

SOUTH WEST COLLEGE GOVERNING BODY

Minutes of a meeting of the **South West College Governing Body**
held on Wednesday 16 November 2016 at 5:40 pm
in the Boardroom, Omagh Campus, 2 Mountjoy Road, Omagh

PRESENT:

- Mr Joseph Martin (Chairman)
- Mr Malachy McAleer (Chief Executive)
- Mr Peter Archdale
- Councillor Robert Irvine
- Mrs Joanne Lucas
- Mrs Margaret Martin (*via video conference*)
- Mr Wilson Matthews
- Mr Wilbert Mayne (*via video conference*)
- Mrs Patricia McCaffrey
- Mrs Monica McGeary (*via video conference*)
- Mr Michael McGuckin
- Mr Stephen Moss
- Mr Gerard O'Hanlon (*via video conference*)
- Mr Michael Skuce (*via video conference*)
- Mr Derek Weir

IN ATTENDANCE:

- Mrs Una Davey, Secretary to the Governing Body
- Mr Michael McAlister, Deputy Chief Executive
- Mr Sean O'Donnell, Acting Head of Finance (*Item 6.0 only*)

APOLOGIES: Mr Seamus McCaffrey

1.0 WELCOME, APOLOGIES AND PRELIMENARIES

The Chair of the Governing Body, Mr Martin, welcomed all present and extended a particularly warm welcome to Mrs Lucas on her first attendance at a Governing Body meeting. He advised the meeting of the resignation of the student governor and that the process to find a replacement was underway.

The Chair reminded members of the importance of ensuring there was full engagement with those attending via video conference.

Apologies were tendered on behalf of Mr McCaffrey.

2.0 CONFLICT OF INTEREST DECLARATIONS

Councillor Irvine stated that he may need to declare an interest in item thirteen of the agenda in relation to the Erne Campus project.

No other conflict of interest declarations were made.

3.0 MINUTES OF GOVERNING BODY MEETING

PREVIOUSLY ISSUED to all members:

- Paper 03 Minutes of a meeting of the Governing Body held on Wednesday 14 September 2016 (Pages 1 – 7).

AGREED: on the proposal of Mrs McCaffrey and seconded by Mr Archdale, that the public section of the above minutes (Pages 1 - 7) be accepted as a true and accurate record. This section of the minutes was subsequently signed by the Chairman.

4.0 MATTERS ARISING

There were no matters arising from the minutes.

Mr Moss joined the meeting at this juncture.

5.0 REPORT OF A MEETING OF THE AUDIT & RISK COMMITTEE HELD ON WEDNESDAY 28 SEPTEMBER 2016

PREVIOUSLY ISSUED to all members:

- Paper 05.01 Minutes of 28 September 2016 Audit & Risk Committee Meeting
- Paper 05.02 Corporate Risk Register Review Report
- Paper 05.03 Audit Code
- Paper 05.04 Acceptable Use Policy
- Paper 05.05 Clear Desk Policy
- Paper 05.06 ILT Security and Auditing Policy
- Paper 05.07 Use Account Management Policy
- Paper 05.08 ILT Acquisition and Disposal Policy
- Paper 05.09 Customer Complaints and Compliments Policy
- Paper 05.10 Audit & Risk Committee Terms of Reference.

In commencing her report of the Audit & Risk Committee meeting held on Wednesday 28 September 2016, Mrs McCaffrey, Chair of the Audit & Risk Committee, reported the overall substantial assurance rating achieved by the College on its internal control framework in 2015/16; shared the substantial assurance rating received following an internal review of the Voluntary Exit Scheme (VES) which had one priority three recommendation in relation to the savings made as a result of the scheme which the Acting Head of Finance had subsequently provided evidence of; apprised the meeting of the substantial assurance rating assigned following the internal audit review of the financial planning and budget control process and highlighted the progress made in relation to the internal audit recommendations from 2015/16.

