



## MACCLESFIELD COLLEGE CORPORATION

### MINUTES OF THE MEETING OF THE CORPORATION OF MACCLESFIELD COLLEGE HELD ON TUESDAY 15 DECEMBER 2009

#### PART I

<b>PRESENT :</b>	Mr I Standen	Chairman
	Ms L Ahmad	Items 42/09 to 53/09
	Mr M Barden	
	Dr D Cole	
	Cllr H Davenport	Items 42/09 to 53/09
	Mr M Garrity	
	Mr J Green	
	Ms R Griffiths	
	Ms V Herbert	
	Ms P Martin	Items 42/09 to 53/09
	Ms A Mollart	
	Ms A Thomson	
	Dr G Wilson	
	Mr M Wright	
Ms W Wright	Principal	

<b>IN ATTENDANCE :</b>	Mrs P Connell	Clerk to the Corporation
	Mr J Fitzpatrick	Director of Finance and Estates – items 44/09 to 46/09 inclusive

#### 36/09 APOLOGIES FOR ABSENCE

Apologies were received from Messrs D Harrison and G Lesser.

#### 37/09 DECLARATION OF MEMBERS' INTEREST

Mr M Barden declared an interest in relation to the discussion to be held under agenda item 12, advising that he was an employee of Manchester Metropolitan University.

#### 38/09 MINUTES

The Part I minutes of the meeting held on 7 July 2009 were confirmed as a correct record.

#### 39/09 MATTERS ARISING

#### ACTION

### **32/09 LZ6 Governance Committee**

The Principal reported that a meeting had been held with the Headteachers of Macclesfield High School and Park Lane Special School to discuss the future strategy for LZ6. Since that meeting, Mr G Ward had retired as Headteacher of Macclesfield High School and so the matter had been put on hold for the time being.

### **40/09 MEMBERSHIP MATTERS**

**Members approved the appointment of Ms Lujean Ahmad and Ms Paris Martin, as Student Members of the Corporation, with immediate effect and for a period concurrent with their terms of office as President and Vice President of the Students' Union.**

They noted that, in accordance with the terms of reference of the Teaching and Learning Standards Committee approved by the Governing Body, Ms Ahmad would be appointed as a Member of that Committee.

**The Corporation noted that Mr N O'Brien had stepped down as Chairman of the Governors at Park Lane Special School and Ms S Edwards had been appointed as the new Chairman. Members approved the appointment, with immediate effect, of Ms S Edwards as a Member of the LZ6 Governance Committee, in accordance with the Committee's terms of reference.**

**The Corporation received a written report from the Clerk to the Corporation, which was contained within appendix A. The Clerk spoke on her report, which concerned CRB checks of Members of the Corporation, advising Members of the implications for this area arising from the publication of the new Common Inspection Framework in September 2009 and the new Vetting and Barring Scheme under the Independent Safeguarding Authority. Members reaffirmed their commitment for the College to embrace best practice with regard to the safeguarding of children and vulnerable adults. They approved the Clerk's proposal that all governors, with the exception of the Student Members and Staff Members, who had already undertaken the checks, should be invited to obtain CRB clearance at enhanced level, and agreed that the recommendation should be implemented from the beginning of the spring term 2010. They resolved that applications should be made through the HR Department at the College, which was a licensed centre.**

### **41/09 SEARCH COMMITTEE**

**The minutes of the meeting of the Search Committee held on 25 November 2009, which were contained within appendix B, were received and approved.**

**Members noted the retirement of Mr G Ward, Headteacher of Macclesfield High School, on 30 September 2009 and the consequent vacancy created in the membership of the Governing Body. They recorded their thanks to Mr Ward for the work he had undertaken as a Member of the Corporation and extended their best wishes to him for a happy retirement.**

**The Corporation also noted the appointment of Mr A Robinson as Consultant Headteacher at Macclesfield High School until the 31 August**

**2010.** In accordance with the terms of reference of the LZ6 Governance Committee, approved by the Corporation, Mr Robinson was appointed as a Member of that Committee, with immediate effect and for a period concurrent with his term as Consultant Headteacher.

