

## CENTRAL SUSSEX CORPORATION

### Minutes of a Corporation meeting held on 10<sup>th</sup> July 2006

**Membership:** Mike Allen\*, Patrick Berry\*, Martin Delbridge (Vice-Chair)\*, Mark Froud, Michael Coughlin, Paul Harding\*, Binita Kataria, Christine McMahon\*, Gill Marshman\*, Krishny Nallarajah, John Peel (Chair)\*, Mark Read\*, Rosa Sadler\*, Sue Samson\* and Russell Strutt\*.

**Also in attendance:** Suri Araniyasundaran, Sue Dare, Maureen Kilminster, Jenny Poore and Nick Whitley (Clerk).

#### APOLOGIES FOR ABSENCE

1. Apologies for absence were received from Michael Coughlin, Mark Froud, Binita Kataria, Krishny Nallarajah and for lateness, Sue Samson

#### DECLARATION OF INTERESTS

2. There were no interests to declare.

#### APPOINTMENT OF NEW CORPORATION MEMBERS

3. The Clerk advised the meeting that he had received a letter of resignation from James Moran, who had also advised him that Rosa Sadler had been nominated as his successor by the Haywards Heath Students Association.
4. **It was agreed to appoint Miss Rosa Sadler as a student member of the Corporation for a period of up to four years, commencing with immediate effect.**

Rosa Sadler joined the meeting at 5.08 p.m. and was welcomed.

5. The Clerk advised the meeting that Krishny Nallarajah was leaving the College at the end of this academic year and that the Crawley Students' Association had nominated Miss Andrea Muniz to succeed her.
6. **It was agreed to appoint Miss Andreia Moniz as a student member of the Corporation for a period of up to four years, commencing with effect from the 1<sup>st</sup> August 2006.**

#### MINUTES OF A MEETING OF THE 15<sup>TH</sup> MAY 2006

7. **It was agreed to add the sentence "Martin Delbridge took the Chair in the absence of John Peel" following the first paragraph.**
8. The following typographical errors were corrected:

Paragraph 21, the closing bracket in the third line was moved from after "College" to after "development".

Paragraph 49, in the second line "Keir" changed to "Kier",

Paragraph 73, in the second line "Susses" changed to "Sussex"

Paragraph 83, in the third line "seeing" changed to "seeking".

With those amendments, the minutes were signed as a correct record.

## MINUTES OF AN EXTRAORDINARY MEETING HELD ON 22<sup>ND</sup> MAY 2006

9. It was noted that Binita Kataria had joined the meeting at 9.22 am (not 9.22 pm).
10. With that alteration, the minutes were signed as a correct record.

### MATTERS ARISING

11. **Recovery of clawback by LSC/35:** The Principal advised the meeting that a meeting had been scheduled with officers from the Sussex Learning & Skills Council (LSC) for the coming Thursday (13<sup>th</sup> July) with the intention of resolving a grant of £70K towards the clawback of £140K from the previous year. The LSC's initial intention had been to provide at least £140K from locally determined funds. In the event insufficient local funds had been made available within the LSC's budget and the maximum that could be granted from that source was £70K.
12. The LSC officers were looking at alternative ways of addressing the remaining £70K, but this was at risk. Work on this would continue until the end of July and it was hoped that, by a combination of some new money and by bringing forward the timing of the payment of other funds, the whole £140K would be recovered in the current year.
13. The Principal confirmed that the LSC was being as supportive as it could.
14. **Processing CRB checks/66:** The Clerk confirmed that the exercise was now underway. Patrick Berry advised that he had already received his disclosure notice and it was noted that the processing of checks had speeded up considerably.
15. **Governance Web-site/71:** The Chair drew attention to the fact that the Website had not been updated for some time, either in respect of Corporation Minutes or the profiles for Corporation Members. **It was agreed that this should be rectified.**
16. **Outcome of Train to Gain Bid/73:** The Principal advised the meeting that the College had been awarded a contract on behalf of the consortium, but the values would be subject to further negotiation. There were some large private providers who had also been awarded contracts covering the Sussex area.

### CHAIRMAN'S ACTION

17. The Chair advised that he had signed a letter appointing KPMG as the College's Financial Statements and Regularity auditors; the LSC were also party to this appointment and had negotiated the terms and conditions (although KPMG had incorporated a minor variation to address some specific concerns raised by the College).
18. **The Chair's action was ratified.**

### HEALTH AND SAFETY REPORT

19. Jenny Poore introduced the report, drawing attention to the improving trend in accident rates for the summer terms since 2002. A Health and Safety Inspector had visited the College in June to carry out an inspection of the arrangements for working at heights in the College, and for asbestos management. The Inspector had expressed herself to be pleased with the College's performance and in consequence would not be issuing a formal report.

