

NORTHERN REGIONAL COLLEGE

GOVERNING BODY

Minutes of the meeting of the Governing Body held at 6.00 pm on 15 June 2011 at the Trostan Avenue Ballymena Campus, Northern Regional College

Present Mr G Gilpin (Chairman), Mr T Neilands (Director), Ms S Cassidy, Mr S Davidson, Mr I Goldsworthy, Mr R Jay, Alderman PJ McAvoy, Mr P McCudden, Mrs U O'Kane, Ms C O'Neill and Mrs L Wallis.

In Attendance Mr I Houston, Mrs C Moore, Dr C O'Mullan and Mr JA Hunter

UNRESERVED BUSINESS

33.1 Apologies

Apologies were received from Mrs A M Campbell, Mrs K Collins, Mrs B Crotty, Rev T Jamieson, Mr K Nelson, Mrs A Rankin, Mrs K Taylor and Mr A Watt.

The Chairperson welcomed the new Student President, Ms Sarah Cassidy, to her first meeting of the Governing Body.

33.2 Declaration of Interests

There were no declarations of interests.

33.3 Minutes of Last Meeting

The minutes of the last meeting of the Governing Body held on 20 April 2011 were approved.

33.4 Matters Arising

33.4.1 Centres of Excellence (minute 32.4)

The Director advised Governors that the Department has decided against the introduction of the Total Quality System to replace the current 'Centre of Excellence' system. It was noted that a Working Group, with representatives from the six Colleges, was giving consideration to an alternative system.

33.5 Chairman's Communications

The Chairman referred to the following events in his communications:

a) Meeting of Chairs of Committees. The Chairman reported that he had had a meeting with the Director and the Chairs of the four Committees at the Newtownabbey Campus on Monday 6 June 2100 when a number of issues was discussed including: Lines of Communication with DEL; Membership of the Governing Body; Investing In People; Director's Appraisal; Review of Management Structure; Faculty Size; and Internal Audit Reviews.

b) The Chairman informed the Governing Body that he had attended a number of events since the last meeting including: LSDA Pre Conference Function (9 May 2011); Board Members Interviews at Newtownabbey (16 May 2011 & 23 May 2011); CNI Annual Strategic Away Conference (14/15 June 2011).

c) Recruitment of Governors. The Chairman advised that he had interviewed nine candidates for the two vacancies on the Governing Body. He said that five candidates had been found suitable to fill the vacancies but they may have applied for other Colleges.

It was noted that there had been three nominations for the non-teaching staff vacancy on the Governing Body and a ballot would take place on 22 and 23 June 2011. No nominations had been received for the teaching staff vacancy and the nomination process would have to be re-run in September 2011.

d) Strategic Planning. The Chairman said that there appeared to be a consensus among Chairmen of Governing Bodies of the need for a more concise CDP. Colleges Northern Ireland would be giving further consideration this matter.

e) BBC Audience Council for Northern Ireland. The Chairman indicated that he had received an invitation from the BBC Audience Council to attend an informal discussion at Blackstaff House, Great Victoria Street, Belfast at 12 noon on 20 June 2011. If any Governors wished to attend they should inform the Chairman.

33.6 Director's Report

The Governing Body received a report from the Director, who highlighted the following issues:

a) Iraqi Visitors. As part of the UK/Iraq Rawabit project, NRC hosted two Iraqi Deans (Principals), Dr Mudhaffar and Dr Mazin from Baghdad and Mosel respectively, from 9 – 20 May 2011. This proved an interesting and enjoyable experience for all the NRC staff involved and for the visitors who presented a glowing report on their programme to the project evaluation in London. Dr Mudhaffar has since suggested he would like to pursue a twinning relationship with NRC and the College will be following up on this proposal.

The two Deans were joined for three days by Dr Mahmood, President of the Iraqi Foundation for Technical Education and Dr Kawthar, who holds a similar position in the autonomous Kurdistan region of Iraq. Their programme included a meeting with Dr Stephen Farry, the new Minister for Employment and Learning.

