

## SOUTH WEST COLLEGE GOVERNING BODY

Minutes of a meeting of the **South West College Governing Body**  
held on Wednesday 15 November 2017 at 5:40 pm  
in the Boardroom, Dungannon Campus, Circular Road, Dungannon

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**PRESENT:** Mr Joseph Martin (Chairman)  
Mr Michael McAlister (Chief Executive)  
Mr Peter Archdale  
Mr Samuel Hodson (*via video conference*)  
Mrs Joanne Lucas  
Mrs Margaret Martin (*Items 1.0 – 10.0*)  
Mr Wilson Matthews (*via video conference*)  
Mr Wilbert Mayne  
Mrs Patricia McCaffrey (*via video conference*)  
Mr Seamus McCaffrey (*via video conference*) (*Items 1.0 – 10.0*)  
Mrs Monica McGeary  
Mr Michael McGuckin  
Mr Stephen Moss (*via video conference*)  
Mr Gerard O’Hanlon  
Mr Michael Skuce (*via video conference*) (*Items 1.0 – 10.0*)  
Mr Derek Weir

**IN ATTENDANCE:** Ms Beverley Harrison, Director of Further Education, Department for the  
Economy (*Items 1.0 – 10.0*)  
Mrs Fiona McCauley, Secretary to the Governing Body  
Mr Sean O’Donnell, Acting Head of Finance (*via video conference*) (*Item  
9.0*)

### **1.0 WELCOME, APOLOGIES AND PRELIMINARIES**

Mr Martin, Chair of the Governing Body, began by welcoming all present to the meeting and by extending a particular welcome to Ms Harrison. He explained that Ms Harrison would provide a synopsis of the strategic direction for further education later in the meeting and that there would be an opportunity for discussion thereafter.

Mr Martin went on to note the full attendance of the Governing Body and asked members to adopt appropriate video conferencing etiquette in light of the remote attendance of six governors. He also extended his sympathy, and that of the Governing Body, to Mr McGuckin on his recent bereavement.

A number of governors then provided advance apologies for their early withdrawal from the meeting.

### **2.0 CONFLICT OF INTEREST DECLARATIONS**

No 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 13 September 2017 (Pages 1 – 6).

**AGREED: on the proposal of Mr Weir and seconded by Mrs Martin, that the above minutes (Pages 1 - 6) be accepted as a true and accurate record. This section of the minutes was subsequently signed by the Chairman.**

### **4.0 MATTERS ARISING**

In response to a query regarding the report of the fire safety survey undertaken in the Enniskillen Fairview campus, the Chief Executive confirmed recent receipt of said report and explained that funding is in place to address the issues raised within.

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

PREVIOUSLY ISSUED to all members:

- Paper 05.01 Minutes of a meeting of the Education, Quality & Performance Committee held on Wednesday 25 October 2017
- Paper 05.02 2016/17 Annual Operating Plan Update Report
- Paper 05.03 2017/18 Annual Operating Plan
- Paper 05.04 FE Sector Health Check Report Issue 3 2016/17
- Paper 05.05 Mobile Device Management Policy
- Paper 05.06 Student Attendance Policy
- Paper 05.07 Child Protection Policy
- Paper 05.08 Communication & Engagement Strategy
- Paper 05.09 Education, Quality & Performance Committee Terms of Reference.

Mrs Martin, Chair of the Education, Quality & Performance Committee, began her report of the committee meeting held on Wednesday 25 October 2017 by alerting members to the impact of strong Higher Level Apprenticeship (HLA) enrolments on Part-Time Higher Education enrolments and by advising that further information on the most appropriate legal status of the Student Union is expected at the next committee meeting.

She then explained that a presentation had been received on the performance and strategic plans of the Innovation & Business Development section during which the Committee had been informed of the enhanced industry engagement observed, the value of the service provided to industry by the InnoTech Centre, the progress of the Renewable Engine Project, the importance of the links established with Innovate UK Catapult Centres, the plans to develop an Engineering Innovation Centre in Dungannon as well as enterprise workspace in Enniskillen, and the alternative sources of funding available to support the innovation agenda post-Brexit.

Moving on to other business covered by the Committee, Mrs Martin commended the Head of Innovation & Business Development for the quality of the content and presentation of her Management Report; drew attention to the new procedures for college self-evaluation including the requirement introduced for a statement of assurance from the Governing Body on the effectiveness of the arrangements in place to sustain quality assurance; reported that a significant reduction is expected in Entitlement Framework enrolments in the 2018/19 year and that current enrolment levels show lower uptake in the Dungannon area; noted the positive feedback reported from staff and students on the recent Virtual Day; explained that the recruitment of international students is not permitted under the College's Probationary Tier 4 License; confirmed that safeguarding matters will be regularly reported to the Committee going forward; expressed the Committee's concern regarding the failure of the Department of Finance (DoF) to approve the business case for funding for a feasibility study into the development of a Social Impact Bond; and highlighted the Committee's recommendation for approval of the Mobile Device Management Policy, Student Attendance Policy, Child Protection Policy, Communication & Engagement Strategy and Education, Quality & Performance Committee Terms of Reference.

