

**SOUTH EASTERN REGIONAL COLLEGE
Governing Body**

**Minutes of the meeting of the Governing Body held on Tuesday 23rd
February 2016 at 6.00 p.m. in the Lisburn campus**

Item No	Item
1.	<p><u>Attendance/ Apologies</u></p> <p><u>Present:</u> Mr G. Hetherington, Mr K. Webb, Mrs B. Larkin, Mrs K. Fraser, Mr S. Pollard, Ms C Goodwin, Mrs H. Reid, Mr N. Bodger, Miss C. Meharg, Prof A. Woodside, Mr M. Simcock, Mr J. Mackell, Mr J. Taylor (left meeting at 7:20pm).</p> <p><u>In attendance:</u> Mr T. Martin (Chief Finance Officer), Mr P. Smyth (Chief Human Resources Officer) (arrived 7:50pm), Ms V. Healy and Miss C. McDermott (Note Takers)</p> <p>-----</p> <p><u>Apologies:</u> Mr E. Jackson, Ms L. Martin, Ms K. Scott, Ms S. Corbett, Ms D. Smyth (Secretary to Governing Body)</p> <p><u>In the Chair:</u> Mr G. Hetherington</p> <p>The Chair welcomed everyone to the meeting and extended a particular welcome to Mr J. Mackell and Miss C. McDermott (Note Taker) who were attending their first Governing Body meeting. The Chair said that he was sorry to inform members that Mr Jackson's sister is very unwell and he had gone to England to be with her. The Chair said he extended his thoughts and warm wishes to him at this difficult time.</p>
2.	<p><u>Declarations of conflicts of interest</u></p> <p>The Chair asked if there were any conflicts or perceived conflicts of interest in relation to any item on the agenda. There were no such declarations.</p>
3.	<p><u>Minutes</u></p> <p>3.1 <u>Minutes of the meeting held on 24th November 2015</u></p> <p>These minutes were adopted on the proposal of Mr Pollard and seconded by Mrs Larkin.</p> <p>3.2 <u>Minutes of the meeting held on 5th January 2016</u></p> <p>Mr Bodger proposed the adoption of the minutes as a true record and Miss Meharg seconded.</p>
4.	<p><u>Matters arising:</u></p> <p>There were no other items which were not covered elsewhere in the agenda.</p>

<p>5</p>	<p><u>Chairman's Business</u></p> <p>5.1 <u>Bank Update</u></p> <p>The Chair reminded members to complete and return their Governors set-up form to Ms Healy as soon as possible.</p> <p>Action: Members to ensure bank details are sent to Ms Healy as soon as possible.</p> <p>5.2 <u>Correspondence</u></p> <p>The Chair informed members that a letter of thanks was received from Catherine Bell (Deputy Secretary, DEL) for her invite to the dinner after the meeting on 5th January 2016. She paid particular compliments to students who prepared and served the meal and Mr Jackson has informed the staff and students who were involved.</p> <p>5.3 <u>Paperless Meetings</u></p> <p>The Chair asked members for their views on moving to paperless meetings in the near future. The Chair added that this would be beneficial in relation to security as well as environmentally acceptable and asked for any objections to be raised. The members supported the proposal and were informed that the electronic papers for the meetings would be added to a secure portal for access via a College device, for those who require one. The Principal added that once the devices had been procured, training would be arranged for all Members.</p> <p>Mr Pollard proposed the approval for the papers of the Governing Body Meetings and Sub-Committee Meetings to be sent electronically and Mrs Fraser seconded.</p>
<p>6.</p>	<p><u>Student Governor Report</u></p> <p>Mr Taylor tabled his report and provided an update to members on the following items:</p> <p><u>December :</u></p> <ul style="list-style-type: none"> • Ballot Tickets were sold by Student Executive representatives for the College charity, Upskilling Uganda. • A meeting with SERC Estates Manager took place in relation to the service and quality of food in Downpatrick canteen and a manager from Lisburn has been transferred to Downpatrick to try to resolve the issues. • Class Rep Meetings took place, no water fountain in Bangor, car parking an issue, and praise to Tutors for their help • Debit/Credit Card machines in Canteen has been supported by students, but a charge to the College for low level transactions looked likely and would have to be considered further. <p><u>February:</u></p> <ul style="list-style-type: none"> • Refreshers Fairs took place across the four main campuses (Lisburn, Bangor, Ards and Downpatrick) and were commended by the companies that took part and by the students that attended. • Excellence Awards took place in Lisburn, Bangor and Downpatrick to show recognition to students that have achieved, while overcoming barriers. <p><u>Upcoming:</u></p> <ul style="list-style-type: none"> • Upskilling Uganda Abseil on 28th February, open to both staff and students to take part, 41 now registered to take part. • Inspire 2016 International Women's Day • Class Reps to meet the Principal and the Head of Quality, Excellence and Development, Mrs H. Miller. • Class Talks from the Samaritans • Money Management Session (PAIS)

	<p>The Principal said that procuring a water fountain in the Bangor campus would be supported. The Principal indicated that the DEL Minister had announced that the Department will be introducing loans for part-time higher education students. He added he hopes the Students' Union will support this.</p> <p>The Chair said it was encouraging to hear SERC's response to comments raised at Class Rep meetings. The Principal said the 2nd Student Survey had been emailed to all students and he expects the Students' Union to support the completion of this.</p> <p>The Chair thanked Mr Taylor for a comprehensive report.</p>
<p>7.</p>	<p><u>Committee Report – Education</u></p> <p>7.1 <u>Report from the Committee Chair</u></p> <p>Mrs Reid updated members on the recent Education Committee meeting and referred members to the Whole College Scrutiny Inspection Update and her meeting with the Inspectorate from ETI. . She highlighted that by using a Health Check pro-forma the Inspectorate questioned her on the Governing Body's key role in approving the evaluation report and publishing the Quality Improvement Plan for the College. Mrs Reid added that she was asked to demonstrate this using agenda's and papers and further questioned on how the Education Committee reports back to the full Governing Body. Mrs Reid was heartened to inform the members that from that Inspection the College received a "high confidence" rating for the fourth year in a row, based on 16 main areas of strength and two priorities for development, which requires the current approach to be continued. Mrs Reid said the Governing Body also received compliment on their work. The Principal and Mrs Reid agreed that it is likely the final report will be shortened like previous reports and it is important to note this report is confidential and cannot be published for use by the College.</p> <p>In relation to the CDP Targets 2015/2016, Mrs Reid informed members that the targets were discussed in full and will be monitored closely. The Chair added that sector funding was addressed in Audit Committee with Mr C. Andrews from DEL present.</p> <p>Mrs Reid added that the risks associated with "Upskilling Uganda" have been managed.</p> <p>Ms Goodwin asked if there was any update on the Hope Project. The Principal informed the members that the project is generating positive results and as a result extension of the project is currently being considered.</p> <p>7.2 <u>Minutes of meeting 3rd November 15</u></p> <p>These minutes were adopted on the proposal of Mr Pollard and seconded by Prof Woodside.</p> <p>7.3 <u>Minutes (unconfirmed) of meeting 9th February 16</u></p> <p>These minutes were noted.</p>
<p>8.</p>	<p><u>Committee Report – Audit</u></p> <p>8.1 <u>Report from Committee Chair</u></p> <p>The Chair updated members on the latest Audit Committee meeting on the 26th January on the KPMG issues. He said that four partners from KPMG (including the partner responsible for the Internal Audit of SERC) were under investigation by HMRC and had been placed on administrative leave. One of the four partners was in fact the audit partner and was responsible for the College Internal Audit. At this Audit Committee Meeting Mr J. Poole, raised the following:</p> <ul style="list-style-type: none"> - The issues were not linked to the work of KPMG or its clients

- The individuals concerned were currently on administrative leave and the matter was currently subject to an internal investigation
- The NIAO has not discontinued any audit contracts already commenced with KPMG following this incident and Mr D. Lynn from NIAO was present at the meeting on the 26th January 2016.

The Chair updated the members that the recent news has disclosed that the four partners have now retired and there is no further update on the internal investigation and whether it has been concluded. The Chair added that it is his intention to enquire at the next Audit Committee meeting to understand further, and highlighted that Mr J. Poole had informed the committee that some of the conclusions from the internal investigation would be made public, but did not disclose how much of this would be made available. The Chair went on to highlight the position of the NIAO and reconfirmed that they had not discontinued any Audit Contracts already commenced. The Chair informed the Committee that over the next six months the College will be re-procuring Internal Audit and he will be following a line of enquiry with the NIAO on whether they are awarding new contracts to KPMG following this investigation. Mr Pollard said he is assured from the views of the Chief Finance Officer and the NIFON Group, the assurance from Mr Lynn (NIAO) and the continuation of Audit Contracts with KPMG and that the investigation was not linked to work. Mrs Reid enquired if there were any risks from this to the Governing Body and the Chair was not aware of any at this stage.

