

CORPORATE BOARD

NORTH WEST KENT COLLEGE

Minutes of a meeting of the CORPORATE BOARD

held at 5.30pm on Tuesday, 16 December 2008, at Oakfield Lane, Dartford

Present: Mr B Williams (Chairman)
Mr J Hill
Mr E Anderson
Ms E Birchenough
Mr J Parkes
Dr R Finney
Mr B Newell
Mr R Singh Gill
Mrs L Rowan
Mrs P Jones
Ms S Nicholson
Mr R M Bell

In attendance: Mr D Holland (Clerk to the Corporation)
Mr T Knight (Vice Principal)
Mr G Parrett (Director of Finance and Systems)
Mrs C Hopkins (minuting secretary)

I-1 APOLOGIES

Apologies for absence were received from Mrs S Adams and Mr G Moody.

I-2 MINUTES

2.1 The minutes of the meeting held on 8 October 2008 were approved and signed as a correct record.

2.2 Matters Arising

2.2.1 (I-8) Every Child Matters, 2007-2008 Overview

Referring to the returns which had not been provided by three schools, the Principal advised that he had relayed members' disappointment to those schools, following which two returns had been received. Although one return remained outstanding, the Principal reported that it was due to unavoidable personal circumstances and he would not press the matter. Members were

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satisfied with the Principal's update on the matter.

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I-3 ESTATES COMMITTEE

3.1 The minutes of the Estates Committee meeting held on 4 November 2008 (Paper No CB/16.12.08/I-3.1) were received and noted.

3.2 Matters Arising

3.2.1 (I-3.1.1.1) Health & Safety Committee First Aid Provision

The Clerk assured members that he had discussed the role of first aid provider with the Personnel Manager and that it was now a condition of employment for any new technicians.

Referring to the final paragraph under this heading, the Vice Principal advised that *all* nursery staff were trained in first aid and some in the specialist area of paediatric first aid provision.

I-4 LEARNER SUPPORT FUND COMMITTEE

4.1 The minutes of the Learner Support Fund Committee meeting held on 4 November 2008 (Paper No CB/16.12.08/I-4.1) were received and noted.

4.2 Matters Arising

4.2.1 There were no matters arising.

I-5 SEARCH COMMITTEE

5.1 The minutes of the Search Committee meeting held on 11 November 2008 (Paper No CB/16.12.08/I-5) were received and noted.

5.2 Matters Arising

5.2.1 (I-2.2.1) Matters Arising: Any Other Business

The Clerk confirmed that he had purchased a gift for Brian Rose, following his retirement from the Board. A letter of thanks had been received.

I-6 STANDARDS COMMITTEE

6.1 The minutes of the Standards Committee meeting held on 25 November 2008 (Paper No CB/16.12.08/I-6) were received and noted.

6.2 Matters Arising

- 6.2.1 The omission of Mr Newell from the list of attendees was noted and would be amended.

I-7 FINANCE AND GENERAL PURPOSES COMMITTEE

- 7.1 The minutes of the Finance and General Purposes Committee meeting held on 2 December 2008 (Paper No CB/16.12.08/I-7) were received and noted.

7.2 Matters Arising

- 7.2.1 There were no matters arising.

I-8 AUDIT COMMITTEE

- 8.1 The minutes of the Audit Committee meeting held on 3 December 2008 (Paper No CB/16.12.08/I-8) were received and noted.

8.2 Matters Arising

8.2.1 (R-1) Risk Register and Risk Reduction Plan

The Clerk reported that Mr Newell's reference to the temporary electricity supply using generators had been noted and the risk rating within the document had been amended accordingly. He also reported that, at the next meeting of the Senior Management Team, the Vice Principal would supply details for the Risk Reduction Plan, highlighting the College's minimisation of the risk.

I-9 MANAGEMENT ACCOUNTS TO OCTOBER 2008

Members received and noted the Management Accounts to October 2008 (Paper No CB/16.12.08/I-9).

The Director of Finance and Systems advised members that the new 'currency' for funding was based on Standard Learner Numbers (SLNs), with one SLN equating to 450 guided learning hours (GLH). Members noted that the LSC contract was £16.44m for 16-18 year old students and, as at Month 3, the College had realised 96% of contract, or £15.77m. The Adult Learner Responsive contract of 3,465 students for 2008/09 was at 61%, or 2,103, at Month 3. A small surplus, at Month 3, was noted. The Director of Finance and Systems noted that the financial key indicators were similar to last year and did not highlight any areas of concern.

