



## **MINUTES OF THE MEETING OF THE CORPORATION – LAKES COLLEGE, WEST CUMBRIA**

**Held on Thursday 26<sup>th</sup> June 2008 at 4:30pm at the Broughton Craggs Hotel, West Cumbria**

**PRESENT:** Paul Pharaoh (Chair), Steve Bradley, Mike Davidson, John Lackie, Damian McSweeney, Norma Boyes, Cath Richardson (Principal), Eunice Simmons, Michael Doyle and Adrian Taylor.

**APOLOGIES:** Neil Smart, Graham Kennedy, Joe Holliday, William Southward, Gerald Humes, Clare Hucknall, Mau Craze-Gray, Robert Walker, Pippa Tiller (Assistant Principal, Curriculum & Quality) and Cyril Wheat (Assistant Principal, External Relations).

**IN ATTENDANCE:** Karen Wilson (Director of Finance and Corporate Services), and Hilary Hemm (Clerk to the Governors)

### **68/08 DECLARATIONS OF INTEREST**

Steve Bradley declared an interest in that West Lakes Research Ltd was a contractor to Lakes College. Eunice Simmons declared an interest as an employee of the University of Cumbria.

### **69/08 OPTIONS APPRAISAL AND COLLEGE COLLABORATION**

The Principal reported to members that, after no activity regarding the Options Appraisal for some time, she had heard on 25<sup>th</sup> June that the LSC was now reviewing the options, with their feedback expected by October 2008.

On the other hand there had been considerable work done by the four colleges on collaboration issues. There had been two dinners attended by the Principals, Chairs and Vice-Chairs of the four Corporations. The general view was that merger of the four colleges was not an option and therefore methods of formalising the collaboration had been considered. It was proposed that there be a Collaboration Board with representatives from each college. It would meet twice a year to receive and review the operational plans for the working groups. It was recommended that there be the nine working groups listed in her report.

The Chair reported on the dinner events and on the broad spectrum of views which had been expressed. The collaboration arrangements being proposed at present were of necessity a compromise representing what everyone would accept. He pointed out to members that the partnership agreement which members were asked to endorse was non-binding and that there was no collective assumption of responsibilities or liabilities.



The Principal reported further that the four colleges were to engage a consultant to advise on future FE strategy and funding for Cumbria.

In response to members' queries she confirmed that the nine working groups listed in the proposals were in fact all operating already and that these arrangements would be monitored to ensure they were the most effective arrangements. The University of Cumbria had been invited to join the Quality and Curriculum groups and it was possible that Furness 6th Form College may be involved in the HR group. FE provision at Newton Rigg would fall under the remit of the Curriculum group, of which the University of Cumbria was a member.

In response to a member's query, the Principal undertook to raise whether Health and Safety issues were currently covered within the Collaboration arrangements at the next Board meeting. Members also noted that there did not appear to be any requirement for the member nominated to the CCL Audit Committee to have financial or audit expertise.

**RESOLVED** that the following be agreed:

- 1 That Lakes College Corporation abide by a party line that "this Corporation is currently opposed to the merger of the four Cumbrian FE Colleges".
- 2 That the Partnership Agreement be signed.
- 3 That the establishment of the Collaborative Working Groups be noted.
- 4 That the Terms of Reference of the Collaboration Board be approved.
- 5 That Paul Pharaoh be nominated as Lakes College representative to the Collaboration Board.

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- 6 The amendment to the CCL Members' Agreement be approved.
- 7 That the terms of Reference for the proposed CCL Audit Committee be approved.
- 8 That Damian McSweeney be nominated to represent Lakes College on that committee until December 2008, when it was anticipated that he would be elected Chair of the Lakes College Corporation.

*Damian McSweeney left the meeting*

**70/08 CONFIRMATION OF MINUTES**

The Board received the minutes of its meeting held on 17<sup>th</sup> April 2008.

In response to members' queries regarding the Lillyhall Campus proposals discussed at item 52/08, the Principal reported that there were ongoing discussions on estates strategy. The University of Cumbria had issued a press release that it would have a presence on the Energis campus. "Co-location" at Lakes College site had been agreed in principle. There had been very little



progress since the last meeting but a meeting was being held today, 26<sup>th</sup> June, and she would report back to members at the next meeting.

**RESOLVED** that the minutes be approved as an accurate record and signed by the Chair.

**71/08 MINUTES OF SEARCH COMMITTEE held on 17<sup>th</sup> April 2008**

The minutes of the Search Committee held on 17<sup>th</sup> April 2008 were received.

**RESOLVED** that the Minutes and recommendations be received and further considered when dealing with membership update at 74/08 below.