A discussion then ensued on the impact to students of the change to requirements under the Entitlement Framework. The value of colleges in providing practical vocational training options to 14 – 19 year old students was highlighted and it was reported that the Department for the Economy (DfE) and the Department of Education (DE) are working collaboratively to find solutions to the issues raised.

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

## **6.0 REPORT OF A MEETING OF THE AUDIT & RISK COMMITTEE HELD ON WEDNESDAY 27 SEPTEMBER 2017**

PREVIOUSLY ISSUED to all members:

- Paper 06.01 Minutes of a meeting of the Audit & Risk Committee held on Wednesday 27 September 2017
- Paper 06.02 Corporate Risk Register Review Report
- Paper 06.03 Audit & Risk Committee Terms of Reference.

In commencing her report of the Audit & Risk Committee meeting held on Wednesday 27 September 2017, Mrs McCaffrey, Chair of the Audit & Risk Committee, referred to the 2016/17 Internal Audit Annual Report and highlighted the 'satisfactory' assurance rating awarded to all nine areas reviewed as well as the 'satisfactory' assurance rating awarded to the overall internal control framework in South West College in 2016/17. She then alerted the meeting to the change to the provider of internal audit services and advised that Grant Thornton, the new provider, had presented an Internal Audit Strategy 2017/18 – 2019/20, Internal Audit Plan 2017/18 and Internal Audit Charter, which had been accepted by the Committee.

The Committee Chair went on to report the Committee's review of the Corporate Risk Register, its receipt of presentations on risk management in the Finance and Services departments and its recommendation for adoption of the Audit & Risk Committee

Terms of Reference. She also noted that the Committee had been made aware of a minor case of fraud and had been advised that no public interest disclosures had been made since the previous committee meeting.

With regard to the Erne Campus Project, she highlighted the planned presentation of its risk register at the February 2018 committee meeting as well as the planned internal audit review of the project in 2018/19.

The impact of the delay in the progress of the Systems, Technology and Services (STS) Project was raised by a member and it was noted that the issue has been included on the Corporate Risk Register and is under close monitoring.

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

## **7.0 REPORT OF A MEETING OF THE AUDIT & RISK COMMITTEE HELD ON WEDNESDAY 8 NOVEMBER 2017**

PREVIOUSLY ISSUED to all members:

- Paper 09.01 Minutes of a meeting of the Audit & Risk Committee held on Wednesday 8 November 2017
- Paper 09.02 Annual Report & Financial Statements 2016/17
- Paper 09.03 Presentation on Financial Statements 2016/17
- Paper 09.04 Report to Those Charged with Governance
- Paper 09.05 Freedom of Information Scheme
- Paper 09.06 Audit & Risk Committee Annual Report 2016/17.

***Mr O'Donnell, Acting Head of Finance, joined the meeting for this item.***

With reference to paper 09.02, the Acting Head of Finance explained that the Annual Report & Financial Statements for the year ended 31 July 2017 had been reviewed by the Finance & General Purposes Committee as well as the Audit & Risk Committee and had been recommended to the Governing Body for approval. He added that an adjustment had been made to account for the impairment loss arising from the anticipated disposal of the Fairview campus and that no control issues had been raised during the audit of the Annual Report & Financial Statements.

With the aid of a PowerPoint presentation, he then provided a comparison of the year-end cash position, balance sheet, income and expenditure in 2016 and 2017. He reported an operating cash surplus of £789k and explained that increases in depreciation, pension benefits charges, rates, staff costs, the apprenticeship levy and Central Procurement Directorate (CPD) charges had led to the reduction in the surplus from the prior year. He also highlighted the reduction in cash balances from £5.5m in 2016 to £3.8m in 2017, confirmed that this sum falls within 10% of turnover limit recommended in the Management Statement & Financial Memorandum and, in response to a query from a member, provided assurances that the debtors sum consists mainly of monies owed from DfE and is therefore low risk.

Mrs McCaffrey, Chair of the Audit & Risk Committee, then drew attention to the Report to Those Charged with Governance and highlighted the recommendation made

by the auditor to the Comptroller & Auditor General to certify the College's 2016/17 financial statements with an unqualified audit opinion.

She went on to report that the Corporate Risk Register remains unchanged from the version presented at the previous committee meeting and that the next update, scheduled to take place in December 2017, will include additions to reflect the risk posed by the anticipated organisational change as well as the risk posed by the introduction of the General Data Protection Regulations (GDPR).

She then confirmed that no instances of fraud or whistleblowing had been reported since the previous committee meeting and that it had been agreed that reports on Fraud, Whistleblowing and Erne Campus Project Risk Management are moved to the main agenda of the meeting, as opposed to within the Management Report, in acknowledgement of the importance placed on these items by the Committee. She also highlighted the Committee's recommendation for approval of the revised Freedom of Information Scheme; advised that updates had been provided to the Committee on shared services and Erne Campus Project risks; drew attention to the Audit & Risk Committee Annual Report 2016/17 which had been submitted to the Governing Body by the Audit & Risk Committee; referred to the presentations received on risk management in the Business Services, Human Resources and Industry & Training departments; and noted the Committee's acceptance of the NIFON (Northern Ireland Finance Officers' Network) proposal to use Internal Audit resource to deliver specialist accounting standards training to college Finance staff.

**AGREED: on the proposal of Mrs McCaffrey, seconded by Mrs McGeary, adoption of the minutes of the Audit & Risk Committee meeting and the recommendation therein including approval of the Annual Report & Financial Statements 2016/17.**

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

## **8.0 REPORT OF A MEETING OF THE FINANCE & GENERAL PURPOSES COMMITTEE HELD ON WEDNESDAY 18 OCTOBER 2017**

PREVIOUSLY ISSUED to all members:

- Paper 08.01 Minutes of a meeting of the Finance & General Purposes Committee held on Wednesday 18 October 2017
- Paper 08.02 Financial Management Report 2016/17
- Paper 08.03 Cheque Signatories Listing
- Paper 08.04 Petty Cash & Float Policy & Procedure
- Paper 08.05 Finance & General Purposes Committee Terms of Reference.

Mr McCaffrey, Presiding Chair of the 18 October 2017 Finance & General Purposes Committee meeting, commented on the presentations received by the Committee on the financial performance of the Business Services department and the development of the 'Think Studio' strategic project, noting in particular the college-wide progress made in meeting the virtual delivery target and the positive engagement of schools with the STEM Centre.

He then provided an overview of the Management Report received by the Committee, during which he acknowledged the complexities of reporting to the 31 March governmental year end as well as to the 31 July statutory sectoral year end; reported

on the collaborative approach to meeting the sectoral resource expenditure targets; and highlighted the Committee's recommendation for approval of the revised cheque signatories, the Petty Cash & Float Policy & Procedure and the revised Finance & General Purposes Committee Terms of Reference.

**AGREED: on the proposal of Mr McCaffrey, seconded by Mr Hodson, adoption of the minutes of the Finance & General Purposes Committee meeting and the recommendations therein.**

#### **9.0 REPORT OF A MEETING OF THE STAFFING COMMITTEE HELD ON WEDNESDAY 4 OCTOBER 2017**

PREVIOUSLY ISSUED to all members:

- Paper 07.01 Minutes of a meeting of the Staffing Committee held on Wednesday 4 October 2017
- Paper 07.02 Staff Resource Report
- Paper 07.03 Fixed Term Contracts Report
- Paper 07.04 Staffing Committee Terms of Reference.

Mrs McGeary, Chair of the Staffing Committee, began her report of the 4 October 2017 Staffing Committee meeting by referring to an issue raised in the report received on resourcing and workforce development in the Technology department regarding the effective utilisation of equipment, and explained that the Committee had supported collaboration in developing proposed solutions.

She then remarked on the pace of the recruitment of staff for the Youthscape Project and noted the suggestion made that this be used as a benchmark for delivery requirements in any shared services arrangement; advised the meeting of the circumstances of the proposed secondment of staff from the NI Assembly; reported that the College had been chosen to host the launch of the Investors in People Health & Wellbeing Framework and commented on the significance of this in demonstrating the quality of the College's Health & Wellbeing Programme; and highlighted the Chair of the Governing Body's ratification of the appointments, staff requests, fixed term contract recommendations and other resource issues detailed in the minutes as well as the Committee's recommendation for adoption of the unamended Staffing Committee Terms of Reference.

**AGREED: on the proposal of Mrs McGeary, seconded by Mr Weir, adoption of the minutes of the Staffing Committee meeting (pages 1 – 6) and the recommendation therein.**

#### **10.0 DISCUSSION WITH DIRECTOR OF FURTHER EDUCATION, DEPARTMENT FOR THE ECONOMY**

PREVIOUSLY ISSUED to all members:

- Paper 11 Presentation on the Further Education Strategy for Northern Ireland.

