

SOUTH WEST COLLEGE GOVERNING BODY

Minutes of a Meeting of the **South West College Governing Body**
held on Wednesday 26 November 2008 at 6.00 pm in
the Boardroom, Omagh Campus, 2 Mountjoy Road, Omagh

PRESENT: Mr Joseph Martin (Acting Chairman)
Mr Gerry Kingston
Mr Gerard McDermott
Mr Joseph McFall
Councillor Thomas O'Reilly
Dr Nicholas O'Shiel
Mr Victor Refaussé (Director)
Mrs Diane Stevenson
Ms Gwen Stevenson
Councillor Dr Philip Weir

IN ATTENDANCE: Mrs Elizabeth McSorley, Secretary to the Governing Body
Ms Joan Munton, NIPSA (*Agenda Item 1 only*)

APOLOGIES: Mrs Kate Courtenay
Mr Martin Groom
Dr Mark Kelly
Mr Adrian McCreesh

1.0 OPENING/OTHER COMMENTS

The Acting Chairman:

- (1) apologised for the late start which, he said, had been caused by the Audit Committee meeting running over;
- (2) thanked members for their good wishes on his recent appointment to the position of Acting Chairman; and,
- (3) at the conclusion of the NIPSA item, welcomed Councillor Dr Philip Weir to his first Governing Body meeting.

2.0 NIPSA REPRESENTATIONS

Ms Joan Munton, Higher Executive Officer, NIPSA, entered the meeting at this juncture and was welcomed by the Chairman on behalf of the Governing Body.

Ms Munton, with reference to the current College restructuring, advised that she wished to address the meeting in relation to:

- protection of support staff salaries, and
- the subject of compulsory redundancy.

Protection of support staff salaries – the South West College had agreed to protect the salaries of those staff redeployed to a lower level post for a period of 12 months from 1 January 2008. NIPSA found this unacceptable, particularly as the support staff restructuring hadn't commenced until several months later, and was asking for protection for a minimum period of 12 months from the date of appointment so that staff had a reasonable period to adjust to their reduced salary position. Reference was made to Equality Commission guidelines of 3 years in the matter of salary protection and to the different protection arrangements adopted by some of the other Colleges which members were asked to take into consideration in arriving at a decision.

Compulsory redundancy – NIPSA was seeking a commitment that there would be no compulsory redundancies as a result of a merger process that was outside members' control. It was submitted that staff surpluses could be dealt with by way of further voluntary redundancy schemes or redeployment to posts coming on stream under new contract opportunities.

Ms Munton, following her presentation, responded to a few general questions in relation to the impact of the restructuring from the members' perspective.

Ms Munton and the two staff representatives (Mr Kingston and Mr McFall) left the meeting at this juncture.

AGREED: following a lengthy discussion, that:

- (1) **Protection arrangements – the salaries of those staff redeployed to a lower level post be protected for a period of 12 months from date of appointment;**
- (2) **Compulsory redundancy – NIPSA be advised that the Governing Body felt unable to give a commitment that there would be no compulsory redundancies of a result of the College restructuring but assured that this would be an option of last resort.**

Mr Kingston and Mr McFall re-entered the meeting at this juncture and were advised of the outcome of the Governing Body's deliberations on a confidential basis pending communication of same to the NIPSA official.

3.0 MINUTES OF GOVERNING BODY MEETING HELD ON WEDNESDAY 24 SEPTEMBER 2008

PREVIOUSLY CIRCULATED: to all members, minutes of a meeting of the Governing Body held on Wednesday 24 September 2008.

It was noted that the confidential section of the above minutes had not been circulated to staff members and would be dealt with under the confidential section of the Governing Body meeting.

AGREED: on the proposal of Mr McDermott, seconded by Dr O’Shiel, that the public section of the above minutes (Pages 1-12) be accepted as a true and accurate record. They were then signed by the Chairman.

4.0 MATTERS ARISING

4.1 Fast Standard Software Compliance – Pages 3 and 4, Minute Ref 3.0 Report of Meeting of Working Group to review Draft ILT Policies

PREVIOUSLY CIRCULATED: Report of a meeting of the Working Group established to review and agree the draft ILT Policies which had met on Thursday 3 October 2008.

AGREED: on the proposal of Mr Kingston, seconded by Councillor O’Reilly, adoption of the Report of the Working Group.

