



**Minutes of a meeting of the Governing Body held on Thursday
14 December 2006 at 5.00pm in room AH110**

Present: Mr J Short (Chair)
Miss H Bainbridge
Mr P Burrows (min 06.73 – 06.85c)
Mr J Clark (min 06.73 – 06.94)
Miss H Crook (min 06.73 – 06.84)
Mr G East
Mr M Galloway
Professor B Gilbert
Mr D Jackson
Mr D Johnson (min 06.76b – 06.99)
Mr D Marsh
Professor D Maughan-Brown (min 06.73 – 06.85a)
Mr A Mendus
Ms J Moore
Mr D Morgan
Councillor C Runciman (min 06.80 – 06.99)

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

06.73 Apologies for Absence / Declarations of Interest
Apologies had been received from Ms Wolf and Messrs Deadman and Wright. Also noted Councillor Runciman had presented apologies for a late arrival.

Mrs Tyrrell, as a member of the senior management team, informed the meeting that she is a Governor at Archbishop Holgate's School (the subject of a later agenda item).

06.74 Minutes of previous meeting – 12 October 2006
Subject to changing the title for Mr Short the minutes were approved as an accurate record and signed by the Chair.

06.75 Matters arising
The action summary sheet was noted

PRINCIPAL

06.76 Principal's Report
a Principal's Report and Leitch Review
The previously circulated report was considered. A report was circulated in the meeting which summarised the key

recommendations from the recently published Leitch Review. The Principal provided a supplementary oral report. Governors noted the main elements including the centrality of the skills agenda with employers as the critical stakeholders. The targets for skills improvement are ambitious but very necessary given the UK's current ranking and the progress taking place in China and India. Voluntary engagement by employers is proposed with a review in 2010. This suggests that compulsion may be introduced either through a levy or a licence to practice model, this latter approach already employed by other European competitors including Germany.

All publicly funded adult vocational education will be routed through Train to Gain by 2010 and will move to a demand led system. LSC will retain a planning role for 14-19 only. There will also be a new Adult Careers Service which is welcomed for the coherence it will bring.

The enhanced role for Sector Skills Councils (SSCs) was noted. The Principal indicated that these represent employers in different sectors and will drive the publicly funded vocational training for adults. Given that SSCs have had a slow start there is some concern over their role. It will be important that they remain close to employers to meet their skill needs.

There is an increased emphasis on achieving Level 3 and 4 qualifications with Train to Gain being extended to higher levels.

Governors discussed the implications of the Review with particular reference to employer engagement, the skills agenda and the role of the SSCs.

b 2005-06 Work Based Learning Audit – Final Outcome

A report was tabled in the meeting and supplemented by an oral report from the Principal. Governors noted that agreement has been reached with the LSC auditors based on a methodology which is transparent and financially robust. The additional funding clawback of £345,519 will mean a revised College end of year surplus of £15,323,000 (against the projected £15,707,000). The Financial Statements have been amended to reflect this revision.

Mr Johnson joined the meeting at this point.

Governors noted the circumstances which had led to the re-audit following the first WBL audit visit in July 2006. The work now being undertaken to address systems weaknesses, with monitoring by senior management and Governor committees (Audit, Quality and Curriculum, Finance and General Purposes)

Action

was further noted. A concern arising from the under-achievement of contract is that the College is placed in a less favourable position at an important period of tendering for new work. Some learner successes from 2005-06 will be reported in 2006-07 and the LSC have offered the College an opportunity to revisit the data to generate a more realistic picture of success in 2005-06. Although this will not be used in national statistics it will assist the College internally and can be used for discussion of the 2007-08 LSC contract.

It was noted that the WBL audit had been discussed by three Governor committees. Governors noted that no learners had been affected detrimentally by the systems failure. In response to a query regarding WBL following the Leitch Review the Principal confirmed that there would be more apprentices including Young Apprentices. It is increasingly important that correct systems are in place. Governors noted the internal groups established to develop and monitor the implementation of the WBL action plans. The Principal confirmed that other College areas are also being monitored to ensure that similar issues do not arise in the future.

