

## **SOUTH CHESHIRE COLLEGE**

### **MINUTES OF THE CORPORATION MEETING HELD ON FRIDAY 30 NOVEMBER 2007 AT 2.00PM IN THE COLLEGE TRAINING RESTAURANT**

#### **Present:**

K Lea	(Chair of the Corporation)
V Harris	(Vice-chair of the Corporation)
D J Collins	(Principal and Chief Executive) (until the point shown)
C Blanchard	
B Dean	
J Dowell	(appointed as governor from the point shown)
J Dwyer	
D Felton	
S Field	(appointed as governor from the point shown)
G Fyffe	
L Hall	
M Simon	(until the point shown)
S Utting	
T Wheeler	(until the point shown)

#### **In attendance:**

G Bebbington	(Director of Finance and Administration)
S Cowell	(Managing Director, South Cheshire Enterprises Limited)
D Harwood	(Director of Quality)
N Peet	(Director of Curriculum Support) (until the point shown)
P Swift	(Deputy Principal and Director of Studies)
E Davies-Jones	(Clerk to the Corporation)

#### **Item**

#### **49/07 FORMAL MATTERS**

#### **49/01/07 Apologies for Absence**

Apologies for absence were received from Simon Yates and Abdi Yusuf

#### **49/02/07 Declarations of Interest**

The Chair enquired whether any of the members attending this meeting considered that they held any personal interest in the items as listed on the agenda to be considered at this meeting. M Simon and John Dwyer both asked that with regard to the agenda item concerning the Campus Development project their interests as declared at previous meetings be recorded, namely that they were members of Crewe and Nantwich Borough Council but not members of the Borough planning committee. J Dwyer also declared an interest in matters concerning the College's subsidiary company, in his capacity as a member of board of directors of that company.

**The Chair welcomed Claire Blanchard and Liz Hall to their first Corporation meeting as members.**

#### **49/03/07 Governor Vacancies/Re-appointments**

##### **Student Governor Vacancy**

Members considered the nomination of Simon Field for the position of student governor. Simon Field served as the student governor from March to end July 2007, Members were informed that Simon Field has been nominated for appointment in the current year and he has confirmed

that he is willing to continue to serve as student governor. No other nominations for student governor were received.

#### **Staff Governor Vacancy**

Members were informed that Julia Dowell's term of office as the staff governor nominated by the non-academic staff ended on 20 October 2007 and that she has been nominated by the non-academic staff for appointment as a staff governor for a further term of office and she has confirmed that she is willing to continue to serve as a staff governor. No other nominations were received.

#### **Re-appointment of Co-opted Governor**

Members considered the re-appointment of Simon Yates as a co-opted member of the Corporation for a further term, following the expiry of his second term of office on 2 December 2007. The Search Committee had, at its meeting on 9 November 2007, considered the available data including attendance records and the value of this member's expertise and experience and concluded that, in the light of his attendance, commitment, contribution and experience, the committee recommended to the Corporation Board that Simon Yates be re-appointed for a further term of office of four years commencing on 3<sup>rd</sup> December 2007.

#### **Prospective new member of the Corporation**

The Chair of the Search Committee informed members that the Search Committee had considered the self nomination received from Mr Ronald Jones and had interviewed him on the morning of Friday 30 November. The members of the Search Committee considered that Mr Jones would provide additional expertise to the Corporation and that pending a vacancy he should be invited to join the Corporation committees as a co-opted committee member.

#### ***IT WAS RESOLVED as follows –***

- ***to appoint Simon Field as a student member for a term of office ending 31 July 2007 and that Simon Field be appointed as a member of the Quality and Standards Committee during that period;***
- ***to appoint Julia Dowell as the staff governor nominated by non-academic staff for a term of office of 4 years from 30 November 2007;***
- ***to reappoint Simon Yates as a co-opted member for a period of 4 years commencing 3 December 2007; and***
- ***to invite Mr Ronald Jones to become a member of two of the Corporation's committee namely the Organisational Development Committee and the Finance Committee.***

#### **49/04/07 Approval of Minutes of the Part A Meeting held on 19 July 2007**

IT WAS RESOLVED that the minutes of the Part A meeting held on 19 July 2007 be approved as a true and accurate record of that meeting and that the Chair sign them accordingly.

