

NORTHERN REGIONAL COLLEGE

GOVERNING BODY

Minutes of the meeting of the Governing Body held at 5.30 pm on 21 April 2010 at the Ballymena Campus, Northern Regional College

Present Mrs K Collins (Chairperson), Mr T Neilands (Director), Rev T Jamieson, Mr R Jay, Alderman PJ McAvoy, Mrs U O'Kane, Mrs A Rankin Ms C O'Neill and Ms C Taylor.

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

UNRESERVED BUSINESS

23.1 Apologies

Apologies were received from Mr S Davidson, Ms J Fullerton, Mr I Houston, Mr P McCudden, Mr K Nelson, Mrs L Wallis and Mr A Watt.

The Chairperson informed the Governing Body that Ms Fullerton had advised her that she intended to forward a letter of resignation. Pressure of work had restricted her participation in Governing Body business.

23.2 Declaration of Interests

There were no declarations of interests.

23.3 Chairperson's Communications

23.3.1 Membership of Governing Body

The Chairperson informed the Governing Body that Mr Lewis Anderson had been appointed as a Member of the Governing Body for the period 1 April 2010 to 30 September 2010 or until such date on which he ceases to be a student at the College, whichever first occurs.

23.2.2 Economic Development

Alderman McAvoy informed the Governing Body that Ms O'Neill had given an excellent presentation to the Ballymena Borough Council's Economic Development Committee regarding the work of the College in respect of economic engagement both locally and internationally. He said that she had raised awareness of the work of the College. The Governing Body congratulated Ms O'Neill on an outstanding presentation.

23.4 Director's Report

The Director drew Members' attention to:

a) Staff Celebration Event. The Director referred to the Staff Celebration Event, which had been held on 15 April 2010 to recognise staff professional development achievements. Mrs O'Kane, one of the four Governors in attendance at the event, said that it was a worthwhile occasion and had been well organised by Suzanne Kennedy. The Director stated that this was an event that he wished to develop in future years.

b) Morehead State University. The video link scheduled for 20 April 2010 and the visit of two engineering lecturers and two students to Morehead State University had had to be

postponed as all flights out of Dublin on Saturday 17 April 2010 were cancelled. The Director informed Governors that the event had been planned to celebrate and thank Ballymena Borough Council, which had supported the visit. It was hoped to rearrange the video link and the visit in September 2010.

c) Annual LSDA Conference. The Director stated that members of the Executive and Senior Management Team had attended the Annual LSDA Conference at Galgorm Manor on 21 April 2010. He said that the College had had a significant input to four of the workshops.

23.5 Correspondence

The Governing Body noted the following correspondence:

a) Correspondence from DEL, dated 31 March 2010, indicating that an enhanced disclosure certificate will no longer be a pre-requisite to membership of a Governing Body of a College of Education.

b) Correspondence from DEL, dated 16 April 2010, advising that it is important that the impartiality and integrity of all non-Departmental Public Bodies and other arm's length public sector bodies are maintained during the election campaign. **The Chairperson asked for a copy of this correspondence to be forwarded to Governors.**

23.6 Minutes of Audit Committee

The Governing Body received the minutes of the meeting of the Audit Committee held on 30 March 2010. It was noted that the following topics had been discussed at the meeting:

a) College Risk Register. The Committee received the College Risk Register, which provided details of the key risks facing the NRC as identified by the Risk Management Group at its meeting on 10 March 2010. The Committee noted that the College's strategic objectives had been included in the Register thus providing a link between risks and strategic objectives.

b) Priority 1 Recommendations. The Committee received a Report detailing Internal and External Audit Priority 1 recommendations, which had still to be implemented. It was noted that all the recommendations had been implemented with the exception of one recommendation (PwC Internal Audit 2007/2008), which had been partially implemented, one from the NIAO External Auditors 2008, which had been partially implemented and two partially implemented recommendations (PwC Internal Audit 2008/2009). There were no priority one recommendations for 2009/10.

c) Public Accounts Committee Recommendations. The Committee noted that the College had received a letter from DEL dated 12 November 2009 requesting a response to four PAC recommendations in connection with improvements to governance arrangements. The Chairperson had forwarded a holding letter to the Department until such time as the Audit Committee could give consideration to it. The Committee considered a letter prepared by the Chairperson and agreed that it be submitted to DEL. The letter was submitted to DEL following the Audit Committee.

d) Correspondence. The Committee considered a letter from DEL dated 29 December 2009 regarding Memoranda of Reply to two NI Assembly PAC Reports. The MOR makes a number of recommendations particularly in respect of procurement. The Committee noted that the Director approves all single tenders, the College provides a list of single tenders over £5,000 annually to DEL and details are included in the Annual Report.

e) Director's Stewardship Statement and Letter of Assurance. The Director's Stewardship Statement, based on the information included in each of the Directorate Statements, indicates that business risks have been reviewed and updated with appropriate controls in place. The Committee noted the Director's Letter of Assurance based on his Stewardship Statement. A suggestion was made that the Letter should also include reference to major strategic issues such as negotiations with DEL concerning the Business Improvement Plan. It was noted that

the request for the Letter had still to be received from the Department. The Director of Finance advised the Governing Body that a request had now been received and the Letter of Assurance had been forwarded to DEL.

f) Procurement Strategy. The Northern Ireland Finance Officers' Network (NIFON) has identified the Crescent Purchasing Consortium, owned by the English FE Colleges and operated on their behalf, as a provider of procurement services that could meet the needs of the Sector as part of an overall procurement strategy. It was noted that all six colleges would be signing agreements with the Consortium.

