

CORPORATION MEETING

Wednesday 13 July 2011 at 5.15 pm in the Boardroom [Room B110], Science Park Campus, Kings Hedges Road, Cambridge

MINUTES

<u>Present</u>	Christopher Spokes, Chair	Andrew Herbert
	David Adamson	Anne Kent
	Reza Assadi	Alex Plant
	Anne Constantine, Principal	Vicky Parrett
	Tony Cooper	Barry Popplewell, Vice Chair
	Jamie Easton	Jill Preston
	Nichola Harrison	
<u>In attendance</u>	Steve Caley	
	Chris Lang	
	Chris Sherwin	
<u>Clerk</u>	Julia Kennedy	

The meeting began with a presentation to Jamie Easton who had served for two years as Student Governor. Jamie then provided his report on the 2010/11 year. Jamie said it had been an honour to serve under the Chair of Governors and the two Principals, and the Away Day at the Moller Centre was an excellent experience. Jamie considered there were still matters that needed to be addressed to improve the learner experience: the cost of food and drink, paperwork associated with courses, littering, the availability in lockers in E Block and J Block, and he reported that bullying still existed. The Principal confirmed that prices for food and drink would be lowered through new contract arrangements, and the Chair **requested** that the College report back on the other matters.

Section 1: Introduction		Action
1.1	Declarations of Interest	Christopher Spokes declared his interest as a Partner of Bidwells who act as CDM for the College, David Adamson and Nichola Harrison identified their interest as Members of the Hive Board, and Nichola declared her interest as a City Councillor and County Councillor in all matters in which those councils have an interest. Alex Plant declared his interest as a newly appointed officer of the Cambridgeshire County Council in all matters in which that council has an interest.

1.2	Apologies for absence	Apologies were received from James Allen, Anne Ridgeon, and Vernice Key.	
1.3	Minutes and Notes	Corporation approved the Minutes of the meeting of the Corporation held on 30 March 2011. Corporation received the notes from the meeting of Corporation and Committee Chairs held on 2 June 2011.	
1.4	Matters Arising	There were no matters arising from the Minutes and Notes that were not elsewhere on the agenda.	
Section 2 Strategic Matters			Action
2.1	COR/29/2010-11 Principal's Report including Strategic Plan 2011-2014	<p>Anne Constantine's report focussed on—</p> <ul style="list-style-type: none"> • Key Performance Areas • 2011-14 Strategic Plan • University Technical College [UTC] for Cambridge • Capital Projects Update • Savings • The Manor School. <p><u>Key Performance Areas</u>: apprenticeships were a key area of growth, particularly in 19+ and a focus was being maintained on quality of provision. Retention was high and a good indicator for success rates, which were forecast to be improved. Learner numbers: applications had been good but currently were slightly below this time last year.</p> <p><u>UTC</u>: progress was being made and a meeting with potential partners in May was well attended with strong employer interest. Meetings had also been held with the County Council and with schools. Premises may be an issue and possible sites include Trumpington, [Long Road], CRC, or elsewhere on the guided bus route. The next submission round would be late autumn/early spring. Governors comments and questions included—</p> <ul style="list-style-type: none"> • anticipated student numbers: 600 to 800, with 200 in the first year. • whether there would be recruitment challenges: a more focussed provision that would take some of CRC's current students but against a background of rising participation age • whether a new build would be required: mainly using/refurbishing existing accommodation • the need to tap into prospective areas of employment growth and the skills needed locally • whether Governors could assist. <p>Corporation noted that a proposal would be brought to a Corporation meeting in the autumn term, and that the Governors available to assist in the project were: Nichola Harrison, Anne Kent, Jill Preston, and Barry Popplewell.</p>	Principal