The Corporation received an oral recommendation **from the Chairman of the Search Committee, on behalf of all of its Members and approved the appointment of Cllr H Davenport, with immediate effect, for a period of four years or until he ceased to be the nominee of Cheshire East Authority, whichever was the earlier.**

Ms L Ahmad, Cllr H Davenport and Ms P Martin joined the meeting at this stage.

#### **42/09 REPORT FROM THE CHAIRMAN OF THE CORPORATION**

The Chairman extended a warm welcome to the newly elected Members of the Corporation.

**Members received an oral report from the Chairman of the Corporation** concerning the activities which he had undertaken, in his capacity as Chairman, since the last meeting of the Corporation in the summer term. The Chairman gave a detailed report of the following events:

- i Macclesfield College Awards Evening, 15 September 2009. The Chairman was pleased to report that the evening had been extremely successful. He encouraged governors to attend the event, in future years, whenever possible, to celebrate the achievements of the College's students.
- ii Association of Colleges NW Consultation, Warrington Business School, 30 August 2009. This meeting had been held to discuss developments in legislation and in the Association of Colleges. Some important issues had been raised eg cross border funding, but, disappointingly, attendance levels had been poor.
- iii Association of Colleges, North West, Full Members' meeting, 15 October 2009. This meeting had been well attended, with over fifty people being present. It had been arranged to bring Members up-to-date with developments in the Skills Funding Agency and the Young Persons Learning Agency. Legislation was still being debated in Parliament, but the general consensus amongst Members present at the meeting had been that neither schools nor the HE sector would accept the uncertainty being experienced by the FE sector.
- iv Meeting with Cheshire East Councillors, 5 November 2009. The Chairman advised that this meeting with three Cabinet Members of the new Cheshire East Authority, had also been attended by the Vice-Chairman of the Corporation and the Principal. It had proven to be a valuable meeting in terms of consolidating good relations with the Authority and had provided an opportunity for the College to be able to demonstrate its contribution to the delivery of key objectives in the local area.
- v Education Improvement Partnership, 25 November 2009. The Chairman advised that he chaired this Governors' Forum for all schools in Macclesfield and Bollington. The partnership had developed significantly and its activities would need to be reported, as appropriate, by either the Chairman or the Principal to future Corporation meetings.
- vi Association of Colleges North West Chairs' Meeting, 30 November 2009. The Chairman advised that, regrettably, he had been unable to attend this meeting because of personal commitments elsewhere.

Members thanked the Chairman for the extensive work which he had undertaken, on behalf of the College, throughout the summer and during the autumn term.

#### 43/09 THE PRINCIPAL'S REPORT

**The Corporation received a written report from the Principal, together with the Schedule of Performance Indicators and the Up-dated Operating Statement for 2009-10. The documents were contained within appendix C.**

The Principal spoke on her report, drawing Members' attention to the most significant developments since the last meeting of the Corporation in the summer term. She was pleased to advise that recruitment had been very strong and the College currently had record numbers of full-time students. In fact, there had been year on year growth in 16-18 year olds since the opening of the Learning Zone. This was an important achievement, which would place the College in a strong position as it entered a period of demographic decline in the number of 16-18 year olds in the local area. With regard to the Adult Learner Responsive Contract, recruitment was also encouraging, with 70% of the target being reached by 31 October and students continuing to be recruited throughout the year. Numbers were also ahead of profile in the case of the Employer Responsive Contract. The LSC had advised that the College should not exceed its maximum contract value for the current year, but would incur financial claw-backs if numbers fell short. Members recognised that this was a particularly difficult balancing act to manage and shared the Principal's regrets that the College should be held back in this way, after successfully investing in an area which had been identified by the Government as a national priority. It was hoped that more funding would become available for apprentices during the year.

It was noted that, following the publication of the new Common Inspection Framework in September 2009, inspectors had indicated that they would wish to inspect some outstanding colleges every year. The College's inspection was not due until 2010-11, in accordance with the quadrennial cycle, but it was possible, therefore, that the process might move to an earlier date. The Principal believed that appropriate measures were being taken to ensure that the College remained ready for inspection at all times. Discussion ensued concerning the two limiting grades in the new inspection framework ie equality and diversity and safeguarding. The Principal advised that Ofsted would expect colleges to maintain a pro-active approach in these two areas and not merely be in a position to demonstrate legal compliance. Members noted that if inspectors judged the grades for these two areas to be less than 'good', it would be impossible to secure a grade of 'outstanding' for Overall Effectiveness. They supported the efforts being made by the Senior Management Team to ensure that staff remained continually vigilant to embrace best practice in both of these areas.

