



**Minutes of a meeting of the Governing Body held on Thursday 12 July 2007
at 5.00pm in Room AH001, York College**

Present: Mr J Short (Chair)
Miss H Bainbridge
Mr P Burrows
Mr J Clark
Miss H Crook
Mr G East
Mr M Galloway
Professor B Gilbert
Mr D Johnson
Mr D Marsh
Professor Maughan Brown (mins 07.32 – 07.44)
Mr A Mendus
Mr A Smith (mins 07.32 – 07.44)
Ms T Wolf

In Attendance: Mr T Armer, Director of Finance
Mrs M Birch, Clerk
Mr G Murdoch, Deputy Principal QA and Customer Support
Mrs A Tyrrell, Deputy Principal Operations
Mrs M Price, Director of Teaching and Learning

Action

07.32 Apologies for Absence / Declarations of Interest

Apologies had been received from Mr Deadman, Mr Jackson, Mrs Moore, Mr Morgan and Councillor Runciman.

07.33 Minutes of Previous Meetings

i 16 March 2007

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

ii 2 July 2007

The previously circulated minutes were approved as an accurate record, subject to agreed changes to those present, and signed by the Chair. The draft confidential minutes were subject to some revision and would be circulated separately for approval at the next meeting.

07.34 Matters Arising

The action summary sheet from 16 March 2007 was noted. From 2 July 2007 noted the appointment of Dr Alison Birkinshaw as Principal of York College with effect from 1 January 2008.

PRINCIPAL

07.35 Principal's Report

The previously circulated report was considered. The Principal highlighted the key features from which the following were noted.

The Principal expressed his confidence that the New College would open on schedule. Governors noted the significant input of staff across the College to achieve this. A recommendation to extend the discretionary leave, exceptionally, to seven days for Christmas 2007 (College closure Friday 22 December 2007, re-open Monday 7 January 2008) **was approved** by the Governing Body.

Regarding the sixth form presumption initiative at Archbishop Holgate's School Governors noted the likelihood that this will go forward albeit on reduced numbers. York City Council will scrutinise the initiative which will also be considered by the Learning and Skills Council (LSC). Although the LSC cannot refuse a capital bid from a school with a sixth form presumption it is important that it is assessed in terms of curriculum delivery and the consequential effect on other sixth form provision in the area. York College will not work with the School on the international baccalaureate as it does not consider that learner numbers will justify this provision in three local institutions.

The report on collaborative activities with other North Yorkshire colleges is expected at the end of July. The Chair and the Principal had made a presentation in the previous week regarding the Harrogate College proposal. Thanks were extended to all those involved for their support. The York presentation had focused on the management expertise which the College could offer. The outcome from the presentations is expected in the following week. If York College is not the preferred partner management will seek to hold discussions with the chosen college.

External developments affecting York College include the Association of Colleges (AoC) review a summary of which was included in the Principal's report. The Principal's view, shared by others, is the need for one, strong overarching body for the post 16 sector. This will be considered at the 157 Group conference to be held shortly.

Changes arising from the abolition of the Department for Education and Skills (DfES) will transfer sixth form colleges into a new Department of Children, Schools and Families (DCSF). Although responsible for policy and funding for learners up to the age of 19, FE colleges will be located within the new Department for Innovation, Universities and Skills (DIUS) which has responsibility for apprenticeship and workbased learning funding.

As part of the annual report cycle the Principal indicated that there were no whistle blowing incidents reported in the College during the 2006-07 academic year.

07.36 Search and Governance Committee – 5 July 2007

An oral report was provided by the Chair, Professor Gilbert. Items considered included placing an advertisement seeking expressions of interest in the Governing Body through Committee membership in the first instance. Also considered had been appointment of Governors and Committee members. The Committee had recommended the appointment of Ms Jennie Cook as a Co-opted member of the Personnel Committee and an oral report was received from Professor Gilbert. After noting the recommendation from the Search and Governance Committee the Governing Body **approved** the appointment of Ms Jennie Cook as a Co-opted Member of the Personnel Committee for a three year term of office to commence July 2007.

