

**Minutes of Governing Body (GB) Meeting
Monday 11th March 2019, 5.06pm, Lisburn Campus**

Agenda Item 1: Chair's Business

a) Attendance and apologies for absences

Present: Mr Gareth Hetherington (Temporary Chair of the Governing Body) Mr Ken Webb (CEO/Principal), Professor Alan Woodside, Mr Andrew Corbett, Mrs Barbara Larkin, Mrs Heather Reid, Mrs Karen Fraser Items 1E-8 only, Mr Neil Bodger, Mr Steve Pollard, Ms Christine Goodwin, Mr John Mackell, Miss Aibhlin Gallagher (Student Governor)

Apologies: Mrs Carolyn King

In the Chair: Mr Hetherington

In attendance: Mrs Claire Williamson (Secretary to the Governing Body), Mrs Heather McKee (Director of Strategic Planning, Quality and Support – DSPQS), Mr Paul Smyth (Chief Human Resources Officer), Mr Tommy Martin (Chief Finance Officer)

b) Declarations of conflicts of interests

Mr Corbett declared a potential conflict in relation to item 3 Chief Executives Report, specifically the mention of academic staff pay awards and advised that he was content to withdraw from the meeting during this discussion.

c) Minutes of the GB meeting held on 26th November 2018 and 21st January 2019

The Governing Body reviewed the minutes from the meeting held on 26th November 2018, the Temporary Chair requested an amendment to item 5A Financial Governance Report to clarify the report final forecast position. Subject to this amendment being made members agreed the minutes were a true and accurate record.

Proposer: Heather Reid

Seconder: Andrew Corbett

The Governing Body reviewed the minutes from the meeting held on 21st January 2019 and agreed they were a true and accurate record.

Proposer: Andrew Corbett

Seconder: Barbara Larkin

d) Matters arising/action points from previous meetings

The Temporary Chair drew attention to the action points that were not yet complete from the previous meetings, in particular, the need for another volunteer for the role of Safeguarding Governor.

Action: Mr Pollard volunteered for the Safeguarding role and will undertake the necessary training before commencing the role

The Temporary Chair also highlighted that it had been previously agreed to have a discussion at this meeting on the skills mix of the Governing Body. He advised that he felt as the Governing Body is currently unable to appoint new members through DfE this item should be reviewed again at a broader level when new members can be recruited. The Governing Body agreed discussion time at meetings should be spent on items where an impact can be made now.

e) First Draft Governing Body and Committee Schedule 2019/20

Agreed: On the proposal of Mrs Larkin and seconded by Mr Bodger

f) Chair's Working Group Terms of Reference

The Temporary Chair directed members to the presented terms of reference and advised that it had been reviewed and amended to ensure that it is clear the focus of the working group is on managing Governing Body and committee business. He added that the group is not a decision-making body and will not replace any discussions or decisions to be made at the Governing Body.

Agreed: On the proposal of Mr Pollard and seconded by Mr Bodger.

At this juncture Mrs Fraser joined the meeting.

g) Vice Chair of the Governing Body

The Temporary Chair advised that John Mackell had expressed an interest in the role of Vice Chair. At this juncture the Temporary Chair enquired if any other Governors were interested in the role, as no other interests were recorded a vote was not required. The Temporary Chair expressed his gratitude to Mr. Mackell for taking on the role.

Agreed: Mr Mackell was appointed to the role of Vice Chair on the proposal of Mr Woodside and seconded by Mr Bodger.

h) Boardroom Apprentice Programme

The Temporary Chair advised that he had received correspondence from Eileen Mullan to ascertain whether the Governing Body would like to continue participating in the Boardroom Apprentice Programme in 2019/20 and if any Governors would like to participate in the recruitment panel for the next intake. He added that at this stage we are making further enquiries to clarify if the recruitment

panel is to select an apprentice for SERC or to select apprentices for the entire programme. After a brief discussion members advised that they were content to continue with the programme and advised that it is a valuable scheme and the apprentices have made a valuable contribution to the Governing Body. During the discussion members highlighted that whilst they were supportive of the scheme they would want to ensure that the terms of reference and the brief provided to the next apprentice fully complies with the Articles and Instrument of Government along with the revised Standing Orders of the Governing Body.