The Principal reported that the Quality Assurance Agency was to initiate a review of the College's Higher Education provision, later in the year. The review was expected to take place over a prolonged period and the first stage would culminate in the production of a report, for the College only, detailing points of action to be completed by the College within a specified period. Reviewers would then return at a later stage and complete the summary stage of their work. This would result in a published report.

Members were pleased to note that, with regard to ECAT's Part 147 provider

status, the CAA Licensing Standards Inspector who had visited the College in November to ensure that the College was fully compliant with all of the Part 147 requirements had raised only two small procedural matters, which would, in fact, be rectified by 18 December. This meant that the College, as a fully licensed centre, would be able to deliver unit training as well as whole programmes.

Members considered the Schedule of Performance Indicators for 2009-10. All indicators showed a positive position against target and in comparison with figures for the previous year. With regard to the Operating Statement, the Senior Management Team believed that all work was on schedule to achieve the agreed objectives by their target dates.

Members noted the most significant curriculum developments since their last meeting. With regard to staffing, there had recently been a period of stability, with low staff turnover figures. Recruitment, when required, had been very successful and some excellent appointments had been made. The only area of difficulty concerned recruitment to apprenticeships, where it had not proved possible to fill three current vacancies.

The Principal reported that, since Corporation papers had been distributed, the Deputy Principal had tendered her resignation to take up a new appointment in the spring. It was intended to advertise her post immediately after Christmas. **Members approved the Principal's proposal** that this should be for a new Director of Learning and Quality and not for the post of Deputy Principal. **They agreed that** the new position would not be designated as a 'senior post' at the current time.

The Principal was pleased to report that staff sickness levels were significantly down upon the previous year's figures. Members welcomed the proactive approach to absence management adopted by the Senior Management Team and, in particular, the number of 'Healthy Staff' initiatives which had been introduced during the year.

Members considered the review of marketing activity and effectiveness for 2008-09 which was contained within the Principal's report. With regard to national developments, an extensive number of White Papers, Frameworks and Strategies had been published by the Government since the meeting of the Corporation on 7 July 2009. The Principal reported on the following:

- i The Apprenticeships, Skills, Children and Learning Act (ASC&L) 2009. This paved the way for the machinery of government changes and the abolition of the LSC.
- ii Towards Ambition 2020 : skills, jobs, growth - UK Commission for Employment and Skills (UKCES).
- iii White Paper - Skills for Growth, Department for Business, Innovation and Skills
- iv Skills Investment Strategy, Department for Business, Innovation and Skills
- v National Commissioning Framework (NCF)
- vi Young People's Investment Strategy, Department for Children, Schools and Families (still awaited)
- vii Quality, Choice and Aspiration, Department for Children, Schools and Families
- viii Statutory Guidance: Impartial Careers Education
- ix Higher Ambitions : the future of universities in the knowledge economy, Department for Business, Innovation and Skills.

The Principal advised that the Senior Management Team was to hold a

planning day in the New Year to consider the implications for the College of the new national initiatives. The latter would, naturally, form a key focus for discussion at the Governors' Strategic Planning Conference in February.

**In conclusion, Members thanked the Principal for her report and commended the progress which had been made over the current academic year.**

The Director of Finance and Estates joined the meeting at this point.

**44/09 COLLEGE'S REPORT AND FINANCIAL STATEMENTS / REGULARITY AUDIT (YEAR ENDED 31 JULY 2009)**

**Members received and considered the above documents, which were contained within appendix Di.**

The Director of Finance and Estates reported that the College had generated an operating surplus for the year of £214,000. This was significantly better than had been anticipated and was indicative of the strengthening trend in the College's financial position, which had been experienced since the opening of the Learning Zone. Overall, the strategic financial objectives for 2008-09 approved by the Corporation had all been met. The LSC had confirmed its assessment of the College's financial health as 'outstanding', in accordance with its new criteria. Discussion ensued concerning the challenging funding environment which would affect colleges over the forthcoming period. The Director of Finance and Estates advised that financial planning for 2010-11 was already underway. He felt that the College would be able to benefit from a strong financial platform. This was in contrast to many colleges within the sector.

