

Minutes of the Corporation Meeting held on Tuesday, 22nd July 2008

Meeting commenced at 19:00

Meeting closed at 21:20

Name	Attendance	Apologies	Time Arrived (if different from above)	Time Left (if different from above)	
				Left	Retrd
Members (13)					
P Brown		✓			
M Dixon	✓				
R Dugdale (Chair)	✓				
N Hainsworth	✓				
M Hopwood	✓				
C Jones	✓				
L Kent	✓	19:01			
R L'Amie	✓				
M Murray	✓				
D Quail	✓	19:05			
Dr Geetha Upadhyaya	✓				
1 x vacancy					
1 x vacancy					
Staff Members (2)					
C Atkinson		✓			
M Damant		✓			
Student Members (2)					
T Johnson	✓			19:37	19:58
A Razzaq		✓			
Principal					
J McAllister	✓			19:42	19:58
In attendance					
J Stott (Clerk)	✓			19:37	19:58
S Shaw (Deputy Clerk)	✓			19:37	19:58

38/08
19:00

Disclosure of financial and/or personal interest

The Clerk clarified that, since the discussion about pay rises would apply to all staff throughout College, Members and those in attendance were not obliged to declare a financial or personal interest. David Quail, under Minute 45/08(i) declared an interest.

39/08
19:01

To agree agenda and order of business as circulated

The agenda and order of business were agreed as circulated.

40/08
19:01

To agree the minutes of the meeting held on 20th May 2008

The minutes of the meeting held on 20th May were approved as a true record.

41/08
19:02

Matters Arising

- (a) 22/08 (b), the Clerk showed Members the painting purchased for Mick Brannan to thank him for his work as a long-standing Member and more recently, Chair, of Corporation.
- (b) 23/08 (vii), the Principal confirmed that the final contractual arrangements for outsourcing some training and assessing work had been agreed. The contract would be monitored via the Audit Committee.

42/08

To consider reports and proposals from Committees

19:05

(a) To receive a copy of the minutes and consider proposals arising from the meeting of the Estates Committee held on 10th June 2008

Members noted that the very full presentation and training item on Environmental and Sustainability Issues given by the Head of Estates and Facilities. A copy could be emailed to Members on request.

Members noted also:

- (i) the recommendation of the Committee to endorse the Fair Trade Policy;
- (ii) the consideration of aspects of the Capital Project Preparatory work;
- (iii) the report on the annual adaptation programme and maintenance investment planned works.
- (iv) the Principal's planned visit with Philip Davies MP in August to the placement provider of some College Work-based Learning students in the context of promoting the national apprenticeship scheme. She was also planning to attend a dinner of West Yorkshire Principals and their local MPs at Westminster in October.

- (v) In answer to a question, the Clerk confirmed that there had been some damage and theft of lead from roofs earlier in the year.

The draft minutes were received.

19:11 **(b) To receive a copy of the minutes and consider proposals from the Curriculum and Quality meeting held on 17th June 2008**

Members noted the following:

- (i) progress on the Action Plan arising from the 2006/07 Self-Assessment Report.
- (ii) the update on the development of Specialised Diplomas.
- (iii) the verbal update given by the Principal about the planned programme of courses for 2008-09.
- (iv) the consideration of the report on attendance and withdrawal.
- (v) the consideration of the biennial review of the College Charter for Employers and of the associated new Service Standards.

The draft minutes were received.

19:13 **(c) To receive a copy of the minutes of the meeting of the Human Resources Committee held on 10th June 2008**

Members noted the following:

- (i) the consideration of the HR Strategy.
- (ii) the consideration of the national recommendations and settlements/offers for the pay of staff.
- (iii) the report on the external activities of the Principal.
- (iv) the report on Employment Issues and Developments.
- (v) the report on Health and Safety Issues and developments.

The draft minutes were received.