Clerk

Revised Standing Orders for Governing Body and Committee business had been considered and a draft was circulated in the meeting. The Governing Body **approved** the revision in principle. It was noted that these would be circulated for further comment.

Clerk

07.37 Appointment of Governors

The previously circulated report was noted. After noting the recommendations from the Search and Governance Committee, the Governing Body **approved** the following appointments:

Councillor Carol Runciman as a Local Authority Member for a four year term of office to conclude July 2011

Mrs Jayne Moore as a Staff Member for a four year term of office to conclude September 2011.

The appointment by Chair's action of Mr Alex Smith, FE Student Member, and the resignation of Mr Christopher Evely, HE Student Member, was further noted.

07.38 Governance Issues

i Committee Terms of Reference and Schedules of Business

The previously circulated report was considered. After consideration the Governing Body **approved** the Committee Terms of Reference and Schedules of Business for 2007-08.

Clerk

ii Meetings Schedule 2007-08

The previously circulated schedule was noted. After consideration, and noting the additional meeting for the New College Strategy Group in August 2007, the schedule was **approved**.

Clerk

iii Instrument and Articles of Government

An oral report was provided by the Clerk. It was noted that the issue of a revised Instrument and Articles has been delayed.

07.39 Academic Board – 14 March 2007

The previously circulated minutes were received for information.

07.40 Strategic Plan 2007-2010

The previously circulated draft Strategic Plan was considered and supplemented by an oral report from the Principal. The Governors noted that the draft includes the Operational Plan for 2007-08 although this will be further developed. Additional work over the summer will include the College response to the recent government departmental changes. Governors noted that the detail is at a more advanced stage than in previous years to enable concentration on migration to the New College before September 2007.

In considering the draft Strategic Plan Governors made a number of suggestions including explicit reference to work with Foundation Trust Hospitals and increased emphasis on the learner voice (included in the action plan but needs to be strengthened in the Strategic Plan). Also considered was challenging targets and how to specify quantitative targets more clearly to underpin the College's move from "good" to "outstanding". Consideration was also given to terminology including references to "excellent" and "world class" and the possible over-use of such terms which could render them meaningless. Governors noted that "excellence" links to the College's Pride in Excellence initiative but may require further explanation.

Overall Governors indicated that the Strategic Plan is a more readable document with the contextual section considered very informative and helpful. Governors were invited to forward further comments to the Principal over the summer period to feed into a revision which would be considered by the Governing Body in October.

Governors

07.41 Health, Safety and Welfare Report – Spring Term 2007

The previously circulated report was noted. The Deputy Principal Quality Assurance and Customer Support (QA&CS) provided an oral update on a recent visit from the Health and Safety Executive (HSE) regional inspector. It was noted that in terms of RIDDOR accidents and slips, trips and falls the College has a low rate when compared with the sector. The inspector had been impressed with the arrangements for working at heights. He had suggested use of the HSE's web-based assessment tool for stress management. The recent Personnel Committee had considered internal health and safety audits. It had received an

explanation as to why some areas receive a low audit grade (3). This has arisen from a simplified version of the internal audit process where an automatic grade 3 will result if a fundamental element is considered incorrect or missing.

07.42 Self Regulation in the FE Sector

An oral report was received from the Principal. The strong desire to move to self regulation, partly as a result of the desire for rationalisation, was noted. The Government is working with relevant groups including LSC, Ofsted and the 157 Group. The Principal of Sheffield College has been invited to chair the national self regulation body. However, a concern in trying to move the self regulation agenda forward too quickly was noted. Governors indicated that the NHS has a well developed model which could provide the basis for the FE sector. Under self regulation Governors noted that external inspection would only be undertaken if agreed self regulation criteria are not met. It was noted that a further report will be presented to the next meeting when additional information should be available.

Principal

It was **agreed** to move to Agenda Item E4 next.

