



Shaping your future

**Minutes of the Meeting of the Corporation
held on Friday 16 October 2009
at 5.30 pm in the Redwood Centre**

Action

Present:

Shirlene Adam	Member	Apologies	Sue Popplewell	Staff Member	Apologies
Guy Adams	Chair	Present	John Rudge	Member	Apologies
Peter Avery	<i>Ex Officio</i> Member	Present	Jane Scott	Clerk to Corporation	Present
Cait Blumgart	Student Member	Present	Rob Setchell	Staff Member	Present
Garry Charles		Present	Gill Turner	Member	Present
			Mary Tighe	Member	Present
Ann Helsby	Member	Present	Rosemary Viant	Member	Apologies
Jill Jefferey	Parent Member	Present	David Wood	Deputy Chair	Present
Beth John	Student Member	Apologies	Mayor of Taunton Deane	Honorary Member	Apologies
Hollie King	Member	Present	James Staniforth	Vice Principal: 16- 19 Studies	Apologies
John Lockwood	Member	Apologies	Jonathan Langdon	Member	Apologies
			Dominic Lynch	Member	Present

The meeting opened at 5.31 pm and was quorate throughout.

PART 1: MEETING FORMALITIES

1. Apologies for absence

Apologies for absence are recorded above.

2. Declaration of Interests

There were no declarations of personal or financial interest in the business of the meeting.

PART II: ISSUES FOR THE MEETING

1. Capital Planning - Proposal for Accommodation

The Principal prefaced discussion by noting the difficulties which the College currently faces in terms of overcrowding and the lack of flexibility to develop the curriculum which it is able to offer. Other local sixth form presumptions and the development of an academy in Taunton mean that the fabric of the College will not continue to afford comparative provision and that there is an identified risk that there could be a failure to continue to recruit students at an appropriate level. If the College does not proceed with the development of its campus, it is projected that within one to two years there could be a loss of some 60-80 students,

impacting on funding and the College ability to sustain its current level of activity. Engaging in the development and refurbishment of the campus will enable the College to not only sustain but also develop its programme of activity in the longer term, ensuring that it continues to be an exciting and attractive option for students. Members noted that financial projections based on a scenario of no development of the campus demonstrated that the College would be in a less favourable position financially.

Planning consents in respect of development of the site have been secured. Preparatory work has been undertaken to ensure that contractors are poised to start work on the project, with stringent contractual deadlines identified to ensure that new accommodation can be ready for the start of the academic year 2010-11.

In analysing the financial implications of capital plans, the College has taken into account the following identified major risks:

- a freezing or reduction in Learning and Skills Council funding rates
- the non-recruitment of up to fifty students
- that the project is not completed within the stipulated timescale

In investigating costs and tender options, the College is working on the assumption that the agreed price for the new build project will be £1.55-1.66m. Borrowing will be on the basis of £1.9m in order to give scope for the cost of the programme of refurbishment to be included in the loan.

In giving further consideration to financial analysis, Members noted that operating surpluses for the five-year period will show an improved position. Securing loan facilities from the start of the project, rather placing a reliance on the cash position, will ensure protection of the College cash flow position. Loan arrangements will be on the basis of fixed interest arrangements, avoiding any unanticipated fluctuations in the financial markets. Fixed repayments will also facilitate financial planning throughout the period of the loan. Members noted that it is anticipated that FRS17 will be excluded from loan arrangements, mitigating any exposure to the anticipated threat that FRS17 poses in the coming period.

In investigating financial risks/options, the Finance and General Purposes Committee has noted financial lending arrangements through investigation of a number of lending facilities. Both Lloyds and Barclays Banks are poised to set out their formal offers in respect of loan arrangements of £1.9m. The Committee will be in a position to consider the formal offers by mid-November 2009, and to have confirmed its formal decision to the banks by the end of November 2009.

