



**Minutes of a meeting of the Governing Body held on Thursday 26 March
2009 at 5.00pm in Room 1F010, York College**

Present: Hilary Bainbridge
Alison Birkinshaw
Peter Burrows
Jim Clark
Bruce Gilbert
David Johnson
Andrew Lindsay
David Marsh
Lynne Marston
Andy Mendus
Danny Morgan
John Short, Chair
Bill Woolley

In Attendance: Trevor Armer, Director of Finance
Richard Hinde, Clerk to the Governing Body
Glyn Jones, Assistant Principal 16 – 19 A Level
Louise Lawrence-Crockford, Assistant Principal: Employer
Engagement
Graeme Murdoch, Deputy Principal QA & Support
Bob Saynor, Assistant Principal: Lifelong Learning and HE
Anne Tyrrell, Deputy Principal Resources
Clare Wareing, Assistant Principal: 14-19 Vocational

The meeting started at 5.05pm.

Action

09.01 Apologies for Absence / Declarations of Interest

Apologies had been received from Beth Armer, Kevin Deadman, David Jackson, David Maughan Brown, Carol Runciman and Terry Wolf.

Governors were requested to make declarations of interest as they arose. None were declared.

09.02 Appointment of New Staff Governors

The Chair reported that David Jackson and Lynne Marston had been nominated by College staff unopposed for the two Staff Governor vacancies on the Governing Body.

The Governing Body resolved to appoint David Jackson as Staff Governor of York College for a period of four years with immediate effect, and resolved to appoint Lynne Marston as Staff Governor of York College for a period of three years with immediate effect.

Lynne Marston was welcomed to the meeting. David Jackson's apologies were noted.

09.03 Minutes of Previous Meeting – 17 December 2008

The minutes and confidential minutes were approved as an accurate record and signed by the Chair.

09.04 Matters Arising

a) Action Summary Sheet

The action summary sheet was considered and it was noted that all of the actions had been completed save for the disability questionnaire to Governors. It was explained that the forms for completion had been handed out and Governors were encouraged to complete and return them as soon as possible.

b) Any Other Matters

None.

b)i) LSC Confirmation Financial Health – Update

The Director of Finance presented the report providing details of the College's request that the LSC re-consider its determination that the College's financial health be classified as "Good" under Framework For Excellence, together with the LSC's response. It was noted that the LSC had stood by its original assessment and that the classification was likely to stay as "Good" rather than be revised to "outstanding" as the College had maintained.

b)ii) Financial Management and Control Evaluation – Update

The Director of Finance reported that the LSC had concurred with the College's assessment of its Financial Management and Control as "outstanding". The Governing Body wished to record its thanks to the team for all the hard work that had been undertaken in this regard.

09.05 Principal's Report

The Principal presented her report outlining key developments across the sector and for York College. It was explained that work on Framework For Excellence had currently been put on hold by the LSC, although it could still be resurrected. It was also explained that the Government appeared keen to put much legislation through before the spring of 2010 and so matters were likely to change at a fast pace.

With regard to the 2008/09 budget it was reported that the College should achieve or better its budget for the year. Discussion about the College's 2009/10 allocation was treated as confidential and a separate minute produced.

In relation to quality matters, it was reported that the recent findings from the College's Monitoring Visit from Ofsted were that significant

improvements had been made in three of the four areas for improvement identified at the last inspection. Other recent inspections (IQER for HE provision; Ofsted; and the British Council for language provision for international students) had also proved very positive.

In-year performance was considered and this indicated that the College was performing strongly in most areas. Concern was expressed, however, in relation to the College's performance against target for staff performance reviews and with some Level 2 Adult provision.

(The remainder of the Principal's report was treated as confidential and a separate minute produced.)

The Governing Body resolved to note the Principal's Report.

(David Marsh left the meeting and David Johnson joined the meeting at 6.00pm.)

09.06 Health, Safety & Welfare Report: Autumn Term 2008

The Deputy Principal Resources presented the Health, Safety and Welfare Report for the autumn term 2008, which was considered by Members. The report included accidents statistics for the autumn term 2008 and incidents reported to the HSE under RIDDOR. The results of Health & Safety Audits completed to date were also presented together with an update on other Health and Safety activity within College.

The Deputy Principal Resources also drew Members' attention to recent changes in legislation and guidance from the Health and Safety Commission, including changes in legislation relating to Corporate Manslaughter. It was reported that a College guide was currently being drawn up in response to these changes and this would be considered at the next meeting of the Personnel Committee.

