



Halesowen College

Minutes of the Full Corporation Meeting

held 9 July 2009

Present: Phil Osborne (*Vice Chair*), Keith Bate (*Principal*), Corinne Crannage, Paul Downing, Andrew Hanson, Neil Hobson, Alison Perks, David Prain, Liane Purnell, Gloria Smith, Leslie Williams

In attendance: Jacquie Carman (*Director of Finance and Administration*)
Daniel Willetts (*Student Governor Designate*)
Alison Shipway (*Prospective Governor*)
Jennifer Sunter (*Clerk*)

Alison Shipway and Daniel Willetts were formally welcomed to the meeting.

A vote of thanks was given to David Prain and Nicholas Ronan on their impending retirement from Halesowen College Corporation.

1 Apologies

Apologies were received from Pam Thomas, Alan Taylor, Rebecca Miller, Claire Smith, Priya Sheridhar, Nicholas Ronan and George Kasper.

2 Declarations of Interest

Corinne Crannage declared an interest in agenda item 13, Recognition, Reflection and Reward Scheme. Corinne Crannage, Jacquie Carman, and Jennifer Sunter declared an interest under agenda item 13, Staff Pay 2009/10. Jacquie Carman, Jennifer Sunter and Keith Bate declared their interest under agenda item 13, Remuneration of Senior Post-holders.

Gloria Smith and Liane Purnell declared their interests under agenda item 10, Partnerships, in relation to their respective employers Prospects Services Limited and Newman University College.

Andrew Hanson and Paul Downing declared their interests under agenda item 4 Recommendations on Appointments.

3 Minutes of Meetings held 26 March and 16 May 2009 and Matters Arising

The minutes of the meetings held 26 March and 16 May 2009 were approved as a true record. There were no matters arising.

4 Recommendations from Search and Governance Committee

Recommendations on Appointments

The Clerk outlined for the meeting the work undertaken by the Search and Governance Committee including a recruitment exercise and further consideration of the skills and qualifications of members retiring and those seeking a further term of office.

(Andrew Hanson, Paul Downing, Alison Shipway and Daniel Willetts withdrew from the meeting).

Members discussed the recruitment procedure, skills, experience and member contribution.

The Corporation resolved to

- appoint Claire Smith and Daniel Willetts as student governors to Halesowen College Corporation for the academic year of 2009/2010 subject to set eligibility clearance.
- to reappoint Paul Downing and Andrew Hanson as governors to Halesowen College Corporation for a further term commencing October 2009.
- to appoint Alison Shipway to Halesowen College Corporation for a period of four years commencing October 2009 subject to set eligibility clearance.

(Andrew Hanson, Paul Downing, Alison Shipway and Daniel Willetts rejoined the meeting).

Corporation Safeguarding Arrangements

Gloria Smith reported that the Search and Governance Committee had discussed the arrangements surrounding governor identification and Criminal Records Bureau (CRB) checks in light of both revised safeguarding arrangements and the College arrangements for employees.

Members discussed the efficacy and validation of identity and criminal record checks.

The Corporation resolved that all members would undergo Criminal Records Bureau checks and would provide evidence of relevant qualifications in accordance with the College procedures to be implemented by the Personnel Unit.

5 Strategic Plan 2008–2013

Keith Bate referred to the Corporation's review of the validity of the Strategic Plan at the meeting held in May, since which there had been wide consultation within the College. Five transformational projects had been further developed with close attention to moving the College forward. Keith Bate outlined the projects covering Student Learning and Progression Opportunities, College Brand and Market Position, Infrastructure and Process Improvement, Physical Resources for the Future and Employment Opportunities, Staff Development, and Quality Improvement.

Members commended the projects and noted that tracking reports would be monitored over the academic year.

The report was received.

6 Recommendations from Finance and Resources Committee

Capital Developments

Keith Bate reported that the Finance and Resources Committee had discussed capital developments. Prior to the much reduced capacity of the Learning and Skills Council to support capital projects the College had been encouraged to submit a capital scheme for all required development. Following the Learning and Skills Council moratorium on capital development a reduced scheme was submitted. The College was not amongst the thirteen colleges recently announced by the Learning and Skills Council as those chosen to go forward. No further funding would be available until the 2011/2012 Comprehensive Spending Reviews.