Agreed: The Governing Body agreed to continue their participation in the Boardroom Apprentice Programme

Action Point: The Temporary Chair agreed to seek clarification on the role of volunteers for the selection process and review the brief provided to apprentices ahead of their induction to the Governing Body

Action Point: Mr Pollard volunteered for the Boardroom Apprentice recruitment panel

- i) The Governing Body are asked to delegate authority to the Temporary Chair to set up ad-hoc sub committees to deal with urgent GB business where some members are conflicted**
- j) DfE Correspondence on legal advice on GB quorum levels**

The Temporary Chair indicated that items 1i and 1j were linked. He then reminded members that this discussion was not in a confidential session and to be mindful of the discussion. He advised that some of the strands of urgent work being undertaken by the Governing Body excludes some Governors from meetings as they aren't eligible to attend, or they are conflicted in the matter being discussed. Due to already low numbers in the Governing Body membership this ultimately leads to issues on quorum levels for meetings.

In reference to the correspondence from the FE Director, the Temporary Chair advised that a sub committee of the Governing Body could be established to deal with such matters and therefore a quorate of only 3 members is required.

During discussions the Temporary Chair noted concerns that a smaller committee would be debating and deciding on serious issues on behalf of the entire Governing Body. He confirmed that he would seek to establish a committee with the maximum number of Governors eligible and that it isn't his intention to establish a smaller committee. This is to ensure that meetings can take place as scheduled without quorum levels becoming an issue. He highlighted that this is a temporary measure because of the nature

of some of the strands of work the Governing Body is dealing with and advised that every effort will be made to make the meetings accessible to all eligible attendees e.g. if they cannot attend, then conference call facilities could be made available.

In response to a question from a member on whether the Department for the Economy are going to use the experience in SERC as a catalyst for change the Temporary Chair advised that he will endeavour to articulate any lessons learned with them including the review of the Standing Orders.

Agreed: On the proposal of Mr Bodger and seconded by Mr Mackell the Governing Body delegated authority to the Temporary Chair to set up ad-hoc sub committees to deal with urgent GB business where some members are conflicted

Agenda Item 2: Correspondence

a) Charitable Status of FE Colleges

The Governing Body noted the enclosed correspondence and during discussions the following points were noted;

- The Principal commenced the discussion by highlighting that the letter sets out the current position of the College's charitable status application with the Charity Commission NI; that CCNI currently believes the College's status as it stands is unlikely to result in recognition as an independent charitable institution; and that this will have financial implications on the College as regards VAT and some funding that requires the College to be an educational charity. He noted that at this stage it is hard to quantify the exact financial impact. The Chief Finance Officer advised that the College will however continue to be recognised as charity until this issue can be worked through by DfE and the Charity Commission.
- The CFO informed Governors that the next step, as suggested in the correspondence, is likely to require legislative changes; that this could involve a lengthy process; and that there is therefore no definitive timeline to reach a final conclusion. The CFO confirmed that the NIFON group will look at the financial implications for the Sector and he will keep the Governing Body informed of any developments.
- In response to a suggestion from a member that DfE should make further submissions and advise that this is not a satisfactory outcome the Principal advised that he will actively discuss this matter with DfE officials.

Agenda Item 3: Chief Executive Officer's (CEO) Business

a) CEO's report including Tribal Update

The Principal & Chief Executive presented a written report and specifically asked Governors to formally adopt the Tribal Action Plan that had been recommended by the Education committee, a brief discussion took place and the following points were noted:

- Members noted the actions set out in the Tribal plan:

1. Essential Skills – improving end testing results (this is separate from ongoing efforts to move away from end testing)

2. TFS - improving retention rates

3. Higher Education - assessing the challenges that have seen a decrease in numbers this academic year and seeking to identify solutions

- In response to a members' question the Principal set out how each of the actions in the plan linked directly to the Tribal report and improves the performance of the College. He advised that at a meeting with DfE no targets had been set for the sector or Colleges.
- Governors were advised that the plan has been submitted to the Department to meet the submission date set for February 2019 and no feedback has been received yet but is expected to be provided to the Principal at the next bi-lateral meeting in April.
- The Director of Strategic Planning, Quality and Support advised that the 3 actions are also set out in the College Development Plan and that the outcomes clearly set out the improvements for both the College, the economy and the public. Members commented that all these documents need to be considered together as they dovetail together and advised that the outcomes are much wider than one target.
- In response to a question from a member if the Governing Body is confident that this is the right plan to take forward the Principal reiterated how the plans link to the Tribal report and advised that the Department had not articulated how they want to implement the actions from the Tribal report for each College and on a sectoral basis.
- The Temporary Chair reminded members that the College had benchmarked very well in the Tribal report and that when the action plan was submitted it was agreed that the Governing Body could add further actions if it wished to do so.
- Members briefly discussed how the outcomes can be quantified through the CDP and advised that they were content that the College performs well in retention, achievement and success which is an indirect benefit to the public purse.

- The Chief Finance Officer reminded members that the new funding model has broken the hard link between funding and performance, the CDP articulates how the College performs and the funding is there to support the performance.
- The member continued to advise that they would still struggle to quantify the plan and the Principal responded that the Tribal report is DfE's report and it will be up to them to articulate how it is delivered and this has not been done so far. He echoed the views from other members that the College is the best performer in terms of retention, success and achievement but that the College will continue to improve in all areas. He advised that the College is here to ensure the best outcome is sought for the students and the businesses we engage with.

Agreed: The Tribal Action Plan was agreed on the proposal of Mr Pollard and seconded by Mrs Reid

The Governing Body noted the Principal's written report and the following points were noted:

- Mr Pollard advised that he had attended the World Skills Event launch in the College and complimented all those involved in what is a very positive experience and wished all participants well.
- A member enquired if there is any consequence to the delay in the Learner Management System (as part of the STS Project). The Principal confirmed that whilst this issue is on the strategic risk register it is not a red risk as the College has its own student enrolment system in place and so therefore the risk is low and the delay provides an opportunity to further develop the new systems before a launch date, he advised that this is regularly reported to the Audit committee as part of the review of the risk register.
- In response to a member's question to the Lecturers Pay Award the Principal advised that the College is committed to working with the unions to make a better offer to staff and that the College is keen to positively engage with union officials to progress the issue.

b) Update on Budget 19/20

The CFO directed members to the slides that had been recently presented by DfE to provide Colleges with an overview of the Budget for 2019/20. He advised that although the planning assumption is a flat

budget, there is no guarantee that any College will receive the same share of the resource budget as they did in the previous year. The CFO set out some of the challenges to the Budget including Brexit and advised that any effect on the Colleges' financial performance resulting from Brexit-related pressures will be dealt with in the in-year monitoring rounds for the College. The CFO asked members to note that the College (both individually and via NIFON) is in constant discussions with the Department's FE Finance team to emphasise that the College cannot continue to absorb inflationary pressures. Members noted that this is a fundamental concern and that the College is trying to deliver more services with less funding in real terms.

Agenda Item 4: Items for Approval

a) Curriculum Policy

The Principal advised that the policy had been recommended for adoption by the Education Committee and asked Governors to note that the Vision and Mission Statement included in the policy will be updated when the new Strategy has been approved and asked that the policy is approved without having to be represented with these changes. He further advised that the primary change to the policy was the removal of reference to the FLU funding model.

Agreed: On the proposal Mrs Reid and seconded by Mr Corbett, the policy was approved subject to amendments being made to the College Strategy

b) Financial Governance Policy

The Chief Finance Officer presented the policy for approval and advised that it had been reviewed and recommended by the Finance & General Purposes Committee. Members were advised that the changes presented were in response to the updated version of the Management Statement & Financial Memorandum between the Further Education Colleges and the Department that was issued in October 2018. The review highlighted three specific changes around delegation limits. In response to a question from a member on whether the Governing Body need to review their delegated authority the CFO advised that the limits set out in the policy and MSFM are Departmental recommendations. The Temporary Chair advised that he would need a very good reason to move away from Departmental guidance and reminded members that the role of the Governing Body is to remain strategic; he is content with the balance that currently exists on how decisions are approved and Governors are kept informed.

The Principal advised that the Northern Ireland Audit Office have set limits on what is audited and what is material in the annual audit of the accounts. Members of the Audit committee confirmed that they

have received comfort from the auditors on expenditure and received a detailed explanation on the accounting term 'trivial'.

Agreed: The Financial Governance Policy was approved on the proposal of Mr Pollard and seconded by Mr Bodger

c) Special Leave Policy

The Chief Human Resources Officer presented the policy for approval and advised that it had been reviewed and recommended by the FGP committee. The CHRO gave a brief overview of the policy and advised that it sets out arrangements for short term leave. In response to a question from a member the CHRO directed members to the definition of 'near relative' as set out in the policy document.

Agreed: The Special Leave policy was approved on the proposal of Mrs Larkin and seconded by Mrs Reid

d) ITS Disaster Recovery Policy

The CFO presented the policy for approval and advised that it had been reviewed and recommended by the Audit committee. The CFO advised that a recommendation from the Internal Audit report on Business Continuity was to improve the IT Section of the Business Continuity Plan and rather than make a few targeted improvements the policy and SOP have both been rewritten.

Agreed: The ITS Disaster Recovery Policy was approved on the proposal of Mr Corbett and seconded by Mrs Larkin

e) Audit Committee minutes from meeting held on 15th November 2018

Mr Bodger, Chair of the Audit Committee, presented the minutes for approval.

Agreed: On the proposal of Mr Pollard and seconded by Mr Mackell

f) Education Committee minutes from meeting held on 21st November 2018

Mrs Reid, Chair of the Education Committee, presented the minutes for approval.

Agreed: On the proposal of Mr Woodside and seconded by Mr Corbett

g) Finance and General Purposes minutes from meeting held on 13th November 2018

Mrs Larkin, Chair of the FGP Committee presented the minutes for approval.

Agreed: On the proposal of Mr Corbett and seconded by Mrs Fraser

h) Staffing Committee Minutes from meeting held on 24th May 2018

The Chair of the FGP committee advised that there had been delay in approving these minutes as when they had been presented at the newly formed committee in November 2018 no present members of the committee had attended the meeting in May to propose the approval of the minutes.

Agreed: On the proposal of Mrs Reid and seconded by Mr Bodger

Agenda Item 5: Items for Information

a) Financial Governance Report

The CFO presented the Financial Governance Report to the committee which sets out the forecasted financial position as at both 31 March 2019 (DfE year-end) and 31 July 2019 (SERC year-end). The CFO highlighted that the report shows that the College is in line with its allocated Resource Budget. The CFO advised members that on 12th December, following December Monitoring, DfE increased SERC's approved Resource Budget for the period April 2018 to March 2019 by a further £91k to £32,389k. At £32,389k, the College's forecasted NDPB resource outturn is therefore on target.

In response to questions from members the CFO confirmed that an increase in 'Interpreting Services' is attributed to the Learning Support services as assistance for hearing impaired students has increased. The CFO advised that the College has lobbied for more funding in this area as more students are presenting with additional support needs each year.

b) Update on Standing Orders Review

Mr Bodger provided a verbal update on the work of the Standing Orders Working Group and advised that a final draft will be presented to the Governing Body for consideration at the meeting on 24th June. He provided an overview of the approach that has been taken to the work by those involved and highlighted that all changes presented for consideration will include a rationale for change and will have been benchmarked against other organisations. Mr Bodger advised that he is hoping to have a standalone Code of Conduct as an appendix to the Standing Orders as the current version only refers to the Nolan Principles. The working group aim to have a final draft ready for the end of May.

c) Staff Governors' Reports

The Temporary Chair asked members to note the written report submitted by Mrs King in her absence. Mr Corbett addressed the meeting and advised that the first open day had been held across the main campus' on 6th March and there was an increase in applications from this time last year. In reference to the CFO's comments under agenda item 5a Mr Corbett echoed the need additional support for students with disabilities. During a brief discussion the Chair of the Education Committee requested to review this matter further through the committee and advised that a change to an Education Authority initiative for Key Stage 4 SEN pupils will have an impact on the College. She noted that this could have implications across the College including staff training, the Chair of the Audit Committee responded that this could be

a potential risk for the committee to review and would liaise with the Education committee on this piece of work.

Action Point: The Education committee will review the support services in the College for students with special needs and liaise with the Audit Committee to ascertain if this risk should be escalated to the Strategic Risk Register

d) Student Governor Report

The Student Governor presented her written report and highlighted some of the engagement activity the Students Union have undertaken since the last Governing Body meeting. Members commended the SU on the work they have done and in particular Mr Mackell referred to his own experience as student officer and paid compliment to the fact the College was chosen to host the NUS-USI conference and advised he was very impressed to see such an active SU.

e) Audit Committee briefing on meeting held 28th February 2019

Mr Bodger, Chair of the Audit Committee gave members a brief overview of the recent committee meeting, the following points were highlighted:

- The committee were given a detailed presentation by the Director of Curriculum & Information Services on the operational risks in his directorate. In particular the committee noted the delay to the STS project and how the College are managing the risk.
- The Committee Chair advised that the Strategic Risk Register was reviewed in detail and there are no pressing issues to update the Governing Body on.
- The Chief Technology Officer had attended the meeting and gave a detailed presentation on cyber security and it was agreed that it would be beneficial for all Governors to undertake the E Safety Training module that has been rolled out to students and staff recently.
- Moving onto internal audit the Committee Chair advised that 3 reports had been presented in the areas of Estates Management, College Development Plan and Procurement. All reports received a satisfactory assurance level.
- The Principal and Chief Executive advised that he will raise the query on the use of business cases for non-capital expenditure at Accounting Officer level and report back to the committee in response to a query at the meeting from the Departmental representative.
- The committee were notified of two fraud cases, the Governing Body will be provided with an update on one of the cases in a confidential session following this meeting.

