

SOUTH CHESHIRE COLLEGE

MINUTES OF THE CORPORATION/SMT PERFORMANCE RETREAT HELD AT ROOKERY HALL HOTEL ON FRIDAY 11 DECEMBER 2009 AT 9.00 AM

PART A MINUTES

Present:

K Lea	(Chair of the Corporation)
V Harris	(Vice-chair of the Corporation)
P Swift	(Principal and Chief Executive)
J Bache	
C Blanchard	
J Dowell	
F Ellison	
T Howard	(from the point shown)
L Izan	
R Jones	
U Koch	
K Newbould	
D Roddis	
M Simon	(until the point shown)
T Wheeler	

Dr S Utting as a former member of the Corporation, having retired on 8 December 2009, attended as a guest of the Corporation.

David Brech, Principal Tutor, Ashridge Education and Skills attended and gave a presentation to the meeting as shown.

In attendance:

A Fau-Goodwin	(Vice Principal 14-19 Curriculum & Strategy)
S Wainwright	(Vice Principal Adults Skills HE & Business Development)
G Bebbington	(Director of Finance and Administration)
D Harwood	(Director of Quality)
N Peet	(Director of Operations & ICT)
S Salter	(Director of Organisational Development)
E Davies-Jones	(Clerk to the Corporation)

The Chair of the Corporation welcomed Stan Utting as a guest and thanked him for agreeing to attend this meeting to give a report on his links with curriculum area during the year and his final report as Chair of the Audit Committee. The Chair expressed sincere thanks to Dr Utting for the extensive contribution he had made as a member of the Corporation.

The Chair of the Corporation informed members that John Dwyer had notified the Clerk to the Corporation of his wish, due to the pressure of business commitments, to resign his position as a member of the Corporation with immediate effect. The Chair expressed thanks to John Dwyer for the extensive contribution and service he had given as a member of the Corporation.

Item

54/09 FORMAL MATTERS

54/1/09 Apologies for Absence

Apologies for absence were received from Simon Yates.

54/2/09 **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. Margaret Simon's position as Mayor of Cheshire East Council was noted. No other declarations of interest were made.

55/09 **REPORT OF THE FINANCE COMMITTEE**

The Chair of the Finance Committee presented the report of the meeting of the Finance Committee held on 26 November 2009 and the recommendations of the Finance Committee being made to the Corporation concerning:

- the payment of a bonus to members of staff directly employed by eth College's subsidiary company, South Cheshire Enterprises Limited;
- the continuation of the Memorandum of Understanding between the College and its subsidiary company;
- the inclusion of an additional risk to the College's Risk Register; and
- the proposed changes to the Tuition Fee Policy

Members considered the Committee's recommendation regarding the payment of the discretionary bonus of £250 to College staff, excluding the members of the senior management team who have separate performance related arrangement. Members were informed that the amount of this discretionary bonus payment had been provisionally allocated in the College budget which had been approved for the year.

Members also considered the Committee's recommendation regarding the decision of the board of directors of the College's subsidiary company regarding payment of the discretionary bonus to staff employed by the subsidiary company.

IT WAS RESOLVED to receive this report and to:

- ***approve the payment of a discretionary bonus of up to £250 be made to each member of staff, subject to previously approved eligibility criteria, excluding the members of the senior management team who have separate performance related arrangements;***
- ***approve that the Memorandum of Understanding between the College and its subsidiary company should continue in place without amendment until the next scheduled review date;***
- ***in accordance with the Memorandum of Understanding between the College and South Cheshire, Enterprises Limited, approve the decision of the Directors of the subsidiary company to pay bonus to staff employed by the company;***
- ***approve that an additional risk concerning possible overspend on the decant budget should be added to the College's Risk Register; and***
- ***approve the Tuition Fee Policy for 2010/11 as presented at this meeting.***

56/09 **STUDENT PERFORMANCE AND CURRICULUM AREA SELF-ASSESSMENT REPORTS 2008/09**

56/1/09 **The College as a Whole: Student Achievements and Standards**

The Principal presented a report summarising student performance in 2008/09 and which included charts of student success, retention and achievement rates showing performance over a three year period from 2005/06. He drew members' attention to the following specific points:

- overall success rate for long programmes has improved from 76% in 2007/08 to 79% in 2008/09;
- a strong performance with overall A-level pass rate was 98% and AS level pass rate was 88% in 2008/09.

He informed members that overall the college's performance was strong but performance in certain Level 1 courses needs to be improved. He referred members to the detail given in the report to the individual curriculum areas.

