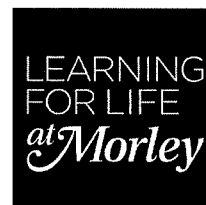


MORLEY COLLEGE LIMITED

GOVERNING BODY

MINUTES OF MEETING HELD ON 4 APRIL 2011



Present:

Jenny Scribbins (Chair)
Margaret Andrews
Karen Di Lorenzo
Stuart Edwards
Linda Gainsbury
Mary Hawkey
Gareth Julian
Myra Kinghorn
David Leighton
Linda Linehan
Paul Mason (Vice Chair)
Kathleen McLauchlan
Ela Piotrowska (Principal)
John Stephens
Mark Windisch

In Attendance:

Cass Breen Deputy Principal
Nick Rampley Vice Principal

Clerk: Graham Cooper

1. Apologies for absence

Apologies had been received from Portia Ragnauth, Marcus McKenzie and Laurence Elliott.

2. Minutes of the meeting of 13 December 2010

The minutes of the previous meeting were agreed as a correct record and would be signed by the Chair.

3. Matters arising other than on the agenda

- a) **Composition of the student population** - The Chair noted that Governors had not as yet been provided with further detail regarding the composition of the College's current student population, and, in relation to those in receipt of benefits, details of the proportion of them in receipt of only non-active benefits (and therefore falling ineligible for fee remission). She requested that this information be provided to the next meeting.
- b) **Fundraising Steering Group** – It was noted that, in the absence of any other volunteers, the Vice Chair had offered to join the Fundraising Steering Group.

Action:- Information on composition of the College's student population to be provided to the next GB meeting.

4. Company Business (GC)

a) Margaret Andrews's final meeting

Governors had previously been made aware that Margaret had decided, in view of other commitments, that she was not intending to stand for re-election. As her current term of office was now ending, this would be her final Governing Body meeting. On behalf of Governors and the College, the Chair expressed thanks for her service and the extremely valued contributions that she had made during her term as Governor.

b) Student Governor – Resignation of Ian Gorman and appointment of Mark Windisch

The Clerk reported that Ian Gorman had resigned as Student Governor. At the Student Executive Committee meeting on 29 March, Mark Windisch had been duly elected as Chairman of the SEC and as Student Governor. Governors welcomed Mark's appointment, noting his previous experience as a member of the Board.

c) Review of membership of Committees

The Clerk advised that, as agreed at the previous meeting, he had, during the current term, canvassed views from all Governors regarding membership of the Governing Body sub-committees. With no strong desire for change emerging, he recommended that Committee membership remained as at present, with a further review next year in light of changes to membership of the Governing Body in the intervening period. The Chair emphasised, however, that [subject to restrictions imposed by the Memorandum & Articles of Association with regard to the Audit Committee] all Governors were entitled to attend any of the Committee meetings should they wish to become more familiar with, or have a specific interest, in particular matters.

5. Principal's Report (EP)

The Principal presented her report, and the following items were discussed:-

a) Up-date on external challenges

The Principal advised that the College had now received final notification of its funding for 2011/12, and that contrary to previous indications of a cut of c.£ 250k, funding had been confirmed at the same level as 2010/11. Within this, however, there remained continuing uncertainty regarding c.£96k which was linked to 'job outcomes', with the methodology for measuring this element as yet undefined. Additionally, it was important to recognise that the College would still have to absorb increases in VAT and other costs. The Vice Principal explained the reasons why the SFA had been able to confirm funding at the same level as 2010/11, arising from unspent budget by BIS in other areas during its current financial year, about to end. However, funding for 2012/13 remained as uncertain as ever, and with the College's three streams of funding under threat in different ways, a significant cut was expected. The Principal advised that she had been involved in discussions examining the future of the funding stream, outside that funding for SDIs which currently comes from the Adult Safeguarded funding stream, and which was believed to be 'protected' for 2011-12. She explained that the SFA would like to secure agreement from the SDIs on what is delivered through this currently 'protected' funding, and how it could be tracked to demonstrate provision. However, the research for this impact assessment had been deeply problematic as a result of continued misunderstandings, caused by the bewildering range of terms and definitions which had emerged in the adult learning sector - as a result of the introduction of Informal Adult learning as the descriptor of the service. The use of the term 'non-regulated provision' was of particular concern, given that there was no provision at the College that was non-regulated – this confirmed the lack of understanding which continued to impact on discussion.

