



SOUTHGATE COLLEGE GOVERNING CORPORATION

Governing Corporation

Summary of main decisions taken at the meeting of 9th December 2009.

- 1. The annual Report and Financial Statements for the year ending 31st July 2009 were approved.**
- 2. Proposals from the Search Committee for the re-appointment of Chris Gill and James Edsberg as Governors, and for the recruitment of additional Governors were agreed.**
- 3. The External Member's report of an investigation into a complaint about the Chairman's conduct of a Disciplinary Appeal of a member of staff, which found that the Chairman had acted correctly, was accepted.**
- 4. The recommendation of the Remuneration Committee that in view of the College's challenging financial environment no pay award for 2009/10 should be made to the Principal and Senior Post-holders was agreed.**

At the preceding Review Day the Governing Body's self assessment of its own performance was completed.



SOUTHGATE COLLEGE GOVERNING CORPORATION

Governing Corporation

**Minutes of meeting of the 9th December 2009
held in the Committee Room of Southgate House, commencing at 2.40 p.m.,
following the Governors Review and Training day.**

PRESENT

Andrew Nicholas (Chairman)
David Byrne (Principal)
Reshma Bell (Staff Member)
Paul Camp
James Edsberg,
Chris Gill
Nigel Levey (for items 1 – 8)
Ron Lis
Mohamed Manjra
Claude Pehrson
Martin Prescott
David Williamson
Ann Zinkin

In Attendance

Richard Teare (Interim Director of Finance) (for items 1-8)
David Chaplin (Chaplin Frobisher Welling, Clerks to the Corporation)

1. Minutes of previous meetings

Received: minutes of the meeting of 22nd October 2009

These minutes were approved as true and accurate and were signed by the Chairman.

2. Matters arising

Safeguarding (para 6.1)

Members had greatly benefited from the Safeguarding training exercise undertaken at the preceding training and review day.

Alan Bird

Alan had agreed to come to the College restaurant during the Spring term to prepare a demonstration meal.

3. Apologies for absence

Apologies were received from Mira Gottardi (Student member) who was unwell and from Ingrid Mustoe who was out of the College on other College business.

4. Declaration of Governor Interest.

Martin Prescott reminded members that his company was a supplier to the College. Nothing on the current agenda was affected by this interest.

5. Notification of other urgent Business

There was no other urgent business.

6. Governance matters

6.1 Principal's Report

David Byrne gave a verbal update.

He had been appointed to two important LEA Committees, including the Enterprise and Employment Board.

At the STAR awards Linda Julian had been highly commended.

A "Healthy Living demonstration day" was planned to be held in the New Year in association with the Health Trust.

Two very successful meetings had been held with the 3M directors (who were keen to build on the relationship with the College) and with Fujitsu who were planning to relocate their Innovation Centre.

Members congratulated David on all his initiatives and those of the staff; the College was making real progress.

6.2 Search Committee

Andrew Nicholas gave a verbal report of the meeting held earlier that afternoon.

The Committee had received the attendance statistics for the past eighteen months, which were very satisfactory. The overall attendance was 78%, well up to the sector average; it was agreed that three governors whose attendance was below 67% because of overseas commitments or health reasons had each made significant contributions in other ways.

The Committee had reviewed the contribution made by two Governors – James Edsberg and Chris Gill - whose terms of office were coming to an end, and were recommending that they be re-appointed for further four-year terms.

It was resolved to re-appoint James Edsberg with effect from 1st January 2010, and Chris Gill with effect from 1st February 2010 (when their current terms ended).

The Committee had agreed an action plan to recruit additional governors. The Committee noted the LSC auditor's recommendation that the gender and ethnic balance of the Corporation should be improved, but agreed that personal

qualifications, experience and ability to make a meaningful contribution to the Board would always be the principal criteria when recommending prospective new governors for appointment.

