



SOUTHGATE COLLEGE GOVERNING CORPORATION

Governing Corporation

Summary of main decisions taken at the meeting of 23rd July 2009

- 1. Reshma Bell (Staff governor) and Ann Zinkin were re-appointed to the Board. Ingrid Mustoe was appointed to be the second Staff Governor. Ola Fadoju was thanked for his service to the Board.**
- 2. A policy for dealing with complaints against the Board or against individual governors was adopted.**
- 3. A new schedule of Key Performance Indicators was adopted for 2009/10. Regular progress would be reported to the Board.**
- 4. The Budget for 2009/10 was adopted. The planned out-turn was for a small surplus, but there was no contingency. There would be no general pay award, although incremental increases would be honoured.**
- 5. The three-year Financial Forecast was agreed for submission to the LSC. The Forecast indicated a self assessment of “inadequate” for 2008/09 with a phased return to Financial Health and submission of an application for re-modelling the College accommodation.**
- 6. The College’s satisfactory audit record was noted, and the 2009/10 Internal Audit plan agreed.**
- 7. It was agreed that a pilot scheme to provide some incentive for members of staff to seek voluntary redundancy be established**



SOUTHGATE COLLEGE GOVERNING CORPORATION

Governing Corporation

Minutes of meeting of the 23rd July 2009

held in the Committee Room of Southgate House, commencing at 6.30 p.m.

PRESENT

David Williamson (Vice-Chairman, in the Chair)

David Byrne (Principal)

Reshma Bell (Staff member) until item 11.2

Paul Camp

Chris Gill,

Nigel Levy

Ron Lis

Mohamed Manjra

Ingrid Mustoe until item 11.2

Claude Pehrson

Martin Prescott

Ann Zinkin

In Attendance

Richard Teare (Interim Director of Finance)

David Chaplin (Chaplin Frobisher Welling, Clerks to the Corporation)

Before the meeting the Principal announced that Angèlique Gainza had left the College. The Chairman welcomed Ingrid Mustoe to her first meeting. (see 6.2.1 below)

1. Minutes of the meeting of 25th June 2009

Received: minutes of the meeting of 25th June 2009.

The minutes were approved as true and accurate and were signed by the Vice-Chairman

2. Matters arising

Para 12 (Brand Development)

Lizzie Jones reported for the benefit of those members who had been unable to attend the very successful meeting to receive a presentation from Lighthouse Consulting, (copies of slides to be circulated with these minutes) updating the work undertaken to date, and seeking Governors views on three “options for re-branding” that had emerged.

Employers and local authority stakeholders were still to be consulted.

3. Apologies for absence

Apologies were received from James Edsberg, Mira Gottardi and Andrew Nicholas.

4. Declaration of Governor Interest.

Martin Prescott reminded members that his company was a potential 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

Received: Principal's report of 23rd July 2009.

David Byrne presented his report which focussed on a number of events / actions raising the College's profile in the local community and the FE sector:

- The College's Summer Fair held on 1st July 2009.
- The College's participation in the East Barnet Festival at Oak Hill 3rd – 5th July - £1,200 of BBQ food was sold by four catering students supported by catering staff.
- The launch of the Southgate College /Tottenham Hotspur Foundation Development Centre was scheduled for late August.
- Visit to the College by David Willetts, shadow minister for Universities and Skills, to meet Principal, Chairman and Vice Chairman and Chairman of Finance & Staffing Committee.
- Visit to the House of Lords by the Principal and Lizzie Jones to meet Baroness Wall to discuss ways of working with the local Hospital and Primary Care Trusts.

He also reported on a number of promising new employer engagements. Claude Pehrson particularly welcomed the involvement with Mechatronics, who were very much "State-of-the Art". He suggested that a Governor visit be arranged.

Chris Gill suggested that David Byrne invite Phillip Paut, Director of Snowbird Foods and a fellow member of the Enfield Education-Business Partnership to the College.

The final Staff Development of the year had been very successful, with staff engaging fully in the "Brand & Reputation" presentation by staff of Lighthouse Consulting.