07.43 Student Union President's Report

The previously circulated report was noted and supplemented by an oral report from Mr Smith, Student Union President. Activities noted included revised financial monitoring, investigation of ways to increase provision through additional revenue, and drafting a Learner Involvement Strategy (LIS) in liaison with relevant College staff. Future activities include freshers and refreshers events for September and a relaunched website. Work is being undertaken to improve participation of learner representatives on course committees. Following the success in being shortlisted in two categories in the recent Centre for Excellence in Learnership awards, further applications will be made in 2008. Consideration is also being given to a Student Consultative Committee to provide an additional forum for Governors and learners.

TEACHING AND LEARNING

07.44 Director's Report

The previously circulated report was considered. The Director of Teaching and Learning highlighted the key elements from which the following were noted.

Application figures for 2007-08 had been reviewed and current estimates compare very favourably with those for 2006-07. The key issue for Work Based Learning (WBL) numbers remains the uncertainty over a future contract for the tendered provision. Contingency plans are in place to respond as appropriate. Train to Gain figures are making reasonable progress. Work is being

undertaken to ensure more robust and clearly monitored income and expenditure information for this contract. Governors noted that the sixth form presumption had been discussed earlier in the meeting. They further noted that if the College receives approval to deliver the international baccalaureate it will be designated a "world class school". A large amount of detailed work has been undertaken in preparation for migration to the New College.

Governors discussed the WBL position, in particular the late notification regarding the contract outcome. Concern was expressed that a substandard experience for learners could result if provision moved away from the College. Also, there would be a negative impact on the College mission if the College could not provide for a significant section of its community.

Professor Maughan Brown left the meeting at this point (6.30pm).

It was noted that the College could not afford to offer WBL provision without the receipt of appropriate funding.

Mr Smith left the meeting at this point (6.33pm).

The Principal indicated that he shared the concerns raised by Governors including the implications for the College mission. He indicated that provision of specialist curriculum areas is easier to manage in a metropolitan context but less so where there is a single major provider or the context is non-urban. Although such tensions are recognised by the regional LSC this is less well accepted at national LSC level. Other WBL construction contractors could be niche companies or other private sector providers. Although there is a presumption that private sector disciplines create a more robust market this is not a view he would necessarily share.

Miss Bainbridge reported on discussions held by the Finance and General Purposes Committee. Although acknowledging the financial position, it had been suggested that, if a contract is not awarded, consideration should be given to those learners who are already part way through a programme. However, the Committee had assumed that work will be awarded even if this is through a contract via FE Means Business (FEMB). The Principal indicated that the FEMB administration, including the fee levied, will be reconsidered. However, a more detailed debate is required in view of the potentially different nature of the College relationship with the LSC.

Governors noted the importance of focusing on future action including obtaining as much work as possible through Train to Gain (for which funding is uncapped) and by exploiting the Employer Engagement Strategy. Unresolved issues relating to

WBL include uncertainties for learners and the possibility of a legal challenge regarding the tender process. It was noted that the legal issues could be discussed with the Association of Colleges. However, from a governance perspective, the Governing Body expressed its significant concern regarding the WBL tender process and its consequential implications for the College's mission. It was further considered that the process failed to provide positive customer service for learners who, as a consequence, might be demotivated and therefore fail to engage in learning.

The advisability of assessing delivery costs for continuing WBL learners was noted. It was further noted that some learners would be on the first year of a three or four year programme and therefore there would be multi-annual costs to consider. The difficulty already identified in employing appropriately qualified teaching staff and assessors in some WBL curriculum areas was noted. The current position threatened the stability of skilled teams. It was noted that the College is working on this issue with other colleges thereby mitigating some of the risk.

On behalf of the Governing Body the Principal undertook to ensure that the issue is raised with senior politicians. Governors commended the improvements made in WBL success rates. It was noted that these improvements had been recorded after information had been submitted in respect of the WBL tender.

FINANCE

07.45 Director's Report

The previously circulated report summarising activities since the previous Governing Body meeting was noted.