Referring to the Appendices, specifically Appendix 1, *Income and Expenditure*, the Director of Finance and Systems was comfortable with the

position at present. Appendix 3, *Summary of Learner Responsive Funding*, provided, by the LSC, gave very sparse information, although the Director of Finance and Systems believed such information would improve with new versions of the software being used. Cashflow was highlighted at Appendix 4. The Director of Finance and Systems stressed that it was essential to manage cash most carefully during the course of the capital project. He highlighted the large amounts being expended each month on the capital project. Members were advised by the Director of Finance and Systems that approval for a bridging loan would be sought in January 2009 but stressed that the College bankers, Lloyds, were fully supportive of existing customers. He estimated that the cost of a bridging loan would be in the region of 1.75% to 2% above the base rate. Appendices 7a, 7b and 7c provided members with student profiles by school, together with taught hours and an illustration of the six year trend in full-time students. Appendix 8 confirmed that the LSC income for 2007/08 had been £21.7m, which was almost £1m above the anticipated funding position. Members were advised that the over-achievement had placed the College in a better position in relation to this year's funding.

I-10 USE OF CORPORATION SEAL 2008-2009

Members received confirmation from the Clerk that the Corporation Seal had been used on one occasion during the period 1 October 2008 to 8 December 2008 (Paper No CB/16.12.08/I-10).

I-11 GOVERNOR TRAINING

11.1 Mrs S Adams: Boardroom Briefing – FE Self-Regulation, Framework for Excellence and Ofsted Inspection

Members received and noted Mrs Adams' summary of the Boardroom Briefing which she attended in November 2008 (Paper No CB/16.12.08/I-11.1). The Clerk reported that the area of self-regulation was an important area which the Board would have to consider. Although the Clerk would be attending briefing sessions on the subject, members were in agreement that it was an appropriate topic for the Annual Corporate Conference in March 2009.

11.2 Mr A Ajiyo: Student Governor Finance

Members received and noted Mr Ajiyo's summary of the Student Governor Finance training session he attended in November 2008 (Paper No CB/16.12.08/I-11.2).

**I-12 TREND IN FINANCIAL PERFORMANCE
REVIEW OVER THE LAST 8 YEARS (TO BE READ IN
CONJUNCTION WITH R-5.1)**

Members received and noted the Trend in Financial Performance (Paper No CB/16.12.08/I-12) which detailed the College's financial progress over the last eight years. Members were advised that, without the technical FRS 17 provision, a profit of £500,000 would have been shown.

I-13 RESERVED ITEM

D-1 PRINCIPAL'S REPORT

Members received and noted the Principal's Report (Paper No CB/16.12.08/D-1).

The Principal updated members on the 'SusCon' Project following his meeting with the LSC during the day. He advised that the College was being encouraged by the LSC to apply for capital support, of £2m-£3m, for a centre for sustainable construction at the Bridge development at Dartford. He reported that £3m was available from the CLS (now known as the Homes and Communities Agency) and approximately £1m from SEEDA. The Principal reported that although the skills required and the curriculum to be taught were unknown quantities at present, the project would be at the forefront of future developments in construction training. The College intended to lodge its application for funding by the end of March as further work was required at the planning stage. The Principal confirmed that he was due to meet with KCC tomorrow regarding the project, although some reservations had been expressed concerning due governance, in light of the fact that there would be three separate sources of funding.

Members were pleased to note that the College had secured re-accreditation following the recent assessment process for Investors in People (iP).

The Principal noted that J Block, running parallel with Oakfield Lane, had been demolished and the tower block at the front of the campus was in the process of being demolished. The Principal referred to recent incidents, such as the loss of power, and wished to record his thanks to all staff who have ensured that the College continued to operate during these very difficult circumstances. Members endorsed the Principal's comments.

Members noted the Machinery of Government changes, including the recent changes to the *Children Skills and Learning Bill* following the Haringey Council incident.

D-2 CAPITAL PROJECT MONTHLY STATUS REPORT

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Members received and noted the Capital Project Monthly Status Report as at November 2008 (Paper No CB/16.12.08/D-2).