4.2 Report on Governance Healthcheck 2008 – Page 4, Minute Ref 5.1

PREVIOUSLY CIRCULATED: to all members, an analysis of the governance healthcheck exercise undertaken in June 2008 by LSDA.

It was noted that the South West College Governing Body had performed well across all sections with only a few areas highlighted for further review or training follow up.

The Secretary to the Governing Body reported that LSDA had secured a small budget from DEL for governor training on an individual Governing Body basis in the 2008/09 year to 31 March 2009. She further reported that governor training was one of the areas that the External Auditors had shown a particular interest in.

AGREED: (1) that the healthcheck report form the basis of a future training exercise and (2) that governors provide the Secretary to the Governing Body with details of training undertaken outside the FE sector for the purposes of the Governor Training Register.

4.3 Training – Page 11, Minute Ref 16.1

The Secretary to the Governing Body advised that a copy of Volunteer Northern Ireland’s training calendar to June 2009 was available for interested members. A copy was passed to Councillor O’Reilly in accordance with his expression of

interest at the September 2008 Governing Body meeting in availing of training opportunities in relation to the Safeguarding Vulnerable Groups (NI) Order 2007.

5.0 MINUTES OF SPECIAL GOVERNING BODY MEETING HELD ON WEDNESDAY 22 OCTOBER 2008

PREVIOUSLY CIRCULATED: to all members, minutes of a Special Meeting of the Governing Body held on Wednesday 22 October 2008.

AGREED: on the proposal of Dr O’Shiel, seconded by Councillor O’Reilly, that the minutes of the above meeting be accepted as a true and accurate record. They were then signed by the Chairman.

6.0 MATTERS ARISING

6.1 Vision, Mission Statement, Strategic Objectives – Pages 1-3, Minute Ref 2.0

PREVIOUSLY CIRCULATED: to all members, final version of the document “Vision, Mission Statement, and Strategic Objectives 2008/11”.

AGREED: that the above document be formally adopted by the Governing Body.

7.0 REPORT OF A MEETING OF THE EDUCATION, QUALITY AND PERFORMANCE COMMITTEE HELD ON TUESDAY 4 NOVEMBER 2008

PREVIOUSLY CIRCULATED: to all members, minutes of a meeting of the Education, Quality and Performance Committee held on Tuesday 4 November 2008.

The report of the Education, Quality and Performance Committee was presented by Dr O’Shiel who had acted as Presiding Chair in the absence of Dr Kelly, Committee Chair.

Dr O’Shiel, in presenting the report, highlighted, in particular, the proposed completion in early January 2009 of the Scoping Study for the development of Higher Education in the South West of Northern Ireland; the funding that had been achieved for the development of an Innovation and Technology Centre which would initially operate from the Cookstown Campus; the College’s success in securing the contract for the New Steps to Work Programme which had now commenced; the commencement of activity aimed at attracting international students to Northern Ireland; and the proposed publication of a Freedom of Information Scheme for the College.

The Director advised that ETI inspectors would attend the January meeting of the Committee to give feedback on two South West College surveys. The Secretary to the Governing Body advised that it was proposed to receive a

delegation from North West Marketing to the March Committee meeting for a discussion on the potential for joint activity in the area of international student recruitment.

AGREED: on the proposal of Dr O’Shiel, seconded by Mr Kingston, adoption of the report of the Education, Quality and Performance Committee.

8.0 REPORT OF A MEETING OF THE STAFFING COMMITTEE HELD ON WEDNESDAY 12 NOVEMBER 2008

PREVIOUSLY CIRCULATED: to all members, minutes of a meeting of the Staffing Committee held on Wednesday 12 November 2008, together with the following draft Policies:

- (a) Staff Development Policy and Procedure
- (b) Access Northern Ireland Policy Statement

It was noted that the confidential section of the Staffing Committee report had not been circulated to staff members and would be dealt with under the confidential section of the Governing Body meeting.

Mr McDermott, in presenting the public section of the Staffing Committee report, firstly commented on a joint meeting between himself and the Education, Quality and Performance Committee Chair which had taken place immediately prior to the Staffing Committee meeting. The purpose of the meeting, he said, had been to discuss arrangements for the undertaking of a comprehensive skills audit within the South West College aimed at ensuring the College would have the skills necessary to deliver on its future plans.

Mr McDermott went on to highlight the key issues and recommendations arising from the Staffing Committee meeting with particular reference to adoption of the policies at (a) and (b) above; the various staffing recommendations; the review of payroll arrangements; and the approach being developed in relation to staff absenteeism. He further advised that his meeting with the Chair of the Sectoral HR Forum to discuss the proposed Disciplinary Policy and Procedure would take place on Monday 1 December 2008.

The discussion which followed centred primarily on the absenteeism section of the Staffing Committee report with particular reference to the response from the two staff governors to some of the measures being developed and under consideration. In essence, the staff governors were opposed to the actions of what they described as a small minority of people being used as a basis for the possible introduction of some rather ‘draconian’ measures which would impact unduly on those persons who had a genuine sickness absence need and felt that management should be targeting those individuals who were contributing to the problem rather than adopting a broad brush approach.

Members generally acknowledged, particularly in relation to the Enniskillen Campus, that the majority of staff had a good sickness absence track record and

felt that the statistics presented to the Governing Body should also have a positive element, eg, 'x' number/percentage of staff have had no sickness absence; 'x' number/percentage of staff have one day's sickness absence etc. In terms of management of sickness absence within the context of the current sectoral policy, the Staffing Committee members were of the view that this was completely inadequate and it was suggested that representations for a policy review be made to the appropriate negotiating committees through the Sectoral HR Forum. As regards the presentation of sickness absence statistics, the Director advised that this was currently under review.

Additional/amended staff requests were submitted as follows:

- ELO/Employment Coach – one post to be externally advertised
- Life Model – request withdrawn
- Lecturer in Sustainability (Renewable Energy specialism)
- Student Technicians – 9 posts for the InnoTech Centre
- Panel of Temporary Office Administrators
- Panel of Peripatetic Assessors

AGREED: on the proposal of Mr McDermott, seconded by Mrs Diane Stevenson, adoption of Pages 1-7 of the Staffing Committee report subject to the foregoing, and subject to an amendment to Paragraph 13.2 of the Staff Development Policy and Procedure, ie, the first line to read “Staff who wish to avail of staff development”

9.0 REPORT OF A MEETING OF THE FINANCE AND GENERAL PURPOSES COMMITTEE HELD ON WEDNESDAY 24 SEPTEMBER 2008

PREVIOUSLY CIRCULATED: to all members, report of a meeting of the Finance and General Purposes Committee held on Wednesday 24 September 2008.

AGREED: unanimously, adoption of the above report subject to the amendment agreed under the 'Review of College Investments' section (Minute Ref 4.0) at the September Governing Body meeting.

10.0 REPORT OF A MEETING OF THE FINANCE AND GENERAL PURPOSES COMMITTEE HELD ON WEDNESDAY 19 NOVEMBER 2008

PREVIOUSLY CIRCULATED: to all members, report of a meeting of the Finance and General Purposes Committee held on Wednesday 19 November 2008, together with the following documents:

- (a) Financial Management Report for three months to 31 October 2008
- (b) Revised Financial Projections 2008/09
- (c) Bank of Ireland Authority and Indemnity Form
- (d) Consultancy Spend Report
- (e) Governing Body Financial Information Requirements

(f) Student Support Fund Policy and Procedure

Ms Gwen Stevenson, in presenting the report of the Finance and General Purposes Committee, highlighted the key issues and recommendations including the recommendation that the College do not engage the services of its Internal Auditors to provide investment advice as this was not considered to represent good value for money.

Lengthy discussion ensued during which support for the investment recommendation was voiced by the majority of members in view of the limitations imposed by the Financial Memorandum and the current economic climate. Mr McDermott, who was in favour of procuring the advice on good governance grounds, asked that his concerns be noted.

Other issues highlighted were the College's healthy operating position with a surplus of £1.053m at the end of the first quarter; the planned deficit of £1.008m in 2009/10; and the unforeseen demands of the 2007/08 external audit which, the Director advised, had placed severe pressure on staff resources within the Finance Section in particular. He assured members, in response to comments on the latter, that this was a temporary situation and that no action in terms of the existing staffing complement was required at present.

The Director and his team were commended for the excellent financial results that had been achieved to 31 October 2008 and the staff of the Finance Section were commended for their efforts in producing the range of reports required by the Governing Body alongside the demands of the external audit.

