

**Minutes of Norton Radstock College Governing Body meeting  
held on Wednesday 20 July 2011 at 6.30pm**

<b>Present:</b>	Mr C Dando (Chair)	CD
	Mrs S Arayan (Principal)	SA
	Dr J Clifford (until 8.35pm)	JC
	Mrs C Hounsell	CH
	Mr P Kendall (until 8.35pm)	PK
	Mrs J Kurton	JK
	Mr R Newbery	RN
	Mrs L Patch	LP
	Mr K Willcox	KW
	Mr J Wilkinson	JW
	Mr R Wynn-Jones	RWJ
<b>In Attendance:</b>	Mrs C Bamford (Clerk)	CB
	Ms J Barber (Finance Director)	JB
	Mr P Hodgson (Corporate Director)	PH
	Mr A Ormerod (Academic Director)	AO

**1. Apologies for absence**

Apologies received from Sandra Barter, David Evans and Alun Thomas.  
Amy Coles, Kayleigh Deverill and Amy O'Neill not present.

There were no declarations of interests.

**PREVIOUS MEETINGS**

**2. Draft Minutes of Governing Body Meeting held on 25 May 2011 for approval**

PK proposed the Minutes be approved, this was seconded by CH and unanimously agreed by the meeting.

**3. Matters arising**

The matters arising sheet was noted.

**4. Draft Minutes of Quality Committee meeting held on 7 June 2011 for information**

The Minutes were noted.

**5. Draft Minutes of Accommodation Committee meeting held on 5 July 2011 for information**

The Minutes were noted.

6. **Draft Minutes of Audit Committee meeting held on 5 July 2011 for information**

JB noted that she and SA would be drafting an anti-bribery policy for the College and that this would be brought back to the next governor meeting in October.

JW commented that a very useful discussion had taken place regarding the management of risk and that JB would be investigating the risk process further with RSM Tenon over the summer period.

The Minutes were noted.

7. **Draft Minutes of Strategic Governance Committee meeting held on 5 July 2011 for information**

CH queried how the data/strategic task groups would feedback information to the governing body. PH confirmed that these groups were sub-groups of the Strategic Governance Committee so information would come back via this committee.

The Minutes were noted.

8. **Draft notes of Student Forum meeting held on 17 May 2011 and Student Voice report for information**

SA noted that there were a number of actions which staff were currently working on. She referred the meeting to the Student Voice paper and confirmed that Penny Routledge would be happy to attend the next governing body meeting to explain further if needed.

JW asked if the attendees could be added to the notes.

**Action : CB GB7111**

**MAIN AGENDA**

9. **Verbal report from Principal and Student numbers for information**

SA confirmed that she would be giving a verbal update, providing highlights to the meeting as Governors now receive a regular news bulletin.

SA informed Governors that the recent achievement evening had been successful. However in the future this would have more of an academic approach rather than being a 'themed' evening, and location of event, due to transport, may be changed.

SA noted that the Royal College of Veterinary Nursing had given the College approval to offer part-time and full-time veterinary courses, but noted that the College would need to provide more staff to support these courses.

SA commented that the Employers Breakfast event that had taken place this morning had been successful and as a result three new apprenticeships had already been gained. She noted that there was a high interest from employers in Waste Management.

SA commented that the next governor bulletin would be circulated in August.

RWJ asked about the Bursary scheme and what was happening with the £51,500 awarded to the College. SA explained that the Colleges and Schools in the BANES area would be pulling together to ensure that they follow the same bursary format and provide a common approach. She noted that young people in care would automatically be awarded £1200 and then the balance would be distributed.

RWJ asked if there was an indication of the shortfall. JB said it was difficult to tell but probably in the region of 50% less than EMA awards.

PH went through the student numbers and commentary and highlighted in particular the Adult Responsive and Employer Responsive budget. He noted that the College is showing a shortfall of £445,950 at this stage and that the College has agreed to take on additional partnership provision which will hopefully result in reducing the shortfall to circa £320,000 by the end of the funding year.

#### 10. **Update on student retention and risks for information**

AO took the meeting through the report and the headline figures, explaining that the detailed analysis is provided to the Quality committee.

He noted that the College was 2% below the retention target of 90% and that this will have a negative impact on the success rate which is based on retention and achievement.

AO noted that the target for success is 83% (4% increase from previous year) and explained that this had been increased as Ofsted had previously criticised the College for not being ambitious. AO noted that he hoped the College would reach an 81% success rate and explained that Senior Curriculum Leaders will be working hard to ensure students are on the correct courses and to focus on working with students to provide support to those students at risk of leaving and are monitoring attendance closely.