**72/08 MINUTES OF AUDIT COMMITTEE held on 12<sup>th</sup> May 2008**

The minutes of the Audit Committee held on 12<sup>th</sup> May 2008 were received.

Members congratulated staff on the “Substantial Assurance” finding regarding student records.

In response to a member’s query regarding security and encryption of data (and bearing in mind recent events regarding loss of data at government level), the Director of Finance and Corporate Services stated that personal data was not stored on laptops at all and she undertook to check that the necessary protocols were in place to prevent personal data being stored on USB devices or laptops.

**73/08 MINUTES OF RESOURCES COMMITTEE held on 12<sup>th</sup> June 2008**

The minutes of the Resources Committee held on 12<sup>th</sup> June 2008 were received.

The Director of Finance and Corporate Services provided members with an update on the situation with regard to pay negotiations. The Association of Colleges (AoC) was due to issue a briefing on the final offer put to the unions, which was for 3.2% or £550 for the year, whichever was the greater, payable in either case from October 2008. The unions had not yet responded. Lakes College had followed AoC recommendations in the past. The unions were seeking 5-6% and also parity with school staff doing the same work. The Director of Finance and Corporate Services informed members that were 6% to be awarded, the College would struggle to meet that award as would the whole sector. Nonetheless, members expressed some sympathy with the union desire for parity. The Director of Finance and Corporate Services undertook to update members at the next meeting.

The Director of Finance and Corporate Services also dealt with a query regarding Health and Safety and the number of RIDDORS. The LSC had carried out a



Health and Safety visit in May. The assessor had made a verbal recommendation that the college be graded as “excellent”, having previously been graded “strong”.

#### **74/08 MEMBERSHIP AND COMMITTEE UPDATE**

In the absence of the Search Committee Chair the Clerk gave a verbal report on the meeting which had immediately preceded this Corporation meeting and on the current situation.

The Committee was still not in a position to make a recommendation on the vacancy linked to local secondary schools. Further action had been agreed to follow this up.

Carole Carre had resigned at the last Corporation meeting and attended her last Audit Committee meeting in May. It had not been possible so far to find a replacement with financial and/or audit qualifications and experience. The search would continue with new names having been put forward at the meeting.

Robert Walker had resigned on 19<sup>th</sup> June due to pressure of other commitments.

Of the student governors, Adrian Taylor had been previously been appointed as a Student Governor until 31st August 2008, but would be continuing as a student in 2008/09 and was willing to continue to serve. It was recommended that he be reappointed to serve for 2008/09. Mau Craze-Gray was finishing her studies this term so was not eligible for re-appointment. Another student would be elected in her place next term.

There were therefore also a number of committee vacancies. Michael Doyle had agreed to sit on the Search committee.

The Search Committee had decided to meet to review the current membership, the skills audit and current size of the Corporation and its own remit in more detail with a view to making further recommendations to the Corporation in September.

The Chair sought expressions of interest for membership of the Corporation from other interested individuals (through current members), especially from those with financial and accountancy qualifications. The outgoing members were thanked for their valued contribution to the Corporation.

**RESOLVED** that the recommendation be accepted that Adrian Taylor be appointed as student governor until 31<sup>st</sup> August 2009 and that the candidates for the remaining vacancies be pursued.

**FURTHER RESOLVED** Michael Doyle be appointed to the Search committee.



#### **75/08 EMPLOYER ENGAGEMENT UPDATE REPORT**

In the absence of the Assistant Principal, External Relations, who was attending the Lillyhall Campus meeting on behalf of the College, the Director of Finance and Corporate Services presented his report. He was aiming for 330 additional students from Sellafield Ltd. College would deliver courses onsite at Sellafield at NVQ levels 2 and 3.

The LSC funding allocation for employer engagement had not yet been announced, but she confirmed that his work was to ensure that courses were tailored to fit employers' requirements but also to fit within LSC guidelines. "BIT" referred to in his report was "Business Improvement Techniques" and was an LSC initiative target which the local office was keen to see College becoming involved in.

**RESOLVED** that the contents of the report be noted.

#### **76/08 CURRICULUM AND QUALITY**

In the continued absence on sick leave of the Assistant Principal, Curriculum & Quality, the Director of Finance and Corporate Services presented this report. She reported that College should meet LSC targets for 16 – 18 participants once the figures for summer schools were added. The good performance to date this year had been beneficial in securing a good level of allocation of LSC funding for 2008/09. Teaching and Learning strategies were improving with new strategies being developed to help staff feel supported.

The Student Executive Learner Voice was improving communication and College was working on having a wider curriculum representation on the Student Forum.

In response to a member's query, she informed members that College now used the services of Connexions for careers advice and that this had proved useful in that it also raised the College profile with that service.