The Director, during the discussion which took place on the Finance and General Purposes Committee report, responded to questions about back pay arrangements and arrangements for the calculation of pay awards. He also undertook to check DEL guidelines in relation to access to student support funds by students repeating modules.

AGREED: on the proposal of Ms Stevenson, seconded by Mr Refaussé, adoption of the Report of the Finance and General Purposes Committee and associated reports, subject to the following:

- (a) **adoption of a revised version of the Student Support Fund Policy and Procedure recommended by the Secretary to the Governing Body whereby the requirement for governor representation on the Support Fund Panel had been removed; and**
- (b) **adoption of a Bank of Ireland Business Account Mandate tabled by the Secretary to the Governing Body in relation to the opening of the previously agreed investment account with that financial institution.**

11.0 VERBAL REPORT OF A MEETING OF THE AUDIT COMMITTEE HELD ON WEDNESDAY 26 NOVEMBER 2008

The verbal report of the Audit Committee was given by Mrs Diane Stevenson who had been elected Committee Chair at the meeting held earlier in the evening.

Mrs Stevenson, in giving the verbal report, highlighted the outcomes from the meeting with particular reference to the following:

- (a) **Draft Annual Accounts** – presentation of the 2007/08 draft annual accounts had been delayed due to outstanding audit issues including proposals for a reduction in the valuation of land and buildings (in the region of 40% for land) and the accounting treatment of the College's two PFI contracts – the Audit Office was recommending they be on balance sheet. The first issue impacted on the whole of the FE sector whereas the second issue was confined to the South West College and two other Colleges. The passing of legislation necessary to enable the Audit Office to sign off the accounts as statutory auditor was another outstanding issue but this was expected to be in place by mid December with submission of the accounts and associated returns required shortly thereafter;
- (b) **Internal Audit Update Report** – Estates and Student Support Fund reviews rescheduled from November 2008 to January 2009 at the request of management. The Internal Auditors were however satisfied that it could deliver the full programme of reviews in line with agreed timescales;
- (c) **Internal Audit Follow Up Review** – a substantial document which tracked progress on previous audit recommendations and which had been well received by the Committee;
- (d) **Corporate Risk Register** – some reclassification of the ten key corporate risks; risk a standing item on the management team agenda; and arrangements in place for further cascading of the risk management process.
- (e) **Areas of Weakness to be Addressed** – the Committee viewed this as a useful monitoring tool and felt that current reporting arrangements should be maintained for the time being.

Lengthy discussion took place in relation to (a) above, and in particular the recommendation that the two PFI contracts be on balance sheet which, it was noted, would necessitate the College seeking professional advice and assistance, possibly in association with the other two Colleges. It was also noted that if the College decided to keep them off balance sheet, the accounts were likely to be qualified.

AGREED: the following course of action:

- (1) **that the College satisfy itself that the proposed 40% reduction in the value of lands was appropriate in the case of the South West College;**
- (2) **that efforts be made to establish the Treasury position in relation to the accounting treatment of PFIs;**
- (3) **that a Sub Committee with delegated powers comprising the Governing Body Chair and the Chairs of the Audit and Finance and General Purposes Committees, together with the Director and any other interested governor, determine the way forward on the two outstanding issues when all the information necessary to inform the decision making process had been sourced.**

Ms Gwen Stevenson left the meeting at this juncture.

Mr Kingston, at this stage in the meeting, referred to a decision to exclude him from private meetings with the Internal and External Auditors and said that, as a result, he had not attended that afternoon's Audit Committee meeting and would be reviewing his position as an Audit Committee member. He felt that the situation whereby he was excluded from private meetings would impact on his ability to properly discharge his responsibilities as a member of the Audit Committee.

The Secretary to the Governing Body advised that staff governors were ineligible, under the Instrument of Government, to attend private meetings with the Auditors and said that this position had been confirmed with DEL.

The Acting Chairman explained the purpose of the private meetings, which he described as good practice, and in acknowledging Mr Kingston's contribution to the work of the Audit Committee, said that he sincerely hoped he would continue in that role.

12.0 COMMITTEE VACANCIES

It was noted that the following Committee vacancies required to be filled:

- (a) Education, Quality and Performance Committee – 1 vacancy to be filled from the business and industry or Education and Library Board categories;
- (b) Finance and General Purposes Committee – 1 vacancy to be filled from business and industry category and 1 co-option to meet skills gap requirement (finance or accounting background);
- (c) Audit Committee – 1 co-option to meet skills gap requirement (auditing, finance, or accounting background).