The Governing Body resolved to note the report.

09.07 2008/09 Learner Enrolments – Progress Report

The Deputy Principal Resources presented the report summarising the data on recruitment as at 13 March 2009, together with a summary of key issues arising from initial analysis.

With 16-18 Learners (excluding apprenticeships) it was reported that there was an increase of 141 learners compared with the same point the previous year and the College was achieving 96.58% of its LSC year end target. The College anticipated reaching a year-end position for 2008/09 which was 97% of its learner number target. The latest Standard Learner Numbers (SLN) forecast, together with

forecasting of provision not yet enrolled, would also bring the College to just above 96% of its funding/ SLN target.

16-18 Apprenticeships were currently 89 below target which was almost the same position as reported in December 2008. The College remained concerned about meeting the year-end targets, as in the current economic climate there continued to be evidence that employers were reluctant to take on Apprentices. This was, though, leading to applications for Apprenticeships being converted to applications for full-time FE programmes. There had also been changes during the year as students had lost or found employers and the College was likely to see a continuation of switching between 16 -18 Learner Responsive and Apprenticeship provision.

With Adult Responsive (19+) Provision (excluding Apprenticeships) The College was currently achieving 74.01% of its year-end target, based on learner numbers and 88.73% of its year end SLN target.

19+ Apprenticeships were currently 30 below target, with the same concerns as for 16-18 Apprenticeships. With FE Workplace NVQs and Train to Gain, it was reported that Train to Gain would enrol throughout the year, and this was currently likely to meet target.

Construction Skills were at target. HE provision was above target, and International recruitment had continued to be below target.

Discussion took place about potential opportunities open to the College in the face of rising unemployment, together with difficulties faced by the College in seeking to cater for this potential need.

The Governing Body resolved to note the report.

09.08 New College Strategy Group

a) & b) Minutes of Meetings on 27 January and 10 March 2009

These items were treated as confidential and a separate confidential minute produced.

09.09 Personnel Committee

Minutes of Meeting on 23 February 2009

The Chair of the Personnel Committee presented the minutes and confidential minutes of the meeting, which were noted by the Governing Body. The very positive results of the last College staff survey were discussed. Discussion also took place about the level of College personal performance review targets that had been carried out. For full-time or proportionate contract staff approximately 80% had been carried out against a target of 90%. Members expressed disappointment that this target had not been met. With part-time staff it was intended to review, finalise and publish the process in good time for the next academic year and to set a much higher compliance target than previously. It was noted that the target for the current

year had been set at a lower level to reflect the fact that the process had not been finalised within the current year.

Further discussion also took place about the College's induction processes and the teaching qualification requirements for part-time staff.

09.10 Progress on Strategic Plan 2008/11

The Deputy Principal QA&S presented the report. A very wide range of activities and actions had been taken in respect of achieving the targets identified in the Strategic Plan. Much emphasis had been placed on marketing activities (the impact of which would only be seen when applications and subsequently enrolments came through) and Teaching & Learning (the impact of which would only be seen as OTL results, student satisfaction survey outcomes and External Verifier reports came through). It was noted that Ofsted's Monitoring Visit on 24 February 2009 had found that significant progress had been made since the last inspection on strategies aimed at improving success rates. At this stage progress was deemed to be very good.

The Governing Body resolved to note the report.

09.11 Learner Success 2007/08

a) FE Provision

The Deputy Principal QA&S presented the report with a copy of the FE Success Rates document produced and published by the LSC on its Provider Quality Gateway in January 2009, relating to the College's performance. Improvements in success rates had been significant, across both age groups and at all levels.

It was reported that overall success rates for the College in 2007/08 had increased from 71% the previous year to 76%. For 16-18 Long courses success rates had increased from 71% in 2006/07 to 77%. For 16-18 Short courses success rates had remained the same as the previous year at 76%. Success rates for Adult Long courses had increased from 66% to 71%; and for Adult Short courses from 75% to 78%.

Consideration was then given to the further breakdown of data by level, Division, gender, ethnicity and age. It was noted that the improvements in success rates were largely down to improvements in achievement and that further work was still required in seeking to improve the College's retention levels.

In relation to Equality and Diversity, it was noted that - consistent with the national trend - success rates of female learners were better than those for male learners. It was also noted that overall the College's BME learners attained higher success rates at 81% than their non-BME counterparts at 77%.