JC queried the high number of students lost from Adult Learning. AO explained that out of the 94 enrolments lost, 50 of these were from the previous academic year. He noted that the new Curriculum leader has now

put all students on 1 year courses to improve retention. JS asked if further support should be provided, SA explained that due to the courses being low level that the funding levels were not provided to support this.

JW queried if the data reflected only those students who started in this academic year. AO confirmed that the data reflects those students with an end date of July 2011, so some may have been on two year courses.

CD asked when the final success figures would be available. PH commented that these have to be on the system by the end of October so would hopefully be ready for the next governor meeting.

#### 11. **Update on capital build programme for information**

Draft minutes of accommodation committee meeting held on 15 July 2011 were tabled for information.

PH explained that Mark Harvey from the SFA had recently informed the College that they did not have consent for the building work on the North Building for Phase 2 of the capital build programme.

PH noted that in order to now gain consent he needed to present to the SFA an educational case, a revised financial forecast, financial investment appraisals, a cost breakdown and the proposed plan for refurbishment. He noted that all this information has been supplied to the SFA today and there would now be a 4-6 week wait while this consent process was taking place.

PH informed the meeting that the sale of Ellsbridge House was a more pressing issue. He noted that the initial offer from WPC had been reduced to £650K due to the bank's estate agent valuing the property at £600K. He explained that the College has refused to accept this offer and have asked King Sturge to provide a disposal strategy for the accommodation committee to review. He also noted that SA has asked Carter Jonas to value the property and they had presented a figure of £650K.

JW queried the initial valuation of £1 million provided by King Sturge. PH noted that the new valuation provided by Carter Jonas was based on a commercial sale.

CD confirmed to the meeting that the accommodation committee would be looking at all the options provided to obtain the maximum value and discussions would also take place with the Bank Manager to keep him informed of the possible shortfall.

PK asked what the worst case scenario would be if Ellsbridge House was not sold by May when the bridging loan was due to be repaid. JB explained that if the sale was imminent then the bank would probably be happy to extend

the current bridging loan and if not then new terms would need to be discussed and agreed.

KW explained to the meeting that he felt there were various aspects of Ellsbridge House that had not been investigated as yet. The land may be of use to the commercial units behind and access needs to be investigated.

CD confirmed that governors would be kept informed with regular updates.

## 12. Finance

### i. **Management Accounts for May 2011 for information**

JB took the meeting through the report noting that the College continues in a solvent position.

JB highlighted that the overall position is that the College is currently forecasting an operating deficit of £422,688 of which £130,566 relates to exceptional restructuring costs. She explained that the underlying position is therefore £292,122 which compares to a forecast in January of a deficit of £729,102 which did not include exceptional restructuring.

CD thanked the management team for all their hard work that has gone into reducing the deficit so far.

The report was noted

### ii. **Approve budget 2011/12**

JB took the meeting through the report explaining that it presents the revenue budget for the year 2011-12. She noted that this reflects the sale of Ellsbridge House at £850K and doesn't include any extra spend for maintenance so extra would need to be built in for this if required or additional savings would need to be made.

JB explained that additional income of £200,000 was required. This was split into £100K for a new contract for the NEETs Reduction initiative and £100K has been included in the budget as £50K for additional school links and the remaining £50K as an additional income target.

JB noted that KPMG identified potential savings and at present £70K of these have been included in the budget as a separate line. There is more scope to make more than £70K in savings if all the ACE recommendations are implemented.

JB summarised that the College continues in a solvent position and asked governors to approve the budget for 2011/12.

RWJ queried the value of £850K for Ellsbridge House. JB noted that the budget needed to be sent to the SFA and currently we do not know if the sale price will change and if so what the new price will be. PH will notify the SFA and apply for consent again at the point that the sale price is confirmed.

PK proposed the budget be approved, this was seconded by KW and unanimously agreed by the meeting.

iii. **Approve financial forecast 2011/14**

JB explained that the paper presents the three year financial plan 2011-12 to 2013-14 for return to the Skills Funding Agency. She noted that the SFA had not issued specific assumptions for use in the forecast, but various funding guidance notes have been taken into account when preparing the forecast for funding income.

JB explained that the SFA and YPLA had reviewed and updated the financial health grading system and that the comparison shows that the new basis produces a lower score. JB noted that this is mainly because additional points for consistency have been removed and the methods of calculation have also changed.

The overall effect is to reduce the College Financial Health Grade from Good to Satisfactory in years 2011-12 to 2012-13.

Governors were asked to approve the Financial Plan for submission to the SFA.

RWJ queried what the effect would be to the grade if we had to extend the bridging loan next year, how close to the inadequate grade is the College. JB confirmed that we would have to drop by a further 50 points to fall into this category.

RN asked if student loans will make any difference to income. JB confirmed that these are not being implemented until 2012/12 and this stage there is not enough information to know at this stage.