The Chair informed members of the four risks identified at Audit Committee and then discussed the idea of a Risk Register to capture all risks from all sub-committees, to include College specific risks and also sector wide risks. The Audit Committee had also raised the risk of the growth of 6th form provision in many schools and how this impacts enrolments.

Lastly, the Chair reported that the following three reports discussed at the Audit Committee received a substantial assurance rating:

- Review of Core Financial Processes
- Strategic and Corporate Planning
- Financial Planning and Budgetary Control

8.2 Minutes of meeting 17th November

Ms Meharg proposed the adoption of the minutes as a true record and Mr Pollard seconded.

8.3 Minutes (unconfirmed) of meeting 26th January 16

These minutes were noted.

9 Committee Report – Finance and General Purposes

9.1 Report from Committee Chair

Mrs Larkin informed the members that there has been an extension granted on Training For Success and the Apprenticeship Programme until August 2017. She added that the Management Accounts for Period 5 were presented by the Chief Finance Officer on the 10th February and recorded a historic cost surplus of £850k for the first 5 months of the year compared with a budgeted surplus of £416k, giving a positive variance of £434k for the period.

Mrs Larkin also informed the members of the proposed changes to the Fee's Policy, to be examined further for approval in Item 13, but noted the main change to be the College's policy of offering concessions on tuition fees of part time accredited courses and the extension to include tuition fees for those students commencing part time HE courses in the 2016/17 year. She added that in relation to the Fees Policy, the College reserves the right for in-year amendments, if necessary.

Mrs Larkin discussed the DEL Health Check, Issue 3 and said the college performed well in 2014/15 as regards the various financial ratios, however the FLU report highlighted under delivery of FLUs on FE, HE and Essential Skills. She added that the College has the highest success rate in the sector, is delivering the 2nd highest number of qualifications in the sector and receives the 3rd highest funding in the sector. She added that such delivery is essentially 11 % more value for money than the lowest achieving college in the sector.

Mr Taylor added a reassurance to the members that after attending the Finance and General Purposes meeting where he enquired about advertising and sponsorship measures, he seen an advertising strategy in Lisburn from SERC that was being observed by a number of people, demonstrating that the College's advertising is effective.

The Chief Finance Officer updated the Management Accounts detail for Period 6 as a cost surplus of £1.5M compared with a budgeted surplus of £980k, giving a positive variance of £565-570k for the period. He added that after the recent Performance Meeting with the Principal, they expect no material difference to the College forecast and the expected historic cost out-turn for the year now stands at a surplus of £250k.

9.2 Minutes of meeting 16th November 15

Mr Simcock proposed the adoption of the minutes as a true record and Ms Goodwin seconded.

9.3 Minutes (unconfirmed) of meeting 10th February 16

Members noted the contents of the unconfirmed minutes of the Finance and General Purposes Committee meeting on 10th February 2016.

Mrs Larkin said there is a typing error in section 10 to be corrected, from the "Chief Finance Officer" to the "Chair".

9.3.1 PATIC Board minutes 11th November 15

The PATIC Board Minutes were discussed by members with the Principal highlighting that the Project remains inside budget and they are confident that funding will be approved and granted. The Chief Finance Officer added that they have already notified DEL of an expected underspend of around £100-120k.

These minutes were noted

9.3.2 PPP Project Board minutes 11th November 15

The Principal noted that the PPP Project Board was reconstituted as a benchmarking exercise and has been completed. These minutes were noted.

9.4 Tender Reward: Waste Management

The Chair recognised that the McQuillan Envirocare were priced marginally higher than Sita UK, but scored higher in respect of the qualitative criteria, which enhanced their total score and rankings achieved at the end of the evaluation process.

Mr Mackell asked for a breakdown of the Tender Evaluations and the Chief Finance Officer said this could be supplied. He also made reference to a typing error on Section 5.2 of the document stating a commencement date of "2015" to be amended to "2016". The Chief Finance Officer assured Mr Mackell that the legal document would be dated correctly.