19:18 **(d) To receive a copy of the notes of the meeting of the Audit Committee held on 1st July 2008**

Members noted that the meeting held on 1st July 2008 had been inquorate. Consequently, consideration had been given to a limited number of items that did not need a decision. Some items were to be considered by this Corporation meeting. Others would be referred to the next full Audit Committee.

Members noted the following:

- (i) the postponement of the consideration of the Internal Audit Plan for 2008-09 until the November Audit Committee.
- (ii) a discussion about segregation of duties and access rights for payroll.
- (iii) consideration of the Internal Audit Annual Report for 2007-08.
- (iv) consideration of the External Audit Planning Memorandum for the year ended 31st July 2008 and the identification of two

- main internal audit risks as (a) FRS 17 Accounting for Pensions and (b) Train to Gain - income recognition and disclosure.
- (v) the progress report on the operational effectiveness of the Risk Management Plan and, in particular, that the latest internal audit report on the College's risk management arrangements assessed these as "good".

The draft minutes were received.

19:21

(e) To receive a copy of the minutes and consider proposals arising from the meetings of the Finance and General Purposes Committee held on

(i) 24th June 2008

Members noted the following:

- the discussions about the Property Strategy.
- the consideration of the updated Finance Strategy and Plan (2007-2010) and, in particular, the discussion and decision about the three indicators proposed in relation to the new Framework for Excellence:
 - to maintain a minimum current ratio of 1.2
 - to maintain an operating surplus of more than 1% as a % of turnover
 - to have a maximum total borrowing of 60% of reserves
- the consideration of the Management Charges to the Salts Foundation.

The minutes were received.

(ii) 15th July 2008

Members noted the following:-

- the Committee's recommendation to approve the continuation of the Management Agency for Victoria Hall for a further 5 years.
- the recommendation to the Corporation to approve the 2008-09 income and expenditure estimates and approve the 3 year Financial Forecasts for submission to the LSC.
- that Members would be asked to consider under Corporation agenda item 8(i) the Committee's recommendation to Corporation for the 2008-09 Pay Award for Lecturing and Support Staff that ***"a pay rise of 3.2% for 2008-09 be given with effect from 1st August 2008"***.
- the Committee's proposed changes to the Financial Regulations and that these had not been attached to the Committee minutes circulated with the current Corporation papers.

It was agreed that the changes to Financial Regulations would be circulated separately.

The draft minutes were received.

43/08 To receive the notes of the Student Affairs Committee held on 19th May 2008

19:29

The Chair of the Committee presented the draft minutes. It was noted that some of the items had already been discussed by the Corporation meeting held on 20th May.

The Principal wished to thank all those students that had contributed to the Student Affairs Committees and the Student Council. She also wished to thank the current Student Governors for their work in representing the “learner voice” at Corporation meetings. She wished Thom Johnson well as he joined a university course in the autumn.

The draft minutes were received.

44/08 To finalise the consideration of the proposed extension of the Victoria Hall Managing Agency for a further period (ref: Corporation minute 28/08 and F&GP minute 30/08)

19:33

The Principal presented the item drawing Members’ attention to the consideration already given both at Corporation and in the Finance and General Purposes Committee to the proposal to extend the Victoria Hall Managing Agency for a further 5 years. The Chair of the Finance and General Purposes Committee concurred with the Principal that the issue had received due consideration and that the basis of the current arrangement remained viable for the future. A short discussion followed.

It was agreed to extend the Victoria Hall Managing Agency for a further 5 years “subject to the right to review charges during the period”.

45/08 To consider:

19:37

(i) A recommendation for the 2008/09 Pay Award for Lecturing and Support Staff

The Clerk explained that all Staff and Student Members as well as the Deputy Clerk and himself would leave the meeting during the discussion on pay rises. The Principal would remain initially in order to put both recommendations into their contexts. David Quail wished to declare an interest as his wife was a part-time lecturer at the College.

(ii) A recommendation from the Remuneration Committee for the pay of Senior Post Holders

The Chair of Corporation explained that the Corporation had agreed to accept both recommendations.

