



# **Southern Regional College Annual Report and Accounts**

For the year ended 31 July 2021



Southern Regional College  
Annual Report and Accounts  
for the year ended 31 July 2021

The Accounting Officer authorised these financial  
statements for issue on 24 November 2021

Laid before the Northern Ireland Assembly under the Institutions of Further  
Education (Public Sector Audit) Order (Northern Ireland) 2008 by the  
Department for the Economy on 8 December 2021



**ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2021**

<b>INDEX</b>	<b>PAGE NO</b>
Strategic Report	3 - 60
Remuneration Report	61 - 65
Statement of Responsibilities of the Accounting Officer and Governing Body	66
Statement of Corporate Governance and Internal Control	67 - 73
The Certificate and Report of the Comptroller and Auditor General to the Northern Ireland Assembly	74 - 78
Statement of Comprehensive Income and Expenditure	79
Statement of Changes in Reserves	80
Statement of Financial Position	81
Cash Flow Statement	82
Statement of Accounting Policies	83 - 88
Notes to the Financial Statements	89 - 105



## **NATURE, OBJECTIVES AND STRATEGIES**

The members of the Governing Body of the Southern Regional College present their report and the audited financial statements for the year ended 31 July 2021.

## **LEGAL STATUS**

The current arrangements for Further Education in Northern Ireland were established by the Further Education (Northern Ireland) Order 1997 with Colleges being self-governing incorporated bodies with effect from 01 April 1998. Colleges have been granted charitable status by the UK HM Revenue and Customs. Based on this legislation the Office for Statistics, in 2010, reclassified Colleges as part of Central Government. This has resulted in Colleges being determined as Non-Departmental Public Bodies.

The Further Education sector is the main provider of professional and technical education and training in Northern Ireland and has a key role to play in raising the skill levels in the region. The Southern Regional College is well placed to provide learners, employers and the local community with a wide range of education and training opportunities and to realise its aim in establishing a reputation for outstanding quality in teaching, training and business support, not just within Northern Ireland but nationally and internationally.

## **VISION STATEMENT**

The long-term vision of the College is based on the desire to provide relevant and meaningful vocational learning opportunities delivered through quality and innovative teaching, which is informed by effective quality improvement planning. The vision of the College is:

To be the leading provider of professional and technical training - prized by individuals and employers in the local community and beyond.

This vision complements the strategic aim for the sector as laid down in "Further Education Means Success" and its role in supporting the new 10 x skills strategy. This is further amplified through the mission statement, which articulates what this will mean to individual learners.

## **MISSION STATEMENT**

To transform lives through meaningful and enjoyable learning experiences.

## **COLLEGE VALUES**

The College seeks to help establish a context of progressive and effective management and help build an appropriate working and learning environment for the community that we serve. Students are treated as mature individuals and are encouraged to take responsibility for their learning experience and to play an active role in decisions that affect them.

In addition to providing the best possible learning experiences, students are given every opportunity to develop personal and social skills so they can derive the maximum benefit from their College experience. This includes access to skills competitions, employability, work experience, work related challenges and projects, participation in student mobility programmes and an increasingly effective students' union.

A series of underpinning core values have been agreed with the Governing Body, which help define the culture of the College and are used as the final arbiter in our internal processes and external relationships, as well as the interaction between staff and learners.

The College Core Values are:

### Putting Learners First

**We believe that:**

- teaching and learning is our first priority;
- it is important to recognise the success of our learners and staff;
- all staff are here to serve the needs of our learners;
- we strive to remove barriers to learner success; and
- information, advice and guidance provided to learners should be impartial, accessible and informative.

### Working together to achieve more

**We believe that:**

- we can achieve more through co-operation and partnership with others;
- staff and learners have an important role to play in the future development of the College;
- it is important to foster a culture that values innovation, professionalism and accountability;
- it is important to develop effective working relationships within our teams;
- every individual is valued and respected; and
- effective communication is important.

### Striving for Excellence

**We believe that:**

- we should strive for excellence in all that we do;
- all staff should be focused on improving the quality of learning and the wider learner experience;
- staff should have access to high quality and relevant development opportunities to assist them in carrying out their role in the College;
- all staff should have the opportunity to contribute to College improvement; and
- it is important to recognise and celebrate excellence and success.



## **STRATEGIC AIMS**

The Governing Body has overarching responsibility for setting the strategic direction of the College. The six regional Colleges of Further Education in conjunction with the Department for the Economy developed a sector corporate plan with each College developing an individual annual development plan and associated report cards. The corporate plan for the period 2018-21 sets out the sector's shared purpose, values and vision and embodies our commitment to working effectively together in providing skills solutions that meet current and emerging economic demand. This corporate plan was underpinned by an annual development plan for each College.

The College's strategic aims and objectives are set in the context of the wider policy environment. These strategic aims and objectives are therefore closely aligned to our sponsor Department, the Department for the Economy (DfE), whose Public Service Agreement targets and commitments are aligned to the Executive's draft Programme for Government and the 10X skills strategy. In summary, the College aims to address three important areas through its curriculum offering and business support activities:

- economic development through the provision of courses designed to meet the needs of the local and regional economy;
- personal development through opportunities for further study and learning at all levels in preparation for working life and into retirement; and
- social development, allowing people from different community backgrounds to participate on a wide range of courses at all levels.

The strategic aims of the College reflect the wider strategic role of the Further Education sector as set out in the strategy for Further Education, 'Further Education Means Success' and the new 10X skills strategy for Northern Ireland. In meeting the educational needs of the region and within the context of the College's vision and mission, the strategic aims for the planning period to which this report relates are set out overleaf.

## **COVID-19 Emergency**

The COVID-19 global pandemic continued to have an unprecedented impact on all areas of College life during the 2020-21 academic year. The College implemented a range of measures for the safe resumption of on-site delivery and services from 01 September 2021. Detailed plans were developed in line with the Department for the Economy's 'Framework for the safe resumption of Educational Provision and Related Activity in Further Education Colleges and non-statutory contractors.

All key business functions continued to operate with the majority of key staff continuing to work from home. The College also worked closely with the Department for the Economy in reviewing and applying guidance on the safe resumption of provision for the start of the new academic year. This included planning for the use of a number of curriculum delivery models and the deployment of technology and laptops to support remote learning across the student body. College staff can take enormous pride in the unprecedented efforts to plan and establish these new delivery models while adhering to the guidelines set out.

The complexity of the College offering from GCSE A 'Level academic qualifications through to work related and skills competency qualifications resulted in curriculum managers having to grapple with

a complex and ever-changing delivery environment during the year. Course teams used the range of delivery models, as set out the framework for safe resumption, through to the Christmas period. This was followed by a complete lockdown from January through to May resulting in the entirety of provision moving to on-line means. This in turn had a significant impact on a range of skills-based programmes which were dependent on face-to-face delivery, resulting in many hundreds of learners being unable to participate in skills delivery on site or engage in work placement. Contingency plans were developed to increase face to face delivery for these learners when delivery on-site resumed on 10 May 2021. These measures have largely addressed the element of lost learning experienced by learners, but additional mitigation measures will continue into the new academic year to ensure that every student has the opportunity to complete their programme of learning in full.

Curriculum teams used a range of communications tools to maintain contact with as many learners as possible including through email, Microsoft Teams and other third-party communication tools. Support teams continued to provide a wide range of support services to students both on site and through remote means.

The lockdown and associated restrictions in delivery of our curriculum also impacted on assessment of students. The examinations regulator Council for the Curriculum, Examinations & Assessment (CCEA) extended the use of the extraordinary regulatory framework used in the previous year, however the delays in decisions and issuing of guidance by awarding organisations on assessment methods to be used, caused significant levels of uncertainty for long periods during the academic year. Working in conjunction with other Further Education Colleges and DfE, SRC adjusted its assessment plans across a wide range of regulated vocational and academic courses. The use of centre informed grades was the predominant method used to recommend awards and grading to students. Despite these challenges College staff performed with a commendable level of commitment and professionalism that led to many thousands of students obtaining qualifications by the end of the academic year.

Despite the enormous effort to ensure as many students would obtain their qualifications before the end of the academic year, unfortunately there were also many students who did not. Students undertaking qualifications requiring license to practice were unable to complete their assessments as adaptive assessment opportunities were not permitted. The College is continuing to address the legacy position for these learners and every effort is being made to ensure that they are provided with the repeat opportunity in the new academic year.

The new campus buildings in Armagh and Banbridge were opened in advance of the start of the academic year, however due to the on-going pandemic and associated delivery models neither building reached their optimum use throughout the year. The Economy Minister officially opened the Banbridge and Armagh Campuses on the 05 May and 26 May respectively.

The seven key strategic aims of the College for the reporting period 2020-21 were:

<b>Provision of a high quality learning experience through a relevant and meaningful curriculum</b>	<ul style="list-style-type: none"><li>•To place the College at the heart of lifelong learning within the region in order to strengthen economic and workforce development, to enhance social cohesion and to advance individuals' skills and learning.</li></ul>
<b>Support economic growth and innovation through flexible business support solutions</b>	<ul style="list-style-type: none"><li>•To support local and regional economic development through the provision of flexible business services and training solutions aimed at improving the competitiveness and productivity of new and existing businesses.</li></ul>
<b>Inspired people and Organisation Development</b>	<ul style="list-style-type: none"><li>•To be a high performing College through the recruitment, development and deployment of a highly skilled and well-motivated staff.</li></ul>
<b>Effective Governance and Financial Management</b>	<ul style="list-style-type: none"><li>•To continue to provide effective corporate Governance and ensure that the College operates within a robust system of internal financial management and control.</li></ul>
<b>Provision of a safe and stimulating environment</b>	<ul style="list-style-type: none"><li>•To create an environment that inspires learners to achieve their potential.</li></ul>
<b>Increased International Links</b>	<ul style="list-style-type: none"><li>•To promote an outward and forward looking College through the development of international links supporting staff, students and knowledge exchange.</li></ul>

## IMPLEMENTATION OF THE DEVELOPMENT PLAN

The College's development plan for 2020-21 set out a series of strategic aims, underpinned by a series of strategic objectives, actions and targets. The following section provides a summary of progress against each strategic aim and underpinning objectives for the period 01 August 2020 – 31 July 2021. The commentary also sets out the impact of the COVID-19 lockdown on delivery of these objectives.

## 1. STRATEGIC AIM: PROVISION OF A HIGH QUALITY LEARNING EXPERIENCE THROUGH A RELEVANT AND MEANINGFUL CURRICULUM

To place the College at the heart of lifelong learning within the region in order to strengthen economic and workforce development, to enhance social cohesion and to advance individuals' skills and learning.

### LEARNER RECRUITMENT AND PERFORMANCE – OVERVIEW

The demand and supply of skills solutions has never been more relevant for the future economic growth of Northern Ireland. The new skills strategy for a 10X Economy highlights the importance of skills and talent development for a future economy and the role that Further Education will play. In addition the DfE economic recovery plan highlighted the significant role that the Further Education Colleges could play in providing skills training and support to local companies.

It is in this context that the College's curriculum offer is closely aligned to supporting PfG outcomes and indicators, the new Economic Strategy and the Economic Recovery Plan.

The enrolment targets for 2020-21 were agreed with DfE through the existing bilateral planning process. These targets were focused on increasing the number of people who achieve Level 2 Essential Skills qualifications in literacy and numeracy, qualifications at Level 2 and above, increasing participation in priority/STEM skill areas, and ensuring that provision leads to qualifications that are on the regulated qualifications framework.

The changing economic situation, continuing pressures in public sector funding and COVID-19 has had a direct impact on the College's ability to maintain the same curriculum offer as in previous years. The reduction in DfE grant funding to support our core provision has led to a re-prioritisation in the allocation of resources and a re-examination of what the College offers and where curriculum is delivered.

Despite these challenges, the College's curriculum offer is increasingly targeted on the current and future needs of the local and regional economy, and we believe the outreach to employers across the region is unsurpassed in any other area in Northern Ireland. The College is one of the largest skills training providers in Northern Ireland with professional and technical training provided in more than 25 areas to over 1,400 trainees and apprentices delivered in skills training centres in Armagh, Newry and Portadown.

The College's performance over the course of the 2020-21 academic year can best be viewed in the context of the level of participation in the main areas of our core business, namely:

- Further and Higher Education (including Essential Skills);
- Skills training through the Training for Success and Apprenticeships NI contracts;
- Schools' Partnership Provision; and
- Community engagement.

This section of the Annual Report provides information on enrolment activity and qualification outcomes as set out in the College's Development Plan. Readers should note that the enrolment numbers presented for 2020-21 are those recorded at 31 July 2021 and are not final validated

figures. The figures presented for 2019-20 are revised audited figures and may differ from those presented in the 2019-20 annual report and accounts.

## ENROLMENT PROFILE

The College set out its plans for the provision of education and training opportunities in 2020-21 specifically addressing the needs of 3 groups of people, those entering the workforce, those already in the workforce and those furthest away from work. The on-going pandemic has a significant impact on the College delivering its enrolment targets. This was particularly evident during the period of lockdown from January – May 2021 resulting in the withdrawal of part time provision on campus and through our community outreach centres.

Despite the challenges of the COVID-19 pandemic the College continued to play significant role in addressing the education needs of those living in areas of greatest deprivation. This is illustrated by the fact that 51.9% of the College’s total enrolment were from students within population quintiles 1 and 2, Figure 1.

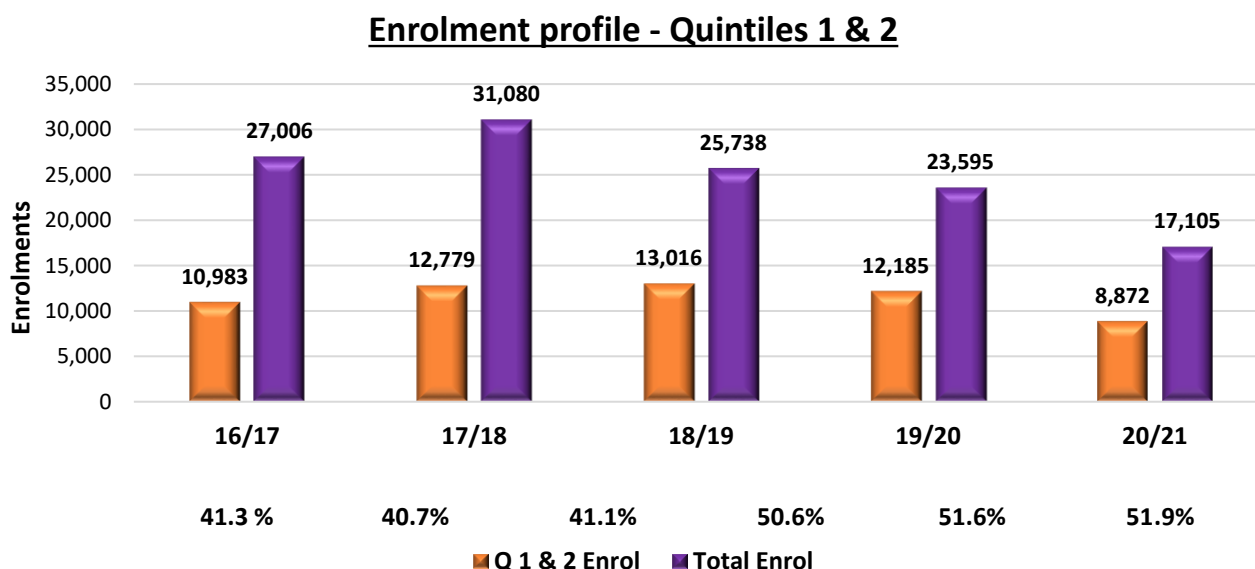


Figure 1

SRC is at the forefront of delivering programmes aimed at supporting people and communities to overcome inequality and disadvantage through education and training. The College region includes 15 of the top 100 most deprived areas (in Northern Ireland) and over recent years, the College’s Community Outreach Team prioritised its limited resources on these areas of deprivation. Despite the limited provision offered through community outreach centres during the 2020-21 academic year, 64.6% of the total community outreach provision supported learners within population quintiles 1 and 2. Prioritising provision in areas of significant deprivation will remain our focus in the coming years and we will continue to work with the Department for the Communities (DfC), Department of Agriculture, Environment and Rural Affairs (DAERA) and local councils to provide education and training opportunities in these areas as part of the wider community planning process.

## ENROLMENT POSITION 2020-21

The College's development plan for 2020-21 set targets for enrolment across Further, Higher Education, Training and Essential Skills. The COVID-19 pandemic had a direct impact on planned activity across community outreach and on-site evening provision throughout the year. This was particularly evident during semester 2 following the lockdown in early January.

Despite this the overall enrolment position (excluding Essential Skills) at 31 July 2021 showed the College achieved 98.5% of its full-time enrolment target, however part time provision was severely impacted during semester 2 resulting in delivery falling below target by 24%, Table 1. This was largely attributed to stopping all new part time and community further education provision planned for semester 2.

Total Enrolment		Enrolments		
		Target	Actual	% Target
Levels 0-8	Full time	4,085	4,023	98.5%
	Part time Regulated	9,042	7,982	88.2%
	Part time Non-Regulated	3,915	2,411	61.5%

Table 1

The total enrolment position is further broken down against core activity in the following section.

## FURTHER EDUCATION

The College offered a wide spectrum of courses across campuses aimed at meeting the needs of individuals and employers. This included the delivery of qualifications ranging from Level 1 to Level 3 on the National Register of Regulated Qualifications.

The College exceeded its target for full time Further Education enrolments but delivered only 76.7% part time enrolments. The pandemic lockdown during semester 2 impacted significantly on College part time delivery on campus and across outreach centres, Table 2.

Further Education		Enrolments		
		Target	Actual	%
Levels 0-3	Full time	2,490	2,545	102.2%
	Part time	9,990	7,663	76.7%
	Total	12,480	10,208	

Table 2

The slight increase in full time further education intake in 2020-21 is the first increase in recent years.

### Full Time Further Education by Level

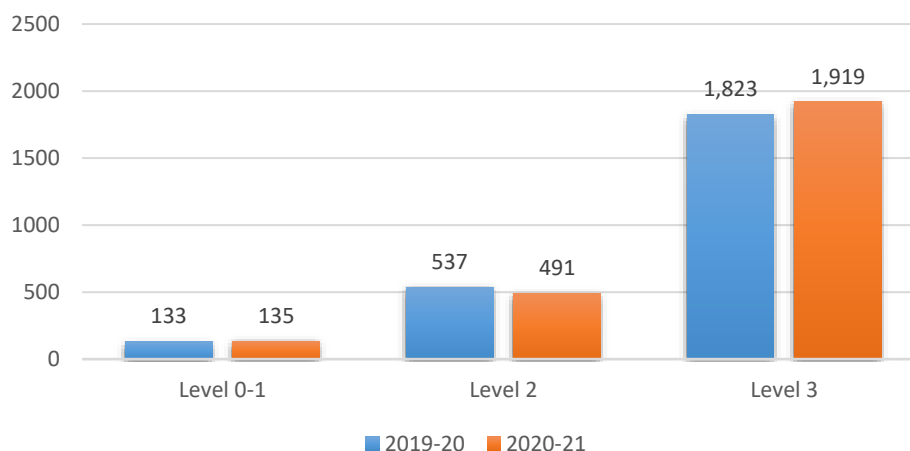


Figure 2

The College’s Inclusive Curriculum offer at Level 0-1 continued to provide opportunities for those young people with a range of challenges and learning difficulties to undertake programmes of study aimed at supporting the individual through independent living and progressing to sheltered employment.

The College continued to prioritise its resources to support a wide-ranging offer for full time study across campuses within the southern region.

### HIGHER EDUCATION

The College’s portfolio of university validated courses aims to provide students with the opportunity to further their education by developing higher-level skills as well as improving their career prospects. With over 1,500 Higher Education enrolments annually this is an increasingly important area of work for the College. Many students are finding that choosing to study locally can significantly help reduce the costs of Higher Education study and the demand for part time study continues to increase. The Foundation Degree remains the primary intermediary higher-level qualification for full time provision. However, the Edexcel Higher National Award remains popular for re-skilling through part time modes of study.

