

HOPWOOD HALL COLLEGE

Minutes of a meeting of the **Corporation** held at the Middleton Campus on 11 December 2008 at 1700 hrs.

Present	Sultan Ali	Robert Clegg (Chair)	Phil Chadwick
	Coral Jaworska	Derek O'Toole (Principal)	James Gallagher
	Ann Holt	Alun Morgan	Julian Parrett
	Terry Piggott	Clive Reid	Maryam Rana
	Clint Street	Caroline Taylor	
In Attendance	Sarfraz Arfan (AD Corp Svcs) (Project Sponsor)	Ralph Devereux (Clerk)	OJ Rahim (Exec Dir Skills)
	John Spindler (Interim Exec Dir FP&HR)		
Apologies	Linda Feerick	Paul Harness	Mohammed Naeem
	Margaret Kingsford (Exec Dir T&L)		

The Chairman introduced Coral Jaworska and Maryam Rana the President and Vice-President of the Student's Union respectively as elected student members together with Phil Chadwick, the elected staff member to their first meeting.

14/08 ELIGIBILITY, QUORUM AND DECLARATION OF INTERESTS

The apologies were accepted. No notice had been received of any member becoming ineligible to hold office, the meeting was quorate and no interests were declared.

15/08 MINUTES OF THE LAST MEETING

The Minutes of the meeting held on the 16 October 2008 were confirmed and signed.

16/08 MATTERS ARISING FROM THE MINUTES AND NOTIFICATION OF URGENT BUSINESS

- a. re 11/08. (Accommodation strategy finance) The revised facility with Barclays had been signed in anticipation of agreement on the Stakehill decant when it would be activated; failure to receive agreement would nullify the agreement. The agreement terms would remain extant until mid January and if agreement had still not been reached would be reviewed.
- b. No urgent business was requested.

17/08 MINUTES OF COMMITTEE MEETINGS (Unconfirmed)

- a. Standards Committee (21 October 2008);
- b. Estates Development Committee (11 November 2008); the minutes were noted.
- c. Audit Committee (27 November 2008) A verbal report was given by the committee chairman. The Committee Annual Report (15/08) and the external Auditors Management Letter (16/08) were circulated and had been recommended to the Corporation.
- d. E&F Committee (11 December 2008) A verbal report was given by the committee chairman; the AFS 2007/08 had been considered and recommended for approval.

- a. **The Information was noted.**
- b. **The Audit Committee recommendation of the annual report and the external management letter was noted. (see 20/08)**
- c. **The E&F Committee recommendation of the AFS was noted. (see 20/08)**

18/08 PRINCIPAL'S REPORT

Sections 1&2 were considered; this was a complex area and may require deeper consideration outside of the meeting. The annual grant letter from the DIUS/DCSF had now been issued and detailed the priorities and funding levels; an increase of 4.5% could be expected. FE highlights and the instructive text to the LSC was considered and noted and it was agreed to consider the implications during a working lunch to be arranged on 16 January 2009 at the new Orchard (Employer Engagement) facility at Sudbrook Park. Performance against the LSC contract had improved with both 16-19 and the 19+ (AR) contracts being achieved, some organisational improvements would be made in 2008/09. Employer Responsive performance had been impressive and would be considered later. Success rates was another area for comfort; headline rates (LSC Funded) had risen steadily to 77% (07/08) from the baseline 50% in 2003/04 and this improvement was reflected and evidenced at all age cohorts and levels with the exception of 19+L1, which had missed the benchmark by 1%. (Latest benchmark data 2006/07) The achievement was a credit to all staff and appreciation was recorded. The strategic direction, the outcome of the corporation and SMT awayday consideration had been drawn into a single document, which was circulated and discussed. There were 6 strategic detailed directions and all were asked to consider the document outside of the meeting and pass comments directly to the Principal by the end of the week. The document would then be circulated to all staff. The RSFC issue was then discussed in full; the unfortunate decoupling of the parallel completion of the projects had introduced some complications and challenges. Several meetings had been held with the RSFC Chair of the Corporation and Interim Principal, including a formal minuted exchange, and several matters had arisen for consideration and resolution:

- a. Scope of Provision. The suggestion that some form of prescription on provision by RSFC was agreed as unacceptable, however it was recommended that some form of binding agreement over the initial principles of non-competitive offers should be a matter for legal advice and this was agreed.
- b. Linking of the land transfer to RSFC to the AiD for the accommodation strategy had been shown as impractical and, despite the costs incurred and the goodwill extended, particularly over the decant to Stakehill (caused solely by the RSFC needs and 10% of total borrowings) it was recommended that the 2 issues should be decoupled and this was agreed.
- c. Any overrun in completion of the RSFC could have consequences for the phasing of work on the Middleton campus and this possibility would be included in the contract terms and conditions.
- d. The initial draft Memorandum of Understanding (MOU) was considered and was agreed as a basis for negotiation.

It was important to remain positive in negotiations with RSFC however there was some disappointment that the considerable amount of work and expense incurred was not fully recognised by the RSFC. Notwithstanding, it was agreed that currently the necessary certificate to allow work to begin on the SFC could be signed but that situation may change.

- a. **The Information was received.**
- b. **A working lunch/training event would be held on 16 January.**
- c. **Legal advice regarding non-competitive provision would be obtained.**
- d. **The land transfer coupling to AiD would be removed.**
- e. **A clause regarding the RSFC construction overrun would be included in the contract.**
- f. **The initial draft MOU was agreed.**

19/08 FINANCE REPORT

The Finance Report accurate to 31 October and thus the first quarter, had been scrutinized in detail by the E&F Committee and they had noted that the present forecast position had been distorted by early LSC payments. The current surplus stood at £1.38m against a forecast £993k a favourable variance of £447k resulting from the staff costs reduction (more efficiencies and unsettled pay award) and increased performance by Employer Engagement activities, which would be considered later in the meeting; the

forecast out-turn now stood at £166k. All variations were noted as fully attributable and were analyzed and discussed. LSC income over the year was based on student numbers and FTE and the current position was scrutinized the graphical information was then studied and discussed. Key PIs were then also considered and discussed.

The Information was note and received.

20/08 ANNUAL FINANCIAL STATEMENTS

(re 17/08 b&c) The Audit Committee had recommended the annual committee report and external audit management letters to the corporation (re 17/08 b) and the final versions of these were circulated, the annual internal audit report for 2006/07 had been approved by the Corporation at 5/08e and the E&F Committee had recommended the AFS 2006/07 to the corporation (re 17/08c). The overall loss attributable to the write-off of assets demolished for the accommodation strategy. The AFS was then discussed in the light of those recommendations and the approved for signature.

The AFS was approved for submission

21/08 ACCOMMODATION STRATEGY – UPDATE

- a. A comprehensive update on the state of the accommodation strategy together with an electronic presentation was then considered and fully discussed; the issues had been considered and received by the Estates Development Committee. The emphasis on use of local sources and firms was noted and welcomed. The situation regarding the enabling Stakehill project was causing concern; despite savings of c£500k in the overall costings reservations were evident at the LSC. There was agreement that this was the critical path and that there was no alternative but to decant from Rochdale furthermore the scope of building at Stakehill could not safely be limited further. Furthermore, the loan facility with Barclays would require renegotiation if agreement was not reached by mid January.
- b. Rochdale and Milnrow. There had been delays in progress generally caused by Atkins need to modify the existing design for the Rochdale campus; the building was now 7 stories and had a considerably altered roof and entrance. The EDC had voiced concern at the early loss of the contingency time at this early stage however the committee had taken comfort from Project Management's assurance that the Stage C design was now agreed and accepted. The move from a 2 stage design and build procurement route to a single stage system had recovered time and put the project back on the timeline and this had been achieved, the current situation at para 2.9 was noted. The costing and points at 2.12 were all noted; these figures did not include the Stakehill costs. Currently, recently articulated concerns around traffic management at the entrance and exits to the sites were still not resolved and were the subject of considerable discussion. The situation at Milnrow was proving difficult since the conservation officer had indicated that restrictions limiting the development could render it unfit for purpose on completion; attempts to reach a compromise agreement continued as a matter of urgency; timings for the enabling project at Stakehill were compatible although the uncertainty over planning permission remained a concern.
- c. Middleton. Surveys necessary for the demolition of the redundant block had now been instructed and it was confirmed that planning permission was unnecessary; an asbestos survey would be undertaken in advance of demolition. Initial surveys had revealed that a colony of bats had been found in residence, which could present difficulty with final agreement to demolition, however the current state of the building concerned presented a HAS hazard to trespassers, vandals and squatters; initial ecological surveys for other species had been instructed. The issue of BREEAM compliance and accreditation needed resolution. After close consideration of the possible benefits and consequences it was agreed on balance that, whilst energy efficient buildings were required, it was not necessary to stand the cost of undertaking the full programme.