#### **Matters arising:**

##### **Minute No: 43/07:**

##### **Review of financial implications regarding the ownership & maintenance of capital equipment**

The Director of Finance and Administration gave a verbal report to members informing them that the review had been undertaken and that the advice given by the accountants is that the subsidiary company should purchase the capital equipment for use in delivering the cleaning services contract as this offered advantages in that the company could re-claim the VAT on such purchases.

##### **Minute No: 44/03/07**

##### **Audit Committee request for a review of the Corporation Resolution**

The Chair informed members that this matter would be considered at a later point in the meeting.

**IT WAS RESOLVED that the minutes of the Part A meeting held on 19 July 2007 be approved as true and accurate record of that Part A meeting and that the Chair sign them accordingly.**

There were no other matters arising from the minutes of the last meeting which were not dealt with as part of the agenda items for this meeting.

**50/07 THREE YEAR DEVELOPMENT PLAN**

The Principal informed members that the College is making good progress implementation the action plan and that a detailed report on the progress in delivering the three-year development plan will be presented to the Corporation twice a year: in March and July.

***IT WAS RESOLVED to agree to receive detailed reports, on the progress in delivering the three-year development plan, at the Corporation meetings which are scheduled to take place in March and July.***

**51/07 RISK MANAGEMENT ANNUAL REPORT 2006/07**

The Director of Finance and Administration presented a report informing members that the report had been considered by the Audit committee members at their meeting held on 22 November 2007. He informed members in particular –

- how the College had dealt with specific risks in 2006/07, namely: insufficient accommodation, building project overspends; potential loss of key personnel; disruption due to failure of utilities; failure to provide high quality teaching; and failure to maximise student potential and success rates;
- changes to the risk register for 2006/07 including the development of a separate risk register covering the specific risks relating to the Campus Development Project which is now managed by the Project Manager, Turner Townsend, and monitored by the Campus Development Committee; and the separate risk register monitored by the Board of Directors of the subsidiary company covering the specific risks relating to the trading activities of South Cheshire Enterprises Limited.

The Chair asked those members of the senior management team present at the meeting whether they considered that the risk register as presented captured those risks which were associated with managing the College sufficiently well. The members of the senior management team confirmed that they considered this to be the case.

***IT WAS RESOLVED to receive the annual report on risk management and to note the current position in respect of the risks described in the risk register;***

**52/07 DISABILITY EQUALITY SCHEME**

The Director of Curriculum Support presented the paper informing members of the progress made in implementing the Disability Equality Scheme which has been developed to cover the general and the specific statutory duties placed on the organisation to promote disability equality and equality of opportunity, and was approved by the Corporation at its meeting on 30 November 2006. He informed members that it a fundamental requirement of the legislation to report on progress made and to review and revise the Scheme annually. He informed members that the Scheme was reviewed by staff on 13 November 2007 and the action plan has been amended and updated as a result of that review process. In answer to members' questions the Director of Curriculum Support confirmed that the review of the Scheme included actions to ensure that those covered by the Scheme are not disadvantaged during the period whilst the new build project is underway and provision of accommodation for students is the process of being changed.

***IT WAS RESOLVED to receive the report and to continue to monitor, on an annual basis, its effect on the success of students and the well being of staff for publication in accordance with the statutory requirements of the Disability Equality Duty .***

**53/07        REPORTS OF THE CHAIR, CHIEF EXECUTIVE AND COMMITTEES**

**53/01/07    Report of the Chair**

The Chair reported that in the period since the last report given in July 2007 he had been involved, along with other members in the interviews for the appointment of the principal building contractor . He went on to inform members that he had, for the second time, attended the Association of Colleges Annual Conference in Birmingham during the previous week, He gave members a brief summary of the event and the information and signals which had been forthcoming from the conference speeches.

***IT WAS RESOLVED to receive the report.***

**53/02/07    Report of the Chief Executive**

The Principal presented his report to the Corporation. He drew members' attention particularly to the following points:

- the College had decided not to pursue the inclusion of the Internal Baccalaureate within the curriculum provision;
- the partial reorganisation of the Faculties reported to the Corporation in July 2007 was working well;
- the open evenings for the 16-18 intake had commenced and the feedback received was very positive;
- the introduction of the Student Tracker system will further improve retention and attendance;

***IT WAS RESOLVED to receive the report.***

**The Director of Curriculum Support left the meeting at this point.**

**53/03/07    Report of the Campus Development Committee**

The Chair presented the paper informing members of the matters which the Campus Development Committee had dealt with during the term. Members had received copies of the minutes of the three meetings of the committee which had taken place on 20 September, 12 October and 9 November 2007. He informed members that the monthly reports presented by the Project Manager, Turner Townsend, had been closely questioned and the progress in development of the RIBA Stage D Design had also been closely monitored.

***IT WAS RESOLVED to receive the report and to note that the Committee, acting with the authority and on behalf of the Corporation, has:***

- ***approved the signing of the Form of Appointment of Scott Wilson as Structural Engineer;***
- ***approved the signing of the Form of Appointment of Robinson Low Francis as Quantity Surveyor subject to the inclusion of a side letter;***
- ***approved the short list of six firms to be invited to tender as Principal Contractor for the project on the basis of a two stage tender process.***

The Chair then went on to inform members of the matters which had been dealt with by the committee at its meeting, which had taken place immediately prior to this meeting of the Corporation.

**The meeting was adjourned whilst members were provided with copies of the papers setting out the costed plan.**

The Chair informed members that there had been a detailed consideration given by the committee members to the RIBA Stage D Design and the Application in Detail ("AiD"), due to be submitted to the Learning and Skills Council for approval next week. The costs of the project had risen from £59m as presented in the Application in Principal to £74.36m. The increase in costs being explained by those items listed in the Executive Summary of Movement from AiP to AiD, a copy of which is appended to the hard copy of the minutes of this meeting.

The Principal confirmed that the completed Stage D Design meets the specification and requirements as identified by the staff of the College.

The Director of Finance and Administration took members through the Project Capital Cost, Funding and Financing, Financial Summary, Net Present Value and the Affordability Statement and he drew members' attention to the "Affordability Tests" and to the financial risks. Members were informed that, in the period since the AiP was submitted and approved, the Learning and Skills Council have increased the cost per square metre which is now permitted with an increased specification for buildings of this type. Members considered the affordability calculations over a 10 year period.

***IT WAS RESOLVED UNANIMOUSLY that the Corporation give informed consent to the submission of the Application in Detail to the LSC on the basis of the information presented with total funding estimated at £74.36m (inc. inflation) with College reserves of £2.752m, debt of £10m & proceeds of sale from the surplus land (currently £4.425m) applied to project and that the LSC be invited to support the project with £57.183m (76.9%) of Capital Grant. In making this decision the Corporation has considered in depth and is aware of the risks involved in the project and the financial implications for the College."***

#### **53/04/07 Report of the Finance Committee**

The Chair of the Finance Committee, presented the report informing members of the matters which had been considered by Finance Committee members at the Committee's meetings held on 18 October 2007 when the following annual reports were received by the Committee:

- Energy Review
- Student Numbers 2006/07
- Capital Replacements
- Bad and Doubtful Debts

**The meeting was adjourned whilst members were given time to read the copy of the draft minutes of the Finance Committee meeting held on 22 November 2007.**

The Chair of the Finance Committee informed members of the concerns which had been dealt with by the Finance Committee at its meeting on 22 November 2007. Members discussed the outcome and considered a recommendation that an internal audit report should be commissioned to report on the robustness of the new procedures which are being introduced to assist in the preparation of forecasts of the operating surplus.

He then went on to inform members of the recommendations put forward by the Finance Committee for consideration by the Corporation namely that the Corporation approve:

- the payment of a discretionary bonus of up to £250 to College staff, other than members of the senior management team, in December 2007;
- the wording of the memorandum of understanding between the College and its subsidiary company as proposed by the board of director of South Cheshire Enterprises Limited;
- the giving of a guarantee to the pension scheme provider covering any pension contributions due for payment by the subsidiary company to that scheme, to cover the continuing pension provision for certain employees of the company who transferred from CBS when the cleaning contract was awarded to the subsidiary company.

***IT WAS RESOLVED to receive this report and:***

- ***approve the recommendations of the Committee concerning the staff bonus payment;***

- **approve the recommendations of the Committee concerning the Memorandum of Understanding between the College and its subsidiary company, South Cheshire Enterprises Limited;**
- **approve the recommendations of the Committee concerning the request, received from the subsidiary company, that the College act as guarantor for pension contributions due in respect of the continuing pension provision for 10 employees who transferred from CBS Cleaning Services; and**
- **to direct the Audit Committee to commission an internal audit report on the robustness of the new procedures dealing with the preparation of financial forecasts.**

**53/05/07 Review of Corporation Resolution:  
Minute No: 44/03/07 “IT WAS RESOLVED to .....require that the College should go out to competitive tender for financial statements audit in the following year”**

Members considered the request made by the Audit Committee that the Corporation review its resolution which was made at the Corporation meeting held on 19 July 2007. Members reviewed the points which were put forward by the Audit Committee to be considered and taken into account in determining when the tender process should be undertaken.

***IT WAS RESOLVED that the Audit Committee should receive the results of the market test in March 2008 and that the College should go out to tender for the services of financial statements auditors in summer 2008.***

**53/06/07 Report of the Audit Committee**

The Chair of the Audit Committee presented the report informing members of the matters which had been considered by Audit Committee members at the meetings held on 4 October and 22 November 2007 and, in particular the recommendation put forward by the Audit Committee to the Corporation concerning the proposal to extend the arrangements for publication of papers under the Freedom of Information Act 2000. The Committee’s full report to the Corporation will be considered at the Corporation meeting on 7 December 2007.

***IT WAS RESOLVED to receive this report and:***

- ***note the Committee’s advice that the College’s controls for securing value for money are considered to be effective;***
- ***approve the proposal that the arrangements for publication of papers should continue as from 1 March 2008 in accordance with the Model Scheme for Further Education and that approval for this is sought from the Information Commissioner.***

**Tim Wheeler and Margaret Simons left the meeting at this point.**

**53/07/07 Report of the Organisational Development Committee**

Vic Harris, as Chair of the Organisational Development Committee presented the report informing members of the matters which had been considered by Organisational Development Committee members at the meeting held on 18 October 2007 which included receipt of the following annual reports:

- Health and Safety
- Critical Incident
- Equality and Diversity (Staff)
- Staff Disciplinary & Grievances Procedures
- Staff Sickness
- Staff Development & training
- Protocol National (Agency Staff )
- Race Equality Action Plan 2005-2008 – progress to date

He drew members attention to the recommendations put forward by the Organisational Development Committee for consideration by the Corporation concerning the proposed change in provider of the private health care scheme and also the approval of the following policies and procedures:

- SCCPOL 28 – Dealing with Unwanted Persons
- SCCPOL 25 – Continuing Professional Development (formerly “Staff Development”)
- New Policy: CCTV Surveillance Policy
- The eligibility criteria to be used when determining any award of a discretionary staff bonus for the year 2007/08

Members reviewed the recommendations made by the Organisational Development Committee.

***IT WAS RESOLVED to receive the report and to:***

- ***approve the transfer of membership from the BUPA private health care scheme to the PruHealth private healthcare scheme on the basis set out above as from 1 December 2007;***
- ***note that the policy SCCPOL 28 “Dealing with Unwanted Persons” has been reviewed and that no changes to the document are proposed at this time and that the Corporation approve that the document continues in the current format until the next cycle review date unless a change in circumstances requires a review at an earlier date;***
- ***approve that the policy SCCPOL 25 continues with the title amended : “Continuing Professional Development”;***
- ***approve and adopt the new policy “CCTV Surveillance”;*** and
- ***approve the eligibility criteria for the discretionary staff bonus 2007/08.***

#### **53/08/07 Report of the Search Committee**

The Chair of the Search Committee, presented the report informing members of the matters which had been considered by Search Committee members at the meeting held on 9 November 2007 and in particular the recommendations put forward by the Search Committee for consideration by the Corporation.

The appointment of members having been dealt with earlier in this meeting (Minute No: 49/03/07) ***IT WAS RESOLVED to receive the report and to approve the aims of the Corporation Development Plan 2007/08.***

**David Collins left the meeting at this point.**

#### **53/09/07 Report of the Quality and Standards Committee**

The Chair of the committee, presented the report informing members of the matters which had been considered by Quality and Standards Committee members at the meeting held on 12 November 2007 and in particular the recommendations put forward by the Quality and Standards Committee for consideration by the Corporation namely the following policies and action plan:

- approval of the College’s Disability Statement 2007;
- approval of the Work Experience for Students Guidelines SCCPOL 24A;
- approval of the Financial Support for Students SCCPOL 10;

***IT WAS RESOLVED to receive this report and to:***

- ***approve the College’s Disability Statement 2007;***
- ***approve the Work Experience for Students Guidelines SCCPOL 24A;***
- ***approve the Financial Support for Students SCCPOL 10***

#### **53/10/07 Report of the Clerk**

The Clerk reported the details of members’ attendance records for 2007/08 as required by the attendance policy adopted by the Corporation at its meeting held on 6 December 2001.

Members reviewed the College's Register of Interests & Receipt of Gifts & Hospitality detailing the interests and receipt of gifts/hospitality which have been declared by :

- (i) members of the Corporation ; and
- (ii) staff employed by South Cheshire College who hold positions with significant financial responsibilities;

Members were informed that in addition to the annual update the register is updated throughout the year as and when individuals notify the Clerk of any new interests or changes to interests which are noted on the Register.

***IT WAS RESOLVED to receive this report and to:***

- ***note attendance at meetings to date in 2007/08;***
- ***receive the College's Register of Interests***

**54/07 SELF ASSESSMENT REVIEW QUESTIONNAIRE 2007/08 (SARQ)**

Members considered the completed Self Assessment Review Questionnaire setting out the self-assessment review of the financial management and governance frameworks which the College undertakes as part of its annual self-assessment process.

***IT WAS RESOLVED to note and approve the completed Self Assessment Review Questionnaire.***

**55/07 NON-TRADING (DORMANT) SUBSIDIARY COMPANIES**

Members considered whether the two non-trading subsidiary companies should be retained. Members were informed that the Corporation is the sole shareholder of both companies. Both companies were incorporated in 1993 but have not traded.

***IT WAS RESOLVED THAT :***

- ***the company "Training and Consultancy (TRAC) Limited, company registration number: 02820312 should be retained by the Corporation and the Directors of that company, Anne C Grady and Graham Bebbington should be contacted and that Evelyn Davies-Jones should replace Graham Bebbington in the role of Company Secretary; and***
- ***the shares in the company "The Cheshire Management Centre Limited", company registration no: 02825394 should be transferred to South Cheshire Enterprises Limited; that the Director of the company, John Howard should be contacted and that Evelyn Davies-Jones should replace Graham Bebbington in the role of Company Secretary***

There being no further business, the meeting concluded at 4.40 p.m.

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(Chair)

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Chair's approval: 7 December 2007  
Corporation approval: 25 January 2008