The College offers a number of Foundation Degrees, Associate Bachelor Degrees and Honours Degree courses validated by the Ulster University, Queen’s University Belfast and John Moore’s University Liverpool. The College has developed a further partnership with the Open University that will lead to an increased range of courses of Higher Education courses on offer.

Higher Education		Enrolments		
		Target	Actual	% Target
Levels 4-8	Full time	500	310	62.0%
	Part time	1,219	1,252	102.7%
	Total	1,719	1,562	

Table 3

The College was allocated a total Maximum Student Number (MaSN) of 500 full time Higher Education places in 2020-21. The College recruited a total of 310 full time students with a further 218 enrolments on Higher Level Apprenticeship programmes in Applied Science, IT Infrastructure, Mechatronics, Digital Marketing and Accounting. The total number of full time Higher Education enrolments decreased for a number of reasons including;

- students opting to take up places in local Universities during the early part of the first semester;
- the consequence of the drop in the number of Further Education students completing Level 3 programmes and progressing internally;
- the increase in MaSN numbers to local universities; and
- grade inflation of A Levels leading to increased number of school leavers opting to undertake honours degree courses in UK universities.

The upward trend in the uptake in Higher Level Apprenticeships continued with a 15% increase compared to enrolments in 2019-20.

#### SKILLS TRAINING - TRAINING FOR SUCCESS AND APPRENTICESHIP TRAINING

DfE approved the College to continue delivery of Training for Success (TfS) and Apprenticeship NI (AppNI) programmes. In light of the COVID-19 emergency DfE decided to extend existing TfS contract to July 2021 and to defer the introduction of new Traineeships to September 2021. Within the renewed TfS and AppNI contracts from September 2017, the College has secured frameworks in a range of new subject areas in tandem with its curriculum strategy. There will continue to be a concentrated effort over the next year to develop Apprenticeships in subject areas in new areas such as Gas Installation, Engineering, Insurance and Financial Services.

During the 2020-21 academic year, the College exceeded targets for those undertaking work-based learning and Apprenticeships as shown in Table 4. Unlike Further Education, full time programmes the College continued to experience an increase in the number of new entrants on both Training and Apprenticeship programmes at Level 2 particularly in construction trades.

Training for Success		Enrolments		
		Target	Actual	% Target
<b>Levels 1-3</b>	Full time	475	480	101%

Apprenticeships		Enrolments		
		Target	Actual	% Target
<b>Level 2-3</b>	Full time	620	688	111%
<b>Level 4+</b>	Full time	186	218	117%
	<b>Total</b>	<b>806</b>	<b>906</b>	

Table 4



## ESSENTIAL SKILLS

The College enrolled a total of 2,641 learners for Essential Skills in Literacy, Numeracy and ICT against a target enrolment of 2,925, as shown in Table 5. Covid restrictions introduced at the start of the academic year led to restricted delivery of essential skills classes across community outreach centres. This was further exacerbated during the period of lockdown from January – May 2021 when all delivery was cancelled.

Essential Skills	Target	Actual	% Total
Age >=16 and <20	2,395	2,077	86.7%
Age 20 or over	530	564	106.4%
Total	<b>2,925</b>	<b>2,641</b>	

Table 5

## SCHOOLS' PARTNERSHIP PROGRAMMES (SPP)

The College remains committed to supporting local post-primary schools in the delivery of the Entitlement Framework (EF) at Key Stage 4 and Post-16. The EF aims to guarantee all school pupils greater choice and flexibility by providing them with access to a wide range of learning opportunities suited to their needs, aptitudes and interests, irrespective of where they live or the school they attend. The College recognises the important role it plays in providing access to a wide range of vocational learning opportunities that would not otherwise be available to pupils in local schools.

In 2020-21, the College maintained excellent levels of engagement with 27 schools across the 4 Area Learning Communities within the region. Despite the success of the partnership, the number of schools engaging with the College continues to fall and as a result year on year enrolment continues to fall, Figure 3. This reduction has been contributed to by the growth of school-to-school collaboration, pressure on school budgets and schools widening their curriculum offer to include vocational awards combined with reductions in Entitlement Framework funding.

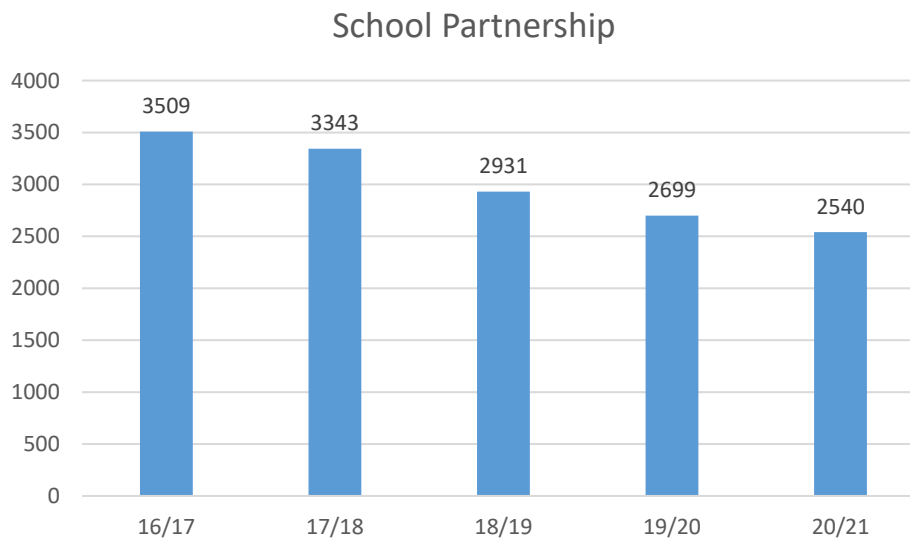


Figure 3

The uncertainty over continued Entitlement Framework funding, the growth of school-to-school collaboration and a lack of commitment from some schools has led the College to make strategic decisions on ‘what’, ‘where’ and ‘how’ our curriculum is delivered. This has involved prioritising limited resources to support future provision and removing of some of our curriculum offer to schools particularly in areas of Engineering and Plumbing. Without the assurance of continued funding to support such collaboration, the College anticipates a continued decline in the level of engagement at both Key Stage 4 and post GCSE across all area learning communities. The outworking of the joint DE/DfE project ‘Transition of Young People into Careers (14-19)’ will be critical in addressing the decline in College – School partnership work in the future.

## COMMUNITY ENGAGEMENT

The College continued to focus its community engagement during 2020-21 on areas of social deprivation and in particular, the five Neighbourhood Renewal Areas (NRA) within our region. Provision was significantly impacted as a result of Covid restrictions. Despite this a range of programmes were offered with the specific aim of encouraging progression on to programmes delivered at the College’s main campuses.

Despite the ongoing challenge of COVID-19, the total community enrolments for 2020-21 was 965 students. Recreational courses generated 14% of the enrolments which reflects the challenge created by COVID-19 resulting in most community facilities being closed for the entire academic year. The Community Team had to innovate to enable courses to be delivered either safely in controlled venues or where appropriate online.

The College continues to play a leading role in the delivery of Community Education and the regional Neighbourhood Renewal (NR) Strategy. This has been instrumental in the development of targeted projects to tackle social deprivation, through the provision of innovative tailored training opportunities to meet the needs of marginalised groups and disadvantaged individuals. In 2020-21, four projects, funded by the Department for Communities (DfC) were delivered to residents living within the five NRAs in Armagh, Brownlow, Lurgan, Newry and Portadown.

A total of 276 residents were recruited for SRC training through the Neighbourhood Renewal projects. Given that students experienced disruptions to training as a result of the COVID-19 pandemic, some training is still ongoing and to date 180 residents have achieved full qualifications. Eleven residents have gained employment as a direct result of their participation on the programme. In addition, 230 of our Schools' Partnership pupils living in Neighbourhood Renewal Areas (NRA) received mentoring support to help them with their studies. As a result of this mentoring the college ensured that all of the pupils studying with SRC were not disadvantaged by the pandemic. 92% of the students achieved an Occupational Study qualification.

While DfC projects benefit the residents of NRAs, the College recognises that there is also a need to address social deprivation beyond NRA boundaries. In conjunction with Department of Agriculture, Environment and Rural Affairs (DAERA), the College delivered the PROSPER programme which addresses economic inactivity, unemployment, educational underachievement and social isolation in rural areas. The PROSPER programme provided mentoring support for 100 young people engaged in the Schools Partnership Provision enabling them to achieve a full qualification

The College has secured a further £292k for 6 new projects in the 2021-22 academic year targeted at those who are economically inactive and face social exclusion. These projects include:

**Training and Employment Opportunities Programmes (TOPs – Craigavon and Newry)  
Supporting Training and Employment Programme (STEPS-Armagh).**

The programmes each consist of two strands delivered in Armagh, Craigavon and Newry:

1. Mentoring support to pupils from local schools engaged in the College's Schools Partnership Programme (SPP) and to young people progressing from SPP to full time Further Education and Training courses;
2. Accredited training programmes to adults.

**GROW:**

GROW provides accredited training for NRA residents to work towards the BTEC Level 2 Certificate in Horticultural Management. Personal development and Employability training will also be provided.

**OCEANS:**

The OCEANS project was developed as a gateway to employability in the maritime/offshore industry for NRA residents. It provides residents (employed and unemployed) with the opportunity to gain skills, accredited qualifications and confidence and therefore access to employment in a variety of jobs in the maritime sector. The programme consists of two strands:

1. Accredited training in Essential Skills Literacy, Numeracy or IT;
2. Training in the maritime industry qualification STCW 95 licence (Standards of Training, Certification and Watch Keeping). This is a compulsory basic Safety Training Certificate required for anyone wishing to work at sea.

### PROSPER+ Project

The PROSPER+ project has been developed to empower and encourage participation in education, address issues around social deprivation, address unemployment and rural isolation.

The programme consists of five strands and is delivered to rural residents within Armagh, Banbridge, Craigavon and Newry, Mourne and Down District Council areas:

1. Accredited training programme to adults;
2. Mentoring support to young people engaged in SRC's School Partnership Programme;
3. Contribute to the health and wellbeing of local residents by providing an opportunity to partake in a comprehensive range of qualifications, which directly link them to further education and employment opportunities;
4. Increase the level of community cohesion and social inclusion within the southern region;
5. Strengthen links between the Department, College and local residents.

The continued fiscal pressures and uncertainty related Neighbourhood Renewal funding post April 2022 is likely to lead to further reductions in the level of engagement across the community at all levels. The Community Team is therefore pursuing other opportunities:

- Response to COVID-19 project with Local Council Community Planning Partnership
- SEAFLAG Cadetship Project
- PEACE Plus
- Future Skills Programme for Rural Communities - DEARA

## STUDENT OUTCOMES

The number of learners achieving qualifications as recorded at 16 September 2021 is shown in Table 6 below.

STUDENT ACHIEVEMENT	Achievement 2019-20	%	Achievement 2020-21	%
<b>Further Education</b>				
Full time	1,406	81%	1,410	86%
Part time	4,762	75%	4114	85%
<b>Higher Education</b>				
Full time	197	92%	165	98%
Part time	777	84%	584	85%
<b>Work Based Learning TFS/AppsNI</b>	1,487	87%	1180	85%
<b>Essential Skills</b>	1,978	59%	1,462	65%

Source:QLS/ebs

Table 6

Student outcomes for the year ending July 2021 was impacted as a result of the COVID-19 lockdown. Despite the use of alternative assessment approaches introduced in line with the extraordinary regulatory framework some students were unable to complete their programme.

The College has taken additional steps since re-opening of campuses to ensure that these students are provided with the support needed to complete their programme of study.

## DESTINATION INFORMATION

The number of full-time learners progressing to further study or employment on completion of their programme of study is summarised in Table 7.

No. progressing to further study or employment	2019-20	2020-21
No. of final year Level 2 FE Learners	441	358
No. of final year Level 3 FE Learners	864	914
No. of final year Level 5 HE Learners	198	156
No. of final year TFS trainees	285	175

Table 7

## QUALITY AND PEDAGOGY

The College remains committed to providing an outstanding quality learning and teaching experience for all students. In response to COVID-19, a range of blended learning solutions were effectively employed to provide continuity in delivery and assessment, within and beyond the physical boundaries of SRC. Each Faculty, with support from the team of Teaching and Learning Advisors availed of the most up-to-date and relevant teaching strategies, technologies and student support systems to promote and sustain positive student engagement aligned to successful outcomes.

Summative assessment during the academic year was again characterised, in the main, through the awarding of Teacher Assessed/Centre Determined Grading. A total of 4,136 student grades were processed through College Awarding panels. This curriculum led process was complemented by the highly effective working practices of the College Examination's Department. The Examinations Department processed all calculated grades, uploaded all samples requested by Awarding Organisations to meet the 48-hour deadlines and issued student results as part of a newly developed EBS workflow. In fact 920 pieces of evidence were uploaded within 48 hours of sample release requests.

Continuous Professional Development of staff is an integral part of the College Development Plan. The College will continue to invest in upskilling our lecturing teams to ensure that we are able to respond to changing curriculum and skills needs. Priority will be given to upskilling lecturing staff in order to respond to the challenges of embedding new skills and technology in support of emerging curriculum developments, such as, the new Traineeship system, Advanced Technical Awards and higher-level developments.

During 2020-21, staff had the opportunity to undertake professional development in several areas utilising a range of online delivery. Programmes included:

- 5 completed Certificate in Teaching and 6 successfully completed Postgraduate Certificate in Further Education.
- 10 Full Time Lecturers and 27 Part Time Lecturers participated in the College's induction programme.
- 514 staff CPD digital learning interactions as part of the OCN Level 5 Digital Tools for Learning course and the SRC bespoke e-Educator Modules 1-5. The eEducator reviewed exploring models and basic tools for online teaching and learning; planning for online learning (Schemes of Work and Student Study Guides utilising synchronous and asynchronous methodologies). Core e-tutoring skills through the review of staff best practice shared with colleagues, effective use of VLE and O365 and maintaining and supporting student online engagement.
- 355 staff attended an online Microsoft specialist CPD on use of TEAMS, PowerPoint and OneNote session and the follow-up Microsoft session on 'Enhanced and Inclusive Teaching and Learning with Surface, Teams and OneNote'. The Microsoft sessions were aimed at further complementing e-Educator modules.
- 154 faculty staff members attended training on data retention for learners' work and safe disposal processes for portfolios, online training for Schemes of Work, effective SER writing and effective tracking procedures.
- 80 staff attended training in preparation for the 2021 calculated grading process.
- 8 staff have been awarded Senior Fellowship of Advance HE.
- 6 staff attended ETI Associate Assessor Inspector training.
- 22 staff attended standardisation training.
- 32 staff attended assessor/verifier training.

The College embraced the opportunity to reimagine learning, teaching and assessment as part of DfE funded CPD projects using digital pedagogy. Two examples of this work involved:

1. Delivery of Essential Skills Literacy and Numeracy at Levels 1 and 2. This new 100% online delivery model to an extensively scattered geographic distribution of thirty-seven learners was overwhelmingly successful. The use of a synchronous and asynchronous approach was valued by all learners and praised by a range of key external stakeholders including: DfE, ETI and OCN NI. The College will use the findings to further enhance SRC programme delivery. SRC staff will lead on a future sector dissemination event.
2. The NI Apprenticeship Challenge Fund on the Mentor Connect Project initiative offers a range of online materials for both employers and apprentices. It is aimed at ensuring that both are fully informed of how the NI Apprenticeship programme works. It was part of a 6-college collaboration piece of work that brought together 32 people from different areas to work together to create 3 new modules that would be available on college websites. SRC had eight members of staff that contributed to this project over a 6-month period with the result being a strong informational piece released in July 2021.

Strategically, the College continues to embed enterprise and industry focused activities and assessment through a Project Based Learning approach. SRC was an active participant in the Sector Entrepreneurship Hub, an output of which has been an Inter College PBL competition.

Student internal presentations took place remotely, with prizes awarded in the categories of 'Innovation, Social Impact and Green Environment' to the curriculum areas of Gaming, Performing Arts/Music and Computing respectively. The three winning groups progressed to a sector wide competition comprising of 17 project entries and 67 students from the six NI colleges. In the inaugural year of this sector wide competition the SRC's outstanding Performing Arts/Music Virtual Christmas Panto 'Beauty and the Beast', which was showcased to over 500 NI schools, won both the Social Impact category and the Best Overall Project.

## **STUDENT SERVICES**

### **CARE GUIDANCE AND SUPPORT**

The College is committed to providing a safe and supportive environment where students feel safe and receive effective pastoral and safeguarding care, guidance and support. We share the belief that safeguarding is everybody's responsibility and foster this culture across the College. All staff are responsible for safeguarding students. There are, however, key staff within the College with specific responsibility and skills to provide interventions and ensure the safeguarding policy and process are followed. During 2020-21 the sector Safeguarding policy was reviewed and approved and an updated mandatory Safeguarding training package was promoted to all staff. The Safeguarding Team dealt with 35 Cause for Concerns during 2020-21.

In January 2021, the College retained the Matrix Quality Award for Student Services. The Matrix Quality Standard is the unique quality standard for organisations to assess and measure their advice and support services, which ultimately supports students in their choice of career, learning, work and life goals. It is of note that the College was the first College in NI to receive this prestigious award highlighting the outstanding provision and its impact across the College ensuring that our students are fully supported to achieve to their optimum ability. In July 2021 the College achieved accreditation for the support provided to Young Carers through the Driving Change Project.

### **CAREERS EDUCATION INFORMATION, ADVICE AND GUIDANCE**

The Careers Team support learners through a range of activities such as Induction, Central Registration, Higher Education applications (UCAS and CAO), Pre-Entry Advice and Guidance (PEAS) interviews and HE presentations. These activities enable students to develop their knowledge, understanding, skills and experience of the extensive range of career opportunities. It allows students to manage their career development, making informed choices, with successful transition into education, training and employment.

The Careers Team, through effective working arrangements with Curriculum teams and other Student Service departments, provide timely and quality advice to service users, through guiding them in choosing the best option suitable to their aspirations and individual needs. The team work closely with a range of external stakeholders to ensure a high-quality information, advice and guidance provision from pre-entry to exiting the College. Pre-entry guidance facilitated by the SRC Careers Service is available to all individuals considering studying at the College. Prospective

students can access the Careers Service through a variety of sources including the College Prospectus, Open Days/Evenings, and on the relevant section on the SRC website. Potential students can make an appointment with the Careers Service to receive guidance on their course options, including courses available, entry requirements and progression routes.

International students presenting with qualifications can have their qualifications equated to United Kingdom standard, enabling the Careers team to advise clients on the most suitable pathway. In September 2021 services were promoted to new students at a group induction and tutorial groups throughout the year. All students receive a copy of the student guide/diary detailing all services available to them. Posters promoting the Careers Service and how to get in contact are displayed on notice boards throughout all campuses. There is a specific Careers section on the College Moodle.

The Careers Team continues to use Facebook to promote the service and improve communication with clients. This facility has been useful in advertising local employment opportunities to students. During the 2020-21 academic year, the Careers Facebook page has been a major communication channel to students particularly during remote learning keeping students updated with important careers information including updates from UCAS and CAO.

During the 2020-21 academic year, the Unifrog platform was a key resource used to support the role of the Personal Tutor. The Careers Team worked with the Quality and Pedagogy Unit in the development of the interim e-ILP system set up for 2020-21, incorporating Unifrog as a key CEIAG (Careers Education Information Advice and Guidance) tool in Personal Tutorial Delivery. The e-ILP system for personal tutorial became a dual system of both a SharePoint e-ILP spreadsheet located in SharePoint POS course folders for each student and the Unifrog platform which provided dual access for both students and their personal tutors to record all career interactions and activities.

Through engagement with a range of external stakeholders, including the Department for the Economy, Education Authority Transition Officers and Area Learning Communities, the careers team support individuals in their transition to Further Education. There is ongoing engagement with Disability Action on the Job Match project. This project, co-ordinated by Disability Action, supports SRC students in accessing supported employment on completion of their course. Students are also being supported in transferring to supported programmes which caters for students' individual abilities. This work assists students in overcoming barriers to progression and transition.