Block 8 had been successfully completed on budget and the next phase of development was a planned build for Block 9. Property specialists had been tasked with reviewing development without Learning and Skills Council financial support. The Finance and Resources Committee had since reviewed a report based on scaled down costs and had requested further consideration of the impact of borrowing on budgets, costing of fittings and equipment and required Learning and Skills Council consent.

Jacque Carman outlined a ten year financial plan based on borrowing to achieve capital development including a revised cost plan. Jacque Carman noted the Learning and Skills Council emphasis on Value for Money and cost efficiency. Members considered details on affordability including borrowing as a percentage of income and liquidity ratios. Jacque Carman noted that the model had included continued saving to replenish capital reserves. Maintenance of the financial grade of 'outstanding' was forecast throughout the period and risk factors considered, concluding that the College could afford the additional borrowing.

Keith Bate reported on progress made with the Learning and Skills Council regarding required consent to build and borrow.

Leslie Williams asked about sensitivity modelling and the position following the replacement of the Learning and Skills Council. Keith Bate responded that the Skills Funding Agency would initially be responsible and that risks were considered in the three year development plan. Members noted the interdependency of maintaining student numbers, accommodation and equipment standards.

The Corporation resolved in accordance with the Additional Commentary on the Learning and Skills Council Ten year Financial Plan 2009-2019 (Block 9 Capital Project) considered by the Corporation, the Principal be authorised to:

1. Submit a proposal to the Learning and Skills Council for
 - Permission to proceed with the construction of Block 9 at a projected cost of £5.327m.
 - Consent to borrow an estimated £2.64m.
2. Progress the remaining design and specification requirements for Block 9 within approved budgets in order to obtain tenders for the final costing of this project as outlined in the proposed timetable.

Three Year Financial Forecast 2009–2012

Jacque Carman presented the financial forecast addressing key assumptions. The increased 16-18 funding and further adjustments to the provider factor were welcomed. Adult learner number levels were noted as similar to the current year. The income base had increased, pay costs remained within targets and non pay budgets had been adjusted to reflect known cost increases and budgets for the transformational projects. Overall a strong base and surplus were forecast.

Members commended the continued prudent care of the management team.

The Corporation resolved to approve the Three Year Financial Plan 2009–2012.

Business Plan for Halesowen College Enterprises August 2009 to July 2012.

Jacque Carman presented the three year projections reflecting the macro economic downturn but indicating a modest forecast surplus.

Jacque Carman reported that a second shop facility would be trialled in the new academic year making use of the old Block 0 refectory for increased catering and social space. The Business Centre would continue to develop bespoke training and room hire which would hopefully realise a rise in profitability. All risks remained those connected to the national economic position.

The Corporation resolved to approve the Business Plan for Halesowen College Enterprises August 2009 to July 2012.

Revenue Budget 2009/2010

Members noted that the budget reflected year one of the three year forecast.

The Corporation resolved to approve the Revenue Budget 2009/2010.

Review of Revenue Budget 2008/2009

Jacque Carman presented the final review of the current year budget noting that the forecasted operating surplus remained strong and that all measures fell between the designated College targets. Members noted the revised position on placing money into the designated capital reserve.

The Corporation resolved to approve the Revisions to Revenue Budget 2008/2009 (July 09).

Memorandum of Understanding - Halesowen College Enterprises Limited

Jacque Carman drew members attention to the outline of Corporate Social Responsibility.

The Corporation resolved to approve the revised Memorandum of Understanding - Halesowen College Enterprises Limited.

Learner Support Fund Policy 2009/2010

Members considered the position of support funding and the inclusion of two students and a parent in membership of the Learner Support Fund Committee.

Keith Bate reported that the funding allocation for support had again been reduced making it challenging to meet student need, in particular childcare for students over 20 had been significantly reduced. Jacquie Carman noted that childcare was supported through student welfare and that the level may need to be reviewed.