The Vice Principal reported that C and R Blocks at Gravesend were progressing well and much of the work being undertaken at present involved internal areas. He advised that although a delay with the power supply by EDF has been experienced, he did not anticipate a delay with the completion of the construction work and the fit out during the summer period.

Referring to the redevelopment of the Dartford campus, the Vice Principal reported that it had been necessary to fell some large trees, as well as smaller trees, but a replanting scheme was in hand: for every tree which had been felled, two or more mixed deciduous British trees would be planted.

Members noted that a revised Application in Detail for Phase 1 at Dartford, which incorporated the BREEAM Assessment 2008 requirements, had been resubmitted to the LSC on 1 December 2008. The Vice Principal believed that this College was the first college nationally to submit an application under the new requirements.

Members were advised that adequate funding for a new swimming pool at the Dartford campus had not been obtained and that the current swimming pool was in then process of being drained.

Although the increase in the cost of the Dartford project was noted, having increased from £94m to £99.5m, the Vice Principal advised that it was not a significant increase and did not anticipate any difficulty about the funding of the increase by the LSC.

Members were satisfied with the progression of the capital projects.

R-1 ESTATES COMMITTEE

1.1 Terms of Reference

Members received and noted the Terms of Reference of the Estates Committee (Paper No CB/16.12.08/R-1.1).

As proposed by Mr Parkes and seconded by Mr Anderson, it was

RESOLVED *to re-adopt the Terms of Reference of the Estate Committee, as detailed in Paper No CB/16.12.08/R-1.1.*

R-2 LEARNER SUPPORT FUND COMMITTEE

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2.1 Proposed Unit Rates 2008/2009

Members received and noted the proposed units rates for 2008/2009 (Paper No CB/16.12.08/R-2.1). The Clerk reiterated his advice that the Fund should be subject to formal audit in future, to ensure compliance with the Guidance. As proposed by Mr Anderson and seconded by Mr Singh Gill, it was

RESOLVED *to endorse the proposed unit rates for 2008/2009, as detailed in Paper No CB/16.12.08/R-2.1.*

2.2 Terms of Reference

Members received and noted the Terms of Reference of the Learner Support Fund Committee (Paper No CB/16.12.08/R-2.2). Members noted the amendment to the quorum of the Committee due to its previous restrictiveness. As proposed by Mr Anderson and seconded by Mr Parkes, it was

RESOLVED *to re-adopt the Terms of Reference of the Learner Support Fund Committee, as detailed in Paper No CB/16.12.08/R-2.2.*

2.3 Performance Indicators

Members received and noted the Performance Indicators of the Learner Support Fund Committee (Paper No CB/16.12.08/R-2.3). As proposed by Mr Anderson and seconded by Mr Parkes, it was

RESOLVED *to adopt the Learner Support Fund Committee's Performance Indicators as set out in Paper No CB/16.12.08/R-2.3.*

R-3 SEARCH COMMITTEE

3.1 Re-appointment of Business Member: Mr John Hill

Members received and noted the abstract from the minutes of the Search Committee held on 11 November 2008 (Paper No CB/16.12.08/R-3.1). As proposed by Mr Anderson and seconded by Liz Rowan, it was

RESOLVED *to endorse the recommendation of the Search Committee that Mr John Hill be re-appointed as a Business Member of the Corporation until the end of the 2009/2010 academic year, as detailed in Paper No CB/16.12.08/R-3.1.*

