

CENTRAL SUSSEX CORPORATION

**Minutes of a Corporation Meeting held at 5.00 p.m.
on Thursday, 21st May 2009 in T11 Crawley Campus**

Membership: Clive Behagg*, Patrick Berry*, Leslie Edwards*, Mark Froud*, Paul Harding (Vice-Chair)*, Tony Hyams-Parish*, Gill Marshman*, Sylvia Meli*, Adam Passingham, John Peel (Chair)*, Mark Read*, Zoë Richardson, Ramesh Shingadia and Russell Strutt*.

* = present

Also in attendance: Suri Araniyasundaran, Sue Dare, Adrian Dodwell, Maureen Kilminster, and Nick Whitley (Clerk)

APOLOGIES FOR ABSENCE

1. Apologies for absence were received from Adam Passingham, Zoë Richardson and Ramesh Shingadia.

DECLARATIONS OF INTEREST

2. It was noted that Clive Behagg had an interest to declare as Deputy Vice Chancellor of the University of Chichester, particularly with respect to his report at item 10; there was no conflict of interest involved.

MINUTES OF A MEETING OF 26TH MARCH 2009

3. The following amendments were made: In last sentence of paragraph 29 the insertion of the word "their" between "responsibility for" and "part of"; in the second line of paragraph 59 "Heath" for "heath"; and in paragraph 84 "Local Economic Action Group" for "Local Economic Partnership Group"; the minutes were then signed as a correct record.

MATTERS ARISING

4. **Review of effectiveness of lesson observation schemes/47:** The Principal advised that he had started a debate with the other Colleges within FE Sussex about the nature of their lesson observation schemes and the possibility of sharing each other's practice.
5. **Review of Corporation Members' roles within the current and future Corporation/69 and 80:** It was agreed that, if Martin Delbridge did not have the time to carry out the intended review, the Clerk should progress it, as well as canvassing views in respect of the election of Chair and Vice Chair.
6. **University Centre/85:** The Chair informed the meeting that John Denham, the Secretary of State for Innovation, Universities and Skills, had announced that there would be 10,000 additional Higher Education (HE) places available; at least one of the partners in the proposed University Centre for Crawley had bid for some of these places. Funding had been made available by the South

East England Development Agency (SEEDA), West Sussex County Council and Crawley Borough Council to commission a feasibility report in support of the bid for a University Centre to be established in Crawley. The formal expression of interest would be submitted by the end of June this year.

CHAIRMAN'S ACTION

7. The Clerk advised the meeting that there had been no Chairman's Action requiring ratification since the last meeting of the Corporation.

HEALTH & SAFETY REPORT

8. The Principal introduced the report. He drew attention to the increased number of reported accidents, which was attributable to three Faculties in particular. It was believed to be evidence of a tightening up of work and reporting practices within those Faculties; however the Health & Safety Committee was keeping the situation under review to ensure that it did not represent an increasing trend.
9. Wellbeing training had now been introduced and the initial sessions had gone well. It was now being rolled out across the organisation.
10. As far as Walk Round Inspections were concerned, everyone involved in carrying them out had now been trained and knew what was expected of them.
11. The Principal drew attention to the Fire Issues at Haywards Heath; the College had not been satisfied that the current standards for fire alarm sounders met the operational needs of the College. The College had therefore installed additional and louder sounders. All the issues that had been identified had now been addressed.
12. The reported security incident was discussed. It was noted that staff were having to deal with an increasing number of learners suffering from mental health problems. These were often linked with use of cannabis. The Principal confirmed that the College took a very robust stance towards educating students about the dangers of cannabis, especially in its current mix. Cannabis use tended to be part of students' social life outside College, but the consequences were then experienced within the College. A range of support was available. Security Staff were constantly on the alert for attempts to deal in drugs on College premises.
13. It was concluded that the Corporation could take comfort from the fact that Health & Safety reporting mechanisms had been tightened up and that the Corporation was made aware of all issues.
14. **The report was received.**

EQUALITY & DIVERSITY

15. The Principal took the meeting through the report. He stressed that the proposed new legislation would require the College to adopt an integrated approach towards Equality & Diversity; the College was currently developing a single equality scheme, with a common approach to promoting diversity and ensuring any non-compliance was dealt with effectively.

