

ASSOCIATION OF COLLEGES

MINUTES of the AoC BOARD MEETING

Held at 11.30am on Thursday 10 June 2010 at the Royal York Hotel, Station Parade, York,
North Yorkshire YO24 1AA

Present	Attendance (from 9/12/09)
John Bingham (Chair)	3/3
Tony Alderman	3/3
John Allen	1/1
Richard Atkins	3/3
Peter Brophy	3/3
Kim Clifford	2/2
Sally Dicketts	3/3
Martin Doel	3/3
Ray Faulkner	3/3
Neil Hopkins	3/3
Asha Khemka	3/3
Willie Mills	3/3
Chris Morecroft	3/3
Angela O'Donoghue	2/2
Robin Parkinson	3/3
Helen Pegg	2/3
Di Roberts	2/2
George Trow	3/3
John Widdowson	1/3
John Wilkinson	3/3
Andy Wilson	3/3

Apologies

Pat Bacon	2/3
Tim Jackson	2/3
Mike Lee	1/3
Roger Morris	0/1

By Invitation

Julian Gravatt (AoC Assistant Chief Executive and Director of Funding and Development)
Lesley Davies (AoC Assistant Chief Executive and Director of Policy)

In attendance

Nathan Lucas (Interim Company Secretary)

1. WELCOME

John Bingham welcomed Board members to the meeting and thanked them for their contributions throughout the Away Day session over the past 24 hours.

2. DECLARATIONS OF INTEREST

There were no declarations of interest.

3. MINUTES

RESOLVED: The minutes of the meeting held on 10 March 2010 were approved.

4. BOARD ELECTIONS

The AoC Chair formally welcomed John Allen, Principal of Lincoln College to the Board as the new East Midlands regional representative. Members were also advised that Roger Morris, Chair of Northampton College and now Chair of the Governors Council, had been nominated by The Governors Council as a Board member as representative from the Governors' Council.

RESOLVED: The Board ratified the appointment of the two new members.

The AoC Chair advised that Richard Atkins had been nominated to act as Deputy Chair and asked if there were any further nominations. There were no further nominations and Richard was therefore appointed as Deputy Chair. Board members were reminded that this post was to be elected annually.

RESOLVED: The Board ratified the appointment of Richard Atkins as Deputy Chair.

The AoC Chair also advised that Mike Lee had tendered his resignation from the Board with effect from the end of this meeting.

ACTION: Nathan Lucas to inform Companies House of Mike Lee's resignation from the Board and to appoint Roger Morris as a Board Member.

Sec's Note: All entries have been updated on the Companies House register.

Sally Dicketts commented that it would be prudent and consideration should be given to electing a woman as Chair of the Governors' Council. The AoC Chair agreed but pointed out that the only nominations received in the last round were from men.

5. MATTERS ARISING

Item 5

The AoC Chief Executive advised that the Grimsby Institute have rejoined AoC and paid subscriptions.

6. AWAY DAY

The AoC Chair advised that there were a number of issues for the Board to consider in the formal meeting which had arisen from the Away Days:

Employment Committee

The Board considered proposals to further the work of the Employment Committee in a paper provided by Nick Lewis. The AoC Chair suggested that the Board endorse the paper in principle. John Widdowson suggested that it was important to ensure that we stayed within the terms of reference for the Committee and Board generally. Nathan Lucas is to check whether the current company articles allow the co-option of members to Board Committees. The AoC Chief Executive said that it was important that there was a strong lead negotiator on this Committee. It differs from other Board Committees in that there is a formal programme which must be attended to. The AoC Chief Executive supported the principle of payment for the lead negotiator if they were external to the Board.

Sec's Note: Article 81 of AoC's Articles of Association allow the Board to set up, constitute, organise and dissolve special interest groups consisting of Members, affiliates and/or any other individuals. No preclusion from co-opting members to the Employment Committee.

AoC Board Terms of Reference state that the Board may:

dd) approve co-options to Committees and Sub-Committees and portfolio groups etc.;

Andy Wilson advised the Board that the more immediate issue was to endorse the work that Nick Lewis was already doing for the Employment Committee. Chris Morecroft advised that whoever chaired the Committee did not necessarily need to be the lead negotiator.

