

NORTHERN REGIONAL COLLEGE

GOVERNING BODY

Minutes of the meeting of the Governing Body held at 5.30 pm on 13 June 2012 at the Farm Lodge Ballymena Campus, Northern Regional College

Present Mr G Gilpin (Chairman), Mr T Neilands (Director), Mrs K Collins, Mr S Davidson, Mr I Goldsworthy, Mr R Jay, Dr D Lennox, Alderman PJ McAvoy, Mr S McCartney, Mr P McCudden, Mr M Murray and Mrs A Rankin.

In Attendance Mr J Clyde, Mrs B Crotty, Mrs C Moore, Dr C O'Mullan and Mr J A Hunter

UNRESERVED BUSINESS

Presentation Further Education Student Success Rates

The Governing Body received a presentation from Ms Wendy Leckey, Dr Mary McIvor, Mr Victor Dukelow and Mr Alan Ramsey about research work completed by the Analytical Services Branch DEL, concerning FE Student Success Rates in Northern Ireland using 2010/2011 performance data.

Mr Dukelow advised the Governing Body that this was the first wide ranging quantitative analysis of the Department's programmes, providing an overview of its Higher Education, Further Education, Training for Success/ApprenticeshipsNI and Essential Skills programmes.

Mr Dukelow stated that variances in success rates across DEL programmes has been identified in successive 'DEL Quality & Performance' reports and that DEL has made a commitment to investigate reasons for this.

Mr Dukelow examined raw data for the NRC in respect of retention, achievement and success rates and provided comparative rates for the sector. It was noted that NRC was above the sector average in: Science & Mathematics; Leisure & Tourism; and Social Sciences. It was below average in: Health, Public Services & Care; Engineering & Manufacturing Technologies; Education & Training; and Preparation for Life & Work.

Econometric techniques were applied to the raw data to quantify the effect individual characteristics have on the probability of successfully attaining the intended qualifications. Several variables were considered in the model including deprivation, gender, age, ethnicity, level of study, FE College, subject area and employment status. The analysis was based on 122,765 Professional and Technical final year enrolments (2010/2011 including 15,760 from NRC).

Success rates across the sector were compared to the success rate at SERC. Some colleges performed better against SERC and some poorer including NRC. It was noted that students had 6.7% less chance of a successful outcome to their studies if they studied at NRC compared with SERC.

Mr Dukelow indicated that subject studied matters for successful outcomes across the sector. Students who studied Health, Public Services & Care, Retail and Leisure and Travel had a better chance of success than those studying History, Languages, ICT and Education & Training. It was noted that a student's social background had an important bearing on their chances of success; the more affluent the area in which students live, the better their chances of success. A range of other characteristics such as level and mode of study, ethnicity and marital status have also an important bearing on success.

Mr Dukelow focussed on findings in respect of the NRC. He said that the College had strong performances in Social Science, Retail, Health and Leisure but weaker performances in

Construction, Preparation for Life & Work and Education & Training subject areas. He indicated that married students were more likely to have a successful outcome, as were those from less deprived areas and those studying at higher levels.

In conclusion he stated that the most significant characteristics in explaining variance in success outcomes at NRC are, after adjustment: subject area; deprivation; level of study; and marital status. He said that the analysis would allow colleges to shape curriculum plans, identify and address weaknesses, shape student support and identify best practice across the sector.

During discussion queries were raised regarding the identification of deprivation, and the alignment of the research with ETI reports. A member stressed that it was important for the College to shape the curriculum in light of the research findings. In response to a query from the Chairman, Mr Dukelow said that it was hoped to repeat the analysis at a future date and to examine any changes.

The Chairman thanked the team for an informative presentation.