It was unanimously agreed that the paper and briefing had been clear and informative, clearly considerable effort had gone in the preparation and confidence was expressed on the project management.

The Information was received.

- a. **RMBC reservations, and attempts at resolution regarding planning consent at Milnrow were noted;**
- b. **The funding position at Stakehill was noted.**
- c. **The land transfer situation was noted. (also 18/08)**

22/08 EMPLOYER ENGAGEMENT

Employer Engagement continued as a success story; the Orchard Training brand had now moved the bespoke premises at Sandbrook Park and would commence operations from there the following week with additional staff joining in January 2009. The strategic theme was described and discussed together with the accomplishing means. The priorities over the next 3 years were discussed and the optimistic and planned intention to increase progressively the TTG and WBL delivery, together with associated success and satisfaction rates was welcomed and supported; the enabling tactics were explained and received. The performance to date had been outstanding with total annual targets exceeded at the end of the first quarter. It was likely that, in order to meet the growing demand that the area of operation would need to be considerably extended. The projection for 2008/09 (95% prob) was for a total of 2500 learners yielding c£3m income. It was likely that as the recession became deeper that further opportunities for government funded retraining schemes would emerge. It was unanimously agreed that the programme results were impressive and gave confidence for the future.

The Information was received.

23/08 LEARN LOCAL

Paper H was circulated. Transfer of "Learn Local" had been considered previously by the corporation and, in accordance with instructions, robust due diligence enquiries had been proceeding; the consultants concerned ("Protocol") had not discovered any discrepancies but had made recommendations associated with the TUPE process. Several other quality checks had also been completed. The provisional income and expenditure model was then considered and showed a contribution of c£427k and £454k for 2008/09 and 2009/10 respectively. It was agreed that more work would be completed with the ILR figures but nevertheless it appeared a sound scheme which would bring collateral benefits such as an integrated skills ladder under the FFE. It was agreed that if the transfer was to proceed then agreement was needed from RMBC on 2 issues and that in order to allow proper oversight of this wide level of provision and ED (Skills) be appointed with focused responsibility.

Accordingly it was agreed that:

- a. **the transfer to be completed by 1 August 2009;**
- b. **any LSC clawback for 2007/08 and 2007/08 should remain the responsibility of RMBC;**

additionally;

- c. **consideration and approval of the final I&E budget and TUPE arrangements and costs was delegated to the E&F Committee;**
- d. **an ED (Skills) should be appointed.**

24/08 OFSTED

The OfSTED AMV had been completed on 5 December 2008 by a team of 3 inspectors although the formal findings would not be available for 2 weeks; feed back had indicated a good result. Key themes are explored relating to the previous OfSTED Inspection report and assessed against 4 progress grades ranging from "Significant" to "Insufficient". Assessments of 2 "Significant" and 8 "Reasonable" progress had been given evidencing the success of the initiatives and the hard work of all concerned, Consequent to these results was an assurance that the next OfSTED Inspection would remain as scheduled.

The Information was received.

25/08 URGENT BUSINESS

There had been no urgent business agreed.

26/08 DATE OF NEXT MEETING

The next meeting would be at 1700 on 26 February 2008.

Staff and Students (Excepting the Principal and ED (Skills)) left the meeting.