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<p>3.2 Re-appointment of Business Member: Ms Elizabeth Birchenough</p> <p>Members received and noted the abstract from the minutes of the Search Committee held on 11 November 2008 (Paper No CB/16.12.08/R-3.2). As proposed by Dr Finney and seconded by Mr Hill, it was</p> <p>RESOLVED to endorse the recommendation of the Search Committee that Ms Elizabeth Birchenough be re-appointed as a Business Member of the Corporation, as detailed in Paper No CB/16.12.08/R-3.2, for a further four year term.</p>	
<p>3.3 Re-appointment of Co-opted Member: Dr Roger Finney</p> <p>Members received and noted the abstract from the minutes of the Search Committee held on 11 November 2008 (Paper No CB/16.12.08/R-3.3). As proposed by Ms Birchenough and seconded by Mr Singh Gill, it was</p> <p>RESOLVED to endorse the recommendation of the Search Committee that Dr Roger Finney be re-appointed as a Co-opted Member of the Corporation, as detailed in Paper No CB/16.12.08/R-3.3, for a further four year term.</p>	
<p>3.4 Terms of Reference</p> <p>Members received and noted the Terms of Reference of the Search Committee (Paper No CB/16.12.08/R-3.4). As proposed by Mr Anderson and seconded by Mr Parkes, it was</p> <p>RESOLVED to re-adopt the Terms of Reference of the Search Committee, as detailed in Paper No CB/16.12.08/R-3.4.</p>	
<p>3.5 Performance Indicators</p> <p>Members received and noted the Performance Indicators of the Search Committee (Paper No CB/16.12.08/R-3.5). As proposed by Ms Birchenough and seconded by Dr Finney, it was</p> <p>RESOLVED to adopt the Search Committee's Performance Indicators as set out in Paper No CB/16.12.08/R-3.5.</p>	
<p>R-4 STANDARDS COMMITTEE</p>	
<p>4.1 Corporate Board Self-Assessment Report 2007/2008</p> <p>Members received and noted the outcome of the Corporate Board Self-Assessment Report 2008/2008 (Paper No CB/16.12.08/R-4.1). Dr Finney, as</p>	

Chairman of the Standards Committee, expressed his satisfaction with the number of responses this year. Members were advised that the outcome of this report would be cross-referenced with the College's Self-Assessment Report.

As proposed by Mr Anderson and seconded by Mr Parkes, it was

RESOLVED to accept the Corporate Board Self Assessment 2007/2008 with Grade 2 for all areas except Clerking as Grade 1, as detailed in Paper No CB/16.12.08/R-4.1.

4.2 College Self-Assessment Report

Members received and noted the draft College Self-Assessment Report (Paper No CB/16.12.08/R-4.2). Dr Finney questioned whether the Leadership and Management extract should be presented to the Board or whether the full Self-Assessment Report was required. He acknowledged the difficulties in preparing the document, due to the timescales involved, but also stressed that it was important for members to be aware of the full report to enable appropriate action to be taken. The Principal was in agreement with Dr Finney that the full report should be available to members and suggested further discussions could take place at the Annual Corporate Conference in March. The Principal advised that a draft of the full report would be uploaded onto the LSC's website by the end of December, with success rates finalised by the beginning of February 2009. The Principal reported that the report had been discussed at a peer review meeting last week, which believed that Leadership and Management at the College should be Grade 2 rather than the Grade 3 listed. The Principal noted that the grading related to the previous academic year and advised that he believed Grade 3 was, for the moment, more appropriate, with a Grade 2 being proposed in the next report, for the current academic year. He considered that the improvements being made within the Quality Support Unit and the improvement in success rates would support a Grade 2 in the next report.

Members were satisfied with the draft version submitted but noted that no formal resolution was required.

4.3 Terms of Reference

Members received and noted the Terms of Reference of the Standards Committee (Paper No CB/16.12.08/R-4.3). As proposed by Mr Anderson and seconded by Mr Singh Gill, it was

RESOLVED to re-adopt the Terms of Reference of the Standards Committee, as detailed in Paper No CB/16.12.08/R-4.3.

4.4 Performance Indicators

Members received and noted the Performance Indicators of the Standards Committee (Paper No CB/16.12.08/R-4.4). As proposed by Mr Anderson and seconded by Mr Parkes, it was

RESOLVED to adopt the Standards Committee's Performance Indicators as set out in Paper No CB/16.12.08/R-4.4.

4.5 Corporate Performance Indicators

Members received and noted the Corporation Performance Indicators (Paper No CB/16.12.08/R-4.5). Although the Standards Committee had discussed the removal of the quantitative element (Performance Indicator Three), the Clerk had advised against such action, particularly as it was a published Inspection criterion. Members were satisfied with the amendments made by the Committee. As proposed by Dr Finney and seconded by Mr Anderson, it was

RESOLVED to adopt the Corporation Performance Indicators, as detailed in Paper No CB/16.12.08/R-4.6.

4.6 Higher Education Strategy

Members received and noted the Higher Education Strategy (Paper No CB/16.12.08/R-4.6). As proposed by Mr Anderson and seconded by Dr Finney, it was

RESOLVED to adopt the Higher Education Strategy, as detailed in Paper No CB/16.12.08/R-4.6.

