

CORPORATION MEETING

**Wednesday 21 July 2010 at 5.00 pm in Room B110,
 Cambridge Regional College, Science Park Campus, Kings Hedges Road, Cambridge**

MINUTES OF THE MEETING

Present Christopher Spokes (Chair) Vernice Key
 Barry Popplewell (Vice Chair) Vicky Parrett
 David Adamson Alex Plant
 Rick Dearing Jill Preston
 Andrew Herbert Paul Smith
 Anne Kent

In attendance Chris Lang
 Chris Sherwin
 Steve Caley
 Andrea Chilton

Clerk Julia Kennedy

Consideration of the agenda items was preceded by a briefing session, provided by Andrea Chilton, on duties under the Equality Act 2010. Governors' role was to challenge and monitor CRC's equality objectives and progress against the duties, including— legislative compliance, equality impact assessment, and staff training. The slides for the presentation are filed with these Minutes.

In relation to the appointment of the Principal, the Chair confirmed that Rick Dearing's last day would be 10 October 2010 and that Anne Constantine would commence as Principal on 11 October 2010.

Section 1: Preliminary			Action
1	Declaration of Interest	Christopher Spokes declared his interest as a Partner of Bidwells who act as CDM for the College.	

2	Apologies for absence	Apologies were received from Reza Assadi, Tony Cooper, and Anne Ridgeon.	
3	Minutes of the meeting held on 24 March 2010, and the special meetings held on 5 May 2010 and 7 July 2010	<p>The Minutes of the meeting held on 24 March 2010 were approved as a true record and signed by the Chair. There was one matter arising – [item 5 Principal’s Report] Manor School Community Trust: this has now been formally established. Membership now included nominees from Ridgeons and from the Science Park. The nominee from CRC was Laurence Wells.</p> <p>The Minutes of the special meetings held on 5 May 2010 and 7 July 2010 were approved as a true record and signed by the Chair.</p>	
Section 2: Matters for Decision and Information			Action
4	COR/29/09-10 Principal’s Report	<p>The Principal’s Report covered— Outstanding Student Achievement, Teaching and Learning Observations, Planning, Strategic Plan 2010-13, Higher Education, Property Strategy and Asset Management, Fundraising, Annual Report on Safeguarding and Child Protection, and Key Corporate Risks. The Principal highlighted— the fantastic student achievement, including Katie Wright who was the best student in beauty therapy in the country and other competition winners, the step change improvement in Teaching and Learning Observations, and good use of the VLE to support student learning. In relation to funding, CRC did better than expected on 19+ and overall were very pleased with the allocations. The YPLA will fund the college directly for 16-18 learners rather than through the county council, which would still have a commissioning role. The Principal thanked Governors for their input on the draft property strategy.</p> <p>Governors comments and discussion included—</p> <ul style="list-style-type: none"> • regional development, the extent of the region CRC serves, and role of the Local Enterprise Partnerships, which will take over from Regional Development Agencies • the importance of effective networking • the need to consider both maintenance and future investment in relation to financing the property strategy • managing the risk around employer engagement. <p>Corporation received and noted the Principal’s Report, the Report on Safeguarding and Child Protection 2009/10, and the aggregate risk ratings from the Risk Register. Corporation approved the Strategic Plan 2010/11 – 2012/13.</p>	

Reports from Committees		
5	Learning and Achievement Committee	Chris Sherwin explained that amendments to the Terms of Reference provided a broader view of child protection and of equality and diversity.
5.1	Minutes of the meeting held on 7 July 2010	Corporation received the Minutes of the meetings held on 7 July 2010 and approved the Terms of Reference of the Learning and Achievement Committee.
5.2	Terms of Reference	
5.3	COR/30/09-10 Report from the Committee including key elements from the College Performance Report and matters for decision deferred from the Committee	<p>The ILR for 08/09 incorporated the amended success rates, and demonstrated an improvement for all durations of courses. Governors noted that there was now a very strong group of curriculum managers. Rick anticipated further improvement in the success rates would become evident for 2010/11. KPMG's analysis of success rates called into question the calculation made by some colleges, placing CRC in a very strong position. Governors' asked about the value and use of country-wide comparison of colleges</p> <p>Corporation approved CRC performance against the milestones of the strategic plan, and noted only one area where the targets of the strategic plan had not been met and that was in relation to questionnaires [Student Questionnaire and Employer Satisfaction Survey]. Corporation approved the Committee's outline work plan, the training plan for Committee members, and that letters of congratulation were sent out in response to the Good News Items. Corporation congratulated the Learning and Achievement Directorate on the success rates and noted the success of CRC learners in the job market.</p>
6	Finance and Resources Committee	The Chair of the Finance and Resources Committee, Barry Popplewell, introduced item 6 and identified that the headlines were—
6.1	Minutes of the meeting held on 5 May 2010 and 30 June 2010	<ul style="list-style-type: none"> • the 2009/10 out-turn was on budget: the period 11 management accounts had been received and were on target, and some results were better than expected • the Budget 2010/11 was conservative, reflecting uncertainty in the operating environment and particularly in relation to International and ER funding • the College now had a marvellous asset in its estate and capital equipment.
6.2	Terms of Reference	Corporation received the Minutes of the meetings held on 5 May 2010 and 30 June 2010. Corporation approved the Terms of Reference of the Finance and Resources Committee and noted the amendment to incorporate equipment, estates and infrastructure.
6.3	College Management Accounts, Period 11 2009/10	<p><u>Management Accounts Period 11</u></p> <p>There was a pleasing contrast to the previous year, with the headline forecast remaining consistent since January 2010. Cash reserves were over £2.6m. Chris Lang provided information on areas where there was a negative variance against budget and which need to be treated as charges against the contingency fund. Governors noted that the VAT reclaim was still progressing.</p>

