

BOARD OF GOVERNORS' MEETING

MINUTES OF MEETING HELD ON THURSDAY 26 MARCH 2015

MEETING COMMENCED: 5.00 PM

MEETING ENDED: 7.30 PM

PRESENT: Derek Randall (DR) (Chair), John Alvis (JA), Ryan Bennett (RB), Lyndon Brett (LB), Barry Brown (BB), Mervyn Brown (MB), Gordon Fraser (GF), Steve Hopper (SH), Frank Morgan (FM), Jo Price (JP), Mike Robbins (MR), Andrew Smith (AS), Sarah Warren (SW)

IN ATTENDANCE: Margaret Playle (MP), Lorraine Hunt (note taker)

G.02.22.15 APOLOGIES FOR ABSENCE

Karen Canham, Dawn Hill, Alan Hunt, Keith Stenning and Andy Berry.

DR welcomed everybody to the meeting.

G.02.23.15 DECLARATIONS OF INTEREST

There were no declarations of interest.

G.02.24.15 MINUTES OF THE FULL BOARD MEETING HELD ON 27 NOVEMBER 2014

The minutes were agreed as a correct record of the meeting and DR duly signed them.

REPORT OF THE GOVERNORS/SMT STRATEGIC PLANNING EVENT HELD ON 15 & 16 JANUARY 2015

The notes from this event were agreed as a correct record and DR duly signed them.

MINUTES OF A SPECIAL MEETING OF THE BOARD HELD ON 16 JANUARY 2015

The minutes were agreed as a correct record of the meeting and DR duly signed them.

G.02.25.15 MATTERS ARISING

The Annual Report on Safeguarding for Children as referred to at the November 2014 Board meeting was circulated.

MR advised the Board that a short Ofsted Inspection (3 days) on our Care Standards for residential students took place last week and we were graded 'outstanding' in all four areas, subject to confirmation. MR explained that he

was in China when the inspection was carried out and the team dealt with it very well.

AS asked whether the inspection was announced. MR confirmed that only 3 hours' notice had been given.

Any other matters arising would be covered under the agenda during the meeting.

G.02.26.15 OPERATING PLAN 2014/15 – UPDATE (YTD – PERFORMANCE INDICATORS)

MR presented the March 2015 progress review of the 2014/15 College Operating Plan and highlighted a few key actions around each of the four Strategic Aims which is reported in a traffic light format, with 'green' being on track and 'amber' not yet due.

BB asked whether we have carried out parent feedback surveys before as outlined in 1.4.2. and if so, what sort of success rates were received. MR explained how we use employees of the College for parental feedback which is very constructive and useful, and at parents evenings we ask parents to complete questionnaires.

MR gave the Governors the opportunity to ask further questions but none were forthcoming.

The Board noted the updated Operating Plan.

G.02.27.15 FINANCE

a) FINANCIAL REPORT AND MANAGEMENT ACCOUNTS FOR THE 7 MONTHS ENDED 28 FEBRUARY 2015

MP presented the accounts as at the end of February 2015 and advised that since reviewing the position at month six by the FP&GP Committee, the forecast outturn has increased to £2.1m whilst still retaining the contingency of £500k. MP then highlighted a number of key variances from the approved budget and the forecast outturn as detailed in her report.

MP reiterated that 2015/16 is expected to be a more challenging year financially. However, it is 2016/17 that is giving cause for concern across the sector. It was suggested that consideration could be given to bringing forward some expenditure planned for the next two years into 2014/15 and this could include planned maintenance works, curriculum development particularly in the development of on-line learning or other 'spend to save' opportunities such as energy usage monitoring equipment. Another option would be for the College to make a pay award to staff as a one off consolidated award as paid in previous years. The Board were advised that the College is now falling behind some pay rates of other education providers (on the teaching side) and below some local employers for support roles where skills can be transferred.

DR asked the Board for their views.

SH liked the idea of 'spend to save' and gave an example of where this could benefit in Arts & Technology with regards to heating.

JP said that she would support the idea of an increase in wages.

MR reported that he and MP have discussed salaries a lot lately and have looked at streamlining salary grades from a very complex salary structure to a single pay banding. Discussion then followed on the make-up of our current salary scales and the difficulties experienced to recruit 'specialist' personnel.

RB also commented that at student level there is evidence that there has been no pay increase to staff and SH added that it is a discussion point in most of the staff workrooms.

FM suggested that it would be worth considering how much money we could divert to a priority wish list of planned maintenance, together with costings for a 1% salary increase.

Action: DR asked MR/MP to work together to draw up proposals for consideration

Discussion also followed on the opportunity for online learning to help deal with the shortfall in revenue in the next two years and to use this method to fill the gaps.

MR reiterated that we could spend money now but we will not be in a position to be able to afford it later.

