

NORTHERN REGIONAL COLLEGE

GOVERNING BODY

Minutes of the meeting of the Governing Body held at 5.30 pm on 11 March 2015 at the Farm Lodge Ballymena Campus, Northern Regional College

Present Mrs C McKinney (Chair), Professor T Scott (Principal), Mrs I Allison, Mr C Chan, Mr S Davidson, Mr R Jay, Dr D Lennox, Mr S McCartney, Alderman PJ McAvoy, Mrs G McConnell, Mr M Murray, Mr K Nelson and Mrs A Rankin.

In Attendance Mrs B Crotty, Mrs C Moore, Dr C O'Mullan, Mr J Hunter and (Ms S Denney, Mr D Jones and Mr J Tomlinson KPMG for 59.17)

UNRESERVED BUSINESS

59.1 Apologies

Apologies were received from Alderman J Brown, Mrs K Collins, Mrs J Eve and Mr A Kennedy,

59.2 Declaration of Interests

There were no declarations of interests.

59.3 Minutes of Last Meeting

The minutes of the meeting of the Governing Body held on 28 January 2015 and the notes of the Governing Body Strategic Workshop held on 11 February 2015 were approved.

59.4 Matters Arising

There were no matters arising from the minutes of the last meeting.

59.5 Chairperson's Communications

a) The Chair referred to notes, previously circulated for information, on a presentation given by Mr M Durkan, Executive Director Invest NI to the CNI Board on 28 February 2015.

b) The Chair informed the Governing Body that:

i) She had had useful and informative meetings with all Governors with the exception of Alderman J Brown and Mr C Chan. Arrangements have been made to meet both Governors prior to the next meeting of the Governing Body.

ii) She had attended several meetings and events since the last Governing Body meeting. These included meetings with DEL, CNI and the Principal

(iii) Governor recruitment had closed on 2 March 2015. There had been a positive response and up to four full days have been set aside for interviews in April 2015

(iv) She had asked the Secretary to circulate a number of documents in recent weeks regarding educational developments, DEL circulations and other relevant events which governors might find useful to attend. The Chair advised that from April meeting she would provide, for Governors' information, a written list for the record of all meetings and forums she attended on behalf of Northern Regional College. She advised Governors of a forthcoming seminar (26 March 2015) led by NIAO Comptroller General Kieran Donnelly on the new

guidance on 'Conflicts of Interests' The Chair would report back to the Governing Body on this at its April meeting.

59.6 Principal's Report

The Principal advised the Governing Body that the Sector was operating in a period of significant change, which would present considerable challenges for Colleges. Professor Scott said that it would be essential for the College to absorb these changes and provide a service for the economy and the local community. She reported on the following developments since the last meeting:

a) Strategic Matters. KPMG has been engaging with senior managers and EMT and they are now in week 3/10 of the assignment to support the development of the Strategic Improvement Plan. The project team has reviewed curriculum provision and is currently focussing on potential organisational structures that are fit for purpose and affordable. KPMG will be assisted by external HR and finance specialists, who will join the project team (as required) over the coming weeks. The Project Team also includes two curriculum managers (Mr Vincent Taggart and Mr Aaron Ballantyne) and the Communication Officer who takes up appointment at end of the month. She informed the Governing Body that the following members of the KPMG team would join the Governing Body later to provide an update on developments: Mr Jones (Leader of the Project Team), Ms Deeney and Mr Tomlinson.

b) Curriculum Plan. Professor Scott drew attention to the Curriculum Plan for the College for the period 2015-18, which has been prepared following extensive consultation and feedback from internal and external stakeholders. The Plan takes on board feedback from ETI and identifies what we do; what is offered on each campus; and to what level. The current and proposed provision is aligned to the Priority Skills Areas identified by the Northern Ireland Executive in addition to growing participation and progression in STEM related subjects. The Principal indicated that it was intended to include an Executive Summary in the Curriculum Plan

c) Provisional budget allocation and implications. The College has been informed by DEL of its provisional Further and Higher Education budget and associated targets for 2014/15. The Minister has confirmed total cuts to the sector budget of £12m in 2015/16. The Department is seeking use of £6m from previous reserves accumulated in the sector (end year flexibility) to ameliorate the difficulties. If this draw-down of end year flexibility is not approved by the Department of Finance & Personnel then further savings of £6m will be required from the sector. The College has been provisionally allocated a FLU target of 6,077 resulting in an annual recurrent grant of £20,661,341. This represents approximately 140 FLUs less than the projected FLU out-turn for 2014/15 and a reduction of £1.4 million in recurrent grant.

