

GOVERNING EXECUTIVE

Minutes of Part A of the five hundred and seventy-third meeting of the Governing Executive held on Friday 21st November at 11.00am at Ruskin College, Dunstan Road, Old Headington, Oxford, OX3 9BZ

Present:

Van Coulter (ordinary member) **VC**
Wendy Dawson (ordinary member) **WD**
John Fray (Vice-Chair, ordinary member) **JF**
Anne Hock (ordinary member) **AH**
Jo Morris (ordinary member) **JM**
Carole Orgell-Rosen (Chair, co-opted member) **Chair**
Alan Shepherd (co-opted member) **AS**
Marva Small (co-opted member) **MS**
Peter Dwyer (staff member) **PD**
Guy Langton (staff member) **GL**
Bridget Ng'andu (staff member) **BN**
Chris Wilkes (Principal) (staff member)
Principal
Kieron Winters (staff member) **KW**
Rowan Padmore (student member) **RP**

In attendance:

Sally Courtney (Finance Director) **SC**
Paul di Felice (Vice-Principal) **PdF**
Helen Jeffries (Clerk) **HJ**
Hannah Jones (Academic Registrar) (part) **HJo**

PART A

- 1 Apologies for absence** Action
Apologies were received from Miriam David, Rob Hancock, Roger McKenzie, Doug Nicholls and Pearl Ryall.
- 2 Declaration of interests**
Noted: that no member present declared any interest, financial or otherwise, relating to any item on the agenda.
- 3 Minutes**
Confirmed: as a correct record the minutes of Part A of the Governing Executive meeting held on Friday 4th July 2014.
- 4 Matters arising**
Noted (i): in answer to a query on the first point on p.2 regarding teaching hours, the taught hours in a Ruskin contract were 500 for HE courses and 650 for FE courses per annum.
Noted(ii): in answer to a query on the second note on p. 2, the collaboration with

Newman College was going ahead, but waiting for due diligence to be completed. Joint curriculum development was being considered, and members of Ruskin staff were visiting Newman to look at areas of potential collaboration.

Noted (iii): That the TUC educational programme was progressing well this year, and that relationships with the CWU were increasing.

Noted (iv): that there was potential for some TUC courses to be delivered online and that a paper on the delivery of courses online would be added to the agenda for Council.

Noted (v): that the key person insurance mentioned on p. 3 covered the Principal, the Vice-Principal and the Finance Director.

Noted (vi): that in relation to the item on p. 5 regarding the personal targets for the Principal, the Chair proposed that the Governing Executive should receive a twice-yearly report from the Principal on progress on targets set.

Agreed: that the Principal should report twice a year on progress against target.

Noted (vii): that the Chair and the Principal would meet every six weeks and that this was good practice.

Noted (viii): in relation to the note on p. 6 regarding the strategic aims, that staff had been consulted at the staff conference and that the aims had been amended on the basis of their comments.

Noted (ix): that it might be useful to gain the views of the Council on research in the College.

Agreed: that this should be added to the agenda for the July meeting.

Noted (x): a discussion on the timings of the July Governing Executive and Council meetings. The following points were noted:

- That the Council meeting could be at 9.30am and the Governing Executive at 11.00am to allow time for business.
- That as the members of the Council often visit the College rarely there was a need to communicate more thoroughly.
- That it may be pertinent to put back the time for the Council meeting, and that this could be discussed at the AGM.
- That it may be better to hold the Governing Executive meeting in the morning and the Council in the afternoon.
- That it would be useful to consider how the Council was run, and that it was an underused asset. Governing Executive may be better held on a separate day.
- That it may be helpful to put any presentation from students to the beginning of the agenda.

Noted (xi): that it would be helpful to include a summary sheet on papers requiring action or a decision, that would show the implications of and give guidance on any action required.

Noted (xii): that this had recently been actioned at the Academic Quality and Standards Committee, and that this template could possibly be used for Governing Executive.

