



DRAFT COUNCIL MINUTES: Open Business

10.00 a.m., Friday 27 November 2015

WEA YMCA CC Cymru, 7 Coopers Yard, Curran Road, Cardiff CF10 5NB

1. Attendance and Introductory Matters

- 1.1 **Present:** John Graystone (Chair), Gerry Jenson (Vice-Chair), Becky Watson Stubbs, Viv Davies, June Jeremy, Catrin James, Hayden Llewellyn, Toni Schiavone, Steve Drowley, David Elis-Williams, Chris Franks, Alison Hill, Mark Isherwood (Chief Executive), Val Williams, Cerys Furlong. The meeting was quorate.
- 1.2 **Apologies:** Rob Humphreys (Vice-Chair), Claire Morris, Anne-Marie Rogan.
- 1.3 **In Attendance:** Stephen Thomas (Clerk); Mark Baines (Director of Finance – minute 6 only).

2. Declarations of Interest and Council Members' Handbook Distribution

The explanatory paper referring to Claire Morris and her part-time employment status with the organisation was noted. Additional induction materials were provided to certain governors, attending their first meeting of the new body.

3. Confirmation of Mark Isherwood's appointment

Subsequent to the Council's September meeting, a written request had been sent to governors seeking their written endorsement of Mark Isherwood's employment as Chief Executive. This was required given the new constitutional make-up of the organisation, and had resulted in prompt affirmative responses from all 17 other governors. **That formality as part of the appointment process had therefore been observed, and his confirmation in post was affirmed.**

4. Minutes of the Open Business at the previous WEA YMCA CC Cymru Council meeting

The minutes of the meeting of 14 September 2015 in Llanishen were approved as a correct record of the Open Business conducted at that inaugural meeting. The one matter arising related to Minute 3 (page 2) regarding Committee memberships: Anthea Clements had turned down the opportunity of sitting on a Committee, because of her work commitments.

5. Progress in the Governance Review Process

- a) **Previous day's 'Fit for the Future' event feedback:** In a series of comments from those present who had attended the event at St. David's Hall, organised through DNA Definitive, there was agreement that it had worked reasonably well as a means of bringing the organisation together in a high quality venue to ensure interaction between colleagues, and that there had been an acceptable tempo and purpose behind the pre-lunch session (and among the lunch-time break-out offerings). The afternoon session was however felt to have tipped the gender imbalance of presenters too far towards males, had lacked adequate audience interaction, and had consisted of some inappropriate comments from presenters – though the content on inspirational lessons being drawn from high performance sport had been to the satisfaction of some. Others were

more critical, feeling that the day as a whole had been unfocussed and represented a lost opportunity, where key challenges for the organisation had not been pursued in any depth. While it had been good to have Welsh language table groupings, a more consistent line on bilingual written presentations from presenters would also have been appreciated.

June Jeremy spoke about the more general reaction to DNA Definitive's consultancy process with staff over recent weeks, which in certain cases had proved to be disruptive and had reportedly affected morale adversely in particular locations. Others mentioned some tensions among staff groups evident at certain of the tables the previous day. Mark Isherwood explained that the consultants were undertaking an organisational health check with the participation of most staff members, which had identified a long-established issue of lack of trust among certain cohorts, historically preceding the mergers of the past 2 years. An experiment among staff at the Heads of the Valleys office by DNA Definitive had indeed proved controversial, and he was willing to discuss it in greater detail outside of the Council meeting.

- b) **Task and Finish Group update:** as a result of the Group's October meeting, an application had been submitted to the Wales Co-operative Centre's Business Fund to seek funding for a consultant on governance matters. The Centre's procurement procedure meant that no individual's name was currently being proposed as consultant. Val Williams underlined the importance of ensuring that such a consultant be inclusive in seeking the views of organisations like hers, Sylfaen Cymunedol Cyf., on future structures.
- c) **Feedback from November round of Regional Forum meetings:** discussion centred on a revised name for the organisation. The Chair said that he had had representations from senior civil servants that the current name was perceived as a hindrance – that a new name should be agreed as soon as possible and that waiting until an April 2016 AGM for that aspect of renewal was too slow a process. Cerys Furlong said that a Minister had spoken to her underlining keenness to strengthen the organisation through revised positioning for it in the sector. Having just completed a re-naming process with NIACE – now the Learning and Work Institute – she believed that agreeing a final name could not be a fully open consultative process, as no single proposed name would meet with universal approval. She was of the opinion that, while difficult, there should be no further consultation on the specifics of the name itself: consultation should focus on the values and purpose of the organisation instead. Viv Davies agreed that it was feasible to make a firm proposal about one particular name from 'the centre', but that there should still be consultation on that proposal, as that had been the understanding on which the process had been set out. He believed that an Extraordinary General Meeting would still be required to pass a new name, as commitment to the constitutional process on this remained clear, even if there was a question as to whether there should be a short-list of three possibilities or merely one proposal sent out for information.

