



Minutes of a Meeting of the Board of the Corporation

held in the Conference Room of the College on 27th March 2007 at 5.30pm.

Present:

Mr T Edwards (Chairman)
Mr A Croney, Dr K Chester, Mr G Marshall, Mr I Stephenson, Mr K Huggins Cooper, Dr A Low, Councillor J Davies.

Apologies:

Mrs D Logan-McCance.

Absent:

Ms A Stewart, Mrs R Seabury.

In attendance:

Mr R Oliver, (Vice Principal, Finance and Resources), Mr D Allsop, (Acting Clerk to the Corporation), Ms S Welsh, (Director of Quality), Mr M Eggleston, (Observer), Mr D Waugh (Observer).

1. Minutes of a meeting of the Board of the Corporation held on Tuesday 27th February 2007

Matters arising:

1.1. The Acting Principal confirmed that the Matrix report has now been received and tabled a copy of the executive summary for each member of the Board.

1.2 The minutes were accepted as a true record and signed as such by the Chairman.

Agreed:

1.3 THAT the Board approve the minutes.

2. Minutes of a meeting of the Audit Committee held on Monday 19th March 2007

Matters arising:

2.1. The Chairman queried the meaning of the management comments recorded in paragraph 4.7. The issues were not able to be resolved

during the meeting and the Vice Principal, Finance and Resources undertook to clarify and report back to the next meeting.

Agreed:

2.2 THAT, subject to the clarification above, the Board receive the minutes.

3. Chairman's verbal report

3.1 The Chairman reported that since the last meeting of the Board, his outside commitments had continued and he had limited time to attend meetings in the college. Nevertheless various discussions had been held with the Acting Principal.

3.2 The Chairman reported that his experience at Newcastle College had confirmed his view of the limitations of the AoC. He reminded officers of the need to bring forward a report outlining the cost/benefits of continued membership prior to the start of the next subscription period.

Agreed:

3.3 THAT the Board receive the Chairman's report.

4. Principal's report

4.1 The Acting Principal presented his report and made reference to:

- Final learner numbers for the 2005/06 academic year;
- An update on the ongoing dispute with Shepherds Construction Ltd and Project Genesis Ltd. The Acting Principal confirmed that court proceedings have now been issued.
- Default retirement age and the regulations relating to age discrimination. The Acting Principal outlined the advice received from the AoC and the options for action in relation to the new requirements.

4.2 Board members asked a number of questions about the report. The Acting Principal confirmed that the LSC continues to be supportive of the college in the legal action. The process to obtain financial support is ongoing but he remains confident that it will be forthcoming.

Agreed:

4.3 THAT the Board receive that part of the Acting Principal's report and approve the actions set out therein in relation to the matters above. The Board approved option three in relation to retirement. Consequently, the college will seek to justify individual retirements on a case by case basis. There will not be an automatic retirement at age 65 but rather the college will decide on a case by case basis whether to retire an employee upon reaching that age. The policy will be reviewed once the European Court of Justice has ruled on a case being promoted by Age Concern. This is unlikely to be determined until 2008.

4.4 The Acting Principal continued to present the remainder of his report and made reference to the re-organisation of the management structure. The Acting Principal referred to the retirement of the Director of Learning and his proposal to reduce the composition of the Senior Management Team from five posts to four.

4.5 Ms S Welsh, (Director of Quality) declared an interest in this matter and left the meeting at 18.08.

4.6 Board members asked a number of questions about the report and concern was expressed that it did not contain sufficient information to enable the Board to make a fully informed decision. In particular the report lacks any detail on the rationale behind the proposal. In response to matters raised, the Acting Principal confirmed that:

- He is not proposing the deletion of his own substantive post of Vice Principal even though it does not appear in the proposed organisation chart. This will be a matter for a subsequent substantive Principal and the Board following the future appointment process.
- In light of the above, the proposed Director of Curriculum and Quality post should be regarded as 'Acting' for the time being.
- The intention behind the proposal is to streamline the business, bring together related functions and make cost savings in order to provide improved value for money.

Agreed:

4.7 THAT following a vote, with four members voting in favour, one against and three abstentions, the Board receive the Acting Principal's report on this matter and approve the revised management structure effective from 1st May including the clarifications set out above.

4.8 Ms Welsh rejoined the meeting at 18.20.

4.9 The Acting Principal referred to a supplement to his report circulated during the meeting, relating to:

- 14 – 19 learning in Derwentside;
- Indicative funding allocation

4.10 A further meeting of the group comprising representatives of MPs, LSC, LEA, School Heads and the College had taken place on 23rd March 2007 at which the current position in relation to Building Schools for the Future (BSF) in County Durham had been discussed. The County Council's position is that BSF in Derwentside will include a proposal for two Academies although their size, nature and location is yet to be decided. One in Consett and one in Stanley is likely. The meeting had agreed to set up a smaller Executive Group, to include the Acting Principal, and it will meet for the first time on 20th April. Its remit is to determine the curriculum for Derwentside from 2012 onwards and it is required to report back by the end of the current academic year.

4.11 The Acting Principal and the Vice Principal had met with the LSC on 21st March and had been informed that the 2007/08 funding allocation for colleges in the north east will not be determined before May. Current assumptions remain valid but can't be confirmed. The Chairman thanked the Acting Principal for the update.