RESOLVED: Nick Lewis to continue as Chair of the Employment Committee on a meeting by meeting basis until further arrangement in relation to a Chair is made.

ACTION: Richard Atkins/Nick Lewis to produce a paper outlining further detail on proposals in advance of the next Board meeting.

The Board commented that it was important to consider the future membership of the Committee as Chris Morecroft, a long standing member of the Committee, would also give up his place upon commencing as AoC President from 1 August 2010.

Andy Wilson suggested that it may be worth approaching other Principals in the sector who might be willing to take on a role with the Employment Committee.

AoC Governance Portfolio Group

The Governance Portfolio Group had considered all the consultation responses following the publication of 'A Review of Governance and Strategic leadership in Further Education' and had submitted a paper containing recommendations for the Board's consideration. Following consideration of this report during the away day, the Board requested that a summary paper containing the recommendations be prepared for the formal Board meeting the following day.

The AoC Chief Executive highlighted that the recommendations contained within the paper were asking for approval for further work to be completed by the Portfolio Group rather than approving a final outcome.

The Board approved the recommendations contained in this summary paper apart from requiring the recommendations concerning roles, role descriptions and training for Clerks and Chairs to be considered further by the Governance Portfolio Group and brought back to the Board at a later date.

The highlights of the recommendations were that the Group should pursue with Government the establishment of a Code of Governance for the College Sector, but the recommendation in the original report to rewrite the Instruments and Articles was not supported at this stage, although this was not precluded as a result of the development of a Code.

RESOLVED: The Board agreed that the Governance Portfolio Group undertake further work on recommendations 1, 2 and 3.1 – 3.4. The Portfolio Group should hold off pursuing recommendation 3.5 further at this time.

7. POLICY UPDATE

The AoC Chief Executive presented the Policy Update Paper to the Board and briefly drew attention to the following items:

New Government

Things have moved quickly since the general election was held on 6th May 2010 and the new government was elected:

- The Department for Children, Schools and Families was renamed the Department for Education with Michael Gove as Secretary of State. Nick Gibb, a Conservative, was appointed Schools Minister while Sarah Teather, a Liberal Democrat, is Children's Minister;

- The Department of Business, Innovation and Skills stayed unchanged but with Vince Cable, a Liberal Democrat MP, as Secretary of State. The Conservative Opposition front bench, David Willetts and John Hayes, took up position as higher education and further education ministers respectively.

Martin Doel wrote to various MPs who gained, lost or did not stand for their seats in May 2010. Martin has also personally written to the key Ministers with responsibilities affecting Colleges – John Hayes, Michael Gove and David Willetts. Copies of the letters are available via the Chief Exec's briefing.

June Budget

The Chancellor of the Exchequer, George Osborne, will deliver his first budget on 22 June 2010. The budget is likely to include decisions on taxation and Government financial management, public sector pay and pensions.

Sec's Note: Details on the implications of the budget announced on 22 June have been released in a special Funding and Finance Briefing (18/10) which can be accessed by members on the AoC website.

8. FINANCIAL ISSUES

8.1 Group Management Accounts to 31 March 2010

The AoC Director of Finance presented the Group Management Accounts to 31 March 2010 and confirmed that it had been a very good year for AoC. He highlighted that AoC Management Services had been able to pay a dividend of £250,000 into the main AoC accounts. The Board's attention was drawn to the agreement by the Finance and General Purposes Committee to pay £10,000 into each of the AoC Regional Offices in order to develop their core roles. The AoC Chief Executive advised the Board that this additional amount was important to the Regional Offices as their current funding does not cover all of their costs resulting in missed opportunities. The AoC Chair advised that this was not proposed to be an increase year on year but that this was a discrete payment. Board members asked that their thanks be recorded to the whole of AoC Management Services for their work this year.

The AoC Chair advised that it was important to recognise that AoC Management Services is just one part of the AoC group who had all worked exceptionally hard this year. The Board acknowledged this.

8.2 Draft Audit Report and Statutory Accounts to 31 March 2010

The AoC Chair commented that this was a very thorough and clean audit report from Baker Tilly. Ray Faulkner proposed that John Bingham have delegated authority to sign off the Statutory Accounts with minor amendments. Helen Pegg seconded the motion.