6.4	<p>COR/31/09-10 Budget 2010/11 including:</p> <ul style="list-style-type: none"> • I&E Budget 2010/11 • Capital Budget 2010/11 • Three-year Financial Forecast, 2010/11-2012/13 • Asset Management • Revised Property Strategy 	<p><u>Income & Expenditure Budget 2010/11</u> Chris Lang highlighted that the aim to deliver a low-risk budget, with an increase the underlying surplus and contingency to £2m, and explained the changes in funding that provide more flexibility for delivery. Governors' comments and discussion included the cost of utilities.</p> <p><u>Capital Budget 2010/11</u> The budgeted amount was £1.4m. This included commitments in relation to the HIVE Project and reflected the agreement reached at the Finance and Resources Committee to increase the College capital expenditure. Governor's comments and questions included the cost and importance of asset management, the potential impact of maintaining the capital asset at a high standard, and income generation, and priorities.</p> <p><u>Capital Funding availability through the SFA</u> Chris Lang explained the availability and the criteria. There were two funds available and applications must be completed by end July. One eligible project was conversion of the glass fronted workshop D010, which would enable classrooms to be created on the top floor and student social space on the ground floor. Governors asked about alternative use of the space, the size and number of classrooms, and the anticipated growth in activity.</p> <p>The second project was the HIVE. Stage 3 design drawings had been received and the planning application made. A key issue was that it was a cash constrained project, which had been extensively value engineered, so CRC was keen to submit a £1m bid.</p> <p><u>Three-year Financial Forecast, 2010/11-2012/13</u> Governors noted that CRC was "on cusp of outstanding" and would reach that next year and be able to maintain that position. It was a straight line forecast with a steady headline surplus.</p> <p><u>Asset Management and Revised Property Strategy</u> <i>These two items were considered together.</i> These documents reflected good practice and management requirements, and included the projects discussed and a commitment to sustainability. Governors noted that the temporary brickwork facility and the leased accommodation at Brookmount Court need to be incorporated in the estate, and that currently 2 sites were currently leased. [Cherry Hinton Hall serves specific client group.] There was the potential to develop further skills centres in South Cambs. on the East Cambs. model.</p> <p>Corporation approved the Income & Expenditure Budget 2010/11 as recommended by the Finance and Resources Committee.</p>	
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	Bank Mandate	<p>The Corporation approved the Capital Budget, as recommended by the Finance and Resources Committee, at an overall value of £1.4M. The Corporation requested that in future years more detail of the range of opportunities and their relative benefits were included for Governors through the process.</p> <p>Corporation noted that the College had been contacted by the Skills Funding Agency (SFA) in relation to being eligible for the fund of £50M identified by the Treasurer for FE Capital. Specifically, the Corporation approved—</p> <ul style="list-style-type: none"> • that the College return to the SFA by 31 July a letter accepting the offer of £225k of capital funding, as a maximum 1/3rd contribution towards the conversion of D010 into a mixture of classroom and student social space. [This includes committing at least £450k of match funding, notionally brought forward from the 2011/12 Capital Budget, with the project being phased between January and August 2011] • that the College return to the SFA by 31 July a bid for £1M in relation to the SmartLIFE Low Carbon Centre (SLCC). This bid would relate to a project with a gross cost of £3.78M. <p>Corporation approved the Asset Management [Capital Equipment Replacement and Updating Plan] and the Property Strategy 2010-2014, subject to minor amendment, and noted the good work that had gone into developing the Strategy. Corporation also:</p> <ul style="list-style-type: none"> • endorsed the key objective going forward for capital equipment that, subject to affordability, all “student facing/curriculum usage” equipment should be kept well maintained and should be updated periodically so as to be no more than one generation/cycle behind industry norms • agreed the strategy should be seeking to spend £1.2M per annum on academic equipment, IT, minor works and capital maintenance so as to achieve the objective above and to maintain the site and its buildings in a good state of repair • acknowledged that most capital planning in Further Education worked on an annual cycle, with most works carried out over the summer, but that should not inhibit the consideration of significant projects or opportunities when they arose. <p>In relation to the Bank Mandate, Corporation approved the changes and noted that further changes would be necessary to reflect the resignations of Andrea Chilton and Rick Dearing.</p>	
7	COR/32/09-10 Staff Pay Award 2010	Rick Dearing explained that the recommendation had been considered by the Remuneration Committee and by the Finance and Resources Committee. Colleges were public service private sector institutions and therefore not subject to the pay freeze and schoolteachers would benefit this year from a 2.3% pay award, creating a widening gap in pay with college staff. AoC was negotiating with Joint Trade Unions at a national level: the final offer was 0.2% consolidated.	