**Principal
to report
to next
meeting**

c **Developments in Local Schools**

Governors noted that Archbishop Holgate's School is seeking a second vocational specialism. Importantly, it has also made an application to establish post 16 provision. As part of this process it has to consult with the LSC, the College, local schools and the Local Authority. The Principal reported that he is not in favour of the proposed post 16 development and considers that a feasibility study should be undertaken. The argument being put forward by the School is to provide for learners from the Tang Hall area who do not progress post 16. If this is the case, other ways of meeting the need might be more appropriate.

In addition to financial implications – an estimated £10M for the new build – there are education issues. Education providers in York are seeking to meet the skill needs arising from Science City. Currently there is critical mass but if provision becomes fragmented it will threaten viability. This would not be in learners' best interests.

Governors noted that the College is confident of its provision and the learner opportunities which the New College will provide. The Principal and senior managers are actively engaging with local schools to promote the College provision.

**Principal
to report
to next
meeting**

d **Other matters**

The success of staff in the recent StAR awards was noted. On behalf of the Governing Body, the Chair congratulated Mr

Savage and all those involved. Governors noted the LSC confirmation of the College's Financial Health Group B status.

06.77 Governance Issues

a Search and Governance Committee meeting – 27 November 2006

Professor Gilbert, Committee Chair, provided an oral report. The main items considered included Board and Committee membership, Governance self assessment, and reports following the Governance Healthcheck and Skills Audit. The meeting had also discussed consideration of confidential items. The Governors' Handbook is to be updated and the index circulated for Governor comment.

Clerk

b 2005-06 Governance SAR: 2006-07 Action Plan

The previously circulated draft Action Plan, supported by a report on underpinning strengths and weaknesses, was noted. Following consideration by Search and Governance Committee, the Governing Body **approved** the Governance 2006-07 Action Plan.

c Review of Confidential Items

The previously circulated report was received for information. It was noted this had been considered by Search and Governance Committee. Each Committee will receive for review a report of items considered confidentially. Governors noted the move to reduce the number of items considered as confidential.

Clerk

d Further Modification to Instrument and Articles of Government

The previously circulated letter notifying the DfES intention to modify the Instrument and Articles of Government was noted. It was **agreed** that a response be made recommending consistency of terminology for greater clarity.

Clerk

e Chair's Update

The Chair provided an oral report on arrangements for appraisal of the Principal. Governors noted that objectives had been set for 2006-07, many of which relate to the New College, quality of the curriculum, and opportunities arising from Train to Gain and other initiatives.

06.78 Academic Board

Minutes of the meeting held on 15 November 2006, previously circulated, were received for information.

TEACHING AND LEARNING

06.79 Director's Report

The previously circulated report was considered and an oral report was received from the Director of Teaching and

Learning. Governors noted the key elements which included the following.

Learner enrolment information has been presented in a new format. Enrolments for 16-18 are above target with 19+ and WBL slightly below. The College has made a good start with Train to Gain. The new specialised diploma is no longer referred to as specialised. The City of York had held a one-day conference in the previous week to move this initiative forward. The Director reported the challenge for providers who are expected to work collaboratively in an increasingly competitive environment. The City has made an application to the DfES for £0.75M to provide a construction workshop for use by York schools to be located at Askham Bryan College. Progress against targets to improve the quality of teaching and learning and learner success rates was noted. Governors also noted that "matrix" is the College term for primarily A Level provision.

Councillor Runciman joined the meeting at this point.

FINANCE

06.80 Director's Report

The previously circulated report summarising activity since the October 2006 meeting was noted.

06.81 Pure Business Solutions Limited

a Pure Business Solutions Limited meeting – 18 October 2006

The previously circulated confidential minutes were noted and supplemented by an oral report from the Chair, Mr Johnson. Governors noted the Board's request for a strategy paper to identify performance over the next 3-year period. The proposal for a member of the newly formed Rail Advisory Board to become a Director of Pure Business Solutions Limited was also noted. After consideration, the Governing Body **approved** this proposal.

**Company
Secretary**

b 2005-06 Financial Statements

The previously circulated Financial Statements, which had been approved by the Pure Business Solutions Board on 23 November 2006, were received for information. Governors noted that these were largely as indicated in July 2006 and that £10,000 had been gift aided to the College.

06.82 Finance and General Purposes Committee

a Finance and General Purposes Committee meeting – 23 November 2006

The previously circulated minutes were received for information and supplemented by an oral report from the Chair, Miss Bainbridge. Items considered included the WBL audit, 2006-07 enrolments, the general financial climate and opportunities for

gaining further business. The proposed pay award had been considered and a recommendation made. Arrangements for the New College, including financial aspects, and the progress with the Information Strategy had also been discussed.