RESOLVED: John Bingham, Martin Doel and Peter Brophy to have delegated authority to sign off Statutory Accounts to 31 March 2010 with minor amendments.

8.3 Subscription Model

The AoC Finance Director presented an additional paper for Board Members to consider on College Subscriptions recommending that the current subscription model be reviewed to ensure it was still fit for purpose. The Board agreed that this was an issue which required further attention.

ACTION: Martin Doel/Peter Brophy to do further work on reviewing the current subscription model.

8.4 Contingency Planning

The Board considered and noted the options presented by the AoC Finance Director on contingency planning for AoC. The Board agreed there was no need to go any further on any of these options at this stage. It was accepted in principle that it was good practice to keep under review any unnecessary expenditure as a matter of course, which course of action was followed by staff.

9. AoC FINANCE AND GENERAL PURPOSES COMMITTEE

Received: Minutes of the F&GP Committee meeting on 11 May 2010

10. MANAGEMENT SERVICES

Board Members had received a presentation from Des O'Hare, Stephen Chandler and Sarah Young as part of the Away Days on the new branding for "AoC Create". The Chair of the AoCMS Board asked all Board Members to be ambassadors for the new brand as money spent is ultimately reinvested into the sector. It was proposed that the AoC Chair be granted delegated authority by the Board to sign a written resolution on behalf of the board allowing the company name of AoC Management Services Ltd to change to AoC Create Ltd.

RESOLVED: The AoC Chair is granted delegated authority to sign a written resolution affecting the change of company name for AoCMS.

Received: Minutes of the AoC Management Services Board meeting on 9 March 2010.

Received: Minutes of the AoC Management Services Board meeting on 29 April 2010.

11. EMPLOYMENT COMMITTEE

Received: Minutes of the Employment Committee meeting held on 11 May 2010.

12. ANY OTHER BUSINESS

Colleges' Week

The AoC Chief Executive introduced an additional paper explaining that due to spending cuts there would be no Government Funding available this year to fund

Colleges' Week. He advised that in the first year of the scheme the week was funded to the sum of £250,000 by DIUS (£195,000 in the second year by BIS). This funding source was no longer available. AoC could facilitate the week with a minimum amount of £50,000 in funding. The Board were asked to consider whether Colleges' Week was valuable and whether or not AoC could fund the amount internally for this year only. Chris Morecroft queried what the amount of £50,000 covered. The AoC Chief Executive explained that the sum went to external consultants to organise national media campaigns. This is not a service that can be run from within AoC using existing resources.

RESOLVED: Board agreed that AoC will fund a sum of up to £50,000 to run Colleges' Week for 2010. Although this is to be funded from AoC budgets, outside help in the way of sponsorship should continue to be sought.

Expansion of Affiliate Membership of the AoC

The AoC Chief Executive presented an additional paper on expanding affiliate membership options for the AoC. Sally Dicketts advised that she had no problem with doing this but was concerned about the level of access affiliate members would get to the AoC and highlighted the fact that there would need to be a strict affiliate offer. Every affiliate application we currently receive is personally approved by the AoC Chief Executive. Ray Faulkner advised that he felt this was a good way of diversifying the income stream for the association although expressed concern about affiliates having access to discussion areas. The AoC Chief Executive confirmed that affiliate members would not have access to highly sensitive information.

RESOLVED: The Board approved the recommendation for AoC to progress further work on a communications campaign to members – demonstrating the value of affiliation to the business and to members, incorporating this into a wider campaign on transparency of costs of membership.

Board Elections

The Board asked for a reminder of the election process due to take place in the autumn to be distributed as soon as possible.

ACTION: Nathan Lucas to circulate details with the minutes of the Board Meeting.

Audit Committee

The AoC Chair asked Richard Atkins, as Deputy Chair, if he would take on chairing the Audit Committee and review the Terms of Reference. Richard Atkins agreed and will schedule the next meeting as soon as possible.

Asha Khemka advised that she had never been a member of the Audit Committee and asked that her name be removed from the current list of members.

ACTION: Richard Atkins.

13. DATE OF NEXT MEETING

Wednesday, 22 September 2010 at 9.30am (Stedham Place, London)