It was agreed that the Secretary should circulate presentation notes to Governors

Retirement Mr Houston

Prior to the meeting the Governing Body made a presentation to Mr Ian Houston, who is taking voluntary redundancy at the end of the academic year. Mr Houston, as Deputy Director Curriculum, has made a significant contribution to the Governing Body and the Education Committee. The Chairman and the Director thanked him for his important input to the effective operation of the Governing Body and its committees and wished him well in retirement. In response Mr Houston said that he had enjoyed his 36 years in the educational sector and that he had appreciated the support he had received from the Governing Body.

39.1 Apologies & Membership

a) Apologies. Apologies have been received from Alderman J Brown, Councillor J Currie, Mr P McCudden, Mr K Nelson and Mrs C Taylor.

b) Appointment of Governors. The Chairman welcomed Mr Matthew Murray to his first meeting as the teaching staff representative on the Governing Body. He also welcomed Mr Jason Clyde, President of the Students' Council, who is taking over from Ms S Cassidy as the student representative on the Governing Body.

c) Appointments to Committees. **The Governing Body agreed the following appointments to its Committees: Alderman Brown - Audit Committee; Councillor Currie – Education Committee; and Mr Murray – Education Committee.**

d) Art and Design Creative Studies End of Year Show. It was noted that the End of Year Show is currently being hosted at Café Lamont.

39.2 Declaration of Interests

There were no declarations of interests.

39.3 Minutes of Last Meeting

The minutes of the last meeting of the Governing Body held 18 April 2012 were approved.

39.4 Matters Arising

39.4.1 ApprenticeshipsNI/Training for Success Recontracting(minute 38.7a)

The Governing Body noted that the award of the contract had been suspended due to a legal challenge. The College was still awaiting final approval of the contract.

39.5 Chairman's Communications

The Chairman reported that:

a) He had attended a sifting exercise for applications for vacancies on Governing Bodies. He advised Governors that he would be holding interviews next week for a replacement for the vacancy arising from the resignation of Mr P McCudden.

b) He had attended a meeting between the Minister and Chairs of Governing Bodies on 16 May 2012, when a number of issues were discussed including the Code of Governance.

c) He had attended a two-day seminar relating to the regeneration of the North Coast, which was attended by 70 delegates. He said that it was important for the College to be proactive in regard to these developments. He indicated that a number of committees had been established; he was appointed as a member of the Economic Development Committee and Mr I Houston as a member of the Education Committee.

d) Professor Colin Noble, Dean of Hotel & Tourism, Kansas University was visiting the North Coast at the weekend to establish relationships and partnerships with HE institutions. He had agreed to meet Mr Noble on 16 June 2012.

e) He had agreed to meet Mr A Hanna, the developer of the golf course and leisure facilities at Runkerry, and the Chief Executive of the Coleraine Borough Council in the near future to discuss developments.

f) Finger Print Learning. The Chairman reported that DEL had agreed to extend the research into two different colleges but he had received no details as to their identity.

39.6 Director's Report

The Director in presenting his Report made reference to:

a) Leadership and Management Initiative. The College will be holding the initial launch of its third curriculum initiative for 2012/2013 on 15 June 2012, the rebranding of its leadership and management under the title 'Acumen'.

b) Scottish Colleges. The Director reported that he had been included in a delegation from Colleges NI, which visited Scotland to contribute to a half-day conference on mergers.

c) Launch of Ballymena Borough Council Corporate Plan 16 May 2012. The Director was asked to speak in support of the Plan as a representative of the Council's partner organisations. Alderman McAvoy stated that the Director's contribution had been highly commended by the Town Clerk.

d) Magherafelt Sculpture. Staff and students at the Magherafelt Campus have co-ordinated a community art project to commemorate the Olympic Torch arriving in the town on 7 June 2012.

e) Award for NRC IT Department. NRC's IT Department achieved a runner-up award for its Customer Service Desk in the FE Innovation in Technical Infrastructure category at the JISC RSCni Innovation in e-Learning event

f) Student Successes. Students achieved notable successes in the recent BEST Awards, IFEX Chefs Skills Competition and Apprentice of the Year Awards. Staff and students featured in the BBC Countryfile Programme on 3 June 2012, which featured their work on Downhill Castle and the Mussenden Temple.

h) Significant Events. The Director stated that he had attended a number of events and meetings since the last meeting of the Governing Body.

