

SOUTH WEST COLLEGE GOVERNING BODY

Minutes of a meeting of the **South West College Governing Body**
held on Wednesday 8 March 2017 at 5:35 pm
in the Boardroom, Enniskillen Campus, Fairview, Enniskillen

PRESENT: Mr Joseph Martin (Chairman)
Mr Malachy McAleer (Chief Executive Officer)
Mr Peter Archdale
Mr Samuel Hodson
Councillor Robert Irvine
Mrs Joanne Lucas (*via video conference*)
Mr Wilson Matthews
Mr Wilbert Mayne
Mrs Patricia McCaffrey
Mr Seamus McCaffrey
Mrs Monica McGeary (*Items 5.0 – 17.0 via video conference*)
Mr Michael McGuckin (*via video conference*)
Mr Gerard O’Hanlon (*Items 6.0 – 17.0 via video conference*)
Mr Michael Skuce

IN ATTENDANCE: Mr Michael McAlister, Deputy Chief Executive Officer (*via video conference*)
Mrs Fiona McCauley, Secretary to the Governing Body
Mr Aidan Stewart, Technical Supervisor

APOLOGIES: Mrs Margaret Martin
Mr Derek Weir

1.0 WELCOME, APOLOGIES AND PRELIMINARIES

The Chair of the Governing Body, Mr Martin, began by welcoming all present to the meeting and by introducing Mr Hodson as the recently appointed Student Governor. He went on to ask that appropriate etiquette is adopted in light of the attendance of a number of members via video conference from the Dungannon Campus, explain that Mr McGuckin had agreed to co-ordinate contact from those attending remotely and draw attention to Mr Stewart’s presence to optimize the video conference experience.

Apologies were tendered on behalf of Mrs Martin and Mr Weir.

2.0 CONFLICT OF INTEREST DECLARATIONS

Councillor Irvine noted his interest in discussions relating to the Erne Campus Development due to his membership of Fermanagh & Omagh District Council.

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 11 January 2017 (Pages 1 – 8).

AGREED: on the proposal of Mr McCaffrey and seconded by Mrs McCaffrey, that the public section of the above minutes (Pages 1 - 8) 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.

5.0 REPORT OF A MEETING OF THE EDUCATION, QUALITY & PERFORMANCE COMMITTEE HELD ON WEDNESDAY 25 JANUARY 2017

PREVIOUSLY ISSUED to all members:

- Paper 05.01 Minutes of a meeting of the Education, Quality & Performance Committee held on 25 January 2017 (Pages 1 – 8)
- Paper 05.02 Key Strategic Issues
- Paper 05.03 Anti-Bullying Policy & Procedure for Students
- Paper 05.04 Higher Education Strategy 2017 -2020.

Mr Archdale, on behalf of Mrs Martin, Chair of the Education, Quality & Performance Committee, began by referring to the presentation received by the Committee from the Head of Industry & Training on the performance and strategic plans of the Industry & Training department, and highlighting the discussions held regarding engagement with schools and the effect of anticipated schools' mergers as well as the unlikelihood of a College presence in the Strule Shared Education Campus.

He went on to explain that a comprehensive review of the Committee's key strategic issues had taken place resulting in a future focus on Social Impact Bonds and the 2018-21 College Development Plan and, with reference to the management report presented to the Committee, drew attention to the Memorandum of Understanding agreed with Xiangyang Vocational and Technical College as well as the assistance offered by Ulster University in developing the College's Tier 4 capacity to facilitate the enrolment of international students. He also commented on the assurances received on the College's offering through the continued engagement from industry, the scope for further emphasis on the College's sustainability achievements in its marketing strategy and the confirmation that no clawback would be necessary following the College's good performance against targets in 2015/16 and reported the Committee's recommendation for approval of the Anti-Bullying Policy & Procedure for Students and the Higher Education Strategy 2017-2020.

In response to a question from a member, the meeting was then provided with details of the proposed Engineering Centre of Excellence and advised that staff and equipment would be funded through the Renewable Engine Project.

Mrs McGeary joined the meeting during the above report.

