

SOUTH WEST COLLEGE GOVERNING BODY

Minutes of a Meeting of the **South West College Governing Body**
held on Wednesday 25 November 2009 at 5.30 pm in the
Boardroom, Omagh Campus, 2 Mountjoy Road, Omagh

PRESENT: Mr Joseph Martin (Chairman)
Mrs Kate Courtenay
Dr Mark Kelly
Mr Gerry Kingston
Mr Malachy McAleer (Director)
Mr Gerard McDermott
Dr Nicholas O'Shiel
Mrs Diane Stevenson
Ms Gwen Stevenson

IN ATTENDANCE: Mrs Elizabeth McSorley, Secretary to the Governing Body

APOLOGIES : Mr Martin Groom
Mr Adrian McCreesh
Mr Joseph McFall
Councillor Thomas O'Reilly

1.0 **APOLOGIES**

Apologies were recorded by the Secretary to the Governing Body on behalf of those governors listed above.

2.0 **DECLARATIONS OF INTEREST**

Dr O'Shiel, with reference to Item 7.1 of the 5 November 2009 Education, Quality and Performance Committee minutes, advised that his employer, Omagh Enterprise Company, had joined with the South West College in submitting a proposal relating to the future development of the St Lucia Barracks site.

3.0 **ANNUAL REPORT AND FINANCIAL STATEMENTS FOR YEAR ENDED 31 JULY 2009**

PREVIOUSLY CIRCULATED: to all members, copies of the following documents:

- Annual report and Financial statements for year ended 31 July 2009
- Letter of Representation
- Report to those Charged with Governance (including Management Letter)

CIRCULATED: to those members present, copy of the Head of Corporate Services' proposed PowerPoint presentation on the Annual Report and Financial Statements for year ended 31 July 2009.

The Head of Corporate Services then provided members with a high level overview of the Annual Report and Financial Statements under the headings Content; Operating and Financial Review; Accountability Statements with particular reference to the Accounting Officer's Statement on Internal Control; Key Financial Results for the period with an emphasis on the key factors that had affected the College's financial performance; Benchmarking; and Disclosures.

Members, during the ensuing discussion, acknowledged some of the challenges which the College would have to address going forward in terms of meeting its strategic objective of financial sustainability.

In concluding her presentation, the Head of Corporate Services acknowledged the support of the finance staff, particularly the Management Accountant and the Financial Accounting Officer, over the past year, and the contribution of College management to the results for the year under review.

The Finance and General Purposes Committee and Governing Body Chairs thanked the Head of Corporate Services for her financial management leadership and for the clarity of her presentation to the Governing Body.

AGREED: on the proposal of Mrs Gwen Stevenson, seconded by Dr O'Shiel, following presentation of the Audit Committee and Finance and General Purposes Committee reports (Sections 4.0 and 5.0 below) later in the meeting, that the Governing Body approve the 2008/09 Annual Report and Financial Statements.

4.0 VERBAL REPORT OF A MEETING OF THE AUDIT COMMITTEE HELD ON WEDNESDAY 25 NOVEMBER 2009

PREVIOUSLY CIRCULATED: to all members, copies of the following reports:

- (a) Audit Committee Annual Report 2008/09
- (b) Corporate Risk Register & Review Report, November 2009
- (c) Three Year Strategic Internal Audit Plan 2007/10 incorporating revised Internal Audit Plan 2009/10

The Audit Committee Chair, Mrs Diane Stevenson, in presenting the verbal report of the Audit Committee meeting held earlier in the evening, advised that the main item of business had been the Annual Report and Financial Statements for year ended 31 July 2009 and associated Report to those Charged with Governance, including Management Letter, and highlighted the clean audit opinion.