The Chairman welcomed so much positive news.

6.2 Report of the Search Committee

6.2.1 Governor Appointments

(Governors concerned withdrew for this item)

The Clerk had reported that at the recent elections Reshma Bell and Ingrid Mustoe had been successful.

It was resolved that Reshma Bell and Ingrid Mustoe be appointed to serve as Staff Members of the Corporation until 31st July 2011.

They would each also serve on the Standards and Performance and Audit Committees.

The Board recorded their appreciation of the contribution made by Ola Fadoju to the work of the Governing Body and instructed the Clerk to write to thank him.

The Committee had noted that Ann Zinkin's term of office ended on July 31st 2009. The Clerk had presented the record of her attendance and offices held. The Committee were well aware of the enormous contribution made by Ann to the work of the Governing Body and life of the College and were unanimous in recommending her for re-appointment.

It was resolved that Ann Zinkin be re-appointed to serve as an ordinary Member of the Corporation until July 31st 2013, and as a member of Standards and Performance and Finance & Staffing Committees, and Chairman of the latter.

6.2.2 Governor attendance record

The Committee had reviewed the record of Governor attendances at Corporation and Committee meetings in the year from July 1st 2008. The overall figure was 77% which was considered very satisfactory. No individual Governor had an unsatisfactory attendance record.

6.3 Complaints against the Corporation

(Received: a draft prepared by the Clerk setting out a model policy for dealing with complaints against the Corporation or individual Members)

The draft policy was reviewed and adopted for incorporation in the Board's Standing Orders

6.4 Key Performance Indicators

(Received: The final draft of Key Performance Indicators for 2009/10)

David Byrne briefly reviewed these, which had been revised from the earlier draft considered by the Board in the light of members comments; progress would be reported to every meeting of the Governing Body using a traffic light system. All KPI's were linked directly to the College Strategic Development Plan.

Particular importance attached to monitoring the quality of the learner experience; amongst experiments would be the tracking of a learner through a typical day at Southgate. Ingrid Mustoe felt that a similar exercise tracking a member of staff would also be helpful.

Ann Zinkin emphasised the importance of Governors being able to explain reasons for failure to meet any target to the OFSTED Inspectors and asked that "red light" areas should include a line of explanation.

The Board endorsed the final draft, and welcomed the greater openness in ensuring that the Board was kept properly informed

6.5 Health and Safety (H&S)

(Received: the minutes of the H&S Committee meeting of 17th June 2009)

Although the number of reportable incidents was lower than for the previous year, the Principal was not content with the current system for reporting and recording incidents, particularly "near misses" and was looking to ensure improvements were made.

Ingrid Mustoe welcomed the attention given to the safety of "lone workers"

The Principal shared Member's concern at the absence of registers for checking evacuation.

The College was taking precautions (30 antiseptic gel dispensers were on order) and developing procedures to deal with Swine Flu.

Trevor Watson, Health and Safety Officer, would be retiring after very long service to the College, and despite budget constraints it had been decided to upgrade this post to be a full time appointment.

The Board asked that their appreciation of Trevor's service be communicated to him, and the Principal agreed to draft a letter for the Clerk to send on behalf of the Board.

The Report was received

7. Academic matters

7.1 Standards & Performance Committee

(Received: the minutes of the meeting of the S&P Committee held on 15th July 2009)

The concern at poor levels of attendance on some courses was noted. Retention overall at 88% was above target.

The % of Outstanding or Good grades recorded at lesson observations had only marginally improved from the following year.

The complaints system was to be revised to include recording of minor grumbles to enable pro-active action to be taken.

The College Charter had been reviewed, and very minor changes made. It was planned to involve Mira Gottardi and the Student Council in an autumn review of the Charter to see if it could be made more learner friendly.

The Committee's Terms of Reference had been reviewed; no changes were required.

The Report was received and the minor changes to the College Charter endorsed.