Involvement in Rawabit has proved to be a very positive further enhancement of the College's international outlook and reputation. While it is hoped to continue this involvement, there is currently some doubt over the future funding of the project.

b) Antrim Campus. A Tea Party will be held in Antrim on 16 June 2011 to mark the closure of the campus and to celebrate the contribution of those associated with the campus over the years. The Chair will represent the Governing Body.

c) Colleges Northern Ireland. The CNI Board is holding its annual away day on 14/15 June 2011. The main purpose will be to agree a Strategic Plan for the organisation. The new Chief Executive, Gerry Campbell, takes up post on 1 July. The Director, the Chairman and the Acting CEO will be meeting the new Minister, Dr Farry, at a private lunch on 17 June 2011. The College will also be making a presentation to the new Assembly Employment and Learning Committee on 29 June 2011.

d) Staff Meetings. There will be a series of campus staff meetings across the College on 20-22 June 2011. These will be preceded by a Management Briefing, which brings together around 80 staff with various management responsibilities. The meetings will review progress over the past year and also look ahead to some of the major challenges facing the College next year and beyond.

e) Skills Successes. NRC, in association with Michelin, won the Partnership Award at the recent Apprentice of the Year Awards. This is the second time in three years that the College has won this particular award, having been successful in 2009 in partnership with Schrader Electronics.

The College has also received news that one of its two applications for Showcase events at Worldskills in London in October has been successful. Staff and students from the Catering Section will present a demonstration based on "Bio-Organic Cookery on the Causeway Coast".

The College is still awaiting the final decision on the other application, which was submitted by the Performing Arts section.

f) Driving Excellence. Senior members of staff in the College are participating in a sector-wide management development programme entitled Driving Excellence. This programme is managed by the Colleges and follows a tendering process from which Deloitte emerged as the programme deliverer. This type of support for the sector was formerly managed by LSDA. A report on the programme will be presented to a future meeting of the Staffing Committee.

g) Other Significant Events and Meetings. The Director reported that he had participated in several events since the last meeting. He mentioned, in particular, a meeting he had had with Professor Richard Barnett, Vice-Chancellor University of Ulster regarding the availability of accommodation at its Coleraine Campus and a meeting at Ballymoney with representatives from DEL and the Ballymoney Learning Community to discuss joint sixth form provision.

h) Ballymena Borough Council. The Director reported that the Ballymena Borough Council had written a letter to the College congratulating it on the success of its students in the recent Skills Competition. The Council had also written to each of the successful students.

33.7 Correspondence

There was no correspondence to report.

33.8 Audit Committee

a) Meeting on 3 May 2011.

The Governing Body received the minutes of the meeting of the Audit Committee held on 3 May 2011. It was noted that the Governing Body had no action to take in relation to the minutes.

The minutes indicate that the following matters were considered at the meeting:

a) Departmental Risk Registers. The Committee received a presentation regarding the Financial Accounting Section's Risk and Planning Process from Ms Higgins, Financial Accountant. Ms Higgins highlighted the key risks facing the section.

b) Risk Register. The Committee received a copy of the updated College Risk Register and noted that the Risk Management Group would review the Register at its next meeting.

c) Correspondence. The Committee received correspondence from NIFON regarding a Joint Procurement proposal in relation to internal audit and banking. The Committee agreed that it would be happy for the College to proceed with a joint procurement exercise.

d) Outstanding Internal Audit Issues. The Committee received a report regarding outstanding audit issues. It noted that all of the recommendations of PwC 2009/2010 and 2010/2011 had been either fully or partially implemented. Nine of the eleven recommendations of the Report of those Charged with Governance (RTTCWG) had been fully implemented, one partially implemented and one in relation to the preparation of final accounts was no longer applicable.

e) Internal Audit Report to Audit Committee. The Committee noted that a Review of Compliance with Health and Safety Requirements had been completed since the last Audit Committee meeting and has been given an overall satisfactory assurance rating. The Committee impressed upon Management the need to implement the recommendations made as a matter of urgency

It was also noted that the Internal Auditors are satisfied that all of the outstanding internal audit reviews are scheduled in line with the agreed timescale, and all audit work will be

completed and reported in advance of the financial year end (31 July 2011) and within DEL requirements (30 September 2011).

f) Internal Audit Service Key Performance Indicators. It was noted that on the appointment of PwC as the Internal Auditors, the Audit Committee (30 March 2010) had agreed that Key Performance Indicators should be prepared to review the company's performance. The Director of Finance presented a Progress Report in relation to the eight KPIs, which had been prepared to review the company's performance. She said that she had been pleased with progress and everything was on target.

b) Meeting on 13 June 2011.