During the first term of the 2020-21 academic year, the Careers Team tracked the destination of full-time and part-time Level 2 and 3 and Higher Education learners who left Southern Regional College in June 2020. Findings indicated a range of leaver destinations, including progression into employment or additional learning. In total, 2,825 students were contacted with a response rate of 2,739 students (96.9%). Table 8 shows the breakdown of tracked destinations for 2,739 FE and HE students who left SRC in June 2020.



<b>TRACKED DESTINATION</b>	<b>Number</b>	
<b>Total Number of SRC Students Tracked</b>	2,825	100.0%
<b>Total Number of SRC Students Responses</b>	2,739	96.9%
Progressed to HE Externally	522	19.1%
Progressed Internally to HE	253	9.2%
Progressed Internally to FE	387	14.1%
Other SRC Courses	169	6.2%
Entered Employment	1,231	45.0%
Seeking Employment	83	3.0%
Gap Year	53	1.9%
Repeating Year	41	1.5%

Table 8

The top three subject choices for students progressing to Higher Education were:

1. Nursing;
2. Business;
3. Computer Science.

The most popular destinations for students progressing to Higher Education were Southern Regional College, Ulster University and Queen’s University Belfast.

## LEARNING RESOURCES

The Learning Resource Centres (LRCs) support teaching and learning across all subject areas in the College. Staff and students are provided with access to a wide range of learning resources through Moodle, the College Virtual Learning Environment. This includes:

- A comprehensive study skills programme.
- A strong learner development programme including collaboration with partner HE institutions.
- A comprehensive collection of e-resources to support teaching and learning.

LRC staff ensure that all users can easily access learning resources, both electronic and non-electronic, by providing 24/7 access to resources through the College’s Virtual Learning Environment. LRC staff have established and continue to sustain national and international links with strategic information resources, which facilitate research and learning techniques. The use of e-books continues to evolve with the College, again ranked highly as one of the top users of e-books in the Further and Higher Education Sector in the United Kingdom.

The continued development of electronic resources, particularly e-books and the purchase of additional online database enhances embedded learning and contributes to the College’s ILT strategy commitment of providing co-ordinated management of Learning Resources. The LRCs continue to extend the provision of e-resources available to service users. Several new technological developments have been recently introduced including the development of new resources including National Theatre Collection. The National Theatre Collection offers a wealth of online drama and music productions, teaching resources, educational videos, insights, and various activities to assist students on their learning journey.

The College has also added four JISC Vocational Learning Resources in the following areas – Construction, Digital and IT, Educational and Childcare and Health and Social Care. These services have been created to provide teaching practitioners and learners with high-quality, curriculum relevant and engaging content. These resources save users time searching for interactive learning materials and learners can access what they need when they need it.

During the current COVID-19 pandemic, many additional resources have been made available to support learners during remote working. The College provided over 250 laptop devices to students to assist with their transition to working from home. The number of laptops on loan to staff also increased dramatically to meet demand faced with remote working. Some Learning Resource suppliers including Gale FE and JISC made available additional resources including databases, journals and e-Books. We have added extensively to our e-book portfolio this year by procuring over £15,000 worth of e-books in a range of academic areas, including Engineering and Nursing.

There are several online databases available to support our Higher Education students including Passport Euromonitor, an award-winning global market research database providing strategic analysis on industries, countries, and consumers and companies. The resource has been used as an effective research tool by HE students from Computing, Engineering and Business Studies programmes. Other resources available to support HE Learners include GALE FE News, Business and Reference and Emerald a resource focusing on business.

In 2020-21, 3408 students completed Central Registration across all sites. This year students completed an interactive LRC induction within the classroom setting. Lanyards, cardholders and diaries were issued to students during Central Registration along with their Student ID card. A new footfall counter system was introduced, this records the footfall per month, week, day and even per hour. It also allows analysis of information to show the students who attend the LRC and the duration of their stay. This software was designed and programmed in-house by members of the LRC Team.

## **STUDENT ACTIVITIES**

Throughout 2020-21 the Student Engagement Team continued to meet the needs of all students, by delivering 472 activities with 11,920 students engaging in a wide and varied activities programme. The Student Engagement Coordinator contributed significantly to the success of this area by continuing to engage with external stakeholders such as the Policing and Community Safety Partnership, the Southern Health and Social Care Trust, external outreach programs and community groups to share expertise and resources as well as linking for several student events.

The Student Engagement Officers continued to roll out the tutorial and seminar programme that included the launch of a new tutorials titled “Cultural Diversity and Unconscious Bias” that aims to educate students on what cultural diversity is, the diverse types of culture and how culture impacts society. This tutorial was developed to help create an educational and social environment which is safer and more inclusive. Students have engaged in a range of tutorial sessions delivered by external organisations such as PIPS ‘Resilience and COVID-19’ workshops which were delivered to students via MS Teams, while Women’s Aid facilitated a gender specific workshop titled ‘Consent and Healthy Relationships’ to young female students via MS Teams.

This year the Student Engagement Team have continued to have a high level of success with extra-curricular clubs and societies, including an LGBTQ+ Society, a Gaming Society and contributing

to the NUS-USI FE Steering Committee. The Student Engagement Team has worked closely with the LEAP programme in delivering a series of sporting activities, such as a sport and well-being day for students with disabilities. The Student Engagement Team worked closely with the Leap programme Coordinator in the development of a new workshop titled 'Healthy Head and Healthy Heart'. This workshop focused on the importance of exercise, coping with change, how to cope with anxiety and was delivered to student via MS Teams during lockdown.

Due to COVID-19 several events were moved online whilst others had to be cancelled, this included the Freshers Fair and extremely popular annual formal which was due to take place in March 2021. The Student Engagement Coordinator worked closely with the Learning Support Manager in implementing the Health and Wellbeing Hub Action Plan for 2020-21. This led to the development of a virtual student induction to support student knowledge of service providers and also the development of links with external Mental Health agencies and service providers. This allowed the team to establish a continuous rollout of Positive Mental Health and Self-Care workshops with the focus maintaining on 'Repair, Recovery and Re-establishing connection'. The Student Engagement Coordinator and the Learning Support Manager developed and promoted the Health and Wellbeing Hub Action Plan for 2021-22.

The Student Engagement Team have continued the promotion of on-site counsellor and health clinics to students in tutorials and during class visits with health clinic staff and an Inspire counsellor throughout this academic year. Health clinic staff continue to promote the "Pink Present" initiative in efforts to tackle the silent problem of Period Poverty. This initiative involved SHSCT providing each College campus with a stock of sanitary products for young female students to access free of charge.

The Student Council AGM was held via MS Teams in April 2021. In April 2021, NUS-USI held their annual conference via MS Teams and was attended by the SRC SU LGBTQ+ officers, campus presidents and Student Governor. Key policies and campaigns for the incoming academic year were debated and voted on.

## **STUDENT ACHIEVEMENTS**

The College places great importance on the use of skills competitions to:

- bring learning to life and enhance core competences through simulated workplace practices;
- drive up the quality and profile of vocational education;
- offer greater scope for creativity in teaching, training and learning techniques;
- build confidence and self-esteem; and
- provide meaningful and enjoyable learning experiences.

Competitions are used across the College to raise standards in training to world-class levels. As well as building on a student's technical skill set, they are given the opportunity to develop their professional and personal skills. This begins with local inter-campus based competitions leading to selection for regional and national competitions. The College's local inter-campus competitions also extend to students from the Schools' Partnership Programme, reinforcing the aim of achieving excellence in all areas of skills training.

The College's commitment to skills competitions is demonstrated through participation in local, regional, national and international competitions across many vocational areas. College students also engage in several other activities including enterprise, sporting, voluntary work and fundraising events.

### **Competition in the 2020-21 Academic Year**

Due to the COVID-19 pandemic, skills competition opportunities were very limited. Unfortunately, many of the annual competitions our students would take part in, were not able to proceed. However, there have still been some impressive achievements.

- SRC Level 3 apprentice, Dylan Calvert, was awarded Trainee Tile Fixer of the Year at The Tile Association (TTA) Awards.
- Christian Sloan, a Level 3 Art and Design student from Newry campus, won top prize in the Animation Category at the prestigious Northern Ireland Colleges Media Awards.
- Hairdressing students brought home an impressive 10 awards at the respected 'Mirror Mirror Mannequin Competition' and retained the overall competition trophy.
- The SRC Virtual Pantomime 'Beauty and The Beast', was announced the winner of the Social Impact Award as well as Overall Winners across the sector at the FE Sector Project Based Learning Skills Competition.
- SRC Games Development student's project, 'Herd on the Hill' was awarded runner up in the innovation category at the FE Sector Project Based Learning Skills Competition.
- Art and Design student, Ada Chmierlewska, won first place at this year's National Credit Union Competition.
- 10 students were awarded the SRC Chief Executive's Higher Education Scholarship. They each received financial assistance towards their tuition fees for their two-year course.
- HND Graphic Design students from Banbridge campus were thrilled to produce a series of promotional videos in collaboration with Prentice MINI Portadown to promote the new Electric Mini.
- Photography and Media Studies students Jonathan Edgar, Annabelle Higgs, Anna Robinson, Niamh McMillan and Ciaran McMahon were awarded two firsts, two seconds and a third (respectively) at the Colleges NI Regional Competition. SRC was also placed as second overall in the college table.
- SRC students obtained 4 first places, 4 second places, 2 third places, 8 fourth places and 4 high commendations at the annual Association of Hairdressers and Therapists Competition.
- Two students from the Games, Animation and VFX Skills Level 3 Extended Diploma, Holly Wright and Rachel Houston, have made it through to the final of this year's BAFTA Young Designer Awards.

## STAFF ACHIEVEMENTS

Staff Achievements for 2020-21 listed below:

- Marilyn Warren awarded MBE in New Year's Honours for her services to education and children.
- Maura Quinn crowned Tutor of the Year at this year's IAB Awards.
- SRC Hair and Beauty Team shortlisted for the WorldSkills Hero Award at the **Tes** FE Awards 2021 (Marie Louise Devlin – Beauty, Rita Mallen – Hairdressing)

## LEARNING SUPPORT

The Learning Support Team consists of 11 Learning Support Co-ordinators and administration staff, 60+ Learning Support Assistants, Mentors and Note takers and provides a wide range of support interventions to students with learning difficulties and/or disabilities.

The College received a total Additional Support Fund allocation of £610,063 from the Department for the Economy to support students with learning difficulties and disability during the 2020-21 academic year. A total number of 675 Further Education mainstream, TFS/APPNI and discrete SLDD students received additional learning support during this period. Learning Support also provided additional support for 19 HE students. The department also processed 631 examination access applications for students during 2020-21.

In 2020-21 a total of 88 students received counselling support from Inspire, this was an 8.6% increase from the previous year. The total number of structured telephone counselling sessions arranged was 237 with an additional 59 video counselling sessions.

The Learning Support Team continued to work on the development of its services as follows:

- During the period of College closure due to COVID-19 the Learning Support Team developed processes to ensure that students who had made a referral for Learning Support for September 2021 were contacted and the completion of initial needs assessments continued remotely where appropriate during this period. A total of 1502 online referrals (data refreshed 25 August 2021) were made for learning support;
- Learning Support Co-ordinators were invited into remote final annual reviews by SENCOs in 13 local schools, this provided an opportunity for each Co-ordinator to meet with new students, parents and transition staff for students with Statements of Educational Needs.
- Learning Support Manager, along with Assistant Director for Student Services and Marketing, led on the Driving Change in FE Young Carers project. The project involved developing a policy and procedure for supporting students who provide care for a family member with a chronic illness or disability, mental health condition (including substance misuse) connected with a need for care. Accreditation was achieved in July 2021.
- The Learning Support Team are working through the accreditation process for an Autism charter mark from the National Autistic Society since February 2021 with final accreditation anticipated in October 2021.

- Accredited autism training was delivered to 50+ members of the learning support team and other specialist staff. The Learning Support Manager arranged for Jude Morrow (specialist trainer/ consultant for Autism) to provide training to staff. This training will upskill staff with strategies to improve support provided to autistic students.
- Meetings with the external transition working group took place remotely during 2021-22. This is a valuable opportunity for the College to provide external partners with key information in relation to the curriculum offer and business processes which will benefit external stakeholders such as EA and the Trust disability transition social workers, when supporting students who are enrolling for courses in September 2021. This is also a shared forum where College staff can receive updates from its external partners.
- The Learning Support Manager liaised with Employee Development to provide newly developed Autism training provided by the Education Authority. This training was rolled out to all staff to access via Moodle. 117 curriculum and support staff completed this training during 2020-21.
- There was a significant investment in software and assistive technology to support students in their independent learning. Staff also explored the use of Microsoft Office 365 Apps e.g., Immersive Reader to support students. Training on 'Microsoft Tools for independent learning is being delivered to all learning support staff in August 2021 in preparation for the academic year.
- Learning Support Manager worked with the Marketing Team to revise the Learning Support section of the website, this has resulted in a more user friendly and interactive site with less narrative and more video clips etc.
- The sector wide policy for Learning Support was approved, implemented and published on the College's website and SharePoint sites.
- Learning Support continues to work in collaboration with many internal and external staff in a student-centred approach to support the holistic needs of the students.

## **MARKETING, COMMUNICATIONS AND STUDENT RECRUITMENT**

Due to the COVID-19 pandemic, the Marketing, Communications and Student Recruitment Team (MCR) have had to adapt to new methods of delivery for many activities in the 2020-21 academic year. Annually the College delivers a number of high-profile celebratory events including the 'Student Recognition Awards' and our 'HE Graduation'. To still celebrate with our students, both events were launched digitally; HE Graduation on YouTube (netting 723 views in 3 days) and the Student Recognition Awards on Facebook and Instagram Live. The team carried out significant research into how best to deliver our usual open days in the online environment. The team worked closely with other curriculum and support staff leads to develop a schedule of events which ran over the course of four days in March and saw 1,269 people attend.

A significant and new development this year, was the establishment of a five-year Marketing Strategy. This strategy aligns the needs of the College and its stakeholders with scheduled marketing activity and KPI's, through the provision of an annual Marketing Action Plan. Leading from this the College established the College's first Marketing Committee and held five meetings during the academic year. This committee affords curriculum and support staff the opportunity

to feedback relevant information to the MCR Team and make recommendations for upcoming campaigns.

The College has approved a restructuring of the Marketing team within the past year, to reflect the evolution and advancement in available marketing related tactics, tools and channels. The aim of the restructuring is to improve the service, the results of which will be demonstrated over the next year.

The COVID-19 pandemic resulted in a significant number of additional communications to our student body which were coordinated and developed by the MCR Team in conjunction with the Campus Services Team. We developed the ‘Seven Point COVID Code’ to engage our students to stay protected and protect others on campus. The MCR Team developed and delivered a varied communications plan, utilising a variety of channels including the College website, email, text and social media channels.

Digitally the MCR team are also well on our way to delivering a new College website in the next academic year. During 2020-21 the team worked with colleagues on a Business Process Review which considered at how the College currently gathers content for our website and prospectus. Outcomes from this demonstrate significant improvement in the process for the upcoming year, and new procedures will ensure accuracy and efficiency of information delivery.

The MCR Team continue to fully embrace the use of digital media for both advertising and organic promotion. The team have focussed on strategies which would yield significant increase in the engagement rates across Instagram and Facebook (as demonstrated in the table below). This has been facilitated through the purchase of a social media management scheduling tool which has simplified the process and reduced manual input from staff. The MCR Team have also purchased several other software packages which will enhance and improve the College website and the digital media.

Social Media Type	2019-20 followers	2020-21 followers	Increase/Decrease year on year
Facebook	17,982	20,282	Up 12.8%
Twitter	3,369	3,433	Up 1.9%
Instagram	1,411	1,765	Up 25.0%
LinkedIn	2,318	2,631	Up 13.5%

Table 9

### Stakeholder Engagement Plan

The MCR Team continued to implement the Communications and Stakeholder Engagement Plan to support the College’s Estates Strategy. This strategy focused on promoting the College’s new build projects across the region and strengthening relationships with a number of external stakeholders.

A ‘New Build Benefits Realisation Report’ was completed which aimed to identify and compare if the student and staff satisfaction ratings increased from when they moved from their old campus locations (i.e. the Killylea, Lisanally and Hamiltonsbawn campus buildings and the old Banbridge

building) to the new £35m campus in Armagh and the new £15m campus in Banbridge. The report concluded that an overall positive impact and benefit was realised for both projects. Due to the COVID-19 pandemic many previously planned key public relation (PR) activities and events were cancelled and/or modified but the period did include the following:

### **Armagh Campus**

- Internal and external campus photography produced for PR and promotion purposes.
- Armagh campus commemorative brochure produced and printed.
- Official opening attended by Minister for the Economy, Lady Diane Dodds, MLA on 26 May 2021.

### **Banbridge Campus**

- Internal and external campus photography produced for PR and promotion purposes.
- Banbridge campus commemorative brochure produced and printed.
- New Banbridge campus flier was produced and distributed in August 2020 to over 54,000 surrounding addresses.
- Official opening attended by Minister for the Economy, Lady Diane Dodds, MLA on 5 May 2021.

### **Craigavon Campus**

At the time of writing this report, the College continues to await the judicial review outcome relating to the Craigavon campus planning decision.

### **Newry East Campus**

Key developments include:

- Newry campus 'Communications, PR and Stakeholder Engagement Plan' has been developed.
- Newry Sports Centre acquisition PR incorporating drone footage was obtained.
- Maildrop to over 200 local residents and businesses within close proximity to the Newry East campus and old sports centre (Patrick Street) was completed in February 2021 informing stakeholders of the planned Newry sports centre acquisition and demolition works.

The New Builds section of the College website continues to be updated with information to inform key stakeholders on the progress and developments of the builds.

### **CAMPUS SERVICES**

During the 2020-21 academic year the Campus Services Team have overseen the successful implementation of the new Learner Management System application and enrolment modules. The team had to update and align Admissions and Enrolment processes in response to the



College intermittent closures and the reduction in onsite delivery. The majority of admission and enrolment processes were delivered remotely and online. The team worked collaboratively with Student Services, IT services, Finance and Curriculum to plan and implement these processes.

Pre-Enrolment and Advice Sessions (PEAS) as well as one to one course interviews were presented through Microsoft Teams or via telephone calls. Key events including results and registration days were modified in line with COVID-19 social distancing restrictions. Campus Services staff commenced live part time enrolments on a phased basis in September 2021, through the new LMS enrolment module. Worldpay on-line payment processing was introduced in October 2020 to enable staff to accept payments without access to physical card terminals. This also enabled staff to process enrolments from their home.

During the period September 2020 and June 2021 almost 3,000 fee paying transactions were processed for part time student enrolments. 375 students paid enrolment fees by cash which is 12% of total fee transactions.

### **Customer Service**

The Campus Services Team increased their use of electronic and automated systems, emails and text messages in response to the COVID-19 restrictions and College closure. 176,309 text messages were sent to applicants and students between August 2020 and June 2021. The Contact Centre was once again operational during the busy enrolment period from August to September 2020 dealing successfully with course enquiries and processing enrolments. The standard of customer service has greatly improved through continued development and enhancements to the initiatives listed below:

- EBS Admissions and enrolment processes;
- Online bus pass process with the Education Authority;
- Course Enquiry portal;
- Hardship portal;
- Promotion of the tuition fee loan arrangements for part time HE students;
- EMA administration and attendance portals.

### **Business Process Review**

Key business processes including admissions, course cancellations and postponements were revised following feedback through review meetings with the Directorate. The Campus Services Manager delivered refresher admissions and enrolment training on changes to the processes to Campus Services (CS), Skills Training (ST) and lecturing staff between February and June 2021.

### **INFORMATION ASSURANCE**

Effective information security is a key priority for the College, and it recognises that appropriate principles of information security must be applied to the information it holds. A framework has been established including policies and procedures that identify key roles and responsibilities and

the monitoring and reporting processes to be followed. Processes and controls over information are regularly reviewed to ensure compliance with best practice. There were no incidents reported during 2020-21 where access to personal data did not comply with Data Protection requirements. During 2020-21 there were no data incidents which were required to be reported to the ICO (Information Commissioner's Office).

## **WHISTLEBLOWING**

The College has a Whistleblowing Policy which is revised and updated on a regular basis. The Policy provides individuals with a process to facilitate the reporting of concerns and suspected wrongdoing within the College and highlights the protection afforded to those who disclose concerns under the Public Interest Disclosure (NI) Order 1998. The Whistleblowing Policy is included as mandatory training for all staff. During 2020-21 the College received no disclosures under the Whistleblowing Policy.

## **WIDENING PARTICIPATION**

As part of the College's Widening Access Participation Plan (WAPP) 2020-21, bursaries were awarded to 104 HE students amounting to £26,000 support. Due to ongoing restrictions as a result of COVID-19, planned outreach could not be carried out in the 2020-21 academic year. In the absence of the planned outreach, the funding was redirected to a newly created CEO Scholarship award. The CEO scholarship was open to applications from new students who were applying to study a Full-time HE course at any of the SRC campuses. For all those who met the eligibility criteria, and who had submitted a 500-word personal statement, a CEO Scholarship Award Panel was set up to decide who should receive the award. In the 2020-21 academic year, 5 students were awarded a £1,000 scholarship to help towards the costs of studying at HE, and a further 5 students were awarded £600. The same 10 students will receive a further award in the 2021-22 year if they have successfully completed first year and are returning for the second year of study.

## **INFORMATION LEARNING TECHNOLOGY**

SRC is committed to developing ILT Services (Information Learning Technology) and utilising new technologies to support and enhance curriculum delivery and business support services. During 2020-21, we invested some £2.3m on ILT Services to maintain and improve our ILT infrastructure. Key development during the year included:

- The College continues to develop blended models to support its delivery of Foundation Degrees and Higher-Level Apprenticeships and continues to use them specifically in its Higher Education Delivery.
- Significant learning has been established when college curriculum delivery needed to respond to the challenges posed by the COVID-19 pandemic to ensure business continuity. This learning will be used to assist further developments of the College on-line delivery capacity.
- The College has implemented the first phases of the System Technology Services (STS) collaborative project (EBS), which has provided a new Learner Management System to the Sector. The EBS system is now being used to process applications and enrolments. Reporting and the E-ILP continue to be developed into 2021-22.

- The College has purchased and implemented a Canvas VLE platform (Visual Learning Environment) which will replace the current Moodle platform during the academic year 2021-22.
- The College has continued to make use of Cloud technologies and has adopted Microsoft Teams as its primary communication platform between both staff and students.
- To support our students with remote learning, the College has provided access to, suitable devices, software for home use and remote access to specialist software for those with identified needs.
- The College has continued to extend the use of interactive panels across its campuses including equipping its Portadown and Greenbank Campuses and will seek to include them in future ILT plans for College campuses where there a need is identified.
- The security of IT Systems has been a particular focus of the IT Services team and a number of initiatives have been progressed including Multifactor Authentication, Enhanced monitoring of IT Systems and Changes to device management processes.
- IT Services has continued to work with the College Estates Project Team to embed IT systems delivered as part of the new build projects in Armagh and Banbridge.
- 722 staff CPD digital learning interactions as part of the OCN Level 5 Digital Tools for Learning course and the SRC bespoke e-Educator Modules 1- 5. The eEducator reviewed exploring models and basic tools for online teaching and learning; planning for online learning (Schemes of Work and Student Study Guides utilising synchronous and asynchronous methodologies). Core e-tutoring skills through the review of staff best practice shared with colleagues, effective use of VLE and O365 and maintaining and supporting student online engagement.
- 355 staff attended an online Microsoft specialist CPD on use of Microsoft Teams, PowerPoint and OneNote session and the follow-up Microsoft session on 'Enhanced and Inclusive Teaching and Learning with Surface, Microsoft Teams and OneNote'. The Microsoft sessions were aimed at further complementing e-Educator modules.

The ratio of networked PCs to learners and lecturers was maintained through continued investment in ILT technology:

- PC: Learner FTE (Full-Time Equivalent) ratio of 1:4 across all campuses; and
- PC: Lecturer FTE ratio of 1:1 across all campuses.

## 2. STRATEGIC AIM: FLEXIBLE BUSINESS SOLUTIONS THAT IMPROVE COMPETITIVENESS AND PRODUCTIVITY

To support local and regional economic development through the provision of flexible business services and training solutions aimed at improving the competitiveness and productivity of new and existing businesses.

### BUSINESS ENGAGEMENT

The College Business Support and Innovation Centre is committed to supporting businesses of all sizes to innovate, compete and grow, thereby contributing to the growth of the NI Economy. The Centre offers a range of knowledge transfer and innovation services; it plays a key role in identifying and responding to the training and development needs of those currently in the workforce; and it engages closely with employers to support their talent acquisition efforts through the development and promotion of a range of Apprenticeships and Higher-Level Apprenticeships.

The Centre manages a range of funding strands aimed at supporting businesses with their development and growth activities. This funding spans across the Department's financial year, therefore Business Engagement reporting refers to the period from 01 April to 31 March each year. The targets and outcomes for 2020-21 across the range of programmes are captured in Table 10.

#### 2020-21 Business Support Targets and Outcomes

Number of Business Engaged		
Support Area:	20/21 Target	Actual
InnovateUs	63	88
Innovation Vouchers	20	21
Fusion/KTP/Co-Innovate	15	20
Skills Focus	115	196
Full Cost Recovery/Scheduled Training	50	47
Assured Skills	1	4
Themed Workshops	145	237
<b>TOTAL</b>	<b>409</b>	<b>613</b>

Table 10

Although 2020-21 continued to be a challenging year, due to the ongoing impact of COVID-19, the team exceeded the business engagement targets. Many small businesses reached out to the College for support, particularly to develop their digital skills and capabilities. Typical supports delivered this year include:

- Digital - businesses from a range of sectors required help to embrace e-commerce, automate processes, develop online products/services and promote their businesses more effectively across digital platforms.
- Food – a number of hospitality businesses diversified into ready meals and meal kits for retail. There was substantial demand for food product development projects throughout COVID-19 as people's interest in food increased throughout the pandemic.

- Product Design – many engineering businesses diversified into new product ranges in response to COVID-19, therefore requiring new design skills, specifications and prototypes.
- Lean manufacturing – COVID-19 forced businesses to review their processes and their reliance on manual labour and various supplies. Support included the review of processes, explore, and implement lean technologies.
- Tourism – businesses from this sector were required to develop new tourism products and to promote their offer more innovatively through Augmented and Virtual Reality and 360 videos.

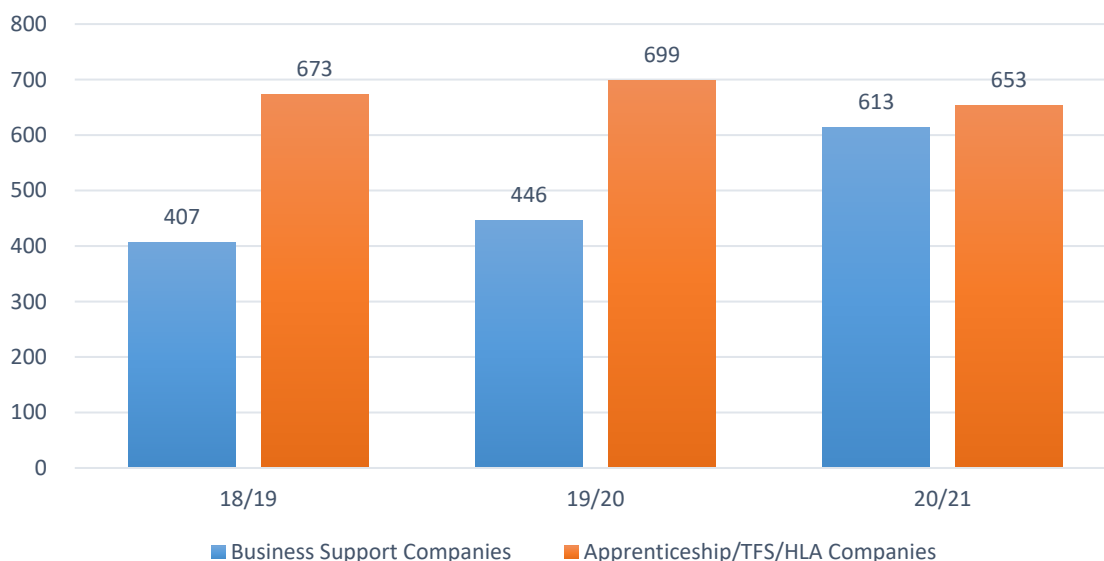
The Business Support and Innovation (BSI) Team adapted throughout the year to the lockdown periods and were able to quickly alternate between face-to-face mentoring support and online support as required. The team worked from home as required, thereby ensuring that businesses were supported effectively, and targets were achieved.

The team designed and delivered a range of topical webinars to support businesses over the last year and to continue to raise the profile of the industry offering at the College. There were 16 webinars delivered in the period April 2020 to March 2021, using Microsoft Teams, with 237 businesses in attendance. The webinar themes included:

- Podcasting and New Technologies
- Selling Online with Effective E-Commerce
- Creating Virtual Rooms for Virtual Experiences
- Cyber Security for Small Businesses
- Setting Up Your First Online Shop
- Delivering Live or Pre-Recorded Training
- Developing Inventory Management and Scheduling Systems
- How Food Businesses Can Adapt and Diversify
- Making Food Products Retail Ready
- Designs for Manufacture
- Photography and Photoshop
- First Steps to Creating a Podcast
- How to Know if Your Spend is Effective
- Using AR/VR to Sell Arts and Crafts
- How SRC Can Help Your Business (2)

The webinar series has proved very effective, and the business engagement staff will continue to deliver topical sessions in 2021-22 to complement any live events/conferences that may also take place. The development of this provision has helped the College to reach out to new clients in the region and beyond and has contributed to exceeding targets for 2020-21. See Figure 4 below for 3-year employer engagement figures from 2018-21:

### Companies Engaged 2018 - 21



**Figure 4**

The BSI Team continued to work in partnership with the economic development teams of our two local councils – Armagh, Banbridge and Craigavon Borough Council and Newry, Mourne and Down District Council. The team delivered joint webinars during Global Entrepreneurship Week in November 2020 and hosted a joint workshop on new product development as part of the NI Small Business Conference. The team also continued to work closely with Invest NI, InterTradeIreland, local enterprise agencies, the chambers of commerce and other business networks in the region as well as the NI Chamber, CBI (Confederation of British Industry), Manufacturing NI and Women in Business to ensure businesses were informed of the College industry offering. The team worked very closely with other FE colleagues across the sector, to collaborate on many key offerings to local industry including high profile informative events, training programmes and other supports. Working with the other regional Colleges the team tailored supports specifically for the hospitality and retail sectors, to prepare them for re-opening following a long lockdown period.

In response to the pandemic’s impact on local business, DfE provided funding for a short-term skills intervention programme. The College designed and delivered a range of short courses to individuals impacted by COVID-19, to prepare them for work post-pandemic. Courses delivery included: leadership and management, health and social care, childcare, digital marketing and social media, cyber security, IT and other digital skills. Most of this provision was delivered online and there were 318 learners who benefitted from this support. Two graduate programmes in data analytics were also delivered where participants received 9 weeks training followed by a 10-week work placement. The work on this programme has informed a new suite of provision under the new “Skill Up” flexible skills fund which will commence in 2021-22.

#### **KNOWLEDGE TRANSFER ACTIVITY**

During 2020-21, the BSI Team continued to secure and deliver a range of knowledge transfer programmes with businesses in Northern Ireland and the Republic of Ireland. Despite the impact of

COVID-19, demand for this support was high as businesses sought to diversify and explore new product ideas and improve processes.

The key programmes delivered during 2020-21 include:

- **InnovateUs:** 88 businesses were supported through our flagship innovation programme, funded by the Department for the Economy. The programme has served as an introductory engagement programme for many clients who are new to the knowledge transfer services at the College. The majority of delivery was with micro businesses. In response to COVID-19, the College accepted increased allocation from DfE to support micro and small businesses through the pandemic. SRC delivered 111 projects in digital technologies, food product development, product design and development.
- **Intertradelreland's Fusion and Knowledge Transfer Partnerships:** The College's engagement with InterTradelreland continued in 2020-21 with sixteen businesses engaged in the FUSION programme (now known as Innovation Boost). The majority of the projects focused on the Engineering, ICT and Food Technology specialisms. Work also continued in the delivery of a KTP project in the area of Digital Construction.
- **Innovation Voucher Scheme:** 21 companies were engaged in the delivery of Innovation Vouchers during the 2020-21 year. The Voucher Scheme allows Companies to tap into expertise available across the College to bring new knowledge to help their businesses innovate, develop and grow. Projects included new product design and prototypes, food product development and digital technologies.
- **Colnnovate Programme:** this programme, funded by InterTradelreland through Interreg VA, is a new innovation programme. The programme supports 12-month graduate projects (similar to Fusion). In 2020-21, SRC engaged with 3 businesses under this fund, supporting projects in food product development and design engineering.
- **Connected:** This programme facilitates collaboration between the FE and HE sectors to support small businesses along the innovation escalator. The business support team delivered 16 x webinars through this fund as well as a lot of early stage scoping with new businesses prior to moving them to the relevant area of support. As the 2020-21 year ended, an application to the Competitive Fund was successful for a food innovation project in partnership with Ulster University and seven local companies. The project will explore converting food waste into nutritious and affordable plant-based snack products for children. This project will proceed in 2021-22.

## TRAINING AND UPSKILLING PROGRAMMES

In 2020-21, the BSI Team continued to coordinate DfE's flagship upskilling programme for employers 'Skills Focus'. The College's funding allocation increased from £350k to £420k and the support was 100% funded for businesses with less than 250 employees from April 2020 to March 2021. In response to COVID-19, DfE also introduced a pilot skills programme open to all individuals impacted by the pandemic. A range of short courses as well as graduate programmes were delivered under the scheme.

Some examples of training provision to industry in 2020-21 include:

- **Skills Focus:** There were 196 businesses engaged for upskilling support through Skills Focus. Examples of some new accredited provision delivered through this programme in 2020-21 included: 'OCN Level 4 Certificate in Digital Marketing and Social Media; OCN Level 2 Introductory Certificate in Cyber Security; MTA and ADOBE suite of units. There continued to be a high demand for leadership and management, health and social care and digital construction courses.
- **Full Cost Recovery:** The BSI Team engaged with over 40 businesses for full cost recovery training contracts. Projects included continuous professional development in the Care sector, Health and Safety and digital construction programmes. Despite the onset of COVID-19, the team exceeded the full cost recovery income target due to some high value projects with large employers including Level 2 Bus and Coach Maintenance and Body Repair, Level 2 NVQ in Performing Manufacturing Operations, L2 Food Industry Skills and bespoke Robotics training.
- **Skills Intervention Programme:** This funded programme provided an upskilling opportunity for those workers who were displaced due to COVID-19. It also served as a pilot to the recently launched Skill Up – Flexible Skills Fund. A range of short, accredited courses were delivered (mainly online) in digital skills, health and social care, childcare, digital marketing, electrical skills and leadership and management. The College also delivered two graduate programmes in Data Analytics, with the graduates completing a 10-week work placement upon completion of the 9-week intensive training programme (blended delivery). Over 300 learners benefited from this programme between October 2020 to March 2021.
- **Assured Skills Academies:** Work commenced on a new welding academy in partnership with four local companies. Demand for welding skills continues to be very high and DfE has responded to this demand in the southern region by committing funding to deliver 3 academies in 2021-22.

### **APPRENTICESHIPS AND HIGHER-LEVEL APPRENTICESHIPS (HLAs)**

The BSI team continued to engage with employers to support their talent acquisition activities through the recruitment of suitable higher-level apprentices. Despite the impact of COVID-19, the total number of new higher-level apprentices enrolled matched the number enrolled the previous year, with over 90 new starts in September 2020. As various sectors were affected in different ways throughout COVID-19, the team also worked with employers throughout the year to recruit new apprentices in-year. With the introduction of remote working, some sectors were restricted with the number of new recruits they could introduce (e.g. Accounting). However, the fact that the College matched the number of new starts from the previous year was a significant achievement.

Work continued throughout 2020-21 with the Building Technology & Engineering faculty on the development of the new HLA in Technical Design and Manufacture. Employer cluster meetings were held throughout the year to reach agreement on the content of the new programme. With a healthy employer appetite for this area, we are confident that a new HLA will commence in September 2022.



### **The BIG Apprenticeship Event**

The BSI team was keen to build on the success of the annual BIG Apprenticeship Event to help promote Apprenticeships and HLAs at SRC. With over 1,000 attendees across two events in February 2020, we set ourselves a challenge to try to match this as best as possible in 2021 whilst adhering to COVID-19 restrictions.

Due to COVID-19, NI Apprenticeship Week was pushed back to 26 April 2021. This provided more time to design a new, online format for the event - its success to date relied heavily on the employer-facing element. After researching various options, the decision was made to run an online event using the "Hey Summit" platform which offered a resource space to host rich content including online panel discussions, employer elevator pitches, apprentice video blogs, live Q&A sessions and other general information. Both local councils provided sponsorship to fund the resource space as well as the promotion needed for the event.

There were 542 registrations for the event and the material was viewed over 4,000 times during apprenticeship week. Although the high level of online activity was encouraging, it is recommended that we adopt a hybrid approach to future apprenticeship events to facilitate the live, employer-facing element of the event. This part of the event is the key to its success, and which will translate into enrolments in September.

Feedback from the 2021 event was very positive and it helped to maintain the College's reputation as a key provider of Apprenticeships and HLAs in the southern region.

### **Client Satisfaction and Evaluation**

The BSI Team is committed to providing a world class service to our client companies. The team strives to ensure our clients are satisfied with the service provided and to implement improvements where necessary. The team carries out an evaluation with our clients at the end of every support intervention.

In 2020-21, the team received an 82% response rate to evaluations, with 92% clients claiming they were satisfied with the service provided (83% claiming to be "very satisfied").

## **3. STRATEGIC AIM: INSPIRED PEOPLE AND ORGANISATIONAL DEVELOPMENT**

To be a high performing College through the recruitment, development and deployment of a highly skilled and well motivated staff.

Over the course of the year, the College continued to support staff through a range of continuous professional development (CPD) activities. The Staffing Committee approved an annual Employee Development Plan, informed from a variety of sources including staff appraisal, faculty reviews and the self-evaluation process. A series of mandatory and optional development activities were planned for the designated Employee Development days set out in the academic calendar.

The College continued to promote the use of its portfolio of on-line employee development courses, which provide a flexible and innovative form of learning for all staff especially in light of the COVID-

19 pandemic, driving the need to cancel in-person classes and move to online-only delivery and home working.

The College supported numerous individual requests for professional development including supporting staff through teacher training (PGCFE), professional and higher-level courses as well as specific job-related training. The College also continued to deliver a bespoke introductory teaching and learning development programme for part-time lecturers, which includes new and innovative pedagogic strategies that can be applied in the classroom environment. Other in year developmental activities included:

- academic staff attended approximately 552 sessions on pedagogic activities including teaching and classroom strategies, standardisation and moderation; guidance on centre assessed grades; and internal and external verification;
- to support the shift to remote learning, there were 1033 sessions on digital learning including the College's new e-educator suite of programmes; and TEL tools including Microsoft Teams, OneNote and PowerPoint;
- support staff attended 567 development activities, for example, in cyber security, food safety, digital marketing; Office 365; procurement; enrolment and exam processes;
- academic staff had 226 opportunities for upskilling within various disciplines, for example, computerised accounts; cocktail and barista training; childcare; video editing; strength and conditioning; and robotics;
- managers attended 33 coaching sessions and 131 sessions in leadership and management, business continuity; recruitment and selection; tender evaluation; classroom observation; and competence framework training;
- staff attended 592 training sessions on various health, safety and wellbeing activities including first aid and fire warden training; IOSH Leading and Managing Safely; COVID-19 Awareness; pesticide training; resilience and mental health training.

The College continues to hold the Investors in People (IIP) Silver Award and Health and Wellbeing Good Practice, awarded in 2018. In March 2021, the College met with the IIP assessor, and it was agreed to postpone the reaccreditation process until May 2022 due to COVID-19. Consequently a IIP Strategic Review was completed and IIP accreditation retained until May 2022. There was an acknowledgement of the extraordinary effort by staff across the College in response to the COVID-19 pandemic.

The Human Resources and Development (HRD) department continues to support the wider staff complement in managing and supporting staff in accordance with the College's staff absence management policy. The staff attendance rate for 2020-21 was 97.68% against a target of 96.5%.

Providing support to staff was particularly important when faced with the challenge of dealing with the COVID-19 pandemic. The department provided clear guidance to staff and managers throughout this period on procedures to follow should someone exhibit symptoms of the virus; the need to self-isolate as appropriate; procedures for staff who were shielding or considered vulnerable or extremely vulnerable. The department took the following actions to ensure the safe return of staff to work:

- The development and communication of an online programme which provided advice and guidance to staff on their responsibilities to ensure safe working practices were implemented and adhered upon returning to work. It was mandatory for all staff to complete the programme before returning to campus and the HRD department continued to implement measures to monitor completion of this programme. Over the last year, the HRD department has engaged with 88 new staff to ensure completion of the necessary training and health declaration before commencing employment.
- The development of a health declaration which all staff were requested to complete in full and submit to their line manager for approval. Based on the information provided by staff, if the form was rejected, staff were not granted permission to attend the campus and managers were instructed to engage further with staff on this matter.
- Development of a workplace guide; FAQs; classroom management guidance and other related documents provided all members of staff with information on how the College planned to return to business safely during the on-going COVID-19 crisis.
- All COVID-19 training and information resources were communicated and held centrally on the staff intranet where they were easily accessible and updated on a regular basis in line with government guidance.

In addition, the HRD department worked remotely and continued to manage key processes such as recruitment and selection of staff; payroll; staff induction; appraisal; employee relations; staff recognition and equality.

## **EQUAL OPPORTUNITIES AND EMPLOYMENT OF DISABLED PERSONS**

By virtue of Section 75 of the Northern Ireland Act 1998 the Southern Regional College in carrying out all its functions, powers and duties as required having due regard to the need to promote equality of opportunity between:

- persons of different religious belief, political opinion, racial group, age, marital status or sexual orientation;
- men and women generally;
- persons with a disability and persons without; and
- persons with dependents and persons without.

Without prejudice to its obligations above, the College has, in carrying out its functions, had regard to the desirability of promoting good relations between persons of different religious belief, political opinion or racial group. The College has included the promotion of good relations as part of the corporate planning process.

The College is committed to the fulfilment of its Section 75 obligations in all parts of the organisation. The College is committed to allocating necessary resources to ensure that the statutory duties are complied with and that the measures within the Equality Scheme to promote equality of opportunity are implemented effectively and on time.

The College also completed its Fair Employment Monitoring Return and Article 55 Review during the reporting year, submitting both to the Equality Commission during 2020-21.

## DISABILITY STATEMENT

The College will carry out its responsibilities under all relevant legislation, regulations and professional guidelines, under the following statutory functions:

- Article 13(2) of the Further Education (Northern Ireland) Order 1997 requires that ‘the Governing Body of an Institution of Further Education shall have regard to the requirements of persons over compulsory school age, who have learning difficulties’;
- Disability Discrimination Act (DDA) 1995 (Section 49a and 49b) (as amended by Article 5 of the Disability Discrimination (Northern Ireland) Order 2006), requires that when carrying out its functions, Colleges are required to have due regard to the need to promote positive attitudes towards people with a disability, learning difficulty or long-term medical condition and encourage participation in public life (‘the disability duties’). Colleges are required to submit a Disability Action Plan to the Equality Commission to demonstrate this;
- Section 75 of NI Act 1998 requires public bodies to have due regard to the need to promote equality of opportunity and to have regard to promoting good relations; and
- FE Colleges are required under The Special Educational Needs and Disability (Northern Ireland) Order 2005 (amended 2006) to make reasonable adjustments for Students with Learning Difficulties and/or Disabilities (SLDD), so that they can access provision.

The needs of our students continue to be our main priority as evidenced in one of the core College values which is “putting the learner first”. Their diverse needs and concerns continue to be met by staff across the College and as a College we strive to provide all staff, with the knowledge, skills and confidence to ensure the needs of our learners are met. A range of activities were undertaken by the Learning Support Team including:-

- The provision of classroom-based learning support to TFS/AppNI students in the trade areas. A designated Learning Support Co-ordinator improved the provision of learning support with the introduction of classroom-based support for mainstream students in essential skills and theory classes. The College developed Operational Guidance for the Training and Apprentice provision which provided guidance to Personal Tutors on the referral process for learning support including pre-entry; on-programme referral; and examination support referral.
- During the period of campus closure due to COVID-19, the Learning Support Team developed processes to ensure that students who had made a referral for Learning Support for September 2020 were contacted and the completion of initial needs assessments continued remotely.

A summary of key activities during the COVID-19 lockdown period included:-

- Learning Support Team ensured that students who had made a referral for Learning Support for September 2021 were contacted, and the completion of initial needs assessments continued remotely;

- Teaching teams and learning support teams have worked well together to make sure students were fully supported during college closure. Additional support sessions were arranged in MS Teams for students to receive support outside their remote lesson;
- Planning and reviewing activities for the Health and Wellbeing HUB were progressed;
- Extensive autism training was arranged for all staff;
- Onsite counselling was available for students during periods when campuses were open to students.

Working alongside colleagues to support the development of the Learning support section of the new Learner Management System. This work will be ongoing throughout 2020-21; The Further Education Sector Disability Action Plan outlines measures to promote positive attitudes towards disabled people and to encourage the participation of disabled people in College life. Specific activities in 2019-20 were:

- The revision and release of the Equality and Good Relations and Safeguarding programmes. As at 31 July 2021, completion rates were as follows:-
  - Equality and Good Relations (80%)
  - SENDO (93%)
  - Safeguarding (69%)
  - Disability Awareness (90%)

The SENDO programme is currently being revised and will be released in August 2021.

- The College raised awareness during the reporting period by linking with National Awareness campaigns and providing information to staff on topical issues such as: Returning to Work COVID-19; A Practical Guide (September 2020); Mental Health Awareness/World Teachers Day (October 2020); Road Safety Awareness (November 2020); Flu Season (December 2020); Diet and Lifestyle (January 2021); Time to Talk (February 2021); No Smoking Day/Action Cancer awareness sessions (March 2021); Stress Awareness Month (April 2021); Mental Health Awareness Week and National Walking Month (May 2021); and Healthy Eating week (June 2021).
- The College continued to promote Access Able via the College website and to applicants during the staff recruitment and selection process. Two new access guides were developed and published for the new builds at Armagh and Banbridge. The College continued to implement its Mental Health Charter action plan by developing and communicating resources to support employees and managers in looking after their emotional health and wellbeing at work. In the wake of the COVID-19 pandemic, the College provided information and advice to staff on a regular basis.

#### 4. STRATEGIC AIM: EFFECTIVE GOVERNANCE AND FINANCIAL MANAGEMENT

To continue to provide effective corporate Governance and ensure that the College operates within a robust system of internal financial management and control.

During 2020-21, the Executive Team led by the Chief Executive monitored and reviewed financial performance on an ongoing basis throughout the academic year by reviewing detailed monthly operational reports resulting in adjustments to the operating strategy and budget allocations. This included the COVID-19 emergency funding allocated by DfE to support a wide range of interventions to maintain delivery services to learners and businesses.

The Finance and General Purposes Committee of the Governing Body received regular financial reports detailing actual and budgeted figures together with variance analysis and commentary. In addition, the Finance and General Purposes Committee received other reports on governance and financial management matters including procurement activity, business cases, updates on policies and progress against delivery targets. In addition, the Governing Body received a full update on the College's financial position and progress against delivery targets at each meeting throughout the academic year.

The Senior Management Team (SMT) in conjunction with curriculum managers monitored performance through an agreed set of Key Performance Indicators (KPIs) including enrolment targets, student recruitment, retention and achievement targets as well as delegated budgets. Practical support and advice were provided by the Finance Department throughout the financial year, including procurement support and all DfE financial monitoring returns were completed to schedule.

Risk management processes continued to operate, and formal risk management principles are well embedded in existing management structures. All functional area risk registers were reviewed with relevant managers and the Corporate Risk Register was reviewed and updated against an agreed annual schedule and presented at each Audit Committee meeting.

The on-going COVID-19 emergency presented a number of unprecedented challenges for the wider management team. In line with the business continuity planning process the Chief Executive led regular senior management team meetings to plan for new delivery models and to adjust delivery as conditions changed throughout the year. This engagement was used to inform the Chairman and Governing Body on COVID-19 emergency response plans.

## 5. STRATEGIC AIM: PROVISION OF A SAFE AND STIMULATING ENVIRONMENT

To create an environment that inspires learners to achieve their potential.

The Southern Regional College continues to progress with the implementation and delivery of its estates strategy which remains a key priority. A significant element of the estate's strategy is the delivery of three new build projects in Armagh, Banbridge and Craigavon.

During 2020-21, the Estates Project Board and the Capital Projects Steering Group met on a regular basis to provide strategic governance and oversight with significant progress being made in the delivery of the projects including:

- completion and handover of the Banbridge Campus on the December 2020;
- procurement of IT Infrastructure, loose fixtures and fittings and schools' equipment in advance of occupation at Armagh and Banbridge in August 2020;
- deferment of delivery of equipment and furniture to Banbridge following lockdown in August 2020;
- resumption planning to ensure successful completion of Banbridge Campus in advance of start of the new academic year;
- seasonal commissioning of the Armagh and Banbridge Campus;
- decanting from existing buildings in Armagh and Banbridge.

The Outline Business Case for the purchase of the Newry Sports Centre and subsequent consolidation of the Model Campus onto Patrick Street has been reviewed by the Department, ETI and Economists. The final version was submitted after comments from Economists to the Department in October 2020. Approval was granted in January 2021 with funding made available for the purchase and demolition of the Sports Centre. The purchase of land was completed early February 2021 with demolition commencing late February 2021. The works were successfully completed July 2021.

The College's refurbishment and enhancements programme continues across the estate. The handover, fit out and initiation of new systems on the two new campuses in Armagh and Banbridge has been a challenge to the Estates Department; a task met positively by the Estates Team. This will continue into the 2021-22 year with familiarisation of new systems such as fully integrated Security and Building Environmental Management Systems (BEMS) while dealing with the inevitable teething problems associated with new buildings. In addition to the already busy 2020-21 year, the ongoing response to COVID-19 continued to be a priority toward the safety of staff and students.

Some of the projects carried out during the past year are:

- COVID-19 preparation across all campuses;
- COVID-19 specific risk assessment workshops with all faculties and support functions;
- Stocking of hygiene products for all campuses across the estate;
- Decanting and moving out of existing campuses in preparation for the expiry of leases;

- Internal and external signage at Newry Campus;
- Gas workshop upgrades in Greenbank Campus, to facilitate running gas installation courses. The project is ongoing and due for completion by the end of August 2021;
- Condition surveys across the campuses completed by the end of December 2020;
- Surveys to establish the potential structural issue with the brickwork in the Newry East campus;
- Upgrade of pipework in Engineering and Art Corridor and re-lagging of pipework at Newry west Campus;
- TEGG Testing all electrical infrastructure across the estate;
- Participation in the sector wide procurement of a new consultant and maintenance framework. This resulted in successful appointment of McAdams Design Ltd and LM Services Ltd in April and June 2021 respectively.

## ESTATE

The College estate includes the following campus buildings and land:

Campus	Net Book Value at 31 July 2021
	£000
Armagh, Lonsdale Campus	28,504
Armagh, Lisanally Campus	840
Banbridge Campus	14,055
Lurgan Campus	1,572
Newry East Campus	10,569
Newry West Campus	8,712
Newry Corry Square Campus	150
Newry Model Campus	1,006
Newry Greenbank Campus	3,557
Kilkeel Campus	563
Portadown Campus	3,135
<b>Total</b>	<b>72,663</b>

Table 11



## 6. STRATEGIC AIM: INCREASE INTERNATIONAL LINKS

To promote an outward and forward-looking College through the development of international links supporting staff, students and knowledge exchange.

The College recognises and values the importance of broadening the learner's experience through work-based learning, international placement, as well as exposing them to different learning and cultural activities in conjunction with a range of European partners.

The College strategy is to ensure that all students benefit from exciting learning experiences that will not only enable them to achieve relevant professional and technical qualifications but also avail of opportunities to grow personally and socially.

The College is committed to International Engagement and the External Funding and International Affairs Team (EFIAT) continues to support the mobility of staff and students between countries and communities promoting excellence, innovation and successful collaboration in an increasingly European and global context.

The College values the learner experience, and the professional development and industrial knowledge of their staff, through international mobilities and curriculum partnership projects. Unfortunately, due to the COVID-19 pandemic student and staff mobility placements had to be postponed in 2020-21. However, the College continued to partner in and lead a number of KA2 projects building on the excellent international partnerships that have already been created to share best practice with, and to learn from, others. In addition, SRC as a member of the NI International Working Group (IWG) explored commercial opportunities to deliver services in the international market.

During this time several new partnerships were developed in the Republic of Ireland which it is hoped will lead to meaningful cross-border cooperation. This will be valuable if travel to Europe is still not possible in 2021-22.

During 2020-21 the team continued to be active members of the Network of Networks (NoN) and attended their virtual annual meeting with colleagues from 47 other European colleges. The Network of Networks is an alliance of regional and national groupings of colleges in five countries - Finland, Holland, Spain, Scotland and Northern Ireland.

### KA2 projects

- Cybersecurity

During 2019-20 the College continued as a partner in the two-year KA2 project worth €186,000 (£169k equivalent) entitled CyVET Security (vocational education resources to develop cybersecurity skills). HETEL in Spain was the lead partner working with four other partners:

- Southern Regional College, UK.
- New College, Lanarkshire, Scotland.
- BCS Koolitus (IT Training and Consulting Co), Estonia.
- Vantaa College, Helsinki.

This project was completed in December 2020 with all targets and outputs being exceeded through the development of an OCN NI Level 1 Award in Cyber Security and OCN NI Level 2 Award in Cyber Security that included a bank of blended resources. In addition, as part of the project an outline of a level 3 and level 4 qualification in Cyber Security and associated blended resources for delivery was developed.

- Well project

In addition, in 2020-21 the team continued to lead the KA2 strategic partnership “Well” project on ‘Promoting Mental Well Being’ with a value of €193,793 (£168k equivalent). SRC is the lead partner (securing €86,610) and the project partners are:

- Decroly, Santander.
- DKIT, Ireland.
- Kettle of Fish CIC, UK.

Last academic year, the team developed an accredited level 2 Transitioning to HE is promoting Mental Well-being course. This promotes positive mental health and well-being by exploring the key issues faced by many students moving to HE. Elements of the course were piloted across Europe including 50 SRC students and it is hoped that this course can now be embedded within the curriculum of SRC and the project partners’ colleges.

Last year an online well-being Train-the-Trainer course was piloted with 18 staff from SRC and the partner Colleges of DKIT and Decroly. The Train-the-Trainer course provided staff with further skills and knowledge to support students to navigate their move to HE.

In addition, a Survival Toolkit was created to help students develop resilience and coping skills when overcoming barriers to integration into HE life at college or university. It includes tips, hacks, case studies and practical advice to help students overcome stress, anxiety and other barriers.

A website has been set up at: <https://www.wellproject.online/> which incorporates a dedicated section on the Survival Toolkit: <https://toolkit.wellproject.online/>. The project end date is December 2022.

- Skills project

In 2021-22 SRC continued to be a partner in the KA2 Strategic Partnership Skills Competitions Curriculum Project, led by partner Rijn Ijssell, Netherlands and with 3 EU partners:

- HETEL, Spain.
- City of Glasgow College, Scotland.
- Salpaus College, Finland.

Last year SRC took responsibility for a number of key areas including the project dissemination, monitoring and evaluation.

During 2020-21 the project partnership continued to develop:

- A draft policy document on implementing skills in the curriculum.
- A draft skills competitions good practice handbook.
- Guidelines for the development of a successful training program for students participating in skills competitions.

The partnership also planned a skills competition which will take place in the Netherlands in January 2022 with 5 students and 5 staff from SRC to attend this week-long event in Arnhem.

- **Bridges Project**

During 2020-21 the College led the two-year Bridges (Building Resources in Digitalisation to Gain Employment Skills) KA2 Curriculum Project, with a value of €260,139 (£226k equivalent). The project partners are:

- Radosas Iniciativas Centrs, Latvia.
- DKIT, Ireland.
- Decroly, Spain.
- Salpaus, Finland.
- OCNNI, UK.

This project commenced in November 2020 with partners initiating the development a range of online programmes for disadvantaged older learners especially those from migrant, asylum seeker and refugee communities. This project will ultimately enable participants to become more connected, less isolated, and able to participate more fully in society.

### **Turing Scheme**

In 2020-21 SRC applied under the new Turing Scheme. The scheme provides funding for international opportunities in education and training across the world. The application was successful with SRC securing £27,920 to send 16 students to Denmark in June 2022 for a 2 week placement around environmental sustainability. The project end date is August 2022. Students will develop new skills, gain vital international experience, and boost their employability.

### **International Working Group**

SRC are members of the International Working Group (IWG) and last year were involved in a number funding bids, proposals and development of business cases. In 2020-21 the group submitted business cases to the Department for the Economy for the development of a level 5 international leadership and management qualification and for the development of a NI Colleges website. In addition, SRC led on the development of the marketing brochure for the IWG and took forward the accreditation for the level 5 Leadership and Management and the Level 3 TVET Teacher trainer qualification.

### **External Funding**

Collaborative bids

During 2020-21 the team supported the submission of a sector collaborative bid led by Belfast Metropolitan College for the Community Renewal fund and in the development of a bid to the Lottery Fund, the bids are due to be submitted in 2021-22.

## **FINANCIAL OBJECTIVES**

SRC has a strong track record of maintaining sound financial management to ensure financial viability and to ensure that the College continues to operate to high standards of corporate governance.

The College's key financial objectives can be summarized as:

- achieving a balanced budget and operating within the resource budget set by the Department for the Economy;
- secure and protect our budget by maintaining a relevant and meaningful Curriculum;
- maximise our funding and income generation opportunities by supporting local economic development;
- secure appropriate Capital funding to provide a modern fit for purpose estate and deliver three new Campuses; and
- comply with the government's targets for prompt payment of undisputed supplier invoices.

## **PERFORMANCE INDICATORS**

The key targets and measures aligned to the College financial objectives for the incoming year include:

- achieving income targets and managing expenditure within the annual College budget plan;
- directing resources in support of a range of functions and services to facilitate delivery of courses and programmes to learners;
- assigning additional COVID-19 emergency resources to support course delivery and assessment;
- overall satisfactory assurance on the internal control framework and risk management process; and
- continuing to progress the Estates new build projects.

Information on other Key Performance Indicators is set out in the preceding sections of this report.

## **FINANCIAL POSITION**

### **FINANCIAL RESULTS**

The Southern Regional College financial statements have been prepared in line with the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education 2019 and in accordance with Financial Reporting Standards (FRS102).

The financial position for the year ended 31 July 2021 showed an operating deficit for the year of £7.14m compared to the deficit for 2019-20 of £5.69m.

Overall income decreased on the previous year by £1.84m with expenditure in 2020-21 decreased by £0.22m.

The College has significant reliance on the Department for the Economy (DfE) as its principal funding source, largely from recurrent grants. In 2020-21 70.6% of the College's total income through allocated recurrent grant (2019-20 63.8%). This represented 13.7% of the total recurrent grant available to the sector.