39.7 Correspondence

a) Review of Governance Circulars. The Governing Body received the following correspondence relating to the Review of Governance:

(i) DEL Circular FE04/12, dated 11 May 2012 introducing a new Code of Governance for Further Education Colleges. Members expressed concern about the document and The Chairman advised that the Code would be discussed at the Colleges NI Seminar next week.

It was agreed that Governors should e-mail their responses to the Chairman in advance of the seminar to enable him to represent their views.

(ii) DEL Circular FE05/12 dated 11 May 2012 introducing a new framework for recruitment and selection of Governing Bodies and setting out the knowledge, skills and competencies required by Members of Governing Bodies and Governing Bodies collectively. A member commented that Governing Bodies had a very limited input into the appointment of Governors

(iii) DEL Circular FE06/12 dated 11 May 2012 introducing a new method of assessment for chairs and members of Governing Bodies to take effect for the 2012/2013 academic-year. Governors regarded the appraisals as being too detailed and complicated.

b) DEL letter, dated 25 April 2012, providing details of Recurrent Budget allocations for 2012/2013. The Governing Body noted that the College has been allocated £21,824,600 representing an increase of 1.91% or £408,510 on the 2011/2012 allocation.

39.8 Audit Committee

The Governing Body received the minutes of the meeting of the Finance and General Purposes Committee held on 14 May 2012. Mrs Rankin, the Chairperson, highlighted the following issues arising from the minutes:

a) Faculty Presentation. The Committee received a presentation from Mrs S Kennedy, Head of Quality Improvement, regarding the Quality Improvement Unit (QIU) Risk Register. Mrs Rankin stated that consideration was being given as to whether Heads of Department should continue to give presentation relating to their risk registers. There may be other aspects of risks worth exploring.

b) Correspondence. The Committee noted the following correspondence:

(i) Correspondence from Department of Finance and Personnel, dated 6 February 2012, regarding DFP's Annual Compliance Report on the Use of External Consultants 2010/2011. The Director of Finance advised the Committee that the College complied with all requirements relating to the use of External Consultants.

(ii) Correspondence from the Department for Employment and Learning, dated 24 April 2012, providing key changes to the Audit Code. The Director of Finance informed the Committee that the key changes had been included in the tender documentation of the on-going tender for the Engagement of Internal Auditors.

c) Risk Management Group. The Committee noted the minutes of the meeting of the Risk Management Group on 23 April 2012, when the following issues were discussed:

(i) College Risk Register. The Group discussed the revised copy of the College Risk Register April 2012.

(ii) Departmental Risk Registers. It was noted that budget holders had been given an additional week for submission of updated Departmental Risk Registers.

d) Outstanding Internal Audit Recommendations. The Committee received a progress report regarding outstanding PWC Recommendations 2011/2012, PWC Recommendations 2010/2011 and recommendations contained in the Report To Those Charged With Governance (RTTCWG).

e) Internal Audit Reviews. The Committee received the following Reports:

(i) Internal Audit Report to Audit Committee. The Report provides an update on progress against the 2011/2012 Internal Audit Plan. It details the internal reviews completed since the last Audit Committee meeting: Review of e-Registers (satisfactory assurance); Review of Data Quality (substantial); Review of Estates Management (satisfactory); and Review of Payroll (substantial).

(ii) Internal Audit Review of Estates. The Internal Auditors have issued a satisfactory assurance for Estates Management and its key processes. There were no Priority 1 issues identified during the course of the review.

(iii) Internal Audit Review of Data Quality and MIS Systems. The Internal Auditors have issued a substantial assurance for Data Quality and MIS systems and their key processes. There were no Priority 1 issues identified during the course of the review.