Members then went on to consider how much the College had improved in relation to the sector as a whole by looking at the percentile change from 2006/07 to 2007/08. It was noted that improvement had been very significant and that the College's success rates had improved at a much greater rate than the sector as a whole. It was reported that for Train to Gain success rates the College had been fourth on the list of providers nationally for 2007/08.

Consideration was then given to the data from the LSC showing overall improvements in respect of the proportion of the College's provision that was below Minimum Levels of Performance (MLPs).

It was reported that the LSC set 'Minimum Levels of Performance' for all courses, and expected all providers to meet or exceed these. They issued Notices to Improve if more than 15% of courses by length of programme (long or short) had success rates below their published minimum standards.

The Deputy Principal QA&S explained that while no College curriculum area had breached this 15% rule in 2007-08 (which did not apply to very short courses), nevertheless overall 7.9% of long courses, 4.1% of short courses, and 35.1% of very short courses were below MLP.

It was explained that whilst the College would not receive any Notices to Improve from the LSC, any individual qualification that performed below the MLP in 2007/08 had been issued with an internal Notice to Improve as part of the College's self-assessment process. Progress reviews carried out during February 2009 had indicated that significant improvements were being realised during 2008/09. No Notices to Improve were applicable to very short courses because the volume of the College's provision was too small to count. It was explained that the data on the College's very short courses had been significantly distorted by its provision for the Probation Service. In relation to MLPs generally, it was also noted that some of the MLPs for A Levels were actually above 2007/08 national averages. It was also noted that school sixth form provision was not measured in the same way.

Discussion then took place in relation to the provision that the College had previously lost as a result of not meeting the Minimum Level of Performance in a number of areas, together with the processes applicable for re-tendering. It was noted that the College had not been able to re-tender for this "lost" provision as it had not subsequently been put out to tender since it had been awarded to another provider.

The Governing Body resolved to note the report.

b) Employer Engagement

The Deputy Principal QA&S presented the report showing significant improvements in the College's Work Based Learning, Train to Gain and Construction Skills success rates. It was reported that the main improvement factors had been a review and revision of delivery patterns, enhanced student progress tracking and better data capture. It was also noted that whilst the results showed a marked improvement over previous years, the current economic climate and its effect on job security was a cause for concern in relation to students' continued attendance and future recruitment to this provision.

The Governing Body resolved to note the report.

c) Adult, HE and International

The Deputy Principal Quality Assurance & Support presented the report which showed that significant improvements in success rates for adults had been achieved in 2007/08. It was also reported that there had been a 10% improvement in success rates for HE students, and an 84% success rate for international students.

It was also noted that the College expected its next Ofsted inspection would be in 2011, and that it should still be a "light touch" approach.

The Governing Body resolved to note the report.

09.12 Learner Destinations

The Deputy Principal QA&S presented the report outlining the destinations of the College's full-time students who had completed a qualification at the end of July 2008.

It was reported that the proportion of students who had progressed onto 'positive' destinations was 79.7%, compared with 81.3% in 2006/07 and 82.1% in 2005/06. This slight decline was attributed to the fact that more students were deferring their take up of university places. The number of "unknown" destinations was reducing, and was very low compared to other colleges. The number of students opting for an "other" destination such as voluntary work, or a gap year had increased. However, the College had carried out further analysis on this and it had been found that 140 out of the 175 level 3 leavers who had indicated "other" as their destination had deferred university places.

It was noted that no benchmarking data was available in this regard, but the College had undertaken its own modelling exercise in December 2008 taking in to account the Framework For Excellence criteria, and this had shown the College's destinations results to be very positive.

The Governing Body resolved to note the report.

09.13 Improvement Required to Move Up to Next SAR Grades

The Deputy Principal QA&S presented the report identifying the Self Assessment Report (SAR) grades for Divisions for the last two SARs together with the improvements that Divisions were working on, the successful completion of which would lead to SAR grade improvements (or maintenance of existing grade 1s). The report also identified the proposed timescales for when the targeted improvements would be realised.

The Governing Body resolved to note the report.

09.14 Quality & Curriculum Committee

Minutes of Meeting on 25 February 2009

The Chair of the Quality & Curriculum Committee presented the minutes of the meeting, which were noted by the Governing Body.

Discussion took place about the College's Information, Advice and Guidance (IAG) and the difficulties in engaging with Connexions advisers, and how these could possibly be addressed.

