

CENTRAL SUSSEX CORPORATION

Minutes of a Corporation Meeting held at 17.30 pm on Thursday, 29th March 2007 in T11 Conference Room

Membership: Clive Behagg*, Patrick Berry*, Martin Delbridge (Vice-Chair)*, Mark Froud*, Michael Coughlin, Paul Harding*, Binita Kataria*, Christie McMahon*, Gill Marshman*, Sylvia Meli*, Andreia Moniz, Alan Morris*, John Peel (Chair)*, Mark Read*, Rosa Sadler, and Russell Strutt*

* = present

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

APOLOGIES FOR ABSENCE

1. Apologies for absence were received from Michael Coughlin, Andreia Moniz and Rosa Sadler.

DECLARATIONS OF INTEREST

2. There were no interests to declare.

RESIGNATION AND APPOINTMENT OF NEW CORPORATION MEMBERS

3. The Clerk advised the meeting that Caroline Nicholls had resigned; she had found that recent increases in her workload now made it impossible for her to devote sufficient time to discharge her responsibilities as a Corporation member. It would therefore be necessary to find another community body that could nominate a suitable Corporation member.
4. In the meanwhile, the Chair and the Governance & Search Committee had been interviewing a potential co-opted Member to replace Mike Allen. The Committee had been concerned to find someone with a strong educational background. This had been identified as a gap in the Corporation Members' collective expertise (outside of the Principal and the two staff members), particularly with the departure of Sue Samson.
5. The Chair gave a brief summary of Clive Behagg's background, drawing attention to the fact that he had been a strong and supportive member of the Crawley College Corporation. He was also Deputy Vice-Chancellor of the University of Chichester and a Member of the Corporation of the College of Richard Collyer.
6. The Governance & Search Committee had recognised the potential for a conflict of interest with respect to both these roles and Martin Delbridge and Patrick Berry had explored this in an interview with him.
7. The Committee's conclusion had been that an appointment would strengthen the Corporation and that there were mechanisms in place to deal with any conflict of interest that might arise in the future. The Committee was therefore recommending his appointment.

8. **It was agreed to appoint Clive Behagg as a co-opted Member of the Corporation with immediate effect, for a four year term of office.**
9. The Governance & Search Committee had also considered a recommendation to change the name of the Finance & Operations Committee, because there was a strong feeling within the Executive that that title did not reflect the importance of its role in overseeing Human Resources.
10. **It was agreed to rename the Finance & Operations Committee the “Resources” Committee.**
11. **It was also agreed to appoint Sylvia Meli as a Member of the Resources Committee.**

Clive Behagg jointed the meeting at 17.36, and was welcomed by the Chair.

12. The Chair, with the agreement of the meeting, moved to item 12, the report of the Risk Assurance Group, since its Chair, Mark Froud would need to leave the meeting at 18.00.

REPORT OF THE RISK ASSURANCE GROUP

13. Mark Froud introduced the report. He drew attention to the fact that the full College-wide Risk Register consisted of 63 items, to which the Group had added a further one, relating to the Pension Schemes.
14. The Group had reviewed the top risks, the highest six of which were before the Corporation. He identified the risk presented by the Pension liability as the highest risk to the College, with the second highest the ability to create and maintain sufficient financial headroom for the College to continue as a thriving, going concern.
15. It was noted that other organisations known to Corporation Members, such as the South East England Development Agency (SEEDA) and Sussex Enterprise, reviewed their Risk Registers by exception, on a quarterly basis; only risks that had moved (either up or down) would be reported, so they could be reviewed effectively.
16. Some concern was expressed that, at a time when the College was experiencing considerable change and instability in its external environment and also internally as it positioned itself to address that change, the Corporation should see more information about the strategic risks and risk management.
17. Mark Froud advised that the Group had considered that that level of detail would be beyond the scope of the whole Corporation to deal with at its meetings. He stressed that each of the 63 original risks on the register was supported by an Action Plan; a traffic light approach was adopted whereby the Executive would focus on amber and red; any red issues would be reviewed by the relevant Committee, as well as some amber ones.
18. Corporation Members were reminded that they were sent the papers for all the Committee meetings, so that they were able to review the details of the reports and the Committees’ deliberations for themselves.
19. It was noted that the Risk Register was currently reviewed on a termly basis and **it was agreed that this should be reported on by exception.** It was noted that the Committees would also be reviewing the key risks regularly.
20. **It was agreed that Alan Morris should carry out a specific review of this approach with Suri Araniyasundaran to test the robustness of the pertinent data provided to the Resources Committee.**