She went on to explain that the Internal Audit 2016/17 and Internal Audit Strategy 2015 – 2018 had been agreed by the Committee; describe the sector wide changes to internal audit rating definitions; note the comprehensive preparation of the 2015/16 accounts given that 2015/16 was the College's first year to adopt SORP and FRS102 regulations and advise the meeting of the addition to the Corporate Risk Register of the implications of leaving the European Union following the Brexit vote.

She then outlined the Committee's review of the Annual Complaints Report 2015/16 and the Annual Fraud Report 2015/16 and highlighted the Committee's recommendation for approval of the updated Audit Code, the revised Audit & Risk Committee Terms of Reference, the Governance Statement contained within the draft Annual Report & Financial Statements and the following policies:

- Acceptable Use Policy
- Clear Desk Policy
- ILT Security and Auditing Policy
- User Account Management Policy
- ILT Acquisition and Disposal Policy and
- Customer Complaints and Compliments Policy.

Mrs McCaffrey next reported on the key risks that the Acting Head of Finance and Acting Head of Services had shared with the Committee during their presentations of the Finance Risk Register and Services Risk Register; summarised the update given in relation to the Systems, Technology and Services (STS) Project and described the approvals requested during the STS project report.

In relation to the draft Annual Report & Financial Statements 2015/16, she confirmed that she had met with the Acting Head of Finance and the Chair of the Finance and General Purposes Committee to review underlying policies and assumptions and had found these to be consistent with prior years with no issues arising.

AGREED: on the proposal of Mrs McCaffrey, seconded by Mr Skuce, adoption of the minutes of the Audit & Risk Committee meeting and the recommendations therein.

Mr O'Donnell, Acting Head of Finance, joined the meeting at this juncture and was welcomed by the Chairman.

6.0 REPORT OF A MEETING OF THE AUDIT & RISK COMMITTEE HELD ON WEDNESDAY 9 NOVEMBER 2016

PREVIOUSLY ISSUED to all members:

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| ▪ Paper 09.01 | Minutes of 9 November 2016 Audit & Risk Committee Meeting (Pages 1 – 6) |
| ▪ Paper 09.02 | Annual Report and Financial Statements 2015/16 |
| ▪ Paper 09.03 | Draft Report to Those Charged with Governance |
| ▪ Paper 09.04 | Internet, Email Usage and Monitoring Policy |
| ▪ Paper 09.05 | Software Compliance Policy |
| ▪ Paper 09.06 | Back Up Policy |
| ▪ Paper 09.07 | Audit & Risk Committee Annual Report |
| ▪ Paper 09.08 | Financial Statements Summary Presentation 2015-16 |

Referring to paper 09.03, Mrs McCaffrey drew attention to the unqualified audit opinion recommended without modification by the external auditor, PWC, on behalf of the Northern Ireland Audit Office (NIAO) in relation to the College's 2015/16 financial statements; mentioned the one significant risk identified regarding the new SORP and adoption of FRS 102 which had been audited with no issues identified and

commented on the excellent work carried out by the Acting Head of Finance and his team on behalf of the College to deliver this excellent level of service.

In continuing her presentation, she informed the meeting that the internal audit fieldwork for 2016-17 was due to commence in November; summarised the outstanding internal audit recommendations; highlighted the key points from the Human Resources and Industry and Training departmental risk registers; updated the meeting on the process for appointing new internal auditors as the contract with the current internal auditors is due to expire at the end of 2016/17 including the NIAO endorsement of a sectoral approach; noted the completion of the Annual Assurance Return 2015/16 and the Audit & Risk Committee Annual Report 2015/16 and presented the Committee's recommendation for approval of the Annual Report & Financial Statements 2015/16, the Internet, Email Usage and Monitoring Policy, the Software Compliance Policy and the Back Up Policy.

Following an invitation to do so by the Chair of the Governing Body, the Acting Head of Finance, Mr O'Donnell, with the aid of the PowerPoint presentation contained in paper 09.08, provided an overview of the College's 2015/16 Financial Statements during which he recapped on the PWC and NIAO recommendation to certify the College's 2015/16 financial statements with an unqualified audit opinion without modification; compared the income and expenditure and balance sheet entries from 2014/15 and detailed the reasons for the differences recorded.

