

CENTRAL SUSSEX CORPORATION

Minutes of a Corporation Meeting held at 5.00 p.m. on Thursday 25th March 2010 in T11 Crawley Campus

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

* = present

Also in attendance: Suri Araniyasundaran, Jenny Poore, Maureen Kilminster and Nick Whitley (Clerk) and, for part of the meeting, Adrian Dodwell.

APOLOGIES FOR ABSENCE

1. Apologies for absence were received from Mark Froud and Zoë Richardson and for lateness from Clive Behagg.

DECLARATIONS OF INTEREST

2. There were no interests to declare.

MEMBERSHIP

3. The Chair advised the meeting that Michael Easter had tendered his resignation from the Corporation as he had to return to Canada for family reasons.
4. The Chair advised that he proposed to introduce a new item within Any Other Business on an experimental basis; namely an opportunity for staff and student members to raise any matters of particular concern or interest to them, allowing up to five minutes for discussion. This approach had been found in some other Corporations to be an effective way of ensuring that matters of particular concern to staff and student members were not overlooked.

MINUTES OF A MEETING OF 14th DECEMBER 2009

5. The Minutes were signed as a correct record.

MATTERS ARISING

6. **Review of ways to achieve 20% savings/49:** It was confirmed that this had been addressed during the Corporation Away Day in February.
7. **Arrangements for seconding Jenny Poore/55:** The Principal advised that arrangements for the secondment of Jenny Poore on a part-time basis to Northbrook College Sussex had been agreed and implemented from early January. From his perspective and that of the Principal of Northbrook College

Sussex (Sue Dare) it was working well. Corporation Members at City College Brighton had decided not to pursue the option of developing a joint back office.

8. It had also been agreed to explore the possibility of seconding Northbrook College's Health & Safety expert to Central Sussex College on a part-time basis to provide expert support following the retirement of Roz Beesley.
9. Jenny Poore confirmed that she was now settling in well at Northbrook, on the basis of 2.5 days per week. She felt that overseeing the needs of two separate Colleges was as much as could be achieved with this model of joint working; it was noted that including City College Brighton within a joint back office would probably have required a different model to be developed.
10. **Appointment of insurers/67: It was confirmed that authority was delegated to the Resources Committee to appoint insurers at its July meeting.**
11. **Auditors' request for additional fees/93:** The Clerk advised the meeting that the auditors had not levied any additional fees. The Chair of the Audit Committee had written to them expressing the College's appreciation of the extra work they had put in to the College's audit this year.
12. **Approval of Higher Education Strategy/103:** It was confirmed that the required changes had been made to the Higher Education Strategy and that the Chairs of the Curriculum, Quality and Standards Committee and of the Corporation had approved it in time to meet the deadline set by the Higher Education Funding Council of England (HEFCE).

CHAIRMAN'S ACTION

13. The Chair advised that he had approved the acceptance of an unconditional bid for the sale of West Green, subject to contract (referred to in the Report of the Resources Committee below).
14. As agreed at the last meeting (and referred to in Matters Arising paragraph 12 above) he had approved the Higher Education Strategy jointly with the Chair of the Curriculum, Quality and Standards Committee for submission to HEFCE.
15. He had also sent a letter of thanks to the staff as required under paragraph 40.
16. **The Chair's Actions were ratified.**

HEALTH & SAFETY REPORT

17. Jenny Poore introduced the report and took the meeting through the Executive Summary. She drew attention to the pattern of the number of accidents, which differed from previous years. Normally there were a higher number of accidents attributable to working practices during the autumn term than later in the year. This was because it took time for students to become accustomed to using hazardous implements (such as knives) and equipment. This year there had been an increase in accidents during the spring term compared to the autumn term.

18. A question was raised as to whether any benchmarking information was available with respect to the accident rate. It was confirmed that such information did not appear to be available currently. The Chair advised that he had knowledge of Sussex University's accident levels in 2001/2003. While the organisations were not directly comparable, the University did have workshops; the accident rates were not dissimilar.
19. The Principal advised the Corporation that he had discovered recently that there had been some deterioration in Health & Safety practice within the College, particularly with respect to working practices and the identification of hazards during walk around inspections of some of the high risk areas of the College. It would appear that familiarity had dulled the sense of awareness of hazards and risk. He was also not convinced that the levels of competency and of independence required for walk-round inspections had been set at the correct level.
20. The College's Health and Safety Adviser was due to retire shortly and the Principal had commissioned a Health and Safety consultant to review the College's Health and Safety management needs during May. One option supported by the consultant (at least as an interim measure) was to seek the secondment on a part-time basis of the Northbrook Health and Safety adviser, together with some strengthening of dedicated assistance from College staff.
21. Changes would also be made to the way walk-round inspections were organised, so that the same individuals did not always inspect the same areas; these arrangements would need to be related to an assessment of the risk and its controls within particular areas.
22. The Principal expressed his disappointment at these findings. The Chair commented that this was a typical pattern found in larger organisations. The best way of avoiding this happening in the future was to ensure that Health and Safety arrangements were looked at periodically by fresh eyes.
23. The approach taken by one of the organisations known to a Corporation Member was to alternate formal inspections (undertaken by competent experts) with management safety tours, during which managers visited particular areas and talked to the staff in those areas about their job and safety. The managers did not require high levels of expertise for these safety tours.
24. The Principal confirmed that the safety adviser from Northbrook College should be seen as a partial replacement for the retiring Central Sussex College Safety Officer. It was envisaged that his acting across the two colleges would bring benefits from joint working as well as bringing a fresh perspective to health and safety management.
25. It was likely that some additional health and safety resource may be required to provide assistance in some of the higher risk areas of the College.
26. **The report was received.**

EQUALITY & DIVERSITY REPORT

27. The Principal introduced the report. He advised the meeting that the Chair had asked the College's Equality and Diversity Officer to give a presentation to Corporation on the Single Equality Bill (assuming it passed into law). In the meantime each of the College's separate Equality Schemes was coming to the end of its three-year allotted time frame; they were being renewed on an interim basis, pending their being absorbed into a single Scheme.
28. One of the legal requirements was for Equality Impact Assessments to be carried out on all aspects of the College's activities; these were being carried out on a pilot basis initially.
29. The Diversity Weeks described in the report were commended: Corporation Members stressed the importance of following them up and evaluating their success.
30. It was noted that the ultimate measure for Equality and Diversity in the College was focussed on success rates: was the curriculum accessible to all, and did everyone have an equal chance of succeeding, regardless of their background? This was monitored annually within the Self Assessment Report (SAR); a specific Equality and Diversity SAR and a Quality Improvement Plan was prepared.
31. In addition to the statistical information that was collected and analysed, more subjective feedback was sought through student surveys: complaints were also monitored.
32. It was concluded that the College had reasonable means of assessing the impact of its Equality and Diversity policy.
33. **The report was received.**

PRINCIPAL'S UPDATE

34. The Principal introduced his report, drawing attention to the fact that almost all of the information about the College's funding allocations for 2010/2011 had now been received. The value and pattern of Government funding would present an evolving picture over the next three years, particularly since both the Government and Opposition had signalled their intention to remove all block allocation Adult Funding, in favour of some form of "skills accounts" over the next two years.
35. A new adult career service was being launched, which would establish regional centres to administer skills accounts. The College would need to bid to the new service to run one of the new centres.

Clive Behagg joined the meeting at 5.40 p.m.

36. The Principal drew attention to the fact that Train to Gain funding was being reduced, in part to meet the requirement for cuts in public expenditure, and partly to fund alternative programmes to support training for unemployed people. He had addressed the funding issues and Management's response in more detail in a paper that had been presented to the Resources

Committee. At the request of the Committee the Clerk had re-circulated this paper to all Corporation Members.