(iv) Internal Audit Review of the e-Registers Project. The Internal Auditors have issued a satisfactory assurance for e-Register Procedures and key processes. There were no Priority 1 issues identified during the course of the review.

(v) Internal Review of Payroll. The Internal Auditors have issued a substantial assurance for Payroll. There were no Priority 1 issues identified during the course of the Review.

f) Report on Audit of 2009/2010 FLU Funding. The Committee received a Report on the Audit of 2009/2010 FLU Funding undertaken by FE Corporate Governance and Accountability, DEL. The overall assurance rating and the ratings for each of the key processes were found to be satisfactory. There were no Priority 1 issues identified during the course of the audit.

39.9 Education Committee

The Governing Body received the minutes of the meeting of the Education Committee held on 15 May 2012. In presenting the minutes, Mr Jay, the Chairperson, highlighted the following matters:

a) Chairperson. The Committee appointed Mr R Jay to replace Mrs U O'Kane as Chairperson of the Education Committee. It was noted that Mr K Nelson would continue as the Vice-Chairperson.

b) Funded Learning Units. The Committee noted that the College has been allocated £21,824,600 representing an increase of 1.91% or £408,510 on the 2011/2012 allocation. It was also noted that the College had been allocated an enhanced FLU HE in FE Target of 799 for 2012/2013 compared with a Target of 708 for 2011/2012; this represents a shift of funding amounting to £309,400. The Director indicated that the College had been hoping for an additional £700k but had to be satisfied with an extra £400k. The Committee agreed that the campaign to increase the College's FLU allocation should continue.

c) Performance Management. The Committee received a Report providing retention rates as at May 2012 in full and part-time courses in FE, HE, Essential Skills and Entitlement Framework. The Committee noted:

(i) FLU Funded Provision. The Director of Curriculum explained that it was too early to predict the whole course retention rates for FLU-funded provision (FE full-time, FE part-time, HE full-time, HE part-time and Essential Skills) for the complete 2011/2012-year but figures as at

May 2012 indicate in-year retention rates of around 90% and show an improvement on rates for 2010/2011.

(ii) Entitlement Framework. The retention rate for courses run for schools is currently 97%. The projected income for Entitlement Framework provision shows a decrease of approximately £120,000 from the original projection of £1.76m due to a drop in the number of EF classes particularly in the Antrim area and increased competition from schools organising their own Occupational Studies classes.

(iii) Training. The College has achieved its KPIs/Targets for retention and work placement rates. Training enrolments, however, were 667 at 1 April 2012 against a target of 740. The Director of Curriculum stated that there is a variance of some £182k against the original projected income for 2011/2012.

(iv) KPIs/Targets Economic Engagement Activity. The Committee noted that variances, as at 1 April 2012, were largely due to the failure of a number of planned courses to materialise, as companies reviewed their staff development plans.

d) Leadership and Management Project. The Committee received a Performance Management Report, which indicated that a second workshop had taken place on 30 March 2012, when a number of key issues were discussed. It was noted that two externally facilitated Continuous Professional Development sessions had also taken place: Situational Leadership and Difficult Conversations; and Leadership/Management Styles. A follow-up session on the Development of Leadership Styles within Senior Teams is planned for 25 May 2012. A further event focusing on up-skilling managers to evaluate the quality of teaching and to support peer observations and appraisal will take place in June 2012.

e) FE College Health Check Report. The Committee received the FE College Health Check Report based on information available at the end of Quarter 2 of 2011/2012. The Report indicates that the College's overall retention, achievement and success figures show a significant improvement from the previous year and are now broadly in line with the sector average. The Report also indicates that the College has the second highest diversity of income figure in the sector, demonstrating that it is not as reliant on DEL income as some other colleges. The Report suggests, however, that the College is less 'productive' than other Colleges in that the full-time equivalent staff numbers per £1m of income generated are the highest in the sector. The Director advised the Committee that the Executive Management Team was investigating this matter

f) Curriculum Management Team. The Committee received a Report providing details of the revised Curriculum Management Team and the revised Faculty, School and Quality Improvement Unit Structure.