20. 48 managers had now been through the Institute of Occupational Safety and Health (IOSH) Managing Safely course; this had proved very effective in raising awareness of Health and Safety across the College.
21. It was noted that, although each accident was investigated, there appeared to be no overall analysis of the root causes to try and effect an improvement for the future. The Health and Safety Committee was asked to consider this point.
22. **The report was received.**

#### **REPORT OF THE AUDIT COMMITTEE**

23. Patrick Berry introduced the report, pointing out that the Internal Audit Review had proved reassuring. He drew attention to the fact that Paul Harding, the Chair of the Finance & Operations Committee, had been present at the meeting, primarily to consider the item on Risk Assurance; this should be seen as work in progress.
24. The Internal Audit Strategic Plan had been reviewed; it was concluded that the basic programme originally planned for 2006/2007 did not need revising. The programme was partly determined by LSC requirements, such as reviewing governance every year regardless of the level of risk. Other aspects could be adjusted if the level of risk changed during the year.
25. The planned frequency of reviewing personal and payroll (once every four years) was questioned. This had also been raised at the Audit Committee meeting. The auditors had responded by stressing that the key financial controls for personnel and payroll were reviewed every year; what was identified separately within the strategic plan was an in-depth review. All findings would be followed up in the subsequent year, and if the in-depth review identified a need for more frequent detailed studies, the timing of future visits would be adjusted accordingly.
26. **The report was received.**
27. **The revised Internal Audit Strategic Plan to 2010/2011 was approved, as was the Audit programme for 2006/2007 in accordance with the Audit Committee's recommendation.**

#### **REPORT OF THE CURRICULUM, QUALITY AND STANDARDS COMMITTEE**

28. Martin Delbridge introduced the report. He drew attention to the Self Assessment Report (SAR) Action Plan, and pointed out that during the period following the inspection there had been a further deterioration in learner success rates in the Areas of Learning judged unsatisfactory. This was significant because the inspector would be basing his opinions on the trends revealed over the last three years.
29. Although the results were not yet available to enable the success rates to be calculated for the current year, the indications were that they were improving. The inspector would however only have one year of improved results on which to base his judgement.
30. The Committee had received an extremely useful presentation on the Government's "Every Child Matters" agenda; Martin Delbridge suggested that this might be offered to all interested Corporation Members.
31. Sue Samson corrected one statement in the report; she advised the meeting that West Sussex County Council was now charged with having an overview of all activity for 16-19 year-olds and was working with the LSC on the learning and skills agenda; as yet the actual responsibility for the strategic planning of 16-19 year olds' education remained with the LSC, as did the funding.

32. The report was received.

#### **REPORT OF THE FINANCE & OPERATIONS COMMITTEE**

33. Paul Harding introduced the report. He advised that agreement had been reached with West Sussex County Council and Crawley Borough Council on the basis for sharing the proceeds from the sale of the Three Bridges site.

34. The Committee had considered proposals from the Executive for the procedure for buying equipment for the engineering COVE (drawing on LSC funding) and was pleased to support these.

35. Proposals to continue with franchises for water sports qualifications (with Ardingly Activity Centre) and for BTEC National Certificated at Level 3 (with the Brighton Institute of Modern Music) had also been supported.

36. The Committee had reviewed the Management Accounts and forecast outturn in some depth and the Chair of the Committee and the Chair of Corporation had subsequently spent time with the Principal and the Executive Director Corporate Services exploring the finances further. A more detailed report of the reasons for the forecast deficit was attached.

37. It was agreed to receive the report.

38. It was agreed to approve the share of the proceeds of the sale of the Three Bridges site in accordance with the proportions of the ownership of the land being sold as follows:-

Central Sussex College	45.08%
Crawley Borough Council	42.57%
West Sussex County Council	12.35%.

39. It was agreed to approve the marketing of the Three Bridges site jointly with Crawley Borough Council and West Sussex County Council.

40. It was agreed to authorise a temporary increase in the Principal's delegated authority to make purchases of engineering equipment funded by the LSC COVE capital grant from any one supplier, up to a value of £150,000, subject to the aggregate purchases not exceeding the value of the LSC capital funding.