6.3 Committee appointments for 2010

In view of the general agreement arising from the earlier self-assessment review (held during the Review Day) that consideration be given to “shuffling” the membership of Committees, it was agreed to continue existing Committee appointments until the February meeting, and in the meantime to ask the Clerk to contact Members to ascertain their preferences for Committee service.

7. Audit Matters

7.1 Audit Committee

Received: the report of the Audit Committee meeting held on 3rd December 2009

The Clerk apologised that the minutes of the Audit Committee held at the end of the previous week had not been circulated, but a comprehensive report of the meeting was tabled, and reviewed by Chairman, Mohamed Manjra.

The Committee had received the Internal Audit Annual Report which was rather brief, but which reassuringly concluded that “the College had adequate and effective management control and governance processes which should enable the College to manage the achievement of its objectives”.(The report was annexed to the Committee’s Annual Report to the Governing Body and Principal – see item 7.3 below.)

The Committee had received the revised College statement of Risk Management Policy which was agreed to be satisfactory, and also the updated Risk Management Register. This was of necessity a “work in continuing progress” but the Committee found the new format to be much improved.

The committee asked that para 10.6, of the Risk Management Policy on the responsibilities of the Audit Committee should be revised as follows:

“10.6

- **The Audit Committee should at each meeting receive a report of additions to or deletions from the Register, and details of items where there had been significant changes of risk classification.**
- **The Audit Committee should receive an annual Risk Management report at its December meeting.**
- **The Audit Committee would ensure regular audit of the Risk Management process”**

The Committee had received the Financial Management and Control Evaluation (FMCE) return posted to the LSC in September 2009, (see item 7.2 below) together with the LSC validation of the controls as “satisfactory”, together with the PFA auditors recommendations.

The Principal, Interim Director of Finance and Clerk all confirmed that they felt more confident with the revised FMCE and the evidence base, and this had been confirmed by the PFA auditor as “accurate and comprehensive”

The auditor had identified nine strengths:

- satisfactory day –to-day financial management and control
- high standard of clerking with a well qualified and independent clerk
- open tendering of auditor appointments
- publication on College web-site of all agenda and minutes
- direction of auditors to review identified specific risks
- Governing Body strong in business experience and commitment to the College
- no Governor vacancies, and good attendance
- financial problems fully discussed with Governors and notified to LSC

He had identified four weaknesses or matters meriting attention:

- importance of rigorous pursuit of cost savings
- need to revise and improve financial reporting to Governors
- need to develop a course costing model, to update the Fraud and Financial Irregularity Policy and introduce Governor training
- to recruit a more representative gender and ethnic mix of governors

The Principal reported that all of these issues were being addressed.

It was agreed that an additional meeting be included in the Audit Committee calendar in order that proper consideration could be given to the updated FMCE each year.

The Committee had received and reviewed the Report and Financial Statements for the year ended 31st July 2009 (see item 8.7 below); together with the Management report from the Financial Statements (FS) auditors, and the draft letter of management representations to the FS auditor.

The FS auditor spoke to his management letter, which drew attention to the financial challenges facing the College in the light of the collapse of LSC capital funding and the ever increasing deficit on the Local Government Pension Fund.

However, he was able to give an unqualified audit assurance.

Having taken into consideration the two sets of auditors report, the Committee agreed to recommend to the Chairman signature of the statements (“the Turnbull statements”) of risk management and internal controls contained in the Report and Financial Statements.

It was agreed to recommend that in future years the FMCE, and the Report and Financial Statements be considered by both Finance and Staffing and Audit Committees before being considered by the Corporation.

The Committee undertook a comprehensive self-assessment based on LSC/CFW guidelines and agreed that the overall assessment of the Committee’s performance was “Good”. (The SAR is included in the Annual Report of the Committee.)

Finally the Committee completed its “Annual Report of the Audit Committee to the Governing Body and Principal” (item 7.3 below).

Chairman, Mohamed Manjra, was thanked for his comprehensive report.

