

# Minutes



Leading learning and skills

<b>Date</b>	11 <sup>th</sup> June 2008
<b>Subject</b>	South West Regional Board
<b>Location</b>	Lyngford House
<b>Time</b>	1.30pm
<b>LSC office</b>	South West Region
<b>Publication intent</b>	Internal

<b>Present</b>	John Savage CBE (Chair) Jane Barrie OBE Shirley Arayan David Brech John Crownshaw Malcolm Gillespie Jackie Longworth MBE Bryan McGinity Tim Moore Catherine Christie John Chudley Sally House Denis Miles Mike Davies
----------------	--

<b>Apologies</b>	Professor John Bull CBE Simon Curtis Richard Dimpleby Chris Hyde Brian Kemp Malcolm Trobe Mark Harvey Paul Lucken Trish Taylor
------------------	--

## **Item 1. Welcome and introductions**

**1.1** The Chair welcomed everyone to the meeting especially Jackie Longworth as a new member. The Chair said the meeting will be joined for specific agenda items by Derek Body and Christine Hart from St Brendan's College as well as

Heather Maxwell and Stephen Criddle from South Devon College. The Chair also welcomed LSC officers Karen Stockham, Ian Clark, Moyra Pascoe and Rachel Whiting who would brief members on specific capital proposals.

- 1.2 The Chair confirmed apologies had been received from the following Board members; John Bull, Simon Curtis, Richard Dimbleby, Chris Hyde and Brian Kemp.

#### **Item 2. Declarations of Interest**

- 2.1 The Chair reminded members of their responsibility to declare any interest relevant to the agenda. There were none reported.

#### **Item 3. Minutes of last meeting**

- 3.1 The minutes of the meeting on the 6<sup>th</sup> May 2008 were agreed as a true record.

#### **Item 4. Matters arising**

- 4.1 There were no matters arising.

#### **Item 5. Capital proposal (detailed) – St Brendan’s College**

- 5.1 Moyra Pascoe and Rachel Whiting summarised the background of the proposal. Denis Miles referred to some emailed comments received from Brian Kemp about growth in learner numbers impacting on NPV. Denis Miles said that this was not a concern as the small negative NPV was at a similar level to the original Application in Principle and this had been signed off as required by the LSC’s National Director of Finance. In addition Denis Miles said that the LSC’s assessment of the financial management of the college is good.
- 5.2 The meeting was joined by Derek Body (Principal of St Brendan’s College) and Christine Hart (Finance Director of St Brendan’s College). Derek Body presented a summary of the key elements of the capital proposal. The Chair then invited questions from Board members.
- 5.3 Bryan McGinity asked if a project manager had been appointed. Derek Body confirmed the recruitment was in progress. David Brech asked if the plans had allowed sufficiently for possible growth in learner numbers. Derek Body said that he felt the current rate of growth would decrease due to demographics but the proposal allowed for a third phase if it was needed. John Crownshaw asked about the consequences if the project did not proceed. Derek Body said the College’s reputation would guarantee a good intake of learners but this project was needed as much for improving the quality of space as accommodating growth.
- 5.4 The Chair thanked the visitors who then left the meeting. Denis Miles confirmed that the proposal met the LSC’s criteria for property (in the absence of Mark Harvey but with whom he had spoken) as well as finance. Moyra Pascoe added that the LSC would have quarterly progress reviews on site with the College if the project goes forward.
- 5.5 Shirley Arayan then joined the meeting.

- 5.6 Jackie Longworth asked that more information on equal opportunities be included in future proposals. Denis Miles explained that the equal opportunities requirement is already part of the proposal template but more details could be included in future applications, for example how disabled learners in vocation subjects would access the relevant areas of the college.
- 5.7 The Chair summarised the discussion and recommended approval of the proposal. **The Board members then voted unanimously to endorse the capital proposal from St Brendan's College at a gross cost of £16,578,748 with capital grant support at 94.7% with associated long term borrowings of £878,000 and short term borrowings of up to £4.2m which convert to an unsecured term loan of £2.8m.** The proposal to now go forward for consideration by the National Capital Committee.