g) Education Committee Annual Report 2011/2012 (minute 12.12). The Committee received the Education Committee Annual Report 2011/2012. It was noted that the Committee had undertaken a diversity of activities during the period of the Report. It was agreed that the Report should be submitted to the Governing Body.

h) Education Committee Action Plan 2012/2013. The Committee received:

(i) A Report indicating progress against the 2011/2012 Action Plan approved by the Education Committee on 11 October 2011. It was noted that the Committee had achieved the targets for the academic year 2011/2012; and

(ii) The Action Plan for 2012/2013. The Committee agreed that the Action Plan 2012/2013 be approved and submitted to the Governing Body for information.

39.10 Finance and General Purposes Committee

The Governing Body received the minutes of the meeting of the Finance and General Purposes Committee held on 29 May 2012. Mrs Collins, the Chairperson, highlighted the following issues arising from the minutes:

a) Reclassification of Further Education Colleges. Following the decision of the Office of National Statistics (ONS) regarding the reclassification of Further Education Colleges, the Department of Finance and Personnel (DFP) has classified FE Colleges as Executive Non-Departmental Public Bodies (NDPBs). DEL has identified seven strands as part of the implementation project. Mrs Moore, the Director of Finance and Corporate Development, stated that DEL had already secured public expenditure budget cover for all College reserves until March 2015.

It was noted that initial work with DEL would concentrate on budgets and forecasts for 2012/2015. All budgets/forecasts will be based on the financial year 1 April to 31 March and not the College financial year 1 August to 31 July. Mrs Moore said that all budgets had now been set for the DEL financial year to 31 March 2013. Colleges are required to submit Monthly Forecast Out-turn Returns to DEL and participate in three Monitoring Rounds to inform the Department of any pressures and easements on their budgets.

Concern was expressed regarding the increased volume of work and the tight deadlines for the submission of returns to the Finance Department. The Director of Finance and Corporate Development said that there was anxiety about the quality of the returns as there was little time to check assumptions. The Committee agreed that the Director should raise these concerns with the Department.

b) Funded Learning Unit Bid. The Committee received correspondence from DEL, dated 25 April 2012, allocating funds to each College in respect of FE, Essential Skills and HE for the period 1 August 2012 to 31 July 2013 from the recurrent block grant of £146 million. The College has been allocated £21,824,600 representing an increase of 1.91% or £408,510 on the 2011/2012 allocation.

The Director stated that the College had been allocated an enhanced FLU HE in FE Target of 799 for 2012/2013 compared with a Target of 708 for 2011/2012; he added that the College had been hoping for an additional £700k but had to be satisfied with an extra £400k.

c) Correspondence. The Committee noted the following correspondence, which had been received since the last meeting:

(i) Circular FE 18/01 circulated by DEL on 9 March 2012 regarding Capital Development Procedures;

(ii) Circular FE/04 circulated by DEL on 9 March 2012 regarding FE Estate Strategy;

(iii) Circular 05/03 circulated on 9 March 2012 regarding the disposal of Surplus Lands and Buildings.

The Director of Finance and Corporate Development stated that the College is following the guidelines detailed in the Circulars.

d) Monthly Management Accounts. The Director of Finance and Corporate Development presented the Monthly Management Accounts for the period up to 31 March 2012, which indicate that the College has an historic cost surplus of £1,224k, which was £115k behind budget. She said that the projected outturn for 2011/2012 was still a deficit of £1,231k. The Bank Balance as at 31 March 2012 was £4.7 million. A separate sheet has been provided for investments at the Ulster and First Trust Banks amounting to £4.0 million.

She also presented key performance indicators for March 2012 and projected to 31 July 2012 based on the KPIs used in DEL's quarterly Healthchecks.

e) Estate Issues. The Committee received an update regarding the following estate issues:

(i) Outline Business Case. The tender process to appoint consultants has commenced and tenders will be evaluated on 6 June 2012.