The Governing Body ratified the Award of this Contract to McQuillan Envirocare Ltd. on the proposal Mrs Larkin, seconded by Miss Meharg.

Action: The Chief Finance Officer to provide a breakdown of the Tender Evaluations for the Provision of Waste Management Services.

	<p><u>9.5 Management Accounts – Period 5</u></p> <p>The Chief Finance Officer reiterated to the members that the College recorded a historic cost surplus of £850k for the first 5 months of the year compared with a budgeted surplus of £416k, giving a positive variance of £434k for the period.</p> <p>The Chief Finance Officer said the income is £510k below budget due primarily to a lower level of DEL other Grant-in-aid; Employer Support Programme; Training for Success; and Steps to Success than was originally budgeted for in the first five months due to the variable costs attached to them.</p> <p>The Chief Finance Officer said expenditure was below budget by £965k or 5.3% due to a £611k underspend in staffing and a £354k underspend in operating expenses in the year to date. The underspend in staffing reflects the impact of the Northern Ireland Further Education Sector Voluntary Exit Scheme (NIFE VES) coupled with lower than budgeted activity, particularly in relation to Employer Engagement, Training for Success and Steps to Success. He added the expected historic cost out-turn for the year now stands at a surplus of £300k, mainly due to backdated travel claims for the TFS Programmes from DEL.</p>
<p>10.</p>	<p><u>Committee Report – Staffing</u></p> <p>10.1 <u>Report from Committee Chair</u></p> <p>Ms Goodwin reminded members of the NILGOSC Circular 16/2015 – Government Proposals to Cap Severance Costs at £95,000 by April 2016 and the letter that was to be sent on behalf of the Governing Body to the Minister to raise all concerns. Ms Goodwin updated the members that this letter was sent and acknowledged, but no outcome as yet.</p> <p>Ms Goodwin updated members on the Voluntary Exit Scheme, that 8 people left in January (Tranche 3) and a report to consolidate Tranches 1-3 will be presented to the next Staffing Committee, and shared with the Governing Body.</p> <p>Ms Goodwin and the Principal updated the members on the current Union activity, and reasons for certain Union non-attendance at meetings. The Chair added that the College and members of the Governing Body have encouraged as many staff representatives as possible to attend meetings.</p> <p>Ms Goodwin informed members of the recent trawl for Learning Support Director. She was delighted to report that they received 41 high quality applicants with a good balance on gender, Private/Public Sector and Education/Non-Education background. Furthermore, after a shortlisting exercise there are now 25 applicants. As a result of this, the College are procuring for an assessment centre to be completed in the next 3-4 weeks as the next part of the recruitment stage and the Chief Human Resources Officer has written to the applicants to inform them of this. She added this may add delay to the process but on a positive note the applicants are of a very high standard.</p> <p>Action: Chair of Staffing Committee to present a consolidation report on the VES for Tranches 1-3 to next Staffing Committee.</p> <p>10.2 <u>Minutes of meeting 9th November 15</u></p> <p>These minutes were adopted on the proposal of Mrs Reid and seconded by Ms Goodwin.</p> <p>10.3 <u>Minutes (unconfirmed) of meeting 18th January 16</u></p> <p>These minutes were noted.</p>

