

Minutes



Leading learning and skills

Date 17th October 2008
Subject South West Regional Board
Location Dillington House
Time 1.30pm
LSC office South West Region
Publication intent Internal

Present John Savage CBE (Chair)
Richard Dimbleby
Malcolm Gillespie
Chris Hyde
Brian Kemp
Susan Moore
Tim Moore
John Rogers
Tim Ward
Carole Whitty
Dereh Wood

Observers Claire McGuckin

Officers Catherine Christie (Director of Learning Planning and Performance)
John Chudley (Area Director Devon & Cornwall and West of England)
Mike Croker (Director of Provider Financial Management)
Mike Davies (Regional Office Manager)
Sally House (Partnership Director Dorset & Somerset)
Paul Lucken (Director for Skills)
Trish Taylor (Area Director Dorset & Somerset and Gloucestershire & Wiltshire)

Apologies Nick Buckland
Juliet Williams
Nigel Costley
Peter Cloke
Denis Miles

Item 1. Welcome and introductions

- 1.1 The Chair welcomed everyone to the meeting especially Claire McGuckin Regional Director of Jobcentre Plus who attended for the first time as an official observer.

Item 2. Declarations of Interest

- 2.1 The Chair asked members to declare any interest relevant to the agenda. Chris Hyde reported that his company had carried out the previous development at the Somerset College of Art and Technology (SCAT) and had submitted a Pre Qualification Questionnaire in respect of the proposed project. Tim Moore reported that he was an ex governor at Wiltshire College which had previous connections with Somerset College of Art and Technology.

Item 3. Minutes of the last meeting

- 3.1 The minutes of the last meeting were agreed as a true record.

Item 4. Matters arising

- 4.1 There were no matters arising.

Item 5. Regional Capital Strategy

- 5.1 Mark Harvey Regional Property Adviser explained that the regional capital strategy was in the process of being revised and was originally due to be presented to the Regional Council in November. However, in common with all other regions, the document will not be ready until the New Year as more work is needed to take into account the prioritisation criteria being developed by national office. This is because the initial estimated total value of all projects nationally was higher than previously expected, and anticipated to occur in too concentrated a period rather than spread evenly across the financial years up to 2015/16.
- 5.2 Carole Whitty asked if the delay in preparing the regional strategy will impact on the consideration of the SCAT proposal on the agenda of this meeting. Mark Harvey said it was unlikely and the strategy was more relevant to projects at an earlier stage of development.

Item 6. Somerset College of Art and Technology capital proposal (Application in Principle)

- 6.1 Sally House Partnership Director for the LSC in Dorset and Somerset gave a short power point presentation on the background to the proposal. John Rogers asked if the grant level was within the normal range. Mike Croker explained that the level of grant was determined using a formulaic affordability calculation. The general principle is that Colleges apply for a grant from the LSC to fill in the shortfall after they had first committed their own resources (e.g. cash reserves, disposal proceeds) and then obtained loans from the banks (where the LSC sets an expected level of borrowing). Recent applications considered by the regional board had been within the

range of 26% to 90%, so whilst SCAT's application was at the top of the range, it was not unprecedented.

- 6.2 Rachel Davies (Principal at SCAT) and Liz Hirst (Finance Director) joined the meeting and gave a power point presentation on the key features of the proposal.
- 6.3 Dereth Wood commented that she thought there could be more capacity than was listed in the proposal for Train to Gain linked to Apprenticeships and that the final proposal may need more detail on the return on investment in terms of learner numbers, quality and retention.
- 6.4 John Rogers asked if the growth figures represented new learners or ones from other providers. Rachel Davies said the College was working collaboratively with other providers so it was a mix.
- 6.5 Carole Whitty asked if the current financial crisis would impact on the ability to secure loans. Malcolm Gillespie said that Denis Miles is part of a national group that is communicating with the banks on this issue so it is being monitored.
- 6.6 Brian Kemp asked about project management. Rachel Davies said that the College have invested in additional project managers. Mark Harvey said that the College had already received detailed planning permission whereas normally only outline planning would have been approved at this stage.
- 6.7 The Chair thanked Rachel Davies and Liz Hirst and the visitors then left the meeting.
- 6.8 Tim Ward said that a detailed risk assessment would help with the assessment of the proposal. Mike Croker said that the College have a risk management plan for the project, but the detail of it had not been reproduced in the papers for this meeting. He also noted that the Council should be aware that the national office finance team would need to complete their review of the finance case before consideration by the national capital committee.
- 6.9 Brian Kemp commented that as the College majored in Sustainable Development there needs to be more evidence of it in their construction plans.
- 6.10 Tim Moore said that more detail is needed on the project management and that there should be a clear communication strategy for the project. Mark Harvey commented that he believes the Principal needs to increase the amount of technical support in the project management.
- 6.11 The Chair summarised the discussion and said that members had raised important points for consideration if the proposal is to be developed to an application in detail. **The Regional Council agreed to endorse the 'in principle' capital proposal from Somerset College of Art and Technology with an LSC grant of £41,532k equivalent to 91% of the project cost, with associated college borrowings of £3,083k.**