A number of governors felt it was urgent to go beyond the current membership as represented in the Regional Forums' document, to include learners in particular and other stakeholders, on the name issue: that should involve broader, telephone-based, consultation too. Steve Drowley claimed that the Shadow Board had agreed that a new name should be forthcoming without either of the former brand names included in it. John Graystone said that it might be possible to have a new trading name while retaining the current legal name, though David Elis-Williams feared that was a fudge that should be avoided in the bid to have a new and uniting name. Anne-Marie Rogan's comment in an e-mail of the previous day, about the naming of the organisation to position it better in the market place, was noted.

It was agreed that the Chair and Chief Executive take this matter forward with urgency (JG/MI).

6. Management Accounts and Finance Report for October 2015

Mark Baines, introducing this document, acknowledged that the trend of the three months being accounted for could be interpreted as worrying, as there had been a negative swing of £143,000 to a projected deficit for this financial year of £108,000. However, he felt more confident than at the time of merger that this represented an accurate situation, and there remained positive aspects in terms of cash holdings and overall reserves (£2 million of the £2.7 million reserves total was in cash). Further efficiency savings due to economies of scale were anticipated in the coming months. He confirmed that no contingency had been included for the 2015-16 sector pay award, that the expected reduction in Class Fees and Charges income reflected a certain caution in its projection, and that the increase in Administrative and Central Services Costs was linked in part to the hiring of DNA Definitive.

The decisions taken by the Finance and General Purposes Committee at its previous month's meeting to provide for equalisation in salaries by authorising a 1% catch-up increase (back-dated to 1 August) for all former WEA Cymru staff, and on implementing new expenditure relating to the IT Strategy, were discussed. There were no dissenting voices concerning those decisions, which had been the subject of much debate at the Committee. However, the principle of them being decided at Committee level rather than at full Council was questioned, as amending a current year budget was not among the Committee's delegated authorities: it only had powers of recommendation on that (yet the salary payments had already been implemented). **The decisions / recommendations were endorsed post facto by Council and it was agreed that decisions with implications for expenditure should be made by the Council after recommendations by Committees.**

On the matter of the car allowance scheme that covered only certain staff, Chris Franks felt that it was a hangover of 20th century employment norms that needed prompt resolution: however, action on the pay equalisation issue had perhaps weakened management's negotiating hand with the trade union on the car allowance matter.

A number of Council members felt that the projected deficit for 2015-16 was within the bounds of acceptability (though not desirable), and that it was of greater importance to act now to ensure that there were balanced budgets for subsequent financial years. Further details as to how costs were to be cut and revenues increased would come where appropriate to Committees. Detailed conformation would still only be forthcoming in the coming months for 2016-17 income from Welsh Government, though, with 2017-18 calculations continuing to be based on expectations. David Elis-Williams proposed that rather than have the split scenarios as set out in the document for 2016-17 and 2017-18, **cost reductions should be applied to the Expected Position end of year line (thus reducing the deficit), while increased profit/income generation should be applied to the Target Position Surplus end of year line: this proposal was accepted (MI/Mark Baines).** Mark Baines left the meeting at this point.

7. Personnel matters: review of Interim Staffing Structure

Mark Isherwood referred back to the work being conducted by DNA Definitive. The process was about to move into a new phase, where the consultants would produce their concluding information and a revised staffing structure would be set out, based on delivery needs, on the primordial importance of quality considerations, and on the reality of the current financial situation.

Becky Watson Stubbs asked that greater clarity be passed on to staff about the timeline involved in these aspects of change management: it was accepted by Mark Isherwood that the process had now reached a point where it was possible to do that. There was no structure of consultative/staff forums to inform colleagues about these matters, so other means would be used to communicate these issues to staff. The Staffing Committee and the Joint Consultative and Negotiating Committee (JCNC), convened with the recognised trade union, were means by which the changes would be consulted upon.

8. Harlech Steering Group update report

David Elis-Williams spoke to the background paper, and expanded on the appointment of consultants *Clear Thinking Strategy & Planning Ltd.* to carry out a feasibility study and business planning on the Harlech site. 3 of the 4 groups interviewed following the tendering process had been considered appointable, but *Clear Thinking* were persuasive in putting fresh ideas forward even at interview stage. A video conference with them would be conducted by Steering Group members that afternoon, followed by the distribution of a press release on the matter. Mark Isherwood thanked the four other governors who had ensured that there had been purposeful movement on this issue in recent months.

The issues of the library and of the theatre (both the building and the company of that name) were potentially shorter-term priorities, and there was discussion of details regarding the challenges represented by the relationship with the theatre company. **Council agreed that its January 2016 meeting should be held in Coleg Harlech and that it be accompanied by an opportunity to have a guided tour of the site (ST/MI).**

A question was asked about the cost of mothballing the site: the sum differed depending on whether it included staff costs or not. The option that the site be sold off or handed on to another educational organisation to run it was also raised. Other similar residential centres in Snowdonia were briefly discussed as comparators.

9. IT and IT Learning Strategy Update

A paper was tabled, prepared by Alan Tinsley, which set out the anticipated savings (£18,500) to be obtained from rationalisation of IT systems due to merger; the proportion of spending on IT at the organisation compared with the average for the education sector (lower than the average); and the additional budget commitments over three years that came from overall implementation of the Strategy's budget, which included CPD training for staff. This paper was noted.