07.46 Audit Committee – 27 June 2007

i Minutes of the Meeting

The previously minutes were noted and supplemented by an oral report from the Chair, Mr Clark. Governors noted that Mr Mel Griggs is retiring as a Co-opted Committee Member and recorded their thanks to him for his service to the Audit Committee. Items which the Audit Committee had recommended for approval by the Governing Body are given below.

ii 2006-07 Financial Statements and Regularity Audit Fees

The previously circulated report was noted. After consideration the Governing Body **approved** the following fees:

- York College - £13,850 + VAT (£16,274 total)
- Pure Business Solutions Limited - £2,950 + VAT (£3,466 total).

iii 2007-2010 Strategic Internal Audit Plan

The previously circulated report was considered. Governors noted that the Business Continuity Plan (BCP) is to be reviewed in 2008-09. The Director of Finance reported that this timing had been based on a desire to assess the New College following completion of a full annual cycle. The BCP has been prepared taking cognisance of the New College environment. It was noted that internal audit will review WBL systems and that a report will be provided before the LSC audit in the autumn term. It was further noted that the internal audit plan is flexible and allows for rescheduling of activities if considered appropriate. Following consideration the Governing Body **approved** the 2007-2010 Strategic Internal Audit Plan.

Director of
Finance

07.47 Finance and General Purposes Committee – 24 May, 3 July and 12 July 2007

i Minutes of Meetings

The previously circulated minutes and confidential minutes from 24 May, and tabled minutes and confidential minutes of 3 July, were noted. These were supplemented by an oral report from the Chair, Miss Bainbridge, which included reference to the meeting held immediately prior to the Governing Body.

Main items considered by the Committee had included WBL and successful achievement of Lennartz funding which meant that no further borrowing had been undertaken. An extensive debate on the proposed future years' budget had been held on 3 July. The increasingly difficult environment in which the College is operating had made this the most complex budget forecasting exercise to date. Committee had considered predictors of income and risks. The meeting held earlier in the day had reconsidered expenditure, including increases, and the College financial position against the Final Capital Bid. The 2007-08 draft budget is finely balanced and is tight as was the case for the College at the Final Capital Bid stage.

The previously circulated reports for the following items, all of which were confidential with the exception of the 2007-10 Strategic Financial Objectives, were considered and supplemented by an oral report from the Director of Finance.

ii 2006-07 Year End Financial Forecast

Governors noted the underlying financial surplus for the year which compares very favourably to the College's original 2006-07 budget and the 2006-07 Mid Year Financial Forecast. It was further noted that, if the College achieves the underlying surplus currently forecast, the College's current LSC status as Financial Health Category B is likely to be maintained. This is in spite of the exceptional cash flows associated with the New College Project and Information Strategy.

iii 2006-07 Year End Financial Forecast – Comparison with Financial Objectives

Governors noted that the financial performance measures indicate that the College's underlying performance in 2006-07 will be better than budgeted and forecast at the Mid Year Point. This should enable the College to achieve five of its seven strategic financial objectives. The two remaining objectives would not be achieved due to the specific decisions taken in the long term interests of the College.

iv Accounting Policy for New College Assets – Asset Lives

Governors noted that this is an amended policy recommended for approval by the Finance and General Purposes Committee. After consideration the Governing Body **approved** the accounting treatment for New College assets.

**Director of
Finance**

v 2007-2010 Strategic Financial Objectives

Governors noted that the objectives had been recommended for approval by the Finance and General Purposes Committee. It was further noted that there is little financial headroom in the draft budget proposed. If, during the course of 2007-08, there is a need to incur additional expenditure it will require either a compensatory expenditure reduction in another budget area or operation of a deficit budget. The latter position would have implications for achievement of the strategic financial objectives. After consideration the Governing Body **approved** the 2007-2010 Strategic Financial Objectives.

**Director of
Finance**

vi 2007-08 Budget with Commentary

Governors noted that, in spite of significant detailed work, the budget has additional uncertainties when compared with previous years. These arise from the New College project in addition to other factors affecting the FE sector environment. Learner income is a significant element. The budget has been based on retention of WBL provision but at an additional cost. Pay costs are higher than in previous years but are considered realistic. Pure Business Solutions Limited is aiming for a breakeven budget after a deficit trading year in 2006-07. The Company has opportunities which can be exploited in the New College although it is difficult to attach a value to these at present. Management is conscious that the College's core business is FE and HE provision. This primary focus could reduce other business opportunities. The Information Strategy costs are shown in the budget although at lower levels than anticipated. A contingency element for the New College Project has been included to respond to unanticipated changes. This recognises the importance of a successful implementation for the New College.

