To endorse Scheme of Delegation with no changes

*Information*

- 7. Capital Investment Update**  
 The Director of Finance updated Members on progress of three LEP bids. £592,000 had been approved and allocated to workshop equipment at Hereford Campus and Holme Lacy Campus. The College will receive a 33% grant payment once work is completed. Another bid for £147,000 had been successful for high tech robotics and other cutting edge equipment for engineering. The College would contribute £44,000. The third bid to the LEP was for Growth Deal 3 as part of a series of proposals for colleges in Herefordshire, Shropshire, Telford and Wrekin. If successful, the bid for £1.5M would be used to convert the stables to start-up business units and move the equine unit. Thirteen bids had been submitted to the LEP which would prioritise the bids.
- 8. Management Accounts to 31 May 2016:** The Director of Finance would review the format to report management accounts for next year. The F&E Committee had discussed the accounts which showed that the College was on track at this stage of the year with a strong consolidated balance sheet. Questions were invited and duly answered; one of these related to Ludlow College which did not reconcile. This was due to the reporting system and had been raised at the last meeting. TF left meeting
- 9. Minutes from Committees were noted: -**
- I. Finance and Employment Committee: 22 June 2016 – The Health and Safety Advisor had attended the meeting to present the report. The meeting had focused on the budget.
  - II. Quality and Standards Committee: 15 June 2016
  - III. Audit Committee: 13 June 2016
  - IV. Search and Governance Committee: 15 June 2016 – The benchmarked Governors' self assessment questionnaire would be sent to Governors during the summer. Governors were reminded that they are not expected to have a full grasp of all areas questioned, but understand that these are addressed through the committees. One-to-one appraisals would continue to be held biannually with brief informal discussions with each Governor led by the Chair and Vice Chair before Board meetings every alternating year.
- 10. Reports discussed by F&E Committee**
- I. Health and Safety Annual Report
  - II. Staff Report
- 11. Reports discussed by Q&S Committee**
- I. Equality and Diversity Report
  - II. Child Protection and Safeguarding Report
  - III. Quality Improvement Plan (QIP)
- 12. Reports discussed by Audit Committee**
- I. Risk Register
- 13. Reports discussed by Search and Governance Committee**
- I. Board and Committees' Calendar of Business 2016/17
- 14. Press coverage:** Noted positive coverage. There were more articles for Ludlow College as the Shropshire Star was a daily newspaper

compared to the Hereford Times which was weekly.

- 15. College events  
These had already been sent to Governors.
- 16. **Process Review**  
Igor Andronov had conducted the process review confirming this had been effective meeting with questions from Governors and good discussion.
- 17. **Date and Time of Next Meeting**  
Tuesday 18 October 2016: Governors' Workshop at 2.30 pm and Board Meeting at 4.00pm in the Principal's Office, Hereford Campus.

**Signed as a true record of proceedings**

**Chair:** ..... **Date:** .....