Members asked about the current position on transport for disabled students. Jacquie Carman reported that the College supports students through the fund and by using the College minibus.

Phil Osborne asked if more of the budget would be needed to support students. Jacquie Carman responded that this would be reviewed when actual student number intake was known in September.

David Prain asked if the Halesowen Foundation could assist Learner Support in the future. Jacquie Carman noted that it was within the remit to do this in the future.

Neil Hobson asked about assistance for students to apply to other sources of support funding. Jacquie Carman responded that a student handbook for this was being produced for enrolment and the College would provide 'drop in' sessions to assist students in making applications.

Phil Osborne summarised that it was the feeling of the meeting that it did not want to see support decline for students.

The Corporation resolved to approve the Learner Support Fund Policy 2009/2010.

7 Recommendations from the Audit Committee

Strategy for Internal Audit Update for 2008/2009

Jacquie Carman reported that due to lack of published compliance guidelines on Credit Card handling the audit of this area had been postponed and an audit of Pensions, Salary and Sacrifice and Staff Loan Scheme substituted.

The Corporation resolved to approve the Updated Internal Audit Plan for 2008/2009

Strategy for Internal Audit for Halesowen College 2009/2010

The strategy for 2009/2010 was presented based on key risks and an overarching strategy requiring annual reviews of areas such as student records, risk management and governance.

David Prain reported that the number of internal audit days had reduced.

Leslie Williams was assured that following the replacement of the Learning and Skills Council existing requirements regarding audit continued

The Corporation resolved to agree the RSM Bentley Jennison Strategy for Internal Audit for Halesowen College for 2009/10.

Whistleblowing Policy

Jacque Carman presented the review of the policy noting that it had been evaluated against the British Standard Institute Publicly Available Speculation and ICAEW Guidance for Audit Committees.

Jacque Carman also reported that the policy would be available electronically and sent to relevant managers with guidance on use.

The Corporation noted the review and resolved to approve the revised Whistleblowing Policy (July 2009).

Major Incident and Disaster Recovery Plan

Jacque Carman reported on the real test of the policy afforded by the incident of a burst water pipe. Key aims had been achieved and the use of checklists to review activity had resulted in minor recommendations. Further testing through a desktop exercise based on a more serious disaster was scheduled for July 2009.

The Corporation resolved to adopt the revised Major Incident and Disaster Recovery Plan (July 2009).

8 Admissions 2009/2010

Keith Bate reported that following initial predictions of student admissions remaining similar to 2008/2009 current data predicted growth in both students entering year one of courses and those progressing on to a second year of a full-time programme. The exact position would not be known until September enrolment but following predicted increases applications would be dealt with in accordance with College policy on admissions.

Capacity in relation to funding, accommodation, staff, resources and maintaining standards were discussed including management of recruitment to 'hot spot' course areas.

The Corporation received the report on student admission for September 2009 and authorised the Principal to prioritise arrangements in accordance with the established College policy.

9 Equality and Diversity

Keith Bate reported that following the recent Ofsted Inspection the College wished to increase its monitoring of Equality and Diversity and proposed that a named governor attend the College Equality and Diversity Forums. Members further noted that training for all members was being scheduled.

The Corporation resolved that Gloria Smith be the named governor to attend the College Equality and Diversity Forum.

10 Partnerships

Keith Bate reported on the development of partnership working. Progress made on Collegiate arrangements with both the Earls High School and Leasowes Community College were noted. The potential impact of an embargo on Higher Education growth was considered in addition to current and future collaborative provision with Higher Education providers.

The report was received.

11 Corporation Calendar

The Corporation resolved to adopt the Corporation Calendar and Cycle of Business for 2009/2010.

12 Minutes

• Search and Governance Committee – 23 April 2009 and 25 June 2009

Keith Bate, Phil Osborne and the Clerk reported on their visit to Cirencester College in particular the use of an online information and communication system which discarded paper copies of agendas and reports and enabled pre-meeting communication on items. Members also briefly discussed Policy Governance.