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

6.0 REPORT OF A MEETING OF THE STAFFING COMMITTEE HELD ON WEDNESDAY 1 FEBRUARY 2017

PREVIOUSLY ISSUED to all members:

- Paper 06.01 Minutes of a meeting of the Staffing Committee held on Wednesday 1 February 2017 (Pages 1 – 9)
- Paper 06.02 Staff Resource Report
- Paper 06.03 Fixed Term Contracts Report
- Paper 06.04 Student Intern Budget 2017-18
- Paper 06.05 IIP40 Proposal
- Paper 06.06 Threshold Payments Proposal
- Paper 06.07 Recruitment and Selection Policy
- Paper 06.08 Probation Procedure for Support Staff.

In commencing her report of the Staffing Committee meeting held on 1 February 2017, Mrs McGeary, Committee Chair, commented on the demand from industry for business support staff reported by the Head of Department (Business Services) during her presentation of resourcing and workforce development in the Business Services department and explained that tailored courses will be developed in response to this demand.

She went on to refer to the Committee's endorsement of the proposal to commit to the principles set out in the Equality Commission's Mental Health Charter to support the college community; note the participation of a number of managers in a lifestyle assessment pilot; report the Committee's recommendation for approval of the Recruitment & Selection Policy, the Probation Procedure for Support Staff and the 2017/18 Student Intern Budget as well as its recommendation for approval to engage Investors in People Northern Ireland to administer the IIP40 online assessment to provide a baseline for the next Investors in People assessment; provide assurances on the Committee's scrutiny of the Staff Resource Report and highlight the Chair of the Governing Body's ratification of the appointments, staff requests, fixed term contract recommendations, threshold payment recommendations and other resource issues detailed in the minutes.

Regarding sectoral collaborations, she explained that business case approval is awaited for the Systems, Technology and Services Project, commented on the value of an in-house Human Resources service and referred to potential regional collaborations. Acknowledging the embedding of the new management structure, she then remarked on the change in the Committee's focus to the resourcing implications of the 2018-2021 College Development Plan.

Mr O'Hanlon joined the meeting during the above report.

A discussion followed Mrs McGeary's report during which members sought visibility of the process for the evolution of the 2018-2021 College Development Plan and acknowledged the forthcoming briefings to inform discussion; commented on the trend towards centralisation of services and the importance of protecting core functions; agreed to defer adoption of the Probation Procedure for Support Staff to allow the Staffing Committee to consider extensions to probation periods; and agreed that a review be undertaken to identify implications of the arrangement to provide authority to the Chair of the Governing Body to ratify routine Staffing Committee recommendations on behalf of the Governing Body.

AGREED: on the proposal of Mrs McGeary, seconded by Mr Skuce, adoption of the minutes of the Staffing Committee meeting and the recommendations therein with the exception of the recommendation to adopt the Probation Procedure for Support Staff.

7.0 REPORT OF A MEETING OF THE AUDIT & RISK COMMITTEE HELD ON WEDNESDAY 8 FEBRUARY 2017

PREVIOUSLY ISSUED to all members:

- Paper 07.01 Minutes of a meeting of the Audit & Risk Committee held on Wednesday 8 February 2017 (Pages 1 – 6)
- Paper 07.02 Corporate Risk Register Review Report
- Paper 07.03 IT Disaster Recovery Policy
- Paper 07.04 Letter to Colleges re New Management Statement & Financial Memorandum
- Paper 07.05 Management Statement & Financial Memorandum
- Paper 07.06 Appendices to Management Statement & Financial Memorandum
- Paper 07.07 Summary of Changes to Management Statement & Financial Memorandum.

In presenting her report of the Audit & Risk Committee meeting held on Wednesday 8 February 2017, Mrs McCaffrey, Committee Chair, began by reporting that satisfactory assurance ratings had been awarded to both areas audited under the core financial review with no issues arising and commending the College for this result. Continuing on the work of the internal auditors, she advised that the 2016/17 Internal Audit Plan is on target and explained that a review will be undertaken of items previously mandated for audit on an annual and cyclical basis following an acknowledgement by the Committee that the internal audit resource may be more effectively utilized in other areas.

With reference to the management report presented to the Committee, Mrs McCaffrey then confirmed that the 2015/16 Annual Report & Financial Statements has been certified and laid before the Assembly; explained that the Corporate Risk Register was reviewed at the meeting and that the College's approach to the assessment of risk after mitigation will be evaluated; referred to the Committee's acknowledgement of the Guide for Governors of FE Colleges as well as the revised Management Statement & Financial Memorandum; reported that the 2015/16 Complaints Trend Analysis and Mid-Year Assurance Statement to the Department for the Economy (DfE) was scrutinized at the meeting; and highlighted the Committee's recommendation for approval of the IT Disaster Recovery Policy.

She also commented on the presentations that had been received on risk management in the Business Services and Health & Life Services departments, noting in particular the high residual risk rating in relation to the risk posed by the ongoing changes to DfE policies and priorities involving changes to funding curriculum and explaining that this rating may reduce following embedding of the new curriculum.

The Chief Executive Officer then commented on the positive nature of discussions held at the Audit & Risk Committee meeting referred and complimented the Committee Chair for her role in this.

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

8.0 REPORT OF A MEETING OF THE FINANCE & GENERAL PURPOSES COMMITTEE HELD ON WEDNESDAY 22 FEBRUARY 2017

PREVIOUSLY ISSUED to all members:

- Paper 08.01 Minutes of a meeting of the Finance & General Purposes Committee held on Wednesday 22 February 2017
- Paper 08.02 Financial Management Report Quarter Ended 31 January 2017
- Paper 08.03 Credit Control & Debt Management Policy
- Paper 08.04 FE College Health Check Report – 2015/16 End Year
- Paper 08.05 FE College Health Check Report Annex A.

Reporting on the Finance & General Purposes Committee meeting held on Wednesday 22 February 2017, Mr McGuckin, Committee Chair, gave an overview of the financial position as at 31 January 2017 highlighting the recorded surplus of £541k, reserves of £4.5m, deposits of £2.5m and projected underspend of £202k against budget for the year to 31 March 2017. He further noted the minimal effect of the low deposit levels due to low interest rates and explained that the relatively low reserves levels were a result of increased capital expenditure.

Moving on to other business covered, he highlighted the suggestion that self-insurance be considered on expiration of the current insurance contract; commented on the implications for colleges of Central Procurement Directorate (CPD) resourcing issues; noted the close monitoring of savings to be realized through the Voluntary Exit Scheme (VES); explained that the Chief Executive Officer (CEO) had undertaken to write to DfE to raise the Committee's concerns regarding the impact to colleges of the anticipated period of stasis in the Northern Ireland Assembly; and, referring to the presentation received from the Head of Department (Technology) on the financial performance of his department, noted his suggestion that more attention should be given to curriculum development. He also drew attention to the Committee's recommendation that approval be granted for the Credit Control & Debt Management Policy, the amendment of bank mandates and the opening of a bank account for the Erne Campus Project.

A discussion then ensued on the lack of clarity on the 2017/18 budget position during which members were updated on the briefings provided by DfE on the matter, were advised of the working assumption of a static 2017/18 allocation and the scenario

planning undertaken, commented on the potential effects of the current political instability as well as on the risks associated with using assumptions and debated the approach to be taken in seeking clarity on the 2017/18 budget. By agreement of the Governing Body, the CEO then undertook to write to DfE to seek clarity on the budget assumptions to be used by the College in its planning for 2017/18.

In response to a query from a member on reserves levels, the CEO explained the fluctuations in the College's reserves requirements due to its atypical funding model and undertook to share the correspondence provided to DfE outlining this position.

With reference to the ongoing challenge in balancing full-time and part-time teaching costs and, in acknowledging the requirement to use part-time lecturers to resource funded initiatives, it was suggested that members are provided with an analysis of part-time teaching costs and associated income.

Following a brief discussion on a recent HMRC compliance visit, the Secretary to the Governing Body undertook to circulate correspondence on the special arrangement on governors' expenses claims put forward by HMRC.

With reference to the amended bank mandates, it was agreed that the Financial Accounting Officer be authorized to liaise with the bank on this matter.

