

## SOUTH WEST COLLEGE GOVERNING BODY

Minutes of a meeting of the **Governing Body** of **South West College**  
held on Wednesday 6 March 2019 at 5:30 pm  
in the Boardroom, Omagh Campus, Mountjoy Road, Omagh

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**PRESENT:**

- Mr Michael Skuce (Vice-Chairman)
- Mr Michael McAlister (Chief Executive)
- Mrs Joanne Lucas (*via video conference*)
- Mrs Margaret Martin (*via video conference*)
- Mrs Patricia McCaffrey
- Mr Seamus McCaffrey
- Mrs Gillian McDowell (*via video conference*)
- Mrs Monica McGeary (*via video conference*)
- Mr Michael McGuckin
- Mrs Joanne Moore (*via video conference*)
- Mr Gerard O'Hanlon
- Mr Derek Weir (*via video conference*)

**IN ATTENDANCE:**

- Dr Jill Cush, Deputy Chief Executive
- Mrs Fiona McCauley, Secretary to the Governing Body
- Dr Helen Young, University of Stirling Research Fellow

**APOLOGIES:**

- Mr Peter Archdale
- Miss Jane Molloy
- Dr Nicholas O'Shiel

### **1.0 PRELIMINARIES**

Mr Skuce, Vice-Chair, reminded members that he had agreed to preside over the meeting in the absence of the Chairman, Dr O'Shiel, who had tendered his apologies at the previous meeting.

### **2.0 APOLOGIES**

Apologies were tendered on behalf of Mr Peter Archdale, Miss Jane Molly and Dr Nicholas O'Shiel.

### **3.0 CONFLICT OF INTEREST DECLARATIONS**

No conflict of interest declarations were made.

#### **4.0 MINUTES OF A MEETING OF THE GOVERNING BODY HELD ON WEDNESDAY 9 JANUARY 2019**

PREVIOUSLY ISSUED to all members:

- Paper 03 Minutes of a meeting of the Governing Body held on Wednesday 9 January 2019 (Pages 1 – 8).

**AGREED: on the proposal of Mrs Martin and seconded by Mrs McCaffrey, that the above minutes (Pages 1 - 8) be accepted as a true and accurate record. This section of the minutes was subsequently signed by the Vice-Chair.**

#### **5.0 MATTERS ARISING**

##### **5.1 Training**

*Minute Reference 11.0*

Mrs McCauley confirmed that the Department for the Economy (DfE) had been made aware of the Governing Body's request for more frequent training on corporate governance and that a response had been received advising that it is the convention for each Governing Body to address its own training needs. She undertook to discuss this with the Chairman.

##### **5.2 Student Union**

*Minute Reference 10.0*

Dr Cush reported on the status of Student Union activity in the sector, noting that only one college had a fully functional Student Union in operation. She then provided an overview of the efforts made in recent years to establish a Student Union in South West College and detailed the current focus on, and the extensive student engagement in, clubs and societies. Members then commented on the importance of reflecting the views and needs of students in the design of such programmes of activity.

#### **6.0 REPORT OF A MEETING OF THE EDUCATION, QUALITY & PERFORMANCE COMMITTEE HELD ON WEDNESDAY 23 JANUARY 2019**

PREVIOUSLY ISSUED to all members:

- Paper 05.01 Minutes of a meeting of the Education, Quality & Performance Committee held on Wednesday 23 January 2019
- Paper 05.02 Controlled Assessment Policy
- Paper 05.03 Examinations Policy.

In commencing her report of the Education, Quality & Performance Committee meeting held on Wednesday 23 January 2019 the Committee Chair, Mrs Martin, provided an overview of the presentation received on the performance and strategic plans of the Industry & Training Department. She highlighted the strengths of the College's partnerships as identified by the Education & Training Inspectorate (ETI)

following its inspection of the College's work based learning provision, the challenge in attracting females to traditional apprenticeship provision, the difficulty in meeting skills demands due partly to relatively low recruitment from grammar schools and the opportunities afforded by the growth in robotics and automation across all industries.