g) Internal Audit Services. It was noted that the Public Accounts Committee had asked Colleges to consider an 'in-house' internal audit function. The NIFON Group has been exploring options for the provision of an internal audit function that will meet the needs of the FE Sector. The Group has indicated that the cost of outsourcing the internal audit function is approximately £27,800 less than the estimated cost of using an 'in-house' service. The Group has also stated that the non-monetary benefits of using an outsourced service significantly outweigh the benefits of using an in-house developed internal audit service. The Committee agreed that the internal audit function should remain outsourced but be kept under review. It also agreed that the Contract with PricewaterhouseCoopers should be extended for a further two years on the understanding that KPIs should be prepared to review the company's performance and a price should be negotiated for the extension prior to concluding the contract.

h) DEL Peer Review of Colleges Internal Audit Programmes. It was noted that the Internal Audit Service (IAS) had completed a peer review of the Internal Audit arrangements provided by PricewaterhouseCoopers to the six FE Colleges; IAS had provided a satisfactory opinion on the internal audit arrangements within the FE Colleges and the service provided by PwC. It also made a number of recommendations in regard to all six Colleges and two recommendations, in respect of the NRC, relating to procurement and the appointment of Internal Auditors. The Committee noted Management's response regarding IAS findings and recommendations.

i) Belfast Metropolitan College's Efficiency Review. The Committee noted that the College had prepared a document indicating the Northern Regional College's position in relation to the recommendations from the BMC Efficiency Review. This exercise had links with the Internal Audit Plan and had helped to identify areas requiring further attention. Ms Rankin made reference to the mammoth task performed by the Senior Management Team, in the compilation of the NRC position document.

j) Internal Audit Plan 2009/2010. The Committee received a number of papers and noted:

(i) A Report indicating progress against outstanding recommendations, as at 31 December 2009, arising from PwC Internal Audit Recommendations 2007/2008 and 2008/2009, and NIAO External Audit recommendations 2008.

(ii) PwC Internal Audit Report to Audit Committee 30 March 2010. The Internal Auditors are satisfied that all of the internal audit reviews are progressing in line with the agreed timescales and all work will be completed and reported in advance of the financial year end (31 July 2010), and within DEL requirements (30 September 2010).

(iii) Internal Audit Reviews. The Internal Auditors have provided an overall assurance rating of satisfactory for the examination and registration process, a substantial rating for corporate governance and a satisfactory rating for security of assets and delivery arrangements.

23.7 Minutes of the Finance and General Purposes Committee

The Governing Body received the minutes of the meeting of the Finance and General Purposes Committee held on 30 March 2010. It was noted that the following topics had been discussed at the meeting:

a) Additional Funding. The Committee noted that the Department had allocated £1,188,401 to the NRC, which could be used to support the implementation of the Business Improvement Plan or some investment in IT facilities.

b) Correspondence. The Committee received a copy of the planning notice regarding the upgrade of the Vodaphone/O2 mast at Trostan Avenue, from the Divisional Planning Office, Ballymena. The Committee noted the correspondence and expressed the view that no action was necessary as the upgrade involved mainly replacement masts.

c) Monthly Management Accounts. The Monthly Management Accounts for the period up to 28 February 2010 indicate that the College has a surplus of £68k on continuing operations and an historic surplus of £830k, which is £143k better than budget. The bank balance as at 28 February 2010 was £5.1 million.

d) Extension to Banking and Audit Contracts. The Committee agreed that the College's current contract with the Northern Bank should be extended for a further two years from 1 August 2010. It also noted that the Audit Committee had approved the extension of the internal audit contract with PricewaterhouseCoopers for a further two years from 1 August 2010.

23.8 Minutes of Staffing Committee

The Governing Body received the minutes of the meeting of the Staffing Committee held on 23 March 2010. It was noted that no business had been transacted under unreserved business other than the formal receipt of the minutes of the previous meeting.

23.9 Information Needs of the Governing Body

The Governing Body received a paper concerning the information needs of the Governing Body.

It was noted that a questionnaire had been circulated in January 2010 regarding the information needs of the Governing Body. Responses received indicate that there is a requirement for all the information detailed in the questionnaire. One Member, however, questioned the need to receive documents such as monthly management accounts, estate reports and papers relating to HR matters such as disciplinary and harassment cases; she indicated that these documents would have been scrutinised by the appropriate sub-committees.

The Governing Body agreed that it was important for Governors to receive these reports and **agreed that the Secretary should continue to distribute the documents as listed in the questionnaire.** It also expressed satisfaction with the format of Governing Body papers.

23.10 Any Other Notified Business

There was no other notified business.

23.11 Date of the Next Meeting

The Governing Body noted that it was necessary to reschedule a number of meetings of the Governing Body and its sub-committees to accommodate the Business Improvement Plan consultation process and issues such as corporate planning. The revised dates are as follows:

5.30 pm Tuesday 25 May 2010	Audit Committee
7.00 pm Tuesday 25 May 2010	Finance & General Purposes Committee
5.30 pm Thursday 27 May 2010	Staffing Committee
4.30 pm Tuesday 1 June 2010	Education Committee

5.30 pm Tuesday 1 June 2010	Governing Body
5.30 pm Wednesday 23 June 2010	Governing Body
5.30 pm Tuesday 29 June 2010	Audit Committee
7.00 pm Tuesday 29 June 2010	Finance & General Purposes Committee
5.30 pm Tuesday 17 August 2010	Governing Body