In view of the situation, Governors advised that efforts to increase efficiency, and to continue to raise more from student fees would continue to be important in the medium term, and should not be revised.

b) Inspection January 2011

Governors had previously been provided with copies of the Ofsted report on the January 2011 inspection. The Principal reported on the judgements within the report, highlighting these as a significant achievement for the College and that the outcome was a strong endorsement of the commitment of staff to be self-critical, make improvements and take ownership of the change management that had taken place at the College over the past three years.

On behalf of the Board, the Chair congratulated the CLT on the significant work involved and the excellent outcome of the inspection.

The Principal stressed that there remained areas for improvement, as identified in the report, and that there was no sense of complacency arising from the results.

c) Update on 2010-11 enrolments and plans to manage disappointing in-year enrolments

The Principal advised that, as reported in the Strategic Priorities 2010-11 Progress Review, enrolments had been disappointing and that fee targets would not be reached by some departments. A number of steps had been taken with the aim of increasing in-year enrolments, including a print re-order of 3,000 copies of the Course Guide, an e-mail campaign, and an offer of discounts for employees within Waterloo and London Bridge Quarter. Also, a decision had been taken to offer concessionary fees for the Summer School, with the aim getting fuller classes. The Principal also emphasised the focus on attracting new students to the College, which would be helped from next term by increased emphasis on use of social media and by Search Engine Optimisation as part the College's website redevelopment.

d) Improving efficiency and effectiveness of the College

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e) Update on BEC and developments in Southwark

The Principal advised that the BEC acquisition had been successfully implemented and that plans for the final stage of harmonisation of contracts were currently being finalised. In the meantime, the SfL manager had been involved in identifying appropriate premises for the move of BEC into new accommodation over the summer. (The current lease of the library premises which houses BEC being due to come to an end in August). New accommodation had been identified in Bermondsey, Southwark which would not only provide high quality facilities for the college's SfL work in the borough, but also had the potential to rent performance space and facilities for weekend use in a regeneration area. The College was also in discussion with LLU+ (Language and Literacy Unit at Southbank University) about possible sharing of space within the new accommodation and partnership work around joint bids for funding. As part of the College's efforts to increase its activities in Southwark, work was being undertaken on the development of partnerships with the Kids Company and Coin Street. Furthermore, the Principal had recently met with the Director for the Environment and the Head of the Library and Adult Learning Service, and had started discussions about the strategic role of Morley in the future provision of adult learning in Southwark.

Governors welcomed the steps being taken to increase the College's work and profile in Southwark. The Chair of Governors highlighted the governance issues associated with the taking on of a new lease. Governors agreed that once the detail was available, the matter should be referred to the Chairman of the Finance & Resources Committee and Chair of the Property Strategy Committee for approval to proceed.

f) LSIS Lean Working Knowledge Transfer Project

The Principal outlined Morley's role in this national project, funded by LSIS for the last year, which came to an end in March with the College hosting a dissemination event. Morley's own part of the project involved looking at more efficient ways of engaging with community partners and the process of needs analysis; this work included the making of a DVD for use with community groups, providing an excellent platform for communicating the role of the

College. The Chair requested that Governors be given the opportunity to view the DVD, ahead of the next Governing Body meeting.

g) The Learner Voice at Morley

The Principal highlighted the strong culture of learner engagement at the College and the systems in place for gathering views as part of the Learner Involvement Strategy. However, issues had emerged that emphasised the failure of student representative groups to attract new members and to widen participation. The Principal and Deputy Principal had attended the recent Student Executive Committee and it had been agreed that they should work together in an effort to find ways of widening engagement. This would be an important element of the Strategic Planning Process. Mark Windisch, Student Governor, as SEC Chair, advised that he was expecting this to be a matter for discussion at the next SEC meeting. He highlighted the changing demographics of the College's student population and that, historically, the student representative groups had tended to be comprised mainly of older members who had time to contribute. With an increasingly younger student population, part of the challenge was to find ways to make it easier for those students to participate and to contribute. Governors highlighted the potential of community forums and of finding ways for students to engage remotely without having to spend significant amounts of time attending meetings. The Chair highlighted that this was an opportune time for a review of the constitution of student representative bodies, with the aforementioned objectives as a potential driver for change. The last review had taken place several years ago. She asked that student group constitutions be placed on the agenda for the October Governing Body meeting.