c) Utilisation/Efficiency Redundancies. 7.84 FTE curriculum efficiency redundancies have been identified this year relating to areas of curriculum decline in 2014/15 and known/planned decline in 2015/2016. There will be a further staffing reduction required as a consequence of the budget cuts and the implementation of the Strategic Improvement Plan. NRC is currently working with DEL and other Colleges in the sector to develop a voluntary exit scheme to facilitate the staffing reduction.

d) Finance/HR matters. The Northern Ireland Local Government Pension Scheme (NILGOSC) regulations are changing from 1 April 2015; the majority of College support staff are members of NILGOSC. The main change is a move to a Career Average Revalued Earnings (CARE) Scheme that will have implications for the budget.

e) Procurement. The six FE Colleges have agreed a local operating Agreement with Central Procurement Directorate (CPD) that will result in procurement of contracts greater than £30k being carried out on behalf of the Colleges from 1 April 2015.

f) Estates. The College received feedback from DEL on the Curriculum Plan and Schedule of Accommodation (SOA) submitted in December 2014. The ETI and DEL subsequently outlined issues and queries to be addressed. Following dialogue and further feedback the SAO has

been resubmitted to the Department/ETI for approval.

The sale of the Antrim site has now been completed. It was agreed with the Department that the surplus on the sale price (the margin of £312k above the valuation) could be retained for essential in-year IT refurbishment.

DEL has confirmed the terms of reference for the appointment of the consultants (Deloitte) to update the Outline Business Case. A number of additional sites have/may become available in the timeframe; therefore these sites will now be included in the assessment. It was noted that discussions were continuing regarding a potential site for the new build at Coleraine/Ballymoney and Ballymena.

g) ETI Inspection. A team from the ETI Inspectorate will visit the College to carry out a focus inspection on CPD on 24-25 March 2015. ETI will be visiting all 6 colleges in March and will provide a report identifying good practice/areas for improvement and grading for each College. ETI has identified 10 categories against which colleges will be assessed. It was noted that the ETI team also wish to meet a representative of the Governing Body and it was agreed to see if a meeting could be facilitated with Mr Jay and or Mr Davison. In response to a query it was confirmed that a briefing paper had been prepared for the inspection.

h) Virtual STEM Centre. The funding received from the Department for this initiative has been allocated and the total-spend of phase one is nearing completion. The initial priority of addressing under-investment in ICT infrastructure and ensuring access to the VLE and online examinations on each campus will result in excess of 1100 new PCs being installed across the College in March.

i) College Open Days/Evenings. There was a high turnout at each campus with a significant increase in enquiries for software development and IT courses. Recently acquired equipment on each campus, such as 3-D printers, welding simulator, robots and other new technologies, were on display and attracted a high level of interest.

j) Industrial Action. The College has been informed by UNISON and NIPSA that their members in the Education and FE sectors have been balloted and have voted to take strike action on 13 March 2015 to protest against public sector funding cuts, NIPSA has decided, however, that strike action will not be called in FE Colleges on this occasion as UCU members have voted against taking strike action. Industrial action would still impact on students, who would experience difficulty due to the lack of public transport

h) The Principal listed several meetings that she had attended between 29 January-11 March 2015

59.7 Correspondence

There was no correspondence to report

59.8 Balanced Scorecard

The Governing Body received a copy of the Balanced Scorecard, which provides details of progress against targets as at 11 March 2015. Mrs Moore highlighted a number of issues arising from the following domains:

a) Student Experience. The total FLU provision is under target by 385. The Governing Body noted that the Education Committee minutes indicate that the predicted year-end out-turn was 262 FLUs below target. Mrs Crotty advised the Governing Body that the variation had been caused by a number of factors including the termination by DEL of the Learner Access & Engagement scheme. On the request of the Chair, she undertook to provide an explanatory note regarding this matter for insertion in the Balanced Scorecard.

It was noted that all colleges in the Sector were experiencing similar difficulty in achieving FLU targets.

b) Student Satisfaction. It was noted that satisfaction rates were slightly below target but actions were underway with a view to meeting targets by the year-end

c) Absenteeism. Absenteeism was above target but the College would attempt to reach the target by judicious management at the year-end. In response to a question, it was confirmed that the Staffing Committee monitors absenteeism on a regular basis and that the College has the lowest absentee rate in the Sector. A further query was raised by the Chair regarding disciplinary action in relation to absences. Action had been necessary in relation to a few short term absences but none in respect of long term absences. On the request of the Chair, **It was agreed to circulate, for governors' information, the College's policy and all other relevant HR policies and procedures.**

d) College Operations. The College awaits approval from DEL/DFP regarding the OBC. The sale of the Antrim Campus is complete; the final price was £778k (£328k above the asking price).