Mrs Martin then reported that the College's Social Impact Bond proposal would not be progressed by DfE and noted that a costed proposal for a small scale pilot to test the Social Bond concept in a local context would be presented to the next committee meeting. She also commented on the discussions held by the Committee regarding the identification of and reporting on strategic matters and the balance to be achieved by the Governing Body and its committees in executing their accountability and strategic responsibilities.

Regarding the Management Report delivered to the Committee, Mrs Martin highlighted the ongoing work in relation to potential collaborations with additional Higher Education Institutions, the increased enrolments since the previous report to the Committee and the progress made in extending virtual curriculum delivery as a complement to traditional delivery. She also apprised members of the status of EU funded projects, of the valuable learning opportunities afforded to students in the construction of the Erne Campus and of the Committee's recommendation for approval of the Controlled Assessment Policy and the Examinations Policy.

In response to a query from a member, Dr Cush reminded the meeting that the proposed Engineering Innovation Centre cannot proceed without Ministerial approval and explained that enabling works are ongoing to ensure that the development can proceed at pace in the event of such approvals being granted.

Mr McAlister reminded the meeting of the requirement for the submission of an Annual College Development Plan to DfE and explained that the draft plan will be reviewed by the Education, Quality & Performance Committee at its 20 March 2019 meeting.

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

## **7.0 REPORT OF A MEETING OF THE STAFFING COMMITTEE HELD ON WEDNESDAY 30 JANUARY 2019**

PREVIOUSLY ISSUED to all members:

- Paper 06.01 Minutes of a meeting of the Staffing Committee held on Wednesday 30 January 2019
- Paper 06.02 Staff Resource Report
- Paper 06.03 Fixed Term Contracts Report
- Paper 06.04 Proposed Student Intern Budget
- Paper 06.05 Additional Appointment.

Reporting on the Staffing Committee meeting held on Wednesday 30 January 2019, Mrs McGeary, Chair of the Staffing Committee, made reference to the presentation received on Resource Planning and Workforce Development in the Business Services Department. She noted the updates provided on staff utilization, staff appraisals,

foundation degree revalidations, the monitoring of backfill costs for international exchanges and the resourcing of the Erne Campus. Mrs McGeary then highlighted the agreement of the Committee to add 'Student Experience' as a Key Strategic Issue for its ongoing monitoring.

With reference to the Management Report received by the Committee, Mrs McGeary made members aware of the action plan in place to work towards ISO 45001 accreditation and of the twelve-month extension granted to the College's Investors in People accreditation in light of the ongoing implementation of the new management and academic structure. She apprised members of the Managing Wellbeing and Building Resilience Proposal and of the plans to incorporate workshops for Curriculum Managers into this plan. She also commented on the status of an ongoing grievance, noted the significant reduction in the proposed 2019/20 student intern budget from prior years due to budgetary pressures and, in response to a query from a member, confirmed that the potential extension of the secondment of the Head of Department (Technology) has no adverse implications on operations. In concluding her report, she highlighted the ratification by the Chair of the Governing Body 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 proposed 2019/20 Student Intern Budget.

**AGREED: on the proposal of Mrs McGeary, seconded by Mrs McCaffrey, adoption of the minutes of the Staffing Committee meeting and the recommendation therein as well as approval of the additional appointment listed in paper 06.05.**

## **8.0 REPORT OF A MEETING OF THE AUDIT & RISK COMMITTEE HELD ON WEDNESDAY 6 FEBRUARY 2019**

PREVIOUSLY ISSUED to all members:

- Paper 07.01 Minutes of a meeting of the Audit & Risk Committee held on Wednesday 6 February 2019
- Paper 07.02 Corporate Risk Register Review Report
- Paper 07.03 IT Disaster Recovery Policy
- Paper 07.04 Fraud & Corruption Policy
- Paper 07.05 Fraud & Corruption Response Plan.

