

NORTHERN REGIONAL COLLEGE

GOVERNING BODY

Minutes of the meeting of the Governing Body held at 5.30 pm on 1 June 2010 at the Ballymena Campus, Northern Regional College

Present Mrs K Collins (Chairperson), Mr T Neilands (Director), Mr S Davidson, Rev T Jamieson, Mr R Jay, Alderman PJ McAvoy, Mr P McCudden, Mr K Nelson, Mrs U O'Kane, Ms A Rankin, Ms C O'Neill, and Mrs L Wallis.

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

PRESENTATION

The meeting received a presentation from John D'Arcy, Chief Executive, Association of Northern Ireland Colleges (ANIC). In his introductory remarks Mr D'Arcy stated that ANIC was established in 1998 to represent, what was then the independent 17 Colleges of Further and Higher Education and to be the voice of Further Education. He added that ANIC now provides a range of services for the six merged Colleges including:

- liaison with the Northern Ireland Assembly, Government Departments as well as FE's educational, economic and community partners;
- managing business support for the Northern Ireland College Information System and facilitating collaborative activities across Colleges, for example, via ConnectED (The FE-HE Collaboration Fund).

He referred to the ANIC Board, which was owned by both the Governing Bodies and the Management of all six Colleges. The NRC representatives are Mrs Collins and Mr Neilands.

He said that ANIC was currently giving high priority to the development of the Skills Base in Northern Ireland; 50% of economically inactive and 25% of those in work do not have a level 2 qualification with a focus on the Success through Skills agenda.

He indicated that FE had an important role to play in supporting MATRIX areas such as Life and Health Sciences, ICT, Agri-food, Advanced Materials and Advanced Engineering (transport).

Mr D'Arcy referred to three key elements of the ANIC Sector Strategy:

a) Organisational Purpose. Further Education Means Business outlined a three-stranded approach to Further Education- economic development, lifelong learning and social cohesion. He said that as a result of funding drivers only the economic development phase had been proactively encouraged by the Department:

b) Strategic Enablers. Four strategic areas have been identified: the establishment of a Strategic Forum between the Sector and the Department to develop new provision; the development of effective governance to enable dynamism; the identification of business cases for funding; and the enhancement of the Sector's reputation for quality and delivery;

c) Control of Quality. Several areas have been listed including: the necessity of College led or influenced programme design in respect of Training; the 14-19 agenda and Higher Education; the development of a funding system, which adequately resources colleges; the identification of work and programmes that could be funded by other Departments; the ability to influence

the relevance and quality of the curriculum; and the completion of colleges' estates to a consistently high standard.

Mr D'Arcy explained the role of ANIC in relation to shared services and regionalisation. He referred in particular to the Northern Ireland College Information System (NICIS), which forms the nucleus for information management in all colleges.

In conclusion he said that much work is currently in progress to strengthen the voice of colleges.

During discussion a query was raised as to the most effective system of governance. Mr D'Arcy said there was a perception that DEL was micro-managing colleges and he expressed the need for a more manageable form of governance. He added that this matter was being addressed by DEL. The Director advised that there were ways around the constraints in funding for Lifelong Learning and cited the assistance from the Big Lottery Fund for a community project in Magherafelt and Antrim. In response to a query from the Chairperson, Mr D'Arcy assured Members that ANIC had had excellent support from NRC. He praised the way the College was taking forward its Business Improvement Plan and said that the Sector hoped to learn from the NRC experience.

The Chairperson thanked Mr D'Arcy for an informative session.

UNRESERVED BUSINESS

24.1 Apologies and Membership

Apologies were received from Mrs AM Campbell, Mrs C Taylor and Mr A Watt.

The Chairperson informed the Governing Body that Ms Janine Fullerton had resigned as a Member of the Governing Body and the Department for Employment and Learning had been requested to find a replacement for her on the Governing Body.

She also reported that Mr Lewis Anderson, the Student Governor, had ceased to be a student of the College and his appointment as a Student Governor had terminated. She said that his successor, Mr Joe Cromie, had been invited to the meeting in an 'in attendance' capacity.