In respect to the recommendation for the pay award for Lecturing and Support Staff, it had been agreed that a pay award for 2008/09 of 3.2% with effect from 1st August 2008 as recommended by the Finance and General Purposes Committee would be awarded.

It was noted that this award would be reviewed in the event that national negotiations resulted in a higher final offer and that, in such an event, affordability would be taken into account.

*The Chair agreed to produce a **confidential minute** of the discussions held.*

46/08 To consider for approval the 2008/09 Income and Expenditure estimates and approve the 3 year financial forecasts to forward to the LSC

20:00

The Principal introduced the item, explaining the background to the documentation. She explained that the decision on the proposed income and expenditure estimates needed to be taken by the full Corporation. She drew Members' attention to page 2 of the commentary to the range of new financial indicators already mentioned during discussions at Finance and General Purposes Committee. She explained that, in determining the College's financial health score, the LSC would use a balance of indicators. She explained that, since the last Finance and General Purposes Committee, there had been some changes made to the commentary. There had been a small increase in Work-based Learning income but this had not affected the bottom line figures as the increase had been deducted from the unidentified income line. The figures showed an overall financial health score of "Good".

The Corporation agreed to approve the 2008/09 Income and Expenditure estimates and the 3 year financial forecasts to forward to the LSC

47/08 To consider for approval the Internal Audit Annual Report 2007/08

20:06

The Principal presented the item. A discussion ensued. The issue of segregation of duties in the payroll section was explained in relation to the small size of the finance team. Members were keen to see that specific action was taken on this issue. It was noted that the Head of Finance had been asked to report again on this at the next Audit meeting.

Members noted the opinion of the Internal Audit Director that *“Shipley College has adequate and effective management, control and governance processes to manage its achievement of the college’s objectives”*.

Following this, the Corporation agreed to approve the Internal Audit Annual Report 2007/08.

48/08
20:09

To consider:

(i) The Annual Report on Risk Management and Corporate Governance arrangements

The Principal presented the report and explained the background to the item and drew Members’ attention to page 2, section 4 (Summary of Performance against the Plan). In particular, she drew Members’ attention to section 4.5 “The most significant risk for the College in 08-09 will be uncertainties over the new funding methodology and the achievement of unidentified income”. She referred members to the controls in Risk Area 1 and Risk Area 2 of the Risk Mitigation Programme as enabling the College to monitor this risk situation closely. She drew Members’ attention to the Risk Management Plan indicating the contingency measures in place to protect the financial position in the event that mitigation measures proved insufficient.

The Principal then asked Members whether they felt able to make the necessary disclosures as set out on page 2 of the Risk Management Arrangements paper agreed by the Corporation in July 2002. Such a disclosure and full statement of compliance with the “Revised Corporate Governance Statement Incorporating Statement of Internal Control” would be required for the end of year accounts.

Corporation Members agreed to make the disclosures required for the end of year accounts.

(ii) The updated Risk Analysis and Contingency Planning Documentation (parts 1 and 2)

The Principal introduced the item and guided Members through the Risk Register (July 2008 update) and its associated Risk Mitigation Programme.

In particular, the Principal drew Members’ attention to the risk status allocated to the following areas:

2(g) – “The uncertainties regarding Employer Responsive income in 08/09”, considered as a significant risk.

2(l) – “The impact of any delay in renewing the finance system currently only covered by “best endeavours” support”. Although this was considered to be a “household” risk it was considered important to draw this to Members’ attention and to include it in the Risk Register.

2(m) – The strategic and reputational risk of “The impact of new Framework for Excellence Key Financial Performance Indicators”.

2(n) – the contingency risk associated with any failure to replace the SRIP funding during late 2009-10.

3(c) – the risk of “Breach of Equality and Diversity legislation” due to the increased volume and complexity of this legislation had been upgraded to “contingency”. In response to a question from a Member, the Principal confirmed that this was an area which management wished to focus on in particular through the ESMG (Equality Schemes Management Group) and the ESSG (Equality Schemes Staff Group).