In response to a Governor query regarding the comment made over the cashflow, the Director of Finance provided additional information. It was noted that the reduction arose from an accounting anomaly which had distorted the cash generation figure. It did not reflect a loss of cash.

b Analysis of the 2005-06 financial performance

The previously circulated report was received for information. The Director of Finance reported there had been little change against information provided in October 2006. The key message, when the New College effect is removed, is that the College's underlying financial performance continues to improve. It was noted that the report excluded the final effect of the WBL audit. This will reduce the net surplus to £15.3M (from £15.8M).

c Financial Report for the three months to 31 October 2006

The previously circulated report was received for information. The Director of Finance asked Governors whether they would like the information in a different format. After consideration, and recognising that Financial and General Purposes Committee would continue to receive the standard report, the Governing Body agreed a new report format.

Director of
Finance

d 2006-07 Year End Financial Forecast

The previously circulated report was received for information. It was noted that the current forecast underlying surplus is £285,000 lower than budget. A number of additional income opportunities are expected to emerge during the year.

e 2006-07 Financial Objectives Progress Report

The previously circulated report was received for information. It was noted that 6 of the 7 indicators are above target. The remaining one (reserves as a percentage of income) is marginally below but remains substantially above the threshold set in the College's Strategic Financial Objectives. It was noted that progress against objectives should be clearer in future years when the College moves to a stable environment following completion of the New College Project.

f 2006-07 Pay Award

The previously circulated confidential report was considered and supported by an oral report from the Deputy Principal QA&CS. Governors noted the process adopted and the recommendation made by the Personnel Committee.

Action

After consideration, the Governing Body **agreed** the following award for all staff with the exception of senior postholders and those on "Silver Book" or Sixth Form College contracts:

Principal

- 2% payable from 1 August 2006 followed by
- 1% payable from 1 February 2007.

06.83 Audit Committee

a Audit Committee meeting – 29 November 2006

The minutes were circulated in the meeting and supplemented by an oral report from the Chair, Mr Clark. A number of the major items considered have been recommended for approval to the Governing Body and form later agenda items. Other items discussed included the WBL audit and a report on two attempted frauds.

b 2005-06 Financial Statements Audit Management Letter

The previously circulated report was considered. Subject to an amendment under the final paragraph of 2.2.1 (Gift Aid transfer made by Pure Business Solutions Limited to the College not vice versa), the Governing Body **approved** the Management Letter.

Director of Finance

c 2005-06 Annual Internal Audit Report

The previously circulated report was considered. Governors noted the audit undertaken of WBL systems and questioned the assessment given in light of the subsequent issues identified. It was noted that this issue had also been considered at the recent Audit Committee meeting. After consideration it was **agreed** that this issue be taken up with the auditors.

**Director of Finance /
Chair of
Audit
Committee**

It was noted that the internal auditor would be undertaking a further audit of WBL in 2007 the focus for which would be learner record accuracy. This will underpin the claim procedure and ensure claims are correct.

d 2005-06 Annual Audit Committee Report

The previously circulated report was received. After consideration, the Governing Body **approved** the report.

Miss Crook left the meeting at this point.

06.84 Risk Management

a 2005-06 Annual Risk Management Report

The previously circulated report was considered. The Director of Finance reported that there is no longer an LSC requirement for the report. However, it summarises the risk management activities undertaken and provides assurance for the corporate governance statement required in the Members' Report.

In considering performance against the Risk Management Plan Governors noted that a number of actions had been carried forward into 2006-07. The Director of Finance indicated that a number of risks are long-term and actions can extend over a period of time. Partial implementation is therefore to be expected and reflects the pattern of previous years.

After consideration, the Governing Body **approved** the 2005-06 Annual Risk Management Report.

- b** 2006-07 Termly Risk Management Report
The previously circulated report was received for information.

06.85 2005-06 Financial Statements

- a** 2005-06 Members' Report and Financial Statements
The previously circulated report in the LSC required format was considered. It was noted that both the Audit Committee and Finance and General Purposes Committee had considered a draft report. The version for signing will include the agreed revision resulting from finalisation of the WBL audit and as previously discussed in the meeting.