Noted (xiii): that the Principal's report was not received first at this meeting as the Financial Statement Auditor's Management Letter and the Annual Report were on the agenda and must take precedence.

Noted (xiv): that training on the structure of financial reports might be useful for Council members.

5. Election of new members

Noted: that there was no change to staff and student members.

6 Annual report and accounts

6.1 Received: the Financial Statements Auditor's management letter for the year ended 31 July 2014, including the regularity audit.

The Financial Statements Auditor summarised the management letter. The following points were noted:

Noted (i): there was no need for any adjustments to the account, any changes requested were purely presentational.

Noted (ii): that the audit opinion was that the accounts gave a true and fair view of the financial position, and that in terms of regularity there were no issues with day to day operations.

Noted (iii): the auditor drew the Executive's attention to section 3 of the letter, in particular the items on going concern, variance against budget, budget for 2014/15 and cash flow.

Noted (iv): that going concern referred to the College's ability to meet its liabilities and trade for at least twelve months.

Noted (v): that the adverse variance shown in section 3.1.1 of the letter was mainly due to reductions in tuition fees and increased running costs, and that this was regularly seen throughout the education sector.

Noted (vi): that the Chair raised the issue of the bank's requirement for another set of external auditors to work with the College to provide a recovery plan, and asked why the Financial Statements Auditors could not provide advice.

Noted (vii): that any such assistance in finding efficiencies and generating income would need to be outside of the normal audit.

Noted (viii): that the Chair raised the issue of going concern and how it related to the governors position as trustees of a charity.

Noted (ix): that the Auditor advised that the report was in draft, and that conversations were still ongoing with the bank. The Auditor advised that the College should be pro-active in negotiating an extension with the Skills Funding Agency (SFA) regarding its deadline for accounts of 31st December and that it was not alone in this situation.

Noted (x): that the City Council may be able to provide some capacity for assistance with audit.

Noted (xi): that the Charity Commission provided some good literature on financial management for trustees.

Noted (xii): that the auditors had identified that the College was liable to be in breach of the covenant of its loan, and that the bank had previously agreed on items to be termed as exceptional that had now proved not to be so, and that the bank had changed its view. The implication of this was that as the College was in breach of its covenant, the whole liability of the loan could fall due in one year. Work was ongoing to renegotiate the bank facility.

Noted (xiii): that the deadline for receipt of accounts at Companies House was 30th April, and that there was no penalty if an extension was requested with the SFA.

6.2 Received: the annual report and accounts for the year ended 31st July 2014

Noted: that the annual report and accounts was received but not yet recommended to the AGM following the discussions during agenda item 6.1.

7 Principal's report

Received: a report from the Principal on current issues.

The Principal highlighted the following issues in his report to the Executive.

- The appended letter from the SFA, which showed the financial health of the College (based on the 2013/14 figures) as inadequate. The figures given to the SFA were from the audited accounts, and projections show the College moving to a Satisfactory grade in 2014/15, and a Good grade in 2015/16 on the basis of the forecasts.
- Tuition fees were most important, as was recruitment and progression. With existing levels of enrolment and with savings in staff costs the College could achieve a Satisfactory grade in 2014/15.
- Discussions had been undertaken within the management team on how the better grades could be achieved.
- One of the key issues was staff costs, which were 75% of the turnover. The management team had met with the unions to discuss how this percentage could be reduced by at least 10%. This could be through natural wastage, the non-filling of temporary posts, voluntary redundancies and possible compulsory redundancies where there is a lack of demand for the courses and therefore small group numbers.
- The Curriculum Review had been designed partly to alleviate small group numbers and would look at the markets for programmes and how they are delivered.
- The management team had been given two weeks to provide a recovery plan for the SFA, which would then be discussed. The College would expect to hear the outcome in January. If a college is graded as Financially Inadequate for two years running it becomes a more serious issue. Until a plan was in place the management team was not in a position to show how it related to the accounts and therefore to take the accounts to the AGM. Therefore it would be necessary to postpone the AGM to the New Year.

