

NORTHERN REGIONAL COLLEGE

GOVERNING BODY

Minutes of the meeting of the Governing Body held at 5.30 pm on 29 January 2014 at the Farm Lodge Ballymena Campus, Northern Regional College

Present Mr G Gilpin (Chairperson), Mr T Neilands (Principal), Mrs I Allison, Alderman J Brown, Mrs K Collins, Mrs J Eve, Mr I Goldsworthy, Mr R Jay, Mr A Kennedy, Dr D Lennox, Alderman PJ McAvoy, Mr S McCartney, Mrs G McConnell, Mr M Murray and Mrs A Rankin

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

UNRESERVED BUSINESS

51.1 Apologies

Apologies were received from Mr S Davidson, Mr S Kelly and Mr K Nelson

51.2 Declaration of Interests

There were no declarations of interests.

51.3 Minutes of Last Meeting

The minutes of the last meeting of the Governing Body held on 20 November 2013 were approved subject to material at minute 50.7 being placed in the reserved section.

51.4 Matters Arising

51.4.1 Quality Assurance Agency (minute 50.6 a))

The Governing Body received the QAA Draft Report in regard to the visit to the College on 5 – 7 November 2013. The College has received the highest possible outcome from the Review in the three core theme areas evaluated:

Core Theme 1: Academic Standards. The Team has **confidence** that the College discharges its responsibilities effectively;

Core Theme 2: Quality of Learning Opportunities. The Team has **confidence** that the College discharges its responsibilities effectively;

Core theme 3: Public Information. The Team has concluded that **reliance** can be placed on the accuracy and completeness of the information that the College is responsible for publishing about itself and the programmes it delivers.

Referring to the Report, Mr Jay stated that the QAA team had recommended that the College should take action: to improve its engagement with the UK Quality Code for Higher Education; and to improve staff use of the Virtual Learning Environment to enhance the delivery of provision. It was noted that increased use of VLE facilities had financial implications, which would need to be addressed at a future date. The Director of Curriculum indicated that examples of best practice in Higher Education are to be extended to FE and WBL.

The Governing Body congratulated the College on an encouraging Report

51.5 Chair's Communications

The Chair referred to the following issues:

a) Engagements. The Chair stated that he had attended several meetings and events since the last meeting. He mentioned, in particular, that he and the Principal would be meeting DEL representatives on the following day to discuss the Outline Business Case

b) Membership of Governing Body. Mr R Jay, whose period of appointment expired on 4 January 2014, has had his period of appointment extended for a further four years.

c) Award of MBE. The Governing Body congratulated Alderman J Brown on the award of an MBE for his services to local government.

d) Christmas Dinner. The Chair thanked the College for a superb Christmas Dinner. He said that the meal had been excellent and the atmosphere good. He asked for Paula McIntyre and her Team to be congratulated on an outstanding occasion.

51.6 Principal's Report

The Principal referred to the following developments detailed in his Report to the Governing Body:

a) Income Generation. There has been a number of recent developments in attracting funding in support of the College's work with industry and the community. The Principal provided details of successful initiatives with Caterpillar, DED Neighbourhood Renewal, Living and Learning Together, UKIERI Funding and Connected. Referring to the Caterpillar initiative, he said that the firm would be undertaking a planned expansion at Monkstown with an up-skilling of existing staff. NRC has been chosen as the training partner. The Principal stated that there would be high profile launch at a future date. In response to a query it was noted that the initiative, although concentrating on the up-skilling of existing Caterpillar staff, may give rise to apprenticeship training in the future. It was also noted that NRC staff involved in the training would also need to be up-skilled.