21. There was a discussion about the risk presented by Pensions; it was explained that there was very little that the College could do to mitigate those risks, because the terms of the scheme were governed by Statute. The main mitigation was to ensure that the College had sufficient financial headroom to address any increased liability.
22. It was noted that at the last three-yearly actuarial valuation (2004) the College's share of the Pension Scheme net assets showed a small surplus against pension and potential pension liabilities.
23. The Chair confirmed that he, with the assistance of the Clerk, was paying particular attention to all Pension Scheme developments.
24. **The report was received.**

MINUTES OF A MEETING OF THE 11TH DECEMBER 2006

25. The minutes were signed as a correct record.

MATTERS ARISING

26. The Chair of the Corporation drew attention to the previously circulated report.
27. **Overdraft facility/54:** Suri Araniyasundaran confirmed that the facility had been extended for a further year, with an upper limit of £1.1m; it was not anticipated that the College would need to draw on it during this financial year.
28. **Tenders for specialist advisers/73:** It was explained that the design brief for the Crawley campus Masterplan could not be finalised until the outline planning application had been submitted. The submission date was expected to be 13th April. Interviews to appoint specialist advisers were likely to take place in mid-May, subject to the views of the Task and Finish Group.
29. **The report was noted.**

MINUTES OF A SPECIAL CORPORATION MEETING OF THE 17TH MARCH 2007

30. The minutes were signed as a correct record.

MATTERS ARISING

31. There were no matters arising.

CHAIRMAN'S ACTION

32. **The Chair's actions as described in the summary report were noted and ratified.**

INTERIM HEALTH & SAFETY REPORT

33. Jenny Poore introduced the report and took the meeting through the main points.
34. The view was expressed that this was a gratifying report, the College's commendation by the Learning & Skills Council (LSC) safety adviser was particularly pleasing.

35. The fact that no executive summary had been prepared was raised. Because it was a relatively short report, it had been considered unnecessary to provide an Executive Summary; however it was clarified that what was needed was not only, or even primarily, a summary; rather that the significance of the different elements within the report needed to be highlighted, to ensure that Corporation Members could focus appropriately.
36. The Principal confirmed that, as Chair of the Health & Safety Committee, he would in future provide a summary of that nature. In respect of the current report, two of the accidents were the result of the working practices being followed; the remaining four were pure accidents.
37. It was also pointed out that, in other industries and sectors, RIDDORs (Reportable Injuries, Diseases and Dangerous Occurrences Regulations) represented extremely serious occurrences, with major consequences, whereas those identified in this report were more a reflection of the care the College was taking of its learners, by sending them to hospital to be checked over. This needed to be clearly reflected in the report, to avoid any external reader gaining the wrong impression.
- 38. The report was received.**

Mark Froud left the meeting at 18.03.

PRINCIPAL'S UPDATE

39. The Principal took the meeting through his report. He drew particular attention to the letter from the LSC (dated 21st March 2007) headed "Feedback from Annual Provider Review (APR), appended to the Report. He had sent a response disputing three of the LSC's statements about the College. The LSC had accepted the College's comment that the reported performance level of Apprenticeship Frameworks was inaccurate.
40. As far as IF (Increased Flexibility) performance was concerned, this had not been raised at the planning meeting with the LSC some four to six weeks earlier, and comparative data for other Colleges was not available, so the the validity of the statement could not be checked.
41. The third major inaccuracy was the reference to the management of Train to Gain; this did not recognise that the Sussex contract was one of the best performing contracts in the South East.
42. Additionally, although he had not raised it formally, the statement that ethnic minority groups were underperforming in comparison to white groups, was also inaccurate.
43. It was confirmed that the LSC had not provided a draft copy of their findings in advance of issuing the formal letter. Surprise was expressed at this lack of protocol, as it would be regarded as normal good practice elsewhere, (e.g. audit reviews.)
44. It was explained that the APR was a largely desk-based exercise, and that the LSC was affected by manpower reductions. The Principal confirmed that he was taking matters up with other Principals through FE Sussex; should this not achieve a satisfactory outcome he would come back to the Corporation to enlist their support.
45. The Principal then drew attention to developments with Train to Gain and Adult Learner Accounts. The College had expressed interest in bidding for additional learners within the Gatwick Diamond area in conjunction with East Surrey College, as well as within the main Sussex Train to Gain consortium. The College was positioning itself for the new demand-led and contestable environment. In due course he was looking to transfer the management of the Train to Gain contract for the

