

## STRATEGIC CORPORATION MEETING

Thursday 11 November 2010 at 4.00 pm in Room J209, Science Park Campus, Kings Hedges Road, Cambridge

### MINUTES

**Present**

Christopher Spokes, Chair	Anne Kent
David Adamson	Vernice Key
Reza Assadi	Vicky Parrett
Anne Constantine, Principal	Alex Plant
Jamie Easton	Barry Popplewell
Dawn Fisher	Jill Preston [from 4.55 pm]
Nichola Harrison	Anne Ridgeon.

**In attendance**

Steve Caley  
 Chris Lang  
 Chris Sherwin

**Clerk**

Julia Kennedy

Section 1: Preliminary			Action
1.1	<b>Declaration of Interest</b>	Christopher Spokes declared his interest as a Partner of Bidwells who act as CDM for the College.	
1.2	<b>Apologies for absence</b>	Apologies were received from Tony Cooper and Andrew Herbert. Vernice Key was also unable to attend.	
1.3	<b>Membership</b>	Corporation <b><u>approved</u></b> the appointment of Jamie Easton and Dawn Fisher as Student Governors for the 2010/11 year.	

Section 2: Key Emerging Issues		Action
2.1	<p><b>Liam Sammon Skills Funding Agency</b></p> <p><i>Liam Sammon provided a presentation and the slides are filed with these Minutes.</i></p> <p>Liam outlined the recent policy changes: now it was very much for the College to deliver the curriculum their community and employers need. A single budget for 19+ would allow the movement of money across programmes, and reporting requirements would be simplified.</p> <p>In response to Governors' questions about whether these changes would have been made without a change of government, Liam suggested that the changes were as much a response to the economic/fiscal environment as to conservative policy. There would be changes to role of the SFA and the nature of the relationship with CRC, which would include intervention only by exception. Liam itemised what was known about the results of the CSR—</p> <ul style="list-style-type: none"> <li>• cuts of 25% for FE budget but do not know profile of cuts</li> <li>• boost to spending on adult apprenticeships</li> <li>• ending of Train to Gain, but replacement be a work-based training programme for SMEs</li> <li>• removal of the entitlement to free training for a first level 2 training qualification: those students would be supported by the offer of a government-backed loan</li> <li>• entitlement to training for adults in basic literacy and numeracy would be retained</li> <li>• EMA to be ended.</li> </ul> <p>Governors asked about the reasons for the end of Train to Gain, and the expectations on employers to support learners in gaining skills. Liam explained that details would be included in the Skills Investment Strategy to be released next week. Liam presented a table of future financial scenarios. The number of colleges with inadequate financial health was expected to double – cuts would come in quickly and colleges would need to respond quickly.</p> <p>Liam identified the following future opportunities—</p> <ul style="list-style-type: none"> <li>• increased opportunities for subcontracting, collaboration etc</li> <li>• greater scope to increase co-funding through engagement with business and other partners</li> <li>• government ambitions for apprenticeships</li> <li>• more flexibility to respond to the needs of employers, stakeholders, and the community</li> <li>• greater freedom and flexibility.</li> </ul> <p>What can colleges do to respond to the policy changes?</p> <ul style="list-style-type: none"> <li>• take on new subcontractors, federations, more shared services, mergers</li> <li>• reposition their curriculum offer in respond to policy changes</li> <li>• gain increased investment from employers and learners</li> <li>• use benchmarking data to improve efficiency.</li> </ul>	

		<p>Governors asked about capital: Liam explained that the policy direction focussed on maintenance, and Governors asked about funding for maintenance, the cost of capital loans compared against the cost of maintaining failing buildings, how much flexibility colleges would have in raising funds for replacement buildings. The Vice Chair noted that less control by the SFA would result in greater variations in colleges and their performance, and Liam confirmed that mergers would be encouraged – he questioned the viability of small colleges below £15m.</p> <p>The Chair <b>thanked</b> Liam Sammon for his presentation.</p>	
2.2	<b>COR/01/10-11 Comprehensive Spending Review</b>	<p>Chris Lang’s paper provided background for the Corporation to consider the major points affecting FE in the Comprehensive Spending Review, with a view to a more detailed discussion at the Away Day when more information [including the Government’s Skills Investment Strategy] would be available. The paper covered Department for Education [DfE], Department for Business, Innovation and Skills [BIS], the AoC view on policy changes, and the possible impact on CRC in 2011/12. The big issue for CRC was the end of Train to Gain.</p> <p>Governors asked whether the College was responding sufficiently quickly: and Chris Lang said that since July the College had focussed on increasing apprenticeships. The benefit of Train to Gain was it was free of cost to the employer: apprenticeships are a cost to employers and, with the economy where it is, growth will be a challenge.</p> <p>Liam noted that the policy shift was that learners had become “the client” and employers were viewed as “investors”: he considered that the adult learning market was opening up, with a Government focus on apprenticeships and gaining investment from employers.</p> <p>Corporation <b>received</b> and <b>noted</b> Chris Lang’s paper on the Comprehensive Spending Review.</p>	
2.3	<b>COR/02/10-11 New Configurations in the FE Sector</b>	<p>Anne Constantine’s paper provided background for the discussion on key emerging issues and covered—</p> <ul style="list-style-type: none"> <li>• Changes to institutional configurations in the Education sector</li> <li>• University Technical Colleges</li> <li>• Wolf review of vocational education</li> <li>• New sixth forms in Cambridge</li> <li>• Key contract holder</li> <li>• Higher Education.</li> </ul>	