**RESOLVED** that the contents of the report be noted.

#### **77/08 OFSTED ANNUAL MONITORING VISIT**

The Principal reported to members on the results of the visit carried out on 21<sup>st</sup> April. New criteria had been introduced with "significant progress" being the highest level. Two areas, Teaching and Learning and Curriculum Development, had been awarded significant progress. There would be a similar follow-up visit next year.

**RESOLVED** that the contents of the report be noted.



#### **78/08 INTEGRATED QUALITY ENHANCEMENT AND REVIEW (IQR)**

The Principal presented members with her report on the outcome of the recent IQR review. This was effectively a pre-review in preparation for an HE inspection in summer term 2009. It had found no “essential” weaknesses, while matters graded “advisable” and “desirable” had been dealt with by way of an action plan. Progress would be reported to members in the Curriculum and Quality report.

The report was noted.

#### **79/08 INVESTORS IN PEOPLE (IIP) RENEWAL**

The Director of Finance and Corporate Services gave a verbal report on the reassessment which had been completed on 25<sup>th</sup> June. A written report would be provided to the Corporation at the next meeting. She was pleased to report that there had been good feedback, with College retaining its IIP status. It had been commended on its explicit links between strategic, team and individual objectives and its training and development activity. Staff had expressed a wish to have more training in ICT, and that was seen as a positive step in that they wanted to progress. Norma Boyes and Damian McSweeney had attended on behalf of the Corporation and were thanked for their representation.

The report was noted.

#### **80/08 PRINCIPAL’S PERFORMANCE REVIEW**

The Chair reported on his recent appraisal of the Principal. He set out the process used and was pleased to report that the Principal had had an excellent year which should and did delight governors. The Corporation should set targets for the Principal. He had agreed both personal and College targets for her and they were set out in his report.

Future 6 monthly appraisals would take a different form. The Clerk would also have her appraisal carried out twice a year.

**RESOLVED** that the contents of the report be noted.

#### **81/08 ABSENCE OF ASSISTANT PRINCIPAL, CURRICULUM AND QUALITY**

The Principal gave a verbal report on the current situation. The Assistant Principal was now in her 12<sup>th</sup> week of absence. There was no indication of when she was likely to return. As the College self-assessment period was approaching and as her work had so far been covered by other members of the Executive team, it had been decided to recruit a consultant to cover her role.



Therefore a consultant recruited through FE Associates would be working at the College from Monday 30<sup>th</sup> June for an indefinite period. It was anticipated this would last until Christmas 2008 as the Assistant Principal was likely to require a phased return. The arrangement was on a monthly payment basis so that the situation could be reviewed as required.

**RESOLVED** that the situation be noted.

## **82/08 DRAFT ANNUAL REVENUE AND CAPITAL BUDGETS 2008/09**

The Director of Finance and Corporate Services took members through these detailed draft accounts. She reported that as the LSC funding allocation had not been finalised, these drafts were estimates. It was a requirement that the Corporation approve the annual estimates. She in turn had to submit signed drafts to the LSC by the end of July.

In practice, the allocation for 2008/09 when received would be a guideline for what the College may expect to receive since College would henceforth be paid in arrears for adult work, with payments being dependent on actual student numbers each month. Member should therefore recognise that they were dealing with estimates and not set figures in this budget.

She highlighted the potential surplus which she had predicted and pointed out that should the LSC allocation vary from that predicted then both staffing and teaching budgets would change accordingly. In response to a query she confirmed that there was flexibility in staff employment contracts to deal with this.

She dealt with a number of other queries. A 6% salary increase if agreed would cause concern despite Lakes College being financially one of the strongest local FE colleges. Whereas there had always been reinvestment in college facilities in the past that would not be possible if a greater part of resources had to go on pay. The LSC would not assist with any pay increase unless the Government allocated extra funds, which it was felt was most unlikely.

She referred members to Schedules 4a and 4b where the College's financial health was now forecast to be Grade A under the new Framework for Excellence measures.

She sought members' approval for the estimated income and expenditure accounts.

There followed some discussion on both the estimates and on possible LSC allocation.

**RESOLVED** that the estimated revenue and capital budgets for submission to the LSC as presented to this meeting be approved. Should the LSC allocation



vary significantly from that included in the estimates under consideration, then a further meeting be held on 25<sup>th</sup> July 2008 to approve a revised estimate budget. The Clerk would notify all members of the possibility of this meeting having to be called.

#### **83/08 MANAGEMENT ACCOUNTS AND FINANCE UPDATE**

The Director of Finance and Corporate Services presented the accounts to the end of April 2008 and updated members on financial performance in the year to date together with the forecast position for the year.