16. A further whole College Inset day was being planned for July, with a focus on diversity. It was likely that this would be held at the Haywards Heath campus and external facilitators including the Forum Theatre would be coming to help run various interactive sessions.
17. It was confirmed that Corporation members would be very welcome to attend the Inset Day. The Clerk would circulate details.

PRINCIPAL'S UPDATE

18. The Principal introduced his written report and drew particular attention to the section on Investors in People. While the overall feedback had been very positive there was one element of the Standard that the College had not met in full. The College would be developing an action plan to address this element and would be re-assessed in the autumn, when the focus would be upon that aspect of the standard.
19. The Principal explained that the assessment method had been significantly different from the previous Investors in People assessment; the assessors had not wanted a documented evidence base or supporting files. They had talked to 76 members of staff and the Chair of the Corporation, to test the extent to which everything claimed for the College was embedded.
20. He confirmed that the report would be sent electronically to all Members of the Corporation.
21. The Principal then took the meeting through the presentation he had originally planned to give at the recent Away Day, giving a strategic update. As had been agreed at the Away Day, a Task & Finish Group would be convened to explore the strategic challenges facing the College; all Members of the Corporation were invited to attend.
22. At the same time that the College's strategic direction was being reviewed it was necessary to address the financial issues the College was facing at a fundamental level. It would be essential to create headroom within the College's budget particularly to mitigate the risks associated with the Demand-Led Funding streams. These now represented 40% of the College's Government funding.
23. The Principal stressed that he was raising questions that needed to be explored in some depth over the next six months, as the strategic direction of the College was reviewed. The aims needed refining; for example, the original aim for the 14-19 learners was to increase participation. As the Government was raising the age for compulsory participation in education or training, the College's aim needed to shift to provide progression routes for all young people within Area C.
24. This change was very significant; employers would be required to fund one day's training per week for every young person they employed.
25. There was also a need for a Higher Education (HE) strategy for Crawley, where only 17% of its young residents progressed to HE.
26. The Principal drew attention to concerns held by him and headteachers of schools in Area C that they might not be able to manage the requirements of

the September Guarantee, particularly in future years, when the efficiency gains required by Government were likely to increase significantly.

27. Another shift in strategic aim related to Adults; hitherto it had been to address everyone's educational or training needs; now funding was only available to meet the needs of priority learners. The adult curriculum was therefore being re-aligned accordingly.
28. At the Away Day David Smith had referred to the importance of identifying a senior member of staff to take responsibility for services to adults (as distinct from the needs of employers). Responsibility for the curriculum was now shared between the Executive Directors as follows: 16-19 Adrian Dodwell, Adults Sue Dare, and the Employers Maureen Kilminster.
29. The Principal drew attention to the preparations for meeting the Training Quality Standard. He explained that achieving the Standard was an essential condition for bidding for Demand Led Employer Responsive Funding.
30. The Principal reminded the meeting of some of the Machinery of Government changes that would come into effect with the demise of the Learning and Skills Council (LSC). A particular point of note was that the National Apprenticeship Skills Agency (NAS) was designed to interface with employers, not providers. Once the Skills Funding Agency (SFA) was fully established, it would take over the funding of apprenticeships; this would be undertaken through a desk based approach.
31. As far as 16-19 funding was concerned there were no proposals to have a Sub-Regional Grouping to cover the areas served by Central Sussex College, essentially none of the Sussex Authorities, nor Surrey, were prepared to collaborate within such a grouping.
32. Overall the major strategic aims for the College remained substantially the same, namely to be outstanding as a College and to deliver first rate provision and service to young people, adults and employers; however the aims needed to become much sharper and be extended appropriately. There were a number of possible models for the future, including partnerships with schools (particularly establishing vocational centres on their premises) and with other providers. There were significant opportunities as well as constraints and threats.
33. One of the possible developments was to establish common back office services for the six General further Education (GFE) Colleges in FE Sussex as a starting point.
34. **The report was received.**

REPORT OF THE AUDIT COMMITTEE

35. Mark Froud introduced the report and drew particular attention to the revisions to the Internal Audit Methodology.
36. The Committee had reviewed a detailed report from the LSC Regional Provider Financial Assurance Team, following their review of the Financial Management Control Evaluation (FMCE) report as part of the OFSTED

inspection in January. He stressed that the Corporation could take comfort from the findings of the report.