h) IFL membership

The Deputy Principal outlined the background to the current situation. Government funding for membership fees had recently been withdrawn. From March 2011, a fee of £68 applied, payable by members. The CLT did not consider it appropriate for the College to pay these fees on behalf of its staff, given that the total cost would be c. £23k p.a. The AoC had re-emphasised the statutory requirement for tutors to hold membership, yet tutors were questioning the benefits of such. Following the outcry, the Union was in the course of balloting members on potential strike action.

i) Developing the reputation of the College

The Principal reported that as part of the launch of the Green Paper on Special Educational Needs and Disability, John Hayes the Minister of State for Further Education, Skills and Lifelong Learning had visited the college on the 9 March. The Minister had spoken to students with learning difficulties and disabilities about their experiences in education. This had been a very successful event, with the Minister seen as strong advocate of adult learning, and the College's reputation benefiting from providing a venue for the launch. It was the Principal's intention to invite the Minister to the Rootstein Hopkins Foundation Drawing Exhibition event during Adult Learners week in May. The Principal would also be writing to Governors shortly to invite them to the event.

The Principal also reported that the Emma Cons Hall had become a popular conference venue for Lsect, a new post-16 learning and skills consultancy, with regular conferences now bringing hundreds of people to the College.

Actions:-

- i) BEC – Details regarding new lease for premises in Southwark to be referred to the Chairman of the Finance & Resources Committee and Chair of the Property Strategy Committee for approval to proceed.**
- ii) LSIS Lean Working – Governors to be shown the DVD produced for this project, at the next Governing Body meeting.**
- iii) Constitutions of student representative groups to be reviewed at the October Governing Body meeting.**
- iv) Governors to be invited to the Rootstein Hopkins Foundation Drawing Exhibition event in May.**

6. 2010/11 Strategic Priorities 2010-11 - Progress Review (EP)

The Principal reported on progress in relation to the agreed strategic priorities for the current year.

Governors discussed, in particular, the position with regard to enrolments. Whilst fee income was higher than the same time the previous year, the underlying reason was increased fee levels. Enrolments were down on prior year and there was a high risk that enrolment targets would not be met. Performance was very varied across departments. The Principal suggested that the targets had been unrealistic, as a consequence of CAMs making unrealistic assumptions regarding enrolment numbers on courses and the success of new courses. Governors emphasised the importance of CAMs not only taking ownership of targets, but also of the actions necessary when targets are not achieved, the need for efficiencies, and the consequences arising. Governors also suggested that some variance analysis would be useful, on a sample basis, breaking down the overall picture to identify impacts of individual factors such as fee increases, volume reduction and new students. The Principal advised that she expected the Colleges' new marketing strategy to start to have a positive impact on enrolments from the Autumn term.

Governors also noted the significant improvement in retention rates, and the Deputy Principal advised that mid-year exam results had been very good and were an indicator of a significant improvement in success rates for this year. The Chair noted that the Quality & Standards Committee had been provided with a detailed report on steps taken to bring about this improvement.

7. Draft Marketing/Communication plan for September 2011 Enrolment Campaign (EP)

The Principal presented a copy of the College's Marketing and Communications Plan and initial strategy for September enrolments, which she advised had been prepared by the College's marketing team,. The Chair highlighted that the paper had been requested as consequence of this matter having been identified as a key issue, in her 1:1 meetings with the Principal, that it was considered should be brought to the attention of all Governors.

The Marketing Communications Plan set out the background to the campaign, strategy and measures planned. Governors noted the importance of the website development and use of social media, having also observed more systematic recent use of Twitter.