37. The Further Education sector had experienced a sustained period of growth over the last ten years; however over the next two years (at least) funding was being reduced. There were senior managers in Colleges throughout the country who had never experienced the challenges in managing reductions in funding. He reminded the meeting that, at the Corporation Away Day, he had identified models of reduction in funding of 10%, 15% and 20%. It was his assessment that the College could absorb a cut in funding of up to 12% (taking into account various moves towards joint procurement of services).
38. If the cut in funding were to exceed 12%, the College would not be able to manage without radical changes. Essentially, colleges would need to be significantly larger, to absorb that level of cut in funding. It would inevitably lead to greater specialisation of provision.
39. The Executive had shaped the current two year plan for savings to safeguard teaching and assessment as far as possible. A consultation exercise was underway on proposals for removing 33 posts from the establishment for 2010/2011; the deadline for responses was the 23rd April. Of these 33 posts, 18 represented current or future known vacancies that would not be replaced; the remaining 15 posts were at risk of redundancy. It was in the College's best interests to re-deploy the staff in these posts if at all possible, since they were all people who had been recruited and trained at the College's expense.
40. The Principal stressed that the savings plan had been predicated upon there being little or no growth in commercial income. This assumption had been used out of prudence. However, the Executive was also developing growth plans. Every team in the College had been briefed in face-to-face meetings, and the curriculum areas had been tasked to grow income.
41. The meeting was advised that the Resources Committee had considered the plan, including a brief review of the further requirements for savings in the following year. The proposals were to maintain the College in its present configuration, albeit with an even tighter control over its costs. However there may be a need to consider more radical approaches for the future.
42. **It was agreed that this should be considered further, possibly by the Task and Finish Group (Strategy). Any such approaches would inevitably take time to develop and therefore should be considered as soon as practicable. One option could be a second Away Day, to enable all Corporation Members to consider the implications in greater detail than an evening meeting would permit.**
43. Concern was raised at the possible impact on learners, particularly those part-way through their programmes of study. The Principal stressed that the Executive's proposals for 2010/2011 were designed to minimise any impact on the curriculum and the College's students. This may not be achievable for 2011/2012.
44. The Principal then advised the meeting that the Skills Funding Agency (the Agency) had appointed a new regional property adviser. The College would need to submit a request for the Agency to approve Phase 3 of the Haywards Heath development. There was no prospect of this receiving any capital

support funding so the proposal would rely on loan funding. The College would be one of the first to apply to the new regulatory body, and would also probably be the first to ask for approval to borrow such a high proportion of its turnover: approximately 90%. It was proposed to convene a meeting of the newly constituted Capital Committee at the end of April to review the proposal.

45. It was noted that the Executive would be inviting the new property adviser to visit the College, with a view to discussing the College's proposals before submitting them. One of the issues for the College was the fact that the guidelines indicated that any design must fulfil the requirements of the BREEAM (Building Research Establishment Environmental Assessment Method) excellent standard. Complying with BREEAM excellence would effectively add some 10% to the costs of the project.
46. It was hoped to be in a position to put formal proposals before the Corporation at its May meeting.
47. **The report was received.**