After consideration, and recognising the change to be made to the final report arising from the WBL audit, the Governing Body **approved** the 2005-06 Members' Report and Financial Statements.

**Director of
Finance /
Chair**

Professor Maughan Brown left the meeting at this point.

- b** Letter of Representation to the Auditors
The previously circulated report was considered. It was noted that the letter is required by the auditors prior to them signing the auditor's statement for the financial statements.

After consideration, the Governing Body **approved** the letter of representation.

- c** Re-appointment of Financial Statements and Regularity Auditors
The previously circulated report was considered. It was noted that Audit Committee had considered this issue and recommended re-appointment of KPMG.

After consideration, the Governing Body **approved** the re-appointment of KPMG as the College's Financial Statements and Regularity Auditors for 2006-07.

**Director of
Finance**

Mr Burrows left the meeting at this point.

QUALITY ASSURANCE AND CUSTOMER SUPPORT

06.86 Directorate Report

The previously circulated report was considered and supplemented by an oral report from the Deputy Principal QA&CS. Governors noted the key elements which included the work being undertaken to meet the new quality kite mark required for employer engagement. The success under the Customer First award will assist with this.

06.87 Personnel Committee – Meeting of 15 November 2006

The previously circulated minutes were received and supplemented by an oral report from the Chair, Professor Gilbert. Governors noted that Mr Mike Gooddie has joined the Committee as a Co-opted member. Main items considered were noted including development of generic job descriptions, migration champion arrangements, draft Green Travel Policy, and Health, Safety and Welfare matters.

06.88 Quality and Curriculum Committee – Meeting of 14 November 2006

The previously circulated minutes were received and supplemented by an oral report from the Chair, Mr Mendus. The final Head of Faculty (HoF) report had been received. It was agreed to continue to invite HoFs as their contribution had been valuable. The growth in the number of learners receiving Education Maintenance Allowances (EMAs), and their contribution in improving retention and success rates had been noted. The Self Assessment Report had been a substantive item which had been recommended for approval.

06.89 Students' Union President's Report

The previously circulated report was considered and supplemented by an oral report from the Deputy Principal QA&CS. Governors noted the successful outcome of two bids to the York Kash fund. One will help launch a student newspaper and one contribute to an international students' event. Governors also noted that Mr Wright has been appointed to the National Learner Panel and congratulated him on this appointment. Governors considered the report informative and demonstrated an improvement in learner engagement.

06.90 2005-06 College Self Assessment Report (SAR)

The previously circulated report was considered and supplemented by an oral report from the Deputy Principal QA&CS. The overview of movements in grade scores was noted. The Annual Assessment Visit (AAV) will consider changes from the previous year, where the College considers it is currently and what impact actions undertaken have made. The proposal to move to self regulation will increase the

importance of the SAR. Management are considering peer referencing to improve further the rigour of the SAR process.

In discussing the SAR Governors raised the following issues. Key Skills' achievement remains low (40%) and actions to address this were discussed. The number of observations of teaching and learning (OTL) appears low; this had also been noted in the Quality and Curriculum Committee. Governors noted that the figure excludes peer observations. These are not graded but identify strengths and areas for development. Although not recorded in the SAR they can be used as evidence to support the conclusions made. Governors suggested that it would be helpful to identify the target number for OTL in future reports.

Governors noted the grade 3 for Training and Development and expressed disappointment that this had in part been due to lack of attendance at staff development sessions. It was noted that poorer attendance did not necessarily reflect lack of enthusiasm on the part of staff. A number of factors had contributed to this including timetable clashes and other conflicting activities (eg migration champions arrangements). Management is actively pursuing other avenues to make training more accessible. These include web-based activities and a cascade training programme on active teaching.

A small number of amendments were noted. It was further noted that some additional documentation would be added to the LSC portal following submission of the SAR.

After consideration, and with the amendments noted, the Governing Body **approved** the 2005-06 Self Assessment Report for submission to the LSC.

Deputy
Principal
QA&CS

06.91 2006-07 Annual Operating Plan – Progress Report
The previously circulated report detailing progress to 30 November 2006 against the 2006-07 Plan was noted.

06.92 Health, Safety and Welfare Report: 2005-06
The previously circulated report, which had been amended following consideration by the Personnel Committee, was considered.