JC proposed the financial plan be approved, this was seconded by PK and unanimously agreed by the meeting.

iv. **Top ten risks for information**

JB explained that a new risk of government policy changes to which social security benefits qualify for fee remission has now been added. This will affect potential students on income support and disability related benefits and may impact on student numbers.

RWJ queried if we had an understanding of what the level of impact would be. LP confirmed that this will impact on students who cannot afford to pay course fees but that many students do not qualify for these benefits.

DG to produce a report detailing students who are eligible for fee remission this academic year. This should provide information on the potential impact.

**Action : DG GB7112**

The report was noted.

v. **Update on Partnership Provision for information**

PH took the meeting through the report explaining that the in order for the College to meet its target allocation for Adult learning (excluding Apprenticeships) the partnership provision has been crucial to maintaining progress towards challenging adult funding allocations.

PH noted that the report details partnership provision for next year but that the split of contract was still to be confirmed as the SFA have an expectation that the split should be 85:15 and anything below needs to be justified.

This was previously endorsed by the Strategic Governance committee.

Governors noted the report.

13. **Health and Safety**

i. **Minutes of Health and Safety meeting held on 28 June 2011 for information**

KW went through the minutes noting that the sickness report figures had identified some trends of some students coming into College on Monday mornings then leaving by 9.30am. There is a possibility that this may be related to drug and alcohol use at the weekend. PH commented that the College has controls in place to tackle and deal with incidents.

KW commented that there had been an increase in accidents and this was mainly due to better recording of incidents. The increase in accidents in Foundation Learning and Engineering & Construction also coincides with an increase in student numbers.

The minutes were noted.

ii. **Accident and Risk Assessment Report for July 2011 for information**

The report was noted

iii. **Health, Safety, Welfare and Environmental Policy for 2011/2012 for approval**

JW proposed the policy be approved, this was seconded by CH and unanimously agreed by the meeting.

JC and PK left the meeting at 8.35pm

14. **Single Equality Policy update for approval**

SA commented that the Equality and Diversity group have already reviewed the policy and only minor changes have been made. She noted that new legislation is in place so the policy will need to be updated and brought back to the governing body for approval again at a later stage.

RWJ proposed the policy be approved, this was seconded by CH and unanimously agreed by the meeting.

15. **Minutes of Academic Board meeting held on 30 June 2011 for information**

SA commented that attendance was poor but this was due to the meeting clashing with another event on site.

The report was noted.

16. **Strategic Governance Committee Terms of Reference for approval**

CD explained that these had previously been endorsed by the Strategic Governance Committee members.

CH queried whether the committee had an involvement in monitoring the plan rather than just to oversee the delivery as stated in the terms of reference purpose.

CD agreed with this comment and members agreed to amend the purpose to read 'To oversee the development and delivery of the strategic plan..'

Subject to this amend JW proposed the terms of reference be approved, this was seconded by CH and unanimously agreed by the meeting.

17. **Governing Body and Committee meeting dates for the next academic year for information.**

JW queried that the Strategic Governance committee needs to review year end accounts prior to approval by the Audit Committee yet the Strategic Governance Committee was meeting 2 days after the Audit Committee.

JW also queried if the Strategic Governance committee meeting dates meant that they were in a position to review the budget in details and provide assurance to the governing body.

CB to amend the Audit Committee meeting date in November. The Strategic Governance Committee dates will be reviewed with JB/SA and any meeting dates circulated again.

**Action : CB GB7113**

18. **Briefing from AoC Governor Seminar**

CH commented that the meeting had been very useful and a good opportunity to network with governors from other Colleges. She recommended that other governors attend in the future if they are able to.

CH explained that she had taken her own briefing notes and that the questions posed were for members on sub-committees to review.

CH also noted that she had attended an LSIS governor induction session which was also extremely beneficial and she would highly recommend.

SA commented that she would be happy to go through any of the questions with CH.

CD asked JW what the latest update was on the Code of Governance. JW explained that this had now been approved by the AoC board and will be sent out to be adopted by Colleges in the next academic year.

19. **Updated Gifts and Hospitality Register policy for approval**

JB explained that this policy had been discussed at the Audit Committee and it was recommended that the value of exempt items be increased from £5 to £25.

JW also noted that he had mentioned this at the AoC and £25 seems to be the standard across most Colleges.

CH proposed the policy be approved, this was seconded by RWJ and unanimously agreed by the meeting.

20. **Any Other Business**

CD mentioned that Sandra Barter had now resigned as governor and passed on thanks for her time as governor since 1996 and her contributions to the committees she has served on.

There being no further business the meeting closed at 8.35pm.

Next meeting Wednesday 12 October at 6.30pm.