Agreed:

4.12 THAT the Board note the contents of the Acting Principal's supplementary report.

5. Finance and Resources Reports

5.1 The Vice Principal, Finance and Resources, presented a number of reports:

- Finance report – period to February 2007;
- Sale of Uniformed Services Site;
- Revised HR Policies:
 - Staff Grievance Procedure;
 - Staff Disciplinary Procedure;
 - Staff Dismissal Procedure;
- Appointment of Financial statements Auditor.

5.2 The Finance report shows a surplus of £59,000 as at 28 February 2007 in comparison to the forecast position of a surplus of £108,000. The current cash position is also slightly below the forecast position. Whilst current financial performance is lower than expected, the College remains on target to deliver the forecasts by the year end.

5.3 The Vice Principal, Finance and Resources, updated the Board on offers received for the sale of the Uniformed Services site in Stanley.

5.4 The Vice Principal, Finance and Resources explained that the HR procedures had been revised to take account of legislation and other developments since the current versions had been drafted. Advice had been sought and the revised versions reflect current best practice. The revised procedures will be discussed with the Trades Union and implemented immediately thereafter but will not apply retrospectively to current ongoing cases.

5.5 The re-appointment of Baker Tilly as financial statements auditor had been considered by the Audit Committee at its recent meeting. The Vice Principal, Finance and Resources explained the process adopted by the Committee in reviewing the auditor's performance and making its recommendation for re-appointment for a further period to include the audit of the 2007/08 financial statements.

Agreed:

5.2 THAT the Vice Principal, Finance and Resources' reports be received and their contents noted. The Board approved the acceptance of the highest bid for

the sale of the Stanley site (at an amount recorded in the paper and the confidential file), the revised HR procedures for discussion with the Trades Union and the re-appointment of Baker Tilly for 2007/08.

6. Director of Quality Reports

6.1 The Director of Quality presented two reports:

- 2005/06 College Success Rates;
- 2006/07 attendance to date.

6.2 The headline success rate for 2005/06 is 82% compared with 85% in the previous year. The decline had been expected following the reduction in short course provision previously reported to the Board. The Director outlined the priorities for improvement and the specific actions to be taken by Curriculum managers and their teams in implementing their improvement plans.

6.3 The overall upward trend in overall attendance has continued and attendance 2006/07 to date stands at 90%. Attendance in the range 85 – 90% is cited as 'good' by Ofsted.

Agreed:

6.4 THAT the Director of Quality's reports be received and their contents noted.

7. Board Self Assessment

7.1 The Acting Clerk presented a further report on the findings from the 'High Performing Board' self assessment questionnaire. The questionnaire has now been completed by ten of the thirteen Board members and observers. This represents a participation rate of 77%.

7.2 The main findings from the exercise are:

- The Board exhibits 7 of the 10 features of a 'High Performing Board';
- Three features were identified where our performance can be improved:
 - Decision making
 - Induction, training and development
 - Individual performance review.
- Seven specific areas have been identified where Board Members perceive a training or development need
- Five suggestions were made for things the Board should stop doing and 16 suggestions were made for things which the Board could do differently.

Agreed:

7.3 THAT the exercise had proved to be very useful and a task group comprising the Chairman, the Acting Principal, the Acting Clerk and the two observers be established to consider the findings and report back recommendations to the next Board meeting.

8. Board composition

8.1 The Chairman reported that he had received a letter from Dr A Low, giving notice of her intention to resign from the Board to take effect from the end of the meeting. Following the re-organisation of PCTs in County Durham, Dr Low is retiring and leaving the area. The Chairman thanked Dr Low for her contribution to the Board and the college and wished her well for the future.

8.2 The Chairman pointed out that the resignation meant that there were now two vacancies and proposed the appointment of Mr M Eggleston and Mr D Waugh as Board members. He indicated that their appointment had been recommended by the Search sub-committee.

Agreed:

8.3 THAT the Board elect Mr M Eggleston and Mr D Waugh as Board members with effect from the date of the next meeting.

9. Seven day rule items

9.1 The Acting Clerk confirmed that there were no items circulated under the 7 day rule.

10. Next meeting Agenda

10.1 Items for the next meeting include:

- Minutes of the previous meeting
- Election of Chairman and Vice Chairman
- Chairman's report
- Acting Principal's report
- Vice Principal, Finance and Resources' reports.
- Review of the race equality scheme
- Review of the gender equality scheme
- Board self assessment process.

11. Any other business

11.1 There were no items of other business.

Mr A Croney, Mr R Oliver, Ms S Welsh and Mr I Stephenson left the meeting at 19.23

12. Contract renewal and remuneration – Acting Principal and Chief Executive

12.1 The Chairman reported that the Remuneration task Group had met and recommended that the Acting Principal and Chief Executive's temporary appointment be extended for a further period of up to 12 months at a salary recorded in the confidential file.

Agreed:

12.2 THAT that the Acting Principal and Chief Executive's temporary appointment be extended for a further period of up to 12 months.

13. Date of next meeting

13.1 The date of the next meeting is Thursday 17th May 2007 at 5.30pm in the alternative Conference Room.

13.2 The meeting closed at 19.27 pm.