

**Minutes of Norton Radstock College Governing Body meeting  
held on Wednesday 2 February 2011 at 6.30pm**

<b>Present:</b>	Mr C Dando (Chair)	CD
	Mrs S Arayan (Principal)	SA
	Mrs J Clifford (until 7.40pm)	JC
	Miss A Coles (until 8.30om)	AC
	Miss K Deverill (until 8.30pm)	KD
	Mr D Evans (until 8.45pm)	DE
	Mrs C Hounsell	CH
	Mr P Kendall	PK
	Mr R Newbery	RN
	Miss A O'Neill	AN
	Mrs N Spong (until 8.50pm)	NS
	Mrs J Stiddard (until 7.25pm)	JS
	Ms L Strawbridge	LS
	Mr J Wilkinson	JW
	Mr R Wynn-Jones	RWJ
<b>In Attendance:</b>	Ms J Barber (Finance Director)	JB
	Mr P Hodgson (Corporate Director) (until 8.40pm)	PH
	Mrs C Bamford (Clerk)	CB
	Mr A Ormerod (Academic Director)	AO

CD welcomed CH, AC, KD and AN as new Governors to the meeting. All members introduced themselves.

**1. Apologies for absence**

Apologies received from Sandra Barter, Alun Thomas and Ken Willcox.

There were no declarations of interests.

**2. Revised Corporation Manual for approval.**

RWJ proposed the revised manual be approved, this was seconded by LS and unanimously agreed by the meeting.

**PREVIOUS MEETINGS**

**3. Draft Minutes of Annual General Meeting held on 8 December 2010 for approval**

JS proposed the Minutes be approved, this was seconded by JC and unanimously agreed by the meeting.

4. **Matters arising**

The matter arising was noted.

5. **Draft Minutes of Governing Body meeting held on 8 December 2010 for approval**

JC proposed that the Minutes be approved, this was seconded by JW and unanimously agreed by the meeting.

6. **Matters arising**

The matters arising report was noted.

7. **Draft Minutes of Remuneration Committee meeting held on 8 December 2010 for information**

The minutes were noted.

8. **Notes of Student Forum meeting held on 20 January 2011 for information**

JS/DE raised their concerns about the meeting. JS was extremely disappointed at the lack of student representatives present and was concerned that future meetings were going to be held on Thursdays when the majority of appointed student representatives were not on site. DE felt that it gave a bad impression of the College to the invited guest present at the meeting.

SA confirmed that Penny Routledge was already aware that this meeting had not gone well and would be implementing a new structure for the next meeting. SA will ask PR to report back to Governors on the actions taken prior to the next Governor meeting in March.

**Action: SA GB2111**

9. **Draft Minutes of Accommodation meeting held on 27 January 2011 for information**

This meeting was cancelled. A meeting was held on 2 February 2011 and draft minutes will be included in the next Governor meeting for information.

10. **Draft Minutes of MARG meeting held on 27 January 2011 for information**

The minutes were noted.

## **MAIN AGENDA**

### **11. Principal's Report and student numbers for information and Savings Plan for 2011/2012**

SA took the meeting through her report and commented that funding cuts and allocations have not been good, in some cases worse than originally indicated. The SFA have recently notified colleges that there will be a clawback of any shortfall against the ALR (Adult Learner Responsive) budget. SA explained that in December/January she and the Finance Director had managed to reduce budgets in order to save £200,000 and referred members to the savings plan sheet identifying possible further savings. All of the savings proposals are possible but some may not impact until next year.

RWJ queried why we were in this situation and were not aware of it previously. SA explained that she had been asking the SFA if there would be a clawback at the end of the year but had been informed to wait until the College received the audit guidance in December 2010. It was originally stated as reconciliation rather than clawback which has led to confusion in the sector. SA explained that as soon as she was aware of the situation she started implementing a savings action plan. SA confirmed that this will be discussed in more detail at the Governor/SMT meeting to be held on 11 February 2011.