In presenting her report of the 6 February 2019 Audit & Risk Committee meeting, Mrs McCaffrey, Committee Chair, began by providing synopsis of the presentations received on risk management in the Erne Campus Project and in the Health & Life Services Department. With regard to the former, she reported on the assurances received on the monitoring of standards for the achievement of the BREEAM Outstanding and PassivHaus Premium accreditations as well as on the discussions held on the importance of adequate resourcing to mitigate and / or challenge potential compensation events. Regarding the presentation received on risk management in the Health & Life Services department, she highlighted the effectiveness of the new Learner Mentor role in supporting students and the potential for additional resourcing in this area.

Mrs McCaffrey then updated the meeting on internal audit activity, drawing attention to the 'satisfactory' assurance ratings awarded following internal audit reviews of Payroll and IT Security. With regard to the latter, she highlighted the seven

recommendations made, the budget and resource limitations affecting the ability to fully address them and the Committee's request for a costed proposal on the technical solutions, resources and insurance required to address the recommendations made.

Moving on to the Management Report received by the Committee, Mrs McCaffrey commented on the progress made in addressing outstanding internal and external audit recommendations, drew attention to the Committee's review of the Corporate Risk Register and the controls in place to mitigate the risks listed, and highlighted the Committee's recommendation for approval of the IT Disaster Recovery Policy and the Fraud & Corruption Policy and Response Plan. She also noted that two instances of fraud had been reported and explained that disciplinary action has been taken against the perpetrators. In concluding her report, Mrs McCaffrey apprised the meeting of the discussions held regarding the evaluation of the student experience and of the suggestion that an internal audit review of this area is undertaken in 2019/20.

Members then reflected on cost overruns in recent construction projects in other sectors and on the need to ensure that any lessons learnt from these capital developments are incorporated into the Erne Project. Mr McAlister acknowledged the importance of such activity and provided assurances on the robust governance framework in place for the Erne Project, on the close scrutiny placed on it, and on the challenge in protecting the optimism bias resource so that remaining funds can be used to purchase energy efficient equipment to meet BREEAM and PassivHaus requirements.

In response to a query from a member regarding insurance arrangements on the UK's withdrawal from the EU, Dr Cush confirmed that assurance had been received and that a 'Day 1 Plan' had been developed.

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

## **9.0 REPORT OF A MEETING OF THE FINANCE & GENERAL PURPOSES COMMITTEE HELD ON WEDNESDAY 20 FEBRUARY 2019**

PREVIOUSLY ISSUED to all members:

- Paper 08.01 Minutes of a meeting of the Finance & General Purposes Committee meeting held on Wednesday 20 February 2019
- Paper 08.03 Financial Management Report
- Paper 08.04 Credit Card Policy.

Mr McGuckin, Chair of the Finance & General Purposes Committee, alerted members to the Annual Private Finance Initiative (PFI) Contracts Review Meeting with Belfast Educational Services that had taken place during the Finance & General Purposes Committee meeting held on Wednesday 20 February 2019. He went on to provide a synopsis of the matters discussed including insulation issues, the rise in energy consumption, the need for a review of the repayments profile and the contingency plans to be put in place in the event of the financial failure of Interserve. He also highlighted the addition of 'PFI Contracts' to the committee's list of key strategic issues and the suggestion that a sectoral internal audit of PFI contracts be undertaken.

Mr McGuckin then referred the meeting to the minute of the presentation received on the Financial Performance of the Technology Department. He drew attention to the comparative statistics provided on direct teaching pay costs and non-pay costs within the Technology department, noted the good progress made in increasing virtual delivery to meet the 10% of timetabled hours target and highlighted the importance of the consideration of the best interests of students in any discussions on potential changes to the curriculum profile.

Mr McGuckin then summarized the key financial statistics for the six months to 31 January 2019 noting the £500k over-budget deficit, the £1.1m under-budget income, the £360k over-budget pay costs and the £900k under-budget non-pay costs. He explained that late receipt of outstanding tuition fee, European project and Training for Success income accounts for the over-budget deficit and the under-budget income. He also reported a balance sheet position of £2.9m in bank and compared this to the £3.5m in bank at the same point in 2018.