It was suggested that the Corporation may wish to consider a trial of electronic working through a committee. It was agreed that the Search and Governance Committee pursue suggestions at the next meeting.

Action: Search and Governance Committee

The Corporation resolved to receive the minutes of the Search and Governance Committee held 23 April 2009 and the resolutions therein; the resolution being:

Governor Appointments

The Search and Governance Committee resolved to recommend to Corporation

- that Claire Smith and Daniel Willetts be appointed as student governors to Halesowen College Corporation for the academic year of 2009/2010 subject to set eligibility clearance.
- that Paul Downing and Andrew Hanson be reappointed as governors to Halesowen College Corporation for a further term commencing October 2009.
- that following meetings with the Chair and Principal prospective governors be invited to meet with members of the Search and Governance Committee.
- that the Corporation continue to search for applicants with operational legal and financial experience.

that a further meeting of the committee be held to consider appointments to the forthcoming vacant positions.

The Corporation resolved to receive the minutes of the Search and Governance Committee held 25 June 2009 and the resolutions therein; the resolutions being:

Governor Appointments

The Search and Governance Committee resolved to recommend to the Corporation the appointment of Alison Shipway to Halesowen College Corporation for a period of four years commencing October 2009 subject to set eligibility clearance.

Any other business

Criminal Records Bureau Checks

The Search and Governance Committee resolved to recommend to Corporation that all governors be CRB checked, and further to this should provide evidence of identity and qualifications.

- **Audit Committee – 2 June 2009**

The Corporation resolved to receive the minutes of the Audit Committee held 2 June 2009 and the resolutions therein; the resolutions being:

Audit Letters of Engagement

- **Internal Audit Providers Bentley Jennison**

The Audit Committee approved the terms and conditions of the engagement letter for signature.

- **External Audit Providers Baker Tilly**

The Audit Committee received the engagement letter which would be signed and forwarded to the Learning and Skills Council.

Strategy for Internal Audit for Halesowen College

The Audit Committee resolved to recommend that the Corporation agree the RSM Bentley Jennison Strategy for Internal Audit for Halesowen College for 2009/10.

Strategy for External Audit

The Audit Committee resolved to agree the Baker Tilly Audit Strategy.

Progress Report on Internal Audit Action Plans

The Audit Committee resolved to receive the Progress Report on Internal Audit Action Plans and authorised the removal of closed items from the list.

Bentley Jennison Internal Audit Reports

The Audit Committee resolved to accept the Internal Audit Reports on Learner Number Systems: Follow Up of Controls Management Report LSC Funding Audit for the year 31 July 2008 (06.08/09), Key Financial Controls (07.08/09), Contract Management – Operational and Financial Compliance (08.08/09) and Internal Audit Progress Report and the management response to them.

The Audit Committee further resolved to recommend to Corporation the approval of the Updated Audit Plan 2008/2009.

Review of Whistleblowing Policy

The Audit Committee resolved to recommend to Corporation approval of the

revised Whistleblowing Policy

Major Incident and Disaster Recovery Plan

The Audit Committee resolved to recommend to Corporation the adoption of the revised Major Incident and Disaster Recovery Plan.

- **Performance Review Committee – 11 June 2009**

The Corporation resolved to receive the minutes of the Performance Review Committee held 11 June 2009.

- **Finance and Resources Committee – 23 June 2009**

Jacque Carman reported that with regard to revised Treasury Management arrangements, as considered by the Finance and Resources Committee, permission was required from the Corporation to open a bank account with HSBC.

The Corporation resolved that a bank account be opened with HSBC in accordance with the College Financial Regulations and Treasury Management Policy.

The Corporation resolved to receive the minutes of the Finance and Resources Committee held 23 June 2009 and the resolutions therein; the resolutions being:

Review of Revenue Budget 2008/2009

The Finance and Resources Committee resolved to recommend to the Corporation the approval of the Revisions to Revenue Budget 2008/09 (June 2009).

Three Year Financial Forecast 2009-2012

The Finance and Resources Committee resolved to recommend to Corporation the approval of the Three Year Financial Plan 2009-2012 subject to increases in income reported to the Committee.

