



Shaping your future

**Minutes of a Meeting of the Corporation  
held on Monday 20 July 2009  
at 5.30 pm in Room C15**

**Action**

**Present:**

Shirlene Adam	Member	Present			
Guy Adams	Chair	Present	Sue Popplewell	Staff Member	Present
Peter Avery	<i>Ex Officio</i> Member	Present	John Rudge	Member	Present
Cait Blumgart	Student Member	Present	Jane Scott	Clerk to Corporation	Present
Garry Charles		Present	Rob Setchell	Staff Member	Apologies
			Gill Turner	Member	Present
Ann Helsby	Member	Present From 5.44 pm	Mary Tighe	Member	Present
Jill Jefferey	Parent Member	Present	Rosemary Viant	Member	Present
Beth John	Student Member	Apologies	David Wood	Deputy Chair	Present
Hollie King	Member	Apologies	Mayor of Taunton Deane	Honorary Member	Apologies
John Lockwood	Member	Present	Tim Duffen	Vice Principal: Resources	In attendance
Jonathan Langdon	Member	Present			
Dominic Lynch	Member	Apologies			

The meeting opened at 5.39 pm and was quorate throughout.

**PART 1: MEETING FORMALITIES**

**1. Apologies for absence**

Apologies for absence are recorded above.

**2. Declaration of Interests**

There was a declaration of financial interest relating to the appointment of the new member of Corporation. The appointee is currently the employer of a close family member of an existing member of the Corporation.

**3. Appointment of Chair and Vice Chair of the Corporation**

Members noted the significant contribution which Guy Adams makes to the work of the Corporation. This work is not only through attendance at internal and external meetings and College events, but also as an ambassador for the College in many aspects of its business. David Wood recommended the reappointment of Guy Adams as Chair of the Corporation. This was seconded by John Rudge and agreed *nem con*.

Members noted that as Vice Chair of the Corporation, David Wood makes a tireless contribution to the work of the Corporation. This is not only through attendance at all manner of internal and external meetings and College events, but also the input he gives to the day-to-day work of the College in aspects of the recruitment and appointment process. David always endeavours to be proactive in researching and assessing strategic planning considerations. Guy Adams recommended the reappointment of David Wood as Vice Chair of the Corporation. This was seconded by John Rudge and agreed *nem con*.

**4. Appointment of Member of the Corporation**

The Search Committee had noted the considerable professional skills which Jonathan Langdon will bring to the work of the Corporation. Not only do these skills include professional accounting and auditing expertise, but Jonathan also has considerable previous experience in a governance role, working extensively and closely with the Local Authority to negotiate a complex and sensitive situation. Guy Adams proposed the appointment of Jonathan Langdon as a member of the Corporation. This was seconded by David Wood and agreed *nem con*.

**5. Minutes of the Meeting held on Monday 18 May 2009 CORP0809-5**

The minutes of the previous meeting were agreed and signed subject to a revision in CORP0809-5/II/7. The sentence 'There is an additional...College contracts' is to be deleted to aid clarification of the information.

**6. Matters Arising**

There were no matters arising which are not dealt with under the agenda for the current meeting.

**PART II: ISSUES FOR THE MEETING****1. Principal's Report to the Corporation**

The Principal highlighted a number of areas of specific and general interest for governors. The consultation in connection with the proposed formation of a new Academy in Taunton is still open to receive representations and all governors were encouraged to respond to the representation process.

Despite an encouraging interview process, the College had been unable to make a formal appointment to the vacancy for a head coach in respect of the tennis academy. However, it is anticipated that a more successful recruitment process will take place during the winter months. The overall recruitment process had resulted in some promising appointments, including two former students, one to marketing and the other as a Business Development Adviser.

Performance Indicators give every indication that if the College meets current targets in respect of AS/A2 examinations, the College will meet its overall targets. AS/A2 results are due on 20 August 2009.

There have been no known instances of fraud during 2008-09.

**2. Capital Planning**

The Corporation noted that the Audit Committee had given its consideration to some of the barriers associated with College inability to meet its strategic plans and the associated risks contained in the College Risk Management Action Plan.

The recent hiatus associated with Learning and Skills Council capital projects had resulted in the College losing momentum in addressing its capital planning needs. In the meantime,

other local institutions have been able to progress their plans and the result has been that the College is in a less favourable position than would have been the case if it had continued the momentum to progress its building plans to fruition.

