

## GRANTHAM COLLEGE

Minutes of a meeting of the **Corporation** held on 7 July 2014 at 1800.

Present	Mike Argyle	Stewart Boylan	Trudy Brothwell
	Graham Hayton-Hill	Linda Houtby (Principal)	Nick Manoussakis
	Peter Mulley	June Parker	Wade Rowlett (Acting Chairman)
	Steve Welton	Mike Williams	
In Attendance	Paul Deane (DP)	Ralph Devereux (Clerk)	Alison Fox
	Linda Wale		
Apologies	Gemma Baumber	Graham Burks	Abbie Eldred
	Jan Gould-Martin	Jayne Harrison	Mos Kalbassi (Chairman)

<b>In the absence of Mos Kalbassi (Apologies) it was agreed that Wade Rowlett (Vice-Chairman) would act as Chairman.</b>
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### **45/13 ELIGIBILITY, QUORUM, DECLARATION OF INTERESTS AND APOLOGIES**

The apologies were accepted. No notice had been received of any member becoming ineligible to hold office, the meeting was quorate and no interests had been declared.

### **46/13 MINUTES OF THE LAST MEETING AND REQUESTS FOR URGENT BUSINESS**

- a. The minutes of the corporation meeting held on 10 March 2014 were confirmed and signed.
- b. There were no requests for urgent business.

### **47/13 MATTERS ARISING FROM THE MINUTES**

There were no matters arising.

### **48/13 MINUTES OF COMMITTEE MEETINGS**

- a. Remuneration Committee. (RC)(10.03.14). The confidential RC minutes were available on request from the Clerk.
- b. Audit Committee (AC) (31.03.14 & 06.06.14). The AC Minutes were introduced by the Committee Chairman:
  - (i) 31 March 2014, (re 17/13) the continued improvement and regular monitoring of Risk Management (RM) processes was noted, the minutes were received; and
  - (ii) 6 June 2014, (re 27/13b) the "amber/red" IAS assessment was noted and explained, (re 29/13) the recommendation and note were approved and the minutes were received.
- c. Standards Committee (StC) (31.03.14 & 06.06.14). The StC minutes were introduced by the Committee Chairman; (re 48/13) (Changes to the Observation Strategy) the information was noted and the minutes were received.
- d. Finance Committee (FC) (31.03.14 & 06.06.14). The FC minutes were introduced by the Committee Chairman; (re 44/13) the recommendation (Draft Budget and Financial Forecast) was noted and (48/13) (Urgent Business re Sleaford College) the information was noted.
- e. Search Committee. (SC)(30.06.14). The SC had held an electronic meeting and recommended that Graham Burks and Nick Manoussakis should be reappointed for 4 years from the 1 September 2014; the recommendation was accepted and they were both reappointed.

- a. **The information was received and noted.**
- b. **The External Audit Planning Memo and associated fee were approved.**
- c. **Graham Burks and Nick Manoussakis were appointed for a further 4 year term of office wef 1 September 2014.**

#### **49/13 PRINCIPAL'S REPORT**

The Report updating on current issues was considered:

- a. The recent Awards Ceremony had been a success and thanks were recorded to all involved and to the Corporation Members who had attended. There was then consideration whether to celebrate HE students success in the future with a formal "Graduation Ceremony" in part because of the distance to the awarding university could deter the graduates, their family and friends from attending. It was agreed that such a celebration would benefit the graduates and would raise the College local profile, perhaps with the involvement of St Wulfram's, and this would be a positive move. There was also an indication to provide some form of celebration for apprentices' success and more information would be provided as it became available.
- b. Learners with Learning Difficulties and Disabilities (LLDD) facility refurbishment would probably be under budget and there were plans to use the underspend on the sensory garden. Consent had been granted for Stonebridge House and scaffolding had now been erected, work should be completed for August.
- c. The good news was that the Local Enterprise Partnership (LEP) had agreed an indicative grant of £2.28m (at 67% intervention) for April 2016 as part of the 2<sup>nd</sup> tranche improvements of Lincolnshire. This would fund a high standard facility including a featured atrium.
- d. Progression of the sale of Café.com was progressing, there was consideration of whether this was the optimum solution or whether retention of some or all of the facility, as an income source, would be preferable. After discussion it was agreed that the realisation of the asset was desirable and the possible workload of assuming greater landlord responsibility was not; also the current tenant had given notice and it was thus a convenient time to proceed, Estate agent advice would be taken.
- e. The FE Commissioner's letter of 13 June and the associated data dashboard had been circulated to all members and was attached; it was agreed that the issues raised were being addressed.
- f. The closure of Sleaford College was now in the public domain and the relevant consultation was in progress. Students had all been contacted and offered continuance in Grantham.
- g. The introduction of a pilot "Light Touch" Ofsted inspection in the Autumn Term provided a positive opportunity for a high grade external assessment, selection criteria had been met and accordingly an application to participate had been registered.