37. The Committee had reviewed the high level College Risk Register; there were three main risks that needed close attention and these had all been highlighted in the Principal's Update.
38. It was confirmed that the fraudulent transactions on the Government Procurement Cards (GPC) had all been external to the College and did not involve any College staff.
39. **The report was received.**

REPORT OF THE CURRICULUM, QUALITY & STANDARDS COMMITTEE

40. Clive Behagg took the meeting through the report. A major focus had been to review the Quality Improvement Plan (QIP); the Committee had been satisfied that actions were being monitored and addressed appropriately. There would be no need for the Committee to review it again until it could be put alongside the draft Self Assessment Report for 2008/2009.
41. The Committee had considered the College's approaches to the observation of teaching and learning, including in particular peer observations. The OFSTED view that lesson observations should be unannounced had been discussed briefly and the Committee had asked for a further report to be made at its next meeting, to enable a fuller discussion to take place.
42. It was noted that the Higher Education Funding Council of England (HEFCE) had made it a requirement of continued HEFCE Funding that a specific HE strategy be adopted by the Corporation by December 2009. This was not without its difficulties since the Government had capped HE numbers.
43. It was also noted that the summative phase of the Integrated Quality and Enhancement Review (IQER) was due to take place in June. Unlike the developmental stage, which had taken place a year previously, College staff would not join the team of reviewers.
44. The Committee had considered the implications of the Machinery of Government (MOG) changes and in particular the transfer to Local Authority control of responsibility for funding 16-19 learners. It was considered that this raised issues of capacity for the Executive Team; indeed every aspect of the MOG proposals raised concerns.
45. The Committee also considered the preparations for TQS accreditation and the impact on the curriculum of the requirement to modularise vocational qualifications. It was noted that there would inevitably be additional costs but that no additional funding was being made available. A large proportion of the curriculum was due to be "unitised" by 2010.
46. It was noted that there seemed to be a proliferation of quality standards being developed, despite the fact that the European Framework for Quality Management had been in existence for a considerable time, was internationally recognised and was all-embracing. **It was agreed that the Principal should seek to engage FE Sussex and the Association of South East Colleges (AOSEC) with this point and lobby accordingly.**

47. **The report was received.**

REPORT OF THE RESOURCES COMMITTEE

48. Patrick Berry introduced the report. He drew attention to the Human Resources (HR) progress report that had been considered by the Committee. The main concern was the relatively high staff absence rate experienced by Central Sussex College compared with the sector norms. It had been suggested that this may be connected to the age profile of the staff and the Committee had asked for further investigation to be provided and analysed.
49. The Management accounts were more or less as reported to the last Corporation meeting; the College had won some good new contracts, but in the short term this would not significantly improve the financial performance overall.
50. He drew attention to the fact that one of the revolving loans that the College had taken out to finance its capital development projects was due to be repaid shortly. Because of the delays to the capital schemes this would need renewing.
51. The Committee had considered the initial shape of the budget for 2009/2010 and had concluded that it offered too little headroom. Even if everything went according to plan, the cash flow would not become positive until 2011, which gave cause for serious concern. The College needed to be aiming for an annual surplus well over £500k to manage the associated risks effectively.
52. The Committee had also considered the possibility of awarding staff a general pay rise of 1% and whether it was affordable. This would be additional to the costs of increments built into the salary scales; the cost to the College of these was in excess of £500k. This illustrated the lack of flexibility in pay costs within the current financial situation.
53. It was noted that it would be premature to set targets for absence rates until the underlying causes had been established.
54. The Principal advised the meeting that the Unions nationally had asked for a 6% pay rise; the Association of Colleges (AoC) had made an offer of 1% which had been rejected. Although 1% had been incorporated within the shape of the budget he was not proposing to make any commitment to the Unions to give a pay award at this stage. The situation would need to be reviewed by January 2010 to establish whether the College's finances could sustain a pay award or not. He would be briefing staff groups personally and explaining just how difficult the financial situation was.
55. The Principal stressed that the Unions were working very constructively with Management; they had recognised that the College's long term financial health was essential to their Members' futures.
56. **The report was received.**
57. **It was agreed to negotiate an extension of 1 year to the revolving loan of £1.8m with Barclays Bank.**