It was also noted that many more lesson observations had and were being carried out than in previous years. Attention was also paid to the positive results of the College's student satisfaction survey.

09.15 Student Union President's Report

The Deputy Principal QA&S presented the report on the Student Union's elections for executive officers, and Comic Relief fund-raising activities.

The Governing Body resolved to note the report.

09.16 Finance & General Purposes Committee

a) 2008/09 Mid Year Financial Forecast

a)i) 2008/09 Mid Year Financial Forecast

This item was treated as confidential and a separate confidential minute produced.

a)ii) Comparison with 2008/09 Budget

This item was treated as confidential and a separate confidential minute produced.

b) 2008/09 Financial Objectives Progress Report

This item was treated as confidential and a separate confidential minute produced.

c) 2009/10 College Fees Policy

The Director of Finance presented the report with the final draft of the College's 2009/10 Fees Policy. It was reported that this strategy

document had been reviewed by the College's Fees Task Group at its meeting on 15 January 2009, and by the Finance & General Purposes Committee on 12 February 2009 which had recommended the Governing Body to approve it. It was noted that tuition fees represented approximately £2.0 million (6%) of the College's income in 2008/09.

The Governing Body resolved to approve the College's 2009/10 Fees Policy.

d) Treasury Management

d)i) New College Project: Loan Strategy

The Director of Finance presented the report identifying the potential financial benefits and risks associated with early repayment of the College's New College Project loan. It was noted that the matter had also been considered at the last meeting of the Finance & General Purposes Committee which had recommended that, on balance, it was currently not in the College's long-term interest to repay the remaining loan. However, given the uncertainty about interest rates and the College's future funding, it had also been recommended that the position was regularly monitored and any significant movements reported, initially, to the Chair and Members of the Finance & General Purposes Committee.

It was noted that, at present, repayment of the loan could mean potential annual net savings to the College of between £190,000 and £210,000 in interest in 2009/10 and beyond. This would be offset by a 'one off' financial penalty of between £390,000 and £420,000 in 2008/09. It was explained that the College's loan had a further twenty years to run, and that the interest repayments had already been factored in to the Forecast already approved by the Governing Body.

Members considered the relative merits of retaining or repaying the New College Project loan and agreed to accept the recommendation of the Finance & General Purposes Committee. It was felt that it was particularly important to do so in view of the fact that the College may need to make significant capital investment in the future and it was highly unlikely that the College would be able to secure comparative funding from any other source.

The Governing Body resolved not to repay the College's remaining New College Project bank loan for the present time subject to regular review, including the circulation of a monthly Treasury Management report to the Chair of the Governing Body and Members of the Finance & Resources Committee.

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It was then explained that the authorities in place with Lloyds TSB to cancel the loan were the same as those to establish it in May 2005. It

was therefore proposed to update those signatories to reflect changes in personnel and Committee membership.

The Governing Body resolved to approve the following authorities:

- a) **The authority to reduce the loan facility with Lloyds TSB by any sum up to the original loan amount of £4.5million be delegated to any two of the following:**
 - **John Short**
 - **David Johnson**
 - **Hilary Bainbridge**
 - **Alison Birkinshaw.**
- b) **The authority to give instructions to the bank in respect of the reduction or cessation of these loan facilities be delegated to any two of the following:**
 - **Alison Birkinshaw**
 - **Trevor P Armer**
 - **Graeme A Murdoch**
 - **Anne V Tyrrell.**

d)ii) Revised Counter Party Procedure

The Director of Finance presented the report proposing an amendment to the College's Treasury Management Procedures to accommodate the unanticipated circumstance that two of the College's approved counter parties would be in effect nationalised. It was explained that the nationalisation or part nationalisation of banks meant that they would fall outside credit rating criteria for determining the creditworthiness of banks. Without any amendment to the Procedure these banks would have to be removed from the College's Counter party list. The proposed statement in the College's Procedure had been recommended by the College's Treasury Management advisers as a way of overcoming this problem.

The Governing Body resolved to approve the proposed amendment to the College's Treasury Management Procedure.

e) Minutes of Meeting on 12 February 2009

The Chair of the Finance and General Purposes Committee presented the minutes and confidential minutes of the meeting, which were noted by the Governing Body.

09.17 Audit Committee

a) Minutes of Meeting on 18 March 2009

The Chair of the Audit Committee presented the minutes of the meeting, which were noted by the Governing Body.