In response to comments and queries from members, the Acting Head of Finance, supported by the Chief Executive, described the actions taken in relation to the current pension liability and clarified the reporting of student recruitment figures.

The Chair of the Governing Body reiterated the comments made by Mrs McCaffrey in relation to the unprecedented recommendations made following the external audit of the College's 2015/16 year end accounts and commended the College on this excellent performance.

AGREED: on the proposal of Mrs McCaffrey, seconded by Mr Skuce, adoption of the minutes of the Audit & Risk Committee meeting and the recommendations therein including approval of the Annual Report & Financial Statements 2015/16.

Mr O'Donnell withdrew from the meeting at this juncture.

7.0 REPORT OF A MEETING OF THE STAFFING COMMITTEE HELD ON WEDNESDAY 5 OCTOBER 2016

PREVIOUSLY ISSUED to all members:

- Paper 06.01 Minutes of 5 October 2016 Staffing Committee Meeting
- Paper 06.02 Staff Resource Report
- Paper 06.03 Fixed Term Contracts Report
- Paper 06.04 Employee Standards Policy
- Paper 06.05 Staffing Committee Terms of Reference.

Mrs McGeary, Chair of the Staffing Committee, in reporting on the meeting held on Wednesday 5 October 2016, gave a high level overview of the resource planning and workforce development of the Technology department presentation; apprised the

meeting of the various training opportunities available for a range of staff; shared that there were no issues highlighted as a result of the annual Equality Report; briefed the meeting on the review of the Enterprise and Innovation Champions; recognised the commitment and dedication of the Business Services team in the absence of the Head of Department (Business Services) during 2015/16; brought the new Human Resources dashboard to the attention of the meeting and confirmed the limited VES trawl which had recently closed.

Mr O Hanlon joined the meeting by video conference at this juncture.

She continued and reiterated the Committee's congratulations to the College on their achievement of the IIP Sliver Award; described the HR metrics project which is underway to determine the appropriate indicators to measure the effectiveness of the HR department; mentioned the suggestion to add a question on performance appraisals to the health and wellbeing survey and drew attention to the Employee Standards policy which was recommended to the Governing Body for approval.

In response to questions and comments from members following Mrs McGeary's report, the meeting was made aware of the leisure facilities which are available to College employees.

AGREED: on the proposal of Mrs McGeary, seconded by Mr Weir, adoption of the minutes of the Staffing Committee meeting and the recommendations therein.

8.0 REPORT OF A MEETING OF THE FINANCE & GENERAL PURPOSES COMMITTEE HELD ON WEDNESDAY 19 OCTOBER 2016

PREVIOUSLY ISSUED to all members:

- Paper 07.01 Minutes of 19 October 2016 Finance & General Purposes Committee Meeting
- Paper 07.02 Financial Management Report 2015/16
- Paper 07.03 Treasury Management Report
- Paper 07.04 Hospitality and Gifts Policy
- Paper 07.05 Finance & General Purposes Committee Terms of Reference.

In presenting the report of the Finance and General Purposes Committee meeting held on Wednesday 19 October 2016, Mr McGuckin, Chair of the Finance and General Purposes Committee, commented on the informative presentation by the Head of Business Services including growth areas, proposed income and expenditure in her department; reinforced the comments made by the Chair of the Audit and Risk Committee and the Acting Head of Finance in relation to the 2015/16 financial statements and pensions liability and highlighted that a DfE representative will be invited to the next Finance and General Purposes Committee meeting to update the meeting on a range of topics including the funding model review, managing two accounting periods and the risks presented as a result of the increased pension liability.

He continued and shared the most recent Estates report; made mention of the changes to the CPD process on procurement of goods and services less than £30,000 and the impact this is having on the College; explained the request to have the previous process re-instated; informed members of the work completed on insurance

renewals; drew attention to the work carried out in relation to the impact of Brexit and noted the minor changes to the Finance and General Purposes terms of reference which were recommended to the Governing Body for approval.