The Acting Chairman nominated Dr O'Shiel for the business and industry vacancy on the Finance and General Purposes Committee and sought support for

making an approach to the former Governing Body Chairman in relation to the co-opted position. Councillor O'Reilly also expressed an interest in membership of this Committee.

AGREED: (1) acceptance of the above proposals and expression of interest, (2) that the three recently appointed governors, namely Councillor O'Reilly, Councillor Dr Weir, and Mr Groom, be provided with the programme of meetings for all Governing Body Committees and that they be appointed to the Committees of their choice, and (3) that any other suggestions for the two co-opted vacancies be forwarded to the Secretary to the Governing Body.

13.0 ACTING CHAIRMAN'S BUSINESS

13.1 DEL Review of Governance Arrangements

PREVIOUSLY CIRCULATED: copy of letter dated 6 November 2008 from DEL to the Chief Executive of ANIC, and copy of letter dated 11 November 2008 to DEL from one of the Governing Body Chairs in response to the draft terms of reference for the above review.

The Acting Chair advised that he would be attending his first ANIC meeting the following week and indicated that one of the governance issues he would be supporting would be the reinstatement of College Directors as members of the organisation.

Mr McDermott asked that comments made by him at previous meetings in relation to mandate be borne in mind.

14.0 DIRECTOR'S BUSINESS

14.1 Director's Report

The Director reported on a range of issues as follows:

- (1) **Student Governor** – Ms Katrina Hughes, a National Diploma Art and Design student, had been nominated to this position.
- (2) **College Restructuring** – it was hoped to have this process completed by the end of the current calendar year.
- (3) **College Structure and Responsibilities** – an information document outlining the complete College structure would be available for submission to the January 2009 meeting.
- (4) **Planning for the 2009/10 year** – Curriculum and MIS teams were currently planning the 2009/10 offer.
- (5) **Investing for the Future 2009/12** – a paper was circulated detailing proposals and inputs for:

- (a) Leadership and Management Programmes for NI Colleges (being devised by DEL and the six Colleges);
 - (b) Organisational Culture Change;
 - (c) Team Building.
- (6) **Business Planning** – strategic and operational objectives for the next three years were being developed at departmental level.
- (7) **Internal Communication and Improvement Strategy** – this document was currently being compiled.
- (8) **Health Promotion** – the three year Health Promoting College initiative, which was being taken forward on a partnership approach between the South West, Southern Regional, and Southern and Western Health Trusts, would commence in January 2009 following the recent appointment of a Co-ordinator and two Health Promoting Officers.
- (9) **Visits** had taken place as follows:
- (a) to Crichton Carbon Centre, Dumfries, which was part of the University of Glasgow; and
 - (b) to Sustainable Energy Ireland, Dundalk, in relation to the proposal for a District Heating Scheme in Dungannon.
- (10) **HE Graduation Ceremony** – this would take place on Wednesday 17 December 2009 in the Manor House Hotel, Killadeas, Enniskillen with the new ETI Chief Inspector presenting the prizes.

14.2 Skills Centre Contract

The Director sought approval for the Acting Chair and himself to sign the contract for the new Skills Centre.

AGREED: on the proposal of Councillor O'Reilly, seconded by Mrs Diane Stevenson, that approval be granted.

15.0 REGISTER OF INTERESTS

The Secretary to the Governing Body advised that a number of returns for the 2008/09 Register were still outstanding and asked that these be submitted as quickly as possible. She reminded members that the Register of Interests was subject to audit.

16.0 ANY OTHER RELEVANT BUSINESS

16.1 DEL Presentation on CDP Process

Members were advised that, subject to Governing Body approval, DEL would attend the January 2009 meeting to make a presentation to governors on the CDP process.

AGREED: that the presentation be received at the January 2009 meeting.

16.2 School Meals Ticket Sales Returns – Form of Authorisation

The Secretary to the Governing Body advised that, in accordance with the Southern Education and Library Board's Financial Systems Procedures, the Campus Manager at the Dungannon Campus was seeking authority to sign, on behalf of the College, documents relating to meals ticket returns.

AGREED: that the necessary authority be granted.

The staff representatives left the meeting at this juncture and the meeting then went into private session.

The meeting concluded at 10.00 pm

CHAIRMAN _____ **DATE** _____