(It was agreed to take agenda item E4a) out of order.)

09.18 Risk Management

a) 2008/09 Risk Management Policy Review

The Director of Finance presented the report on the 2008/09 review of the College's Risk Management Policy. It was reported that the College's current Risk Management Policy included the requirement for the Policy to be reviewed every two years. This had been done last year in 2007/08. However, it had been agreed that planned changes to the College's strategic planning processes meant that a further review in 2008/09 would be appropriate, and this had now been carried out. The Policy had been considered with approval by the Audit Committee at its meeting on 17 March 2009. It was also reported that the College's internal auditors had just carried out a review on the College's risk management arrangements and had not made any adverse comment in relation to the College's Policy.

The Governing Body resolved to approve the College's proposed Risk Management Policy Statement, with a review date of March 2011.

(It was agreed to take agenda item E3b) out of order.)

09.19 Employer & Skills Committee/ Pure Business Solutions Limited

b) Minutes of Meetings on 22 January 2009

The Chair of the Employer & Skills Committee and Pure Business Solutions Limited presented the minutes of the two meetings that had taken place on 22 January 2009, which were noted by the Governing Body.

a) PBS Limited: The Future

The Director of Finance presented the report with an update on development work on the future structure and purpose of Pure Business Solutions Limited.

It was reported that this had been necessitated by the Governing Body's decision to establish an Employment and Skills Committee, which had responsibilities and objectives that potentially overlapped with those of Pure Business Solutions Limited. Further consideration of the main options outlined at the previous Governing Body meeting had taken place by the College's Senior Management Team and at the meetings of the Employer & Skills Committee and Pure Business Solutions Limited on 22 January 2009.

Members considered the report and the proposed recommendations and detailed discussion took place about the proposed course of action. Concern was expressed about the possible impact on the College's charitable status, and the possible requirement for the College to re-tender for any of its provision affected by the changes. It was noted that a further report relating to the future of Pure Business Solutions Limited was to be presented to the next meeting of the company's Board at the end of April, but that a decision was

required to be taken in principle to enable the College's Senior Management Team to commence discussions about the operational implications of the proposed course of action.

Subject to receiving satisfactory clarification on the issue of the College's charitable status and re-tendering requirements, the Governing Body resolved that the College should take steps to achieve the following by 1 August 2009:

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- a) **To consolidate in to York College all training and commercial activity currently administered through Pure Business Solutions Limited; and**
- b) **To cease all trading through Pure Business Solutions Limited other than that necessary to allow an orderly closure of the company. (All arrangements for the closure of the company and formal winding up its activities to be completed by 31 July 2010).**

09.20 Governance Issues

a) Search & Governance Committee: Minutes of Meeting on 9 February 2009

The Chair of the Search & Governance Committee presented the minutes of the meeting, which were noted by the Governing Body. The Assistant Principal 16-19 A-Level and the Head of Studies 16-19 A-Level were thanked for the presentation they had given prior to the Governing Body meeting itself. It was noted that the new Governor Curriculum Links had been circulated and Governors would be being contacted shortly by their respective Heads of Division. It was also noted that Members could take the initiative and contact the relevant Head of Division themselves, should they so wish. Members were also reminded of the two forthcoming development events on 22 April 2009 and 8/9 May 2009. Particular attention was then paid to the specific recommendations for approval.

The Governing Body resolved:

- a) **that Criminal Records Bureau (CRB) checks should be carried out on all College Governors and Co-opted Committee Members;**
- b) **to re-appoint Hilary Bainbridge as a Governing Body Member for a second term of office on the expiry of her current term;**
- c) **to re-appoint Andy Mendus as a Governing Body Member for a further term of office on the expiry of his current term;**
- d) **to re-appoint Kevin Deadman as a Governing Body Member for a second term of office on the expiry of his current term;**

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- e) to re-appoint David Maughan-Brown as a Governing Body Member for a further term of office on the expiry of his current term;
- f) that the new category of Governor under the current Instrument and Articles of Government should be known as “Independent” Governors; and
- g) to re-appoint David Jackson as a member of the Audit Committee with immediate effect.

09.21 Any Other Business

None.

09.22 Date of Next Meeting

Thursday 16 July 2009 at 5.00pm.

The meeting ended at 7.45pm.

Richard Hinde
Clerk to the Governing Body

Signed (Chair):

Name

Date: