

SOUTH WEST COLLEGE GOVERNING BODY

Minutes of a Meeting of the **South West College Governing Body**
held on Wednesday 24 November 2010 at 5.35 pm in the Boardroom,
Omagh Campus, 2 Mountjoy Road, Omagh

PRESENT: Ms Gwen Stevenson (Acting Chair)
Mr Malachy McAleer (Director)
Mrs Kate Courtenay
Mr Gerry Kingston
Mr Wilson Matthews
Mr Wilbert Mayne
Mr Adrian McCreesh
Mr Gerard McDermott
Dr Nicholas O'Shiel
Mrs Diane Stevenson

IN ATTENDANCE: Mrs Elizabeth McSorley, Secretary to the Governing Body
Mrs Celine McCartan, Head of Corporate Services
(Agenda Item 3 only)
Mrs Colette Dennison, Financial Accounting Officer
(Agenda Item 4.1 only)

APOLOGIES : Mr Joseph Martin (Chairman)
Mr Brendan Corr
Dr Mark Kelly
Mr Joseph McFall
Councillor Thomas O'Reilly

1.0 WELCOME, APOLOGIES AND OTHER PRELIMINARIES

The Acting Chair welcomed Mr Mayne and Mr Wilson to their first meeting of the South West College Governing Body.

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

AGREED: at the request of the Acting Chair, that the minutes of the Finance and General Purposes Committee meeting be taken immediately after Agenda Item 3 so as to facilitate attendance by the Financial Accounting Officer in relation to the College's Investment Strategy and Plan for 2010/11.

2.0 CONFLICT OF INTEREST DECLARATIONS

A conflict of interest declaration was made by Mr Kingston with reference to Agenda Item 7.0 ó Report of the Staffing Committee, Section 7.1, correspondence from UCU re redundancy and premature retirement for teachers in the FE Sector.

In relation to Mr Kingston's declaration, the Secretary to the Governing Body advised that he need only withdraw from the meeting should members wish to discuss the item in question.

3.0 ANNUAL REPORT AND FINANCIAL STATEMENTS FOR YEAR ENDED 31 JULY 2010

The Head of Corporate Services joined the meeting for this item.

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

- Letter of Representation
- Draft Annual report and Financial statements for year ended 31 July 2010
- Northern Ireland Audit Office Draft Report to those Charged with Governance (including Management Letter)

The Head of Corporate Services, with the aid of a PowerPoint presentation, 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; comment on financial performance; and Disclosures. In relation to the pensions disclosure, she pointed out that the Northern Ireland Audit Office proposed to add an 'emphasis of matter' paragraph to the Report to Those Charged with Governance and said that as this was a sectoral issue, this action would be replicated across the sector.

It was noted that this was not a qualification issue and that the Comptroller and Auditor General would be providing a clean audit opinion in respect of the College's 2009/10 accounts. It was also noted and welcomed that no significant issues had been identified during the course of the audit.

In concluding her presentation, the Head of Corporate Services acknowledged the support of the finance staff, particularly the Management Accountant, in preparing the Annual Report and Financial Statements.

The Acting Chair thanked the Head of Corporate Services for her comprehensive presentation.

AGREED: on the proposal of Mrs Diane Stevenson (Chair of Audit Committee), seconded by Ms Gwen Stevenson (Chair of Finance and General Purposes Committee), that the Governing Body approve the

2009/10 Annual Report and Financial Statements. They were subsequently duly signed by the Acting Chair and the Director and Accounting Officer.

The Head of Corporate Services left the meeting at this juncture.

4.0 REPORT OF A MEETING OF THE FINANCE AND GENERAL PURPOSES COMMITTEE HELD ON WEDNESDAY 17 NOVEMBER 2010

PREVIOUSLY CIRCULATED: to all members, report of a meeting of the Finance and General Purposes Committee held on Wednesday 17 November 2010 together with copies of the following papers:

- (1) Financial Management Report to 31 October 2010
- (2) Investment Strategy and Plan 2010/11 updated 16 November 2010
- (3) Letter dated 21 October 2010 from FGS re provision of investment advice

The Committee Chair, Ms Gwen Stevenson, in presenting the Committee report, highlighted in particular the investment proposal and the rationale for referring the longer term aspect of the proposal for consideration by the full Governing Body; drew attention to the reclassification of Further Education Colleges issue; and also highlighted the Committee's recommendation in relation to an expression of interest in College property at the Enniskillen Campus.

The ensuing discussion centred on the following issues.

4.1 Investment Strategy and Plan 2010/11 ó Page 6, Minute Ref 4.3.3

The Financial Accounting Officer joined the meeting for this item.

The Financial Accounting Officer highlighted the key aspects of the investment advice and recommendations obtained from FGS and the College's proposal dated 16 November 2010 based on updated interest rates obtained on that date from the First Trust Bank, Northern Bank, Bank of Ireland, and Ulster Bank.

Lengthy discussion ensued with particular reference to the financial situation in the South of Ireland and security of the College's investments. The view emerged that taking everything into consideration, the College should follow the investment recommendations made by FGS subject to a variation in relation to the three month investment proposal from a cash flow perspective.

AGREED: unanimously, the following investment plan for the period November 2010 to December 2011, this to supersede the short term rolling investment recommendation from the Finance and General Purposes Committee:

| Bank | Investment Amount | Term |
|------------------|--------------------------|-------------|
| First Trust Bank | £1 million | 12 months |
| Northern Bank | £1 million | 12 months |
| Ulster Bank | £700,000 | 6 months |
| First Trust Bank | £525,000 | 3 months |

One member, with reference to the FGS advice, asked for confirmation that all the banks they had commented on were classified as being associated with a "major UK financial institution" within the meaning of the Financial Memorandum.

The Financial Accounting Officer left the meeting at this juncture.

4.2 Office for National Statistics ó Reclassification of Further Education Colleges ó Page 7, Minute Ref 4.4.2

The Director, by way of update on this issue, said that the Directors had been informed by DEL that the legal status of Colleges would not be affected by the reclassification but that the potential future funding implications were not yet known. He undertook to keep the Governing Body updated on the matter.

4.3 Adoption of Committee Report

AGREED: on the proposal of Ms Stevenson, seconded by Mr Matthews, adoption of the Report of the Finance and General Purposes Committee subject to the foregoing.

5.0 MINUTES OF GOVERNING BODY MEETING HELD ON WEDNESDAY 29 SEPTEMBER 2010

PREVIOUSLY CIRCULATED: minutes of a meeting of the Governing Body held on Wednesday 29 September 2010.

It was noted that the confidential section of the above minutes (Pages 10-11) had not been circulated to the 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 1-9) be accepted as a true and accurate record. This section of the minutes was subsequently signed by the Acting Chair.

6.0 MATTERS ARISING

There were no matters arising.

7.0 REPORT OF A MEETING OF THE EDUCATION, QUALITY AND PERFORMANCE COMMITTEE HELD ON THURSDAY 4 NOVEMBER 2010

PREVIOUSLY CIRCULATED: to all members, report of a meeting of the Education, Quality and Performance Committee held on Thursday 4 November 2010 together with copies of the following papers:

- (1) CDP Interim Progress Report at 18 October 2010
- (2) CDP Strategic Projects Traffic Light Reports 2009/10 and 2010/11

The report of the Education, Quality and Performance Committee was presented by Dr O'Shiel in the absence of Dr Kelly, Committee Chair.

Dr O'Shiel, in presenting the Committee report, made reference to the very informative presentation given by the Head of Department, Professional Services; highlighted the proposed briefing meeting with MLAs for the region; drew attention to the College's preparations for the centres of specialism initiative, the CDP progress reports with particular reference to the College's excellent FLU performance to date, the submission to the DEL Assembly Committee in relation to student travel costs, and the development of a crisis communication protocol; the favourable outcome to two recent inspections, and the evaluation of the summer marketing campaign. In relation to the latter, he pointed out that the issue of collaboration with local schools had been earmarked for further discussion at Board level.

The ensuing updates and discussion focused on the following issues in particular.

7.1 HE Scoping Study ó Action Plan Progress Report ó Page 3, Minute Ref 5.1.1

The Director advised that the Minister for Employment and Learning had accepted the College's invitation to attend the HE graduation ceremony and that, in the circumstances, the proposal for a briefing meeting with MLAs for the region on that day had been put on hold.

7.2 Summer Marketing Campaign ó Evaluation Report and Planning Ahead ó Page 5, Minute Ref 6.2

AGREED: that in relation to the collaboration issue raised under this heading, that the Chair and Director seek a meeting with the Chair and Principal of the schools concerned.

7.3 Inspection Reports ó Pages 5 and 6, Minute Ref 7.0

The Director reported that based on verbal feedback on a further inspection, ie, follow up inspection of the Essential Skills provision for Priority Skills Area Level 2 students, the quality of provision had been graded as good. He hoped to be in a position to bring the actual inspection report to the next Committee meeting.

The Director further commented that he had forwarded an electronic link to the ETI website to all governors via the Secretary to the Governing Body.

7.4 Adoption of Report

AGREED: on the proposal of Dr O'Shiel, seconded by Mrs Diane Stevenson, adoption the report of the Education, Quality and Performance Committee subject to the foregoing.

8.0 REPORT OF A MEETING OF THE STAFFING COMMITTEE HELD ON WEDNESDAY 10 NOVEMBER 2010

PREVIOUSLY CIRCULATED: report of a meeting of the Staffing Committee held on Wednesday 10 November 2010 together with a copy of the following paper:

(1) Amended Recruitment and Selection Policy

It was noted that the confidential section of the Staffing Committee report (Page 11) had not been circulated to the staff members and would be dealt with under the confidential section of the Governing Body meeting.

The Committee Chair, Mr McDermott, in presenting the public section of the report, made reference to the very informative presentation on the College's work in the area of equality that had been given by the Equality Officer and suggested that it might be useful for the Governing Body to have him present to a future meeting. He then drew the Governing Body's attention to developments in the area of Health and Safety, the proposal for covering the HR Manager's maternity leave, the Committee's recommendations in relation to appointments, new posts/ongoing recruitment, and other matters under the Staffing Resource Report heading. He also highlighted the travel expenses grievance update, the recommendation relating to adoption of the updated Recruitment and Selection Policy and the associated amendment to the Recruitment and Selection Guide detailed in the minutes, the fact that the College was the best performing College in the 2009/10 sectoral league table in terms of days lost to sickness absenteeism, and the view taken by the Staffing Committee in relation to the College's Internal Auditor's interest in a sectoral tender.

The ensuing updates and discussion focused on the following issues in particular.

8.1 Appointments ó Page 4, Minute Ref 5.3.1

The Director, with reference to the Acting Management Accountant appointment, advised that it was proposed that her substantive post would be backfilled by an existing member of staff ó the Projects Finance/Administration Officer (post currently funded through Carbon Zero and other projects) ó whose role and contract would be extended to 31 December 2011 in this regard.

He further advised that the College had appointed two Teaching and Learning Advisers and sought approval for an additional two posts.

AGREED: that the necessary approvals be granted.

8.2 Fixed Term Contracts ó Page 5, Minute Ref 5.3.4

The Committee Chairman, in response to a comment about the College's social responsibility as an employer, referred the meeting to Item 5.8.2 of the November Staffing Committee minutes which showed that the Committee was mindful of this issue.

8.3 Feedback from College Employers Forum ó Page 8, Minute Ref 6.0

The Director updated the meeting on the process for appointment of a new Chief Executive to ANIC.

8.4 Adoption of Report

AGREED: on the proposal of Mr McDermott, seconded by Mr McCreesh, adoption of Pages 1-10 of the Staffing Committee Report including the amended Recruitment and Selection Policy.

9.0 **VERBAL REPORT OF A MEETING OF THE AUDIT COMMITTEE HELD ON WEDNESDAY 24 NOVEMBER 2010**

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

- (1) Audit Committee Annual Report 2009/10
- (2) Acceptable Use Policy
- (3) Clear Desk Policy

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 primary item of business had been the Annual Report and Financial Statements for year ended 31 July 2010 and associated Report to those Charged with Governance. The clean audit opinion was again highlighted and commended as was the fact that there had been no substantial observations (management letter issues) identified by the auditors during the course of the audit.

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

- (1) review of draft Audit Committee Annual Report for 2009/10 which had been agreed for submission to the Governing Body and DEL;
- (2) internal audit review of arrangements for the management of reputational risk across the College which had achieved substantial rating;
- (3) internal audit review of match funding arrangements between the College and Omagh District Training Consortium in relation to the ESF funded DELTA training project. On the basis of the findings from that review, it was recommended that the match funding certificate for 2009/10 be completed and that the College confirm its commitment to the project for the current year to March 2011 when the project ended.
- (4) review of the ten key corporate risks appearing on the College's Corporate Risk Register as at November 2010;
- (5) updated Acceptable Use and Clear Desk Policies which were recommended to the Governing Body for approval; and

- (6) an overview of the College's Business Continuity Plan and Critical Incident Plan.

The Committee Chair referred to the positive working relationship which the Committee enjoyed with the internal and external auditors and paid tribute to the Head of Corporate Services and her team on the quality of the information presented to the Committee. In responding to a question about the process for the identification of corporate risks, she confirmed that the Audit Committee influenced the risk areas; that it reviewed the Corporate Risk Register at every meeting; and that all Sectional Risk Register owners appeared before the Audit Committee annually to present their respective registers and answer questions. Members were further advised that the Audit Committee met with the internal and external auditors in private (without management present) immediately prior to every meeting.

AGREED: on the proposal of Mrs Stevenson, seconded by Mr McDermott, adoption of those recommendations detailed above from the Audit Committee.

10.0 CHAIRMAN'S BUSINESS

There was no business to report.

11.0 DIRECTOR'S BUSINESS

The Director, with reference to other business not already covered during the meeting, reported that:

- (1) **Launch of Lisanelly Shared Education Village** ó Minister Ruane would be launching this initiative from the Omagh Campus the following day;
- (2) **HE Graduation Ceremony** ó all governors would be invited to this event which would be held on Monday 20 December 2010 in the Strule Arts Centre, Omagh and attended by Minister Kennedy. Arrangements for the event, including governor participation, were also outlined.
- (3) **Retendering of Training Programmes** ó preparations were underway for the submission of tenders for the Steps to Work and Training for Success programmes.
- (4) **INTERREG IVA Programme** ó calls for applications under this programme were now open with a closing date in mid January 2011. Details of application activity, including a Centre for Renewable Energy and Sustainable Technology (CREST) at Enniskillen which the College would be leading on, and two potential applications which it would act as a partner organisation in, were shared with members.

AGREED: that the Governing Body support the above applications.

- (5) **Redevelopment of Erne Hospital Site** ó Fermanagh District Council and the Strategic Investment Board had commissioned KPMG to develop the concept of a shared services facility on this site. The cost of this consultancy work would be £100,000 and the South West College, as one of the main stakeholder organisations in the project, was expected to contribute 10% of this sum, ie, £10,000. The Director was hopeful that DEL would cover the College's contribution but sought approval for the expenditure regardless.

AGREED: that approval be granted.

- (6) **InnoTech Centre** ó had received an industry award from Cookstown District Council the previous week.

Finally, the Director expressed congratulations to Dr Mark Kelly, a Director of Lamhroe Ltd, on Lamhroe's success in InterTradeIreland's Seedcorn 2010 business competition.

12.0 REGISTER OF INTERESTS

The Secretary to the Governing Body asked that outstanding returns for the 2010/11 Register be submitted as soon as possible.

13.0 DECLARATION OF ANY HOSPITALITY OR GIFTS RECEIVED OR OFFERED

No declarations were made.

14.0 CORRESPONDENCE

There was no correspondence to report.

15.0 ANY OTHER RELEVANT BUSINESS

15.1 Governor Travel Expenses and Training Provision

The Secretary to the Governing Body:

- (1) asked governors to submit their travel expenses claims up to the end of the calendar year; and
- (2) undertook to electronically circulate CIPFA's Spring Programme 2011 to all members.

16.0 EVALUATION OF MEETING

PREVIOUSLY CIRCULATED: to all members, copy of meeting evaluation form.

Completion of the form was conducted on a collective basis led by the Acting Chair. There were no issues of note as regards governor feedback.

Mr Kingston, staff member, left the meeting at this juncture.

The meeting then went into private session and ended at 7.35 pm.

CHAIRMAN _____ DATE _____