Sussex consortium to FE Sussex, from the College. This would not necessarily be straightforward, and required further careful evaluation; however the management of the contract placed a considerable burden on the College and also raised potential conflicts of interest with respect to the development of separate Gatwick Diamond initiatives.

46. Sue Dare then gave feedback from the University of Sussex's Institutional Recognition Panel. This had gone exceptionally well and the feedback at the end of the day had been very positive. The Panel was recommending full recognition, with only five requirements for action, none of which were onerous, and ten commendations.
47. The input from Central Sussex College to the Crawley Business Summit at the House of Commons on 23rd March was noted; it was a tribute to the strength of the Corporation that two of its members, Mark Froud and the Principal, had been asked to go and speak on behalf of Crawley.
48. **The report was received.**

REPORT OF THE CURRICULUM, QUALITY AND STANDARDS COMMITTEE

49. Martin Delbridge introduced the report, **which was received.**

REPORT OF THE FINANCIAL AND OPERATIONS COMMITTEE

50. Patrick Berry introduced the reports from the two Committee meetings held since December.
51. He stressed that costs were being held under control well; the main problem for the College, as indicated by the Principal, was income. The Executive had gone through the actions it was taking to address this; however it would not be possible to redress all the difficulties within the current financial year. This led to a forecast operational deficit of £305K (within a range), to which must be added the costs of the voluntary redundancy offer agreed at the Special Corporation meeting. This could take the total loss for the year to over £½ million. 2007/2008 would bring even tighter constraints on the LSC income. This exemplified why it was so essential to establish financial headroom for the College; the target headroom for 2007/2008 was £500K.
52. Patrick Berry then took the meeting through the recommendations from the report of the second meeting.
53. **The reports were received.**
54. **It was agreed that the College's policy that redundancy payments be calculated on the basis of the individual's contractual pay be confirmed and continued.**
55. **It was agreed to confirm and continue the policy that staff who leave on grounds of redundancy or in the interests of the efficiency of the service will not have their pensions enhanced on a discretionary basis, nor will they be awarded any discretionary enhancement in addition to the redundancy pay.**
56. **It was agreed that the College should remain in the Colleges' pool for the calculation of the Local Government Pension Scheme (LGPS) contribution rates.**

REPORT OF THE TASK AND FINISH GROUP

57. Paul Harding took the meeting through the report. Following the two meetings addressed in the written report, the Group had met on the 26th March, immediately prior to the Finance & Operations Committee, to consider some fine tuning of the outline planning proposals. As a result the two “doughnuts” at either side of the central entrance and services had been slightly elongated. This still met the circulation requirements for the overall building, but improved the opportunities for establishing social spaces for learners.
58. Car parking remained a challenge; a firm policy to reduce overall car parking spaces was required.
59. The other shift since the plans had been shown at the Open Meeting of the Corporation was that the proposed area for residential development had been moved round the corner between College Road and Northgate Avenue, so that it was now from the Tower Block along Northgate Avenue, with little along the College Road frontage.
60. The plans appeared to meet the requirements and aspirations of the planners and developers, as well as the needs and aspirations of the College.
61. The Group had also reviewed progress on the sale of Three Bridges; it was hoped to finalise this within the current financial year. This would help the College’s cash-flow, although it would be a capital receipt that would have to be set aside for reinvestment in the College’s infrastructure.
62. **The report was received.**
63. **It was agreed that the Chair of the Corporation, together with the Principal, be authorised to complete the sale of the College’s land at Three Bridges, including witnessing the application of the seal to all necessary documents to transfer title in the land to the new owners.**