The Chair asked if these initiatives were over and above budget and was informed that they would have no impact on the budget during the current financial year.

b) Graduations. The Annual Higher Education Graduation ceremonies had taken place on 12 December 2013 at the Dunadry Hotel.

c) Launch of the Manchester United Soccer School. The MUSS launch took place on 5 December 2013. There was very good media coverage particularly in the Belfast Telegraph.

d) Visit of Permanent Secretaries. Arrangements are being made for the new Permanent Secretary DEL, Mr Derek Baker, to visit the College. Mr Paul Sweeney, Permanent Secretary Department of Education, will be visiting the Farm Lodge Ballymena Campus on 26 February 2014.

e) Student Successes. Lauren Finlay, Louise McCallion and Sarah Davidson won prizes at the Annual Federation of Small Businesses/CNI Future Student of Business Awards at the Waterfront Hall in December 2013. NRC also won the best video prize for a production by the Media Studies students at the Ballymoney Campus.

f) Meetings and Events. The Principal provided details of several meetings and events he had attended since the last meeting.

51.7 Balanced Scorecard

The Governing Body received the Balanced Scorecard 2013/2014, providing the status for domain targets as at 29 January 2014. The Governing Body examined each of the domains in turn:

a) Total FLUs. It was noted that the total FLUs was some 200 below target at 17 January 2014; the recent Governance Health Check had stressed the need for the College to deliver its FLU target. **It was agreed that this matter would be addressed at the forthcoming Strategic Workshop on 12 March 2014, when more information would be available.** Dr O'Mullan, Director of Curriculum, advised the Governing Body that the FLU tolerance range had been reduced from 2% to 1.5%. The Governing Body noted that the Education Committee (12 February 2014) would be considering the FLU Bid for 2014/2015

b) Inspections and Surveys. The Governing Body noted that the eti Monitoring Visit had confirmed that the College is making satisfactory progress in addressing the key areas for improvement.

c) Learner Access and Engagement (LAE). It was noted that the College is currently working with 11 Area Learning Communities in the delivery of this programme. To date there have been 125 enrolments but it is anticipated that there will be 600 enrolments by the end of the academic year. A Governor suggested that there was a requirement for a 'traffic light system' to inform the Governing Body of the status of domains. **It was agreed that this issue should be discussed at the Strategic Workshop.**

d) Business Development Activity. It was noted that the projected income from Bespoke Training would be £515k and Grant Funded Income £902k by the year-end. The overall projected income would be in excess of the £1,236k target.

e) Staff Cost to Income Ratio. It was noted that the projected ratio at 31 July 2014 was 72.7% against a target of 72%. A Governor expressed displeasure that the College was not expected to meet its target. It was suggested that consideration should be given to income generation as well as staff reductions to reduce the ratio to the Sector average. **It was agreed to address this matter at the Strategic Workshop in March 2014**

f) Historic Cost Surplus. It was noted that the historical cost surplus of £999k was £158k better than budget. Mrs Moore advised the Governing Body that the budget would come in-line by the year end and a £2k surplus was anticipated.

51.8 Correspondence

There was no correspondence to report.

51.9 Governing Body Self-Assessment Exercise 2012/2013

The Governing Body received a report from DEL providing details of the Governing Body Self-Assessment 2012/2013 Exercise. It was noted that the Report indicates dissatisfaction among Governors regarding certain issues such as: Governing Body procedures; the functioning of Governing Body Committees; and Training. The Chair expressed surprise and disappointment at the results of the Exercise. He added that in every category the NRC Governing Body was below the Sector average. He questioned whether Governors were being excessively critical of the workings of the Governing Body. A Governor referred to a statement in the Report that respondents had a 'tendency to answer questions in a way, which portrays the respondent in a positive light'. **The Governing Body agreed that further consideration should be given to the Self-Assessment Exercise at the Strategic Workshop.**

51.10 Education Committee

The Governing Body received the minutes of the meeting of the Education Committee held on 10 December 2013. Mr Jay, the Chair of the Education Committee, drew attention to:

a) Correspondence. The Committee received a number of statistical Bulletins from the Department. Mr Jay made a number of observations in relation to correspondence:

- In 2012/2013 there was a 2.3% under performance across the Sector comparing the actual FLU generated by the final 2012/2013 data against targets set through the CDP process. NRC had a 2.7% under-performance. The Committee noted that NRC had the lowest proportion of FLU generated at Level 2 in the Sector; it was noted that NRC would be offering additional Level 2 courses in future
- NRC has the lowest allocation of full-time HE places in the Sector. If NRC were allocated the same as the next lowest in the Sector it would have received an additional £1m funding.
- There was an under-delivery of FLU against target in 2011/12 resulting in a reduction in funding allocation in 2013/14. The 2012/13 FLU out-turn was also below target and this will impact on the 2014/15 budget. A claw back of £70,210 relating to DEL Quality Performance Adjustment is anticipated for 2012/13.

b) Quality Improvement. The Committee considered a number of documents including:

i) Whole College Self Evaluation Report for 2012/2013 submitted to DEL by 15 November 2013. It was noted that the following grades had been awarded: achievements and standards (FE 3 and HE 3); quality of provision of learning (FE 3, HE 2); leadership and management (FE 3, HE 3); and overall (FE 3, HE 3).

ii) Whole College Quality Improvement Plan for 2013/14. .

iii) QAA Summative Review.

iv) Quality Improvement Initiatives. Details were provided of two initiatives relating to Learning and Teaching Panels and Classroom Support Visits.

c) Overview of Student Social Problems. The Committee noted that student problems were categorised under the following headings: health and well-being; personal finance; career progression; equality; and learning difficulties and disabilities. It was further noted that there are varying types of intervention for each of the categories

d) Essential Skills. The Committee received a presentation from Mr S Bell, Head of Professional and Leisure Studies, and Ms K Mullan, Head of School of Essential Skills. Mr Bell stated that ES had been awarded a Grade 4 at the last *eti* inspection. He referred to a number of developments over the past year and expressed optimism that a better outcome would be achieved during the forthcoming *eti* Monitoring Visit

51.11 Finance and General Purposes Committee

The Governing Body received the minutes of the meeting of the Finance and General Purposes Committee held on 2 December 2013. Mrs Collins, the Chair of the Education Committee, drew attention to:

a) Progression-Related Increases. The Committee noted correspondence regarding annual progression pay increases without receiving the appropriate approvals. It was noted that DFP had identified and quantified irregular payments to staff for the academic years 2011/2012 and 2012/2013. The Committee noted that reference had been made to the pay progression increment in the Governance Statement in the Annual Report and Financial Statements 2012/2013.

b) Scheme of Budget Delegation. It was noted that KPMG had issued its draft Review of Budget Setting and the Financial Monitoring Process. It is anticipated that the Report will be available for the meeting of the Audit Committee (11 February 2014).

c) Correspondence. The Committee noted correspondence from DEL, dated 4 November 2013, showing how it calculates each College's FLU targets and the level of funding in support of these targets.

d) Estates Issues. The Committee noted the following estates issues:

i) Antrim Campus. Fold Housing does not wish to purchase the entire site and BTW Shiells has been instructed to sell the property on the open market;

ii) Site at Newtownabbey. A business case for the appointment of a consultant to enable planning permission to be gained for this property has been agreed by the Minister. DEL has agreed to provide funding for the appointment and a tender has been issued;

iii) Portrush Campus. A recent search indicates that there was a dispute in 1997 between the Causeway Institute and NEELB regarding ownership of the property. The Committee agreed that the College should dispose of its share of the property.

e) Monthly Management Accounts .The Monthly Management Accounts for the three months up to 31 October 2013 indicate that the College has an historic cost surplus of £260k, which is £16k ahead of budget. It was noted that the bank balance at 31 October 2013 was £1.7m and that £500k had been invested with the Santander Bank.