Agreed: that the Chair of Governors, the Chair of Finance, the Chair of Audit and the Vice-Chair would meet with the management team every six weeks to monitor progress on behalf of the Governing Executive.

- The ten characteristics of a successful college as defined by the FE Commissioner would be discussed at the next staff conference with a view to benchmarking Ruskin against them. The results would be brought to the next Governing Executive meeting.
- The MA ILTUS programme was due for revalidation by the Open University in 2014/15. The College would also be seeking accreditation of a new Access to HE Diploma, probably in Health, for entry in 2015/16.
- The Curriculum Review was crucial in terms of the College's financial health and would be good preparation for the Quality Assurance Agency review in 2016.

The Principal then responded to questions on the report. The following points were noted;

- a) In answer to a question about the recruitment of students-the Curriculum Review would be crucial in this. The College needed to be realistic about courses offered. The College had brought forward production of the prospectus, was in

the process of re-vamping the website and continued to engage with schools, and other colleges. The College had to concentrate on HE courses that would successfully recruit. It was recognised that across the sector students left further and higher education without some of the skills required by employers.

- b) In answer to a question on the Communications Plan-“who and where are the College markets and are local networks utilised?”-the geographical catchment area tended to depend on the course itself. Overall the College mainly recruited from Oxfordshire, though it aimed to recruit nationally. Recruitment for higher education courses was in direct competition with universities. International student numbers were restricted to twelve and were more likely to be MA students. There was a shift in the age range attending the College, older working class students were no longer applying in large numbers and the College needed to shift the focus to a younger age group. The College performed some market research with students in order to gather data on why they had decided to attend Ruskin and not a different College.
- c) The College should consider new target groups, such as Eastern European migrants, who may require a qualification that can be used professionally in the UK. Non-European immigrants could have difficulties with funding, but many African/Asian women were very keen to progress. Identifying specific population groups was discussed during a Curriculum Review meeting. The College could consider targeted niche bids for funding. The College could also build on its partnerships with local schools, taking it to a national level.
- d) The Chair had contacted the Not Forgotten Association and hoped to meet with a representative in the New Year to discuss the possibility of working with ex-servicemen who were looking to obtain further education funding.
- e) In response to a question on marketing to trade unions-the TUC Organising Academy was very successful but could be subject to cuts from 2015/16. The College was working nationally with the Communication Workers Union (CWU) and was working with Unison nationally. The Principal assured the Governing Executive that the College would like to increase its work with trade unions.
- f) Whatever was devised within the College should be communicated to the Governing Executive and Council so that they may use their connections to promote the College.

8 Policies

8.1 **Received:** the Single Equality Scheme.

Noted: that the policy was reviewed at the Equality and Diversity sub-committee of the Academic Quality and Standards Committee (AQSC), and that it reflected the College’s commitment to diversity. Staff development sessions had been held on Equality and Diversity that were put into practice in the classroom.

Approved: the Single Equality Scheme.

Frances Millar left the meeting at 12.35 p.m.

8.2 **Received:** the Safeguarding Children Policy

Noted: that the policy had been updated to show the Vice-Principal as the designated officer.

Agreed: that the name of the Chair be added to the policy as responsible governor.

Approved: the Safeguarding Children Policy with the above addition.

8.3 **Received:** the Policy on Safeguarding Adults at Risk

Noted: that both policies reflected the College commitment to welfare and that staff had received training on the subject.

Agreed: that the name of the Chair be added to the policy as responsible governor.

Approved: the Policy on Safeguarding Adults at Risk with the above addition.

8.4 **Received:** the Admissions Policy for Access to HE Programmes

Noted: that section 2.19 would benefit from re-wording in order to avoid the overuse of the word 'complaint'.