AGREED: on the proposal of Mr McGuckin, seconded by Mr Matthews, adoption of the minutes of the Finance & General Purposes Committee meeting and the recommendations therein including the proposal to establish a company limited by guarantee as a cost saving exercise as detailed in paper 07.01 and the Finance & General Purposes Committee Terms of Reference.

9.0 REPORT OF A MEETING OF THE EDUCATION, QUALITY & PERFORMANCE COMMITTEE HELD ON WEDNESDAY 26 OCTOBER 2016

PREVIOUSLY ISSUED to all members:

- Paper 08.01 Minutes of 26 October 2016 Education, Quality & Performance Committee Meeting
- Paper 08.02 Higher Education Admissions Policy
- Paper 08.03 Internal Moderation Policy
- Paper 08.04 Feedback on Assessment Policy
- Paper 08.05 Management of Work Based Learning Policy
- Paper 08.06 Education, Quality & Performance Committee Terms of Reference.

Mrs Martin, Chair of the Education, Quality & Performance Committee, began her report of the Education, Quality & Performance Committee meeting held on 26 October 2016 and explained it had been Mrs Lucas' first Education, Quality & Performance Committee meeting as a staff governor; commended the College on the comprehensive letter sent to DFE on the financial impact to the College of Brexit; summarised the presentation made by the DfE representative, Ms Claire Thompson, on the changes to the quality assurance assessment in Higher Education and the responsibility of the Governing Body in the revised process; outlined the key points made by the Head of Business Development in her presentation on the performance and strategic plans of the Business Development department; provided the meeting with an overview of the Education, Quality & Performance Committee management report and advised the meeting of the policies which were recommended to the Governing Body for approval.

In response to queries and comments from members, the Chief Executive, supported by the Deputy Chief Executive, confirmed the outcome of the Interreg bid on Renewable Energy would be known on 24 November 2016 and quantified the students training for qualifications in traditional construction skills.

AGREED: on the proposal of Mrs Martin, seconded by Councillor Irvine, adoption of the minutes of the Education, Quality & Performance Committee meeting and the recommendations therein.

10.0 REVIEW OF 2015/16 GOVERNING BODY SELF-ASSESSMENT EXERCISE

PREVIOUSLY ISSUED to all members:

- Paper 10.01 Letter from DfE re Governing Body Self-Assessment Exercise 2015/16
- Paper 10.02 SWC Governing Body Self-Assessment Analysis 2015/16

The Chair of the Governing Body gave an overview of the key highlights of the analysis report of the 2016 Governing Body self-assessment exercise; noted the overall positive nature of the report; drew attention to feedback received on two questions on the survey and reinforced the role of the Governing Body.

He concluded by reflecting on an extract from the Executive Summary of the recent Investors in People Assessment Report, which provides an independent view on the relationship between the College leadership team and the Governing Body and which states, 'Senior leaders have ensured the College has a clear direction and vision; this is transparently disseminated to staff, with performance reported and discussed with Governors who monitor progress. The changed operating landscape is evidenced in the new College Development Plan which sets out fresh ideas but with the same underlying mission and values, and the same determination to strive for excellence. The innovation agenda is evident on a large scale in the plans for the new Erne Campus; engagement with employers and the virtualisation agenda; right through to people practices and support mechanisms, in particular the health and wellbeing programme, staff-driven strategic project agenda, higher education professional development and new job enrichment initiative'.

11.0 AMENDMENTS TO ARTICLES OF GOVERNMENT

PREVIOUSLY ISSUED to all members:

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| Paper 11.01 | Draft Articles of Government Revised November 2016 |
| Paper 11.02 | Draft Articles of Government Summary of Changes |

The Chair of the Governing Body clarified that the changes in paper 11.01 were minor textual amendments to the Articles of Government which had been adopted at the Governing Body meeting on 22 June 2016 following an issue highlighted by another college.