IT WAS RESOLVED to receive the report and note the performance of the student body in 2008/09

Thomas Howard joined the meeting at this point.

56/2/09 Self Assessment Reports: Curriculum & Functional Areas

Members had received a draft copy of the detailed self assessment report for 2008/09 and considered the detailed content and grading of self-assessment reports for 2008/09 for each curriculum area and functional area. The curriculum area self assessment reports covered the assessed grading, scope of provision, summaries of student numbers and staff numbers, teaching and learning grades, retention achievement and success rates, review of improvements made over the previous year. The curriculum area reports were presented by the governor and senior management team member linked to the specific curriculum the area. The verbal reports included feedback from the governor's curriculum link visits undertaken during the year namely the staff focus groups, student focus groups and the final meeting with the Head of Faculty, Quality Manager and the Curriculum Area Head at which the self assessment report for the area had been considered. The functional area reports detailed progress on addressing issues identified in the 2008/09 development plan and the areas for improvement identified for 2009/10. The reports included a quality improvement plan covering the planned actions for improvements to be undertaken in the year 2009/10.

IT WAS RESOLVED to :

- ***approve the curriculum area and functional area self assessment reports subject to amendment as discussed; and***
- ***receive a further report on the strategy for improving Level 1 courses at the Corporation meeting on 15 January 2010.***

Margaret Simon left the meeting at this point.

56/3/09 Destination Analysis

The Director of Quality and Marketing presented a report summarising the analysis of the destinations of full-time students at the end of 2008/09 showing :

- 1583 students progressed to year two or continued with their course in 2008/09.
- the number of students progressing to University/HE courses in 2008-2009 increased from 532 in 2007/08 to 648 in 2008/09. This is attributed to students progressing on to the College's HNC/HND and Foundation Degree courses.
- 34.4% of the College's A level cohort go onto university or HE programmes.
- 73% of A2 students go on to university or HE programmes.
- 213 students indicated they are seeking employment in 2008-2009 compared to 194 in 2007-2008.
- An increase in students taking gap years, travelling etc from 17 in 2007-08 to 28 in 2008-09.

IT WAS RESOLVED to:

- ***receive the report and note the destinations of students in 2008/09;***

56/4/09 Governor/Curriculum Links for 2010

IT WAS RESOLVED to consider the programme of links for 2009/10 at the Corporation meeting on 15 January 2010.

David Brech joined the meeting at this point

57/09 GOVERNANCE: THE AGENDA FOR CHANGE

Members received a presentation given by David Brech, Principal Tutor, Ashridge Education and Skills. The presentation focused on some of the broad outline approaches which may be considered by the Corporation when reviewing the way in which it carries out its role as the governing body of the College.

IT WAS RESOLVED to receive the presentation and to thank David Brech for his input.

David Brech left the meeting at this point

58/09 AUDIT COMMITTEE REPORT AND APPROVAL OF AUDITED ACCOUNTS 2008/09

58/1/09 Audit Committee Report including the Committee's Annual Report

Members considered the Audit Committee's annual report to the Corporation, the internal auditors' annual report for 2008/09 and the financial statements auditors' management letter for 2008/09, which the Corporation is required to consider before approving the annual report and accounts.

The internal auditors had indicated in their annual report that they were satisfied that sufficient internal audit work had been undertaken to allow them to draw a reasonable conclusion as to the adequacy and effectiveness of the College's risk management, control and governance processes. In their opinion, for the 12 months ended 31 July 2009, the College had adequate and effective risk management, control and governance processes to manage the achievement of the College's objectives. The internal auditors had assessed the College's approach to risk management as "risk enabled" risks being taken on an informed basis with risk management being used to help manage the organisation.

The financial statements auditors' report had been considered by the Audit Committee at its meeting on 30 November 2009 with representatives of the auditors. The audit had been completed. KPMG would be signing an unqualified audit report and were on schedule to sign off the financial statements by 31 December 2009. There were no matters raised in the management letter, which were material to the accounts and affected the audit opinion.

Members considered the financial statements auditors' statement that based on their review of the corporate governance and risk management arrangements at the College they were satisfied that the College is able to make a full compliance statement with regard to compliance with the provisions of the "Combined Code on Corporate Governance" throughout the year ended 31 July 2009.

The Audit Committee's report informed members were informed that the Audit Committee's discussions with internal and financial statements auditors had satisfied members that the Committee's advice was appropriate and soundly based. The Audit Committee's advice accordingly was that the College's risk management, control and governance processes are adequate and effective and may be relied upon by the governing body, subject to and in reliance upon the matters and opinions set out in the document, and the evidence upon which that opinion was based. The Audit Committee's report also set out details of the extent to which the committee's terms of reference had been covered during the year.