Taking all strategic plans into consideration, there is a well-defined requirement for the College to stay fit for purpose through development of its estate and capital building plans. Other external factors mean that over the next period the College will be in a less favourable position than has hitherto been the case. Prevailing economic circumstances generally will impact on salary structures for staff over the next period, potentially culminating in less favourable conditions than in schools. Changes to the kind of curriculum offers available at pre- and post-16 will mean that some subjects at the College - those with relatively low uptake - will become at risk. However, the College has expended considerable effort to ensure that it is in a strong position in respect of all curriculum changes.

There is a strongly identified need for the College to be able to offer additional courses in photography and graphics. However, a current lack of study and social space are an impediment to expanding current provision.

Significant external changes in respect of machinery of government and funding have started, and will continue, to impact on College provision. Local sixth form presumptions will precipitate fragmentation of provision. This is set against a backdrop of the difficulties associated with a move to the local authority 'umbrella'. The College notes the necessity to ensure that national funding formulae and national funding rates are applied equitably under the new administration arrangements.

A shift to partnership working with other providers/employers is time consuming and there will be further significant impact on the education sector as global economic difficulties continue to impact.

In reviewing capital plans which will address the current wide-ranging issues facing the College, a small new build and refurbishment programme would secure the medium term sustainability of the College. However, analysis of College requirements underlines how critical September 2010 will be in terms of the College position in the local community.

The College has been undertaking some exploratory planning work with Baker Ruff consultants in respect of developing the campus. VAT implications effectively restrict plans to discrete new buildings; the requirement for development not to disrupt current provision is paramount.

In order to ensure that any new provision is ready for use by September 2010, the phasing of the planning and development programme is intrinsic to success. Analysis of building costs indicates that expenditure in the region of £2,500 per m<sup>2</sup> would secure an entirely appropriate quality of build, including adequate environmental considerations. Earlier plans encouraged by the Learning and Skills Council had included costs in the region of £4k per m<sup>2</sup>.

The College will be carrying out significant financial modelling, and consulting with loan providers in order to assess all financial options associated with capital planning. There is an assumption that there will be no public financial support and that interest rates will be at a minimum of 7%. However, financial modelling will also proactively investigate what support might be offered in terms of preferential loans from public funds. The envisaged size of project will fall below the threshold associated with European Union regulations in respect of tender for contracts.

The College has already committed £10k in respect of progressing the planning stage. This would mean that there is a maximum of £10k of funds at risk, payable from the Principal's Reserve, if plans do not progress or there is an inability to secure further appropriate financial provision. In order to maintain the kind of momentum necessary to secure commissioning of new facilities by September 2010, planning consents must be sought as soon as possible, but no later than August 2009.

The Finance and General Purposes Committee and the Corporation will be convened to meet early in the autumn term to review and consider recommendations in respect of capital plans.

### 3. Reports from Committees

#### Academic Planning and Quality Committee

Members noted the grades awarded to the College in respect of published information and the difficulties and practical issues associated with data collection in respect of the Learner Survey. Although it is considered that published data does provide informative information for the public, the College will continue to ensure that it maximises the benefits of working within the Framework scoring system.

Members received an assurance that all agenda for meetings are compiled from a risk management perspective, and that briefings and advice are made available in a timely manner in respect of new initiatives.

The Academic Planning and Quality Committee has given consideration to the scheduling of its business through the academic year and made some refinements in order to facilitate monitoring of quality and performance.

#### Audit Committee

The outcomes of the recent Funding Assurance Review carried out by Tenon Audit on behalf of the Learning and Skills Council were made available. In respect of the issues and recommendations contained in the report, RSM Bentley Jennison will carry out follow up work as part of the 2009-10 programme of internal audit.

Internal audit work and associated issues in respect of project planning, follow-up audit and budget setting and financial reporting will be monitored through the regular Outstanding Audit Issues Report considered by the Committee. Current outstanding audit issues are as follows:

- The College will continue to seek redress in respect of costs incurred in preparation of the aborted bid for capital funding from the Learning and Skills Council
- Funding Assurance controls will form part of follow up audit work during 2009-10
- Further internal audit work will assist in the College review of its accommodation planning
- Internal audit work will provide further advice associated with VAT on advertising and related goods
- Staff will be advised of the revised Financial Regulations and the impact on asset management procedures
- Financial Regulations and Procedures will be placed on the College intranet and staff advised accordingly

Arrangements for the review of the Risk Management Action Plan have been amended to facilitate complete transparency and identification and management of risks. Further work will be carried out to document risk assessment procedures.