10. Approval of revised delegated powers for all Council Committees

John Graystone thanked Council members for the additional work they put in on Committees, while reiterating his view that there were too many Committees (with which Cerys Furlong concurred). Steve Drowley said he had difficulty in juggling commitments given that he sat on two of the Committees. In terms of specific delegated powers, **it was agreed that Staffing Committee should not have a role in negotiating matters affecting pay and terms and conditions of employment for all staff – that was an operational rather than a governance issue, and should be struck off the list of delegated duties of that Committee (ST).** Cerys Furlong felt that the delegated powers lists for a number of Committees were too lengthy and repetitive, and tended towards the operational. It was

agreed that each Committee would continue to oversee the specifics of these powers, while accepting that there were bigger governance changes in the offing. Discussions on particular Committees' delegated powers would occur between John Graystone and Chairs of Committees, as part of the Governance Review.

11. Committee minutes

The reason for the larger than normal number of Committee minutes, circulated for information, was a one-off catch-up operation, based on the decision by the Chair in consultation with the Clerk and Chief Executive to circulate minutes approved by Committee Chairs, rather than await approval by the Committee itself at a subsequent meeting.

The recommendation from the Quality and Learner Experience Committee, that the organisation sign up to the International Adult Learners' Charter, was approved (MI).

i) **WEA YMCA CC Cymru Committee minutes (6 sets):**

- a) **Finance and General Purposes Committee:** the minutes of the meeting of 13 October 2015 were noted. David Elis-Williams referred to the 2015-16 budgeting matters that had been discussed earlier, and the near-completion of a detailed ethical investment policy. **John Graystone's proposal that Mark Isherwood in his capacity as Chief Accounting Officer should attend future meetings of this Committee was agreed (ST).**
- b) **Staffing Committee:** the minutes of the meeting of 28 October 2015 were noted. Alison Hill stated that this had been an inquorate meeting, and welcomed discussions on how to improve and strengthen the workings of the Committee – including getting closer to the Finance and General Purposes Committee's work where there was overlap on subject matters (e.g. the car allowance scheme).
- c) **Quality and Learner Experience:** the minutes of the meeting of 5 November 2015 were noted. This too had been inquorate. Gerry Jenson said that checking the adequacy of the organisation's current provisions on Safeguarding and Child Protection was in hand, as was resolution of the fact that at present there was non-compliance on Internal Verification within the organisation.
- d) **Cymraeg a Chymreictod/Welsh Language and Welshness:** the minutes of the meeting of 13 November 2015 were noted - its first ever gathering. Catrin James reported that the Committee had agreed to add to it a Human Resources staff member as an attendee. The need for more complete and more accurate data on Welsh/bilingual courses and on the staff's linguistic make-up had been underlined, and the recommended additional session for governors on Welsh language/bilingual matters at the March 2016 Council meeting was agreed. **It was also agreed that Council meeting agenda sheets should be prepared bilingually in future (ST).**
- e) **Voluntary Movement Committee:** the minutes of the meeting of 13 November 2015 were noted. Since then the Committee chairing role had been accepted by Val Williams. Issues to do with membership of the organisation, reflected in a number of the Committee's discussions, were part of the bigger Governance Review process.
- f) **Curriculum:** the minutes of the meeting of 18 November 2015 were noted. Future chairing duties for this Committee had yet to be confirmed. 25 January 2016 had however been agreed as the date for a joint session with members of the Quality and Learner Experience Committee. The

priority for the first part of 2016 was the conclusion of a unified Curriculum Plan for the organisation.

ii) WEA Cymru Committee minutes (8 sets):

There were no comments made on six sets of these minutes, dating from June and July 2015, which were duly received. Points were however discussed on two matters:

- a) **Audit and Corporate Governance Committee minutes of 3 March 2015:** the reference to dependability of key financial controls within the organisation in minute 4 was raised: that situation had improved since the 2013-14 financial year to which it referred. **It was however agreed that the Risk Register, over and above going as a matter of course to Audit and Corporate Governance Committee meetings, should also come to Council meetings, at least in edited form (Mark Baines/ST).**
- b) **Staffing Committee minutes of 22 May 2015:** David Elis-Williams asked for elucidation on the reference to 'generous sick pay benefits' in minute 2. **It was agreed that the Committee should authorise a further comparative review on these benefits with other organisations in the sector, to confirm that it remained a sustainable set of policies given current financial strictures (HR Dept.).**

12. Minutes of the Confidential Business at the previous WEA YMCA CC Cymru Council meeting

The minute of Confidential Business at the meeting of 14 September 2015 in Llanishen was approved as a correct record, and the action requested to be taken confirmed as having been implemented.

13. Dates and Locations of Council Meetings in 2016

12.00 – 15.00, Tuesday 19 January: Coleg Harlech (to include additional morning site tour)

13.00 – 16.00, Tuesday 22 March: Llanishen office, Cardiff (to include additional morning bilingual awareness session)

12.00 – 15.00, Tuesday 17 May: Caia Park office, Wrexham

11.00 – 14.00, Monday 11 July: Coopers Yard office, Cardiff