	<p><u>Capital Projects Update:</u> a topping out ceremony had been held for the SmartLIFE Low Carbon Centre and construction was progressing on programme. The Deakin Centre was also progressing on programme and on budget. Work in progress on the main campus would provide a 200-seater Costa Coffee outlet and a Spar retail shop, secured as part of retendering of the onsite catering contract. College summer works included improvements to the LRC, energy management projects, IT replacement programmes, and rearranging SMT offices to provide for better team working and two additional classrooms.</p> <p><u>Cost Savings:</u> currently 14 compulsory redundancies, 57 voluntary redundancies, and the target pay savings had been achieved. One appeal against redundancy was pending and there could be two more. Lorna Jaggard from Norwich Hospital Trust had been appointed as HR Manager.</p> <p>Matters covered in brief included electronic registers, smoking shelters, and the 30 June strike in protest to proposed changes in teachers' pensions, which resulted in minimal disruption.</p> <p><u>Manor School:</u> appendices provided details of proposed joint curriculum and of financial evaluation of the school. It would be an opportunity to raise the aspiration of Manor School pupils and to achieve efficiencies in expenditure and staffing. Anne suggested that in 5 years' time CRC could be in a group or federation with a number of institutions – with a UTC and a school and possibly a 6th form college. Financial pressures meant a number of institutions were thinking along those lines. Governors asked about—</p> <ul style="list-style-type: none"> • governance and leadership: there were various models: some with an executive principal and board across all institutions and some with or lead partner and each institution retaining their own governing body • the benefits of institutions working together and the potential for sharing expertise • need for risk assessment • preference for small federation rather than “hard federation” – although the Principal identified that efficiencies may not be maximised with a smaller model • the potential to provide better opportunities for young people and the importance of responding while there is an opportunity • whether a meeting with Governors would be beneficial. <p>Corporation approved further work being done on the feasibility of a formal partnership or federation with the Manor School [all options to be explored] with a report and recommendation to a meeting of the Corporation in the autumn term. Corporation also approved Christopher Spokes, as Chair, being party to discussions as appropriate on behalf of the Corporation.</p>	<p>Principal Chair</p>
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		<p><u>Strategic Plan 2011–14</u> Anne presented the latest draft, which reflected extensive work across the College, and was structured around VGSM [Vision, Goals, Strategies, and Measures]. Some minor editorial work was still required. Context had been added in relation to planning goals. Governors’ comments and questions included—</p> <ul style="list-style-type: none"> • whether planning goal [4] needed amendment/context “maintain our position as a leading college in the international business in the UK” • the need to strengthen the emphasis on serving the needs of the local community and satisfying the local technical needs of Cambridge • increased focus on people • publicity and distribution: SMT looking at various ways to roll it out to the college and the community and effectively using it in planning; it was proving an effective driver of performance appraisal • the need for more information on how the Corporation would monitor progress against it and a preference for a traffic light system • the need for Governors to see it aligned with the Risk Register. <p>Governors noted that it had been used to shape the work plan of the Learning and Achievement Committee, and lined up with SMT responsibilities and the Risk Register.</p> <p>The Chair asked Andrew Herbert about his experience of strategic planning; the starting point in his organisation was an aspirational set of objectives, then plans were developed underneath and progress monitored – and converted into results that were reported to shareholders. Conceptually it was the same as the CRC strategic plan but implementation was different with aspiration very much driven by shareholder value.</p> <p>Corporation approved the CRC Vision, the CRC Values, and the Strategic Plan 2011-14 subject to minor amendment, and noted that regular reports on progress against the plan would be provided to the Corporation. Corporation thanked Anne and noted that it was a significant step forward.</p>	Principal
<p>Matters Referred from Committees Section 3: Learning and Achievement Committee</p>		Action	
3.1	<p>Minutes of the Meeting held on 14 June 2011</p>	<p>Tony Cooper introduced the Minutes, which he considered were relatively self explanatory. The reintroduction of A2 and AS level Maths was intended to enhance certain courses. The decline in success rates on advanced apprenticeships against 08/09 was partly due to the economic situation, and there were some quality issues with advanced hairdressing that were being addressed. The Committee’s enquiry in relation to the quality of overseas provision related to monitoring methods.</p> <p>Corporation received the Minutes of the Learning and Achievement Committee meeting held on 14 June 2011.</p>	
3.2	<p>Terms of Reference of the Learning and Achievement Committee</p>	<p>The Terms of Reference for the Committee were unchanged from the previous year.</p> <p>Corporation approved the Terms of Reference for the Learning and Achievement Committee without amendment.</p>	Clerk