The Governing Body noted that Mr Richard Jay had been appointed as a Member of the Audit Committee and the Education Committee and that Mr Sam Davidson had been appointed as a Member of the Finance and General Purposes Committee.

24.2 Declaration of Interests

There were no declarations of interests.

24.3 Minutes of Last Meeting

The minutes of the last meeting of the Governing Body held on 21 April 2010 were approved.

24.4 Matters Arising

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

24.5 Chairperson's Communications

24.5.1 Queen's Award for Enterprise Promotion

The Chairperson congratulated Mr Ken Nelson, who has been named as the sole Northern Ireland recipient of the 2010 Queen's Award for Enterprise Promotion. The award recognises his work in the development of LEDCOM and his chairmanship of Enterprise Northern Ireland.

24.6 Director's Report

The Director drew Members' attention to the following issues in his Report:

a) Budget 2010/11. The College has received a verbal indication from DEL of the budget allocation for 2010/11. The proposed allocation is based on a total of 6426 FLUs as opposed to the 6555 for which the College had bid. This equates to a sum of £21,807,174, which is £25,774 more than the 2009/10 allocation.

b) **Quality Inspections.** During the weeks beginning 17 and 24 May 2010 respectively the College received an ETI Inspection of Level 3 Priority Skills provision and a review visit from the QAA (Quality Assurance Agency) in relation to its Higher Education provision. The College had received a verbal feedback from ETI; a formal written report would be issued in due course following which the Governing Body will be required to approve and submit an Action Plan to address the areas for improvement raised in the report. The verbal feedback from QAA indicated satisfactory progress since the last review visit in May 2009. A draft written report will be provided for comments within the next couple of weeks.

c) Magherafelt Events. The launch of the Living and Learning Together project, funded by the Big Lottery, took place in Magherafelt on Friday 14 May 2010. The project has already made a very positive impact in the community in its first few months, which is a tribute to the work of the Project Manager Marie Donaghy, who took up post in January 2010. Preliminary work is now under way to extend the project to Antrim later in the year.

Another notable event, which took place in the Magherafelt campus on 24 May 2010, was the unveiling of a mural in the Library by the Director. The mural was painted by Art and Design students from the campus. The students and their tutors are to be congratulated on coming up with such a novel and rewarding initiative.

d) Management Information System. The six regional colleges, through ANIC, have agreed a new maintenance arrangement for NICIS, the Colleges' MIS system. The new contract with CALYX provides for a single maintenance system for both hardware and software, which replaces the previous two different contracts.

e) National Conference. On 26 May 2010 Catherine O'Mullan, Deputy Director Support and Development and Suzanne Kennedy, Head of Quality Improvement, presented a paper at a national HE in FE Conference in Warwick. They will also be visited Warwickshire College, which has a strong reputation for its work with business and industry and quality improvement.

f) Student Successes. On 15 March 2010 NRC hosted the Northern Ireland heats of the Engineering Skills competition. NRC students won each of the three competitions held in Computer Aided Design, CNC Milling and Mechatronics respectively. Since then two of the students have had further success in UK heats. David Nicholl won his heat in CNC Milling and now has a place in the Worldskills UK finals. Michael Galloway, who finished 2nd in the CAD heat, also has a chance of making the UK final in his event.

The College had a number of successes in the CCEA "Being the Best" Awards. Six students, from schools in Ballymena, Ballymoney, Maghera and Clady, who are enrolled for GCSE Occupational Studies with NRC, won Learner of the Year Awards.

24.7 Correspondence

The Governing Body noted correspondence from the Department for Employment and Learning concerning the revised Teachers' (Compensation for Redundancy and Premature Retirement) Regulations (NI). The Department has provided interim guidance for redundancies due to take place during the 2009/2010 academic year, pending a collective

policy being introduced across the Sector. The Regulations state that when there is an intention to offer any package in excess of statutory redundancy, a supporting business case must be submitted for the Department's approval.