R-5 FINANCE AND GENERAL PURPOSES COMMITTEE

5.1 Members' Report and Financial Statements for the year ended 31 July 2008

Members received and noted the Members' Report and Financial statements for the year ended 31 July 2008 (Paper No CB/16.12.08/R-5.1).

The Director of Finance highlighted the salient points contained within the Financial Statements:

Page 17: Income and Expenditure Account – Although the published deficit of £5.4m was noted, prior to exceptional items being taken into account, the College would have recorded a £3,000 surplus.

Page 19: The FRS 17 (pension liability) of £2.8m was noted.

Page 26: The increase in tuition fees, in line with the Government's agenda, was noted and the increase in education contracts corresponded with the increase in Higher Education activity.

Page 40: The deficit in the KCC pension scheme was noted, although members were assured that the deficit was a 'virtual transaction' only, as there was a technical requirement for provision to be made within the financial statements.

On behalf of the Board, the Chairman thanked the Director of Finance and Systems for his tireless work in relation to College finances and for the improvements he had made to the presentation of the data. As proposed by Dr Finney and seconded by Mr Parkes, it was

RESOLVED to endorse the Members' Report and Financial Statements, as detailed in Paper No CB/16.12.08/R-5.1.

5.2 Race Equality Monitoring and Review Report – Staff

Members received and noted the Race Equality Monitoring and Review Report – Staff (Paper No CB/16.12.08/R-5.2). As proposed by Dr Finney and seconded by Mr Anderson, it was

RESOLVED to adopt the Race Equality Monitoring and Review Report – Staff, as detailed in Paper No CB/16.12.08/R-5.2.

R-6 AUDIT COMMITTEE

6.1 RISK REGISTER AND RISK REDUCTION PLAN

Members received and noted the Risk Register and Risk Reduction Plan (Paper No CB/16.12.08/R-6.1).

The Clerk highlighted the increase in risk in relation to Availability of Accommodation/Loss of Estates Assets (item 9), specifically due to the use of temporary generators at the Gravesend campus. Dr Finney expressed his opinion that some of the risk concerned management issues, such as only one member of staff being trained in the operation of the payroll system, and he was concerned that minor risks had been highlighted. Mr Anderson explained that some risks could be mitigated rather than eliminated but must remain within the document. Members concurred.

As proposed by Ms Birchenough and seconded by Mr Newell, it was

RESOLVED to accept the Risk Register and Risk Reduction Plan, as detailed in Paper No CB/16.12.08/R-6.1.

6.2 **Emergency Procedures for Disaster Recovery and Business Continuity Plan**

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Members received and noted the Emergency Procedures for Disaster Recovery and Business Continuity Plan (Paper No CB/16.12.08/R-6.2). The Clerk confirmed that he had approached the relevant councils for advice on the Plan and awaited their responses. The Principal confirmed that a desktop exercise would be conducted once discussed further at SMT. Dr Finney, on seeking clarification on College systems and paperwork and whether a backup of all data and paperwork was kept at a second location, was advised that the College intended to transfer all current and future data to disc but documentation, such as historical Personnel records, were paper records and it was not feasible to retain a second copy. As proposed by Dr Finney and seconded by Mr Newell, it was

RESOLVED to accept the Emergency Procedures for Disaster Recovery and Business Continuity Plan, as detailed in Paper No CB/16.12.08/R-6.2.

6.3 **Audit Committee Annual Report**

Members received and noted the Audit Committee Annual Report (Paper No CB/16.12.08/R-6.3).

6.4 **Appendix 1: Audit Committee Terms of Reference**

Members received and noted the Audit Committee Terms of Reference (Paper No CB/16.12.08/R-6.4) which had been approved by the Corporate Board on 8 October 2008.

6.5 **Appendix 2: Annual Internal Audit Report**

Members received and noted the Annual Internal Audit Report (Paper No CB/16.12.08/R-6.5) which had been approved by the Corporate Board on 8 October 2008.

6.6 **Appendix 3: Financial Statements Audit Management Letter**

Members received and endorsed the Financial Statements Audit Management Letter (Paper No CB/16.12.08/R-6.6) which had been discussed in detail by the Audit Committee on 3 December 2008.