It was noted that, in view of the high number of uncertainties, the budget being proposed for 2007-08 is break even. Senior management recognise the importance of continuing to exploit available income opportunities. Miss Bainbridge indicated the importance of careful monitoring of the budget in view of the higher risks identified. It was noted that Finance and General Purposes Committee had spent a significant amount of time at its previous meeting in considering the budget and the figures presented for the Governing Body had been revised following that consideration.

A number of items were discussed by Governors in considering the draft budget and they included the following. An increase in pay costs has resulted from a number of factors including transfer of agency staff to permanent posts and additional staffing for the Learning Resource Centre (now sited on three floors). Non-payroll expenditure includes costs of examination fees and rental of additional construction space. The New College is a different entity to the existing one and, in spite of the view five years ago that savings would accrue from a new build, there is now no evidence that new colleges have lower running costs. The impetus for the New College was the desire to provide a quality learning environment which learners and staff deserve and in recognition that the current College estate was untenable. The New College is successful in achieving the desired level of quality.

Governors commented that a reduction in maintenance costs should be expected due to the improved specification and reduction in number of buildings. It was recommended that management undertake an exercise to identify the units of power used for comparison purposes. Governors noted that the College is required to undertake an evaluation of the New College Project and some comparative elements are included. However, management wish to compare with sector benchmarks which are currently being developed.

After consideration, the Governing Body **approved** the 2007-08 budget which indicated a projected underlying surplus of £3,000.

**Director of
Finance**

vii 2007-10 Financial Forecast

Governors noted that the report is in the format required by LSC and that the figures underpin previous financial discussions. It had been difficult to project beyond 2007-08 and the assumptions underlying the forecast were noted. It was further noted that the comparison with the Final Capital Bid is positive.

07.48 Pure Business Solutions Limited – 12 June 2007

The confidential minutes previously circulated were noted and

supplemented by an oral report from the Chair, Mr Johnson. It was noted that the Company has been underperforming against budget. However, the recently formed Rail Advisory Board is a positive initiative whose actions are both supportive and proactive. Following detailed consideration the Company Directors had determined that it was important to approve a budget which the team can achieve. It was noted that there is the possibility of sharing a sales post with the local Chamber of Commerce the costs for which have been included in the forward budget.

07.49 Risk Management

The two previously circulated reports were considered and supplemented by an oral report from the Director of Finance.

i Risk Management Report

Governors noted the activity undertaken since the previous report.

ii 2007-08 Risk Management Review and Action Plan

It was noted that this had been agreed by the Audit Committee at its meeting on 27 June. After consideration the Governing Body **approved** the 2007-08 Risk Management Review and Action Plan.

**Director of
Finance**

QUALITY ASSURANCE AND CUSTOMER SUPPORT

07.50 Directorate Report

The previously circulated report was considered and supplemented by an oral report from the Deputy Principal QA&CS from which the following items were noted.

The Ofsted Annual Assessment Visit (AAV) held on 20 June had gone well. In terms of capacity to improve (an area graded during an inspection) inspectors indicated that the College displays the necessary positive attributes. A formal AAV report will be received in due course.

Other items noted included the DfES/Department of Health publication on sexual health services, work undertaken by the examinations team, and changes to the quality assurance framework. It was noted that the local Connexions service will transfer to City of York Council in April 2008. In response to a Governor query regarding Connexions funding it was noted that this is being split between two geographical areas. There is currently uncertainty over the estimated funding levels. Further information should identify whether roles currently funded by Connexions will be funded beyond March 2008.

07.51 Quality and Curriculum Committee – 19 June 2007

The previously circulated minutes, and confidential minutes, were noted and supplemented by an oral report from the Chair, Mr Mendus. Items considered by the Committee had included a Head of Faculty report which had highlighted the diverse range of teaching provided including that in non-classroom based environments and an observation of teaching and learning report. Although an increased number of observations has been undertaken the rate in some curriculum areas needs to increase. The Committee is continuing to improve its understanding of learner success rates through more informative reports. Some lower satisfaction responses in the stakeholder feedback survey had been recorded. These were largely associated with the operation of Education Maintenance Allowances (EMAs). Although the College provides information, the responses may reflect poor parental understanding of the implications for EMA receipt where learners fail to attend.