AS also commented that on the energy front the largest spend is on lighting and we should consider the LED route. MP confirmed that a lot of the College has changed over.

DR also made reference to all the 'unknowns' with regards to the forthcoming general election.

MP then made reference to capital expenditure, the balance sheet, and the cash flow projections as per her report. It should be noted that under Cash Flow Projections 'the projection indicates a cash balance of **£5.9m**' and not £5.9k as reported.

The Board noted the latest financial position of the College.

b) FINANCIAL STATEMENTS 2013/14 LETTER AND DASHBOARD

MP presented this letter together with the financial dashboard information. For 2013/14 our financial health was confirmed as 'outstanding' by the SFA.

FM asked whether we knew the financial health positions of other colleges and MP advised that an analysis of this information will go to the next FP&GP meeting.

Action: **MP**

G.02.28.15 CAPITAL PROJECTS

7.1 CURRENT PROJECTS

MP gave an update on current building projects as per her report.

7.2 LEP FUNDED PROJECTS

MP reiterated that there will be a shortfall of £376k against the detailed application for the LEP capital funding bid (£5.020k plus a further £126k) and Board approval will be sought for this amount together with approval for the proposed sub-projects (as listed in MP's report). It is proposed by the LEP that payment of the funding will be three months in arrears from the date of a claim; discussions are in hand to try to speed up payment in order to avoid the need to incur interest and bank charges. It should be noted that all monies are to be spent by March 2017.

BB commented that MP's report summarised activities well. It was noted that Board approval will be sought for the whole project once further details were clarified.

With reference to Crockers, DR added that we had been awarded a Beacon Award for our Inclusive Learning provision and that Bridgwater College has won more Beacon Awards than any other College – MR and team were to be congratulated.

G.02.29.15 UPDATE ON CHINA VISIT AND AGREEMENT OF CONTRACT FOR PROVISION OF HEALTH AND SOCIAL CARE IN PARTNERSHIP WITH AOBO INC

MR presented his paper following his recent trip to China giving an introduction, the background, position to date and contract proposals with regards to providing Health and Social Care training to the Chinese.

AS commented that the proposed £5m investment is probably 'chicken feed' to AOBO given that they are building a new village and are confident about the demand. MR advised that a risk analysis has been worked through and the worst case scenario would be that it doesn't happen. The actual building work would not start until the £5m was paid to us. The main risk to us would be in any preparation work being carried out before the first instalment is paid, which is due in July 2015, with the full amount being received by March 2016 and the Centre being open by September 2017.

FM commented that he thought the project appeared very attractive and exciting, and that the College should maintain control over entry criteria and especially the free places being offered to AOBO and their investors.

MR advised that this is being built into the contract and Clark Willmott's Chinese desk are advising us.

BB stressed that a skills laboratory is an essential piece of kit.

JA questioned the expectation of the free places beyond the three years and MR fully explained the proposed contractual agreement with up to 50 free places per year for the first three years of the agreement for studying for up to three years at College, with all students needing to have completed within five years of the start of the agreement.

MB then questioned the credentials of AOBO and also its standing on alternative medicines.

MR advised that AOBO were listed on the New York stock exchange until last year when they were privatised and that he was assured that they develop and manufacture plant and herbal based pharmaceutical products through their seven manufacturing bases located in different parts of China.

Discussion then followed on the due diligence process and whether AOBO test on animals and their regulated processes. JP was concerned about their ethical approval process for any testing on animals that is part of their research and wanted to see some examples.

It was agreed that MR would seek more information regarding the above.

Action: **MR**

DR confirmed to the Board that he had met with AOBO once in December and had worked previously in that area. DR also commented that if we do commit to spending money before we receive any money, a skills laboratory is required either way.

The Board then gave their approval for delegated authority to the Chair to approve and sign the contract between the College and AOBO when appropriate.

G.02.30.15 NATIONAL NUCLEAR COLLEGE – UPDATE ON PROPOSALS

In conjunction with AB's paper, MR gave an update on this proposal since the report had been written, and stressed the sensitivity of it especially with regards to the consultation process. Now that this project has been announced, there has been no references made to Cannington even though MR had mentioned it at the last Parish Council meeting.

AS asked what will happen if there is a change in Government. MR believed that it would still go ahead.

MB commented on the construction traffic being a major issue and parking will be another concern.

A consultation/communication plan is being put together.

LB queried whether we have enough room to put everything on site and MP answered by saying that we believed so and there is a master plan.

AS also asked about EDF running courses at Cannington Court. MR had recently met with the senior team at EDF and they hoped to be using the building in May 2015. Once the building is handed over, EDF will give us a tour.

Action: **MR**

JA asked how the relationship with Bristol University will work. MR advised that this was in the early stages of planning. Bristol had worked with EDF before in a scientific capacity. MP added the detail of the joint venture is being finalised and there is much work to do.

The Board noted the contents of this report.