REPORT OF THE BURGESS HILL AND HAYWARDS HEATH LCB MEETING

64. Martin Delbridge introduced the report, pointing out that this had been the first meeting of the merged Burgess Hill and Haywards Heath LCBs. He drew attention to the fact that the two Burgess Hill members present had seemed excited at their involvement in the enlarged body.
65. He took the meeting through the report, and drew attention to the development of a link LCB member scheme, which they and he considered would add value to the Corporation, particularly in respect to its responsibility for monitoring the quality of the curriculum. It would also help staff feel they had an added voice on the LCBs.
66. He drew attention to the reservations expressed by the LCB at their lack of input to the selection of a Vice-Chair. This was considered seriously by the Corporation; however it was concluded that it was essentially a rerun of the original debate over the appointment of the Chair. The Corporation had resolved that, to ensure that proper communication lines and respective roles were maintained between the Corporation and the LCB, the Chair (and in this instance Vice-Chair) must be a Member of the Corporation appointed by the Corporation. Martin Delbridge was asked to convey this to the LCB as the Corporation’s final decision on the matter.
67. **The report was received.**

REPORT OF THE CRAWLEY AND HORSHAM LCB MEETING

68. Paul Harding took the meeting through the report. He drew particular attention to the desire to strengthen the representation by local businesses on the Board, and asked for help in this. **It was agreed that the College should review its databases of employers, particularly those who placed a number of apprentices with the College, to identify appropriate contacts to approach. Christie McMahon also agreed to raise with the Executive Committee of CADIA the possibility that the President of CADIA should have an ex-officio seat on the LCB.**
69. It was also suggested that Paul Harding attend a meeting of CADIA as Christie McMahon's guest, so that he could promote membership of the LCB.
70. **The report was received.**

REPORT OF THE REMUNERATION COMMITTEE

71. The Chair took the meeting through the report. He drew attention to the practical difficulty presented in arranging meetings for the Committee because its membership had been reduced to four (the same number of Members as the quorum) when the Policy Committee had been disestablished. Although the Committee report had proposed a pragmatic solution, namely the reduction in number of the quorum for the Committee, Members of the Committee had reservations as to the merits of this, particularly in the light of the Committee's delegated powers. It was not felt right, however trustworthy the individuals might be, that, in extremis a majority of two out of three Corporation Members could determine the salaries or other conditions of service for the Principal and other Senior Postholders.
72. It was recognised that there were additional safeguards that could be introduced; however it was felt that it was important for there to be a sufficient number of Committee Members present at any such meeting to ensure there was robust discussion and testing of any proposals before they were decided upon. It was also important that an objective outsider would perceive any arrangements to be properly impartial.
73. It was suggested that the quorum should remain at four, but that the membership of the Committee be increased. One way of doing this would be to add to each Chair a "back-bench" member of each Committee as a Member of the Remuneration Committee.
74. **It was agreed to refer the question to the Governance & Search Committee, to present appropriate recommendations to the Corporation in due course.**
75. Members of the Committee also drew attention to the Committee's proposal that Members of the Corporation should be entitled to join the private healthcare scheme to be provided for Senior Postholders. Although Corporation Members would join at no cost to the College (and indeed, by extending the number of members in the scheme may reduce the cost per individual), this might be perceived by others as a benefit that they were deriving from their Corporation Membership. This part of the recommendation was therefore being withdrawn.
76. **The report was received.**

MATTERS ARISING FROM THE CORPORATION AWAY DAY

77. The general view was expressed that it had been an enjoyable and effective day.

CHAIRMAN'S UPDATE

78. The Chair went through his relevant diary engagements briefly for the benefit of members. He had participated in the induction of Sylvia Meli in early January. The Gatwick Diamond had occupied much of his time; he had held six meetings to review and consider how best the College could make use of the opportunity the Gatwick Diamond presented, including a discussion with Henry Ball (the Regional Director of the LSC), who had confirmed that this was an appropriate development for the College to focus its energies. As part of that initiative he had spoken at the Gatwick Diamond relaunch) about the importance of the two Further Education Colleges in the Diamond (Central Sussex and East Surrey College) working together.
79. Other matters included an exploratory meeting with Clive Behagg, reviewing the evaluation of tender returns with Patrick Berry, attending a very successful Awards evening and attending meetings about the Town Centre North development.

ANY OTHER BUSINESS

80. It was noted that the next meeting of the Corporation would be on Monday 4th June 2007.

There being no other business, the meeting closed at 19.15.