	<p>10.4 <u>Welfare Scheme</u></p> <p>Ms Goodwin discussed the Welfare Scheme and informed members that the Scheme has been well utilised and valued by staff and the Staffing Committee have recommended the extension of the Welfare Scheme for a further year. Ms Goodwin said that in terms of sickness year on year, long term sick has dropped from an average of 23.2 days to 21.6 days per person. She added the average for short term sick has also dropped from 12.6 days to 8.6 days, per person. This could be due to a variety of factors to include the impact of VES, but overall the statistics support a good trend to extend the Scheme for a further year.</p> <p>The Governing Body discussed and approved the extension of the Welfare Scheme for one year, on the proposal Mr Hetherington and seconded by Mr Bodger.</p> <p>Mr Taylor left the meeting at 7:20pm.</p>
<p>11.</p>	<p><u>Principal's Business</u></p> <p><u>Enrolment and FLU update</u></p> <p>The Principal explained that to date, our Higher Education figures are behind in terms of FLU's and the need a further recruitment drive, and that the Essential Skills figures were also in decline, but that this had been the case for some time. He informed the members that SERC is ahead in FE and by 16 FLU's overall and as a result, the College is within 1% of target. He said they will continue to monitor the trends closely.</p>
<p>12.</p>	<p><u>Colleges NI Business</u></p> <p>12.1 <u>Minutes (unconfirmed) of CNI Board Meeting 14th December 15</u></p> <p>These minutes were noted.</p> <p>12.2 <u>Update from Principal on CNI Business</u></p> <p>The Principal said the Collaboration Programme defines six key sub programmes with multiple work streams. The Principal gave an update. He added that a senior manager has been seconded to work on procuring new IT systems for the sector and the Programme is developing at pace.</p> <p>Mr Pollard asked for access to the Communication and Manifesto documents from Colleges NI.</p> <p>Action: The Principal to distribute the Communication and Manifesto documents and Newsletter to Governing Body members.</p>
<p>13.</p>	<p><u>Policies for Approval</u></p> <p>13.1 <u>Fees Policy 2016/17</u></p> <p>Mr Mackell raised a drafting issue in relation to the Refunds Policy (section 7) which will be amended. Mr Mackell also made reference to Appendix B, regarding concessions. The Chief Finance Officer confirmed that in this instance, one concession rate would apply and the higher of the two. Clarification of this will be added to the Fees Policy.</p> <p>With the two adoptions to the policy, Mr Mackell proposed the approval of the Fees Policy 2016/17 Policy and Mr Hetherington seconded.</p>

<p>14.</p>	<p><u>Correspondence</u></p> <p>14.1 <u>Letter from DEL re Introduction of remuneration - requirement to amend College Articles and Instruments of Government</u></p> <p>The Chair advised members this item has been moved to Confidential Business.</p>
<p>15.</p>	<p><u>Any other notified business</u></p> <p>The Chair notified members of the First Minister’s recent visit to the SPACE building and informed them that Mrs Reid has kindly arranged a meeting with Mr T. Johnson, Special Advisor to the First Minister, Mr Hetherington and herself in April 2016. The Chair added that they plan to raise the following key strategic issues on behalf of the sector:</p> <ul style="list-style-type: none"> - The impact of the growth of the 6th Form Provision, the exclusion of FE Colleges as a progression route and the effect on Young People who would be possibly better suited to FE. - General Teaching Council Issue - Rates Issue <p>Professor Woodside added that it is important to highlight that the College would like to work alongside the schools to ensure young people choose the best route for them and cooperate, not compete.</p> <p>Mr P. Smyth arrived at 7:50pm</p>
<p>16.</p>	<p><u>Date and Time of next meeting</u></p> <p>The Chair asked the members for their views on the change of venue for future meetings that were scheduled for Downpatrick Campus. The members agreed to future Downpatrick meetings being rescheduled to the two main campuses in Lisburn and Bangor.</p> <p>The next meeting will be held on Tuesday 26th April, at 6 pm, Bangor Campus.</p>
	<p>The Staff Governor, the Chief Finance Officer, and Miss McDermott then left the meeting at 8.00p.m. and members remained for confidential business.</p> <p><u>Confidential Business</u></p> <p>A separate minute was taken for the confidential items</p> <p>The meeting, including confidential business, ended at 9:05pm.</p>

..... (Chairman)

..... (Date)

Attendees	Time Arrived	Time Left	Duration	Entitlement to Payment Y/N
Gareth Hetherington	6pm	9:05pm	3:05	Y
Jack Taylor	6pm	7:20pm	1:20	Y
Christine Goodwin	6pm	9:05pm	3:05	Y
Heather Reid	6pm	9:05pm	3:05	Y
Neil Bodger	6pm	9:05pm	3:05	Y
Steve Pollard	6pm	9:05pm	3:05	Y
Karen Fraser	6pm	9:05pm	3:05	Y
Professor Alan Woodside	6pm	9:05pm	3:05	Y
Barbara Larkin	6pm	9:05pm	3:05	Y
Claire Meharg	6pm	9:05pm	3:05	Y
John Mackell	6pm	9:05pm	3:05	Y
Michael Simcock	6pm	8:00pm	2:00	N
Ken Webb	6pm	9:05pm	3:05	N

Signed: _____

Date: _____

Chairman of Governing Body