41. It was agreed to approve the following franchise programme for 2006/2007:-  
Ardingly Activity Centre: up to £17950 for a mixed programme of level 1 and level 2 NVQ qualifications in Sport, Recreation and Allied Occupations for 16-19 year old learners;

Brighton Institute of Modern Music: up to £950,000 (including the costs of direct payment to the awarding body by Central Sussex College for examination fees) for not fewer than 203 full-time 16-18 year old learners studying for a BTEC National Certificate in Music at level 3.

42. It was agreed to authorise the College Secretary to sign the franchise agreements.

43. The review of the Financial Regulations by the Finance Committee and the amendments the Committee made to those Regulations were noted.

## REPORT OF HAYWARDS HEATH DEVELOPMENT PROJECT TEAM

44. Paul Harding introduced the report. He drew attention to the fact that it had not proved possible to agree a Compliant Bid with the Design and Build Contractors, on the basis of the price they were quoting. The budget price against which the contractor's bid was being compared had been set by the College's professional agents. Over the last month the brief had had been developed further to deliver the contract; some changes had been made to the scope but there remained a gap of some £362K (c. 4½%). It may prove possible to achieve some compensatory savings in Phases II and III, but this could not be counted on.
45. The Project Team had, on balance, concluded that the contract should be awarded notwithstanding the increased price; the College would have to fund the extra in full as the LSC would not make any contribution above the budget price. This would make it essential to manage the contract very tightly, to ensure there was no growth in the scope of the project.
46. Paul Harding reminded the meeting that, originally, it had been proposed to develop a theatre and associated facilities only. The LSC had asked for a campus-wide scheme to be developed and, because of changes in the funding rules, this was seen to be a viable option. When the bid was put forward to the LSC it was on the basis of seeking outline approval for all three Phases of the Project, with detailed approval for the first Phase.
47. During the week before the current meeting LSC officers had advised the College that the National Property Committee of the LSC would only consider Phase I, on the grounds that there was only an outline bid for Phases II and III.
48. The only difference that made was a slight increase in risk to the success of the overall Project; however even if outline approval for the whole Project had been granted, it would not guarantee approval of the subsequent detailed bid..
49. The other issue was the level of capital support. The local LSC had proposed that the College should submit a bid to them for local approval of Phase II, in order to speed up the process. However, the local LSC's delegated authority was set at a maximum contribution rate of 35%. The Project Team were of the view that Phases II and III must be put forward on the basis of capital support at an average of 65% for the whole development; the business case for Phases 2 and 3 was not economically viable at less than 65% capital support.
50. The effect of all this was to delay Phase I beyond September 2007; it was likely that the building would not be ready to hand over until the Autumn half-term in 2007.
51. **It was agreed that, subject to the LSC confirming approval and capital support of no less than 35% for Phase I of the redevelopment of Haywards Heath, authority be delegated to the Chair of the Corporation to sign the contract with Longley Kier for a contract value of up to £7,962,713 plus VAT.**
52. **It was agreed that the Executive should develop a combined bid for Phases II and III in the Autumn term for submission to the LSC for capital support to average 65% of the three phases of the Project as a whole.**

## REPORT OF THE POLICY AND PLANNING COMMITTEE

53. Paul Harding introduced the report, focussing initially on the proposed budget and three year financial forecast for 2006-2009.
54. Suri Araniyasundaran gave a brief presentation highlighting the key strategic drivers and assumptions underpinning the 3 year financial forecast. He stressed that income

projections had been calculated conservatively, with a low to medium risk that they would not be met in full.