The Governing Body received a verbal report from the meeting of the Audit Committee held on 13 June 2011. The following issues were highlighted:

i) Review of Human Resource Operations. The Internal Auditors have given a substantial assurance rating for Human Resource Operations.

ii) Review of Controls regarding the Time Recording and Payment of Part-Time Lecturers. The Internal Auditors have given an overall limited assurance rating for this Review. The Internal Auditors undertook this Review as a result of a whistleblowing allegation, which had been made to the Northern Ireland Audit Office in September 2010. The Auditors indicated that there was no fraudulent activity. They have recommended that the current claim form-based system for making payments to part-time lecturers is replaced with a more efficient system.

iii) Review of Business Continuity Management and Information Security Management. The Internal Auditors have given an overall satisfactory assurance rating for this Review.

iv) Internal Audit Plan 2011/2012. The Committee agreed that the Internal Audit Plan 2011/2012 be approved.

v) College Risk Register. It was noted that the College Risk Register had been revised to reflect the new strategic objectives agreed by the Governing Body.

33.9 Education Committee

The Governing Body received the minutes of the meeting of the Education Committee held on 7 June 2011. Mrs O'Kane, the Chair of the Education Committee, stated that the Governing Body had no action to take in relation to the minutes.

The minutes indicate that the following matters were considered at the meeting on 7 June 2011:

a) Recontracting for Apprenticeships Northern Ireland and Training for Success. The Committee noted that the College had been successful in Stage 1 and was awaiting the outcome of Stage II. It was also noted that DEL had extended the present contract until the end of August 2011.

b) Correspondence regarding Hardship Fund. The Committee noted a Circular from DEL, dated 4 May 2011, which sets out terms and conditions for the payment of the Hardship Fund (Discretionary) from 1 August 2011.

c) Education Committee Action Plan and Annual Report. The Committee considered its Action Plan 2010/2011 with added comments to enable it to review its effectiveness. It was agreed that the Committee had had a busy time during 2011/2012 and had met its objectives. The Committee also considered and approved its Annual Report 2010/2011 for submission to the Governing Body.

The Chairperson expressed the view that the business of the Committee was sometimes more passive than active. She expressed a wish for some means of monitoring and comparing achievements of Faculties and Schools internally and of benchmarking them against the Sector. This material could then be used to inform the Committee Action Plan. The Chairperson said that she would like Faculties and Schools to be aware that the Committee was taking an active interest in their work and that they would be invited to attend meetings to tell the Committee about their successes and challenges.

The Director and Deputy Directors assured the Committee that the College could provide an overview of Faculty and School retention, success and achievement at the next meeting. It could prove difficult, however, to obtain appropriate benchmarking data from the Sector.

d) Quality Improvement Update. The Committee received a Quality Improvement Report, which highlighted the following issues:

i) *eti* Surveys and Reports. The Committee noted that the following evaluations have taken place in recent weeks: Phase 2 of the NRC Blended Learning Pilot Project; Phase 2 of NRC Admissions, Guidance and Support Survey; College Self-Evaluation Report and Quality Improvement Plan 2011/2012; and Phase 2 Cultural Diversity.

ii) Preparation for Whole College Inspection. It was noted that the focus of the forthcoming Whole College Inspection would be based on the revised IQRS 2010. It was noted that whilst the quality of teaching and learning would be paramount, there would also be an emphasis on data. A holistic approach to the quality of the student experience is expected.

iii) Associate Inspector Appointments. Two new Associated Inspectors have been appointed from NRC staff: Dr Brenda McKay-Redmond and Ms Phyllis Kane.

iv) QAA – Integrated Quality and Enhancement Review – Developmental Engagement. Work is underway to collate the College Self Evaluation Document and Student Written Statement for QAA (July 2011). The NRC Developmental Engagement will take place during the week commencing 17 October 2011.

v) IIP Update. The Director informed the Committee that he had received oral feedback in relation to the award of Investors In People. It would appear that the College had some additional work to do before the full award could be made.

vi) FAST/Monitoring Visit Information. Quality and Performance Branch (QPB) of DEL carried out a monitoring review of NRC's contract Training for Success, Programme Led Apprenticeships and Apprenticeship NI provision in March 2011.

e) Performance Management. The Committee received a Report on Performance Management, which detailed a number of KPIs for key aspects of College business. The Committee noted:

i) Student Retention on Full-Time FE and HE. The report noted the retention targets for 2011/2012 for full-time FE by Curriculum/School. If retention is increased the College's FLU target can be achieved with fewer courses thus reducing costs.

