

**Meeting of the Kendal College Corporation
Wednesday 9th December 2015 at 5.00 pm
Conference Room 1
MINUTES**

Present:

Joseph Brown (Student Governor)
Michelle Clement (Staff Governor)
Cath Dutton (Chair)
John Tiscornia
Gordon Watson
Graham Wilkinson (Principal)
Claire Willett
(attendance 58%)

In attendance:

Maggie Cawthorn, Carole Drury (Clerk), Craig Owen, Louise Shrapnel

The Chair advised the board of the appointment of Sam Philipson as new student governor following an election process through Student Council and an interview with a panel of governors. Apologies included Ian Clinton who has been appointed interim Principal of Stafford College and Fra Cooke who has been affected by the floods in Cumbria.

Apologies for Absence

1598 Ian Clinton, Fra Cooke, Zaeed Mohammed, Sam Philipson, Rebecca Sandham

1599 **Declaration of Interests**

There were no declarations of interest.

1600 **To approve the minutes of the meetings held on Wednesday 14th October 2015**

The minutes of the last meeting were approved and signed by the Chair as an accurate record.

1601 **Matters Arising from the Minutes & Action Plan**

The updated action plan was reviewed and progress noted.

1602 **Principal's Report and Data Dashboard**

The Principal's report provided the Board with an update on international activity as well as giving an overview of the impact of the recent Government Comprehensive Spending Review, including the headlines linked to further education.

Board members discussed the announcement of Cumbria being included in wave 3 of Area Reviews, commencing in April 2016. The Principal advised that a second meeting of the Chairs, Vice Chairs and College Principals group would be held in January. Following the attendance of three governors at the North West AoC briefing the previous week, it had been proposed that the Board should put time aside to consider the process and preferred options for the College so that the Chair and Principal would have a clear indication of what the Board felt would be best for Kendal and Cumbria as a whole. It was agreed that the training event scheduled for 20th January would have Area Review as its key theme, utilising the services of the National Leader of Governance to facilitate discussions. The Board also discussed the issue of travel to learn areas for curriculum, recognising that Lancaster & Morecambe College is better positioned if curriculum rationalisation was an option and it was agreed that the Principal should explore this aspect further through communication with the Chair.

The data dashboard provided up-to-date figures in respect of curriculum performance. New data showing classroom learning maths and English performance identified concerns in maths attendance rates for both GCSE and Functional Skills that was being closely monitored for being below target. Additional equality impact measures had been included for success rates of apprentices with a disclosed disability, identified from the 2014/15 Self-Assessment data tables as being below target.

The Chair probed how areas with amber warnings, such as maths attendance, were monitored and was advised by the Director of Curriculum & Quality that each student with poor attendance is followed up with targets set for improvement and disciplinary action put in place where targets were not met.

The Board RESOLVED to:

- Accept the Principals report
- Approve the Board training event to have a key theme of Area Review
- Accept the data dashboard, noting actions for amber scored lines

1603 **Teaching, Learning & Assessment report including College Self- Assessment Report 2014/15**

The Director of Curriculum & Quality presented the Teaching, Learning & Assessment report that gave a summary of the overall College grades of the validated 2014/15 self-assessment report. It was reported that three governors had attended the validation event along with College managers and an external quality manager. The report confirmed that the SAR grade remained outstanding with key strengths being in learner success rates, destinations, quality of teaching and learning, learner satisfaction and links to employability. Additional evidence had been received on sustained destinations of students, putting the College in first place nationally.

Areas for development were noted including apprenticeship success rates and two areas of curriculum - plumbing and computing. John Tiscornia asked what was being done to address the areas of development and why there were concerns. Maggie Cawthorn explained that there were issues over staffing and quality, stressing difficulties in recruiting high calibre staff. For computing courses, students had high levels of attendance, retention and satisfaction but were not achieving at the expected level of stretch and challenge. Joseph Brown asked how this was being addressed and was advised that action plans were in place to monitor impact on students.