Whilst commending the actions outlined within the plan, Governors particularly emphasised their broader expectations with regard to marketing activity. The plan was very focused on activity to be undertaken by the College's Marketing Department, and Governors considered it important the College's overall marketing strategy should also include marketing activity being undertaken by individual curriculum areas. The Principal explained that this was being addressed, and acknowledged the important role that staff within curriculum areas had in helping to identify and attract target groups that varied across those areas. Governors emphasised the need for greater clarity in identifying target audiences. The Chair noted the comment within the plan that it was concerned with the activities of the Marketing Communications Department, and not, beyond that communication, with conversion to enrolments. She highlighted the critical importance of such conversion and therefore, once again, the significance of the role of curriculum areas.

Governors requested that they be provided, in due course, with a further version of the College's overall marketing plan that was more inclusive, incorporating not only activities of the central Marketing Department, but also the individual target market specific activities of curriculum areas.

Action: Governors to be provided with overall College Marketing Strategy, incorporating individual curriculum area marketing activity as well as that of the central marketing team.

8. Appointment of new Chair of Governors (PM)

The Vice Chair reported on the process undertaken to recruit a new Chair of the Governing Body, observing that it was almost a year since the process had been started, and that it had not altogether been an easy one. His report set out the detail, of which he highlighted key aspects, expressing

thanks to members of the Search Committee, Committee Chairs, and Clerk for their participation and assistance. Having engaged Perret Laver to lead the search, the Search Committee had been pleased with the initial longlist of fifteen potential candidates, and from a subsequent shortlist of six, had chosen four candidates for interview. It had been very disappointing that two of those candidates had subsequently decided to withdraw, citing concerns on the time commitment required of the role. As a consequence, only two candidates had been interviewed. These were from very different backgrounds, one with significant experience of the adult education sector, and one from outside the sector. Each were given tours of the College and had a meeting with the Chairs of the Audit, Quality & Standards and Property Strategy Committees prior to interview by the Search Committee. Very good open discussions had taken place with both candidates, and the Committee Chairs had given their views on both candidates to inform the Search Committee's deliberations.

The Vice Chair advised that at the beginning of the process it had been agreed that he would have a casting vote in the event of a difference of views amongst members of the Search Committee. He had cast that vote, based on his views the interviews and the input from the Committee Chairs. He advised that the recommendation now put forward to the Governing Body was therefore based on a majority decision. The Governing Body was asked to approve the appointment of Mike Lake as Governor with immediate effect, with a view to appointing him as Chair of Governors in due course. Governors approved this appointment.

The Chair reminded Governors that, from the start of the process, it had been intended that the new Chair would initially be asked to join the Board as Governor and to 'shadow' herself in her activities as Chair until her retirement at the end of the current academic year. Over the course of the next term, she would arrange an induction programme as part of which it was expected that Mike would attend the majority of Committee meetings. The Chair would also rely on other Governors to assist in the process.

The Chair noted that the process for appointment of Mike Lake as Chair of Governors would follow that set out in the College's Memorandum & Articles of Association. The Clerk was asked to review the current Governing Body Standing Orders regarding an apparent contradiction in the process as set out therein.

The Vice Chair and other members of the Search Committee highlighted the difficult position in which the Principal had been placed by virtue of being a member of the Search Committee tasked with recommending an appointment for her own line manager. The essential nature of input from the Principal was acknowledged, given the importance of the relationship between the Principal and Chair. However, the Search Committee recommended that, for the future, the exact nature of the Principal's involvement should be carefully re-considered.

The Chair thanked the Vice Chair for his considerable work in managing the process to find a new Chair.

Actions:

- i) Clerk to review Governing Body Standing Orders.
- ii) Chair to oversee/arrange induction of Mike Lake

9. Draft Schedule/Process for consultation for 2012-15 Strategic Plan (EP)

The Principal presented an outline schedule/process for consultation for the College's 2012-15 Strategic Plan. The Chair highlighted that the process had now commenced, with output from the Governor and CLT strategic planning meeting on 2 April contributing to the briefing for the consultation process. She thanked the CLT for the very informative inputs to that planning meeting.