ii) Training. Regular 4-weekly monitoring of retention within the various strands of AppsNI and TfS across Schools and Faculties has been undertaken in 2010/2011. As a result a target of 80% retention and a 55% success has been proposed for 2011/2012. It was noted that a target of 50% has been set for the KPI work placement rate.

iii) Economic Engagement. It was noted that there was a planned increase in the level of all aspects of economic engagement activity across the College during 2010/2011.

iv) Performance Management – Planning for 2011/2012. The process of performance management, started last academic year, has been developed and refined as part of the

strategic planning for curriculum and associated provision for 2011/2012. It is anticipated that the higher retention and success rates will have a positive impact on FLUs.

33.10 Finance and General Purposes Committee

The Governing Body received the minutes of the meetings of the Finance and General Purposes Committee held on 31 May 2011. In presenting the minutes the Director of Finance referred to:

a) Catering Arrangements. The Committee noted that the Catering Review Team had drawn up their recommendations in regard to catering arrangements and these would be presented in the first instance to the Executive Management Team. The Finance and General Purposes Committee would be kept informed of developments;

b) Monthly Management Accounts. The Monthly Management Accounts for the period up to 28 February 2011 indicate that the College has a surplus of £1,035k on continuing operations and an historic cost surplus of £1,782k, which is £1,103k ahead of budget. The Director of Finance predicted that the projected outturn at the year-end would be in the region of £600k ahead of budget as a number of items of expenditure had still be taken into account.

32.11 Staffing Committee

The Governing Body received the minutes of the meeting of the Staffing Committee held on 31 May 2011. In presenting the minutes Mr Davidson, the Chair of the Staffing Committee, stated that the Governing Body had no action to take in relation to the minutes. He referred to

a) Investors in People. The Committee noted that the Director had received oral feedback in relation the award of Investors In People. It would appear that the College had fallen short of the required standard for the award; a written report would be issued in the near future.

b) Staff Absenteeism. The Committee received a paper indicating that overall sickness absence statistics for the College for 2009/10 have improved from what was reported for 2008/09. NRC has moved from having the highest level of sickness absence in the Sector and is now ranked fourth out of six.

For 2009/10 the average percentage days lost for the sector was 4.27% and the total number of days lost per employee 11.14. NRC figures of 4.24 % days lost and 11.07 total days lost per employee were just below the sectoral average. These figures are just short of the College's target of 4.06% and 10.59 working days lost for 2009/2010.

The target for 2010/2011 has remained the same as the 2009/2010 target, 4.06% and 10.59 total days lost per employee.

c) Staffing Committee Action Plan and Annual Report. The Committee gave consideration to its Action Plan 2010/2011 and agreed that it had met its objectives during the academic year 2010/2011. It also gave consideration to the Committee's Draft Annual Report 2010/2011 and agreed that it be approved, subject to a revision in regard to workload, and submitted to the Governing Body

d) College Employers' Forum Circulars. It was agreed that these Circulars should be forwarded to appropriate members of staff within the College, who would bring any issue of interest to the attention of the Committee.

33.12 Draft College Development Plan 2011/2014

The Governing Body received the draft College Development Plan for 2011/2014, which encompasses the commitments and timescales contained within the Business Improvement Plan and the Outline Business Case development process.

The Governing Body noted the various sections of the Plan. Observations were made regarding a number of the Sections:

a) Executive Summary. It was noted that the Executive Summary had been left blank. The Chairperson stated that the content should reflect strategic issues.

b) Governance Section. It was noted that student and staff members were still retained in the membership of the Governing Body despite the recommendations of the 'Review of Governance'. The Director indicated that discussions regarding the recommendations of the 'Review of Governance' were still continuing and no conclusions had been reached as to whether or not staff and students should retain membership of the Governing Body. It was also noted that the Governing Body had undertaken a Self Evaluation Review during 2010/2011. A further SER would be undertaken at the next meeting of the Governing Body on 5 October 2011.

c) Staffing Plan. A query was raised in regard to a statement in the Staffing Section, which states that the Staffing Plan should include a 'clear description of what success will look like'. It was noted that success would be determined through the achievement of the Staffing Plan objectives.

d) Corporate Targets 2010/2011. It was noted that good progress had been made in the implementation of Corporate Targets. Some of the Targets had not been achieved: there had been a shortfall in the FLU target; the College had not achieved Investors In People Award by December 2010; the Staff Appraisal Scheme had still to be implemented as issues had still to be addressed at College and Sector level; and the NRC Estates Strategy document had still to be agreed due to Departmental delays.

e) Corporate Targets 2011/2012. The Governing Body noted the Strategic Targets for 2011/2012 and Members made a number of observations. A member suggested that consideration should be given to setting individual rather than College targets in relation to retention and success rates particularly when the type of inspection is known. Another Member questioned whether the College should set minimum or aspirational standards.