She went on to advise that other key issues dealt with at the Audit Committee meeting had been as follows:

- (a) review of draft Audit Committee Annual Report for 2008/09 which had been agreed for submission to the Governing Body and DEL subject to some minor adjustments;
- (b) review of the Three Year Strategic Internal Audit Plan 2007/10 incorporating revised Internal Audit Plan 2009/10 which was recommended to the Governing Body for approval.
- (c) review of the Corporate Risk Register which had resulted in a recommendation to management that Risk No 10 ó Effective Leadership and Management ó be reclassified as high risk given its importance in the current economic climate;
- (d) Consideration of the South West College Action Plan for responding to the Public Accounts Committee Report, DFP's Memorandum of Response to the Public Accounts Committee Report, and a letter from DEL seeking certain undertakings in relation to specific recommendations.

In concluding her presentation of the above and other items of business dealt with at the Audit Committee meeting, the Audit Committee Chair, supported by the Governing Body Chair, commented on the sources of assurance which the Governing Body could draw comfort from as regards the robustness of the College's systems and controls, primarily internal and external audit.

Some discussion took place in relation to the respective functions of the external and internal audit services during which the historic and regulatory focus of the external audit function was acknowledged. It was noted, as regards the internal audit function, that the Internal Audit Plan for 2009/10 was partly about assessing the future and delivering future value within certain risk areas. This was welcomed. The Head of Corporate Services, in response to representations on the need for the future economic climate to be built into the Corporate Risk Register, undertook to incorporate this within Risk No 9 ó Understanding and meeting the needs of the Regional and Local Economy.

AGREED: on the proposal of Mrs Diane Stevenson, seconded by Mr McDermott, adoption of the reports and recommendations from the Audit Committee as detailed above subject to the foregoing.

Mrs Stevenson left the meeting at this juncture.

5.0 REPORT OF A MEETING OF THE FINANCE AND GENERAL PURPOSES COMMITTEE HELD ON WEDNESDAY 18 NOVEMBER 2009

PREVIOUSLY CIRCULATED: to all members, Report of a meeting of the Finance and General Purposes Committee held on Wednesday 18 November 2009, together with copies of the following papers:

- (a) Financial Management Report to 31 October 2009
- (b) Draft Bad Debts Policy
- (c) Revised Purchasing Procedures
- (d) Financial Projections 2009/10 Update (November 2009) ó Position Paper
- (e) Five Year Financial Data ó Contextual Analysis

The Committee Chair, Ms Gwen Stevenson, in presenting the report of the Finance and General Purposes Committee, said that the main item of discussion had been the Financial Projections 2009/10 Update Position Paper. She then invited the Head of Corporate Services to present the Position Paper and associated Contextual Analysis Paper which included budget projections for the 2010/11 and 2011/12 financial years also. It was noted that the latter showed deficits of £1,181k and £1,728k respectively.

The Head of Corporate Services, with reference to the Position Paper, explained the factors, including the DEL clawback, that had resulted in the revised projected deficit of £3,685k for 2009/10 against an original projected deficit of £404k and undertook to produce the detailed figures for issue to members as soon as possible; advised that this would have an immediate in-year impact on the College's reserves; and further advised of the requirement under the Financial Memorandum to seek DEL approval for a deficit in excess of 2% (£640k) of total income.

A very lengthy discussion ensued during which some members supported the approach being advocated by management whereas others formed the view that the College's reserves should not be used to cover items of recurrent expenditure, eg, staff costs, but that these should, instead, be met through efficiency savings and, furthermore, that rather than a projected deficit in the 2010/11 and 2011/12 financial years, the College should be aiming for breakeven position. The Chairman, with reference to Paragraph 39 of the Financial Memorandum, supported this thinking. All members present were however agreed on the need to ensure that the College's reserves were protected from further clawback and it was suggested that a strategic plan for use of reserves above the permitted level be brought to the next meeting when it was hoped that more governors would be present.

AGREED: on the proposal of Mr McDermott, seconded by Dr O'Shiel, at the conclusion to the lengthy exchange, that the revised financial projections for 2009/10 be approved subject to the production of breakeven financial projections based on different scenarios, eg, reduced DEL funding, and sound data for the 2010/11 and 2011/12 financial years and:

- (1) production of a strategic Investment Plan for use of the College's surplus reserves together with;**
- (2) production of an Efficiency Plan aimed at ensuring that future recurrent expenditure was met from recurrent income.**

The Committee Chair provided the meeting with an overview of the other business transacted at the 18 November 2009 meeting.