		<p>The outcome of the negotiations would not be known until the autumn. In the light of CRC successes, and to demonstrate that the good work of the staff is valued [including their response to the increased flexibility requirement associated with last year's pay award] the recommendation was a consolidated award of 0.5%.</p> <p>The Chair summarised the discussion that had taken place at the Remuneration Committee and Governors' further comments and questions included—</p> <ul style="list-style-type: none"> • lecturer salaries compared with those of school teachers • level of affordability • importance of public opinion in relation to increases • the non-financial benefits of employment at CRC • the value of a small uplift in recognising performance. <p>Corporation unanimously approved a pay award of 0.5% [consolidated] with effect from 1 August 2010, with a minimum payment of £125.</p>	RD
8	Audit Committee		
8.1	Minutes of the meeting held on 9 June 2010	The Chair of the Audit Committee, Vernice Key highlighted the excellent progress made by CRC in meeting auditors' recommendations. Internal audit reports had received either moderate or high assurance. The Committee had considered the audit plan for the year and, since the meeting, Governors had contributed to refining the plan for the review of corporate governance.	
8.2	COR/33/09-10 Audit Risk Assessment and Strategic Internal Audit Plan 2010/11 to 2012/13 and Internal Audit Plan 2010/11 and Re-appointment of Financial Statements and Regulatory Auditor for 2009/10	<p>Corporation received the Minutes of the Audit Committee meeting held on 9 June 2010.</p> <p>Corporation approved the Audit Risk Assessment and Strategic Internal Audit Plan 2010/11 to 2012/13 and the Internal Audit Plan 2010/11. Corporation approved the re-appointment of RSM Tenon as Financial Statements Auditor and Regulatory Auditor for the 2009/10 financial statements.</p>	CL

9	Search Committee	Alex Plant, Chair of the Committee, introduced the recommendations of the Search Committee.	
9.1	Minutes of the meeting held on 16 June 2010	Corporation received the Minutes of the meeting of the Search committee held on 16 June 2010.	
9.2	COR/34/09-10 Recommendations from the Search Committee	Corporation approved — <ul style="list-style-type: none"> • extension of the term of office of Christopher Spokes to July 2011 to enable his re-appointment as Chair and provide continuity for the induction of the new Principal • appointment of Anne Ridgeon to the Learning and Achievement Committee • in addition to publishing the Register of Interests on the College website, publicising via the website the total amount claimed for Governor expenses during any year • holding a refresher session on the governance framework at the January Away Day • amendments to the Standing Orders of the Corporation to bring them in line with the latest version of the Instrument and Articles. 	Clerk
Section 3: Corporate Governance			Action
10.1	COR/35/09-10 Election of Chair and Vice Chair of the Corporation for 2010/11	Corporation approved the appointment of Christopher Spokes as Chair of Corporation and Barry Popplewell as Vice Chair for the 2010/11 academic year. Both Christopher and Barry were unanimously elected.	Clerk
10.2	Calendar of Meetings 2010/11 and Committee Membership 2010/11	The Clerk distributed the Calendar of meetings. Governors noted that it had been reviewed by the Principal designate, Anne Constantine, and that the October Strategic Meeting of the Corporation would now take place on Thursday 21 October 2010.	
10.3	Self Assessment of Governors' Performance	The assessment of the meeting was considered against the following questions— <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? Governors confirmed a positive response to the questions.	
11	Any other business	There was no further business.	

12	Date of next meeting	The date of the next meeting was confirmed as 21 October 2010.	All
Remuneration Committee			
13	Minutes of the meeting of the Remuneration Committee held on 16 June 2010	Corporation received the Minutes of the Remuneration Committee that was held on 16 June 2010 that the Clerk distributed to External Governors only. Corporation noted that the contents were dealt with under Item 7 [Staff Pay Award], and that a meeting of the Remuneration committee would be convened in August to make recommendation on the pay of Senior Postholders and the Clerk.	Clerk

The meeting closed at 8.10 pm.

Signed (Chair)
Christopher Spokes

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