Revenue Budget 2009/2010

The Finance and Resources Committee resolved to recommend to Corporation the approval of the Revenue Budget 2009/10 subject to increases in income verbally reported to the Committee.

Capital Projects

The Finance and Resources Committee noted awareness of the current Capital Development options for the College and resolved that, in order to consider the next stages, the Principal be authorised to proceed in putting together a costed proposal including appropriate consent required from the Learning and Skills Council and revised financial forecasting for the College.

Halesowen College Enterprises Business Plan August 2009 – July 2012

The Finance and Resources Committee resolved to recommend to Corporation the approval of the Business Plan for Halesowen College Enterprises August 2009 to

July 2012.

Review of Financial Regulations and Standing Orders Relating to Contracts

The Finance and Resources Committee resolved to approve the revised Financial Regulations and Standing Orders Relating to Contracts.

Memorandum of Understanding - Halesowen College Enterprises Limited

The Finance and Resources Committee resolved to recommend to Corporation the approval of the revised Memorandum of Understanding - Halesowen College Enterprises Limited.

Procurement Policy

The Finance and Resources Committee resolved to approve the revised Procurement Policy dated January 2009.

Treasury Management

The Finance and Resources Committee resolved to approve the revised Appendix A of the Treasury Management Policy.

Costing the Curriculum and Resource Deployment

The Finance and Resources Committee noted the report on Costing the Curriculum and Resource Deployment and resolved to approve that the target contribution rate remained between 45% and 50% for 2009/10.

Review of Frequency and Content of Financial Reports

The Finance and Resources Committee resolved to approve the revised Frequency and Content of Financial Reports Policy.

Learner Support Fund Policy 2009/2010

The Finance and Resources Committee resolved to recommend to Corporation the approval of the Learner Support Fund Policy 2009/10.

Financial Reporting Standard (FRS)21

The Finance and Resources Committee resolved to approve that Halesowen College Enterprises accounts for any Gift Aid payment in 2008/2009.

Members agreed to take items under Any Other Business prior to confidential business.

14 Any Other Business

Ofsted Inspection Report

Keith Bate presented the inspection report noting the summary key strengths and that areas for improvement would be addressed in a Post Inspection Action Plan. Members noted that the report was very good and that the Principal had drafted a response to Ofsted and was waiting a reply.

Jacquie Carman withdrew from the meeting.

13 Confidential Recommendations from Finance and Resources Committee

Recognition, Reflection and Reward Scheme

As reported to the Finance and Resources Committee the Recognition, Reflection and Reward Scheme had been very successful.

The Corporation resolved to authorise a one off non-superannuable payment amounting to 1.4% of those individuals basic salary (excluding any allowances and additional payments) in July 2009 for all those staff fully eligible under the scheme.

Staff Pay 2009/2010

Keith Bate outlined the current consideration of the national sector position, the economy and the College pay scales.

The Corporation resolved to authorise the Principal to implement a 2.5% pay award for all staff with effect from 1 September 2009. This would comprise the full increase in any pay for the forthcoming twelve months and would take into account the completion of the Recognition, Reflection and Reward Scheme. In the event that the AoC recommends an increase above this level next year it was further resolved that this matter be referred back to the Corporation for consideration.

The Corporation further resolved that adjustments to the single pay spine as outlined in Appendix A of the report Staff Pay Award 2009/10 be implemented with effect from 1 September 2009.

Under Instrument 14 members resolved that staff and student members withdraw in relation to pay and conditions related solely to that member of staff or to staff senior to themselves.

Corinne Crannage, Daniel Willets and Jennifer Sunter withdrew from the meeting.

Remuneration of Senior Post-holders

As per confidential minute.

Confidential Minute of Finance and Resources Committee – 23 June 2009

The Corporation resolved to receive the confidential minute of the Finance and Resources Committee – 23 June 2009.

15 Date of Next Meeting

The next meeting is scheduled for 26 November 2009.

Time meeting closed: 8.30pm