There was a lengthy discussion concerning FRS17 and developments with regard to the Local Government and Teachers' Pension Funds. Members also considered the provision which had been made in relation to the claim which might be received from Interserve. The Director of Finance and Estates emphasised that any such claim would be robustly rebutted. Whilst a sensible, prudent position had been adopted within the accounts, this was not expected to prejudice, in any way, the College's strong negotiating position.

**In conclusion, Members approved the Report and Financial Statements for the year ended 31 July 2009, as contained within appendix Di.** They commended the Finance Team for their efforts throughout the year.

**The Corporation received the Management Report relating to the Financial Statements and Regularity Audits for the year ended 31 July 2009, from Tenon Audit Limited.** The Report was contained within appendix Dii.

It was noted that the auditors had issued an unqualified regularity audit opinion. There were no significant issues relating to the regularity audit which they wished to draw to the attention of the Corporation.

With regard to the audit of the Financial Statements, discussion ensued concerning paragraph 2.4 in the auditors' report. This related to bank covenants. The Director of Finance and Estates confirmed that the College had not breached its bank covenants to date. Indeed, every care was taken

to ensure that the College did not incur any of the significant financial penalties which would arise from such a situation. Members also considered the provisions, which were documented in paragraph 2.7. It was noted that the new provision created in the year of £192k related to 50% of the estimated potential claim from Interserve. The provision had been reviewed by the auditors to ensure that it was fully compliant with the requirements of FRS12. The Director of Finance and Estates emphasised that it did not imply any admission of liability on the College's part. He believed that the information provided by Interserve to date did not constitute sufficient ground for the contractor to prosecute a legitimate claim.

Members considered the Letter of Representation dated 15 December 2009, to be sent to Tenon Audit Limited, on behalf of the Corporation. The Letter was contained within appendix Diii. The Director of Finance and Estates advised that the document was in a standard format, with the exception of paragraphs 17 and 18, which were specific to the College. Members confirmed that they were content with the level of provision in paragraph 17, but reaffirmed their belief that the claim was unfounded. **In conclusion, Members approved the Letter contained within appendix Diii for the Chairman and Principal to sign on behalf of the Corporation.**

#### 45/09 FINANCE AND ESTATES COMMITTEE

**The minutes of the meeting of the Finance and Estates Committee held on 25 November 2009 were received and approved.** Members considered the formal recommendations contained within those minutes. **In conclusion, they:**

- i **received and approved the Student Union Accounts for the year ended 31 July 2009**
- ii **received and approved the Accounts for Cheshire Solutions Limited and ECAT Limited** for the year ended 31 July 2009, noting that both companies remained dormant.
- iii **approved the amended terms of reference for the Finance and Estates Committee. It was agreed** that the revised wording in term 22 'Part I minutes of Committee meetings shall also be published on the College's website, in accordance with the mandate given by the Corporation and in compliance with the requirements of the Instrument and Articles of Government' should be added to the terms of reference of all other Committees of the Corporation, when they were reviewed, as part of the usual business cycle.
- iv **received the written report from the Director of Finance and Estates on the Learning Zone Project.** Members considered those issues which remained outstanding. It was noted that a report was awaited from the independent consultant engaged to investigate the problems relating to the vinyl sheet flooring in the rotunda. The Director of Finance and Estates was to meet with planners from the Local Authority to consider those matters which remained unresolved in relation to the sports pitch and, in particular, to ensure that the College could meet its obligations with regard to the Section 106 Agreement. It was likely that some form of high netting would need to be erected to prevent footballs interfering with traffic and pedestrians on Park Lane. The Director of Finance and Estates advised that costs for this work could be in the region of £30k. Eversheds were acting on the College's behalf in relation to some boundary issues which still remained unresolved. The Director of Finance and Estates gave an oral progress report on recent developments in relation to Part I claims under the Land Compensation Act 1973. There was a lengthy discussion concerning this matter. Members wished to record their view

that there were, in fact, some benefits to local residents resulting from the work done on the junction outside the main College entrance. The College had recently received notification from the Local Authority of claims submitted by an agent acting on behalf of local residents. It was felt that these would need to be scrutinised carefully and robustly challenged where necessary. The Director of Finance and Estates advised that there was unlikely to be an early resolution of this problem, since there remained a period of a further six years when local residents were permitted to give notification of any claims.