Approved with the above amendment.

9 Communications Plan

Received: the Communications Plan.

Noted (i): that the Plan had been received at the Outreach and Recruitment Committee and that it sought to promote the College as 'a small college with big ideas'.

Noted (ii): that the website was in the process of redevelopment, and that the content management system was in place. A professional photographer would be employed to take photographs for the website.

Noted (iii): that the prospectus and short course brochure had been produced earlier than ever before. The mailing list was under review.

Noted (iv): that the enrolment form included questions on how students heard about the College. This data would be analysed and used in marketing campaigns.

Noted (v): that the College intended to use Higher Education Funding Council for England (HEFCE) data on 'cold spots' (areas from which universities were not attended) in a targeted campaign.

Noted (vi): that the College would send a targeted e-mail to Sixth Form Colleges in the Hereford and Worcester area-on a direct rail link to Oxford. This would be a new area of promotion for the College.

Noted (vii): that the document was at the draft stage and would change. It would be on the agenda for the next meeting of the Governing Executive.

Hannah Jones left the meeting at 1.00pm

10 Finance and Risk

Strategic Aims

Received: the Strategic Aims for 2015-20

Noted: that the Aims had been discussed by both staff and governors and that comments had been incorporated.

Approved: the Strategic Aims for 2015-20

11 Audit Committee

11.1 **Received:** the Audit Committee Annual Report 2013/14

The Chair of the Audit Committee introduced the report.

Noted (i): that the report had been changed in order to provide more explanation of the audit process and that it was to be read in conjunction with the Audit Committee Terms of Reference.

Noted (ii): that the report explained the audit opinion that needed to be looked for when looking at how the College was run. A brief definition of regularity and propriety was given-these were the two areas that were very important in the audit reports.

Noted (iii): that the report's conclusion was that the College had "an adequate,

effective and reliable framework of internal control, risk management and governance” that provided “reasonable assurance regarding the effective and efficient achievement of the College’s objectives.”

Noted (iv): that the Audit Committee was keen to create a handbook for audit that could be used by Governors.

Noted (v): that the Audit Committee recommended that Baker Tilly be re-appointed as financial statement auditors.

Noted (vi): that the Audit Committee recommended that Critchley’s contract for internal audit be extended for a further year.

11.2 Received: the Risk Management Annual Report.

Noted: that the report showed the key strategic way that the College would deal with any threats

Approved: the Risk Management Annual Report.

11.3 Received: the Risk Management Plan

Noted: that this was a similar document to the previous one and looked at actions to mitigate key risks.

Approved: the Risk Management Plan

11.4 Received: the Internal Audit Annual Report 2013/14

Noted: that the Internal Audit Charter was tabled.

Approved: the Internal Audit Charter.

11.5 Received: the Internal Audit Plan for 2014/15

Noted: that the Plan proposed work on the curriculum review and financial viability, and follow-up work on the library, I.T and catering.

Noted: that the proposal had been accepted by the Audit Committee

Approved: the Internal Audit Plan for 2014/15.

11.6 Received: the minutes of the Audit Committee meeting held on 7th November 2014.

12 Finance Committee

12.1 Received: a report on the financial position to the end of October 2014.

Noted (i): that savings made in payroll and non-payroll items mitigated reduced tuition fee income. The current budget would generate a cash surplus, but not a bottom-line surplus.

Noted (ii): that the Chair suggested the use of a ‘balanced budget’ for the catering department, ensuring that the department was only able to buy what it needed to replace what had been used.

Noted (iii): that a clearer gross profit monitoring system had been introduced and had shown an improvement. However the catering department was unlikely to be self-sufficient within this financial year.

Noted (iv): a query regarding the use of residential blocks for commercial bookings and concern that they may not be used to their full potential.

Noted (v): that £90k worth of residential space had been sold.

Noted (vi): that guest access to Wi-Fi was important when selling conference space.