At 31 July 2021 Land and Property Services (LPS) provided index ratings to be applied to the interim valuation on the College's Land and Buildings at 31 July 2020, increasing the value of the estate by £0.53m. Of this increase £0.36m was released to the statement of comprehensive expenditure to reverse part of the impairment of the new buildings at Armagh and Banbridge, reducing the cumulative impairment from £5.42m to £5.06m. The total net book value of freehold Land and Buildings, excluding assets under construction at 31 July 2021 was £72.66m, with assets under construction totalling £3.58m.

The actuary valuation of the NILGOSC pension scheme at 31 July 2021 decreased the overall liability in the statement of financial position from 31 July 2020 by £5.31m. The pension's deficit on the Statement of Financial Position is measured as the assets held by the Fund less the value of the promised benefits to be paid to members (the defined benefit obligation, or 'liability'). Both pension assets and liabilities are those relating to the College's membership. The value of pension assets and liabilities can change significantly over an accounting period resulting in a highly volatile net asset position. There were a number of factors affecting the scheme which had an impact.

Asset returns over the period have been higher than expected. This has led to a gain on assets over the accounting period and an improvement on the Statement of Financial Position.

On the liability side, the main factor impacting liability values is the assumptions used at the reporting date. The key assumptions made are the rate of future inflation (impacting how benefits will increase in the future), and the amount by which future payments are 'discounted' to calculate a value in today's terms at the reporting date (the 'discount rate'). The discount rate must be set equal to the yield on high quality corporate bonds of the same term and currency as the future cashflows. Liabilities are sensitive to both the CPI and discount rate assumptions to a similar degree, so if both assumptions move in the same direction (such as an increase in both discount rate and CPI inflation by 0.1% p.a.) the overall impact on the Statement of Financial Position can be small. If the assumptions move in different directions the impact can be significant. It is the change in the 'real' discount rate (the difference between the discount rate and the CPI inflation assumptions) that is most important.

There has been a change to the financial assumptions over the period. The discount rate has increased by 0.3%, CPI inflation assumption has increased by 0.3% and the salary inflation has increased by 0.3%. This has resulted in a small or negligible change to the Statement of Financial Position.

## **RESERVES**

Reserves are managed in accordance with the management statement and financial memorandum and taking account of new arrangements introduced by the Department following reclassification of Colleges as Non-Departmental Public Bodies. Under these arrangements, reserves are now effectively managed at a sector level through an End of Year Flexibility (EYF) mechanism. The College has total net assets of £19.85m at 31 July 2021 (£18.10m at July 2020).

## **TREASURY POLICIES AND OBJECTIVES**

### **TREASURY MANAGEMENT**

Treasury Management is the management of the College's cash flows, its banking, money market and capital market transactions, the effective control of the risks associated with those activities, and the pursuit of optimum performance consistent with those risks.

In accordance with the Management Statement and Financial Memorandum the College should not have surplus funds, as a result the College has withdrawn its Treasury Management Policy. At Statement of Financial Position date the College does not have surplus funds available for investment.

### **CASH FLOWS AND LIQUIDITY**

Cash outflow was £0.31m (2019-20 £2.54m inflow). The College does not have any borrowings, long-term loans or financing.

## **CURRENT AND FUTURE DEVELOPMENT**

Under the direction of the Department for the Economy the regional Colleges developed a Corporate Plan for the FE sector that articulates a shared vision, mission, values and strategic priorities. The Colleges primary function being to grow the NI economy through the provision of skills, increased levels of innovation and productivity and in supporting social and economic inclusion. The Corporate Plan for the period 2018-21 was supported by individual annual College development plans. The Corporate Plan will be further updated during the 2021-22 academic year.

The new annual College Development Plan (CDP) is underpinned by a series of education report cards that reinforces the outcomes-based accountability approach being adopted across all areas of the Government.

The continuing long-term uncertainty with regard to funding has potential implications for future developments and on the College's ability to deliver against the CDP outcomes. The College will closely monitor developments in this regard and will review and revise plans and priorities as necessary. This section of the Annual Report provides a synopsis of some of the key developments planned by the College over the next three years and steps being taken to continue delivery during the on-going COVID-19 pandemic.

## CURRICULUM DEVELOPMENTS

The Southern Regional College is a main provider of professional and technical education and training and plays a primary role in raising the skill levels across the region it serves. The College has a strong reputation within Northern Ireland for curriculum innovation and delivery. The College provides a range of courses spanning Essential Skills, professional, technical and academic programs from entry-level through to level six and also hobby and leisure provision. Despite the continuing financial challenges ahead, the College will prioritise resources to deliver the following:

- the College will continue to develop its education and training portfolio to ensure that it remains relevant and meaningful to the future workforce. The College will work closely with DfE to deliver key elements of its Economic Recovery Plan particularly through the provision of skills training interventions and innovation support;
- the College will continue to strengthen business engagement through the work of our Business Support Team by further developing the range of services and interventions for local SMEs and micro businesses with a view to improving business productivity, growth and competitiveness in the regional and Northern Ireland economy;
- the College recognises the importance role it will play in the delivery of the new skills strategy for a 10X Economy. There will be a particular emphasis on upskilling and reskilling the existing workforce at Level 2 and above, encouraging school leavers at Key Stage 4 to continue education and training to at least Level 3 and in the provision of flexible higher skills programmes;
- the introduction of the new system of Traineeships from September 2021 is key to providing school leavers with a clear and valued progression route to employment, apprenticeships and further student through further education. The new academic year will also see the launch of the first phase of the new Advanced Technical Awards in 5 areas within the College. The introduction of the Advanced Technical awards will be used to create a new and distinctive vocational offer for school leavers at key stage 4. Over the next three years the College will move all its current further education provision at both Level 2 and 3 to Traineeships and Advanced Technical Awards respectively;
- Project Based Learning (PBL) is now well embedded across all professional and technical programmes of study thus improving the connectivity between our curriculum and business and industry. PBL will be a core component of the new Traineeship and Advanced Technical Awards. A bespoke SOLVE PBL resource has been established on the Newry Campus to further support development of PBL throughout the curriculum and has also been used to inform the design of similar areas in the new buildings in Armagh and Banbridge opened in September 2020 and new developments in Craigavon and Newry;
- the College will continue to prioritise resources to ensure that all school leavers (post GCSE) have the opportunity to undertake a full-time programme of education or training;
- the College will continue to prioritise resources to support science, technology, engineering and mathematics and creative design as part of the wider curriculum offer. Having achieved STEM assured status, the College will develop and launch its STEM manifesto to highlight our long-term strategic commitments to the development of STEM opportunities for our student body;

- new and flexible delivery strategies will be developed for Essential Skills with the aim of enabling adults to improve their overall quality of life, their personal development and employment opportunities; The focus on blended learning for this type of provision has now greater significance given the COVID-19 challenges;
- the development of dedicated Higher Education Centres remains a priority and will be further explored in the context of the future estate's developments in Craigavon and Newry;
- the College continues to develop its Higher-Level Apprenticeship (HLA) portfolio in response to the skills need for the local economy including Accounting, Applied Industrial Science, Computing Infrastructure, Digital Construction, Digital Marketing and Mechatronics;
- the College has ambitions to increase the range of full honours degree courses over the next five years to improve the attractiveness of its HE offer. Partnerships are being explored with a number of Universities and stakeholders in a number of areas in order to establish Level 6 provision;
- the College's Life and Health Science Curriculum Hub will continue to lead new curriculum developments across the six regional colleges. In addition, the College fulfils a secretariat function for the sectoral partnerships in Life and Health Science, Childcare and Accounting and Financial Services;
- community engagements promoting community cohesion and enhancing social inclusion through relevant education and training and strengthening partnership arrangements with schools based on longer term commitments across the four Area Learning Communities will remain as a priority over the next three years for the College; and
- the physical environment through which curriculum and training is delivered has been greatly enhanced through the provision of new campus facilities in Armagh and Banbridge. A new campus is also planned for Craigavon together with an extension of the East Campus building in Newry.

## **OTHER DEVELOPMENTS**

The College recognises the challenging nature of the prevailing economic environment (further impacted by COVID-19) and has taken this into account when projecting its future student intake and budget plans. The College relies heavily on recurrent grant and contracts from the Department for the Economy and continues to diversify the range of income generating activities and cost recovery activity. The current uncertainties including delivery models during the new academic year, industrial action, constraints on public sector funding, and the potential for future budget reductions continue to impact on the College's capacity to maintain its regional presence and the current curriculum offer.

Work based training and apprenticeship delivery represents another important source of income. A new Traineeship system of youth training at Level 2 including the associated funding mechanisms will become clearer during the new academic year. The College will continue to work closely with the Department for the Economy and the other regional Colleges in developing and implementing the new traineeship system from September 2021.

The new builds in Armagh and Banbridge were successfully opened for use during the 2020-21 academic year albeit with restricted capacity due to the current pandemic. The College's planning



application for a further campus building in central Craigavon was approved in January 2019. This new build will replace existing sites in Lurgan and Portadown. The Department for the Economy confirmed capital funding in February 2019 to progress the appointment of a contractor and the appointment of a contractor was initially expected to be concluded in November 2019, however a Judicial Review against the local Council's decision to grant planning approval for the new campus took place in January 2020. The project has been delayed until the outcome of the Judicial Review is known. Consequently the completion date for the project has been put back to the 2024-25 academic year.

DfE approved the College's business case for the second phase of the College's Estates Strategy that aims to consolidate and rationalise the number of campus buildings in Newry City. The planned consolidation of existing sites in Newry City is planned in a number of phases. The first phase now well underway following the acquisition and demolition of the vacant Sports Centre previously owned by Newry, Mourne and Down District Council. The College plans to progress the appointment of a design team for the construction of a new higher education and innovation centre adjacent to the East Campus building in Newry City, with project completion in 2024.

The College conducted a public consultation process to review the future use of the Kilkeel Campus. The Department for the Economy was notified of the Governing Body's recommendation to seek closure of the campus and consider other venues for the continued delivery of adult education. The College will conclude its consultation process leading to the closure of the Kilkeel Campus. This will include the development of alternative plans for continued delivery of courses in the Kilkeel area.

The College was selected by the Department for the Economy as the lead curriculum HUB for Life and Health Sciences. The College will progress the agreed implementation plan in conjunction with the other regional Colleges.

The College also succeeded in its application for STEM Assured status. The planned launch of the STEM manifesto was delayed as a result of the pandemic, and it is hoped that this can be progressed during the 2021-22 academic year.

The College aims to continue the development of its Higher Education provision including new Higher-Level Apprenticeships in response to local industry needs. The College will further seek to develop HE provision in the Automotive and Health and Social Care sectors with appropriate HE/University partners. Further development work in other sectors will be progressed to widen the portfolio of economically relevant Higher-Level qualifications offered across College campuses. The College will work with the Department for the Economy as it carries out its review of Higher Education in Further Education in the year ahead. This review exercise is critical to the future delivery of high-level skills and qualifications within the College.

In October 2010, the Office of National Statistics reclassified Further Education Colleges from Non-Profit Institutions Serving Households to the General Government sector. From 1 April 2012 it was confirmed that for Northern Ireland, the Further Education Colleges would be brought within the budgetary responsibility of the Department for Employment and Learning (now the Department for the Economy). The College continues to work with the Department for the Economy under this new classification.

The College remains committed to working in partnership with local schools and Government departments to ensure that every young person has the opportunity to avail of a broad and balanced curriculum at both Key Stage 4 and Post GCSE including relevant and meaningful vocational courses. The College remains deeply concerned at the level of duplication that currently exists between schools and Further Education Colleges. There is a need to re-examine existing policy commitments within DE and DfE to ensure that the issues of duplication and under performance are addressed. Should the Department of Education remain committed to delivering the Entitlement Framework there is also a need to review funding arrangements to ensure that the work the College undertakes with schools in the Area Learning Communities is planned and resourced appropriately. It is hoped that these issues and others will be addressed through the working of the DE/DfE project on 'Transition of Young People into Careers (14-19)'.

The College is committed to working with the Department for the Economy and other Colleges in supporting the new skills strategy for a 10X Economy. The College will continue to improve the efficiency and effectiveness of business processes and to maximise the opportunities through collaboration and use of shared services. This includes the implementation of a new learner management system during the new academic year.

#### **PAYMENT PERFORMANCE**

The Late Payment of Commercial Debts (Interest) Act 1998, which came into force on 1 November 1998, requires the College, in the absence of agreement to the contrary, to make payments to suppliers within 30 days of either the provision of goods or services or the date on which the invoice was received. The target set by the Treasury for payment to suppliers within 30 days is 95%. During the accounting period 1 August 2020 to 31 July 2021, the College paid 97% (95%, 2019-20) of its invoices within 30 days. The College incurred no interest charges in respect of late payment for this period.

The Northern Ireland Executive is committed to paying suppliers as quickly as possible, within 10 working days. During the accounting period 1 August 2020 to 31 July 2021, the College paid 78% (72%, 2019-20) of its invoices within 10 days.

#### **GOING CONCERN**

The Southern Regional College is satisfied that the organisation is a going concern on the basis that there is no reason to believe that the Department's future sponsorship and future Assembly approval will not be forthcoming to meet the College's liabilities as they fall due. It has been considered appropriate to adopt a going concern basis for the preparation of the financial statements.

#### **RESOURCES**

The College has various resources at its disposal that it can deploy in pursuit of its objectives.

#### **FINANCIAL**

The consolidated net assets at 31 July 2021 were £19.85m (including £27.10m pension liability). There was no long-term debt at 31 July 2021.

## **PEOPLE**

The average number of people employed by the College during 2020–21 was 918 including full time, part time and term time only staff. The 918 people equated to an average of 633 full time equivalent (FTE) staff of whom 333 FTE were teaching staff. The College undertakes active management of sickness absence through a number of established processes including sickness absence monitoring, review meetings and occupational health referrals. Sickness absence for the College was recorded at 2.32% or 5.18 days per FTE (based on FTE and work pattern analysis) for 2020-21.

## **REPUTATION**

The College has a strong reputation locally and nationally and maintaining a quality brand is essential for the College's success in attracting students and positively developing external relationships.

## **PRINCIPAL RISKS AND UNCERTAINTIES**

The College continues to operate and embed systems of internal control, including financial, operational and risk management which are designed to protect the College's assets and reputation.

Risk management practice and process is well established across the various business and operational areas within the College. It forms part of the College's internal control and corporate governance arrangements and the process followed is set out in the College's Risk Management Policy which describes the underlying approach and documents the roles and responsibilities of the Governing Body, Audit Committee, Senior Management, and other key parties.

The College has established a Risk Management Group with overall responsibility for the administration and implementation of the risk management process. Directors within Southern Regional College have responsibility for a number of functional areas and departments. Each Department Head or Section Manager maintains a separate risk register for their specific area of responsibility. These risk registers are, in effect, sub registers of the Corporate Risk Register and throughout the year the Directors conducted reviews with Department Heads and identified risks for inclusion in the Corporate Risk Register.

The Risk Management Group met regularly throughout the year to review functional area risk registers and to update the Corporate Risk Register as appropriate. The college development plan has been cascaded through the different levels in the College are used to inform the identification of risks and risk factors. The Corporate Risk Register facilitates the identification and assessment of those significant risks to the College and emerging risks were added as required during the year and improvement actions and risk indicators monitored on a regular basis. In addition, the Corporate Risk Register is presented at each meeting of the Audit Committee for review.

The main risk facing the College, as it moves into a new financial year, relates to the ongoing pandemic and the potential impacts on College enrolments. The College will work closely with the Department for the Economy to monitor the situation and to develop mitigating actions and strategies and to assess the impacts and implications as further information becomes available. A summary of the risks on the Corporate Risk Register during the 2020-21 academic year is set out in Table 12 below:

No.	Risk Category	Risk Description
1	Funding	College does not receive sufficient funding to successfully deliver CDP Targets and Outcomes and to address increased costs associated with COVID-19 measures
2	Estates Strategy	College fails to deliver its Colleges Estates Strategy as a result of planning and funding restrictions leading to continued poor service to students.
3	14-19 strategy	The absence of a joint 14-19 strategy and policy from DE and DfE leading to continued duplication of provision by schools and reducing college enrolment at Level 3.
4	New Learner Management System	The failure to deploy the new learner management system could impact on our ability to operate an effective admissions and enrolment process for new intake and in meeting our statutory reporting requirements.
5	Service provided by Property Division (PD)	The ineffective service provided by Property Service Division (PSD) to deliver responsive and planned preventative maintenance contracts, statutory health and safety compliance checks and other College projects resulting in breaches of statutory compliance and deterioration of building fabric.
6	Positive reputation	Failure to maintain a positive reputation could potentially impact on future enrolment and continued business support services.
7	Safe working environment	Failure to provide a safe working environment for our staff, students and members of the general public resulting in increased employer liability, death and personal injury.
8	Recruit lecturing staff	An inability to recruit lecturing staff leading to a failure to deliver our strategic aims and objectives.
9	New Traineeship System	Failure to implement the new Traineeship System leading to continued underfunding of training, failure to rationalise vocational qualifications and inability to establish the college as the main provider of vocational education and training at Level 2.
10	Potential data breach	Potential data breach leading to the accidental or unlawful destruction, loss, alteration, unauthorised disclosure of, or access to, personal data transmitted, stored or otherwise processed. (GDPR compliance)
11	Leadership capacity and poor performance of essential skills curriculum	Leadership capacity and poor performance of essential skills curriculum resulting in restricted student progression and financial penalties.
12	Leadership capacity and poor performance of training provision in School of Construction and Engineering	Leadership capacity and poor performance of training provision in Faculty of Building, Technology and Engineering resulting in restricted student progression, poor outcomes and financial loss.
13	Curriculum	The continued decline in higher education uptake.
14	Uncertainty of EU exit arrangements	Uncertainty of EU exit arrangements in the event of a No Deal.
15	Coronavirus Pandemic	Impact on continued college services resulting from Coronavirus pandemic.
16	Information Learning Technology	Teaching and learning impacted as a result of failure to replace of existing Information Learning Technology platforms

Table 12

## **STAKEHOLDER RELATIONSHIPS**

The College has a number of important stakeholders including:

- Students
- The Department for the Economy
- Staff
- Local employers (with specific links)
- Workforce Development Forum
- Sector Skills Councils
- Local schools / councils
- Elected representatives
- Local Enterprise Agencies
- Government offices / Regional Development Agencies
- Local community
- Other FE Institutions
- Universities
- Trade Unions
- Professional bodies

The College recognises the importance of these relationships and engages in regular communication with stakeholders through the College's website, by meetings and participation on a number of external bodies.

The College considers good communication with its staff to be very important and regular meetings are held at campus level. The College uses electronic communication, webinars, its intranet, Microsoft Lync and Virtual Learning Environment as the main tools for communicating with all staff. A College electronic newsletter, 'SRCzine', is published monthly and informs staff and students on all College issues including student success stories and activities taking place across all campuses. The Chief Executive updates staff regularly on key developments and initiatives through the use of webinars. The College has a Students' Union including campus-based student councils through which student issues are raised and addressed with College management. The College also encourages staff and student involvement through membership of the Governing Body.

## **DISCLOSURE OF INFORMATION TO AUDITORS**

These accounts are subject to statutory audit by the Comptroller and Auditor General for Northern Ireland.

The Members, who held office at the date of approval of this report, confirm that, so far as they are each aware, there is no relevant audit information of which the College's auditors are unaware. Each member has taken all the steps that he or she ought to have taken to be aware of any relevant audit information and to establish that the College's auditors are aware of that information.

## **PERSONAL DATA RELATED INCIDENTS**

During 2020-21 there were two potential data breaches which were reported to the ICO. However, the Information Commissioner determined the cases did not meet the threshold for enforcement measures.

**CHARITABLE AND TAXATION STATUS**

The College has charitable status with the HM Revenue and Customs and is not liable to corporation tax.

**CHARITABLE/POLITICAL DONATIONS**

The College made no charitable or political donations during the year.