7.2 Financial Management and Control Evaluation (FMCE)

Received: the FMCE returned to the LSC in September 2009, together with the LSC Auditor's review and recommendations

The Board received the report, which had been reviewed in the earlier Audit Committee report, and endorsed the grading of the College's Financial Management and Control systems as 'Satisfactory'.

7.3 Annual Report of the Audit Committee to the Governing Body and Principal

(Received: the Annual Report of the Audit Committee to the Governing Body and Principal)

The Board thanked the Audit Committee for this comprehensive report of their work during the year, and for the assurances it contained.

8. Finance Matters

8.1 Finance and Staffing Committee

Received: minutes of the Finance and Staffing Committee held on 22nd October 2009

Ann Zinkin reminded members that she had reported on this meeting to the October Board.

The Principal reported that the enrolment position reported to that meeting was improving, but that achievement of targets was dependant on the success of the January programme of new courses.

8.2 LSC 2008/9 Learner responsive funding reconciliation statement

Received: The LSC 2008/9 Learner responsive funding reconciliation statement

The Board was relieved to note that no further clawback was likely.

8.3 Management accounts for the first three months of the Financial Year 2009/10

Received: the management accounts for the period ending 31st October 2009

Richard Teare presented these accounts, which were in the new format agreed by the Finance and Staffing Committee earlier in the year.

The operating surplus of £19k reported was £170k ahead of budget.

8.4 Report and Financial Statements for the year ended July 31st 2009

Received: the FS Auditor's Management letter; the draft letter of representations to the FS auditor; the Report and Financial Statements for the year ended 31st July 2009

The Chairman was authorised to sign the letter of representation to the Auditors on behalf of the Board.

The Report and Financial Statements and the Auditor's management letter were reviewed. Taking account of the earlier reports of the Finance and Staffing Committee and the Audit Committee, **it was resolved to adopt the Report and Financial statements and to authorise the Chairman and Principal to sign them on behalf of the Board.**

9. Academic matters

9.1 Performance and Standards Committee

Received: the minutes of the meeting of the Standards and Performance Committee held on 5th November 2009

Claude Pehrson briefly reviewed matters reported at this meeting.

The Committee had received details of Revised Lesson Observation Procedure including a schedule of Lesson Observation grades in the period 2004 – 2009.

These showed only a small improvement in the % of lessons graded Good or Outstanding over the period, and David Byrne had given details of the rigorous new programme intended to ensure higher standards; he had emphasised that the development of robust internal inspection systems had been a key feature that had enabled many colleges to achieve the level of improvement in quality of provision that was required at Southgate.

The Committee had received a report of Learner Achievement and Success in 2009. David Byrne had emphasised that although there had been small improvements in most areas, the College was probably not improving as fast as the sector as a whole, and would prove to be below national benchmarks at most levels for 16-18 learners. Achieving a real and sustained improvement was essential to the very survival of the College.

The Committee had been encouraged by a report on Equality and Diversity. The Committee thought the statistics reflected the ethos of the College as a place which welcomed and celebrated the diversity of its learner and staff population. However there was no room for complacency, and every effort should continue to be made to increase the number of minority ethnic staff and involve role models in the life of the College.

In the following Board discussion the Principal and Board members noted that there was a need for a "Task and Finish" group to give particular attention to a number of aspects of the College's curriculum offer, including courses designed to provide non-LSC income.

Claude Pehrson, Martin Prescott and Paul Camp expressed interest in contributing to the work of the Group.

10. HR matters

Received: correspondence from the Teachers Union giving notice of a ballot for industrial action

The Principal reported that this was a national union action in respect of the failure of many colleges to make any pay award in the current year. He felt there was little enthusiasm for industrial action at Southgate College.

11. Dates and Times of Future meetings

Corporation: 25th February 2010 at 6.30 pm

Finance & Staffing: 28th January 2010 (if required) at 5 pm
25th February 2010 at 5 pm
29th April 2010 at 5 pm

The meeting closed at 3.25 and was followed by a Part 2 meeting