The Governing Body agreed that:

a) The Corporate Targets 2011/2012 be approved; and

b) The College Development Plan 2011/2014 be approved on the understanding that the Executive Summary should be circulated to Governors by the end of August.

33.13 Draft Budget 2011/2012

The Governing Body received a presentation regarding the Budget 2011/12. It was noted that the nine-month financial position had been reviewed in May 2011 with budget holders and this had resulted in the projected outturn of a deficit of £745k for 2010/2011, which is £637k better than the original budget.

The Director of Finance referred to the key financial strategy for 2011/2014, which is set out in the Business Improvement Plan. This indicates that the College will return to an historic cost surplus in 2014/2015 and to a positive Income and Expenditure Reserve in 2015/2016. The BIP sets a projected outturn for 2011/2012 of a deficit of £684k.

The Director of Finance advised Governors that the 2011/2012 Budget indicates a net deficit of £1,130k, which is £446k in excess of the projected outturn set out in the BIP. She detailed the planned efficiencies, such as redundancies and retirements, but said that they were not enough to compensate for the reduction in recurrent grant, and the increased expenditure associated with the delay in the disposal of the Antrim Campus and the delay in agreeing new arrangements for the Larne Campus.

The Director of Finance presented three options for the Governing Body to consider in relation to the 2011/2012 Budget. Two of the options required further savings and exceptional funding from Reserves to ensure that NRC meets the outturn projected in the BIP. It was noted that time would be necessary to achieve some of the savings required by these two options and in the circumstances it was suggested that a third option, indicating a deficit of £1,230k, should be adopted by the Governing Body. If the Governing Body were to accept Option 3 it would be necessary to take radical action in the period 2012-2015 to return to an historic cost surplus by 2014/2015. Decisions would need to be made in relation to staff reductions, outsourcing of services such as catering and rationalisation of estates.

The Governing Body gave consideration to the three options. A view was expressed that the Reserves should also be used to fund exceptional items for option three with a view to reducing the projected deficit.

The Governing Body agreed that:

- a) The third option, a budget deficit of £1,230k for 2011/2012, be approved; and**
- b) The Finance and General Purposes Committee (29 June 2011) should receive a detailed breakdown of the Budget prior to submission to the Department.**

33.14 Equality Issues

The Governing Body received a copy of the College Equality Scheme. The Equality Scheme sets out how the College proposes to fulfil its statutory obligations under Section 75 of the Northern Ireland Act 1998, which requires public authorities to have due regard to the need to promote equality of opportunity and regard to the desirability of promoting good relations across a range of categories.

The Director of Finance explained that FE Colleges had been requested by the Equality Commission to revise their Equality Schemes to accord with EC Guidance Notes and Template.

The Governing Body noted the Equality Commission's response to the Colleges' Equality Schemes and the Sector's response to the Equality Commission's response.

The Governing Body agreed that the College Equality Scheme be approved.

33.15 Any Other Notified Business

33.15.1 Hands Off Campaign

A member advised the Governing Body regarding the Hands Off Crime campaign, which had been launched to address the under-reporting of hate crime in the Derry, Limavady, Strabane and Magherafelt areas. The Director indicated that the College would give consideration the Scheme.

33.15.2 Contribution to Governing Body.

The Chairman said that this was the last meeting of the present Governing Body and he thanked Members for their contribution over the past four years. He paid special thanks to four retiring members: Anne Marie Campbell, Clare O'Neill, Lesley Wallis and Andrew Watt. Ms O'Neill and Mrs Wallis said that they had enjoyed serving on the Governing Body over the past four years and had been impressed with the dedication and professionalism of its Members.

The Chairman also thanked the Director, Deputy Directors and Director of Finance for their valuable inputs.

33.16 Date of the Next Meeting

The Chairman reminded Governors that the next meeting of the Governing Body is scheduled for 5.30 pm Wednesday 5 October 2011 at the Farm Lodge, Ballymena Campus.