SA stated that a positive note was that the prison was inspected two weeks ago and was awarded the highest grade possible.

PH took the meeting through the learner numbers commentary. He noted that for 16-18 learner numbers the College is currently 81% towards the target allocation in terms of funding. He explained that the College anticipates recruitment to increase marginally between now and the end of the year but the shortfall against target will be reflected in a rebased allocation for 2011/2012.

PH explained that there is currently a 20% shortfall in numbers for Adult Learner Responsive compared to this time last year. The College is actively seeking to promote Adult provision with a new mid-year prospectus. Adult Employer Responsive level of activity has reduced by 15% this year. Numbers are actually up compared to last year but many are continuers from 2009/2010 and there were fewer new starts. Therefore in funding terms compared to January 2010 there is a 2.4% shortfall.

RWJ queried why the College is struggling to secure adult learners. PH stated that adults are expected to pay a significant contribution to the course fee which many are unable to do.

RN asked what effect the loss of EMA is going to have. SA commented that the outcome would not be good so we therefore need to be innovative about creating new income streams.

RN asked the Student Governors why they attended the College and if they had any ideas of how to attract students. KD stated that she felt that some

secondary schools discouraged pupils from leaving and attending college. She thought it would be beneficial for current students to be present at open days so that prospective students have a chance to talk to them

**Action: PR GB2112**

12. **Update on student retention and risks for information**

AO introduced the report and explained the background and reason for it. He explained the definition of success and that the focus was to improve retention.

AO explained that the current overall College retention target is 90%. At present 2 Schools are significantly under their retention target; the majority of this is due to retention losses during 2009/2010 for courses due to complete in 2011. Two other Schools are also under target but on par with last year's results and the remaining 6 Schools are over target. AO commented that the College is attempting to recruit additional students to boost retention rates as well as continue to actively manage retention of the current cohort.

CD commented that we need to put a high focus on this and find a way of getting more ownership from Governors perhaps via the Quality or MARG sub-committee groups.

RN queried why 8 students were dissatisfied. AO confirmed that they were not happy with their chosen courses so have been transferred onto other courses.

13. **Finance**

i. **Report on the update to forecast as at January 2011 for information**

JB went through the report and explained that the forecast had been updated for major trends. She referred members to Appendix B which details the main summary of changes and noted that the cash flow had been recalculated based on the revised forecast.

JW asked what the effect of these changes will be on the College bank covenant. JB confirmed that if we did nothing then we would be breaking the covenant and would have to enter into discussions with the bank about our plans to address the financial situation.

JW asked if we can raise the issue of the clawback to the AOC as a sector. SA suggested that this could perhaps be done through the Finance Manager network and Principal network. CD said he would work with SA to investigate ways to raise this as an issue and report back at the next Governor meeting.

**Action: CD/SA 2113**

ii. **Management Accounts for November 2010 for information**

JB explained the Accounts had been reviewed by the Management Accounts Review Group on 27 January 2011 and that they have been adjusted to reflect the changes in the forecast. Currently the College is in a favourable cash position.

The meeting noted the report.

The meeting decided to take item 15 next.

15. **Accommodation - CONFIDENTIAL**

i. **Verbal update on accommodation for information**

PH confirmed that the Accommodation sub-committee had met at 5.15pm prior to the Governor meeting.

PH gave a verbal update and confirmed that phase 1 involved the refurbishment of the Centurion, West Building and South Building. Three tenders have been received, King Sturge have undertaken a review and prepared a report recommending Ken Biggs as the contractor.

PH explained that the Executive and Facilities Manager had met with King Sturge to go through a shopping list with the preferred tender and agreed some changes and identified reductions in cost – an approximate total of £310,000 (excluding VAT).

PH noted that there have been no firm offers on Ellsbridge House but he has now asked King Sturge to market without any pre-conditions with a view to a quicker sale.