5.1 Adoption of Report

AGREED: on the proposal of Ms Gwen Stevenson, seconded by Dr O'Shiel, adoption of the Report of the Finance and General Purposes Committee subject to the foregoing and including adoption of the revised Purchasing Procedures, Bad Debt Policy, and the heat contract proposal.

Ms Stevenson, Dr Kelly, and the Head of Corporate Services left the meeting at this juncture.

6.0 MINUTES OF GOVERNING BODY MEETING HELD ON WEDNESDAY 30 SEPTEMBER 2009

PREVIOUSLY CIRCULATED: to all members, minutes of a meeting of the Governing Body held on Wednesday 30 September 2009.

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 Mrs Courtenay, seconded by Mr McDermott, that the public section of the above minutes (Pages 1-9) be accepted as a true and accurate record. This section of the minutes was then signed by the Chairman.

7.0 MATTERS ARISING

7.1 Clawback of College Reserves ó Page 5, Minute Ref 8.1

The Chairman advised that the Minister had agreed to meet the Director and himself for discussions on the clawback issue and that these discussions would take place on the fringes of the forthcoming official opening of the new Technology and Skills Centre.

7.2 Official Opening of new Technology and Skills Centre ó Page 7, Minute Ref 8.6

A number of members registered their apologies for the above event to be held on Wednesday 2 December 2009.

One member referred to the time commitment required to attend events such as this over and above Governing Body and Committee meetings and felt that DEL needed to be made fully aware of the time factor associated with being a governor of an FE College.

7.3 Governing Body Co-Opted Vacancies ó Page 7, Minute Ref 9.0

The Chairman advised that a Mr Brendan Corr and a Mr Ryan Davis had been selected for appointment to the two co-opted vacancies subject to AccessNI clearance and formal appointment by the Department for Employment and

Learning. It was hoped that the appointment process would be fully completed in time for them to take their positions at the January 2010 Governing Body meeting.

7.4 Appointment of Acting Permanent Secretary ó Page 8, Minute Ref 11.0

The Chairman reported receipt of a letter from Mrs Catherine Bell, Acting Permanent Secretary, thanking the Governing Body for its expression of congratulations and best wishes following her appointment to the position.

7.5 Student Governor ó Page 9, Minute Ref 15.3

The Secretary to the Governing Body reported that a Mr Ryan Lee, a first year Childcare student based at the Enniskillen Campus, had been nominated for appointment to the position of Student Governor.

8.0 **REPORT OF A MEETING OF THE EDUCATION, QUALITY AND PERFORMANCE COMMITTEE HELD ON THURSDAY 5 NOVEMBER 2009**

PREVIOUSLY CIRCULATED: to all members, Report of a meeting of the Education, Quality and Performance Committee held on Thursday 5 November 2009 together with a copy of the following paper:

- (a) College Development Plan Interim Progress Report, October 2009

The report of the Education, Quality and Performance Committee was presented by Dr O'Shiel in the absence of Dr Kelly, Committee Chairman, who had left earlier in the meeting. Issues highlighted included the forthcoming briefing meeting with MLAs on Friday 11 December in Corick House, Clogher, and the progress report as at October 2009 on the College Development Plan.

AGREED: on the proposal of Dr O'Shiel, seconded by Mr McAleer, adoption of the Report of the Education, Quality and Performance Committee.

8.1 Governing Body/Committee Papers

Dr O'Shiel, with reference to the volume of meeting papers generally, suggested that these be reviewed in terms of relevance and style of presentation and, where appropriate, accompanied by a short summary sheet for ease of reading and understanding. He also suggested that the ten minute time limit for presentations to meetings should be strictly enforced.

9.0 **REPORT OF A MEETING OF THE STAFFING COMMITTEE HELD ON WEDNESDAY 11 NOVEMBER 2009**

PREVIOUSLY CIRCULATED: to all members, Report of a meeting of the Staffing Committee held on Wednesday 11 November 2009 together with copies of the following papers:

- (a) Draft Welcome Statement
- (b) Draft Flexi Time Policy

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.