REPORT OF THE CURRICULUM, QUALITY & STANDARDS COMMITTEE

48. Clive Behagg introduced the report. He advised the meeting that the Committee had received an early warning of the possible impact of funding cuts; this had been an important signal for the work of the Committee over the coming months.
49. The main focus of the meeting had been to review the Quality Improvement Plan (QIP) in detail. The Committee had concluded that it was a very thorough plan, which corresponded well to the areas identified for action in the Self Assessment Report (SAR). The timescales and identified responsibilities were clear and appropriate.
50. The Committee had approved the QIP for submission to the Learning and Skills Council (LSC).
51. The Committee had also received a presentation about the new OFSTED (Office for Standards in Education) Common Inspection Framework. It had been made clear that an inspection of the College could happen at any time, with a very short period of notice, notwithstanding the fact that the College had been inspected in January 2009. Everything needed to be kept in readiness, therefore. It would be very important to align the College's self assessment process to the requirements of the new inspection regime. The briefing for the Committee represented a good start.
52. It was confirmed that the Curriculum, Quality and Standards Committee kept the quality and educational character of the College's curriculum under review on behalf of the Corporation.
53. The Chair of the Corporation advised that, at the recent Annual Governance Conference, it had been made clear that OFSTED was looking more closely at the governance of Colleges; as a result, information was beginning to be made available about the performance of governing bodies.
54. **The report was received.**

REPORT OF THE REMUNERATION COMMITTEE

55. The Chair introduced this item by circulating a copy of the so-called Orange Book, in which the Association of Colleges (AOC) published comparative information about management remuneration within the sector on an annual basis.
56. He advised the meeting that, together with the Vice-Chair, he had appraised the Principal and the Clerk. They had reviewed with the Principal his appraisal of the other Senior Postholders and with the Clerk they had reviewed his appraisal of the Deputy-Clerk. This had been reported to the Remuneration Committee, which had been satisfied by the process.
57. The Committee had reviewed the salaries of the Senior Postholders and concluded that, had there been sufficient funds to make a full pay award, the Principal would have been placed on the Upper Decile of the Level 1 posts for All Colleges of Size £25m to £33m. The other Senior Postholders would have been placed on the Upper Quartile of the Level 2 posts for the same grouping of Colleges. This was not affordable, however, so the pay award had been limited to 1%, on the same basis as the award for the remainder of the staff: namely affordability. A revised job description for the Clerk had been agreed subsequently.
58. The Principal then informed the Corporation that he had recommended to the Remuneration Committee that neither he, nor the other Senior Postholders, should be awarded any pay rise during the current year. Notwithstanding the many successes achieved during 2008/2009, the year had been financially disastrous. In the current year the College was struggling to meet a pay award for staff that was less than the nationally recommended level. It was a matter of demonstrating leadership: the senior team did not feel it should be awarded a pay rise.
59. In the light of the Remuneration Committee's decision, the team would need to discuss whether to accept the offer or not.
60. **The decision of the Remuneration Committee was noted.**

REPORT OF THE RESOURCES COMMITTEE

61. Patrick Berry introduced the report. He drew attention to the continuing focus on absence management; this was being tightly managed and had been benchmarked against levels of absence within the economy as a whole.
62. It was noted that the Executive would be attempting to put pressure on Unison nationally to obtain a definite response as to whether that Union would endorse the use of the College's Job Evaluation Scheme or not. It was planned to implement the scheme from the beginning of April 2010.
63. The Management Accounts for February 2010 were laid round; they had been circulated to the Members of the Resources Committee prior to the meeting.

There was no material change to the reported financial forecast: the outturn for the month of February showed an improvement in line with that forecast.