Mr McGuckin went on to note the ongoing close monitoring of Part-Time Lecturing costs, refer to the report received on Erne Project finances and highlight the Committee's recommendation for approval of the Credit Card Policy.

Regarding the Committee's Key Strategic Issues, Mr McGuckin advised that the meeting had agreed to add 'Student Experience' to the list of key strategic issues as well as 'PFI Contracts' as previously reported. He added that the Committee had agreed to amend the 'Erne Project' key strategic issue to include reference to 'Years 1 – 3 Operation'.

A discussion then ensued on the challenging 2018/19 budget allocation received during which members were reminded of the additional allocations received in year, of the costs that had been absorbed in 2018/19 and of the stringent measures put in place to make efficiencies and to report a balanced budget to 31 March 2019. Members were then advised of the likelihood of a similar budget for 2019/20 and of the consequent need to make decisions on the curriculum that can be delivered with the budget allocated. Members also discussed the part-time lecturing budget and were made aware of the factors influencing the fluctuations in expenditure in this area and of the balance to be reached in part-time and full-time academic resource.

**AGREED: on the proposal of Mr McGuckin, seconded by Mr O'Hanlon, adoption of the minutes of the Finance & General Purposes Committee meeting and the recommendation therein.**

## **10.0 UPDATE ON ERNE CAMPUS PROJECT**

PREVIOUSLY ISSUED to all members:

- Paper 09.01                      Minutes of a meeting of the Erne Campus Project Board held on Friday 7 December 2018.

Mr McAlister acknowledged the updates received on the Erne Project throughout the reports of the committee meetings. He detailed the background to and current status of an ongoing issue regarding ground conditions and re-iterated his earlier comments regarding the high level of scrutiny of the Erne Project from a range of stakeholders.

#### **11.0 VICE-CHAIR'S BUSINESS**

Mr Skuce raised no business under this heading.

#### **12.0 CHIEF EXECUTIVE'S BUSINESS**

The Chief Executive reported the following matters:

- **End Year Accountability Meeting** – Positive feedback was received from DfE at the End Year Accountability Meeting held in January 2019. It was noted that the challenge in achieving a balanced budget given the allocation provided was raised;
- **Lecturers' Pay Claim** – £1.7m has been received by the sector from DfE to contribute towards lecturers' legacy pay claim. This will be distributed to relevant staff in the March 2019 salaries;
- **Strategic Advisory Forum** – Mr McAlister represents the sector on the Strategic Advisory Forum. This forum met in February 2019 and is currently undertaking a review of Level 0 and Level 1 provision;
- **Meeting with Trade Unions** – A meeting has taken place with representatives of the trade unions operating in the College. Representatives were updated on the progress of the Whole College Review as well as other matters with no major issues raised.

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

No declarations were made under this heading.

#### **14.0 CORRESPONDENCE**

PREVIOUSLY ISSUED to all members:

- Paper 13 Letter from DfE regarding Governors' Liability.

It was noted that the correspondence received from DfE provides no assurance to governors on their liability where health & safety matters have been raised and is awaiting action by CPD Properties Division.

#### **15.0 ANY OTHER RELEVANT BUSINESS**

No further business was raised.

#### **16.0 DATE OF NEXT MEETING**

Wednesday 1 May 2019 at 5:30 pm in the Dungannon campus.

**17.0 EVALUATION OF MEETING**

PREVIOUSLY ISSUED to all members:

- Paper 15 Governing Body Meeting Evaluation Form.

Members commented on their satisfaction with the proceedings of the meeting and in particular with the quality of the video conferencing experience.

*The Staff Governor, Mrs Lucas, and the Researcher, Dr Young, withdrew from the meeting at this juncture. The meeting then went into confidential session and concluded at 7:40 pm.*

**CONFIRMED BY THE GOVERNING BODY AT A MEETING HELD ON WEDNESDAY 1 MAY 2019**

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

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