e) Inspections & Surveys. The view was expressed that the target set for the 'Quality of Achievement' (Minimum of Grade 3) was not high enough to stretch staff.. It was noted by governors that the target would be revised for 2015/2016

e) Finance. All targets are projected to be met by the year-end. The College is on target to achieve an historic cost surplus of 0.4k at the year end

59.9 Education Committee

Mr Jay presented the minutes of the meeting of the Education Committee held on 10 February 2015. He highlighted the following issues:

a) Correspondence. The Committee noted that correspondence had been received from DEL, dated 16 December 2014, indicating that Colleges will now receive a provisional budget notification from the Department regarding FLU estimates. Following notification Colleges will be required to forward FLU proposals to DEL, which will be discussed at the bilateral meeting scheduled for 1 April 2015.

b) ETI Scrutiny Inspection. The ETI has indicated that the College has improved the overall quality of its provision, along with its self evaluation and quality improvement planning process over the past year. Consequently, ETI has confidence in the self evaluation and quality improvement processes in the NRC.

c) ETI Interim Follow Up Inspection (Wood Occupations and Brickwork). The Inspection Team looked at relevant Work Based Learning (WBL) documentation and spoke to all staff and some trainees. Given the context that the interim visit was only three months after the previous inspection, ETI reported that the College is making satisfactory progress.

d) Curriculum Planning. The Committee received a paper providing an overview of NRC's approach to the recent revised planning processes in preparation for the FLU bilateral. It is anticipated that the initial recurrent grant allocations will take cognisance of trends in FLU performance and the sector budget reductions. The Director of Curriculum advised that the College was anticipating a reduction of up to £1m for 2015/2016. As a result the Curriculum Management Team is presently realigning the curriculum plan with present budget information, withdrawing courses no longer viable and including new courses.

e) Student Council. The Committee received a Report regarding Student Council activity. It was noted that during the last three months members of the Student Executive Committee have met with the Lead Manager of their campus and have raised a number of specific issues relating to catering, IT facilities and clubs. Many of the issues raised have already been dealt with or are currently being progressed. The Student President referred to the Widening Access and Participation (WAP) agreement, which has been devised to facilitate and increase participation in higher education for those groups, which are currently under represented in

HE and in particular students from disadvantaged backgrounds and students with learning difficulties and disabilities. He stressed the need for the College to support disadvantaged students with bursaries at an appropriate level to lessen the impact of higher fees being set for HE courses.

59.10 Finance & General Purposes Committee

Dr Lennox presented the minutes of the meeting of the Finance & General Purposes Committee held on 2 March 2015. He highlighted the following issues discussed at the meeting:

a) Monthly Management Accounts. The Committee received the Monthly Management Accounts for the period up to 31 January 2015. The Accounts indicate that the College has an historic cost surplus of £2,031k, which is £436k ahead of budget. The Bank Balance as at 31 January 2015 was £3.7 million; this was within the tolerance level set by DEL.

b) Non Departmental Public Body (NDPB) Submission. The Committee received a copy of the NDPB Forecast Schedule for January 2015, which has been forwarded to the Department, The return has been reconciled with the Monthly Management Accounts and there is no variation between the Accounts and the NDPB return.

c) Revised Management Statement/Financial Memorandum. The Committee received a copy of the revised draft Management Statement/Financial Memorandum in November 2014, which DEL intends to implement from 1 April 2015. The Committee received a paper summarising the key differences and points to note between the revised and the existing Financial Memorandum. The Governing Body noted in particular:

- Cash balances will continue to be a maximum of 10% of prior year income
- The Annual Accounts will continue to be prepared for the period 1 August to 31 July each year. Mrs Moore indicated that College Accounts would need to be within £50k of its target by 31 March each year to align with the budgetary year 1 April to 31 March. It was noted that there was potential for conflict between two sets of accounts with different year ends

59.11 Curriculum Plan 2015 -2018

The Governing Body received a document setting out the curriculum strategy for Northern Regional College (2015-2018) and identifying the type of provision offered at the College, by level and campus, and in response to local and regional demand.

Governors requested more time to study the document and therefore, it would be placed on the agenda for the next meeting as an item for full discussion

59.12 Any Other Notified Business

There was no other notified business.

59.13 Next Meeting

It was noted that the next meeting of the Governing Body is scheduled for 5.30 pm Wednesday 29 April 2015 at the Farm Lodge, Ballymena Campus.

C McKinney, Chair

Date

J A Hunter, Secretary