The Staffing Committee Chairman, Mr McDermott, in presenting the public section of the Staffing Committee report, highlighted the key issues and recommendations with particular reference to the draft Welcome Statement and the revised draft Flexi Time Policy. In relation to the latter, the importance of a formal review mechanism (6 months post implementation) was acknowledged.

AGREED: on the proposal of Mr McDermott, seconded by Mrs Courtenay, adoption of Pages 1-7 of the Staffing Committee Report including the draft Welcome Statement and the revised draft Flexi Time Policy.

10.0 ACTING CHAIRMAN'S BUSINESS

The Chairman, with reference to the recent South West College ILT conference, described it as an excellent event and commended all concerned with its organisation.

He went on to report on recent developments at Chair level in relation to the role of the Department and sought Governing Body support for that stance that he, as Chair of the South West College Governing Body, had adopted. This was unreservedly forthcoming.

In response to an enquiry about his Chair status, he confirmed that, officially, the position would remain as Acting Chair pending the appointment of a permanent Chair in 2010.

11.0 DIRECTOR'S BUSINESS

The Director provided the meeting with an update on various issues, as follows:

- (1) **Curriculum** ó two inspections in the last month (Steps to Work and Cultural Diversity) had produced encouraging results; Steps to Work achievement rate of 13% against Northern Ireland average of 16% and a tender figure of 25%; Foundation Degree development work continuing in a number of areas; successful STEM day for schools in the Dungannon area held on 13 November; reception for Trevor Woods, the gold medal winner in the World Skills Competition, hosted at Stormont by Sir Reg Empey.
- (2) **Economic Development** ó Innotech Centre had received a highly commended/runner up award in the UTV Business Eye Awards; Carbon Zero NI programme had commenced.

- (3) **People and Organisational Development** ó initiatives included Teaching and Thinking Certificate; Developing a Shared Culture; Inventing the Future; Investment in Excellence.
- (4) **Partnerships** – significant developments on St Angelo to advance the option of an approved centre for helicopter maintenance and commercial flight training, including a presentation to the Minister, Sir Reg Empey.
- (5) **Financial Sustainability** ó concerns about future clawbacks and funding levels. Future planning to take these on board.
- (6) **International Activity** ó activity had included the placement of four French Chefs in Lusty Beg for three weeks; placement of French Electricians in the Sough West College region for three weeks; two German placements from Berlin working in the areas of HT and Training for a three week period; twelve Romanian Teachers (Tourism and Hospitality specialists looking at VLE) on a fact finding visit hosted for one week; Carbon Zero NI work experience placements in America planned for early 2010; teachers and students from Italy, Germany, Greece and Romania for one week on Healthy Flavours of Europe Programme; Dr John Moore had spoken at a conference in Cyprus on “Energy Infrastructure ó Post Reunification” as a guest of the Cypriot government; the Renew project had been shortlisted for an SEI (Sustainable Energy Ireland) award.
- (7) **Strategy Revisiting/Refocusing** ó strategic planning away day held on Monday 23 November 2009 with excellent presentations from Dr Mary McIvor, DEL and John D’Arcy, ANIC; meetings and discussions had taken place in relation to an “all town solution” for Enniskillen; further discussions had also taken place in relation to the St Lucia masterplan.

Mrs Courtenay, with reference to the away day, paid tribute to the Hospitality and Catering Department at the Dungannon Campus, and in particular to the students involved, for the excellent post event meal.

12.0 REGISTER OF INTERESTS

The Secretary to the Governing Body asked that outstanding returns for the 2009/10 Register be submitted as quickly as possible.

13.0 DECLARATION OF ANY HOSPITALITY OR GIFTS RECEIVED OR OFFERED

No declarations were made.

14.0 CORRESPONDENCE

There were no items of correspondence to report.

15.0 ANY OTHER RELEVANT BUSINESS

There were no matters raised under this heading.

The staff representative, Mr Kingston, left the meeting at this juncture (9.10 pm) and the meeting then became inquorate. Confidential business was therefore deferred to the next meeting.

CHAIRMAN _____ **DATE** _____