The Principal explained the consultation process, in terms of the key inputs and the iterative process that would result in a draft plan for presentation to key stakeholders in October/November 2011 and, following final modifications, a new strategic plan for presentation to the December 2011 meeting of the Governing Body. She emphasised that the process would be more consultative than that which had been used for preparation of the current strategic plan, there now being more stakeholders, particularly in terms of community partnerships. Unfortunately, the timeframe would not allow the next

Self Assessment Report or Curriculum Review and Development exercise to contribute to the plan, and the Principal and Vice Principal were to review the College's Quality business cycle.

The Chair highlighted that many individual points had emerged from the discussion on 2 April, which the Principal acknowledged would contribute, along with CLT input, towards a briefing document for the consultation process. The Chair asked that, once completed, the briefing document be circulated to members of the Governing Body for review and approval.

Action:- Briefing document for the strategic planning consultation process to be circulated to Governors for review and approval.

10. Property Strategy Update (NR)

The Vice Principal provided an update on aspects of the College's Capital Development Plan, as follows:-

a) Phase 1

An update was provided on individual projects, together with an overview of the financial impact and the recommendations and decisions of the Property Strategy Committee and Finance & Resources Committee.

b) Phase 2

This phase of the Plan, as summarised by the Vice Principal, focused upon:-

- i) improving the College's accessibility, in particular access to the Art Block above the gallery and to the Drama Studio and ancillary areas beyond the Emma Cons Hall stage;and
- ii) inter-linked with the latter, maximising the potential of the Emma Cons Hall and Drama Studio spaces.

The Vice Principal advised that the most recent Property Strategy Committee meeting had received a presentation from Black Architects, who had been engaged to provide a feasibility report to help the College define its needs, explore how these longer term projects could be realised and look at options for doing so. A summary of their report was provided, and an outline of the discussion at the PSC meeting was included in the minutes that had been circulated for review under Agenda item 12. The Vice Principal set out options regarding the proposed way forward in respect of further engagement with architectural advisors.

Governors discussed whether it was appropriate to move forward at all in developing plans for which the ball-park estimated overall costs were in the region of £4.5m/5m. The Vice Principal emphasised that the overall scheme suggested was capable of being broken down into stages, and that greater definition of the College's plans would be needed to support any approach to funding and to ensure that the College does not miss out on any capital funding that might become available, of which the likelihood and timing were both unknown.

Governors discussed the issue of at what stage during the design process it was appropriate to go out to tender. Governors had mixed experiences, on the one hand having been involved in projects that got too far advanced and having had to back-track, and on the other, having seen examples of projects put out to tender too early with insufficiently detailed specifications that had resulted in contractors factoring the uncertainty arising into the final cost.

The Chair of the Property Strategy Committee advised that members of the Committee had been very excited by the outline of the scheme presented by the architects, and was supportive of the design being further developed. She also emphasised the accessibility issues that were the key driver for much of the work, and also the need in the current climate to develop the capability of the College to raise income. The Principal stressed the importance that the CLT attached to these issues and its full support to developing plans further.

The Chair emphasised the need for compliance with the College's Financial Regulations with regard to the requirement to seek tenders for major items of expenditure. Governors approved the commissioning of Black architects to undertake further design work on the proposed

scheme (with a tendering exercise then required at a later stage) subject to the expenditure involved being in accordance with the College's Financial Regulations. In the event that such limits would be exceeded, further approval by the Finance & Resources Committee would be required before proceeding. Updates on progress were requested to next term's Property Strategy Committee and Finance & Resources Committee.

Action:- Update to next term's Property Strategy Committee and Finance & Resources Committee.

11. Finance Monitoring Report for the period August 2010 to February 2011 (NR)

The report was received, the Chair noting that this had been the subject of detailed review at the recent Finance & Resources Committee meeting.

12. Committee Activity (GC)

Draft minutes of Committee meetings held during the term had been circulated and were reviewed by members. The Chair invited the Committee Chairs to highlight any key aspects:-

Key matters arising from the Property Strategy Committee had already been covered under item 10.