<p>3.3 COR/30/2010-11 Report from the Committee including key elements from the College Performance Report and Quality Strategy</p>	<p>The report provided an overview of matters discussed, including those that did not result in a recommendation, and covered—</p> <ul style="list-style-type: none"> • Update on the Deakin Centre • Curriculum, Quality and Marketing VGSMs • Performance Report Summer Term Update 2011 • Risk Review • Mock Inspection Outcomes • Quality Strategy <p><u>Deakin Centre:</u> Governors were assured that the demand for applied learning in health and social care meant that the Centre would not lack a purpose and that it had a potential role in a Cambridge UTC: it was not a College investment and provided an excellent practical learning environment. While the building would not be filled from current numbers in health and social care, requests were coming through from other college post-16 curriculum areas. Underutilisation was not envisaged, but details of use had not been completed: it would, for example, free up space to enable International to grow.</p> <p><u>Performance Report:</u> good progress was being made adapting the curriculum to meet local needs [strategic aim 1] and the College was on track to achieve SAR grades. There were two areas rated amber against the milestones: improve learner engagement and stakeholder satisfaction [contributing to strategic aim 2], and the need to speed up quality of impact assessments [contributing to strategic aim 2, theme 2]. Governors asked about—</p> <ul style="list-style-type: none"> • HE strategy and the relationship with ARU • the Employers’ Survey • opportunities to provide courses at full cost, particularly in ICT, and the correlation between learners and the employment they achieve: Steve Caley will report back in the spring term • competition from local 6th forms. <p>Tony Cooper reported that 38 students were enrolled into the Cottenham 6th form, many of whom had special needs and were from special schools. The purpose was to enhance the offer currently available, to respond to profound learning needs, and not just provide another 6th form or engage in head-to-head competition with other providers.</p> <p><u>Mock Inspection Outcomes:</u> this had been low key but useful. Most grades were well in line with the SAR grades. Governors asked whether data issues had been resolved and about testing, and Anne confirmed that those specific issues would not recur and reviews were now undertaken 3 times per year. Strategies for improvement included a centralised data team, but a guarantee of no new errors could not be given. The mock inspection had provided recommendations that would be implemented.</p> <p>Corporation received the report from the Learning and Achievement Committee.</p>
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3.4	COR/31/2010-11 Recommendations from the Learning and Achievement Committee	<p>There were three recommendations—</p> <ul style="list-style-type: none"> AS Maths as an additional qualification: Governors discussed the need for the qualification, and the need to ensure that there were no misunderstanding [about a policy reversal] with partners or the public, maintaining success rates, and the cost effectiveness of responding to the needs of relatively low learner numbers. Anne stressed that it was a decision about putting learners first and that staff have the requisite skills. Target Success Rates and Self Assessment Grades, which were designed to achieve the CRC success rate challenge. Good News Stories: that the Chair writes letters of congratulation in response to five particularly noteworthy achievements. <p>Corporation approved—</p> <ul style="list-style-type: none"> AS Maths as an additional qualification Further AS and A2 subjects can be introduced as additional qualifications to main programmes, where these are required for specific progression routes Target Success Rates and Self Assessment Grades Five letters of congratulation from the Chair. <p>Corporation noted that, in future, Committee approval would be sufficient for letters of congratulation.</p>	Chair
Section 4: Finance and Resources Committee			
4.1	Minutes of the Meeting held on 30 March and 29 June 2011	<p>Barry Popplewell, Chair of the Finance and Resources Committee, introduced committee business.</p> <ul style="list-style-type: none"> Financial performance 2010/11: the result was in line with the forecast surplus of £1.3 million [less non-recurrent charges associated with redundancies]. Budget 2011/12: the Committee asked for a combined surplus/contingency of £1.5 million but, in view of the difficulties in achieving this level, had agreed to recommend £1.4 million “as tight as can be pulled”; risk was associated with some growth areas being less certain than the Committee would like; the Committee asked SMT to keep tight control including capital budgets, and to phase projects to keep funds available if needed elsewhere, and resolved to take a more active role in monitoring use of contingency. While the Committee recommended the fee structure to Corporation, it considered that it would be more appropriate, in future, for Corporation to consider the policy first. <p>Corporation received and noted the Minutes of the meetings.</p>	
4.2	Terms of Reference of the Finance and Resources Committee	<p>The Terms of Reference for the Committee were unchanged from the previous year.</p> <p>Corporation approved the Terms of Reference for the Finance and Resources Committee without amendment.</p>	Clerk