<b>AUDITORS AND PROFESSIONAL ADVISERS</b>	
<b>External Auditors</b>	Northern Ireland Audit Office, 1 Bradford Court, Upper Galwally, Belfast, BT8 6RB
<b>Internal Auditors</b>	RSM Northern Ireland (UK) Limited, Number One, Lanyon Quay, Belfast, BT1 3LG (from 1 August 2020)
<b>Bankers</b>	Danske Bank, Corporate Banking, Donegall Square West, Belfast, BT1 6JS Bank of Ireland, 4-8 High Street, Belfast, BT1 2BA Ulster Bank, Lisburn Business Centre, 18 Bow Street, Lisburn, BT28 1YZ Santander UK plc, 301 St Vincent Street, Glasgow, G2 5HN
<b>Solicitors</b>	Carson McDowell, Murray House, Murray Street, Belfast, BT1 6DN J Blair Employment Solicitors, 106 Malone Avenue, Belfast, BT9 6ES Cleaver Fulton Rankin, 50 Bedford Street, Belfast, BT2 7FW

Table 13

SOUTHERN REGIONAL COLLEGE  
 STRATEGIC REPORT (Continued)  
 FOR THE YEAR ENDED 31 JULY 2021

The members who served the Governing Body during the year are outlined in Table 14, there were no resignations in the year.

NAME	DATE OF APPOINTMENT	TERM OF OFFICE	STATUS OF APPOINTMENT	COMMITTEES SERVED
Scott Alexander	01/08/2015	31/07/2023	Chair Member	Staffing Governing Body
Hollie Burton	01/10/2019	30/09/2020	Student Member Student Member	Education Governing Body
Teresa Campbell	20/02/2013	31/07/2021	Chair Member (co-optee)	Finance Governing Body
Arder Carson	20/02/2013	31/07/2021	Member (co-optee)	Governing Body
Brian Doran	28/01/2008		Accounting Officer & Chief Executive	Governing Body Education Finance Staffing
Aaron Foy	01/10/2020	30/09/2021	Student Member Student Member	Governing Body Education
Gordon Gough	01/08/2011	31/12/2021	Chair Member Member	Education Staffing Governing Body
Aidan McCormick	01/08/2015	31/07/2023	Member Member Member	Governing Body Audit Education
John Nugent	01/08/2015	31/07/2023	Chair Member Vice Chair	Audit Staffing Governing Body
Gregory O'Hare	01/08/2015	31/07/2023	Member Member Member	Governing Body Audit Education
Tom Redmond	01/10/2015	30/09/2023	Member Member	Governing Body Finance
Andrew Saunders	01/08/2011	31/07/2022	Chair Member	Governing Body Education
Eileen Stewart	22/06/2016	21/06/2024	Member Member Member	Governing Body Staffing Audit
Kieran Swail	16/11/2015	15/11/2023	Staff Member Staff Member	Governing Body Finance

SOUTHERN REGIONAL COLLEGE  
 STRATEGIC REPORT (Continued)  
 FOR THE YEAR ENDED 31 JULY 2021

Judith Thompson	01/08/2015	31/07/2023	Member Member Member	Finance Governing Body Education
Matthew Turner	16/11/2015	15/11/2023	Staff Member Staff Member Staff Member	Governing Body Education Audit
Nicola Wilson	01/08/2012	31/12/2021	Member Member Member	Governing Body Education Staffing

Table 14

For and on behalf of the members of the Governing Body



**Accounting Officer**

**18 November 2021**

**Date**



## REMUNERATION POLICY

### MEMBERS OF THE GOVERNING BODY

Members of the Governing Body and the Chairperson are appointed in accordance with the code of Practice of the Office of the Commissioner for Public Appointments for Northern Ireland.

The Members of the Governing Body and the Chairperson are appointed for a fixed period of up to four years. Thereafter they may be re-appointed in accordance with the Code of Practice.

The remuneration of Governing Body members (excluding staff members) was first introduced by the Department from 1st January 2016. There are no arrangements in place for the payment of a bonus. No member of the Governing Body, including the Chairperson, receives pension contribution from the College or the Department. The College also reimburses Governing Body members for any incidental expenses incurred for carrying out their duties relevant to the organisation.

The remuneration of the Chairman and Board members is as follows:

Name	Salary 2021-20	Benefits in kind 2021-20	Pension Benefits 2021-20	Total 2021-20	Salary 2019-20	Benefits in kind 2019-20	Pension Benefits 2019-20	Total 2019-20
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Scott Alexander Member	0-5	0	0	0-5	0-5	0	0	0-5
Hollie Burton Member (Student)	0-5 FYE 0-5	0 0	0 0	0-5 FYE 0-5	0-5	0	0	0-5
Aaron Foy Member (Student)	0-5	0	0	0-5	n/a	n/a	n/a	n/a
Teresa Campbell Member	0-5	0	0	0-5	0-5	0	0	0-5
Arder Carson Member	0-5	0	0	0-5	0-5	0	0	0-5
Gordon Gough Member	0-5	0	0	0-5	0-5	0	0	0-5
Aidan McCormick Member	0-5	0	0	0-5	0-5	0	0	0-5
John Nugent Member	0-5	0	0	0-5	0-5	0	0	0-5
Gregory O'Hare Member	0-5	0	0	0-5	0-5	0	0	0-5
Thomas Redmond Member	0-5	0	0	0-5	0-5	0	0	0-5
Andrew Saunders Chairman	20-25	0	0	20-25	20-25	0	0	20-25
Eileen Stewart Member	0-5	0	0	0-5	0-5	0	0	0-5

SOUTHERN REGIONAL COLLEGE  
 REMUNERATION REPORT (Continued)  
 FOR THE YEAR ENDED 31 JULY 2021

Name	Salary 2021-20	Benefits in kind 2021-20	Pension Benefits 2021-20	Total 2021-20	Salary 2019-20	Benefits in kind 2019-20	Pension Benefits 2019-20	Total 2019-20
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Kieran Swail Member	0-5	0	0	0-5	0-5	0	0	0-5
Judith Thompson Member	0-5	0	0	0-5	0-5	0	0	0-5
Matthew Turner Member	0-5	0	0	0-5	0-5	0	0	0-5
Nicola Wilson Member	0-5	0	0	0-5	0-5	0	0	0-5

Table 15

### THE CHIEF EXECUTIVE AND SECOND TIER OFFICERS (SENIOR STAFF)

The Chief Executive and Second Tier Officer appointments are made in accordance with the College's Recruitment and Selection Policy. The policy requires appointments to be made on merit on the basis of fair and open competition.

The Chief Executive and Second Tier Officers hold permanent appointments. The notice period for these post holders is in accordance with their contracts.

### MINIMUM PAY LEVELS

Minimum pay levels for senior staff on academic salary scales are dependent on College size and vary across the sector.

### PROGRESSION

There is no incremental progression for the Chief Executive as the post is paid on a one-point scale according to College size. However, if the College size changes the Chief Executive will automatically move to that new salary point.

At initial appointment, the Second Tier Officers are normally placed on the bottom point of the four-point scale relevant to the size of the College. Thereafter, there is annual incremental progression up the scale until the maximum of the scale is reached. A common incremental date of September is used for the Second Tier Officers. If the College increases in size, a Second Tier Officer will automatically move to the new relevant salary scale.

### PERFORMANCE PAY

There is no performance pay or related scheme for the Chief Executive or Second Tier Officers.

## TOTAL REWARD PACKAGE

Senior staff within the College have access to the Northern Ireland Teachers' Pension Scheme (NITPS) or the Local Government Pension Scheme for Northern Ireland (NILGOSC). Senior staff posts are based on 36 hours per week and post holders have access to the College employment related policies including, Maternity Leave Scheme, Paternity Leave Scheme and Adoption Leave Scheme and flexible working arrangements.

All senior staff have 35 days holiday entitlement and a further twelve statutory and public holidays as recognised by the sector.

## EMPLOYMENT CONTRACTS

College appointments are made on merit on the basis of fair and open competition. Unless otherwise stated, the officials covered by this report hold appointments, which are open ended. Early termination would result in the individual being entitled to receive compensation.

## SALARY AND PENSION ENTITLEMENTS (AUDITED)

The following section provides details of the remuneration and pension interests of the most senior management of the College.

Name	Salary 2020-21	Benefits in kind 2020-21	Pension Benefits 2020-21	Total 2020-21	Salary 2019-20	Benefits in kind 2019-20	Pension Benefits 2019-20	Total 2019-20
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Brian Doran Chief Executive	115-120	0	30-35	145-150	125-130	0	10-15	135-145
Raymond Sloan Director	85-90	0	30-35	115-120	90-95	0	50-55	140-150
Keith Kilpatrick Director	85-90	0	30-35	115-120	90-95	0	30-35	120-130
Terry McGonigal Director	85-90	0	20-25	105-115	85-90	0	20-25	105-115

Table 16

2019-20 salaries for senior management include payment of pay awards backdated to September 2015.

	2020-21	2019-20
	£'000	£'000
Band of highest paid directors' total remuneration	115-120	125-130
Median total remuneration	33,460	29,636
Ratio*	3.5	3.8

Table 17

**SALARY**

'Salary' includes gross salary; performance pay or bonuses; overtime; recruitment and retention allowances; private office allowance and any other allowances to the extent that it is subject to UK taxation.

**BENEFITS IN KIND**

Senior post holders receive no non-cash benefits (benefits in kind).

**PENSION ENTITLEMENTS**

Name	Accrued pension at pension age as at 31/7/21 and related lump sum	Real increase/(decrease) in pension and related lump sum at pension age	Value of CETV at 31/07/21	Value of CETV at 31/07/20	Real increase in CETV during year
	£'000	£'000	£'000	£'000	£'000
Brian Doran (Chief Executive)	50-55 plus lump sum of 145-150	0-2.5 plus lump sum of 0-2.5	1,208	1,148	60
Raymond Sloan (Director)	35-40 plus lump sum of 50-55	0-2.5 plus lump sum of 0-2.5	612	578	31
Keith Kilpatrick (Director)	10-15 plus lump sum of 0	0-2.5 plus lump sum of 0	239	202	28
Terry McGonigal (Director)	5-10 plus lump sum of 0	0-2.5 plus lump sum of 0	79	54	25

Table 18

**PENSION ARRANGEMENTS**

Retirement benefits to employees of the College are provided by the Northern Ireland Teachers' Pension Scheme (NITPS) and the Local Government Pension Scheme for Northern Ireland administered by the Northern Ireland Local Government Officers' Superannuation Committee (NILGOSC). These are defined benefit schemes, which were externally funded and contracted out of the State Earnings-Related Pension Scheme (SERPS) until 31 March 2016.

Contributions to the NITPS are calculated so as to spread the cost of pensions over employees' working lives with the College in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by qualified actuaries on the basis of quinquennial valuations using a prospective benefit method. The NITPS is a multi-employer scheme, and the College is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The NITPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

The assets of the NILGOSC scheme are measured using closing market values. NILGOSC liabilities are measured using the projected unit method and discounted at the current rate of return on a high-

quality corporate bond of equivalent term and currency to the liability. The increase in the present value of the liabilities of the scheme expected to arise from employee service in the period is charged to the operating deficit. The expected return on the scheme's assets and the increase during the period in the present value of the scheme's liabilities, arising from the passage of time, are included in pension finance costs. Actuarial gains and losses are recognised in the statement of total recognised gains and losses.

### **ENHANCED PENSIONS**

The actual cost of any enhanced ongoing pension to a former member of staff is paid by the College annually. An estimate of the expected future cost of any enhancement to the ongoing pension of a former member of staff is charged in full to the College's Statement of Comprehensive Income and Expenditure account in the year that the member of staff retires. In subsequent years, a charge is made to provisions in the Statement of Financial Position using the enhanced pension spreadsheet provided by the LSC (or equivalent tool).

### **CASH EQUIVALENT TRANSFER VALUES**

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies. The CETV figures include the value of any pension benefit in another scheme or arrangement which the individual has transferred to the NILGOSC pension arrangements and for which the Fund has received a transfer payment commensurate with the additional pension liabilities being assumed. CETV's are calculated in accordance with The Occupational Pension Schemes (Transfer Values)(Amendment) Regulations and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance tax which may be due when pension benefits are taken.

### **REAL INCREASE IN CETV**

This reflects the increase in CETV effectively funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuations factors for the start and end of the period.

**STATEMENT OF THE RESPONSIBILITIES OF THE ACCOUNTING OFFICER AND GOVERNING BODY**

Under the Further Education (NI) Order 1997, DfE (with approval from DoF), has directed the Governing Body to prepare, for each financial year, a statement of accounts in the form and on the basis set out in the Accounts Direction.

In preparing the financial statements the Accounting Officer on behalf of the Governing Body is required to:

- observe the Accounts Direction issued by DfE with the approval of DoF, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the college will continue in operation; and
- confirm that the Annual Report and Accounts as a whole is fair, balanced, and understandable and take personal responsibility for the Annual Report and Accounts and the judgments required for determining that it is fair, balanced, and understandable.

The Governing Body is also required to prepare an Annual Strategic Report which describes what it is trying to do and how it is going about it, including the legal and administrative status of the College.

The maintenance and integrity of the College website is the responsibility of the Governing Body of the College; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In addition, the Governing Body is responsible for securing the efficient and effective management of the College and ensuring that the college provides suitable and efficient further education.

The Accounting Officer of DfE has designated the Principal/Chief Executive as the Accounting Officer of the College. The responsibilities as an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the college's assets, are set out in Managing Public Money Northern Ireland (MPMNI) published by DoF.

## **STATEMENT OF CORPORATE GOVERNANCE AND INTERNAL CONTROL**

### **INTRODUCTION**

This Statement of Corporate Governance and Internal Control sets out the governance structures, risk management system and the internal control procedures that operated within the Southern Regional College during the financial year ended 31 July 2021 and up to the date of approval of the Annual Report and Accounts.

It describes the manner in which the College has complied with guidance from the Department of Finance (DoF) and the Department for the Economy, (DfE) and is aimed at supporting better governance and driving more consistent, coherent and transparent reporting.

### **GOVERNANCE FRAMEWORK**

The Southern Regional College is a Non-Departmental Public Body within the budget responsibility and ambit of the Department for the Economy and is an incorporated body whose legal status derives from the Further Education (Northern Ireland) Order 1997. The College operates within a strong framework of regulation, including an instrument of government, articles of government and a management statement and financial memorandum. In terms of governance, all other documents are subordinate to the Further Education (Northern Ireland) Order 1997 and subject to its provisions.

Not only does the College comply with all mandatory requirements including compliance with the Corporate Governance Framework but it also strives to operate that guidance which represents best practice. The purpose of this Statement is to help the reader of the Annual Report and Accounts to obtain an understanding of the governance principles and how they have been applied within the College. The key elements of the governance framework, structures, roles and responsibilities that operates within the College are set out below.

### **CORPORATE GOVERNANCE AND REGISTER OF INTERESTS**

The Southern Regional College takes cognisance of and complies with a range guidance and best practice including:

- Managing Public Money (Northern Ireland);
- Department for the Economy and Department of Finance guidance including the Guide for Governors of Further Education Colleges;
- The Nolan Principles; and
- Good Governance Standards and codes of practice for public services.

A register of interests is maintained and conflicts of interest, or potential conflicts of interest, are declared and recorded by Chairs of Committees and at other meetings.

## **GOVERNING BODY**

The College's Governing Body comprises members appointed by the Minister for the Economy, staff and students of the College, the Chief Executive Officer (CEO) and members co-opted by the Governing Body.

The role of the Chairman of the Governing Body is separate and distinct from the role of the Chief Executive who is the designated Accounting Officer of the College. The Governing Body is responsible for the ongoing strategic direction of the College whilst the Chief Executive and the Executive Team are responsible for the operational management of the College. The Governing Body approves all major developments and receives regular reports on the activities of the College. Governing Body and committee meetings took place remotely through Microsoft Teams. A number of meetings focused on the COVID-19 emergency and arrangements for continued services to students. The Governing Body met on seven occasions during the 2020-21 year and is supported by a number of committees, including the Staffing Committee, Finance and General Purposes Committee, Education Committee and the Audit Committee. All of these committees are formally constituted with terms of reference and comprise mainly members of the Governing Body.

Minutes of Governing Body meetings are available from the secretary of the Governing Body or on the College website. The secretary to the Governing Body maintains a register of financial and personal interests for the Governing Body members and this is also available for inspection. The business of the Governing Body is formally planned, and agendas, papers and reports are supplied to members in a timely manner. Members receive payment in line with guidance from the Department on the arrangements for payment of Governing Body Chairs and Members.

The Governing Body and each Committee individually and collectively undertakes an annual process of self-evaluation and a review of performance and effectiveness, including the quality of information and reports presented to them. In addition, minutes and reports of all Committees are presented at Governing Body meetings.

## **AUDIT COMMITTEE**

The Audit Committee operates as an advisory body to the Governing Body and the Accounting Officer and is responsible for reviewing the effectiveness of the College's accounting procedures and systems of internal control. It provides a channel of communication for the College's auditors, which is independent of College management. It has a responsibility to ensure that adequate arrangements are in place to promote economy, efficiency and effectiveness. The Audit Committee promotes high standards of propriety, accountability and financial management within the College and ensures that effective risk management processes are embedded and operating.

The Committee met four times during the 2020-21 year to discuss reports from the External and Internal Auditors and the relevant responses. The College's Internal Auditors and External Auditors were represented at all Audit Committee meetings. The Committee also receives and considers any reports from the Department for the Economy and reviews the annual financial statements to ensure compliance with legislation and accounting standards. Whilst Executive Officers and other officials attend meetings of the Audit Committee as necessary, they are not



members of the Committee. The Committee can meet with both the internal and external auditors on their own for independent discussions.

#### **FINANCE AND GENERAL PURPOSES COMMITTEE**

The Finance and General Purposes Committee has oversight of all matters relating to the finance and accounts of the College and the receipt of its income and expenditure. The main business of the Finance and General Purposes Committee is to monitor, determine and advise the Governing Body on the College's solvency, recommend for approval the annual estimate of income and expenditure, and monitor performance in relation to the approved budget. During 2020-21 the Committee also considered updates on the Estates projects, the annual review on the Health and Safety policy and statement, business cases for approval, and a number of policies including the fees policy and the annual schedule of fees. The Committee also considers other matters as the Governing Body may from time-to-time remit to it. The Committee met on four occasions during the 2020-21 year.

#### **STAFFING COMMITTEE**

The Staffing Committee is responsible for dealing with issues in relation to the recruitment, appointment, promotion and grading of all staff, other than senior management. Over the course of the year the work of the Committee also included receiving the annual key performance indicator report, monitoring the delivery of the Employee Development plan, reviewing performance measures, approving a new plan for the following year and receiving an update on Investors in People (IIP). The Committee met on three occasions during 2020-21.

#### **EDUCATION COMMITTEE**

The Education Committee is responsible for overseeing the curricular provision of the College, especially the nature, quality and performance of the provision and the extent to which it meets the needs of the community the College seeks to serve. In particular, it considers the impact of strategic proposals, the broader educational environment and current and topical issues that have the potential to impact on educational, vocational and curricular provision. The Committee met on four occasions during 2020-21.

#### **GOVERNING BODY PERFORMANCE AND EFFECTIVENESS**

It is a requirement of the Department for the Economy to assess the performance of each member of the Governing Body on an annual basis and this process is ongoing for the 2020-21 financial year. In addition, each Committee of the Governing Body undertakes an annual process of self-evaluation and a review of performance and effectiveness, including the quality of information received and presents a report to the Governing Body for consideration.

A schedule of membership and attendance at Governing Body and Committee meetings for the 2020-21 year is shown in the table below. In total, there were twenty-three meetings of the Governing Body and its sub committees during 2020-21. Average Member attendance recorded at Governing Body meetings during 2020-21, excluding staff and student representatives was 93% (87% for 2019-20).