G.02.31.15 STRATEGIC FRAMEWORK DOCUMENT 2015-18

MR gave the background to this document which is reviewed and updated annually. The Principalship will be meeting with all teams next term for their feedback and views. MR advised that there have been a few amendments to the Vision and with Strategic Aim 4 having the most changes.

AS questioned whether there was some duplication in the Mission Statement and Values with the word 'inclusive'. MR explained that the two are not always viewed together and MP gave an example of the Values being used in isolation by the Inspectors at the recent Care Standards inspection.

SW asked whether the word 'international' should be added to Strategic Aim 2 and under 2.2 should it read 'effective links with our **academies** and school partners.'

Action: **MR**

SH commented that he had recently attended a briefing session whereby 30 FE colleges are in a dire financial situation and some with special measures, and unless partnerships/merges take place, they will not survive. He also commented on the fact that money could be clawed back from better performing colleges. MR also advised that SCAT are going through an 'options appraisal' with KPMG.

DR referred to the Governors role as 'challenging Bridgwater College' and the Board have a very strong foundation here. We are currently facing the biggest challenges but also facing the biggest opportunities.

G.02.32.15 UPDATE ON BRIDGWATER COLLEGE TRUST

MR presented his report with a particular focus on West Somerset College. Due diligence has now started and Peter Elliott and MR went to meet the parents of pupils on Tuesday. Peter and his team are now present at the College. The Ofsted 8 visit was not good. From Peter's initial findings, it will be very challenging but doable to turn the College around but not at the expense of the Bridgwater College Academy.

AS asked about the size of the College. It has 1200 pupils – five year groups – two in the 6th form and with some good facilities.

It should be noted that good progress is being made with the three other Academies.

The Trust is at a critical point where it is not big enough to warrant its own Executive Head so we need more schools to join the Trust to generate central resources.

MR will update the Board on the outcome of the Due Diligence exercise at the next meeting.

Action: **MR**

G.02.33.15 MARKETING UPDATE

MR presented this report. Of particular note:

- Lambing Fun Day – over 4000 visitors
- Real focus on working with employers
- Really good open evenings and taster activities

DR commented on the many different aspects of the College, with each aspect needing to be marketed individually but corporately and with such a variety of provision.

AS commented that in marketing terms the word 'excellence' sums up so many fronts and the image of the College.

SW queried the statement that a microsite is in the process of being built for the Automotive Centre on Wylds Road and MR said he would follow this up.

Action: **MR**

G.02.34.15 CURRENT APPLICATIONS

As requested at the last FP&GP meeting, AB was asked to provide a further detailed report on applications for 2015/16. In AB's absence, MR presented this paper.

BB commented on the lack of careers guidance being offered in schools and discussion followed on students having no idea what they want to do post 16 and why pre-GCSE stage is so critical.

The Board noted the current position for applications.

G.02.35.15 POLICIES FOR APPROVAL

14.1 FEES POLICY 2015/16

MP presented the Fees Policy and supporting guidelines. The significant change is that for 16-18 year olds a College deposit of £40 per student will not now be required at the start of the year.

DR requested that an explanation be given for the blue, green and pink highlights. *On checking, the Policy should not have been presented with these highlights, they were for internal purposes only to define changes and progression.*

The Board approved the Fees Policy.

G.02.36.15 TO RECEIVE REPORTS OF THE FOLLOWING SUB-COMMITTEE MEETINGS:-

a) Finance, Personnel & General Purposes held on 5 March 2015

As read.

b) Audit Committee held on 11 March 2015

MP advised the Board that an activity log for Governors to record what training and events they had attended for the 2014/15 academic year would be provided. Ofsted would be interested in this.

c) Standards Committee held on 16 March 2015

RB highlighted again that there had been no Governor present at the Student Services Area Review Group, which has been the case for a few meetings.

SH's name is also spelt wrong in the minutes. It should read 'Hopper' and not Hooper.

- d) **Building Projects Committee held on 10 February 2015**
As read.
- e) **Health & Safety held on 4 February 2015**
As read.
- f) **Equality & Diversity Committees held in November 2014 and January 2015**
As read.
- g) **Search Committee**
DR/MR and MP have met a suitable candidate to join the Board – Andre Frullo – and this will be discussed at the next Search Committee planned in May.

G.02.37.15 HE SELF EVALUATION DOCUMENT

MR presented this executive summary with full versions being available to Governors on request to MP.

G.02.38.15 PROPOSED DATES FOR 2015/16 MEETINGS

To be noted and subject to the odd revision.

G.02.39.15 ANY OTHER BUSINESS

There was no other business.

G.02.40.15 DATE OF NEXT MEETING

The next meeting will be held on **Thursday 25 June 2015** with a dinner to follow. The venue for the dinner to be confirmed.

The meeting finished at 7.30 pm.