4(b) – “Difficulties arising from changes in key College systems” had been upgraded from “Household” to “Contingency” because the College was planning to introduce a new student records system with effect from September 2009 following a Corporation request to undertake a value for money and operational effectiveness review.

6(b) (e) – “Major incident / accident during student off-site visit” had been updated to “Contingency”. This decision had been taken following a collaborative visit to Craven College following their investigation into a caving “near miss”.

The Corporation then considered the updated Risk Management Plan related to the updated Risk Register. In addition to the elements mentioned above, Members were reassured in relation to item 7(c) “Failure of major utilities supplier” that the College had responded to Governor concerns and that works were in progress to ensure effective back-up systems. A discussion followed.

In relation to page 9, 12(c) of the Risk Register, it was agreed that the Risk Register be amended to indicate the relative risks associated with “failure of equipment” (Household or Contingency following an assessment) and “failure of supply” (Low). The Risk Management Plan was approved.

49/08
20:36

To consider the next stage of the update of the Strategic Plan

The Principal introduced the item. She reminded Members that strategic planning had received an internal audit assessment of “Outstanding” and emphasised the important role of Corporation Members in contributing to the updating of the Plan. She referred Members to a number of changes as indicated in the “Guide to the Corporation”, and in particular to Part 5 which now incorporated the “Employer Responsiveness Strategy”. She explained that she proposed to include the Personalisation, Community and Employer Responsiveness Strategies within the Strategic Plan so that the College mission of being a College for the individual, the community and for business was reflected fully within the Plan itself.

In respect of the Employer Responsiveness Strategy, the role of the Care, ICT and Horticulture Employer Panels in reviewing this strategy was noted. She explained that the Employer Charter and the new service Standards supported the Employer Strategy.

The proposed changes to the Strategic Plan were accepted by Corporation.

50/08
20:43 **To consider a progress report on the 2007/08 Operating Statement**

The Principal introduced the item. Members considered the draft Review of Progress on the 07-08 Operating Statement (Part 4 of the Strategic Plan). It was noted that the plan-led approach to the work of the Assistant Principals meant that each Assistant Principal and the College Administrator was responsible for a Plan in relation to their specific areas of responsibility

She drew Members' attention to the review of progress against the Objectives and identified Objectives 1, 2, 3, 5, 8 and 12 as key areas for the College. She also indicated that the College intended to submit an application for the Training Quality Standard at the end of August.

The review of progress was received.

51/08
20:48 **To receive an update on the 2008/09 planned programme of courses**

The Principal provided a verbal update. She confirmed the LSC allocations which had now been received as follows for 16-18s, adults, adult safeguarded learning and Employer Responsive provision and the associated targets.

She then went on to draw Members' attention to various elements of new provision. Members did not make any proposals for changes to the planned programme of courses for forthcoming years.

Members received the update.

52/08
20:54 **To receive a report on Full Time Students' Destinations**

The Principal presented the item. She asked Members to consider the destinations report produced by the Head of Registry and Information Services, noting that the lack of such a report in 06-07 had led the Corporation to consider this as a potential weakness, given new LSC emphasis on this. Members noted that the "drop-out" rate reported as "withdrawn" students was in the region of 20% and, like the Principal, considered this to be an area for concern. In response to a question, the Principal confirmed that the College was in the process of identifying all those students who were progressing to another level course within the College.

The report was received.

53/08
20:57 **To consider an update on the Property Strategy**

The Principal presented a verbal update. Members noted that the Principal, Head of Estates and Head of Finance would shortly be meeting with Bradford Metropolitan District's Director of Regeneration. The Principal

considered that the final Application in Principle document could not be ready for the Corporation meeting in October. She anticipated that between October and December 2008 special meetings would need to be called. Delegation of powers to Committees might be required in order to meet a deadline of 9th December for the final submission.

The update was received.

54/08
21:00

To endorse the College Fair Trade Policy

The Principal presented the item. She explained that the Estates Committee had already considered the Policy and had recommended it to Corporation for approval.

