

**Minutes of the Meeting of the Board of Directors of LOWES Ltd held on Monday 4th
October 2010 at 4.30 pm in Conference Room 1, the Astral Centre**

Directors present:

Ken Applegate: Corporation Member
Kevin Howes: Corporation Member
Teresa Miller: Vice Principal Corporate Services
Simon Summers: Principal
Ian Pease: Head of Maritime, Offshore & Energy
Richard Perkins: Chair/Corporation Member
Tom Toolan: Assistant Principal Business Innovation

In attendance:

Julie Roper: Head of Finance
Charles Reynolds: Company Secretary/Clerk to the Corporation

The Chair welcomed all present to the meeting.

Action

Apologies for Absence

Apologies for absence had been received from Bob Mee.

1. Disclosures of Interest

There were no disclosures of interest relevant to the agenda items.

2. Minutes of the Previous Meeting

The minutes of the Board meeting held on 28th June 2010 were agreed to be a correct record and were signed by the Chair.

3. Matters arising from the minutes and non-agenda items

3.1 Gwen Parsons (previous agenda item 6.2)

The Company Secretary confirmed that the necessary paperwork had been completed regarding the resignation of Gwen Parsons as a Director and the appointment of Simon Summers as a Director.

4. Company Management Accounts to the End of July 2010

Presented to the board by Julie Roper who started her report by advising that the operating surplus for the year ended 31 July 2010 was £64,375 compared to a budgeted surplus of £168,000. Directors were however advised that there could be some year end adjustments especially in relation to income and expenditure on programmes that operated across more than one financial year.

Directors were provided with details to explain the variance between the projected out turn and the budget. The key differences related to tuition fees and other income. As had been reported to earlier board meetings difficulties with respect to visas and Border Agency issues, which were beyond the control of the company, had impacted negatively on the intake numbers on some programmes.

On the positive side, non-pay expenditure was under the profiled budget for the year. This had been subject to close monitoring by both the Senior Management and Finance

teams.

In response to a question from the Chair on the Inter Company Management charge Julie Roper confirmed this to be reasonable, in line with recommendations from the auditors and that it had been charged during the year.

With reference to the retained surplus, Directors were reminded that there was in place a Deed of Covenant with the College. The Chair also reminded Directors that it had been agreed to use retained surplus to cover likely investment expenses. **To this end it was proposed by the Chair and seconded by Kevin Howes that any retained surplus used in this way had to be spent in the current financial year.**

Directors voted unanimously in favour.

Returning to the accounts, Ken Applegate asked whether the issues faced by the College with respect to the MCA had any impact on the under delivery in the company. Responding, Ian Pease advised that this related to the previous year and for 2009/2010.

Julie Roper finished her report by reviewing the Balance Sheet, Key Performance Indicators and Debtors Report to Directors advising that there were no issues of concern.

Directors thanked Julie Roper for her report which was received.

5. Commercial Activity – update on Autumn for 2009/2010 and current year's activities.

Ian Pease presented a very detailed report to his fellow directors. He confirmed that there had been no real significant changes in the outcome for 2009/2010 to their previous report.

In terms of the new programme of activity, he provided details of additional activities that had not previously been offered. These included piloting the Master Unlimited Oral Preparation course and the Electronic Chart Display Information System (ECDIS) course. Details were provided for both.

Whilst reference had been made in the previous agenda item to Visa and Border Agency concerns, Ian Pease took the opportunity to brief Directors more fully on developments on Maritime provision where these were issues to be considered. It was his view that whilst target numbers for September intakes had been restricted over the year he was confident that targets would be met. This was because there was a much better understanding about what in particular the Border Agency was looking for. He also advised that effort was being put in to find new markets where there were not the same controls to deal with. Whilst efforts were also being made to find additional agents to support the College, especially in new markets such as Egypt, delegates were also being encouraged to deal directly with the College as it was not always helpful to go via an agent.

Having reviewed the current delivery position with respect to Maritime programmes, Ian Pease brought Directors up to speed regarding MCA revalidation of courses. He also provided an update on offshore course delivery and developments.

Finally he provided a briefing on potential new development activity, some of which could require investment in new facilities. Particular reference was again made to ECDIS provision and an additional briefing paper was circulated providing possible income projections and costs for new employment. It was explained that whilst there would be different systems on board ships the aim would be to provide generic training.

Directors discussed the content of the paper thoroughly. It was recognised that a tender exercise would need to be carried through and that the Directors would need to be provided with the details from this exercise. However in principle, there was support for the developments. **To this end it was proposed by Ian Pease and seconded by Ken Applegate that a tender exercise be undertaken and that the Directors be circulated with the resulting information in order to move the matter forward.**

IP

Directors voted unanimously in favour.

A second area of development seen as significant, related to the College becoming a licensed CompEx Training and Assessment Centre. A supporting paper was circulated. It was evident from this paper that there was significant demand and support from industry. The College also had the benefit of having staff with the necessary expertise. In discussion it was very clear to directors that this was an area the College should move into. **To this end it was proposed by the Chair and seconded by Teresa Miller that whatever action was needed to get the Comp Ex Centre up and running should be done.**

IP

Directors voted unanimously in favour.

Having completed his report, Directors thanked Ian Pease and requested in future that all relevant papers be presented prior to the meeting.

Before moving to the next agenda item, Tom Toolan expressed concern at the single person dependency that the College faced with respect to many of its specialist delivery areas. It was therefore agreed that this should be an agenda item for the next meeting.

CSEC

6. Branding

Introduced by Tom Toolan who advised that there was a need to ensure that the branding of all College and Company activity was as strong as it could be. It was his view that the brand for Lowestoft College was a strong one and was well established and recognised in the market place. Simon Summers agreed adding that a lot of resource had been put in to establishing it. In discussion however, the Chair observed that there had been and were many variants in the way the logo/brand had been used which defeated the object.

Directors agreed this to be an important issue but it was recognised that the Corporation needed to be involved as effectively the discussion was about the Lowestoft College brand. It was agreed that the Chair could do this in his report on the next Corporation meeting.

Tom Toolan was thanked however, for raising the issue.

7. Chairs Report to Corporation

Directors agreed that the Chair should report on the following:

- The key findings from the Company Management Accounts.
- The key elements from the report provided by Ian Pease.
- The need for the issue of branding to be reviewed by the Corporation.

8. Any Other Business

There were no items of any other business.

9. Date and time of next meeting.

The next board meeting will take place on Monday 29 November 2010, commencing at 4pm. The venue will be conference room 1 in the Astral Centre.