The Governing Body noted that the College's submission had already been forwarded to DEL.

24.8 Minutes of Audit Committee

The Governing Body received the minutes of the meeting of the Audit Committee held on 25 May 2010. It was noted that the following topics had been discussed at the meeting:

a) Risk Management. The Committee noted that PricewaterhouseCoopers would be providing a Risk Management Seminar for members of the Risk Management Group and the Senior Management Team on 10 June 2010;

b) Priority I Recommendations. The Committee received a progress report regarding outstanding Priority I Audit issues. The Committee noted that 15 of the 17 partially implemented recommendations have now been implemented, 1 had been partially implemented and one in relation to staffing within estates is no longer applicable.

c) Correspondence. The Committee noted two pieces of correspondence:

(i) Correspondence from the Director of Finance to PwC regarding the extension of the Internal Audit Service until 31 July 2012. The Internal Auditor informed the Committee that PwC would be confirming the extension in writing during the coming week;

(ii) Correspondence from the Department of Finance and Personnel regarding the publication of the latest annual report on actual, suspected and attempted fraud within Northern Ireland departments and their arm's length bodies.

d) Internal Audit Reports. The Committee received two reports:

(i) PwC Internal Audit Report to Audit Committee. The report indicated progress made against the 2009/2010 Internal Audit Plan. The Committee noted that all of the internal audit reviews were progressing in line with the agreed timescales and all audit work would be completed and reported in advance of the financial year-end (31 July 2010) and within DEL requirements (30 September 2010).

(ii) Internal Audit Review of Faculty/Unit Management. The Committee noted the Internal Audit Report, which provides assurance as to the appropriateness and effectiveness of key controls in respect of faculty/unit management at the College. The review focussed on: the Faculty of Social Care, Early Years, Hair and Beauty, Therapies, Access and Community; and the Department of Student Services and Marketing

It also noted that the Internal Auditors had provided an overall assurance rating of substantial for all the key processes: faculty planning; monitoring arrangements for the attainment of faculty objectives; faculty structure; faculty financial planning and monitoring; communication arrangements and risk management arrangements. There were no Priority I issues identified during the course of the review.

e) External Audit Strategy. The Committee receive a report detailing how the Northern Ireland Audit Office plans to carry out the external audit of the College's accounts for the year ended 31 July 2010. It was noted that KPMG had been contracted by the NIAO to carry out the audit on behalf of the Comptroller and Auditor General.

The document referred to the scope of the audit, which consisted of three main areas, financial audit, regularity audit and other assurances. It also referred to reporting

arrangements and to the timetable for the audit culminating with the approval of the financial statements by the NRC Governing Body on 24 November 2010, the submission of the uncertified accounts to the NIAO on 26 November 2010 and the certification of accounts on 30 November 2010.

The Director of Finance advised the meeting that the Audit Committee (24 September 2010) would give consideration to the draft Financial Statements.

24.9 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 25 May 2010. It was noted that the following topics had been discussed at the meeting:

a) Half Yearly Budget. The Committee noted that the half-yearly budget had been conducted in April 2010. The Director of Finance explained that consideration was being given to the requests for additional funds from budget holders in light of necessity and in light of the recent Monthly Management Accounts, the additional funding received from DEL and the 2010/2011 budget.

b) Monthly Management Account. The Committee received the Monthly Management Accounts for the period up to 31 March 2010 and the period ending 30 April 2010. The Committee noted that the Accounts for the eight month period to March showed an historic cost surplus of £1.2m, £150k ahead of budget. The Committee concentrated on the more recent Accounts for the period up to 30 April 2010, which indicated that the College had an historic surplus of £565k (£33k behind budget). Reference was made to the swing in surplus from £1,206 at the end of March to £565 at the end of April. The Director of Finance explained, that while the surplus dropped by £641k, the budgeted surplus had also dropped by £461k.

The Committee noted that the bank balance as at 30 April 2010 was £5.9 million.