(ii) Larne Adult Education Centre. The draft lease is being discussed with the tenant. It is hoped to have an agreed lease and the tenants in place by 1 July 2012.

(iii) Antrim Campus. Two public sector parties have shown an interest in the property and meetings have been arranged with the interested parties.

(iv) Portrush. There has been no further progress since the meetings of the Land Disposal Committee on 4 January and 10 January 2012.

(v) Station Road, Newtownabbey. There has been no further progress since the meetings of the Land Disposal Committee on 4 January and 10 January 2012.

(vi) Maintenance Matters. Only essential maintenance will be undertaken for the remainder of 2011/2012. It was noted that planning had commenced for 2012/1013.

f) Single Action Procurements. The Committee noted details of Single Action Procurements for March and April 2012. There were no Single Action Procurements, in excess of £5,000, during the period.

g) College Health Check. The Committee received the FE College Health Check Report based on information available at the end of Quarter 2, 2011/2012. The Committee noted the following comments regarding the College's performance:

- Staff cost ratios, as a percentage of income, are the highest in the sector.
- Estate costs are below the sector average, which reflects the lack of investment in estate due to the age of the buildings
- The College has the highest diversity of income figure in the sector, demonstrating that it is not as reliant on DEL income as some other colleges. Part of this is due to the fact that the College has no PFI buildings and therefore no reliance on the Department in this area
- The College has the lowest diversity of income in relation to recurrent grant. The College receives 67% of income from recurrent grant compared to the sector average of 58%
- The College has the highest ratio of FTE staff per £1m income generated
- Overall retention, achievement and success figures show a significant improvement from the previous year and are broadly in line with the sector average.

h) Half-Yearly Review of the Financial Position. The Director of Finance and Corporate Development and the Management Accountant have conducted a review of the Financial Position, with each Budget Holder at the six-month period. The Director of Finance and Corporate Development had conducted a further review at the seven-month period with the Director, each budget holder and their line manager. Mrs Moore advised the Committee that there was no net impact on the College projection of a £1.2m deficit for the year 2011/2012. During the review budgetary pressures amounting to £187k were identified, which will be funded out of the additional £339k recurrent grant received in March 2012. The balance will be invested in IT infrastructure.

39.12 Staffing Committee

The Governing Body received the minutes of the meeting of the Staffing Committee held on 29 May 2012. In presenting the minutes Mr Davidson, the Chairperson, highlighted the following issues discussed at the meeting:

a) Investors In People Award. The Committee noted that following the IIP Reassessment on 14 May 2012, the IIP Assessor indicated that he will recommend NRC for recognition as an Investor In People organisation to the IIP Recognition Panel. The Director stated that he had had no indication as to when the Panel would meet.

b) HR and Equality Report. The Committee received a copy of the HR and Equality Report, Section 1 of which had been forwarded to the Equality Commission in April 2012. The Head of HR examined the Sections of the Report dealing with Fair Employment and Equality Monitoring. She stated that some of the slight anomalies in relation to under-representation were being addressed but no affirmative action was deemed necessary. She also drew attention to a number of sections in the Report and detailed a number of initiatives to be progressed during 2012/2013.

c) College Health Check. The Committee received a copy of the FE College Health Check Report based on information available at the end of Quarter 2, 2011/2012. The Committee noted a number of comments regarding the College's performance:

- Staff cost ratios, as a percentage of income, are the highest in the sector. Staff costs per head, however, are below the Sector average. The Director advised that the College Staffing Plan would be addressing this issue.
- The College has the highest ratio of FTE staff per £1m income generated. Mrs Moore indicated that the College was currently addressing this matter but this was an issue, which may not be resolved in the short term.
- Absenteeism rates at NRC were the second highest in the sector. It was noted that the rate had been distorted by the increase in the number of long-term absentees.

d) Staffing Committee Action Plan 2011/2012. The Committee received a paper providing progress against the 2011/2012 Action Plan approved by the Staffing Committee on 31 May 2011. The Committee agreed that it had undertaken the activities detailed in the Action Plan and had achieved its objectives for the academic year 2011/2012.

e) Staffing Committee Annual Report 2011/2012. The Committee received a copy of the Staffing Committee Annual Report summarising its activities during 2011/2012 and agreed that the Annual Report 2011/2012 be approved for submission to the Governing Body.