Financial Regulations have been the subject of significant and substantive review and the Committee considered that the document is now a robust document reflecting both actual and optimal financial control practice.

Arrangements for preparation of the Members' Report and Annual Financial Statements are in hand; a timetable has been drawn up in conjunction with the External Audit Service and members were satisfied that it will ensure the meeting of reporting deadlines.

The Internal Audit Service and the College have agreed that further project work in respect of capital planning from a risk management perspective should be carried out. This work and Curriculum Planning will be given an allocation of nine audit days and the overall plan of internal audit has been adjusted to accommodate this requirement.

Finance and General Purposes Committee

The College is continuing to request guidance relating to the treatment of costs associated with the aborted bid for capital funding from the Learning and Skills Council. The anticipated outturn figure of £164k on the Indicative Budget outturn position 2008-09 does not reflect write-off costs.

There is considerable further work to be done in respect of the Indicative Income and Expenditure budget for 2009-10 once all financial and student recruitment information is to hand. Changes to local post-16 market provision may impact on College recruitment and it will be possible to assess this through close analysis.

Financial planning is subject to the uncertainty surrounding the salary settlement for 2009-10 and longer term interest rates on existing and future borrowing. National pay negotiations have not been concluded.

A budgeted £10k surplus would not provide a viable operating option and further financial modelling will ensure that the College achieves a further improved budgeted Income and Expenditure surplus.

Financial Regulations have been substantively reviewed, taking into account recommendations made by the Internal Audit Service and discussions with auditors.

A full cost recovery process has been instigated in respect of tuition fees for CIMA and ACCA courses. This will ensure increased income from accountancy courses, but at the same time the College will remain one of the most competitive local providers.

A new Health and Safety Policy has been developed through work done by the College Health and Safety Committee. The annual Health and Safety Report, and Health and Safety reporting generally have been strengthened.

The timetable for preparation of the Members' Report and Annual Financial Statements broadly followed the format adopted in recent times, and the Committee noted that it accommodated reporting deadlines.

Personnel Committee

Members noted that the College has made representations to the Sixth Form Colleges Forum in respect of any proposed salary increase for 2009-10. There is a strong reluctance on the part of the College to move away from any national pay agreement.

Professional Review and Development processes are firmly embedded into College practice.

Search Committee

Since the annual Strategy Meeting for Governors, the College Mission Statement had been the subject of considerable review by the Committees of the Corporation. The Committee concluded that the current statement adequately reflects the College mission and that there is little to be gained by amending the statement.

Arrangements are in place to seek expressions of interest for the vacancy of parent governor. A ballot of all parents will take place during the autumn term, with a recommendation for appointment subsequently passing to the December 2009 meeting of the Corporation.

The Committee and the Corporation have been giving consideration to a number of ways in which the Corporation as a whole might achieve better dissemination of information and utilisation of governor expertise. As part of this process, all governors are invited to a presentation about the Carver model of governance on Friday 4 September 2009.

All governors will receive a diversity and equality monitoring form to complete at the same time as the annual Register of Interests form.

Any member requiring meeting papers in printed format must now ensure that they specifically request this as the Corporation endeavours to move to a less paper-based *modus operandi*. Corporation business will now include a regular review of Closed Business. The Terms of Reference of the Audit Committee will make provision for a co-opted member of the Committee to chair the Committee in case the necessity arises. Whilst not preferred practice, this would facilitate succession planning.

#### 4. Items for Approval

##### **The Risk Management Policy**

Members noted that arrangements for reviewing the Risk Management Action Plan had been amended and strengthened through formal regular referral to the College Board. Additionally, the system for assessment of risks would be subject to further documentation and this will be included as an annex to the Risk Management Policy in due course. Garry Charles recommended approval of the Risk Management Policy. This was seconded by Mary Tighe and agreed *nem con*.

##### **The Risk Management Action Plan**

The College Board has devoted considerable effort to substantive review of the Risk Management Policy and has re-examined the scoring of all risks noted in the College Risk Register. Additionally, the Audit Committee has also been briefed about the current key threats to the College and the barriers which could prevent the College meeting its strategic aims. Further development of the Risk Management Action Plan will take place to improve, refine and strengthen its use as a key management tool. Members noted that the Plan also reflects the constructive engagement with the Internal Audit Service in Risk Management matters. Subject to further refinement, Garry Charles recommended approval of the Risk Management Policy. This was seconded by Shirlene Adam and agreed *nem con*.