- v **received and approved the Post Project Review of the Learning Zone for submission to the LSC.** Members noted that the outcome of this review was extremely positive. All of the objectives in the original business case made to the Council had been achieved in a relatively short period. The Learning Zone had been outstandingly successful in terms of enhancing the experience of students and had demonstrated exemplary use of public funds in terms of financial management and value for money.
- vi **received the College Accounts for the period ended 31 October 2009,** noting that good progress was being made at this early stage in the academic year, in the context of a challenging funding environment.
- vii **received and approved the up-dated Financial Regulations, including the Policy and Procedures for the Prevention of Fraud and Corruption.**
- viii **received the Annual Report of the Finance and Estates Committee to the Corporation,** noting that all the financial objectives approved by the Governing Body for 2008-09 had been achieved.

#### 46/09 **AUDIT COMMITTEE**

**The minutes of the meetings of the Audit Committee held on 5 October 2009 and 9 November 2009 were received and approved.** Members noted the formal recommendations contained within those minutes. **In conclusion, they:**

- i **received the Annual Internal Audit Report from PKF,** noting the auditors' conclusion that the College had adequate and effective management, control and governance processes in place to manage the achievement of its objectives. The Chair of the Audit Committee spoke on the auditors' work and performance over the last twelve months.
- ii **received the Annual Risk Management Report for the period 1 August 2008 to 31 July 2009.** The Chair of the Audit Committee apprised Members of the key developments in the implementation of the College's Risk Management Policy over the last year. In particular, the College had moved to the Government's Orange Book approach and the Audit Committee had been very pro-active in this area, receiving reports on a regular basis. The Director of Finance and Estates felt that much progress had been made in successfully embedding the process throughout the College. It was anticipated that, in 2010-11, managers would identify key risks in their own areas in their Business Plans and bring forward proposals to the SMT to mitigate those risks.
- iii **received the Annual Review of Risk Appetite and approved the proposal contained within this document,** noting that the matter would be kept under careful scrutiny throughout the year.
- iv **received the Annual Report of the Audit Committee to the Corporation.**
- v **received and approved the Financial Management and Control Evaluation Annual Return,** noting that the College had opted to submit a full rather than a summary report, since the former would be needed if the

- College were to be inspected within the next twelve months.
- vi **received and approved the revised terms of reference for the Audit Committee.**

The Director of Finance and Estates left the meeting at this stage.

#### **47/09 TEACHING AND LEARNING STANDARDS COMMITTEE**

**The minutes of the Teaching and Learning Standards Committee held on 20 November 2009 were received and approved.**

Members considered the formal recommendations contained within those minutes. **In conclusion, they:**

- i **received and approved the College's Annual Self Assessment Report.** The Principal drew Members' attention to the summary of grades on page six of the Report. This revealed some improvement on the grades for the previous year. Members welcomed, in particular, the movement in two areas from grade three to grade two.

It was noted that the document had been scrutinised, as part of the peer review system agreed by the Cheshire and Warrington Colleges' Consortium. The grades had been validated by this external process. Discussion ensued concerning the measures which had been adopted to attempt to improve the grade 2 for Achievement and Standards to a grade one. Members recognised that the College's performance, overall, was outstanding, but some inconsistencies in performance levels needed to be addressed. **It was agreed that** the Quality Assurance Manager would be invited to contact other colleges, where the grade for this area was outstanding, to establish if any further measures to enhance performance could be put in place. Members were also keen to hear the Student Members' views concerning the document. These were very positive.

- ii **received the Report on Students' Other Achievements for 2008-09** and commended the activities of the College's students over such a wide range of areas. Members felt that the students should be congratulated, in particular, upon the large sums of money they had raised throughout the year for charitable causes.
- iii **received and approved the College's HE Strategy 2009-12.** Mr Barden, who had declared an interest in the matter, did not participate in the discussion concerning this item. The Principal advised that the Strategy had been prepared, in compliance with HEFCE requirements. It was in two parts, the first of which related to the Cheshire HE Consortium (which the College led). The second was in the form of an addendum specifically relating to the College. It was noted that the first part had already received the approval of the Executive Board of the HE Consortium.