#### **Item 6. Capital proposal (in principle) – South Devon College**

- 6.1 Karen Stockham presented the background of the proposal. Jane Barrie asked where the growth in learner numbers would come from and Jackie Longworth asked if the Local Authority supported the proposal. Karen Stockham said there may be some impact on local school 6<sup>th</sup> forms but the 14 to 19 partnerships between the schools and the college is very strong. Denis Miles said that the final application would have to achieve planning permission from the Local Authority and Catherine Christie added that the LSC would require that this project would be required to fit the wider 14 to 19 strategic plan for the area.
- 6.2 David Brech asked about the ability of the college to impact on NEETs. Karen Stockham said the College has very good Entry to Employment provision. In response to Tim Moore, Karen Stockham confirmed that employer relationships are good and this was borne out by recent organised events and the numbers of apprenticeships.
- 6.3 The meeting was joined by Heather Maxwell Principal of South Devon College and Stephen Criddle, Deputy Principal and Finance Director of South Devon College. Heather Maxwell gave a presentation about the College including aerial pictures of the current site and the proposed additions and changes. The Chair then invited questions from Board members.
- 6.4 David Brech asked if the past, present and future impact on NEET could be quantified. Heather Maxwell quoted a rise in learner participation from 72% to 81% in Torbay as well as a rise in apprenticeships totalling over 600. In addition the College had already exceeded its NEET targets. Bryan McGinity asked about project management. Heather Maxwell said that the post had been advertised and contractors for the work had already been short listed with a design and build approach in mind. Tim Moore asked about employer links. Heather Maxwell said that there was a senior manager responsible for employer engagement and last year the college had established links with over 1000 employers and trained over 2000 employees. Currently the college was trying to influence employers to raise skill levels above level 2. Tim Moore asked about the difference in the land purchase price and the valuation figure. Stephen Criddle explained that this price had been carefully negotiated but there was no practical option than this site next to the College.

However the College would be going back to the current owner to see if a better deal could be achieved. Bryan McGinity asked about the College's risk management strategy. Stephen Criddle said that the College was diversifying as well as developing other funding streams. The Chair thanked the visitors who then left the meeting.

- 6.5 Jackie Longworth commented that the detailed proposal will need to include information on what the impact of growth in learner numbers might have on other institutions.
- 6.6 Shirley Arayan noted a disparity in apprenticeship figures in the presentation and those quoted in the papers. Catherine Christie said that a common definition was needed when quoting learner numbers in future proposals.
- 6.7 Denis Miles said that property aspects will need to be more detailed for the detailed proposal but it was positive that there was funding from both the RDA and HEFCE. Tim Moore expressed his concern about the difference in the price of the property and the valuation. Denis Miles agreed to check whether this would be an issue at the National Capital Committee stage.
- 6.8 The Chair recommended approval to the Board members who **voted unanimously to endorse the 'in principle' capital proposal from South Devon College at a cost of £20,236,000 with capital grant support of £13,253,000 (66%) and additional long term borrowings of £2m with the caveats that the college seek an improved land purchased price as well as providing an assessment of the impact of the growth in learner numbers would have on other institutions**

#### **Item 7. Capital proposal (16 to 19) Beaufort Community School**

- 7.1 Sally House presented the paper and summarised the key elements of the proposal.
- 7.2 Bryan McGinity queried the reference to the facilities being available to the wider community. Sally House said she believed that there were no specific groups in mind but it would give the opportunity to provide wider access to a variety of users. Shirley Arayan asked if the colleges in Gloucestershire were supportive. Sally House confirmed that they were and that collaboration through the 14 to 19 partnership was strong.
- 7.3 **The Regional Board then approved a contribution from the 16 to 19 capital fund of £1,171,808 which represents 55% of the total building cost and 74% of the eligible costs.**
- 7.4 Jane Barrie then left the meeting for another appointment.

#### **Item 8. Capital proposal (16 to 19) Launchpad Consortium**

- 8.1 Denis Miles referred to the papers and explained that the Regional Board had previously approved a capital grant for this project and this submission was an amendment of the payment route based on legal advice from the LSC's solicitor. The proposed change would mean payment going through Gloucestershire County Council to obviate the need for complicated legal charges.

**8.2 The Regional Board approved the amended project arrangements for the Launchpad consortium to include Gloucestershire County Council as the lead organisation.**

**Item 9. Challenge Fund proposals**

**9.1** Denis Miles referred to the papers for each of the three Adult Safeguarded Learning proposals for capital grants from the Challenge Funds and said that all of them met the LSC's criteria for approval.

**9.2 The Regional Board unanimously endorsed the three applications for grants from the ASL Challenge Fund for the period 2008-10 in respect of Cornwall County Council for £766,884 (90%), South Devon College for £983,122 (90%) and Plymouth City Council for £750,000 (75%).**

**Item 10. Capital proposals – future arrangements**

**10.1** Malcolm Gillespie presented the paper that proposed a new capital working group. Members discussed the approach giving it general approval. Malcolm Gillespie agreed to develop the paper to describe the process, governance, and strategic approach.

**Item 11. Regional Director's report**

**11.1** Malcolm Gillespie provided an update on progress with recruitment arrangements for the Regional Council, Machinery of Government and the proposed performance reports for future meetings. Malcolm Gillespie said that he had chaired the first of a series of regular meetings with the Directors of Children Services and that the first one had been positive. Members were then invited to ask questions about the report. There was no further discussion.

**Item 12. Any other business**

**12.1** There was no additional business.

**Item 13. The next meeting of the Board**

**13.1** The next meeting will take place at Lyngford House on the Thursday 10<sup>th</sup> July 2008 starting with lunch at 12.30pm.

**Meeting chair**            John Savage  
**Minute taker**            Mike Davies