Mrs Moore, Director of Finance and Corporate Development, reported that First Quarter Monitoring meetings had taken place between Budget Holders, their Line Manager, the Director of Finance and Corporate Development and the Principal on 27-29 November 2013. The analysis was carried out on a risk assessment basis, reflecting the analysis carried out in the KPMG Review. Each Budget Holder considered the medium and high risk scenarios and projected the worst case financial position at 31 July 2014. The assessment of potential risk is quantified as £360k, in the worst case scenario, before taking any remedial action to reduce the risk. It was noted that the J&E allocation of £143k was included in this projected outcome. The Senior Management Team is now considering a package of options to minimise the potential risks. Options include: quantifying the value of the redundancy package required for 2013/2014; stopping all temporary support staff; reducing printed publications for 2014/2015; and withdrawing planned part-time provision in Terms 2 and 3. Mrs Collins advised the Governing Body that details of movements between budget holders would be provided when reporting the outcome of the 2nd Quarter Review to the Committee. A Governor expressed the view that there should be sanctions in respect of Budget Holders who overspent their budgets

f) Corporate KPIs. The Committee noted that most KPIs are in line with or better than targets.

g) Non-Departmental Public Body (NDPB) Submission. The Committee received a copy of the NDPB Forecast Expenditure Schedule forwarded on a monthly basis to the Department. It was noted that the Return had been reconciled with the Monthly Management Accounts and there was no variation between the Accounts and the NDPB Return for October 2013.

h) Monitoring Financial Recommendations. The Committee received a progress report in relation to the implementation of recommendations identified as a result of events or process failures in relation to the financial out-turn 2012/2013. Members noted that a number of recommendations resulting from the draft KPMG Review had been included in the progress report. In response to a query as to Budget Holders' reaction to the recommendations it was noted that Budget Holders were under considerable pressure and were concerned that they might exceed their budgets. Dr Lennox expressed concern that such pressures could have a detrimental effect on both staff and students. He said that it was important to have a consistent approach across the College. By way of example, Governors were informed that staff had been annoyed at the automatic switch-off of computers, when not in use. This had proved a source of irritation for members of staff, who wished to make further use of these computers later in the lesson or with the following class. It was noted that staff criticism had been acknowledged and the switch-off time had been elongated. Mrs Moore stressed that it was necessary to make savings across the College; it was estimated that the College had achieved energy savings amounting to £14,000 during the year to date.

51.12 Staffing Committee

The Governing Body received the minutes of the meeting of the Staffing Committee held on 2 December 2013. The Committee noted that the following issues had been discussed at the meeting:

a) Review of Industrial Relations. The Committee noted that Sir Robert Salisbury had given a verbal report on his Review of Industrial Relations to the CNI Board on 25 November 2013 and he intends to submit his final Report to the Board prior to Christmas.

b) Correspondence. The Committee noted the following correspondence:

i) DEL Circular FE 11/13 Disclosure and Barring Arrangements, dated 6 November 2013, which reminds colleges of vetting requirements for (i) recruiting staff; (ii) existing staff; and (iii) students.

c) Staff Survey 2013. The Committee received a revised Staff Survey Summary, which provided details of the number of persons, who had responded to each question in the document.

d) Corporate KPIs. The Committee received a Progress Report regarding the Staffing Committee KPIs as at 2 December 2013.

e) Review of Employment Policies. The Committee received a Report providing details of the outcome of the review of employment policies undertaken in August 2013. The Committee noted that policies relating to career breaks, disability, maternity, redundancy, sickness absence and adoption were under review.

f) Committee Action Plan 2013/2014. The Committee reported that it had agreed its Action Plan for 2013/2014

51.13 Any Other Notified Business

51.13.1 Colleges Northern Ireland.

It was noted that CollegesNI had received a Report as to the way forward for the organisation.

51.14 Next Meeting

The Chair reported that:

a) The Strategic Workshop, scheduled for the afternoon of 12 February 2014, had had to be postponed. It would now be held on the afternoon of 12 March 2014 at a time and place to be decided.

b) A meeting of the Education Committee will now be held on 12 February 2014, instead of on 25 February 2014, to approve the College's FLU bid.