The meeting broke for lunch at 1.20pm.

*Wendy Dawson and Guy Langton left the meeting at this time.
The meeting resumed at 1.50pm.*

Agreed: that items 13.2, 13.4, 16 and 18 would be taken at the next Governing Executive meeting in March 2015.

12.2 Received: minutes of the Finance Committee meeting held on 6th November 2014. The Chair of the Finance Committee (AH) commented on the key issues discussed at the meeting.

Noted (i): that the committee discussed how the number of students impacted on the use of the café, with two options-either a reduction in opening hours or increased marketing so that the café was used more.

Noted (ii): that the committee found it difficult to understand all the issues surrounding enrolment and would be asking departments to attend meetings of the Finance Committee to explain the problems that they faced. This would start at the next meeting in February with Social Work.

Noted (iii): members of the Finance Committee were taking action on fundraising. JF had drafted a letter to be sent to the top 100 wealthiest people in the country, which MS would research. The letter would be sent out before Christmas. The Chair of the Committee was in talks with the Assistant General Secretary of Unison regarding raising money with the unions.

Noted (iv): that the Fundraising Committee had felt that Rachel Gibbs (who wrote the Fundraising Strategy document presented at Council in July), could be approached to ask if she would be able to help the College in a part-time capacity.

Agreed: that the Principal or the Finance Director would contact her and report back to the Executive.

Noted (v): that members of the Fellowship were willing to stuff and label envelopes with a fundraising letter, using 1,000 of the names and addresses on the Web Alumnus database.

Agreed: to ask the Marketing Officer to supply the names from the alumni database.

Noted (vi): that a letter had been published in the Guardian letter pages in which Dr Neil Redfern had praised the education that he received at Ruskin. This letter could be used in fundraising activities.

Noted (vii): the committee was concerned about the use of and levels of payment to external advisors as requested by the bank. The Committee had asked the Principal and Finance Director to enquire about the levels of fees, and wanted the Governing Executive to be aware of the charges and the efforts made to control them.

13 Learning and Teaching

13.1 Academic Quality and Standards Committee

Received: the self-assessment report grades

Noted (i): that the report reviewed the FE provision at the College, both in terms of courses and support. The College was in a favourable position according to its grading profile.

Noted (ii): outstanding success had been achieved in Maths, Short Courses and TUC Courses. However the recruitment to TUC courses did not show enough diversity.

Noted (iii): that the Cert HE long course success rate was a significant issue and that the College would work to address this through the Curriculum Review.

Noted (iv): that overall the performance was strong and graded at 2.

Approved: the self-assessment report grades.

- 13.3 Received:** the Teaching, Learning and Assessment Strategy
Noted: that the document reflected on the curriculum and how the College would move forward over the next five years.
Noted: that the strategy covered how to maximise student experience and recruitment.
Noted: that the Strategy would be included in the Recovery Plan.
Approved: the Teaching, Learning and Assessment Strategy

14 Governance

14.1 Search Committee

- Received:** the minutes of the Search Committee meeting held on 3rd November 2014
Noted: that Marva Small had agreed to join the Search Committee as a Governing Executive member.
Noted: that a vacancy existed for a member from Council.

15 Public Benefit Statement

- Noted:** that the production of a Public Benefit Statement was good practice for a charity.
Approved: the Public Benefit Statement.

19 Student representative's report:

- Received:** a verbal report on the work of the Ruskin College Student's Union (RCSU)
Noted: that an election would be held before the end of term under the existing constitution and that many roles would be available.
The Governing Executive extended its condolences to the RCSU on hearing of the recent death of former student David McArnold.

20 Meeting dates for 2014/15

- Noted:** the meeting dates for this academic year
- 6 March 2015
 - 15 May 2015
 - 3 July 2015

There being no further business Part A of the meeting closed at 2.25pm

Signed by the Chair of the meeting succeeding that to which these minutes pertain

.....