In reviewing the accident data Governors noted that goggles/glasses are now compulsory in relevant areas eg construction/engineering. It was further noted that manual handling training is provided for staff and learners. With reference to the RIDDOR accident, the College had required the individual to undertake manual handling training and this had occurred. The "ill health" descriptor within "other

accidents” could include health conditions such as epilepsy.

06.93 College KPI Report

The previously circulated report was considered and supplemented by an oral report from the Deputy Principal QA&CS. Governors noted that the report now contained information relating to Personnel and Learner Quality KPIs with information for Finance and Learner Numbers contained within other reports presented to the Governing Body.

The Learner data was considered. It was noted that there are no national LSC benchmarks for Key Skills but that the College uses available information against which to benchmark its results. Level 2 achievement rates were discussed. Action being taken by the College to improve these includes a Learning and Skills Network (LSN) initiative which will consider whether the learners are capable of achieving and whether success data is being captured effectively. HoFs are considering Level 2 with course teams in order to draw up appropriate action plans.

Mr Marsh left the meeting at this point.

Governors questioned the extent to which the Information Strategy will improve data capture and accuracy. The Deputy Principal QA&CS reported that it should enable more frequent checks against data. He is liaising with other colleges regarding reporting methods in order that accurate and accessible information is easily available for tutors and other staff. Governors indicated that it will be important for staff to consider data management as an integral part of their role if they are to take ownership. The Deputy Principal QA&CS reported that data available on tablet pcs should be directly relevant in enabling tutors to challenge learners on progress against targets. Governors indicated that the New College should provide an opportunity for a step change, rather than an incremental shift.

The Personnel data was considered. Governors noted that staff turnover remains below the sector average. The ethnicity categories, and “White” in particular, did not reflect the real diversity within the local and College population. Data on age and length of service indicates the need to be aware of succession planning.

06.94 Disability Equality Scheme (DES)

The previously circulated Scheme, including an executive summary, was considered. Governors noted the requirement for the College to publish its approved DES.

Governors indicated that, for the future, the Scheme should include arrangements for gathering information. It was noted that the College captures learner data very successfully but less so for staff. It could be that the term 'disabled' is not one with which staff wish to identify nor may they consider themselves as such. It will be important for management to reconsider how best to communicate with staff so as to improve understanding of the reasons for collecting the information and the purposes to which data will be put.

Mr Clark left the meeting at this point.

The issue of treating people proportionately was also important. In this context it was suggested that an interpretation of the data might suggest that staff working in a college environment may not be proportionate to the general society. If so, data collected may continue to highlight differences. It was noted that positive discrimination is not permissible although positive action is allowed. Management confirmed its support for approaches to bring people back into the workforce.

After consideration, the Governing Body **approved** the Disability Equality Scheme.

06.95 Equality and Diversity Annual Report 2006

The previously circulated Annual Report from the Equality and Disability Adviser was noted. This included an identification of strengths collected through a diversity audit in January 2006.

OPERATIONS

06.96 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 there are 32 weeks remaining before the New College is due to open. The contractors continue to state that completion will be on time. An update was provided on the position with telecommunication masts on site and action being taken by the College to progress. The Green Travel Plan (which had been considered at Personnel Committee and by the New College Strategy Group) will be issued to staff after Christmas. This will allow the proposals to be made clearer and provide an opportunity for an introduction to be given at the January staff meeting.

06.97 New College Strategy Group

a Meeting of 6 November 2006

The previously circulated confidential minutes of the meeting were noted and supplement by an oral report from the Chair, Mr Johnson.

Action

- b** **Meeting of 11 December 2006**
An oral report was received from the Chair, Mr Johnson. Governors noted that the topping out ceremony had been held. As indicated earlier, the contractors remain confident of completing on time. Mr Johnson commented very favourably on the quality of the building.

06.97 **Any other urgent business**
None.

06.98 **Date of Next Meeting**
Friday 16 March 2007 prior to commencement of the Governors' Residential event (start time and venue to be confirmed).

All to note

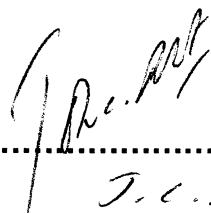
The meeting closed at 8.40pm.

Signed:

Chair:

Name:

Date:



J. C. Short

16.3.07