7.2 Academic Board

(Received: the minutes of the meeting of the Academic Board held on 24th June 2009)

The report was received

8. Finance matters

8.1 Finance and Staffing Committee

(Received: minutes of the meeting of the Finance & Staffing Committee held on 25th June 2009.)

Ann Zinkin gave a verbal report of the meeting held earlier in the evening.

The Committee had spent most of the meeting reviewing the final draft budget for 2009/10, and the three year Financial Forecast.

As Members knew, 2009/10 was going to be a difficult year, with the reduction in funding levels needing to be matched by reductions in expenditure. However the Committee was well satisfied by the detailed commentaries and further explanations provided by the Principal and Director of Finance and the Committee was recommending the final 2009/10 budget to the Board for adoption, and endorsing the Financial Forecasts for submission to the LSC.

The Committee had received an update from Lizzie Jones on the progress with restructuring, and were asking the Board to consider two issues arising from the proposed redundancies (see item 10)

8.2 Budget 2009/10

(Received: Final draft budget for 2009/10)

The Principal reminded Members of the previously reported dramatic reduction in LSC income for 2009/10 of over £1m. In consequences the College had undertaken a major programme of re-structuring (the consultation period for redundancies would end on 28th July 2009).

The Headline assumptions in the budget were:

- a 1.2% uplift in pay costs because of incremental drift.
- no general pay award for 2009/10
- less than 100% recognition of potential income streams
- significant reduction (4%) in overall pay budget as a result of re-structuring
- substantial reduction (2%) in non-pay budget
- closure of the Enfield Town outpost in December 2009
- no further CoVE income or transitional ESOL funding
- diminished Tuition fee income

The overall operating budget out-turn was for a surplus of c£70k (net £430k) before effects of the collapse of the building project were taken into account.

Chris Gill asked if the Board had to pass a separate resolution in respect of the proposal not to make any general pay award. The Chairman explained that the Board was being asked to adopt the Budget on that basis.

It was resolved to adopt the final draft budget for 2009/10

8.3 Financial Forecast 2009 - 2012

Received: The three year Financial Forecast for submission to the LSC

The commentary accompanying the Financial Forecast commenced with a review of achievement in 2008/09 compared to the specific financial objectives set.

A significant number of these had not been achieved, chiefly because of failure to recruit to the Employer Responsive Contact value, overspend on the non-pay budget and the adverse impact of the collapse of the LSC capital funding programme

The commentary continued with a comprehensive review of the uncertainties in funding and Government direction of the Further Education sector in the forecast period. There was little cause for optimism unless the College was able to continuously re-assess the impact of changes and adapt its infra-structure to cope. The Principal was grateful for the encouragement he had received from Governors for the major re-organisation of the past few months, and for their commitment to considering new ways operating the business and delivering the curriculum.

The detailed notes of explanation for Governors on the assumptions of the Financial forecast, the risk sensitivity of these and the derivation of financial plans from the College Strategic Development Plan included:

- statement of financial objectives 2009/12
- use of College cash reserves
- key assumptions 2009/12
- link with College Development Plan

- Supplementary information relating to:
 - Vocational Excellence
 - Young College
 - Learndirect
 - Franchising
 - International Recruitment
 - Human Resource Issues
 - Student Number/SLN Growth
 - Subsidiary Company
 - Income generating activities
 - Higher Education
 - Response to recession
 - Estates and Facilities
 - IT Developments
- Sensitivity Analysis

The key financial objectives for the forecast period were to achieve year-on-year operating surpluses through reducing the College's cost base (re-aligning the staffing profile so that it could respond to the Government's targets for Employer Responsiveness) whilst increasing non LSC income streams by 10%. It was also intended to submit a revised Application in Principle for LSC capital support for re-modelling the College's accommodation.

Members noted in particular the plans to exploit the success of Young College, which was not only the largest 14-16 programme in north London, but was better financed than LSC work and was an excellent feeder into post-16 College courses.

It was resolved to approve the Financial Forecasts for submission to the LSC.

