

Minutes of the meeting of the Governing Body held on Wednesday 10<sup>th</sup> December 2008 commencing at 9.30 a.m. in Room A1, Otley College, Otley, Ipswich, Suffolk.

**Present:** Bob Feltwell (Chair)  
John Clements  
Linda Cropley  
Jane Dale  
Lavinia Finn  
John Hammond  
Martin Holmes  
Ian Norman  
Jane Rabagliati  
Roger Smith  
James Stamper  
Philip Winfield

**In Attendance:** David Sugden (Associate Governor)  
Jenny Pavey (Associate Governor)  
Jenny Milsom (Vice - Principal Curriculum)  
Mike Wainwright (Head of Finance)  
Arthur Hicks (Clerk)

- C9.17 **Apologies and Welcomes**  
Apologies had been received from Barry FitzGerald, Simon Lacquiere, Jane Storey and Robin Vickers. Members asked that their best wishes for a speedy recovery be sent to Barry FitzGerald.
- C9.18 **Disclosures of Interest**  
There were no disclosures of interest.
- C9.19 **Timing of the Agenda and Items of Other Business**  
The timing and Agenda were agreed.
- C9.20 **Minutes of the Previous Meetings**  
The Minutes of the meetings held on the meeting held on the 22<sup>nd</sup> October 2008 were received, agreed as a correct record and signed by the Chair.
- C9.21 **Matters Arising from Those Minutes**  
Minute C9.05:  
Members were advised that the budget review had been delayed.
- C9.22 **Options Review**  
The Principal presented a paper detailing progress of the College towards achieving the 'Match Fit' criteria identified in section 8.4 of the Grant Thornton Report following the Strategic Review. Members of the SMT had compiled the report together and commented on their relevant sections. The Corporation received details of the assumptions which had been made in each of the three scenarios of the report and the revisions made as a result of the improved outturn for 2007/08 and predicted outturn for 08/09. The Principal described the processes employed in the development of the action

plan including estimated time scales and costs. Members considered the major factors influencing the successful achievement of the actions including; the current economic climate, the political agenda, and the adverse impact that changes and delays in LSC funding systems and changing government priorities were having on College planning. He confirmed that the College had delivered LSC Priorities over many years and were fully committed to continuing to meet national and local priorities. The Corporation considered it essential that Senior Managers were firm in their dealings with the funding bodies at this stage but recognised the need to be constructive and to demonstrate that plans were in place and being developed to address the issues before giving consideration to escalating the College position to a political level. It was, however, considered prudent to compile a file of case notes which could if necessary be used in future in eliciting support.

Members discussed the action plan and methods of monitoring progress. Following full discussion **it was agreed:**

**That**

- a) **The Chairs of each Committee would review the actions and associated costs relevant to their Committee and feedback their observations to the Clerk.**
- b) **Reports on progress of achievement against relevant actions to appear as an agenda item on each Committee for monitoring purposes.**

The Chair advised that the steering group had met with Grant Thornton. Progress and timescales for completing the feasibility study had been discussed and it was hoped to have the report available for a full meeting of the Corporation at the end of February 2009. A further meeting of the steering group was planned for the 16<sup>th</sup> December 2008.

#### C9.23 **Audit Committee**

John Clements presented the draft minutes of the meeting held on the 19<sup>th</sup> November 2008. He reported that the Committee had met privately with the Financial Statements Auditors after the meeting. He advised Members that Robin Dennis – Jones had decided to retire as an external member of the Committee and that his contribution would be sadly missed. Governors supported the sentiments and requested that their appreciation of his long service be extended to Robin.

Having received appropriate assurance from the auditors and there being no significant areas of concern the Committee, in order to allow Corporation to sign off the annual Accounts for the year ending 31 July 2008 had approved the:

- Annual Fraud Assessment Report.
- Financial Statements. Audit Highlights Memorandum and Management Letter for the year ended 31 July 2008.
- Annual Internal Audit Report for 31 July 2008.
- Audit Needs Assessment and Periodic Plan for 2008/09.
- The Annual Risk Management Report 2007/08, incorporating the opinion of the Risk Management Group and the Risk Register.

The Corporation considered the Annual Report of the Audit Committee and discussed the performance of Auditors (Annexes B, C and D). After due consideration of the auditors' reports **it was resolved:**

**To approve:**

- a) **The Annual Report of the Audit Committee for 2007/08.**
- b) **That KPMG be appointed Financial Statements Auditors for the year ended 31 July 2009.**
- c) **That Bentley Jennison be appointed Internal Audit Service for the year ended 31 July 2009.**
- d) **That KPMG be appointed to provide Controls Assurance and DSAT testing for the year ended 31 July 2009.**

C9.24 He presented the draft minutes of the meeting held on the 5<sup>th</sup> December 2008. He advised Members that the Committee had met to consider a new control evaluation document which replaced the Self Assessment Questionnaire (SARQ). This had to be approved by Audit Committee, signed by the Principal and received by the LSC in hard copy and electronic format by the 12<sup>th</sup> December 2008. The Committee received the document and systematically reviewed the content and the grades awarded. Following full discussion they had agreed, subject to agreed amendments, to approve the Financial Control Management Evaluation, the grade recommended by the College, Grade 2 Good, and authorised the Principal to sign it on behalf of the College.

The report was considered and received.

