

**Minutes of the Meeting of Southampton City College Corporation
Held on Monday 16th June 2008**

PRESENT: Dr A Barney
Mr A Hind
Mr P Holliday
Mrs C Kelly
Mr K Liles
Ms L Noble (Principal and Chief Executive)
Mr E Perry
Mr A Pitcher (Chair)
Mr T Williams

IN ATTENDANCE: Mrs R Mcmillan (Finance Manager) Items 7-9
Mr F Stanley (Executive Director Corporate Services) Items 7-13
Mr D R Warren (Clerk to the Corporation)

APOLOGIES: Ms J Ward
Mr C Williams

The session commenced at 5.30pm with a presentation by the Principal, standing in for Evelyn Byrne (Hampshire and IoW LSC), on Funding for 2008/09 and the changing machinery of Government. Members agreed that Ms Byrne should be invited to attend a future meeting to amplify on the content of the presentation.

The Corporation meeting commenced at 6.15pm
The meeting was quorate.
No Member declared an interest in any of the Agenda items.

Minute		Action
1 94.07	APOLOGIES The apologies listed above were noted Mr Tony Pitcher (Chair) left the room at this point	
2 95.07	RE-APPOINTMENT OF THE CHAIR With the Clerk in the Chair, Members AGREED unanimously to re-appoint Tony Pitcher as Chair of the Corporation until 20 th May 2011 subject to annual re-appointment and re-appointment as a Corporation Member on expiry of his current term of office.	

Mr Tony Pitcher rejoined the meeting and resumed the Chair

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96.07

CHAIR'S INTRODUCTION:

In welcoming Members the Chair again stressed the importance of attendance at meetings during the current period of vacancies in membership.

The Chair reported that the Training Day held on 21st May had been very successful

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97.07

URGENT ITEMS:

None notified

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98.07

MINUTES OF THE MEETING HELD ON 28th APRIL 2008:

The Minutes were **APPROVED** by Members and signed by the Chair.

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99.07

MATTERS ARISING:

52.07: **Policies and Procedures:** This is covered by the report of the Search and Governance meeting at Item 16.

91.07. **Corporation Self-Assessment:** Members were informed that the working party (Vice Chair, Principal, Philip Holliday and Tim Williams) had met and commenced work.

Principal

MONITORING AND INFORMATION

Fred Stanley (Executive Director Corporate Services) and Rachel McMillan (Finance Manager) joined the meeting

7
100.07

COLLEGE PERFORMANCE INDICATORS

The Principal began by reporting on the recent (11th June) OfSTED Annual monitoring visit - the purpose of which was to note progress the College has made in five specific areas since the October Inspection. She explained that no grades are awarded at this visit but that the areas looked at are assessed as having made "Significant", "Reasonable", "Insufficient" or "No discernable" progress since the Inspection. A letter reporting the findings will be received by the College in three to six weeks and will also be published on the OfSTED website. The findings of the Monitoring visit in respect of the five areas looked at as follows:

Student Success: Reasonable improvement. The Principal explained that this was all that could be expected as the assessment relies on new data

which is not yet available. Retention rates have been better (7% improvement in 16-18 long courses) and there have been fewer variations in achievement across the college.

Improvements in teaching and learning: Reasonable improvement. A new improved teaching & learning observation system had actually resulted in a reduction in grades which shows a more accurate starting point for improvement.

Improve Construction provision: Significant improvement. This was very pleasing and reflected the efforts made by management and staff. The Principal believes that the School will achieve a “Good”, or at least a “Satisfactory” grade at re-inspection.

Use of Data to track students’ progress: Reasonable improvement. Again, this is the best that could be expected as assessment depends on new data, for example – success rates, which are not yet available. There was praise for the general handling of student course data and the “Traffic Lights” system of progress monitoring.

Self-Assessment and Management of the Quality Process: Significant improvement. The Inspector was impressed with the processes for internal critical self-examination, devolution of responsibilities and the use of peer colleges.

The Principal concluded that this had been an overall good result

Returning to her Report and the CPI matrix, the Principal amplified that learner number data was consistent and thus the projections valid, that lesson observations were continuing, learner success rates remained shown as “Amber” but that it was expected that targets would be met, and that work-based learning remains shown as “Red” but there is every expectation that targets here would also be met. Financial Performance Indicators are reported within the Management Accounts but this Matrix draws attention to problems in meeting the Commercial Training Income target. It was explained that the target was probably too ambitious when set.

Under the Campus Redevelopment CPI, the Principal reported formally that Approval in Detail (AiD) had been achieved on 21st May.

The Corporation records formal appreciation of the achievement of AiD and congratulates all those involved.

Finally from this report, the Principal drew attention to the Stakeholder survey which will be completed in August.

Principal

The Principal then drew Members' attention to the papers from the Learning Technologies Manager which explain how ILT and the VLE will be utilised to analyse and assess courses and as a performance indicator in future years. The system will utilise a grading award and set targets for the various grades.

Members **AGREED** the framework and that demanding, cross curriculum targets which stress the longer term objectives, would need to be set when the Corporation determines the CPIs for next year at its September meeting.

Principal

Members **NOTED** progress against the College Performance Indicators

8
101.07

MANAGEMENT ACCOUNTS - APRIL/MAY 2008

The Finance Manager spoke to the April accounts within Members' papers and tabled an update for May. She explained that in response to Members' suggestions, the lines in the Income and Expenditure Account had been re-titled to clarify what was being represented.