55. The College Leadership Team (CLT) was now reviewing every vacancy and would continue to do so at least until Christmas, to ensure that the required base-line staffing levels were not exceeded. Improved staff utilisation was essential.
56. Paul Harding advised the meeting that the Committee had scrutinised the proposed budget put forward by the Executive, which had shown a surplus of £20K for the year. This was felt to be so close to breakeven that it gave no room for manoeuvre. The Executive had been asked to build in more headroom both in the budget and over the life of the three year financial forecast, and revised figures were now before the meeting.
57. The Committee had also considered revisions to the Mission and Vision statements, following consultation with staff. The Corporation was asked to approve these.
58. Martin Delbridge drew attention to the fact that the Haywards Heath Local Community Board (LCB) had not yet had an opportunity to make any comment on these; although it had been put on its agenda more than once, on each occasion discussion had been deferred.
59. **It was agreed to defer a decision until the October meeting of the Corporation to enable both the Haywards Heath and the Crawley and Horsham LCBs to comment on the Mission and Vision proposals.**
60. The Committee had also noted that the LSC wanted Colleges with leasehold properties to either buy the freehold or find alternative freehold premises. It was therefore proposed to amend the accommodation strategy to include a commitment to review the College's leasehold premises, and where there was a continuing long-term requirement for premises in that location, to seek to purchase the freehold of the premises, subject to the business case for doing so (including the availability of capital funding).
61. **The report was received.**
62. The budget and three year financial forecast for 2006-2009 having been considered, the Chair asked that, together with the Chair of Finance, he be given authority to review the proposed budget for 2006/2007 again with the Principal and the Executive Director Corporate Services, to establish whether any further headroom could be built into the budget. He confirmed that this would be subject to the Principal and the Executive Director Corporate Services both being satisfied that any changes to the budget were realistic and achievable.
63. **It was agreed to approve the budget for the year commencing 1<sup>st</sup> August 2006 and the three year financial forecast 2006-2009, subject to any amendment to increase the required surplus that was agreed jointly by the Chair of Corporation, Chair of Finance & Operations Committee, Principal and Executive Director Corporate Services.**

#### **ORGANISATIONAL DEVELOPMENT**

64. **The Principal's report on the Consultation on his proposals for Organisational Development was noted.**

#### **REPORTS FROM LOCAL COMMUNITY BOARDS**

65. Martin Delbridge introduced the reports from the Haywards Heath LCB. He drew attention to the additional meeting that the LCB members had requested, to enable them to consider adequately the proposals for the Organisational Development.

66. The Principal confirmed that he had found the debate on Organisational Development at the LCB helpful.
67. Martin Delbridge advised the meeting that he considered that the LCBs needed to develop their role of monitoring the curriculum; they also should provide a two-way window into the community, to ensure the needs of the community were correctly understood and responded to.
68. It was noted that the two LCBs so far established appeared to be quite different. It was suggested that the Governance & Search Committee might look at widening the representation from the Haywards Heath community (including businesses and schools).
69. It was suggested that the Governance & Search Committee should look at how LCBs should be enabled to develop their role further.
70. **The reports were received.**

#### **PRINCIPAL'S UPDATE**

71. The Principal introduced his report, in which he presented an overview of the year's achievements. He was particularly pleased at meeting the learner number and funding targets, the only exception being those for the Higher Education Funding Council of England (HEFCE).
72. The College had received good external reviews of its provision and the Grade 4 areas were progressing well in preparation for their re-inspection. The new Health and Safety arrangements, both campus and cross-College, were working well and were a model of good practice for the College. He hoped that Equality and Diversity would be proved equally well supported in due course.
73. Relations within the College Joint Forum (CJF), (the formal forum for the Unions and Management), were proving very constructive.
74. An initial overview of the recent staff survey had been included; it was a difficult report to summarise and absorb. There were some good messages within it, but also some tough messages which needed to be taken seriously. The full analysis would be published on the Staff Intranet, and a copy would be emailed to Corporation Members, together with an Action Plan, in September.
75. There were two main areas of concern: communication (a feature of most such surveys) and a lack of effective performance review and related management support for staff.
76. It was noted that some staff, particularly from the smaller campuses, had been concerned lest they would be identifiable if they completed the questionnaire, because it included a site reference; this may have affected the responses. It was considered important, however, to establish whether the staff views differed from site to site and it was hoped that such concerns would diminish as staff became more used to the surveys.
77. It was recommended that the survey should be carried out annually, to enable trends over time to be established.
78. **The report was noted.**

#### **CHAIRMAN'S UPDATE**

79. The Chair gave a brief summary of the events at which he had represented the College:

10<sup>th</sup> Anniversary of the Sussex Innovation Centre

A debate between the Engineering Employers' Forum (EEF) and the Southern and Eastern Regional Trades Union Congress (SER TUC) "Towards an industrial strategy for the South East". An interesting point that had arisen was the potential for the College to engage with Union Learning Representatives.

South East England Development Agency (SEEDA) Teaching Awards for Enterprise

Sussex Enterprise event at the House of Commons.

Additional meetings at the College to review the College's financial situation.

#### **ANY OTHER BUSINESS**

80. Sue Samson informed the meeting that she had been appointed a new job, within the South East Region of the LSC. She would then not be able to represent West Sussex County Council in future, and would have to resign.
81. The Clerk advised her that there was no technical requirement for her to resign; she could serve her full term of office. She advised the meeting that she would consider her position carefully and consult her new employers before making a decision.

There being no other business, the meeting closed at 7.30p.m.