

**EASTLEIGH COLLEGE BOARD
MINUTES OF BOARD MEETING HELD ON WEDNESDAY 2 JULY 2014 AT 1700 HRS IN
ROOM B108**

Present:

Mrs Philippa Baldwin
Mr John Course
Mrs Angela Cross-Durrant
Mr Colin Davidovitz
Dr Chris Davis
Mrs Verona Hall
Mrs Helen Hills

Mr Steve Johnson
Mr Tim Light
Miss Shirley Nellthorpe
Mr Paul Quigley, Chair
Mr Paul Sahota
Mrs Gail Thomas

In attendance:

Dr Jan Edrich, Chief Executive Designate
Mr Rob Jarvis, Finance Director
Mr Phil Stone, Clerk to the Board
Mrs Moira Attridge, Executive Support – PA to Senior Management Team (minutes)

B.16.14 GOVERNORS' MEETING TIME WITHOUT SMT

B.17.14 MEMBERSHIP AND BOARD MATTERS

i Apologies

Apologies were received from Miss Ashleigh Brown (Student Governor), Mr Tony Lau-Walker, Mr Daniel Lowe (Student Governor), Mrs Caroline Nokes, Mrs Kathryn Rankin, Mr Warren Scarr, Mr Jonathan Sendell, Mr Mike Thornton and Mr Seán Woodward.

ii Declarations of interests

Mrs Baldwin, Dr Edrich, Mrs Hills, Mr Jarvis, Mr Stone and Mrs Attridge declared an interest in item B.21.14ii, annual pay review.

iii Minutes of last meeting

The minutes of the meeting held on 14 May 2014 were agreed as a true and accurate record and signed by Mr Quigley.

iv Matters arising

- a)** Re B.11.14iii, Governors' Monthly Report, equality and diversity update. Dr Edrich said that equality and diversity results would be presented differently when performance data for this year became available (in October 2014) making it easier to interpret.

Action: JE

v Resignation/retirement of Governor – Mr Tony Lau-Walker

Governors noted the resignation/retirement of Mr Lau-Walker, Chief Executive.

vi Resignation/retirement of Clerk to the Board – Mr Phil Stone

Governors noted the resignation/retirement of Mr Stone.

vii Resignation of Advisory Governor – Mr Tim Light

Governors noted the resignation of Mr Light, Advisory Governor.

viii End of term of office resignation – Mrs Philippa Baldwin

Governors noted the end of term resignation of Mrs Baldwin, Staff Governor.

ix Resignation of Student Governor – Miss Ashleigh Brown

Governors noted the resignation of Miss Brown, Student Governor, who would be going to University at the start of the new term.

Mr Quigley thanked the Governors for their time and commitment to the Eastleigh College Board. He also thanked Mr Stone for his work and said that the help and advice given to the Board over many years had been much appreciated.

x Appointment of new Governor – Dr Janet Edrich, Chief Executive Designate

Mr Quigley was delighted to formally announce the appointment of Dr Edrich to the post of Chief Executive and welcomed her to the Eastleigh College Board of Governors.

It was agreed

To appoint Dr Janet Edrich to Eastleigh College Board.

- xi** Mr Stone advised that the recruitment process for the appointment of his successor had commenced. He asked members if they were comfortable for the Board to delegate authority for approval of the appointment to a panel, led by Mr Quigley, as in the case of the replacement Chief Executive and replacement Deputy Chief Executive. Governors agreed with this suggestion.

Action: PS/PQ

B.18.14 GOVERNORS' MONTHLY REPORT – MAY 2014

i Financial aspects

Mr Jarvis drew Governors' attention to the capital update and said contractors were on site at College House and the main site Refectory and that both projects were progressing well. Referring to the Income & Expenditure account, he said a £405k historic cost deficit at the year end was now forecast. This included restructuring costs of £250k, making an underlying loss of £155k. Mr Jarvis then explained that as the College would now have made a loss for three consecutive years, a Lloyds Bank loan covenant would be breached and he had therefore requested both banks to issue a waiver letter which they had indicated they were willing to do. A waiver letter is required from Barclays because of a "cross default" clause. As a consequence of the breach, interest charges on the loans were likely to increase next year. The cash position was healthy with a forecast outturn of £2.6m at the year end. A Governor asked why the forecast deficit had increased since the April 2014 figures were discussed at the F&GP meeting on 18 June 2014. Mr Jarvis replied that this was due to SFA and EFA grant income being reduced and it was unlikely to improve before the end of the year.

ii Safeguarding update

Dr Edrich gave details of a student with a serious health issue. She said that very effective support had been received from Public Health England (Wessex). One student had been hospitalised and was now recovering well.

iii Equality & Diversity update

Dr Edrich was pleased to report that there was evidence that E&D was now embedded and occurring naturally in teaching sessions and good practice would be shared. The Equality & Diversity Board, at their meeting on 25 June 2014, had looked at the gender imbalance. To address this some course content has been adjusted next year. For example, to attract more female students into Engineering, some modules now contained more dexterous activities.