REPORT OF THE TASK AND FINISH GROUP (MASTERPLAN)

58. Paul Harding introduced the report. He explained that the Group had concluded that the Haywards Heath Phase 3 development already satisfied the "shovel readiness" criteria that the LSC required for any project to be funded in the current round. There was one further requirement to enable the Crawley development to meet that criteria; namely that the final stage of tendering for the works be concluded. It had therefore been agreed to commit up to £44k (including VAT) of fees to enable this to go ahead (this being part of the authorised expenditure that had not yet been incurred).
59. The Group had been reassured that the decisions on which capital projects should go ahead would not be taken by the LSC on its own; other interested parties were being involved in the evaluation.
60. It was recognised that the funds available to the LSC were restricted. What was not clear whether the funds would be spread as widely as possible across relatively low cost projects or would be focussed on a few high value projects. If the former approach were adopted, Crawley campus would not be funded in this round but would be put forward to join the 2010 round, when projects would be selected for funding in 2011. It was noted that the prices established through the current exercise would be needed for the 2010 selection process even if the Crawley development did not receive approval in the current year.
61. It was understood that there were over 100 Colleges that faced technical bankruptcy if fees paid for the design and development of capital schemes had to be written off in the current year.
62. The Group were of the view that the College must start to develop contingency plans in case either or both of the schemes were not approved, including the impact of not replacing the existing campus buildings at Crawley.
63. It was noted that the Audit Committee had raised its concern about the treatment of the fees when the accounts for the year ended 31st July 2008 were being considered for adoption.
64. It was noted that letters seeking support had been sent to appropriate people within the South east England development Agency (SEEDA) and that one of the Members of the Cabinet had visited the College recently with Laura Moffat MP on a fact finding mission about apprenticeships.
65. **The report was received.**

REPORT OF THE TASK & FINISH GROUP (PENSIONS)

66. **The report was received.**
67. It was noted that the College was bound by legislation affecting all Colleges and that the cost and sustainability of the pension schemes was therefore a national issue. The Clerk had been asked to find out whether there was any support at a national level to take this up.

68. The Chair advised that he had raised this at the Sussex Chairs' meeting; the other Chairs had expressed their support for raising this matter nationally and seeking to cap the costs to the Colleges.

REPORT OF THE BURGESS HILL AND HAYWARDS HEATH LOCAL COMMUNITY BOARD (LCB)

69. The Principal introduced the report, drawing attention to the fact that he had taken over the Chair of the LCB following Martin Delbridge's departure.
70. He advised the meeting that the LCB had considered the implications of the significant rise in the number of applications to the Haywards Heath Sixth Form Centre and recognised the need to manage the September Guarantee. The College was looking to extend the length of the College day at the campus from September 2010; it was likely that the growth targets for the new build would be achieved two years early.
71. Several Board Members had carried out visits within the Link Scheme and had fed back to the LCB.
72. **The report was received.**

CORPORATION AWAY DAY

73. There were no matters arising from the Away Day that were not covered elsewhere in the Agenda.

CHAIRMAN'S UPDATE

74. The Chair advised the meeting of the following activities/attendance:-

The University of Sussex Court
The Royal Society Annual Lecture
Partnerships for Sussex Conference
FE Sussex Governors' Conference (which Paul Harding, the Clerk and Deputy Clerk also attended)
Both the Masterplan and Pensions Task & Finish Group meetings.
HE in FE Strategy Conference (which the Clerk also attended)
Briefings and interview for Investors in People
Preparatory Meeting for TQS
Meeting with Laura Moffat MP (with the Principal)
Meeting with the Secretary of State for International Development (the local MP and the local MEP and with the Deputy Principal)
The Corporation Away Day
The Sussex Chairs' Meeting

ANY OTHER BUSINESS

75. There being no other business the meeting closed at 7.35 p.m.