##### **Internal Audit Plan for 2009-10**

On-going dialogue with the Internal Audit Service and constructive and useful project reporting has identified that some revision to the plan of internal audit fieldwork for 2009-10 would assist the College as it moves forward in its strategic planning process. Further work associated with the follow-up of the Funding Assurance Review, and additional work on capital planning have been identified as areas requiring some additional work. Garry Charles recommended approval of the revised plan of internal audit for 2009-10. This was seconded by Shirlene Adam and agreed *nem con*.

##### **Timetable for Preparation of Members' Report and Annual Financial Statements**

Both the Finance and General Purposes Committee and the Audit Committee had noted the tried and tested framework for preparation of papers. The new External Audit Service had also noted the framework and agreed the working timetable. The Principal recommended the timetable for approval. This was seconded by Mary Tighe and agreed *nem con*.

##### **The Indicative Income and Expenditure Budget for 2009-10**

The indicative budget includes provision for capital building costs and increased payroll costs of 1.54%. The budget has been prepared on the basis of inclusion of income for which there is a high degree of probability. All expenditure has been captured. Despite being a very stringent budget, there has been careful attention to ensure that the College can still continue to develop. There is provision for £100k in respect of refurbishment of existing College facilities. John Rudge recommended the indicative income and expenditure budget for approval. This was seconded by Mary Tighe and agreed *nem con*.

**Tuition Fees for 2009-10**

In order to anticipate curtailment of external funding in respect of accountancy courses, tuition fees have been positioned to reflect a full cost recovery situation for CIMA and ACCA courses. David Wood recommended approval of tuition fees for 2009-10. This was seconded by Gill Turner and agreed *nem con*.

**The Health and Safety Policy**

Development of the Health and Safety Policy has been carried out through work done in conjunction with the Internal Audit Service and the College Health and Safety Committee. Such is the strengthening of systems that the College will be moving from a state of compliance with legislation, to the position of 'best practice'. The Finance and General Purposes Committee has also given some input to the new Policy. Ann Helsby recommended approval of the Health and Safety Policy. This was seconded by John Lockwood and agreed *nem con*.

**Financial Regulations**

Substantive review of Financial Regulations had been carried out in conjunction with the Internal Audit Service, the Finance and General Purposes Committee and the Audit Committee. John Rudge recommended the revised Financial Regulations for approval by the Corporation. This was seconded by David Wood and agreed *nem con*.

**The College Mission Statement**

All Committees of the Corporation had been involved with the substantive review of the Mission Statement and John Rudge recommended approval of the current statement:

*To be a centre of excellence in the South West by providing 16-19 year old students with high quality advanced level education, to prepare them for higher education and professional careers, and by contributing to workforce development in the region.'*

This was seconded by Rosie Viant and agreed *nem con*.

**Standing Orders of the Corporation**

There have been some minor refinements to the wording of the Standing Orders of the Corporation. John Rudge recommended approval of the Standing Orders of the Corporation. This was seconded by Gill Turner and agreed *nem con*.

**Governance Calendar for 2009-10**

Review of the governance calendar in the Committees had identified that there was some merit in reordering some of the business for consideration to ensure that optimal monitoring and quality assurance processes could be in place. There will be further meetings of the Finance and General Purposes Committee and the Corporation scheduled in due course in order to accommodate additional business imposed by consideration of capital plans. Sue Popplewell recommended approval of the calendar of governance. This was seconded by Mary Tighe and agreed *nem con*.

**Terms of Reference of Committees of the Corporation**

In order to facilitate succession planning and to accommodate any critical need associated with meetings of the Audit Committee, provision has been made for the temporary appointment of a co-opted member of the Committee to the role of chair of the Committee. David Wood recommended approval of the revision to the Terms of Reference of Committees of the Corporation. This was seconded by John Rudge and agreed *nem con*.

**5. Governance Self Assessment**

All members of the Corporation were reminded of the need to complete the Governance Self Assessment form. The information provided forms an intrinsic part of the annual governance self assessment report, part of College statutory reporting procedures.

**6. Any Other Business**

Members were reminded of the presentation scheduled to take place on Friday 4 September on the Carver Policy model of governance. The session will be delivered by a Clerk to the Corporation from a College which has successfully implemented such a model. A member of the Corporation thanked colleagues for their support in her recent chairity fund raising efforts.

Members noted that they would be advised at the earliest opportunity of additional meetings of the Finance and General Purposes Committee and the Corporation. There was no other business.

The meeting closed at 7.44 pm.