Item 7. Apprenticeships

- 7.1 The Chair explained that he has quarterly meetings with Chris Banks about the current key issues for the LSC and that apprenticeships is one of the

current performance priorities. Malcolm Gillespie said that he will arrange for Council Members to be kept informed on all performance and will provide detailed briefing on at least one of the issues at each meeting. This time it is a report on apprenticeships.

- 7.2** Paul Lucken gave a power point presentation on Apprenticeships which included the contextual background, current performance, future challenges and latest developments.
- 7.3** Brian Kemp emphasised the need for the public sector to contribute more apprenticeship opportunities. Paul Lucken agreed and said that the region had already begun an analysis of the current level of involvement by the public sector in advance of a government led campaign to address this. Susan Moore said that more work needs to be done to inform and involve Local Authorities in the take-up of apprenticeships. Carole Whitty said that the link between Local Authorities and schools needs to be strengthened in this respect.
- 7.4** Brian Kemp said there were cost implications for employers in assessing applicant suitability and it would help if the results could be made available to all prospective employers to help minimise this. Paul Lucken said that the matching system is not capable of this and there are issues of data protection. Catherine Christie said that the system was designed to prevent unsuitable candidates being matched in the first place.
- 7.5** John Rogers said the Department of Health were planning to invest more in apprenticeships but he said there is still a need to market the value of apprenticeships to employers generally.

Item 8. Regional Audit Committee report

- 8.1** Tim Moore in his capacity as chair of the Audit Committee briefed the members about the role of the committee and summarised the business covered at the last meeting which took place on the 1st of October, saying that the minutes will be sent to all members.
- 8.2** Tim Moore referred to the proposed revision to risk management planned by the LSC executive and listed the high level risks both regionally and nationally. These included the main business priorities as risks in themselves plus a number of cross-cutting themes. Tim Moore said that this approach represented a better risk management link between regions and national office. The new approach is in a detailed paper due to be considered by the senior management team.
- 8.3** The Chair thanked Tim Moore for his report and said the work done by the Committee was very important. So far there had only been one response to serve on the committee and the Chair asked for more volunteers to come forward.

Item 9. Regional Directors report

- 9.1** Malcolm Gillespie introduced the report and said the normal approach was to highlight one or two items but then take the report as read before responding to questions.

9.2 Malcolm Gillespie then highlighted the following items;

- National economic crisis - the LSC and Jobcentre Plus are already working together to respond to increased redundancies as a result of the financial crisis.
- Machinery of Government changes - the LSC had received the latest briefing document from DCSF and anticipated an equivalent one from DIUS which would help inform the next meeting of regional partners dealing with the transition.
- Statement of Priorities – the LSC were due to receive the latest Statement of Priorities which along with the Grant letter were the key determinants of the region’s commissioning arrangements. This will be reported more fully to the Regional Council at the November meeting.
- Education Maintenance Allowance system failure – there is still a lot of publicity about the problem and there remains a big backlog of payments but this is being reduced.

Item 10. Any other business

10.1 There was no other business.

Item 11. The next meeting

11.1 The next meeting will take place at Lyngford House Taunton on Thursday 13th November 2008 starting with lunch at 12.30pm.

Meeting chair	John Savage
Minute taker	Mike Davies