8.4 Management accounts for the period ending 30th June 2009

Received: the "Flash Report" for the period ending 30th June 2009.

- Overall financial performance. The operating deficit for the year to date was £248 k (May - £38k), chiefly due to below budget income.
- Income for the year to date was £644k (3.73%) below budget, chiefly relating to LSC income, although this was partly offset by above budget Train to Gain income.
- Pay costs were £26k lower than budget, more or less inline with budget.
- Non-pay costs were also below budget, by £225k (4.3%).

Key performance indicators – year-to-date- were now back on or inside the LSC recommended range. Cash continued healthier at £1339k.

The Nursery accounts remained better than budget. The Nursery would remain open with increased fees.

The estimated out-turn was now for an operating deficit of £496k, against the budgeted out-turn of a surplus of £493k.

The Report was received

8.5 Update on Funding Performance 2009/10

(Received: Statistics of Learner-responsive recruitment as at 14th July 2009)

There had been little change since the previous month.

The Report was received.

8.6 Letter from Kevin Brennan

(Received: letter from Kevin Brennan M.P., Minister for Further Education, Skills, Apprenticeships and Consumer Affairs, undated)

The Minister was urging the College to do all that it could to create Apprenticeships within the College's staffing structure.

The letter was received.

9. Audit matters

9.1 Audit Committee

(Received: report of the Audit Committee meeting held on 16th July 2009.)

Mohamed Manjra drew Members attention to the Internal Audit (IA) "Satisfactory" opinions in respect of Governance, Risk Management, College Partnerships, Strategic Planning, Quality Assurance and Train to Gain. The College was ranked tenth (out of thirty –three) among the Colleges audited by MacIntyre Hudson.

The Committee had reviewed the IA Strategic plan and operational plan and were recommending them to the Board.

The Committee had reviewed its Terms of Reference which required no changes.

The report was received.

9.2 Internal Audit Operational Plan for 2009/10

(Received: the proposed IA Operational plan for 2009/10)

The proposed plan was agreed.

10. Other urgent Business

10.1 Arrangements for hearing appeals from staff against dismissal by way of redundancy.

The Clerk outlined the procedure used in many Colleges to deal with appeals against dismissal by reason of redundancy, to overcome the difficulty of redundancies proving impossible to implement because of the difficulty in setting up Governor Appeal panels in time.

The Governing Body had the power to delegate its authority to determine such appeals to the Principal, provided that the Principal had not been involved in the selection of a person for redundancy.

Governors were not happy at this suggestion, and confirmed their willingness to make themselves available on a rota basis throughout the last two weeks of August/first week of September. The Clerk was asked to circulate a pro-forma soliciting volunteers.

10.2 Provision for Voluntary redundancy

The Principal reminded members that the Colleges redundancy payments were based on the Statutory minimum.

He had been approached by the Trade Union and asked if the Governors would consider introducing a scheme whereby staff might be incentivised to volunteer for redundancy by basing redundancy payments on actual pay rather than the statutory minimum.

The acceptance of volunteers for redundancy would have to be at the discretion of the Management, and considered on a case by case basis though in accordance with some generally applicable criteria to ensure fairness.

It was not possible to estimate the costs, but an essential criterion for acceptance should be that the savings made outweighed the redundancy costs.

It was not proposed to make this a College Policy at this stage, but a pilot scheme with a limited budget. The agreement of criteria and the general scheme protocols would need to be delegated to the Chairman of the Corporation and Chairman of the F&S Committee for approval

It was agreed that a pilot scheme be established

Part 2 meeting

Received: the restricted circulation minutes of the Part 2 meeting held on 25th June 2009

It was agreed that these were no longer confidential, and that a part 2 meeting was not required.

The minutes of the part 2 meeting held on 25th June were approved as true and accurate and were signed by the Vice- Chairman

Date and time of future meetings

The date of the next meeting was confirmed as Thursday 22nd October 2009, at 6.30 p.m.

The Governors' Review day would be on 10th December 2009

The meeting ended at 8.30 p.m.