64. The Committee had expressed its concern about the College's ability to turn the deficit at the half year point into a significant surplus at year end; it was reassuring that the February results were already moving in the right direction.
65. It was noted that the LSC had made a substantial payment in respect of the abortive capital project. It was not planned to use that money to pay off the ten year loan, because of the penalty that would be incurred for early repayment.
66. The implications for the College of continuing to participate in the Colleges' pool within the West Sussex County Council (WSSCC) administered pension fund were considered. It was concluded that it would not be in the College's best interest to remain in the pool.
67. It was noted that the pension fund was due to be valued by its actuaries as at the 31st March 2010; an interim valuation had forecast a rise in the employer's contribution rate from 14.6% to 19% or more. This increase would take effect from the 1st April 2011.
68. It was noted that the sale of West Green was progressing well. The only unconditional offer had been accepted although it had not been the highest bid. Unlike the other offers, the proposed use as a church with community facilities did not require any planning consent for change of use. In the light of the attempted sale of Three Bridges, which had eventually fallen through because planning consent had been denied, it had been concluded that the College's interests were best served by accepting the unconditional offer.
69. It was noted that the proceeds of the sale could not be used to subsidise operational costs, but would need to be used for capital re-investment.
70. The Committee had considered the Principal's intention to pay the budgeted 1% cost of living pay award. His final decision would not be taken before May, as a safeguard against any unforeseen changes to the College's financial position arising from the demise of the LSC.
71. The Principal informed the meeting that there were extremely strong feelings among the staff about the 1% pay award. The major concern lay with the fact that the College would not be abiding by national pay scales (recently agreed). This was a key issue for all the teaching unions. He was concerned about the level of disaffection this was creating and the impact it was having on staff morale.
72. The Unions had proposed that he revise the offer to 1.5% so that it would match the national recommendation, backdated to early 2010, rather than August 2009, so that it would not exceed the budgeted value. It was pointed out that this would raise staff costs in future years; the Principal responded by reminding the meeting that he had included a 1% pay rise for each of the three years of the financial forecast. His major concern was that the strength of feeling among the staff could set the College back significantly in critical areas for development as the College strove to achieve excellence. It was a difficult situation to manage.

73. Annie Henry declared an interest as a staff member. She then pointed out that the College staff's views were reflected across the country as a whole. Honouring national agreements was seen as a vital issue across the whole of the education sector: not to do so would have a very negative impact.
74. It was commented that it was not rational to have national scales, given the range of average salaries and cost of living across the country. The Corporation wished to know what the general response from Colleges regionally and nationally had been.
75. The Principal responded that Colleges in Sussex had generally paid the nationally recommended pay award, despite saying at the beginning of the year that they would not do so. This was proving to be a big issue, which was channelling a great deal of energy.
76. The Chair advised the meeting that he had discussed this at considerable length with the Principal. The issue had been faced and dealt with by the Engineering Employers some fifteen years ago. It was his view that the public sector was sheltered from the real world, examples being the protection of final salary pension schemes and the continued use of incremental scales.
77. It was recognised that this was a very emotive issue.
78. **The report was received.**
79. **It was agreed that Central Sussex College withdraw from the pension pool of colleges within the West Sussex Local Government Pension Scheme.**
80. **It was confirmed that the decision to accept an unconditional offer from the Crawley Community Church to purchase West Green had been in the best interests of the College.**

BURGESS HILL & HAYWARDS HEATH LCB REPORT

81. The Principal introduced the report advising the Corporation that the LCB was doing very good work on their and the College's behalf, and had held a productive and useful meeting. He drew attention to the attendance and retention figures at Haywards Heath campus, which were even higher than in previous years. Applications to come to study at Haywards Heath campus in 2010/2011 had risen again and plans were being put in place to accommodate 1200 students for the coming year. This level of enrolment was being reached three years earlier than had been assumed within the educational case presented to the LSC in support of the Haywards Heath development. As a result it would not be possible to accommodate some of the planned new specialist programmes, such as hairdressing.
82. The Principal confirmed that, notwithstanding the lack of some specialist provision, there was and would continue to be a strong vocational curriculum at Haywards Heath, to meet the local need.
83. **The report was received.**

REPORT OF THE GOVERNANCE & SEARCH COMMITTEE

84. The Chair introduced the report. He advised the meeting that his interviews with all Corporation Members had proved a fascinating and excellent exercise, for which he thanked everyone. It would prove extremely helpful in addressing the need for succession planning for the Corporation: beyond that there were many other helpful comments that he would be following up.
85. One clear recommendation was that the search for a replacement for Michael Easter should focus on the skills and experience needed to strengthen the Audit Committee. Another was to look for deputy chairs for the Committees.
86. One aspect of the exercise that was lacking was any upward appraisal of himself and the Vice Chair; he recommended the development of a 360° appraisal model for Corporation Members as well as for the Executive.
87. **The report was noted.**