Key Financial Performance Indicators for both months show satisfactory achievement of targets except for Dependency on LSC Income where the forecast at 81.32% remains in excess of the 76.1% target. Part of this being due to the under-achievement of commercial training income as reported by the Principal and the improved performance of LSC funded WBL.

Members noted that pay for Business Support Staff was under budget which the Principal explained was a result of efficiency measures, but that there were current vacancies in this area.

Commenting on Redundancy costs forecast at £75k against a zero budget, the Principal explained that redundancy payment remained as a contingency within the pay budgets. However, expenditure on redundancy costs was shown as a separate line in the accounts.

The Finance Manager amplified the cash flow report contained in the May accounts, explaining that this now reported up to May 2009 but was based on previous projections of capital spending and bank finance requirements. As presented, it is intended only as a guide to give an indication of when draw-down of the revolving credit facility may be required and of large cash demands. Members noted that careful treasury management would be required to ensure efficient use of the credit facility whilst retaining a positive cash position.

**Principal
Finance
Manager**

Members **NOTED** the Management Accounts and Key Financial

Performance Indicators for April and May 2008.

9 **BUDGET 2008/09 – PARAMETERS**

102.07

The Principal presented her paper which explains the parameters of income and main expenditure around which the budget for 2008/09 will be set and presented to the Corporation at its July meeting.

On income, the College is still awaiting notification from the LSC of Work Based Learning allocation and Additional Learning Support funding. Other LSC income streams have been notified and in some cases already amended. College management has constructed the remainder of the draft income budget on forecast and expectation. Based on the current experience of commercial training income not meeting target, a more conservative figure for 2008/09 is proposed. Overall, an income budget of around £17m will be submitted.

Members acknowledged that the change to demand-led funding for adults will put colleges in a greater risk environment than has to date been enjoyed.

On expenditure, the Principal explained that efficiency savings of 2% will be sought in the non-pay areas. After discussing in depth the pay budget in relation to overall income, Members agreed that the Principal could explore an increase in pay as a percentage of income to 68% rather than the previous years' target of 67% in order to provide for appropriate salary awards to staff for 2008/09. The Principal anticipated that this would be a "one-off" as increased income in future years would permit reducing back to the 67% target.

Members **NOTED** the parameters under which the 2008/09 budget will be constructed and presented for approval and the possible increase in the percentage of income allocated to the pay budget.

The Finance Manager left the meeting at this point

10 **SAFEGUARDING CHILDREN REPORT**

103.07

Members **NOTED** the Safeguarding of Children report presented by the Principal, and **AGREED** that appropriate policies and procedures are in place to meet the requirements for safeguarding children and vulnerable adults.

11 **REVISED MANAGEMENT STRUCTURE**

104.07

Members **NOTED** the revised College Management Structure proposed by the Principal.

Members were advised that when the Finance Manager takes her maternity leave, the Principal may propose additional changes.

CAMPUS REDEVELOPMENT PROJECT

12 **CAMPUS REDEVELOPMENT –PROGRESS AND EXPENDITURE APPROVALS**

105.07

Members received the report from the Principal and **APPROVED** the process for approval of the monthly construction invoices.

Members **APPROVED** the planned commitment for expenditure for the period until December 2008 as detailed in the Client Liability Statement and **AUTHORISE** the Principal to make the payments subject to the process as approved above.

Members **NOTED** and **AGREED** the proposals for the reporting of progress, cost and expenditure.

ITEMS FOR APPROVAL OR OTHER ACTION

13 **CAPITAL BUDGET 2008/09:**

106.07

The Executive Director Corporate Services (EDCS) presented his paper for the approval of the Capital Budget for 2008/09. The paper also proposes that there should be an increase in the contingency allowance within the budget to permit greater flexibility in what is a changing environment that often requires un-forecast reactions.

Members **APPROVED** the annual Capital Budget for 2008/09 of £454,835 and the concept of an increased contingency element to permit greater flexibility to be able to react to changes.

After discussion, Members **AGREED** that there should be a termly report to the Corporation on capital expenditure and required that the Clerk include this in the Corporation's annual business plan.

Clerk

14 **SEARCH AND GOVERNANCE COMMITTEE – REVISED TERMS OF REFERENCE**

107.07

Members **APPROVED** the revised terms of reference for the Search and

Governance Committee required by the changes to the Instrument and Articles of Government and the abolition of the Finance and Planning Committee.

Clerk

15 **SEARCH AND GOVERNANCE COMMITTEE MEMBERSHIP**
108.07

Members **AGREED** that following sector recommended good practice, the Vice Chair of the Corporation should be a member of the Search and Governance Committee.

Noting his agreement, members **APPROVED** the appointment of Colin Williams, Vice Chair, to the Search and Governance Committee.

Members noted also that Colin Williams would leave the Audit Committee as soon as a Member with appropriate financial experience is recruited.

COMMITTEE REPORTS

16 **SEARCH AND GOVERNANCE COMMITTEE REPORT – 21ST**
109.07 **MAY 2008:**

Members **NOTED** the Committee Report and the Committee Self-Assessment checklist

ROUTINE BUSINESS

17 **CLERK’S ANNOUNCEMENTS**
110.07

The Clerk distributed to Members Edition 8 of the Code of Conduct for Corporation Members.

The Clerk invited members to complete the annual skills audit form and to return to him the Declaration of Interest and Membership Eligibility check forms distributed with papers.

18 **DATE OF NEXT MEETING:**

Monday 21st July 2008 at Woolston Maritime Technology Centre.

The Meeting concluded at 8.10pm

Signed.....
(Chair)

Date: 21 July 2008