The second part of the report focussed on the outcome of the teaching, learning and assessment observation process that had been completed over a one month period and was again ungraded. Overall results were reported as outstanding with 86 observations meeting College standards (equivalent to grades 1 and 2) and 7 staff not meeting standards and undergoing re-observation (equivalent to grades 3 and 4). It was reported that excellent practice had been observed with improved embedding of maths and English although it was explained that it was not always appropriate to include in every lesson. Health and safety was good across all areas and Beauty curriculum noted for its excellent inclusion of information & learning technologies. Whilst there had been some evidence of missed opportunities for embedding of equality & diversity, Motor Vehicle and Construction curriculum had been highlighted for good practice.

The Board RESOLVED to:

- Accept the Teaching, Learning & Assessment report
- Agree the SAR validation process, noting the overall outstanding grade
- Accept the outcomes of the teaching & learning observation report

1604 **Report from Audit & Risk Committee**

The Chair of the Audit & Risk Committee, Gordon Watson, presented the report from the Committee meeting of 25th November, starting with the notes of that meeting showing what

had been covered, including receipt of internal audit reports and approval of the risk management policy and risk register.

The annual Audit & Risk committee report to the Board was presented, providing an overview of how the Committee had met its responsibilities during the financial year, as required in section 3 of the Joint Audit Code of Practice. The Board was asked to accept the report prior to signing the statement of corporate governance and internal control within the annual accounts. Comments on content were made and some minor adjustments agreed, particularly in respect of identified risk.

The Board RESOLVED to:

- Take assurance from the annual report and committee meeting report that the committee has fulfilled its terms of reference for the academic year
- Accept the risk register

1605 **Audit Findings Report, Self-Assessment of Compliance and Financial Statements**

Following detailed scrutiny at the Audit & Risk Committee, the Board was presented with the Audit Findings Report, Self-Assessment of Compliance and the Financial Statements for the year ended 31st July 2015. It was reported that the commentary pre-fixing the financial statements also formed the annual report of the Board, in compliance with the Code of Good Practice. Governors commented that additional good news about the College should be included.

At the Audit & Risk Committee meeting, the External Auditor had raised the issue of some incomplete work in relation to the College being a “going concern”, related to the outcome of the capital bid to Cumbria LEP in respect of Wildman Street, due on 15th December.

It was proposed that the signing of the financial statements be carried out by the Chair under Chair’s Action (Standing Orders) subject to a positive outcome from the LEP tender and agreement with the External Auditor of the wording that would be shared with governors. If this was not possible, then it was proposed to convene an additional board meeting on 20th January to approve the financial statements. If the latter was required, then a request would be made to the Skills Funding Agency to delay submission of the financial statements until there had been a resolution. The regularity audit and letters of representation were signed by the Chair and Principal.

The Board RESOLVED to:

- Delay the signing of the financial statements until a resolution had been agreed
- Agree additional content to the wording within the annual report
- Approve the signing of the regularity audit and letters of representation
- Agree Chair’s Action to sign the financial statements subject to resolution of the wording under going concern

1606 **Strategic Plan**

The finalised strategic plan through to 2018 was presented, shown in its graphic format. Additional references had been included on developing digital capabilities and reference to Area Review which was now scheduled to take place from April 2016 for Cumbria. Operational detail would be mapped against the strategic targets and presented to the Board on a termly basis.

The Board RESOLVED to:

- Approve the strategic plan for publication

1607 **Capital Projects Update**

The Principal provided the Board with an update on the Wildman Street project and impact of the floods from the weekend on the site and on the Castle Dairy. Recommendations for the appointment of a new contractor were provided and the Board considered the costs. Concern was raised over the wide differences in price between tenders and how quality

would be checked. The issue of financial stability was also raised with an assurance that the credit rating of the preferred contractor would be checked and appointment only confirmed once a financial check had been carried out. It was noted that the new costs were likely to be no higher than those originally advised with the potential for further savings. It was agreed to accept the recommendation to appoint Walter Carefoot & Son (Construction) Ltd who were keen to commence in January.

