

KING GEORGE V FURTHER EDUCATION CORPORATION
MINUTES OF THE MEETING OF THE FULL BOARD OF GOVERNORS

6.00pm Monday 24 March 2014

PRESENT

- John Rostron (Governor)
- Arlene Allan (Governor)
- Chris Baker (Governor)
- Rob Fletcher (Governor)
- Duncan Hall (Parent Governor)
- Bill Johnson (Governor) from 6.20pm
- Nick King (Staff Governor)
- Morag Matthews (Staff Governor)
- Sandra Unsworth (Governor)
- Adele Wills (Principal/Governor)
- Ian Swift (Vice Principal) In attendance
- Will Melia (Assistant Principal)
- Janet Regan (Assistant Principal) In attendance from 6.30pm
- Jimmy Abram (Premises Manager) In attendance until 6.25pm
- Wendy Moorcroft (WM)(Clerk)

A Quorum being present, John Rostron (in the Chair) opened the meeting at 6.00pm.

14/16 Apologies

- Elinor Dodd (Governor)
- Ronnie Fearn (Governor)
- Paul Lacey (Governor)
- Julian McInerney (Governor)
- Vipin Trivedi (Governor)
- Michael Barker (Assistant Principal) In attendance

The Chairman welcomed the new Parent Governor, Mr Duncan Hall, to the meeting.

14/17 Minutes of the Meeting of 10 February 2014

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

14/18 Matters Arising

14/06 Opportunity for Questions on Governor Briefing Paper

The mid year review was not yet complete with three more reviews still to be undertaken. The reviews carried out so far had been positive and constructive and initial cautious predictions suggested an improved picture.

14/07 Update on Strategic Plan

The Principal circulated details of how Governors could access the E&D on-line training programme.

14/08 Principals Report

The Chairman reported that following the visit from the Deputy Prime Minister at which he had outlined the Estates issues facing the College, he had as requested detailed the issues in writing. The College had been notified that the letter was receiving attention.

There were no other matters arising.

With the approval of the Board, the Chair then took Agenda item 14/22 next in order not to detain the visiting speaker.

14/22 Health and Safety Report

The Board welcomed Mr Jimmy Abram to the meeting to present the report on Health and Safety

Governors noted the reported incident and accident analysis for the last twelve months. The shortfall in First Aiders had been addressed and would be kept under review. The Heart Start campaign was back on track with a considerable number of staff trained in the use of defibrillators and five members of staff trained as trainers. A promotional campaign was underway to increase interest with eleven students now trained and interest expressed from others. Medical Care Plan reviews were up to date. In terms of fire safety, a risk assessment had been carried out by 'Firecomply' and all issues raised had been addressed. In view of Mr Abram's impending retirement, the College would need to appoint a new named fire safety person. Plans were in place to address this. On-line health and Safety training had been undertaken by over 98% of staff. Pat Testing was scheduled for the Easter Break. The strategic objectives and action plan was attached as an appendix for information and noted by Governors.

The Board noted the report and wished Mr Abram well in his retirement.

Mr Abram left the meeting at this point (6.25pm).

14/19 Principal's Report

The Principal took Governors through the Principal's Report noting the following in particular.

Student Activities

Governors noted the many student activities that had taken place so far this year.

SFC BCIF 2014

Work had commenced on the Creative Arts building. The outcome of the BCIF bid to replace Fearn Building was still awaited.

Mid-Year Course Reviews

This had been discussed under matters arising.

Update on Savings Strategy

The required savings for this academic year had been largely achieved. Projected applications for September were down however and there could therefore be the need for further savings. A recent visit from EFA Directors had been useful. No indication of number viability level was given.

Janet Regan arrived at this point (6.30pm)

The Board would have further strategy discussions on curriculum offer, unique selling points, birth rate and feeder school numbers and areas of future potential demand. It was important that the College was clear on what it offered and why, that it delivered what the market and universities wanted, proactively built on brand and strengthened reputation, and improved perception by maintaining entry and progression criteria which in time would lead to improved results. Whilst it was noted that some colleges continued to advertise for staff this did not necessarily indicate growth as staff turnover amongst other things could be a factor.

Concerts and other events

Governors noted the Concerts and other events.