07.52 Personnel Committee – 12 July 2007

An oral report was received from the Chair, Professor Gilbert. Items considered had included reassessment for the Investors in People award. Following the visit, which has led to the award being renewed, an action plan has been developed to take forward some issues identified. Staff views on the new Travel Plan for the College had been noted. Committee had raised no concerns regarding the Tutor Utilisation Report.

A number of policy developments were noted. These included work on a new joint consultative committee and introduction of a management development scheme. This will be based on the identification of a series of management competencies and skills and coincide with the introduction of a management charter. The Committee considered this an imaginative development which will give a large number of staff the opportunity to gain appropriate qualifications. This could be either via an internal process of credits or through obtaining a Foundation Degree which could lead onto a first degree. The HR Manager had given a brief presentation on future schemes for more flexible working. This, coupled with the management development scheme, is intended to provide an attractive and engaged working culture in the New College. The Committee had been impressed with these positive developments.

07.53 2006-07 Success Indicator Performance

The report previously circulated as Appendix III within the Strategic Plan 2007-10 was considered and supplemented by an oral report from the Deputy Principal QA&CS. It was noted that the final end of year review will be undertaken over the summer period and a final report will be presented to Governors at their next meeting. Governor views on the report were invited.

DPQA&CS

07.54 North Yorkshire LSC Provider Development Plan 2007-08

The previously circulated report was considered and supplemented by an oral report from the Deputy Principal QA&CS. It was noted that the LSC has considered this and made comments to which the College has responded. The Plan will be used as part of the College's provider performance review. Governors noted that relevant elements in the Plan correspond with elements within the College Strategic Plan where appropriate.

After consideration the Governing Body **approved** the LSC Provider Development Plan 2007-08.

DPQA&CS

OPERATIONS

07.55 Director's Report

The previously circulated confidential report was considered and supplemented by an oral report from the Deputy Principal Operations. It was noted that migration will take place at the busiest time for the College. Governors were assured that procedures are in place for significant learner activities including enrolment, examination results, advice and guidance and for receiving learners over the whole period. Migration will not affect business continuity. It was further noted that work is on schedule for formal receipt of keys to the New College on 23 July. Already 60% of the New College has been transferred and migration for some staff and equipment has commenced. Some external landscaping will be completed after 23 July. The New College Strategy Group had discussed a number of outstanding items together with action being taken to resolve these.

The Principal and Deputy Principal provided a confidential oral report on one outstanding issue for which a separate confidential minute was taken. It was noted that this item would not have an impact on the opening of the New College. It was **agreed** that the New College Strategy Group (which includes the Governing Body Chair) would be kept informed of developments.

An update was also provided on the Green Travel Plan. Some adverse comments had been received from learners. It was noted that management are maintaining a consistent approach to implementation of the new policy.

07.56 New College Strategy Group – 13 March, 30 April, 4 June and 9 July 2007

The previously circulated confidential minutes for all meetings, with the exception of 9 July, were noted. The Chair, Mr Johnson, provided an oral report from the July meeting. Governors noted that congratulations had been extended to BBCL and College management and advisers for bringing in a stunning New

College on budget and on programme. The significant team effort involved was recognised by all Governors.

07.57 Any Other Business

It was noted that Governors, Committee members and families would be invited to the official New College opening event in December 2007 and that Governors and Committee members and partners would be invited to the dinner following the autumn term training event.

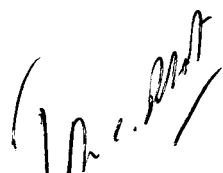
Principal / Clerk

07.58 Date of Next Meeting

Agreed as Thursday 11 October 2007 commencing at 5.00pm in the New College (room to be confirmed).

The meeting closed at 8.50pm.

Signed:



Chair:

.....

Name:

..... John Skout

Date:

..... 10.10.07