The Audit Committee's annual report provided members with the results of the governance self assessment for the year ending 31 July 2009, incorporating the following –

- Members' responses to self-assessment questionnaire
- Audit Committee's advice on governance processes
- Completed performance statements and indicators for governance

IT WAS RESOLVED:

- *to receive the report;*
- *approve the Audit Committee's annual report for 2008/09;*
- *receive the internal audit annual report;*
- *receive the financial statements auditors' management letter for the year ended 31 July 2009.*

58/2/09 Approval of Audited Accounts for South Cheshire College consolidated accounts

The Director of Finance and Administration presented the annual report and accounts for South Cheshire College and South Cheshire Enterprises Limited for the year ended 31 July 2009. He informed members that the accounts were considered by the Finance Committee at its meeting on 26 November 2009 and were recommended by that committee for approval by the Corporation. He went on to inform members that:

- the profit and loss account shows a deficit for the year of £156,000 pre FRS 17 and a deficit of £282,000 post FRS 17, that the general reserves pre FRS 17 are £5,470,000 and post FRS 17 £ 1,275,000 and that the accounts must be submitted to the LSC by no later than 31 December 2009;
- the audited directors' report and accounts for South Cheshire Enterprises Limited, were considered by the board of directors of the Company at the Board meeting held on 25 November 2009 and had been approved at the company's annual general meeting held earlier this morning;

IT WAS RESOLVED –

- *to note the contents of the letter of representation submitted with the report and to authorise the Chair to sign and deliver it to the financial statements auditors on behalf of the Corporation;*
- *to approve the annual report and accounts (including the consolidated accounts) of the Corporation for the year ended 31 July 2009;*

59/09 SELF REGULATION

59/1/09 Risk Management Report 2008/09

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 30 November 2009. He informed members in particular –

- how the College had dealt with specific risks in 2008/09, namely: damaging media articles, failure to meet adult learner responsive numbers and funding targets; volatile interest rates on long term borrowing facilities; insufficient accommodation, building project overspends; potential loss of key personnel; disruption due to failure of utilities; and the possibility of inadequate examination processes and procedures due to the construction phase of the new build;
- with regard to the three separate risk registers covering specific risks relating to (i) the College, (ii) the new build project monitored by the Campus Development Committee; and (iii) the subsidiary company risk register covering the specific risks relating to the trading activities of South Cheshire Enterprises Limited monitored by the Board of Directors of the subsidiary company.

IT WAS RESOLVED to approve the risk policy as presented and to receive the annual report on risk management noting the current position in respect of the risks described in the risk register;

59/2/09 Financial Management & Control Evaluation

The Director of Finance and Administration presented the paper which detailed the requirements for completing the Financial Management and Control Evaluation return (short form return) for submission to the Learning and Skills Council. He informed members that the document had been given to members of the Audit Committee at the committee's meeting held on 30 November 2009.

IT WAS RESOLVED to approve that the Financial and Management Control Evaluation grading, as presented at this meeting, should be submitted to the Learning and Skills Council.

60/09 THEMES FOR STRATEGIC PLANNING RETREAT ON 15 JANUARY 2010

IT WAS RESOLVED that the Corporation should, at its meeting on 15 January 2010, receive and consider the proposals which shall include the strategies for :

- *developing governance*
- *marketing and public relations;*
- *work based learning and employer engagement;*
- *improving Level 1 courses;*
- *staff development, including ICT training;*

61/09 OVERDRAFT FACILITY: CHANGE IN LSC PAYMENT PROFILE

The Director of Finance and Administration presented the paper informing members that due to a change in the LSC Capital Support Payment Profile the College is required to arrange a short term overdraft facility of £1.7million from 23 December 2009 to 20 January 2010 when the additional facility outlined in the Financial Plan commences.

IT WAS RESOLVED that the Corporation approves the acceptance of a short term Bank Overdraft Facility to cover the shortfall due to change in LSC Payment Profile and delegates authority to the Campus Development Committee to :

- a) ***Formally approve and accept the terms and conditions of the Bank Overdraft Facility Letter***
- b) ***Approve arrangements for the Facility Letter to be signed by the relevant accounting officers***

There being no further business, the meeting concluded at 4.35 p.m.

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(Chair)

Production: 15 December 2009

Chair's approval: 7 January 2010

Corporation approval: 15 January 2010