24.10 Minutes of Staffing Committee

The Governing Body received the minutes of the meeting of the Staffing Committee held on 27 May 2010. It was noted that the following topics were discussed at the meeting:

a) Annual Fair Employment Return. The Committee received a copy of the 2010 Fair Employment Monitoring Return, which had been submitted to the Equality Commission to meet a dead line of 1 May 2010.

The Head of Human Resources stated that the breakdown of employees remained largely the same as in the previous year and the community background of employees was in line with the community breakdown of the region.

It was noted that the Equality Impact Assessment, as a result of the implementation of the Business Improvement Plan, would address changes to employee composition.

b) Staffing Committee Action Plan. The Chairperson reminded the Committee that it had agreed an Action Plan at its meeting on 10 November 2009 to enable it to review its effectiveness at the final meeting of the academic year.

The Committee reviewed its Action Plan annotated to indicate the activities undertaken during the course of the academic year. The Committee considered that it had undertaken all the activities listed with the exception of monitoring bi-annually Continuous Professional Development, which would now be monitored annually in October by level of activity.

The Governing Body received the annotated Action Plan forwarded by the Committee and noted that the Committee had performed its activities in a satisfactory manner during 2009/2010.

c) Staffing Committee Annual Report 2009/2010. The Governing Body received the Committee's Annual Report, which summarised its activities during 2009/2010.

24.11 Corporate Planning 2010/2011

The Director reminded Members that the Governing Body at its Strategic Review workshop in January had agreed to use the College's strapline of **Aspire – Aim – Achieve**. He informed Members that a draft Statement of Aspiration had subsequently been prepared, which is out for consultation along with the Business Improvement Plan.

He said that the next stage was to agree a set of Strategic Aims to cover the period 2010/13. He referred the Governing Body to a draft set of strategic aims, which had been prepared for discussion.

He advised Governors that they would receive, at the next meeting of the Governing Body on 23 June 2010, a final report on progress regarding the 2009/10 corporate targets and a new set of proposed targets for 2010/11 relating to each of the agreed strategic aims.

A Member stated that there was a need for the Strategic Aims to indicate more clearly the links with the local economy. It was suggested and the Governing Body agreed that the relevant strategic aim should be adjusted to read 'Develop and deliver a curriculum and associated provision in relation to social and economic regional needs'.

It was agreed that the Strategic Aims 2010/2013 be approved.

The Governing Body noted a paper explaining how it is proposed to integrate the use of Key Performance Indicators (KPIs) and corporate targets into the College Planning, Monitoring and Review Cycle.

In presenting the paper the Deputy Director Support and Development stated that the paper sets the developing SER process and the measurement of course/section performance in context with the NRC Corporate Aims and targets. Ultimately most of the targets would be quantifiable using data and would provide information on the performance and success of the organisation.

She indicated that, in preparation for the academic year 2010/2011 it is proposed to:

- a) Identify and agree high level KPIs for the College;
- b) Identify and collate the present quantitative data for these within the College;
- c) Consider this information and propose and agree targets for 2010/2011;
- d) Consider and agree the core data systems that will inform this process and link to the MIS development of a College Reporting Database;
- e) Commence the monitoring of College performance against corporate targets; and
- f) Address any issues arising from the monitoring process.

The Deputy Director Support and Development referred Members to the type of document that would be used in the monitoring process. Further work is to be undertaken in relation to the KPIs identified and the reporting process.

24.12 Any Other Notified Business

There was no other notified business.

24.13 Date of the Next Meeting

The Governing Body noted that the next meeting of the Governing Body is scheduled for Wednesday 23 June 2010 at 5.30 pm at the Coleraine campus.

The Chairperson reminded Members that a session would be arranged, prior to the meeting at 4.00pm, to enable the completion of a Self Evaluation Report on the performance of the Governing Body during 2009/2010. Suzanne Kennedy, Head of Quality Improvement, would act as a facilitator.

It was noted that some Members would not be able to attend the SER session but would be present at the meeting of the Governing Body.