AGREED:

- **that clarity be sought from DfE on the budget assumptions to be used by the College in planning its 2017/18 operations;**
- **on the proposal of Mr McGuckin, seconded by Mr Skuce, adoption of the minutes of the Finance & General Purposes Committee meeting and the recommendations therein.**

9.0 ERNE CAMPUS DEVELOPMENT UPDATE

PREVIOUSLY ISSUED to all members:

- Paper 09 Draft Minutes of a meeting of the Erne Campus Project Board held on Friday 24 February 2017.

The CEO explained that late consideration of the planning application for the Erne Campus Development by Transport NI had delayed the progress of the project and that this delay had been further exacerbated by its identification of an issue regarding car parking. He then provided the meeting with details of the issue and advised that a multi-agency meeting had taken place earlier in the week to address the matter and undertook to circulate the minutes of this meeting. Following an invitation to do so by the CEO, Mr McGuckin, who had presided over the meeting, then gave an overview of the meeting held and concluded that a satisfactory outcome had been reached.

In acknowledgement of the work involved in overcoming the issue encountered, the Chair of the Governing Body complimented Mr McAleer, Mr McGuckin and all involved in reaching a satisfactory resolution.

10.0 CHAIRMAN'S BUSINESS

The Chairman reported that the chairs of the governing bodies of the six colleges met with DfE's Director of Further Education on 23 February 2017 and that chairs were provided with an update on budget issues at this meeting.

Referring to the cessation of the tenure of Councillor Irvine as a governor of the College, the Chairman then expressed his gratitude to Councillor Irvine for his service to the College and for his valuable contributions in particular.

11.0 CHIEF EXECUTIVE OFFICER'S BUSINESS

The Chief Executive Officer reported the following matters:

- **Bilateral Meeting with DfE** – The CEO, supported by the Deputy Chief Executive Officer (DCEO), reported that the annual bilateral meeting with DfE had recently taken place during which the College was given an opportunity to reflect on the previous year, provide an update on the current year and propose plans for the forthcoming year. He went on to provide an overview of the new FLU funding model proposed by DfE and explain that he had expressed his concerns on this model during the Bilateral meeting due to its effect of reducing provision for students. In response to a question from a member, he further reflected on the College's consistently good performance in meeting the FLU target set for it by DfE, advise that the January and Easter offers will ensure that 2016/17 targets are achieved, detail the value of underperformance in the sector, acknowledge the range of factors involved in determining FLU targets and comment on the adverse impact of the proposed new funding model on high performing colleges.
- **Higher Education** – It was reported that the DCEO was supporting DfE in undertaking a review of the MaSN allocation model. This review was welcomed by the Chairman in light of the College's distance from other higher education institutions as well as the growing demand for higher education in the region. It was also noted that the community development plans would evidence this demand and that recruitment beyond the maximum allowed number had no impact on budget.
- **Application for funding from the Peace IV Programme** – The application for funding for the Youthscape Programme has progressed to the second stage of the assessment process for funding under Objective 2.1 (Children & Young People) of the Peace IV Programme.

In response to a query from a member on communications regarding the impact of Brexit on the College, the CEO stated that governments are being kept informed on the potential implications for the College.

12.0 2016/17 REGISTER OF INTERESTS

PREVIOUSLY ISSUED to all members:

- Paper 12 Register of Interests 2016/17.

With reference to the 2016/17 Register of Governors' Interests, the Secretary to the Governing Body requested timely notification of any amendments to governors' interests during the 2016/17 year.

13.0 DECLARATION OF HOSPITALITY OR GIFTS RECEIVED OR OFFERED

No declarations were made under this heading.

14.0 CORRESPONDENCE

No correspondence was reported.

15.0 ANY OTHER RELEVANT BUSINESS

No further business was raised.

16.0 DATE OF NEXT MEETING

Wednesday 26 April 2017 at 5:30 pm in the Omagh campus.

17.0 EVALUATION OF MEETING

PREVIOUSLY ISSUED to all members:

- Paper 16 Governing Body Meeting Evaluation Form.

Governors conveyed satisfaction with all elements of the meeting.

***Mrs Lucas, Mr Hodson and Mr Stewart withdrew from the meeting at this juncture.
The meeting then went into private session and concluded at 7.40 pm.***

CONFIRMED BY THE GOVERNING BODY AT A MEETING HELD ON WEDNESDAY 26 APRIL 2017

CHAIRMAN _____

DATE _____