Dominic Lynch recommended approval of the following:

- (a) That the proposed capital project be approved, that works commence, and that delegated authority for signature of the contract be passed to the Principal, the Chair of Corporation and the two Vice Principals collectively
- (b) That arrangements in respect of negotiation of loan facilities be delegated to the Principal, the Chair of Corporation, the Chair of the Finance and General Purposes Committee and the Director of Finance. Approval of loan facilities will be on the basis of a ceiling of £1.9m. Approval of any lending arrangement is to be on the recommendation of the Finance and General Purposes Committee. Lending arrangements can be confirmed with the appropriate bank upon signature of any two persons from the list in (b) above

The recommendations were seconded by David Wood and agreed *nem con*.

2. Consideration of Tender for Contract

Members noted the summary report associated with the contract tendering process. Governors had been involved both at the tender opening and interview processes. It was reported that the interview process had been very positive, but with Mansell out-performing other contractors both in terms of the information that they had prepared and the way in which they responded to detailed questioning. Their costings had also been the most favourable.

David Wood recommended that Mansell be appointed the contractors in respect of the College accommodation plans. This was seconded by Jill Jeffereys and agreed *nem con*.

The Corporation noted that in order to facilitate the day-to-day leadership and administration of the capital plans, a group of governors should be appointed to oversee the project. Meetings with contractors/architects/project managers will be held on a regular basis. The group will report direct to the Finance and General Purposes Committee on financial matters, with that Committee having primacy in all financial matters associated with the capital project.

It is anticipated that the Committee will comprise the following members:

The Chair of Corporation

The Student members of the Corporation

A Staff Member of the Corporation

A member of the Finance and General Purposes Committee

A member of the Audit Committee

And up to two other members

This was recommended for approval by Dominic Lynch, seconded by David Wood and agreed *nem con*.

3. Statement of Accounting Policies

Members noted the annual requirement for the College Statement of Accounting Policies to be reviewed in the process of preparation of the Members' Report and Annual Financial Statements. There had been one small amendment associated with VAT registration. The Policy was recommended for approval by Mary Tighe, seconded by Ann Helsby and agreed *nem con*.

4. Treasury Management Policy

Whilst the Policy had received a recommendation for approval by the Finance and General Purposes Committee, members were concerned that further investigation should take place into the suitability of arrangements for confirming the appropriateness of investment opportunities via the Comfund at any given time. The Policy was referred to the Finance and General Purposes Committee and Audit Committee for further consideration pending investigation.

5. Overseas Travel Policy

The External Audit Service had confirmed that three-yearly review of the Policy was in order. There had been no revisions in the Policy. Jill Jeffreys recommended approval of the Policy, seconded by Gill Turner, and agreed *nem con*.

6. Policy for Discovery of Fraud

The External Audit Service had confirmed that three-yearly review of the Policy was in order. The Policy has been referred to the Personnel Committee to ensure that its provision conforms with other key College Policies, as well as provision contained within the Audit Code of Practice and Financial Memorandum.

7. Whistleblowing Policy

The External Audit Service had confirmed that three-yearly review of the Policy was in order. The Policy has been referred to the Personnel Committee to ensure that its provision conforms with other key College Policies.

8. Sixth Form College Status

The Principal reported that following attendance at a national briefing event, he is now prepared to write a report for members of the Corporation outlining the facts associated with the development of a new sixth form colleges sector. Information currently available suggests that there are no strong benefits either against or in favour of the process. However, in the light of Machinery of Government changes, members may wish to ensure that the College is working in synergy with the Local Authority. The December meeting of the Corporation will give its consideration to the matter.

9. Any Other Business

College Open Evenings will be held on 18/19 November and members were warmly invited to participate in the events. The evenings are both enjoyable and informative and give a strong and invaluable insight into the work of the College.

Members noted the style and format of the new prospectus, the work which has gone into developing it, and their very positive views about its success as a marketing tool.

Members noted their appreciation of the the considerable effort which goes into preparation of all reports/documentation for the Corporation.

10. Date of Next Meeting

The date of the next meeting of the Corporation is Monday 7 December 2009.

The meeting closed at 6.47 pm.