The Chair of the Audit Committee highlighted the following:-

- a) BEC Ltd – the trustees of BEC Ltd had made the decision to wind-up the company. This was contrary to legal advice previously received by the College, as reported to the previous meeting, that the company should be retained as a dormant entity in order to preserve the legal right to benefit from any legacies in its favour. In reality, the likelihood of any such legacies was considered extremely remote. The recommendation made at the previous Governing Body meeting, that the dormant company be retained and that two members take on the role of directors, was therefore no longer relevant.
- b) Internal Audit Report. The Committee had reviewed in detail recommendations arising from the recent Internal Auditors' visit.
- c) Re-tendering of Financial Statements Audit work – The Audit Committee would be overseeing a re-tendering, with a panel comprising members of the Audit Committee receiving presentations from candidates on 17th May. It was intended that a recommendation would then be made by the Committee to members of the Governing Body by email requesting confirmation of an appointment, to be ratified at the next Governing Body meeting. This process would facilitate timely commencement of discussions with the successful firm on the audit strategy for the 2010/11 financial statements. Governors approved this approach.

The Chair noted the discussion that had taken place at the Audit Committee meeting regarding the monitoring of performance of senior management. For the sake of clarity, she emphasised the key aspects of that process, including the process for Governing Body approval of strategic objectives, against which performance is monitored by individual committees, and the use of those strategic objectives in setting targets for the CLT, which then become an integral part of the performance management system. As the Principal's line manager, the Chair has regular meetings to review performance, as does the Principal with the Vice Principal and Deputy Principal. End of year appraisals are undertaken and reported to the Remuneration Committee, the minutes of which are provided to all members of the Governing Body. These steps ensured a robust overall process of which all Governors should be aware.

The Chairman of the Finance & Resources Committee highlighted the following

- a) Health & Safety – Good regular reports on this matter were now being received by the Committee. Concerns had emerged regarding fire evacuation procedures for students with disabilities, and this matter was being reviewed.
- b) Industrial Tribunal – Contrary to expectations, the College had lost its case at a recent tribunal. The Principal advised that the College had decided to appeal that decision.

- c) Review of Pension Provision – The Committee had agreed to take no action at this stage and that a further review should be undertaken in twelve month's time. Whilst noting the reasons for this, the Chairman expressed his disappointment with the ongoing situation.
- d) Disciplinary and Grievance Procedures – Whilst the procedures as drafted did not specifically include the right of staff to be accompanied by a trade union member or fellow worker at investigatory meetings, the Chairman and the Chair of Governors had emphasised, on behalf of Governors, the view that wherever possible, including at investigatory meetings, staff should not be restricted from being accompanied in this manner.
- e) Fundraising Strategy – In the absence of any other Governor coming forward, the Chairman had volunteered to join the Fundraising Steering Group. Governors noted that, whilst not able to give the time commitment to formally join that group to attend meetings, they would be happy to be approached for input and guidance on individual matters. The Vice Principal advised that one of the first tasks of the individual to be appointed to manage fundraising for the College would be to engage with all Governors individually in order to capitalise on the opportunities that existed in terms of Governors' expertise and contacts.

Governors approved the Disciplinary and Grievance Procedures as presented.

The Chair of the Quality & Standards Committee highlighted the following:-

- a) ILT Strategy – A very good comprehensive report had been received. The Committee had emphasised the benefits of identifying champions across the College.
- b) Curriculum areas restructuring and changes to leadership and management – There had been some debate and mixed views across members of the Committee on the suitability of a suggested grouping of curriculum areas. The Committee also noted the size of the management challenge of carrying through the changes. The Chair of the Governing Body asked that Governors be sent copies of the final version of the consultation document.
- c) Overall, the quality of papers received by the Committee was regarded as particularly high.

Governors received the Safeguarding Annual report, noting that this had been reviewed by the Audit Committee.

Actions:- Principal to circulate to Governors a copy of the consultation document relating to the restructuring of curriculum areas.

13. Any Other Business

There was no other business.

14. Date of next meeting

The next meeting is scheduled to take place at the College on Monday 11th July.

Graham Cooper
Clerk to the Governing Body

Signed.....*Jenny Scribbins*.....
Jenny Scribbins, Chair