4.3	Management Accounts 2010/11 Period 11, for the month of June 2011	<p>The management accounts for June had been reviewed by SMT that morning and Chris Lang was confident that the forecast outcome would be achieved. It was the largest annual turnover achieved in the history of the College and would provide the highest cash balance and a surplus of £1.0 million [after a restructuring cost of £0.8million but prior to the FRS17 adjustment].</p> <p>Corporation <u>noted</u> that the forecast outcome would be achieved.</p>	
4.4	COR/32/2010-11 Budget 2011/12 including: <ul style="list-style-type: none"> • Income & Expenditure Budget 2011/12 • Capital Budget 2011/12 • Fees Strategy 2012/13 • Pay Award 2011 	<p>The budget was based on a surplus/contingency level of £1.4 million as agreed with the Finance and Resources Committee [£0.2 million surplus and £1.2 million contingency]. Since the meeting of the Finance and Resources Committee the AoC recommended pay offer, at a cost of 0.54% college pay, had been incorporated as an adjustment . A detailed review of fees would be undertaken in the autumn and a policy regarding 2013/14 brought to Corporation.</p> <p>Governors asked about the suggestion of holding back on capital expenditure and agreed on the importance of prioritising maintenance; it was resolved that pressures on the contingency should not compromise expenditure on capital or maintaining equipment at a high level.</p> <p>The proposed capital budget was close to £1.8 million, a significant investment based on the strength of the balance sheet. This included summer works [£600,000], an IT spend of £450,000 that reflected the investment in an electronic register system, and £746,000 in energy saving projects. Costs would be reduced by a £160,000 grant received for energy saving projects and the College was working with the Carbon Trust to produce a 5-year Carbon Management Plan by January 2012, to include a list of projects that would reduce both carbon emissions and revenue costs. Governors asked about depreciation charges and noted that post project reviews would be reported to Corporation. Governors also noted that CRC's agreed contribution to the SmartLIFE Low Carbon Building of £230,000 would be made.</p> <p>Corporation <u>approved</u>—</p> <ul style="list-style-type: none"> • the proposed Revenue Budget for 2011/12 with a combined surplus/contingency of £1.4 million • the fee proposals as set out in Appendix A • the proposed Capital Budget for 2011/12. <p>Corporation offered congratulations on gaining the capital grant for energy saving projects.</p>	CL

	<p>• Three-year Financial Forecast, 2011/12-2013/14</p>	<p>The Finance and Resources Committee had not had the opportunity to review the Financial Forecast, and Chris Lang explained that it was based on static turnover and level of surplus, with decreasing cash balances and net current assets. Chris' aim had been to demonstrate that the College must work hard to stand still financially, and he did not want to present an over-optimistic picture.</p> <p>Governors asked about the costs of staff restructuring and its representation in the financial forecast. Chris considered this was a timing issue. Governors recognised that the costs were not finalised but agreed that they would impact on the current year financial out-turn. They considered that the stated position must reflect the agreements reached at the Finance and Resources Committee and take account of known expenditure on restructuring. Governors agreed that amendment was necessary to reflect an accurate picture to the funding body, and suggested incorporating a note about the exceptional item of restructuring costs. Therefore, a revised Forecast was agreed that showed a £1.0 million surplus, after a £0.8 million cost for Restructuring.</p> <p>The need to refer the amendment the Finance and Resources Committee was considered but the Clerk advised that it was unnecessary.</p> <p>Corporation approved the 3 –year Financial Forecast 2011/12 to 2013/14, subject to an amendment to note the restructuring costs.</p> <p><i>Alex Plant and Tony Cooper left during this agenda item at 7.40 pm.</i></p>	CL
Section 5: Audit and Risk Committee			
5.1	<p>Minutes of the Meeting held on 15 June 2011</p>	<p>In the absence of Vernice Key, Anne Kent and Vicky Parrett reported on the meeting.</p> <p>Corporation received the Minutes of the meeting of the Audit and Risk Committee held on 15 June 2011.</p>	
5.2	<p>Terms of Reference of the Audit & Risk Committee</p>	<p>The Terms of Reference were presented for approval without amendment.</p> <p>Corporation approved the Terms of Reference of the Audit and Risk Committee.</p>	Clerk