Governors noted the Report

14/20 Financial Report and 2nd Quarter Accounts

Will Melia, Assistant Principal took Governors through the Period 6 Accounts for 2013/2014. Looking at the key points within the report, Governors noted that the College was £11k below target surplus to Period 6. The forecast for the year however was a surplus of £482k which was £96k worse than budget. This was primarily due to a combination of pay costs being £77k over budget and non pay costs £27k over budget. A detailed breakdown of the variances was attached to the report and this had been discussed in detail at F&GP. Capital expenditure to period 6 was £232k but would obviously rise significantly now that work on the Creative Arts block was underway. Cash reserves were around £1.2m and forecast to remain around the same by the end of the year. Initial projections for 2014/15 indicated these would fall to around £1m as the capital project costs impacted. Cash reserves currently covered the College for 76 days. The sector benchmark was 60 days. The impact of projected applications was being modelled. Progression data was fairly reliable but result dependant. Progression criteria would be maintained unless circumstances were exceptional as evidence suggested that where exceptions had been made there continued to be concerns.

With regard to the Creative Arts BCIF project, as Governors were aware, there had been an issue with regard to the security requirement by Nat West in respect of the loan. The original intention had been to offer the new building as security. This however did not meet the necessary valuation. To split the site in terms of valuation was difficult and costly. It had therefore been proposed that Nat West be offered the first charge over the whole site. All Governors had been contacted and responded in favour of this. A valuation was still awaited as Christies had been too expensive. Governors requested that advice be taken from the College Auditors whether any valuation of the site would impact on the Balance Sheet. **ACTION WIM**

A bid had been submitted to replace Fearn Building and the outcome of the bid was still awaited. VAT advice received indicated that any add-on to the current new build was unlikely to incur any VAT charges.

Governors accepted the Financial Report and 2nd Quarter Accounts.

14/21 Loan Finance – Interest Rate options

Will Melia, Assistant Principal presented the paper on Loan Finance and potential interest rate options. The paper outlined three suggested options, option 1 100% Variable rate loan, option 2 100% Fixed rate loan and option 3 mix of Fixed/Variable 50:50 split loan. The paper had been discussed in detail at F&GP Committee. The Committee had concluded that a mixed loan was the preferred option. Whilst the option presented was modelled on a 50:50 split, it was felt that fixing 70% of the loan and leaving 30% variable for the first 15 years of the 25 year loan would be the best option and provide greater stability.

The Committee was therefore recommending that the loan be set up on a 70:30 fixed/variable basis for the first 15 years of the 25 year loan and that Nat West be asked to prepare the loan agreement on that basis. Mr Melia reported that he was still awaiting the details from Nat West but that estimated annual costs were £108k.

The Board approved the recommendation of F&GP Committee as outlined above.

14/23 Governors' Performance Indicators

The Clerk presented the Report to the Board. The document had been considered in detail by the Search and Governance Committee as part of its Governance responsibilities. Governors considered the Quality Performance Indicators for 2012/13 noting achievement against each target.

The Committee had also undertaken a review of the targets to establish whether they continued to be appropriate and relevant and no changes were proposed for next year.

The Corporation approved the Quality Performance Indicators for 2012/13 and the targets for 2013/14 without change as recommended by the Search and Governance Committee.

14/24 Reports from Committees

F&GP Committee 10/03/14

Arlene Allan as Committee Chairman reported that all matters discussed by the Committee had been presented at tonight's meeting.

24/03/14 Remuneration Committee

The Committee had discussed the Job Descriptions of the Senior Postholders which had been revised to take into account the redistribution of responsibilities in the light of Mr Melia's departure.

14/25 Any Other Business

The Chairman reported on discussions with Mr Clapham in respect of the all weather pitch and development of the playing fields. Copies of all related documentation had been sent to Mr Clapham who had noted the substantial work undertaken by the College and further discussion was planned.

There was one confidential item of any other Business

There was no Other Business.

14/26 Review of Meeting

The arrangements for and the conduct of the meeting were considered to have been satisfactory.

14/27 Date of Next Meeting

19 May 2014

There being no further business the meeting closed at 7.05pm.

The Chairman asked the Principal, Staff Governors and Staff in attendance to leave for the confidential item. The Clerk remained and the minute was recorded as a confidential minute.

SIGNED BY THE CHAIR AS A TRUE AND ACCURATE RECORD

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