**a. The information was received; consideration would be given to the HE graduation process.**

#### **50/13 FINANCE REPORT**

The management accounts accurate to 30 May had been closely scrutinised by the Finance Committee and they were then discussed. The current situation showed a favourable variance of c£815k against budget, Income was also favourable by c£814k with all variances clearly tabulated. Payroll expenditure was negative by c£28k due mainly to sickness cover for part time delivery and increased claims for apprenticeship assessors; the information was tabulated to reflect individual categories of full and part time delivery and support staff costs. Non-Payroll costs, tightly controlled were favourable by c£29k; again all variances were clearly tabulated. The balance sheet was positive with 58 cash days, a strong cash balance and the CR stood at 2.4. All FI remained satisfactory and some defaulters had now been moved into aged debtors, some difficult to recoup amounts were now being robustly followed up and sanctions imposed for those in default. The CFF, to be revised in the next academic year, remained positive with the low position being in March 2015, provisions for clawback and treasury investments had been made. Compliance with Bank Covenants was noted.

**The information was noted.**

**51/13 BUDGET AND 2 YEAR FINANCIAL FORECAST**

- a. The first draft of next year's budget, which had been presented to the Finance Committee, had showed a deficit through the combined effect of reduced funding and other support. The Committee had discussed the numbers at length and further work particularly with rigorous discipline on expenditure and prudent forecasting of income had allowed forecast of a small surplus. This was a sound achievement and the move to a positive budget in 2014/15 reflected the hard work of those involved; the year would be challenging and the current close financial monitoring would be further enhanced. It was noted that there was no pay rise allowed for in the numbers although there was a 3% contingency, there was considerable discussion on rewards for staff and the possible effect on morale and retention. This regrettable situation was complex and it was agreed that provision of a general pay increase was highly desirable, nevertheless affordability had primacy; the funding situation would be re-assessed around the end of the year. The budget for 2014/15 was approved.
- b. Financial Forecast. Challenges associated with forward planning for 3 years had been recognised and accordingly the requirement for a 3 year financial forecast had again been reduced to 2, the first year was the budget for 2014/15 which had been approved at 51/13 above. The planning assumptions and financial objectives were detailed and noted. The outlook for 2016 was noted as a deficit but it was stressed that the numbers were prudently based and only included known income, likely but yet to be notified items, such as ESF had been deliberately discounted. It was also true that as well as reducing expenditure, possibilities of increasing income should also be investigated. Given the uncertainty and anticipated funding challenges and the progressive reduction in transitional protection the financial health of the college will likely fall from "Good" in 2015 to "Inadequate" in 2016 without further action. The 2-year financial forecast was approved.

**The Budget 2014/15 and the 2-Year Financial Forecast were approved.**

**52/13 DRAFT STRATEGIC TARGETS (2014/15)**

Annual targets to enable achievement of the Strategic Objectives had been amended in the light of progress made through the year; they were largely in line with the earlier version and were discussed and approved.

**The information was noted and received.**

**53/13 KEY PERFORMANCE INDICATORS (KPI) DASHBOARDS**

The DP gave a comprehensive electronic update on the KPIs (attached to the filed copy of these minutes), after full consideration and discussion the details were noted. Consideration was also given to both the dashboards:

- a. suggested by the FE Commissioner (49/13e refers), It was agreed that the information included in the exemplar was already available to members, also comparisons with other institutions could not easily be directly compared however it remained a useful reference; and
- b. the Ofsted data sheets, which allowed access to self and other colleges' historical data.

**The information was noted and received.**

**54/13 SAFEGUARDING POLICY**

Consideration of the Safeguarding Policy had been advanced from the normal Autumn Term to allow for immediate inclusion of recently updated guidance "Keeping Children Safe in Education 2014". The amendments were noted and the Policy was approved with immediate effect.

**The amended Safeguarding Policy was approved.**

**55/13 HEALTH AND SAFETY (HAS) REPORT**

The HAS Report (5 March-7July) was considered and discussed; there had been no significant incidents or accidents. Details of issues and activity, particularly with regard to Stonebridge House, were noted and the Report was received.

**The HAS Report was received.**

**56/13 SCHEDULE OF MEETINGS (2014/15)**

A revised schedule of meetings, in which the strategic planning meeting day was changed from Wednesday to Thursday evenings was circulated and approved.

**The meeting schedule was approved.**

**57/13 IMPACT ON STUDENTS**

Much of the content impacted on students but of particular note were: the development of Stonebridge House to improve the learning environment; financial issues to enable adequate provision; KPI detailing improving success, the updated Safeguarding Policy to keep students protected and the HAS report providing assurance of a safe learning environment.

**The information was noted.**

**58/13 URGENT BUSINESS**

There had been no requests for urgent business

**59/13 DATE OF NEXT MEETING**

The next Corporation meeting would be held at 1800 on 20 October 2014.