She reported that contractual performance was good, with a surplus in hand despite income being slightly down. Work-based Learning figures should balance in 2008/09. She explained the new fixed asset register system which had been introduced early in the financial year and which had therefore affected the actual depreciation figures.

**RESOLVED** that the contents of the report be noted.

#### **84/08 COLLEGE PERFORMANCE INDICATORS 2007/08**

The Director of Finance and Corporate Services presented these indicators. Where some LSC targets had not been met to date she indicated what action had been taken and reported that as there would be fewer targets next year, it should be easier to meet those given to College. Governor attendance figures for other events were actually higher than those shown as not all data had been available to the Clerk to update these.

**RESOLVED** that the contents of the report be noted.

#### **85/08 DRAFT COLLEGE PERFORMANCE INDICATORS 2008/09**

The Director of Finance and Corporate Services presented these indicators which were based on the College Strategic Plan objectives. She highlighted particular targets and reminded members that the IIP assessment had praised the linking of the plan to targets.

She took members through the draft Key Performance Indicators for Governance. It was agreed that the Principal, the Clerk and The Director of Finance and Corporate Services would develop an Action Plan for members for the next meeting following on from the self-assessment exercise carried out earlier in the day and with a view to building on and developing members' skills and expertise.



**RESOLVED** that the 2008/09 Key Performance Indicators be approved and adopted subject to the Corporation's governance KPIs being approved at the next meeting.

#### **86/08 APPOINTMENT OF EXTERNAL AUDITORS**

The Director of Finance and Corporate Services reported to members on the tendering process which had taken place and on the recommendation that Dodd and Co be appointed external auditors for a period of three years. She referred members to the fact that she had been asked by the Audit Committee panel to seek that firm's confirmation that they would keep up to date with FE sector changes and be able to demonstrate that to the committee. They had agreed to do this.

**RESOLVED** that Dodd and Co be appointed as external auditors for three years subject to the provision that they continue to demonstrate that they were maintaining mechanisms and processes for keeping up to date with FE sector changes.

#### **87/08 RISK REGISTER AND ACTION PLAN**

The Director of Finance and Corporate Services gave details of the register and focussed on the main risks for 2008/09 which she anticipated would be the major funding changes and machinery of government changes also being introduced. She confirmed that the College was responding within its financial planning to these predicted risks. She also confirmed that following discussion earlier in the day, she would add student behaviour as a risk in the recruitment, retention and achievement section.

She confirmed that risk management was embedded in College systems and reminded members that in its internal audit this year College had been rated as "good" with the recommendation that a risk management group be established.

Risk was included in the Strategic Plan and in departmental plans. It was included in every relevant paper to Corporation, committees and management teams.

**RESOLVED** that the contents of the register and plan be noted.

#### **88/08 REVIEW OF THE CORPORATE MANSLAUGHTER AND CORPORATE HOMICIDE ACT**

The Clerk presented her report which informed members of the implementation of this Act in April 2008 and of its provisions. She highlighted the penalties



proposed, which were severe and would have a major impact on any FE establishment should a gross breach of a duty of care be proved against it.

There followed a discussion on risk management generally, on Health and Safety issues, staff responsibility and ownership and on student responsibilities as well as College duties owed to students both on and off site. The Principal and Director of Finance and Corporate Services dealt with how health and safety issues were managed within College from the first day Induction to ongoing training and theme days. In response to a query about staff use of their own vehicles, the Director of Finance and Corporate Services undertook to follow up this query and check what undertakings staff give as to the roadworthiness and insurance status of their vehicles.

Members were reminded that health and safety is an operational matter but that they did have a role to ensure that College has an officer responsible for Health and Safety at senior level. It was confirmed that risk assessments were reviewed and amended as required after every event such as a journey off site. The Clerk had guidance issued jointly by the HSC and IoD for any interested members.

**RESOLVED** that the contents of the report be noted.

#### **89/08 GOVERNANCE ACTION PLAN 2007 / 08**

The Clerk highlighted the progress that had been made on this plan. Many aspects of it had been discussed during the self-assessment earlier in the day.

An Action Plan for 2008/09 would be drawn up as a result of those discussions and incorporating any items from 2007/08 still outstanding. She was asked to ensure that progress would be marked by use of the traffic light system.

**RESOLVED** that the contents of the report be noted.

*Members reviewed the use of the new style of agenda trialled at this meeting. The new categorising of items had been useful. In future an effort would be made to take "Information only" items as read and spend less time on these so freeing up time for items to be marked for noting/discussion or for decision. 3 categories should be used for the next meeting.*

*The Principal undertook to circulate to all staff the congratulations of the Corporation on their good work and recent successes, for instance in assessments for Ofsted and IIP.*

The meeting closed at 6:55pm