REPORT OF THE TASK & FINISH GROUP (GOVERNANCE)

88. Paul Harding introduced the report. He drew attention to the fact that there did not appear to be a model for excellence in Further Education governance; this meant that the Corporation needed to develop its own model.
89. The unanimous view within the Group was that the Corporation was good; feedback from other Colleges substantiated that. However it was essential to understand how the Corporation could move forward to achieve excellence.
90. One of the points to emerge was that there was a good understanding by Corporation Members of the difference between governance and operational issues; however, as a collective body the Corporation moved from one mode to the other. It needed to lift itself up a level to avoid being drawn into operational issues, while retaining a clear grasp of its responsibility for the effective management of the College. There needed to be a cultural shift, to become more effective at testing out issues and checking that all was as it should be. This would on occasion require reviewing detail, on a sample basis. The Corporation required sufficient knowledge to ask the right questions, but must then have the confidence to trust the Executive to answer those questions. The right balance must be struck between critical support and detailed checking.
91. The Principal commented that it was rare that he did not feel challenged within Corporation and Committee meetings: and this challenge was essential to give him reassurance that he was addressing the right issues appropriately. However, there were times when he felt that the Corporation or its Committees asked for an inappropriate level of detailed information. The Executive would always try to respond with the requested information, but he considered everyone would benefit if the right balance between governance and management were struck consistently.
92. Paul Harding stressed that, in his and the Task and Finish Group's judgement, the Corporation was not far from its goal of excellence: however achieving the last step would not be easy. Some of the key issues were to ensure there was clarity of vision, values and strategy for the College,

combined with effective review of its performance against them. Succession planning must be a priority: the one-to-one interviews had proved an invaluable help and he would be picking up many of the comments with individual Corporation Members.

93. The Chair advised the meeting that other College Corporations were struggling with similar aspirations; benchmarking clubs in governance were beginning to form. Some of those were focussing on a “tick box” approach; however others were looking at developing a more holistic approach to benchmarking.
94. It was suggested that establishing best practice in various aspects of governance would be helpful, with some concise case studies illustrating best practice. It was recognised that this would not be easy since there was no clear and agreed model of excellence.
95. Clive Behagg commented that, from his experience of other governing bodies, he considered that the Corporation functioned well, with a good balance between support and challenge for the Executive.
96. The Clerk then took the meeting through the draft response to the review of Governance and Strategic Leadership in English Further Education.
97. **The report was noted.**
98. **The Corporation’s response to the Review of Governance and Leadership in English Further Education was approved.**

CHAIRMAN’S UPDATE

99. The Chair advised that since the last Corporation meeting he had carried out one-to-one interviews with every Member of the Corporation, attended three Committee meetings, the Corporation Away Day and one Task and Finish Group. He had represented education interests at one meeting of Cadia, attended three meetings to progress the University Centre Crawley and three conferences, largely related to governance. He had also attended two Award evenings.

ANY OTHER BUSINESS

100. **Student Member Concerns:** Leslie Edwards drew attention to the fact that the College’s computer systems seemed to be “crashing” significantly more often than previously. The new system did not appear to be running as well as the old. There were also some computer rooms where up to half of the computers were not running; once fixed they tended to break down again within a short time period.
101. **Staff Member Concerns:** Gill Marshman declared an interest as a staff member and Union representative. She advised the meeting that it was reassuring to learn that the outcome of the Job Evaluation Scheme would be implemented in the near future.
102. The Chair advised the meeting that the July Corporation meeting would be held at Haywards Heath.

103. Paul Harding drew attention to the recent Construction Awards Evening he had attended. It had been a fantastic evening with an inspirational speaker.
104. There being no other business the meeting closed at 7.30 p.m.