39.12 Progress Report on Corporate Targets 2011/2012

The Governing Body received a Progress Report on Corporate Targets 2011/2012 and noted that satisfactory progress has been made against four of the five targets as detailed in the CDP: quality of student learning experience; staffing structure; estates strategy; and financial stability. Fair progress has also been made in regard to the development of the curriculum and associated provision prioritised in relation to the social and economic need, government policy and resource allocation. It was noted that the College had fallen short of its FLU targets in FE and Essential Skills and in the recruitment targets for training. In response to a query the Director advised that the College had not been penalised financially for failing to meet these targets

39.13 College Development Plan 2012/2015

The Governing Body received the draft College Development Plan for 2012/2015, which encompasses the commitments and timescales carried forward from the Business Improvement Plan, submitted to DEL in 2010. In its response to the BIP in April 2011, DEL accepted the proposals contained in the Plan as the basis for addressing the inherent financial and estate issues faced by the College and also accepted the timescales for achieving financial stability

The Governing Body noted the various sections of the Plan and in particular the section dealing with Strategic Aims and Corporate Targets. A balanced scorecard has been developed to measure the performance of the College and to ensure that the Strategic Aims are achieved. The balanced scorecard identifies five domains and attaches a number of

targets to each to domain to measure performance. As well as monitoring performance through the Balanced Scorecard, the Governing Body considers performance as indicated by quarterly College Health Check Reports issued by DEL.

It was suggested that the balanced scorecard targets should be aligned with the DEL research findings and that reference should be made to the research in the CDP. A member suggested that the targets should be set with a view to improving quality and to enhancing the College's position in the quarterly Health Checks. The Director stated that target setting was a complex operation; the Health Checks, he advised, indicated an improving trend in the College's performance.

A number of Governors expressed reservations in regard to the targets set under the 'Student Experience' domain. It was suggested that in future the Education Committee should consider these targets before submission to the Governing Body. Governors accepted the targets attached to the other domains.

The Governing Body gave consideration to the Estates Section of the CDP. The College is currently in the process of the appointment of consultants to undertake the Outline Business Case and it is anticipated that the exercise will be completed within 9 months. On completion the OBC will provide a detailed analysis of NRC's estate. It is unlikely that capital funding will be available within the current CSR period for any new build and it will be necessary to make further savings in estate costs in the interim period. Some funding may be available from DEL during the current financial year and the College has prepared a priority list to progress short-term projects if and when funding becomes available. It was noted that the Governing Body would have to review the situation if the Department does not agree the timescales referred to in the Estate Strategy.

It was noted that the CDP was a College working document, and that a copy would be sent to the Department for information.

The Governing Body agreed that the CDP 2012/2015 be approved on the understanding that some textual revisions would be made to the document, an executive summary should be circulated to Governors at the beginning of the academic year and the 'Student Experiences' targets should be reviewed by the Executive Management Team and the Education Committee following confirmation of 2011/2012 performance data.

39.14 Draft Budget 2012/2013

The Director of Finance and Corporate Development gave a presentation regarding the Budget 2012/2013. She referred to the projected outturn for 2012, which anticipated a deficit of £1,230k and forecast an improved financial performance for 2012/2013, with a projected a budget deficit of £695k. She explained that this was £366k more than projected in the CDP. Mrs Moore detailed examples of cost reductions to date, which would provide savings of £682k in 2012/2013 and which had resulted from the Management Review, Lecturer efficiency. Resignations not replaced and Larne running costs. She outlined a number of other areas to be considered with a view to reducing the gap between the Budget 2012/2013 and the deficit projected in the CDP.