AGREED: on the proposal of Mr McGuckin, seconded by Mr Archdale, adoption of the revised Articles of Government.

12.0 CHAIRMAN'S BUSINESS

The Chairman reported the following matters:

- **Meeting of Chairs** – The Chair of the Governing Body, with the Chairs of other colleges, met key staff in the Department for the Economy (DfE) and a reinforcement of expectations in relation to value for money, the focus on outcomes and outputs and budgetary constraints were discussed;

- **Visit of the Minister for the Economy** – Positive feedback was received from the Minister in relation to the information presented during his recent visit to the Omagh campus which included how the work carried out by the College supports the delivery of the Programme for Government;
- **Permanent Secretary’s Meeting** – At a meeting of all non-departmental public bodies with the DfE Permanent Secretary the key messages relayed were the need for collaboration and value for money outputs.

13.0 CHIEF EXECUTIVE’S BUSINESS

PREVIOUSLY ISSUED to all members:

- Paper 13.01 Erne Campus Project Update Report

TABLED at the meeting:

- Paper 13.02 DfE Organisational Chart
- Paper 13.03 Paper on Impact of UK withdrawal from EU on SWC

The Chief Executive reported the following matters:

- **DfE Organisational Chart** – An updated DfE organisational chart has been provided with contact details of key DfE personnel;
- **Invest Northern Ireland** – The College’s leadership team will present to the Skills and Strategy division of Invest Northern Ireland so that the performance of the College can be extended to Invest NI representatives;
- **Investors in Innovation award** – The College has recently been awarded the Investors in Innovation standard; is the first college in Northern Ireland to achieve this accolade; commendations were made to the Deputy Chief Executive and Head of Business Development and the concept of key strategic projects was recognised by the assessment team as an example of best practice;
- **Visit of the Minister for Finance to the CREST Centre** – The opportunity to showcase the energy savings afforded by the CREST Centre design was taken; an explanation on how the new Erne Campus building will extend the College’s capability in the area of sustainability was given and feedback received indicated a keen interest by the Minister in this area;
- **Awards** – A number of awards have recently been received by College students, details of which are available in the ‘Good News Friday’ publication;
- **Erne Campus** – The delivery of key milestones within the project plan continue to progress in line with the critical path of the project including submission of the planning application and feedback from a recent Ministerial Advisory Group (MAG) review;
- **Brexit** – The contents of paper 13.03 highlight the risk of the UK leaving the EU to College staff and students and quantify the value of European funding to the College; the template used by the College to gather data to inform the analysis

will be used by DfE to obtain comparable information from other colleges and the paper is expected to go to central government to ensure the impact of Brexit on the College is recognised at a UK level.

In response to queries and comments from members, the Chief Executive clarified the position on FLU funding of other colleges and recognised the sterling work of those involved in the Erne Campus project.

AGREED: that the paper on Impact of UK withdrawal from EU on SWC be shared with the Governing Body.

14.0 DECLARATION OF HOSPITALITY OR GIFTS RECEIVED OR OFFERED

No declarations were made under this heading.

15.0 CORRESPONDENCE

There was no correspondence to report.

16.0 ANY OTHER RELEVANT BUSINESS

No further business was raised.

17.0 DATE OF NEXT MEETING

Wednesday 11 January 2017 at 5:30 pm in the Dungannon campus.

18.0 EVALUATION OF MEETING

PREVIOUSLY ISSUED to all members:

- Paper 17 Governing Body Meeting Evaluation Form.

Governors conveyed satisfaction with all elements of the meeting but raised concerns about some aspects of the video conference experience.

Staff governors, Mrs Lucas and Mr Moss, withdrew from the meeting at this juncture. The meeting then went into private session and concluded at 7.55 pm.

CONFIRMED BY THE GOVERNING BODY AT A MEETING HELD ON WEDNESDAY 11 JANUARY 2017

CHAIRMAN _____

DATE _____