5.3	COR/33/2010-11 Audit Risk Assessment and Strategic Internal Audit Plan 2011/12 to 2013/14 and Annual Plan 2011/12. Reappointment of Internal Auditor for 2011/12	<p>The Committee recommended the re-appointment of Scrutton Bland as internal auditors. The Committee considered that, after their first year as the College's internal auditors, Scrutton Bland had demonstrated a new and different perspective that the Committee found valuable. The Committee also recommended approval of the audit plans: the majority of planned audits followed the strategy agreed in consultation with the College and the Committee last year. One change was the increased emphasis given to business development/income generation, where an audit of 4 days was proposed.</p> <p>Corporation approved the reappointment of Scrutton Bland as Internal Auditor for 2011/12, and approved the Audit Risk Assessment and Strategic Internal Audit Plan 2011/12 to 2013/14 and Annual Plan 2011/12.</p>	CL
5.4	COR/34/2010-11 Risk Management Policy	<p>The Risk Management Policy was provided, with amendments, and accompanied by the Risk and Opportunities Register and Risk Matrix – a different way of presenting the information in a simpler format. Governors noted that a clear evaluation policy had been added, detailed management and mitigation plans would be provided for risks rated red, and risk assessments would be included with project proposals for the Corporation.</p> <p>Corporation approved the revised Risk Management Policy and the revised Risk Management Procedure.</p>	SMT
5.5	COR/35/2010-11 Risk Appetite	<p>The College's Internal Auditors had recommended that the Corporation gives consideration to its appetite for risk, which was debated at the Away Day and referred to the Finance and Resources Committee and to the Learning and Achievement Committee for further consideration. Anne reported that there had been several iterations and that it would form part of the framework for determining risk. Governors were concerned about how useful a guide it would provide and agreed that it may need to be revised in future.</p> <p>Corporation approved the Risk Appetite statement as set out in the paper.</p>	Principal
Section 6: Search Committee			Action
6.1	Minutes of the Meeting held on 25 May 2011	<p><i>As Alex Plant had left the meeting Anne Constantine and Julia Kennedy spoke to the following items.</i></p> <p>Corporation received the Minutes of the Search Committee meeting held on 25 May 2011.</p>	
6.2	Terms of Reference of the Search Committee	<p>The Terms of Reference had been amended to incorporate the Committee's role to provide oversight of Corporation Governance arrangements. The Clerk confirmed that the amendments were driven by the Committee [rather than an external agency] and that they reflected the current work programme of the Committee.</p> <p>Corporation approved the Terms of Reference for the Search Committee, as amended.</p>	Clerk

6.3	COR/36/2010-11 Recommendations from the Search Committee <ul style="list-style-type: none"> • Membership • Eversheds' Code of Conduct 9th Edition 	<p>The recommendations from the Search Committee were considered. The possible appointment of James Hutt to the Board, which would be considered by the Search Committee in the next few weeks, was endorsed by those Governors who knew him and considered he had made a fine start to his career.</p> <p>Corporation approved the following—</p> <ul style="list-style-type: none"> • Extension of terms of office <ul style="list-style-type: none"> ○ Christopher Spokes for a period of 18 months to December 2012, so that he may continue as Chair of the Corporation ○ Barry Popplewell for one year from January 2012 to December 2012 so that he may continue as Vice Chair ○ Vicky Parrett for a second term of four years to October 2015 ○ Alex Plant for a second term of four years to December 2015 ○ David Adamson to December 2011 so that a successor with the appropriate skills may be found and a handover arranged • Use of the 9th edition of Eversheds' Code of Conduct for Governors • Participation in the online Governance Healthcheck <p>Corporation noted that—</p> <ul style="list-style-type: none"> • Governor attendance at meetings for the year to date stood at 85% • Code of Governance: the intention of the AoC to finalise the Voluntary Foundation Code of Governance for English Colleges and the AoC's expectation that it will be adopted by the majority of colleges. <p><i>Andrew Herbert and Jill Preston left during this agenda item at 7.50 pm.</i></p>	Clerk
Section 7: Corporate Governance			
7.1	Election of Chair and Vice Chair of the Corporation for 2011/12	<p>Corporation approved the appointment of Christopher Spokes as Chair until 31 December 2012 [nominated by David Adamson and seconded by Anne Kent].</p> <p>Corporation approved the appointment of Barry Popplewell as Vice Chair until 31 December 2012 [nominated by Christopher Spokes and seconded by Anne Kent].</p>	Clerk
7.2	COR/37/2010-11 Timetable for Meetings and Committee Membership 2011/12	<p>Corporation noted the variation in the Calendar of Meetings to move the Corporation Dinner from 6 October 2011 to follow on from the meeting on 7 December 2011.</p> <p>Corporation approved the Committee Membership for 2011/12 as set out in the paper.</p>	Clerk

7.3	Self Assessment of Governor Performance	<p>The assessment of the meeting was considered against the following questions—</p> <ul style="list-style-type: none"> • Were the agenda and papers clearly written? • Was there time for sufficient debate and critical review of each item? • Do Members consider they were able to fully contribute? <p>Members provided an affirmative answer to each question.</p>	
Final Matters			
8.1	Any Other Business	<p><u>ACER Governors' Network</u></p> <ul style="list-style-type: none"> • The Clerk drew Governors' attention to the inaugural meeting of the ACER Governors' Network at Letchworth on 14 September 2011. 	
8.2	Date of Next Meeting	<p>The date of the next meeting was confirmed as 6 October 2011.</p>	

The meeting closed at 8.00 pm.

Signed (Chair)
Christopher Spokes

Date.....