PH explained that the College have pulled out of dealings with Horseworld due to expense. Horseworld were looking for a substantive lease which was considered unaffordable in the short and medium term.

PH stated that he wanted to seek agreement from Governors to go ahead with phase 1, which involved spending £474k from the Capital funding budget (which includes £225k from SFA funding). He would then come back with further proposals and possible relocation of Animal Care as phase 2.

JW queried the phase 1 figure of £474k, he thought the reduced tender price was £310K. PH explained that the higher figure incorporated refurbishment to the car park, signage and furniture and fittings.

PH explained that in order to receive the £225k funding from the SFA the College has to spend a further £450k. The £225k must be committed by March 2011 and the work completed by September 2011.

JW queried if phase 1 can be considered in isolation and is not dependent on phase 2. PH explained that we can undertake phase 1 and then review phase 2 but that we must spend the total figure of £675k in order to gain the SFA funding.

RWJ queried how the College can commit to phase 1 when there are severe cash flow difficulties. He felt that it was not appropriate to make a decision until the Governors were aware of all the possible savings to be made that will be detailed on the 11 February 2011.

## **CONFIDENTIAL**

JW commented that an alternative would be to return the £225k to the SFA. SA noted that she thought this was a bad idea and even the SFA had told the College not to stop Capital fund spend. She added that the College needs to be upgraded to attract new students and was concerned about the message going out to staff if we do not invest in this work.

RN commented that he was in favour of the refurbishment; he stated that there was a level of risk and we would need to mitigate this as best we can.

DE stated that he shared Shirley's concerns about the message going out to staff and schools in the area; he said that he felt that Governors should show courage and back the Principal and her team. CD advised Governors that he felt that there would not be enough clarity provided at the meeting on 11 February to hold off making a decision and in his opinion we should commit the limited, even though significant funds and continue.

CD asked Governors to vote on the College committing £675k (in order to draw on the £225k SFA funds) and a plan to be brought back at the next Governor meeting in March on how to invest the balance

8 of the 10 Governors present at this time voted to **approve** the undertaking of phase 1.

14. **Personnel**

i. **Equal Opportunities data for information**

The report was noted

16. **Minutes of Health and Safety Committee meeting held on 13 January 2011 for information**

RN commented that he was delighted that attendance had greatly improved. SA explained that she had investigated the number of First Aiders and the College has sufficient numbers; a current list will be kept in reception.

The Minutes were noted.

**GOVERNANCE/MANAGEMENT**

17. i. **Marketing Plan and list of upcoming marketing events for information**

SA commended the Marketing team and thought that they were doing an excellent job.

JW commented that he didn't feel that the plan reflected the urgency to fulfil adult learners. SA confirmed that the team were looking at this and that the College is taking responsibility for the Skills Fair and there would be an Adult Learners week in May 2011.

JW asked if a press campaign would be possible to attract adult learners. SA agreed to discuss this adult learning focus as a priority with the Marketing team and report back at the next Governor meeting.

**Action : SA GB2114**

The meeting noted the report.

ii. **Top Ten Risks Report for information**

The meeting noted the report.

iii. **List of UK trip activities to date in the current Academic Year for information**

The meeting noted the report.

18. **Any Other Business**

i) College Code of Governance

JW advised Governors that a meeting would be held on 23 March 2011 to discuss the proposed Code and any issues. The AOC are requesting that 2 members attend.

CD suggested that if Governors have any comments or suggestions that they forward them to JW who can present them at the meeting.

ii) SFA Presentation Notes

JW explained that he had attended the presentation given by the SFA and thought it was extremely interesting and useful for other Governors to read and be aware of, especially in advance of the planned savings meeting on the 11 February.

SA commented that similar events had been staged by YPLA to FE and School heads.

There being no further business, the meeting closed at 9.15pm.

Next meeting Wednesday 23 March at 6.30pm.