C9.25 **Finance and General Purposes Committee**

Linda Cropley presented the draft minutes of the meeting held on the 3<sup>rd</sup> December 2008. Governors were advised that funding targets had been achieved with minor variance between the total LSC allocation and the College out turn and that there would be no claw back of the Recurrent Grant.

Following a tender exercise the Committee had received and approved a recommendation for the long term hire of 4 mini buses to replace the 3 which were now out of contract. They had approved the replacement of the College catering vending machines which were now out of contract, new machines had been purchased at a cost of £25,430 and the Capital Budget increased accordingly. They had also received and approved new Financial Performance Indicators which would be used to benchmark and assess the Colleges' financial performance in the future.

She reported that a schedule of College partnership arrangements as defined by the LSC had been received. The majority of partnerships are within Distance Learning and are considered to be low risk by the LSC. Approval has been received for all of the programmes.

The Corporation were advised that due to delays in the completion of the Learner Aims Database by the LSC, it had not been possible to allocate income across department heads and consequently the review of revenue budgets had not been completed. It was anticipated this situation would be resolved by early December and the budget review available for the next meeting of the Finance and General Purposes Committee.

The Corporation received the Management Representation Letter between the College and KPMG. After due consideration **it was resolved:**

**To approve the Management Representation Letter to KPMG and authorise the Chair to sign on behalf of the College.**

She advised that the Committee had received the Members' report and consolidated financial statements to 31<sup>st</sup> July 2008 for Otley College which had been revised since the meeting held on the 3<sup>rd</sup> December 2008. Members noted the changes were adjustments to the presentation and did not affect the overall result. The changes had been reviewed and approved by KPMG. Governors reviewed the report and requested minor changes to the table of serving Governors. Following due consideration **it was resolved subject to the agreed amendments being made:**

**To approve the Members Report and Consolidated Financial Statements for the year ended 31 July 2008.**

C9.26 **Management Accounts 2008/09**

Mike Wainwright presented the management accounts which contained details of the actual income and expenditure for the 3 months to the 31<sup>st</sup> October 2008. He advised that the commentary contained the potential risks against income; these would be further quantified in future accounts. The budget is to be re-profiled during December and will be applied to all subsequent Management Accounts. Income and expenditure were considered along with payroll costs and cash flow.

The accounts were received.

C9.27 **Financial Health Category**

Members were advised that in July 2008 the College completed the Financial Planning 2008 to 2011 document in line with LSC requirements. The College has now been advised that the LSC have asked for the forecast to be reviewed and resubmitted.

The report was received.

C9.28 **Otley College Enterprises**

Members were advised that Directors of the Board of Otley College Enterprises met on the 3<sup>rd</sup> December 2008. The resignations of Rosanne Wijnberg and John Clements were received and Bob Feltwell appointed as Director and Chairman of the Board. After due consideration **it was resolved:**

**To approve the appointment of Bob Feltwell as Director and Chairman of the Board.**

Bob Feltwell presented a report from Otley College Enterprises (OCE) along with the Management Representation Letter, revised Memorandum of Understanding and Service Level Agreement. Members received the directors' report and financial statements for year ending 31<sup>st</sup> July 2008 for information and were advised that the accounts had been signed off as a going concern and that although there was very little business recorded for the year it was important that it continued to operate to enable use in the future if needed.

The report and Accounts were received.

- C9.29 **Quality Standards Committee**  
Jane Dale presented the draft minutes of the meeting held on the 14<sup>th</sup> November 2008. She reported that the Committee had received reports from each of the Curriculum Departments in the new format. Members were advised reports on Learner performance, funding and recruitment had been received by the Committee. Jenny Milsom reported that on the 17<sup>th</sup> November an Ofsted representative attended the College and conducted a survey of the methods used by the College to capture the "Student Voice". Overall the Inspector was very complimentary about the work being done with six strengths and 3 areas for improvement identified. The results which would be posted on the Ofsted website.

The report was received.

- C9.30 **Search and Governance Committee**  
Martin Holmes presented the minutes of the Search and Governance Committee meeting held on the 22<sup>nd</sup> October 2008 for information; a verbal report had been given to the Corporation at their meeting held on the 22<sup>nd</sup> October 2008.

Members were advised that following a nomination process culminating in a presentation being made by 2 candidates at the student conference on the 25<sup>th</sup> November 2008 Helen Page was elected and has been nominated by the Student Committee as the Student Member (FE). After due consideration **it was resolved:**

**To approve the appointment of Helen Page as Student Member (FE).**

- C9.31 **Human Resources Committee**  
Roger Smith presented the draft minutes of the meeting held on the 17<sup>th</sup> November 2008. He gave details of the reports received and advised that the Committee had considered and approved revised policies for Absence, Criminal Records, Single Equality, Family Friendly and Recruitment & Selection. Members received the revised Single Equality policy and were advised that the 7 strands of equality - Age, Disability, Race, Religion/Belief, Sex, Sexual Orientation and Trade Union membership, had been merged into one Single Equality policy. Members noted the responsibilities of Governors contained in the policy.

The report was considered and received.

- C9.32 **Other Business**  
The Chair reported on a number of events he had attended since becoming Chair of Corporation. He had met with the Chair of Suffolk New College and arrangements were in place for him to meet with the Chairs of West Suffolk College and Easton College.

There being no other business the meeting closed at 12.20 p.m.

- C9.33 **Date and Time of the Next Meetings**  
The next meeting was agreed as Wednesday 25<sup>th</sup> March 2008 at 9.30 a.m.

Arthur Hicks  
Clerk to the Corporation  
December 2008