f) Education Committee briefing on meeting held on 20th February 2019

Mrs Reid, Chair of the Education Committee, addressed the meeting and provided a brief overview of the recent committee meeting, the following points were highlighted:

- The Committee Chair advised that many of the issues discussed at the committee have been addressed in this meeting, for example the approval of the Tribal action plan and the presentation of the draft College Development Plan.
- She went on to remind members that some time ago the Governing Body had agreed to collaborate with committee Chairs of other colleges in the sector particularly the Education committees. She advised that arrangements are being made for a meeting to be held imminently for the chairs of the Education committees. The meeting will be formalised, a terms of reference will be drafted for the meetings and minutes will be available to the Governing Body.
- The Committee Chair highlighted that the committee are continuing to structure their agendas and meetings to the CDP with a focus on enrolments and outcome-based accountability.
- The committee was provided with an opportunity to discuss and feedback on the first draft of the College Development Plan and were content that it is in line with the Commissioning Note from DfE. The Chair highlighted that the second draft of the CDP will be presented later in this meeting for consideration and that it is still time bound even though the College has yet to receive a Budget for 2019/20.
- The Chair informed the Governing Body the committee has committed to a piece of work on Cause for Concerns, specifically on staff resilience as they are increasingly faced with more complex issues to deal with. The Chair advised that she will liaise with the other Committees on this work as it has implications in terms of staffing.

g) Finance and General Purposes Committee briefing on meeting held 15th January 2019

Mrs Larkin, Chair of the FGP Committee provided a brief overview of the recent meeting, the following points were highlighted:

- The Committee Chair advised that the committee had their annual Health and Safety presentation from the Head of H&S, which provided the committee with a useful insight into some of the issues reported in this area.
- The CHRO had presented an evaluation report on the employee Healthcare Scheme and advised that the focus for the new scheme is on mental health and it is hoped this will help to reduce the

absence figures across the College. The committee will receive a further report to evaluate the effectiveness of the scheme after a full year.

- The Committee Chair highlighted that the Principal had reported on the success of the students involved in the BT Young Scientists awards and the committee had congratulated all involved on behalf of the Governing Body.

h) Chair's Working Group Minutes for meeting held on 23rd November 2018

The Temporary Chair advised that the minutes from the Chairs' Working Group had been provided for information and this is to ensure that the meetings are transparent for the rest of the Governing Body.

Agenda Item 6: Discussion

Update on College Development Plan and Governing Body Strategy Day

The Director of Strategic, Quality, Planning and Support presented the draft College Development Plan to Governors for review, in commencing her presentation she advised that the draft document is in the same format as the previous year and is in line with the Commissioning Note received from DfE. The Director also advised that the information reflects how the College contribute to the Programme for Government and the Pillars of the draft Industrial Strategy. The Director provided a detailed overview of the document and the following points were made during discussions:

- In response to questions from members the CFO advised that he expects the Budget allocation to be provided by the end of this week and that this only allows a few days between that and the CDP submission deadline.
- The Director of SQPS advised that if there is a significant change to the expected Budget then she will have to review the CDP again and ensure that the College can deliver on the services that have been set out in the document.
- During a discussion on Brexit the Director confirmed that DfE have asked the College to include a plan setting out how the College will continue to operate on day one post Brexit.
- In response to questions from members the CFO confirmed that the contracts currently in place in ROI for the professional skills centre are temporary contracts and the programme was running as a pilot. Staff and services can be quickly withdrawn post Brexit if there are negative implications for the College operating outside of its jurisdiction.

- The Governing Body confirmed that they were content with the draft College Development Plan and noted that a final draft will be dependent on the Budget allocation for 2019/20.

The Director presented an overview of the Governing Body Strategy Day held in January 2019, she asked the Governing Body to consider the options she had provided to agree a Vision statement and the five priority areas she had set out which will form the basis for the SERC Story. Governors briefly discussed the options provided to them and agreed a statement suggested by the Temporary Chair.

Agreed: The Governing Body agreed the Vision Statement for the SERC Strategy:

"To be recognised as a world class, educationally entrepreneurial College making a substantive difference to students, business and the community"

Action Point: The Governing Body advised they were supportive of the strategic priorities and the Director of SQPS will produce a paper for the next meeting to detail the College's Strategy to 2025

7. Any other business

No other business was discussed.

8. Confidential Business

A separate note was taken for this item.

The next meeting is scheduled for Monday 24th June 2019, 5pm, at the Lisburn Campus.

The meeting concluded at 19.38

Signed: _____

Date: _____