2.3

Anne described the changing landscape as requiring new ways of working together: the SFA was promoting federation rather than merger because of cost of mergers. Anne explained about a meeting of representatives of local colleges that she had chaired at CRC on Monday with the purpose of exploring opportunities for cooperation and collaboration. There was a need to understand the emphasis of the new government and to respond to local issues such as development of vocational courses in 6<sup>th</sup> forms. Anne saw opportunities both in contracts [the SFA did not favour small contracts] and in HE from 2012 when fees rise.

Anne confirmed that CRC was “doing it now” in terms of responding to government policy, but the size of the present Train to Gain contract presented an issue: this could be managed over time but not over-night.

Governors asked whether CRC needed to create new markets, and it was confirmed that the SMT would continue to explore the extent of markets on an ongoing basis. Liam explained the new flexibility to move money to ALR not just apprenticeships and Governors asked about the impact of the 75,000 apprenticeships for CRC.

Governors also commented on—

- the impact on government policy if unemployment rises
- whether there would be pressure on colleges that provide HE to undertake research
- the risk associated with CRC moving away from its current focus on vocational education
- the importance of “first for training for training and skills” as a brand [Anne clarified that HE opportunities would be in vocational areas]
- the value of a modular approach that provides opportunities for vocational HE qualifications
- Ofsted and the criteria for not inspecting outstanding colleges: recognition that outstanding today may not be outstanding tomorrow.

Corporation **received** and **noted** Anne Constantine’s paper on the New Configurations in the FE Sector and the Chair thanked Anne for her first presentation to the Corporation. Corporation **resolved** to return to the discussion at the January Away Day.

Section 3: Other Reports		Action
3.1	<p><b>COR/03/10-11</b>  <b>Headline</b>  <b>Curriculum Issues</b></p>	<p>The purpose of Chris Sherwin’s paper was to update the Corporation on key external and internal drivers impacting on the College’s curriculum offer for learners in the Directorate of Learning and Achievement. The paper covered 13–19 provision: external drivers, and provided an update on the implementation of recent curriculum changes and on the new delivery centres.</p> <p>Governors noted that, in relation to local schools, the entitlement of every pupil to choose between all 14 diploma lines had now been removed. There was an extensive fall off in commitment by schools to diplomas and a consequential fall off in 14-16 curriculum offer. In relation to the impact of other curriculum initiatives at CRC, there had been a heavy demand on teaching staff but they had coped well. Other points made by Chris included—</p> <ul style="list-style-type: none"> <li>• there was good progress in implementing foundation learning within the College: it was a sizeable initiative that had gone well, particularly addressing the needs of NEETS</li> <li>• key and functional skills: still some difficulty in achieving success rates, but they are improving qualification and curriculum framework changes: relatively successfully settled into the new academic year given the very late notifications</li> <li>• there were some teething challenges at the East Cambridge Skills Centre</li> <li>• work was due to begin on the HIVE site and a Special Interest Group had been established under the chair of David Adamson.</li> </ul> <p>Governors considered topics that they would like to follow up at the January Away Day—</p> <ul style="list-style-type: none"> <li>• potential curriculum growth associated with development of HIVE</li> <li>• opportunities to engage sector skills councils</li> <li>• University Technical Colleges</li> <li>• CRC’s unique selling point [USP]</li> <li>• development of HE</li> <li>• impact of presumption sixth forms and move of schools into vocational areas.</li> </ul> <p><i>Alex Plant left the meeting during this agenda item at 17.45 pm.</i></p> <p>Corporation <b>received</b> Chris Sherwin’s paper on Headline Curriculum Issues and <b>noted</b> that the areas identified above would be incorporated into the Away Day agenda.</p>