Governors noted the financial aspects, safeguarding and Equality & Diversity updates in the May 2014 Monthly Governors' Report.

B.19.14 TO RECEIVE

i Audit Committee minutes, 11 June 2014

Dr Davis spoke about various items in the minutes of the Audit Committee meeting. Referring to the College's decision to continue to have an internal audit service even though the requirement for colleges to do so had been removed by revisions to the JACOP Part 2, a Governor asked whether this was a cost saving which could be made in the interests of economy. Dr Davis and Mr Jarvis said that the Committee had discussed the matter and concluded that the Internal Audit service provided good value for money as, for example, they looked at our learner numbers systems and could spot anomalies or inaccuracies before the SFA carried out their audit. They would also review staff workloads and contact hours to ensure staff efficiency.

Governors noted the minutes of the Audit Committee meeting on 11 June 2014.

ii Standards Committee minutes, 12 June 2014.

Mr Course explained the role of the Divisional Link Group and the complications surrounding interpretation of the data on the Ofsted Dashboard. Standards Committee had discussed the major policy changes around English and mathematics which would be a compulsory component of study programmes next year. Mr Course said that Standards Committee were responsible for monitoring quality and the Link Governors looked at frequency and effectiveness of review of management information at each level. They also looked at success rates, problematical courses, growth and impediments to growth. Mr Stone said that Miss Nellthorpe had volunteered to join the Data Sub Group and Governors accepted her offer.

Action: JC/SN

Standards Committee had reviewed the Marketing Strategy at their meeting and had proposed that it should evolve further after the Board/Strategic Planning Event on 17 September 2014. Therefore review of the Marketing Strategy would be deferred until after that meeting.

Governors noted the minutes of the Standards Committee meeting on 12 June 2014.

iii Finance & General Purposes Committee minutes, 18 June 2014

Mr Quigley advised that F&GP had approved the proposed partner contract values for 2014/15 at their meeting.

Governors noted the minutes of the Finance & General Purposes Committee meeting on 18 June 2014.

B.20.14 TO REVIEW

i Student Governors' strategic issues

There were no issues to be brought to the Board's attention.

Mr Stone referred to Membership & Board Matters above and said he was in the process of trying to recruit a member of Eastleigh Borough Council to the Board. In order to accommodate a further Governor, he proposed that the number of Student Governors should revert back to two, in common with other college's Board membership. A Governor was reluctant to agree to this as it was important for the Learner Voice to be heard and having a larger pool of Student Governors would make it more likely that one was free to attend. Mr Stone explained the "student buddy" scheme used in previous years and said he would formalise this arrangement.

Action: PS

ii Strategic Plan update

Mr Quigley said that the Strategic Planning event on 17 September 2014 would put the forthcoming cuts in funding allocations in context and this would impact on the strategy the College follows. Members discussed the format of the event and agreed that in order to allow sufficient time to debate the matter fully, the next meeting would commence at 2pm, with a break late afternoon, and then reconvene for further discussions.

B.21.14 TO APPROVE

i Revenue and capital budget 2014/15 and three year financial plan

F&GP had discussed all aspects and accepted the 2014/15 budget at their meeting on 18 June 2014.

At Mr Jarvis's suggestion Governors agreed that the budget report for 2014/15 should be amended to include the latest updated forecast outturn for 2013/14. This amendment would also have a minor impact on the balance sheet going forward.

Action: RJ

An amended budget report to reflect the changes is appended to these minutes as a confidential addendum.