The Governing Body agreed that a special meeting if the Governing Body should be arranged for 5 July 2012 at 9.00 am at the Newtownabbey Campus to consider and approve the budget for submission to DEL

39.15 Higher Education Provision

The Director reminded Governors that the Education Committee at its meeting on 20 March 2012 had discussed the current distribution of full-time Higher Education places across the FE Colleges. The Committee noted that NRC has the lowest number of places of the six Regional Colleges. The Committee recommended that the full Governing Body should discuss the issue and the College should launch a campaign to argue for a re-distribution of the places available.

The Director stated that if NRC had the same number of full-time HE FLUs as the next lowest (SWC) then this would be worth an additional 239 FLUs or £790k and increased fees income would be worth £210k. He stated that NRC's MaSN cap had a detrimental effect on the College's productivity ratio (FTE staff per £1 million generated).

The Director referred to Sector MaSN statistics for the period 2007/2008 to 2012/2013 and pointed out that the College had started out as the second lowest allocation in the sector in 2007/2008 but had been overtaken by SWC in 2010/2011 as a result of a local campaign. The Director stated that NRC had been allocated an additional 14 HE places out of the 32 extra places available to the sector for 2012/2013. Only an extra 70 places would be available to the sector over the three-year period 2012/2013 to 2014/2015. This, he emphasised, would not remedy the imbalance. It would be necessary for the Department to undertake an overall distribution across the sector.

Governors made a number of observations during the subsequent discussion. Mr Jay stressed that it would be necessary for NRC to have appropriately qualified staff to provide HE courses. Mrs Rankin said that there was a strong argument for NRC to make regarding HE places in STEM subjects given its good performance in Science and Mathematics as cited at the DEL presentation. Mrs Collins stated that the curriculum plan should reflect the extra demand for HE places at the College.

To redress the imbalance it is recommended that:

- a) DEL should be asked to restate the current criteria for the allocation of MaSN caps to Colleges;
- b) The Governing Body should write to DEL on the matter and seek a meeting with Andrew Hamilton, Deputy Permanent Secretary, who has responsibility for Higher Education;
- c) The Director should enlist political support through dissemination of information and meetings with potential representatives; and
- d) The College should make an increased FLU Bid for 2013/2014 to include a planned increase in full-time HE.

The Governing Body agreed the recommendations indicated above.

39.16 College Health Check

The Governing Body received the FE College Health Check Report based on information available at the end of Quarter 2, 2011/2012. The Report provides a range of information on various key performance indicators from the financial, economic, staffing and learning categories. The Governing Body noted that due to pressure of work, DEL would not be providing a 3rd Quarter 2011/2012 Health Check

The Chairman reminded the Governing Body that the Education Committee, the Finance and General Purposes Committee and the Staffing Committee had considered this Report and had forwarded comments to the Governing Body. It was also noted that the Committees of the Governing Body would continue to review forthcoming Health Checks and monitor, on a regular basis, the long list of KPIs, which deals with issues referred to in the Health Checks.

39.17 Calendar of Meetings 2012/2013

The Governing Body received a copy of the Calendar of Meetings 2012/2013 that it had approved at its meeting on 14 March 2012. The Secretary stated that there had been some changes to the membership of the Governing Body since the meeting and it was important to reconsider the schedule of meetings.

Following discussion the Governing Body agreed that the Calendar of Meetings 2012/2013 should be reinstated subject to a revised date for committees scheduled to meet on 11 April 2013.

39.18 Any Other Notified Business

There was no further unreserved business to transact.

39.19 Date of the Next Meeting

The Chairman reminded Governors that the next meeting of the Governing Body is scheduled for 5.30 pm **Wednesday 10 October 2012** at the Farm Lodge, Ballymena Campus.