The College Fair Trade Policy was approved.

55/08
21:01

This item was presented by the Clerk.

(i) An amendment to Standing Orders Appendix A – Committee Membership

Corporation Members received and approved the Clerk's paper outlining proposed changes to Standing Orders in respect of the membership of the following committees:

- Curriculum and Quality
- Estates
- Finance and General Purposes
- Human Resources

(ii) Filling vacancies on the Corporation Committees

The Clerk drew Members' attention to the fact that there were currently 2 vacancies on the Corporation as a whole. Members noted that there was currently 1 vacancy on the Human Resources Committee and 1 vacancy on the Audit Committee.

Members agreed that a Search Committee should be held in early September and that progress towards filling vacancies should be recommenced in the new academic year.

56/08
21:05

To consider for approval the Calendar of Corporation and Committee meetings to December 2009 and an indication of the main Agenda items

The Clerk drew Members' attention to the calendar and the new agenda items indicated in bold. The Clerk explained that the Principal would be in London on 14th October at a meeting of West Yorkshire Principals and MPs. It was therefore proposed to change the Corporation Training evening to 18th November to enable the Principal to attend.

With this change, Members approved the calendar of dates to December 2009 and the main agenda items.

57/08
21:08 **To receive the Annual Report of any instances of Fraud within the College**

The Principal presented this item, drawing Members' attention to the paper produced by the Clerk. She asked members to note that there had been no instances of "significant" fraud or irregularity discovered during the period from August 2007 to July 2008. However, an attempted fraud had been discovered in November 2007 in relation to a transaction with two of the College's suppliers. This had been fully investigated and the College's Financial Statements Auditors had been alerted. Management were satisfied that College staff had not been involved in any way. The matter had been referred to the police and the College's bankers. Finance staff were now undertaking weekly checks to ensure that all cheque and other payment requests could be accounted for. On this basis, the Principal could assure Members that there were no serious weaknesses, fraud, major accounting or other control breakdowns which the College, its funding auditors, its financial statement auditors or the internal audit service were aware of which needed to be reported.

The report was received.

58/08
21:12 **To consider the update of the College Charter for Employers**

The Principal presented the item, the bi-ennial update of the document. She asked Members to note that the Curriculum and Quality Committee had already considered an earlier version of the Charter. The Committee had suggested some minor changes. The Charter wording was also being considered by the Employer Panels.

Members agreed the bi-ennial update of the College Charter for Employers, subject to consultation with the College's Employer Panels.

59/08
21:13 **To receive the Annual Report from the Student Affairs Committee for 2007-2008**

The Chair of the Committee presented the annual report and Members received the report.

60/08
21:14 **To receive the 2007/08 Annual Reports from Corporation Committees**

Members received the following Annual Reports from Corporation Committees

- (a) Finance and General Purposes Committee
- (b) Human Resources Committee
- (c) Estates Committee
- (d) Search Committee
- (e) Curriculum & Quality Committee

61/08
21:15

Chair's Report

The Chair of Corporation reported that he, the Principal and the Chair of the Estates Committee, Marjorie Hopwood, had attended the launch of the joint Colleges and University report on the economic impact of FE and HE institutions in the Bradford District. This had proved to be a very useful networking event.

62/08
21:16

Principal's Report

- (a) The Principal confirmed the date of the College Awards Evening (21st November 2008). She informed Members that the College's Salt Building would be open on 13th and 20th September during the Saltaire Festival for additional enrolments. The College was supporting the festival in various ways.
- (b) To receive information on LSC updates

A copy of the LSC updates would be circulated separately.

63/08
21:18

Any other business

(a) In response to a Member's concern about the usage of the Bingley Connection, the Principal confirmed that information would be made available to the Corporation.

- (b) Date of Corporation meetings scheduled to December 2008 were confirmed as follows:

- (i) Tuesday 07/10/08
- (ii) Tuesday 18/11/08 Corporation Training
- (iii) Tuesday 16/12/08

There was no other business.

The meeting concluded at 21:20