6.7 **Appendix 4: Regularity Auditor Management Letter**

Members received and endorsed the Regularity Auditor Management Letter (Paper No CB/16.12.08/R-6.7) which had been discussed in detail by the Audit Committee on 3 December 2008.

6.8 **Appendix 5a: Performance Indicators: Audit Committee**

Members received and endorsed the Performance Indicators of the Audit Committee (Paper No CB/16.12.08/R-6.8) which had been discussed in detail and completed by the Audit Committee on 3 December 2008.

6.9 **Appendix 5b: Performance Indicators: Internal Auditors**

Members received and endorsed the Performance Indicators of the Internal Auditors (Paper No CB/16.12.08/R-6.9) which had been discussed in detail and completed by the Audit Committee on 3 December 2008.

6.10 **Appendix 5c: Performance Indicators: Financial Statements Auditors**

Members received and endorsed the Performance Indicators of the Financial Statements Auditors (Paper No CB/16.12.08/R-6.10) which had been discussed in detail and completed by the Audit Committee on 3 December 2008.

6.11 **Appendix 5d: Performance Indicators: Regularity Auditors**

Members received and endorsed the Performance Indicators of the Regularity Auditors (Paper No CB/16.12.08/R-6.11) which had been discussed in detail and completed by the Audit Committee on 3 December 2008.

6.12 **Appendix 6: Status Report on Auditors' Recommendations, November 2008**

Members received and endorsed the Status Report on Auditors' Recommendations dated November 2008 (Paper No CB/16.12.08/R-6.12) which had been discussed by the Audit Committee on 3 December 2008.

As proposed by Ms Birchenough and seconded by Dr Finney, it was

RESOLVED *to endorse Audit Committee's recommendation to approve the Audit Committee Annual Report for 2007/2008, as set out in Paper Nos CB/16.12.08/R-6.3 to CB/16.12.08/R-6.12 inclusive, and to authorise the Chairman of the Audit Committee to sign the report prior to its submission to the local LSC.*

R-7 THREE YEAR STRATEGIC PLAN 2008-2011

Members received and noted the draft Three Year Strategic Plan 2008-2011 (Paper No CB/16.12.08/R-7). The Vice Principal advised that the skeleton plan, which had been approved by the Board in October 2008, had been condensed from seven priorities to six and, although the LSC no longer

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required sight of the document, the internal document would be submitted to the LSC and would meet their objectives. The Vice Principal further advised that a One Year Operational Plan would be drafted in conjunction with the Three Year Strategic Plan and would be submitted to the Board in January. The document would be reviewed regularly by SMT and each school would be aware of any particular areas of concern to themselves.

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Vice
Principal

Mr Singh Gill, referring to the student fair, which was no longer being held at the Woodville Halls at Gravesend or at all, sought clarification on how the College would ensure that schools were aware of the College's existence. The Vice Principal assured members that the College would be making direct approaches to schools to ensure collaboration continued.

As proposed by Mr Anderson and seconded by Dr Finney, it was

**RESOLVED to adopt the Three Year Strategic Plan 2008-2011,
as detailed in Paper No CB/16.12.08/R-7.**

**R-8 RESIGNATION OF THE CHAIRMAN AND PROPOSED
DESIGNATION OF HIS SUCCESSOR**

The Chairman reminded members that he had been Chairman of the Corporation since April 1993 and announced that, at the end of his current term of office in March 2009, would retire from the Board. A successor would be elected in accordance with the Instrument and Articles of Government. To that end, the Chairman requested that a nomination, or nominations, from those willing to serve in the capacity as Chairman should be submitted to the Clerk to the Corporation. The nomination/s were required to be formally proposed and seconded. Members were advised that the Clerk must receive nominations not less than two weeks prior to the meeting on 25 March 2009. If one nomination were received, then that member would be appointed Chairman, subject to a show of hands on 25 March 2009. If more than one nomination were received, a formal election, by secret ballot, would be held on 25 March 2009 at the Board meeting and the member who secured the most votes would be elected as Chairman with effect from 1 April 2009.

C-1 ANY OTHER BUSINESS

None was raised.

C-2 DATE AND TIME OF NEXT MEETING

5.30pm, Wednesday, 28 January 2009, Gordon's Restaurant, Dering Way, Gravesend.