WW/AB

#### **48/09 LZ6 GOVERNANCE COMMITTEE**

**The minutes of the meeting of the LZ6 Governance Committee held on 16 November 2009 were received and approved.**

Members noted the formal recommendations contained within those minutes. **In conclusion, they:**

- i **approved the One Year Student Performance Targets for 2009-10.** It was noted that the success rates had been set in compliance with the methodology used in the sector. A and AS level grade targets for Macclesfield High School for 2009-10 had also been included in the document.

- ii **approved the draft Business Plan for LZ6 for 2010-11.** The Principal reported that more teaching and learning observations of A level students were being conducted during the current year. There was an increased focus on raising standards across all programmes, with a common quality assurance process being put in place for A level and applied learning programmes.

#### **49/09 PERSONNEL AND REMUNERATION COMMITTEE**

**The Part I minutes of the meeting of the Personnel and Remuneration Committee held on 21 October 2009, together with those Part II minutes of the same date reclassified to assume Part I status, were received and approved. Members also received and approved the minutes of the Health and Safety Committee meeting held on 30 September 2009.**

Members noted the formal recommendations contained within those minutes.

**In conclusion, they:**

- i **received the Health and Safety Annual report for 2008-09.**
- ii **approved the College's Health and Safety General Statement,** noting the minor amendment which had been made to the previous format.
- iii **received a written report from the Principal concerning the annual pay award to be made to the College's staff.** Members also received an up-dated review of the affordability of the proposals in the Principal's report from the Director of Finance and Estates. The Chair of the Personnel and Remuneration Committee spoke on the discussion which had taken place at the Personnel and Remuneration Committee. The Principal also spoke on the background to the annual pay negotiations which were conducted by the Association of Colleges with the recognised trade unions in the National Joint Forum. Although the Association of Colleges made a recommendation to the sector as a result of this process, it was the Corporation which was responsible for setting the framework for the pay and conditions of the College's staff. Governors had previously made it clear that they would wish to reward staff for their hard work and commitment but the primary consideration had always to be affordability. Members noted that the Senior Management Team believed the proposed award to be affordable. **They approved a 1.5% increase on all staff salaries and hourly paid rates, with effect from the 1 January 2010, recording that the award had been made possible because of the strong performance of the College and the dedication of its staff.**

#### **50/09 REGISTER OF INTERESTS**

**The Corporation received a written report from the Director of Finance and Estates,** which was contained within appendix J. Members noted the conclusion that there had been no conflict of interest which had influenced the College's engagement with its suppliers.

#### **51/09 REPORT ON CUSTOMER COMPLAINTS AND COMPLIMENTS**

**The Corporation received a written report from the Customer Services Manager, which was contained within appendix K. It was agreed that the graph should be presented in a more detailed format in future reports.** Members regarded their receipt and review of the report as an important

element in the drive for continuous improvement.

**52/09 CORPORATION SELF ASSESSMENT EXERCISE FOR THE PERIOD 1 AUGUST 2008 TO 31 JULY 2009**

**Members received a written report from the Clerk to the Corporation, which was contained within appendix L.** They noted the outcome against the performance indicators which had been approved for 2008-09. This had been extremely positive. The Clerk advised that the self assessment questionnaires which had been completed over the summer period had now been analysed. The results would inform the preparations for the Strategic Planning Conference in February, as well as the governor training programme for the rest of the year. Overall, a strong consensus had emerged, revealing a determination by Members to deliver the objectives agreed in the College's Strategic Plan and, also, to strive for sustained improvements in all areas. It was noteworthy that the governors' own self assessment had been validated by a number of external sources, including the results of the Ofsted Desk Monitoring Exercise which had confirmed the College's outstanding status and the reports provided by the internal and external auditors.

**53/09 DATE OF NEXT MEETING**

This would be held on Tuesday 16 March 2010 at 9.30 am

Pamela J Connell  
Clerk to the Corporation  
17 December 2009