Mr Jarvis outlined the impact of continuing public expenditure reductions and the action the College was taking to mitigate these. He explained the proposed changes in how Adult Apprenticeships would be funded from 2016/17 and the proposal for a student loan system for Level 2 learners aged 19-23. Governors were keen to know how they could help influence the decision-makers and it was agreed that Mr Jarvis would provide a briefing document for two Governors to use in forthcoming meetings with Ministers. The significant impact the proposals would have was emphasised. Governors also agreed that Advisory Governors, Caroline Nokes, Mike Thornton and Seán Woodward should be provided with a briefing regarding the changes in funding.

Action: RJ

Post meeting note: briefing note issued 6 July 2014.

Mr Jarvis and Dr Edrich explained the actions being taken to reduce staff costs through a redundancy process and increased teaching staff contact hours. A review of course builds and class sizes was also being undertaken which would reduce costs further but was difficult to quantify. Variable other operating costs had been reduced by 5% for 2014/15. Mr Jarvis drew attention to the capital expenditure forecast and the assumptions in respect of SFA/EFA income, tuition fees, other income, pay cost income and non-pay cost income.

A Governor asked how the College would ensure that quality was not jeopardised by these changes and Dr Edrich replied that staff were being encouraged to use different styles of learning to include more project based and blended learning. She said that staff contact hours had been increased from 800 to 850 hours at the College while the sector norm was currently 864 hours.

Mr Quigley asked Dr Edrich and Mr Jarvis to report back to each Board meeting on progress against the critical success factors in the budget, particularly ECTA and Assessment Centre delivery and staff costs. Mr Jarvis would amend the graphical performance charts in the Monthly Governor's Report to include a rolling budget.

It was agreed

To approve the Budget for 2014/15 and the Three Year Financial Plan for the period 2014/15 to 2016/17.

ii Annual pay review

Mrs Baldwin, Dr Edrich, Mrs Hills and Mrs Attridge, having previously declared an interest in this item, left the room for discussion regarding the annual pay review. Mr Jarvis was asked to outline the proposals to Governors and then he too left the meeting for debate by the Board. Mr Stone remained to take notes.

The budget for 2014/15 made allowance for a 1.5% pay increase in February 2015, as long as the College was in surplus by that time, and F&GP, at their meeting on 18 June 2014, had agreed that a decision should be deferred until March 2015. Governors asked what the reaction by staff would be as there had not been a pay increase for a number of years. They were concerned that staff may not feel valued. Mr Jarvis replied that he thought most staff did not expect to get a pay increase again this year and stressed that the College had to be able to afford it. Mr Jarvis then left the meeting.

A Governor agreed that a pay increase should be linked to the performance of the College but said that this could be better or worse than anticipated. Another Governor thought that the decision should be deferred until March 2015 but another Governor disagreed and suggested a 0.5% increase now, and then review again in March 2015. Members explored all scenarios and a vote took place. Eleven Governors were in favour of deferring the decision. As the original proposal to defer the decision had been ratified by F&GP, an amended proposal was agreed. The SMT were urged to consider a staff bonus to be paid at Christmas 2014.

It was agreed

- a) To defer the annual pay review until March 2015.

Action: Board 25.3.15

- b) Consider the payment of a staff bonus linked to the performance of the College at the Board meeting on 10 December 2014.

Action: Board 10.12.14

The staff members re-joined the meeting.

B.22.14 POLICIES AND STRATEGIES

i ILT Strategy

Dr Edrich said that the new ILT Strategy was short and succinct and included, amongst other things, IT infrastructure development to support the use of mobile devices and increase access for students working at home. She said that the new build and changes to learning spaces would allow more interaction and improved business efficiency; improved systems and connectivity would be addressed first. She drew attention to the action plan and said staff training would commence to ensure staff could keep up with the increasingly IT literate 16-18 learners. She confirmed that the ILT Strategy would dovetail with the STEM Strategy.

It was agreed

To approve the ILT Strategy.

ii Teaching & Learning Strategy

Dr Edrich said that the Strategy had been reviewed and minor updates had been made but the basic stance remained the same. She highlighted the two changes suggested by Standards Committee at their meeting on 12 June 2014 and members spoke about targets, progression pathways and learners accepting responsibility for their learning.

It was agreed

To approve the Teaching & Learning Strategy.

B.23.14 DATE OF NEXT MEETING

Board/Strategic Planning Event

Wednesday 17 September 2014, 1400 hrs

Curriculum – three questions arising from Board Training Event on 14.5.14
Property Strategy update
Health and Safety annual report
Review of Board's operation, structure and KPIs
Annual report on Learner Voice
Annual Safeguarding report

The meeting closed at 1842 hrs.