Joseph Brown asked if changes to the design would be needed in light of the flood damage in Wildman Street and John Tiscornia questioned whether there was flood proofing included in the new building. The Principal confirmed that a redesign was being considered to minimise future risk of flood damage.

The issue of recovering the shortfall in the advance payment bond had been considered by the Finance Working Group prior to this meeting and Board members were apprised of the position over negotiations with Arcadis/E C Harris in respect of poor service in the advice the College had been given. John Tiscornia outlined the meeting of 15th October with the Project Manager where assurances over the bond date deadlines had been sought. The Project Manager had provided assurances following consultation with his legal team that the dates were correct. However the warning was issued to the contractor one day too soon resulting in the value of the bond dropping from £342k to £247k.

Legal advice had been taken as to whether or not it was feasible to pursue the shortfall through the courts or hope for an out of court settlement although it was recognised that the legal costs could be prohibitive and also that the legal advice had not made reference to the meeting of 15th October. It was noted that the cashflow in the accounts had budgeted for a worst-case scenario.

After lengthy discussion, the Board RESOLVED to:

- Agree to a £5k budget for the Principal to seek further legal advice over pursuance of a claim
- Ensure the value of £247,100 on the bond is received
- Appoint a new contractor to take the building forward to completion
- Confirm the role of E C Harris are accepting of the termination of their contract at the end of the year
- Seek if there is recourse to a creditor position with the administrators of Barnes Construction

1608 **Management Accounts**

Management accounts to the end of October 2015 were presented by the Director of Finance & Resources which had also been reviewed by the Finance Working Group prior to this meeting. An emerging projects register had also been provided to show the types of contracts that the College was working on to support increased income.

The Chair noted that the emerging projects focussed mostly around health and social care and hospitality but it was reported that all curriculum areas have income generation targets.

The Board RESOLVED to:

- Accept the management accounts to end of October 2015

1609 **Annual Equality Report**

The annual equality report was presented for consideration by the Director of External Relations & Client Services in line with the responsibilities of the Board from the Equality Act 2010 and the Public Sector Duty. The report provided an overview of the College's approach to equality during the year and how it has met the duty as well as including some equality and diversity highlights and areas for development from the self-assessment report.

It was reported that the College's equality objectives will need to be revised by April 2016 and will need to specify targets for improvement based on the college's current equality data.

The Board RESOLVED to:

- Accept the report and agree its publication
- Note the requirement to update the equality objectives by April 2016

1610 **Castle Dairy Performance Update**

The Principal provided an update on the devastation to the Castle Dairy as a result of the extensive flooding in Kendal over the previous weekend. Performance of the Dairy had improved significantly despite having continuous building work and scaffolding. Increased marketing had resulted in a good level of bookings over the Christmas period which will now be lost. It was requested that marketing of the venue be tracked for effectiveness.

The Castle Dairy team were thanked for their hard work in salvaging all they could from the flood. The team was being re-deployed at the Main Site during the refurbishment period of the building to undertake some development and sector work experience as well as deliver cookery courses from the main site.

The Board RESOLVED to:

- Accept the update

1611 **Training Event 20th January 2016**

The Clerk provided an overview of proposals for the Board training event on 20th January which would include input from a sector specialist (National Leader of Governance) on finance and funding linked to Area Review. Additional topics suggested included Prevent Duty and English and maths. It was agreed to include Prevent Duty training but to concentrate on Area Review.

Board members were reminded of the first curriculum visit of the year on Wednesday 16th December and to advise the Clerk if they were able to attend.

The Board RESOLVED to:

- Accept the proposal for the Training Event on a theme of Area Review

1612 **Date of Next Meetings**

Training event 20th January from 1 pm (lunch from 12.30 pm)
Board meeting Wednesday 10th February 2016