The Chairman thanked Ms Harrison for attending the Governing Body meeting and for her address at the launch of the Institution of Innovation & Knowledge Exchange NI.

He then invited her to apprise the meeting of the departmental priorities for the Further Education sector.

Ms Harrison began by reflecting on the achievements of the sector, and of South West College in particular, and spoke of the role played by the sector in building the skills profile, linking people to work and helping businesses to innovate and grow. She also highlighted the sector's dual mandate to build the economy and promote social inclusion and commented on the implications of colleges' status as Non-Departmental Public Bodies.

With the aid of a PowerPoint presentation, she then provided a high-level overview of the inter-relationships with the Programme for Government, the Industrial Strategy and the FE Means Success Strategy as well as the sector's role in realizing the objectives of these strategies. She went on to update members on developments in the 14 – 19 Agenda, Essential Skills, Curricular Hubs, the new funding model, Higher Level Apprenticeships, Foundation Degrees, the DfE Corporate Plan and shared services.

***Mr McCaffrey withdrew from the meeting at this juncture.***

A lengthy discussion followed Ms Harrison's presentation during which members were apprised of the proceeding status of the shared services agenda and of the opportunity for input in the design of its implementation; highlighted the importance of the College's higher education offering in light of its peripheral location, expressed concerns regarding the future of higher education in further education and sought DfE's support in protecting this provision; were given further details of the 'Hub' concept and the College's role as the Engineering and Manufacturing Hub; spoke of the need for College Development Plans to address local priorities whilst reflecting the DfE Corporate Plan; were provided with assurance on the escalation of the issues regarding Apprenticeships within the Department; and were made reminded of the environment of budget pressures and political uncertainty within which the Department currently operates.

***Mrs Martin and Mr Skuce withdrew from the meeting during this discussion.***

In concluding the item, the Chairman acknowledged the College's record in meeting local needs within the context of governmental strategies and assured Ms Harrison of South West College's co-operation and constructive challenge in the implementation of departmental strategies and in improving standards.

***Ms Harrison withdrew from the meeting at this juncture.***

## **11.0 ERNE CAMPUS DEVELOPMENT UPDATE**

PREVIOUSLY ISSUED to all members:

- Paper 10 Draft Minutes of a Meeting of the Erne Campus Project Board held on Friday 29 September 2017.

The Chief Executive provided an update on the ongoing evaluation of the tenders received for the Integrated Supply Team (IST) contract for the Erne Campus development. In response to questions and comments from members, he advised that

CPD and DfE are currently undertaking due diligence and technical checks and will make a recommendation to the Project Board following this exercise; confirmed that CPD and DfE, in the development of their recommendation, will assess the risk posed by using a portion of the optimum bias sum at this stage; and noted that contingency plans are in place to meet the 2017/18 capital allocation should there be a delay to expenditure on the project. Following a subsequent discussion on arrangements for the Governing Body's approval of the award of the IST contract, it was agreed that a report of the 17 November 2017 Project Board meeting be provided to the Governing Body at its 20 November 2017 strategy meeting.

## **12.0 CHAIRMAN'S BUSINESS**

The Chairman reported that he had attended a meeting of Colleges NI as well as the launch of the Institution of Innovation & Knowledge Exchange NI, held in the College, and that Ms Harrison had addressed attendees at the latter. He also reminded members of the forthcoming strategy meeting which would involve early engagement on the 2018-21 College Development Plan and associated delivery structures.

## **13.0 CHIEF EXECUTIVE'S BUSINESS**

The Chief Executive reported the following:

- Erne Campus Gateway Review – An Amber Green status has been awarded following the most recent Gateway Review of the Erne Campus Project;
- Capital Projects Steering Group – Positive feedback has been received following the Capital Projects Steering Group meeting with DfE;
- Social Impact Bond – The business case for funding to undertake a feasibility study into the development of a Social Impact Bond will be revised and resubmitted to take account of feedback received during a meeting with DfE and DoF.

## **14.0 DECLARATION OF HOSPITALITY OR GIFTS RECEIVED OR OFFERED**

No declarations were made under this heading.

## **15.0 CORRESPONDENCE**

No correspondence was reported.

## **16.0 ANY OTHER RELEVANT BUSINESS**

No further business was raised.



**17.0 DATE OF NEXT MEETING**

Wednesday 10 January 2018 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.

Members attending remotely commented favourably on the quality of engagement via video conference.

*Mrs Lucas, Mr Hodson and Mr Moss withdrew from the meeting at this juncture. The meeting then went into private session and concluded at 8.25 pm.*

**CONFIRMED BY THE GOVERNING BODY AT A MEETING HELD ON WEDNESDAY 10 JANUARY 2018**

**CHAIRMAN** \_\_\_\_\_

**DATE** \_\_\_\_\_