Clerk

3.2	COR/04/10-11 International Student Recruitment	<p>Steve Caley’s paper asked Governors to consider a range of strategic issues currently facing the Cambridge International Centre, which has grown to be a £3m+ unit within the College. Steve explained about the challenges of planning in the international context: with a number of academic organisations, including CRC, engaged in delivery overseas. Key current strategic issues include—</p> <ul style="list-style-type: none"> <li>• intention announced in the CSR to restrict ESOL funding to settled communities</li> <li>• UK Border Agency immigration and visa changes</li> <li>• impact of the recession</li> <li>• shortage of both classroom accommodation and housing accommodation.</li> </ul> <p>Governors asked about the CRC response to these issues and noted that Amina Wakefield was expert in devising new strategies in response to environmental changes: she was engaged with a wide range of nationalities and overseas partnerships. Governors also asked about age range of students and the financial arrangements and the opportunities provided by Cambridge as tourist centre and university centre.</p> <p>The meeting discussed accommodation, whether “saturation point” had been reached, the requirement for a gap analysis on accommodation requirements, and how this could be undertaken. Reza Assadi identified that resourcing these programmes was not just about accommodation space but also about recruiting staff with the right skills to teach – there was a skill shortage of teaching on these programmes.</p> <p>Corporation <b>received</b> Steve Caley’s report on international student recruitment, and <b>noted</b> that a paper would be brought to the Away Day on recruitment, changes in the overseas market, and the potential for joint ventures.</p>	
3.3	COR/05/10-11 Current Year Performance	<p>Anne Constantine’s report was provided for information and as context for consideration of key emerging issues, and covered—</p> <ul style="list-style-type: none"> <li>• Financial performance 2009/10</li> <li>• Recruitment 2010/11</li> <li>• Financial Performance 2010/11</li> <li>• Success Rates 2009/10</li> <li>• Property Matters</li> <li>• First Impressions</li> <li>• Opportunities and threats.</li> </ul> <p>Governors asked about success rates, recruitment, improving retention [and retention reporting], investment policy for cash reserves, the need to identify the future shape and size of CRC, and the criteria/indicators to measure progress towards the agreed goals.</p> <p>Corporation <b>received</b> the Principal’s Report and <b>noted</b> that Anne had reported a positive start to her tenure.</p>	

Section 3: Matters for Decision		Action	
4.1	<b>COR/06/10-11 Invest in Skills Ltd</b>	<p>Steve Caley’s paper sought approval to the establishment of a new company “Invest in Skills” to oversee the development and implementation of CRC’s ATA [Apprenticeship Training Agency] to increase apprenticeship recruitment in Cambridgeshire.</p> <p>The College is currently the largest provider of apprenticeships in Cambridgeshire for 16–18 year olds and holds the funding contract for this work, but there will be challenges in increasing both private sector and public sector engagement with apprenticeships. One element of CRC’s strategy is to create a college company to drive forward recruitment: to employ apprentices through the company and deploy them into different sectors within the locality, including within the College. Advice on governance has been obtained from Eversheds and the name “Invest in Skills” selected.</p> <p>Steve clarified that the company would be both a recruiting agency and the primary employer. Governors asked about and discussed—</p> <ul style="list-style-type: none"> <li>• deployment of apprentices within CRC</li> <li>• the name: brand name would be “CRC Apprenticeships”</li> <li>• financial and reputational risk</li> <li>• risk of over-recruiting</li> <li>• employment law obligations</li> <li>• the opportunities to rotate apprentices through employers</li> <li>• quality of practical experience</li> <li>• governance implications if CRC enters into federation with other colleges.</li> </ul> <p>Corporation <b>approved</b> the establishment of a CRC wholly owned subsidiary company “Invest in Skills”.</p>	SC
4.2	<b>COR/07/10-11 Bank Mandate</b>	<p>It is a requirement of Lloyds TSB that the Corporation approves the Bank Mandate on each occasion when there are changes to the authorised signatories of the College. On this occasion Rick Dearing and Andrea Chilton had been removed from the list of signatories and Anne Constantine added.</p> <p>Corporation <b>approved</b> the amended Bank Mandate and the Mandate being authorised by the Chair and the Clerk to the Corporation.</p>	CL
4.3	<b>Any Other Business</b>	<p><u>Agenda for the Away Day</u></p> <p>Corporation <b>agreed</b> that the agenda would incorporate issues raised during the meeting, including curriculum matters raised under item 3.1.</p>	

The meeting closed at 6.40 pm

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Signed ..... (Chair)  
Christopher Spokes

Date.....