SOUTHERN REGIONAL COLLEGE  
 STATEMENT OF CORPORATE GOVERNANCE AND INTERNAL CONTROL (Continued)  
 FOR THE YEAR ENDED 31 JULY 2021

	Governing Body	Audit Committee	Education Committee	Staffing Committee	Finance and General Purposes Committee
<b>No. of meetings held:</b>	<b>8</b>	<b>4</b>	<b>4</b>	<b>3</b>	<b>4</b>
Scott Alexander	7/7	-	-	3	-
Hollie Burton (Student Rep. Until September 2020)	1/1	-	-	-	-
Teresa Campbell	6	-	-	-	4
Arder Carson	5	-	-	-	-
Brian Doran (Chief Executive)	8	3	4	2	4
Gordon Gough	8	-	4	3	-
Aidan McCormick	8	4	4	-	-
John Nugent	8	4	-	3	-
Gregory O'Hare	8	3	4	-	-
Tom Redmond	8	-	-	-	3
Andrew Saunders (Chair)	8	3	3	3	3
Eileen Stewart	8	3	-	3	-
Kieran Swail (Support Staff Representative)	7/7	-	-	-	4
Judith Thompson	7	-	3/3	-	3
Matthew Turner (Teaching Staff Rep.)	6/7	3	4	-	-
Nicola Wilson	7	-	4	-	2/2

Table 19

In conclusion the Governing Body and its Committees met on a regular basis to review and monitor performance against business objectives and to provide security and oversight of management decisions. The Governing Body continues to review and strengthen its corporate governance arrangements in line with government guidance, audit recommendations and best practice.

## CHIEF EXECUTIVE AND ACCOUNTING OFFICER AND THE SENIOR MANAGEMENT TEAM

The Chief Executive exercises considerable influence upon the development of strategy, the identification and planning of new developments and the shaping of the College ethos. The Chief Executive is supported in this role by an Executive Team comprising the Director of Curriculum, the Director of Client Services and the Director of Finance and Planning, all of whom contribute in various ways to these aspects of the work, but the ultimate responsibility for what is done rests with the Chief Executive and Accounting Officer. In addition to the Executive Team, there is a Senior Management Team (SMT) that comprises the Chief Executive, the three Executive Directors six Assistant Directors, four Heads of Faculty and two Heads of Department. The Executive Team and the Senior Management Team meet on a regular basis to discuss, review and progress a range of strategic and operational matters.

The Chief Executive is the designated Accounting Officer of the College and has responsibility for maintaining a sound system of internal control and risk management that supports the College's aims and objectives set by the Governing Body, whilst safeguarding the public funds and College assets for which he is personally responsible, in accordance with the responsibilities assigned to him in Managing Public Money Northern Ireland. In his capacity as Accounting Officer, he can be summoned to appear before the Public Accounts Committee of the Northern Ireland Assembly.

## RISK MANAGEMENT

Risk management policies and processes are well embedded within the College's corporate governance framework and are closely linked with the College Development Plan and performance management processes.

The robust risk management process is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness.

There are a number of key roles within the Risk Management process, and these are described below:

- **Governing Body** – which has defined the strategic approach, encourages a culture of Risk Management within the College and during 2020-21 monitored, primarily through the Audit Committee, that significant risks were being managed;
- **Audit Committee** – which has specific responsibility, delegated to it by the Governing Body, for oversight of the system of Internal Control, including the College's approach to Risk Management. The Audit Committee met on four occasions during the year and reviewed the corporate risk register and the actions plans to control and mitigate potential risks;
- **Risk Management Group.** This group is chaired by the Chief Executive and comprises the Director of Finance and Planning, the Director for Curriculum and the Director of Client Services. The Risk Management Group has overall responsibility for the administration and implementation of the Risk Management process in SRC.

Each of the Executive Directors manage and control Functional Risk Registers within their Directorate. In total, there are twelve functional area Risk Registers, and these are reviewed by the Director approximately every six months (staggered) and presented to the Risk Management Group to inform and update the corporate risk register.

The most significant emerging risks relate to longer-term financial sustainability in the context of wider public sector finances and political uncertainty and maintaining progress in respect of the delivery of the new build Estates Projects. In addition, the lack of clarity on the future introduction of the new traineeship and apprenticeship system remains an area of focus for the Colleges.

### INTERNAL AUDIT

Internal Audit is a key element that contributes to the effectiveness of risk management, control and governance processes within the College. In line with Public Sector Internal Audit Standards (PSIAS) a three-year Internal Audit Strategy is in place and flowing from this the Internal Audit Operational Plan for 2020-21 saw the completion of a programme of work that provided positive assurance in five areas. A summary of the internal audit work and the assurance ratings for each is included below:

Internal Audit Operational Plan and Assurance Ratings 2020-21	
Area Reviewed:	Assurance Rating:
Risk Management Framework	Satisfactory
COVID-19 Compliance	Satisfactory
Contracted Out Services	Satisfactory
Key Financial Controls	Satisfactory
Cyber security	Satisfactory

Table 20

Follow-up reviews conducted during 2020-21 indicated continued good progress with regard to implementing outstanding recommendations. There were no priority 1 recommendations.

Based on the work performed during 2020-21 Internal Audit has provided a satisfactory assurance over the internal control environment at Southern Regional College as at the year-end.

### ASSURANCE STATEMENTS

Southern Regional College provides a mid-year and an annual assurance statement to the Department.

## **INFORMATION ASSURANCE**

Effective information security is a key priority for the College, and it recognises that appropriate principles of information security must be applied to the information it holds. A framework has been established including policies and procedures that identify key roles and responsibilities and the monitoring and reporting processes to be followed. Processes and controls over information are regularly reviewed to ensure compliance with best practice. There were no incidents reported during 2020-21 where access to personal data did not comply with Data Protection requirements. During 2019-20 there were two potential data breaches which were reported to the ICO. However, the Information Commissioner determined the cases did not meet the threshold for enforcement measures

## **FRAUD REPORTING**

The College has a detailed Anti-Fraud Policy and Fraud Response Plan, which is revised and updated on a regular basis. The Anti-Fraud Policy and Fraud Response Plan sets out the definition of fraud, details the responsibilities regarding the prevention of fraud and highlights the procedures to be followed in the event of a fraud being detected or suspected. The Anti-Fraud Policy is included as mandatory training for all staff.

The College reports all suspected or detected frauds to the Department for the Economy in line with the 'Management Statement and Financial Memorandum' issued to Further Education Colleges. During 2020-21 there were no reports of suspected Fraud.

## **WHISTLEBLOWING**

The College has a Whistleblowing Policy which is revised and updated on a regular basis. The Policy provides individuals with a process to facilitate the reporting of concerns and suspected wrongdoing within the College and highlights the protection afforded to those who disclose concerns under the Public Interest Disclosure (NI) Order 1998. The Whistleblowing Policy is included as mandatory training for all staff. During 2020-21 there were no cases reported under the Whistleblowing Policy.

## **EVENTS AFTER THE REPORTING PERIOD**

There were no events after the reporting period.

## **SIGNIFICANT GOVERNANCE ISSUES**

The review of the effectiveness of the systems and processes that comprise the governance framework demonstrates that governance arrangements within Southern Regional College are operating effectively. There are no significant internal control or non-compliance issues to report in respect of the 2020-21 financial year.



**Accounting Officer**

**18 November 2021**

**Date**

### **Opinion on financial statements**

I certify that I have audited the financial statements of the Southern Regional College for the year ended 31 July 2021 under the Further Education (Northern Ireland) Order 1997 as amended by the Audit and Accountability Institutions of Further Education (Public Sector Audit) Order (Northern Ireland) 2008. The financial statements comprise: Statement of Comprehensive Income and Expenditure, the Statement of Changes in Reserves, the Statement of Financial Position, the Statement of Cash Flows and the related notes, including significant accounting policies. These financial statements have been prepared under the accounting policies set out within them. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom accounting standards including FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

I have also audited the information in the Remuneration Report that is described in that report as having been audited.

In my opinion the financial statements:

- give a true and fair view of the state of the Southern Regional College's affairs as at 31 July 2021 and of its deficit the year then ended;
- have been properly prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102); and
- have been prepared in accordance with the Further Education (Northern Ireland) Order 1997 as amended by the Audit and Accountability Institutions of Further Education (Public Sector Audit) Order (Northern Ireland) 2008 and the Department for the Economy directions issued thereunder.

### **Opinion on regularity**

In my opinion, in all material respects the expenditure and income recorded in the financial statements have been applied to the purposes intended by the Assembly and the financial transactions recorded in the financial statements conform to the authorities which govern them.

### **Basis for opinions**

I conducted my audit in accordance with International Standards on Auditing (ISAs) (UK), applicable law and Practice Note 10 'Audit of Financial Statements of Public Sector Entities in the United Kingdom'. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of this certificate. My staff and I are independent of Southern Regional College in accordance with the ethical requirements of the Financial Reporting Council's Revised Ethical Standard 2019, and have fulfilled our other ethical responsibilities in accordance with these requirements. I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my opinions.

### **Conclusions relating to going concern**

In auditing the financial statements, I have concluded that Southern Regional College's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Southern Regional College's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

The going concern basis of accounting for Southern Regional College is adopted in consideration of the requirements set out in the Government Reporting Manual, which requires entities to adopt the going concern basis of accounting in the preparation of the financial statements where it is anticipated that the services which they provide will continue into the future.

My responsibilities and the responsibilities of the Accounting Officer and Governing Body with respect to going concern are described in the relevant sections of this report.

### **Other Information**

The other information comprises the information included in the annual report other than the financial statements, the parts of the Remuneration Report described in that report as having been audited and my audit certificate and report thereon. The Accounting Officer and Governing Body are responsible for the other information reported in the annual report. My opinion on financial statements does not cover the other information and except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon.

My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

### **Opinion on other matters**

In the light of the knowledge and understanding of the Southern Regional College and its environment obtained in the course of the audit, I have not identified material misstatements in the Strategic Report, Remuneration Report, Statement of the Responsibilities of the Accounting Officer and the Governing Body and Statement of Corporate Governance and Internal Control.

In my opinion, based on the work undertaken in the course of the audit:

- the parts of the Remuneration Report to be audited have been properly prepared in accordance with Department for the Economy directions made under the Further Education (Northern Ireland) Order 1997 as amended by the Audit and Accountability Institutions of Further Education (Public Sector Audit) Order (Northern Ireland) 2008; and

- the information given in the Strategic Report, Remuneration Report, Statement of the Responsibilities of the Accounting Officer and the Governing Body and Statement of Corporate Governance and Internal Control for the financial year for which the financial statements are prepared is consistent with the financial statements.

### **Matters on which I report by exception**

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept; or
- the financial statements and the parts of the Remuneration Report to be audited are not in agreement with the accounting records; or
- certain disclosures of remuneration specified by the Government Financial Report Manual are not made; or
- I have not received all of the information and explanations I require for my audit; or
- the Statement of Corporate Governance and Internal Control does not reflect compliance with the Department of Finance's guidance.

### **Responsibilities of the Accounting Officer and Governing Body**

As explained more fully in the Statement of Responsibilities of the Accounting Officer and Governing Body, the Accounting Officer and Governing Body are responsible for

- the preparation of the financial statements in accordance with the applicable financial reporting framework and for being satisfied that they give a true and fair view;
- such internal controls as the Accounting Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error;
- assessing the Southern Regional College's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Accounting Officer anticipates that the services provided by Southern Regional College will not continue to be provided in the future.

### **Auditor's responsibilities for the audit of the financial statements**

My objectives are to audit, certify and report on the financial statements in accordance with the Further Education (Northern Ireland) Order 1997 as amended by the Audit and Accountability Institutions of Further Education (Public Sector Audit) Order (Northern Ireland) 2008.

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue a certificate that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulation, including fraud.

My procedures included:

- obtaining an understanding of the legal and regulatory framework applicable to the Southern Regional College through discussion with management and application of extensive public sector accountability knowledge. The key laws and regulations I considered included Health and Safety Legislation, the Companies Act 2006, the Fair Employment (Northern Ireland) Act 1989 and relevant tax laws;
- making enquires of management and those charged with governance on Southern Regional College's compliance with laws and regulations;
- making enquiries of internal audit, management and those charged with governance as to susceptibility to irregularity and fraud, their assessment of the risk of material misstatement due to fraud and irregularity, and their knowledge of actual, suspected and alleged fraud and irregularity;
- completing risk assessment procedures to assess the susceptibility of Southern Regional College's financial statements to material misstatement, including how fraud might occur. This included, but was not limited to, an engagement director led engagement team discussion on fraud to identify particular areas, transaction streams and business practices that may be susceptible to material misstatement due to fraud. As part of this discussion, I identified potential for fraud in the following areas: revenue recognition, expenditure recognition, posting of unusual journals and unreasonable management estimates;
- engagement director oversight to ensure the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with the applicable legal and regulatory framework throughout the audit;
- designing audit procedures to address specific laws and regulations which the engagement team considered to have a direct material effect on the financial statements in terms of misstatement and irregularity, including fraud. These audit procedures included, but were not limited to, reading board and committee minutes, and agreeing financial statement disclosures to underlying supporting documentation and approvals as appropriate and queries of management and those charged with governance; and
- addressing the risk of fraud as a result of management override of controls by:
  - performing analytical procedures to identify unusual or unexpected relationships or movements;
  - testing journal entries to identify potential anomalies, and inappropriate or unauthorised adjustments;

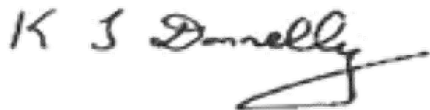
- assessing whether judgements and other assumptions made in determining accounting estimates were indicative of potential bias; and
- investigating significant or unusual transactions made outside of the normal course of business.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of my certificate.

In addition, I am required to obtain evidence sufficient to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by the Assembly and the financial transactions recorded in the financial statements conform to the authorities which govern them.

### **Report**

I have no observations to make on these financial statements.



KJ Donnelly  
Comptroller and Auditor General  
Northern Ireland Audit Office  
1 Bradford Court  
Galwally  
BELFAST  
BT8 6RB

24 November 2021

SOUTHERN REGIONAL COLLEGE  
 STATEMENT OF COMPREHENSIVE INCOME AND EXPENDITURE  
 FOR THE YEAR ENDED 31 JULY 2021

	Notes	2021 £'000	2020 £'000
<b>INCOME</b>			
Department for the Economy income	1	31,131	32,226
Education contracts	2	6,329	6,344
Tuition fees and charges	3	1,980	2,297
Other grant income	4	354	376
Other operating income	5	759	1,154
<b>Total income</b>		<b>40,553</b>	<b>42,397</b>
<b>EXPENDITURE</b>			
Staff costs	6	(29,632)	(26,717)
Other operating expenses	8	(13,809)	(12,077)
Depreciation, amortisation and impairment	11,12	(3,827)	(8,939)
Interest and other finance costs	9	(443)	(200)
<b>Total expenditure</b>		<b>(47,711)</b>	<b>(47,933)</b>
<b>Deficit before exceptional items</b>		<b>(7,158)</b>	<b>(5,536)</b>
Exceptional staff costs - fundamental restructuring	6	-	(1)
Exceptional staff costs - provision for annual leave on overtime	6	17	(158)
<b>Total exceptional items</b>		<b>17</b>	<b>(159)</b>
<b>Deficit before other losses</b>		<b>(7,141)</b>	<b>(5,695)</b>
<b>Deficit before tax</b>		<b>(7,141)</b>	<b>(5,695)</b>
Taxation	10	-	-
<b>Deficit for the year</b>		<b>(7,141)</b>	<b>(5,695)</b>
Unrealised surplus/(deficit) on revaluation of land and buildings		173	2,593
Actuarial gain/(loss) in respect of pension scheme		8,716	(20,491)
<b>Total comprehensive income and expenditure for the year</b>		<b>1,748</b>	<b>(23,593)</b>
Represented by:			
Restricted comprehensive income and expenditure for the year		-	-
Unrestricted comprehensive income and expenditure for the year		1,748	(23,593)
		<b>1,748</b>	<b>(23,593)</b>

All amounts above relate to the continuing operations of the College.

*The accompanying accounting policies and notes form an integral part of these financial statements*

SOUTHERN REGIONAL COLLEGE  
STATEMENT OF CHANGES IN RESERVES  
FOR THE YEAR ENDED 31 JULY 2021

	Income and expenditure account				Revaluation Reserve	Total
	Unrestricted (excluding Pension)	Pension Reserve	Unrestricted (including Pension)	Restricted		
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Balance at 1 August 2019</b>	<b>20,678</b>	<b>(10,093)</b>	<b>10,585</b>	<b>405</b>	<b>30,704</b>	<b>41,694</b>
Deficit from Statement of Comprehensive Income and Expenditure	(3,869)	(1,826)	(5,695)	-	-	(5,695)
Other comprehensive expenditure	-	(20,491)	(20,491)	-	2,593	(17,898)
Transfers between revaluation and income and expenditure account	2,103	-	2,103	-	(2,103)	-
<b>Balance at 1 August 2020</b>	<b>18,912</b>	<b>(32,410)</b>	<b>(13,498)</b>	<b>405</b>	<b>31,194</b>	<b>18,101</b>
Deficit from Statement of Comprehensive Income and Expenditure	(3,732)	(3,409)	(7,141)	-	-	(7,141)
Other comprehensive income/(expenditure)	-	8,716	8,716	-	173	8,889
Transfers between revaluation and income and expenditure account	2,668	-	2,668	-	(2,668)	-
<b>Total comprehensive (expenditure)/income for the year</b>	<b>(1,064)</b>	<b>5,307</b>	<b>4,243</b>	<b>-</b>	<b>(2,495)</b>	<b>1,748</b>
<b>Balance at 31 July 2021</b>	<b>17,848</b>	<b>(27,103)</b>	<b>(9,255)</b>	<b>405</b>	<b>28,699</b>	<b>19,849</b>

SOUTHERN REGIONAL COLLEGE  
STATEMENT OF FINANCIAL POSITION  
AS AT 31 JULY 2021

	Notes	2021 £'000	2020 £'000
<b>Non-current assets</b>			
Tangible fixed assets	11	80,638	79,685
Intangible fixed assets	12	405	445
<b>Total non-current assets</b>		<b>81,043</b>	<b>80,130</b>
<b>Current assets</b>			
Trade and other receivables	13	2,799	1,962
Cash and cash equivalents	18	4,974	5,280
<b>Total current assets</b>		<b>7,773</b>	<b>7,242</b>
Less: Creditors - amounts falling due within one year	14	(8,142)	(7,215)
<b>Net current (liabilities)/assets</b>		<b>(369)</b>	<b>27</b>
<b>Total assets less current liabilities</b>			
		<b>80,674</b>	<b>80,157</b>
Less: Creditors - amounts falling after more than one year	15	(33,581)	(29,488)
<b>Provisions</b>			
Provisions for liabilities and charges	16	(27,244)	(32,568)
<b>Net assets including pension liability</b>		<b>19,849</b>	<b>18,101</b>
<b>Restricted reserves</b>			
Income and expenditure account – restricted reserve	17	405	405
<b>Unrestricted reserves</b>			
Income and expenditure account – unrestricted reserves (excluding pension reserve)		17,848	18,912
Pension reserve		(27,103)	(32,410)
Income and expenditure account – unrestricted reserves (including pension reserve)		(9,255)	(13,498)
Revaluation reserve		28,699	31,194
<b>Total reserves</b>		<b>19,849</b>	<b>18,101</b>

The financial statements on pages 79-105 were approved by the Governing Body of Southern Regional College on 18 November 2021 and were signed on its behalf on that date by:



**Mr B Doran**  
**Accounting Officer**

*The accompanying accounting policies and notes form an integral part of these financial statements.*

SOUTHERN REGIONAL COLLEGE  
 CASH FLOW STATEMENT  
 FOR YEAR ENDED 31 JULY 2021

	Notes	2021 £'000	2020 £'000
<b>Cash outflow from operating activities</b>			
Deficit for the year		(7,141)	(5,695)
<b>Adjustment for non-cash items</b>			
Depreciation	11	4,168	8,939
Disposal of fixed assets	11	896	-
Reversal of impairment below cost	11	(360)	-
Decrease in debtors more than one year		-	20
(Increase)/Decrease in debtors less than one year	13	(837)	762
Increase in creditors less than one year	14	927	117
Increase in creditors more than one year	15	4,133	15,063
(Decrease)/Increase in creditors more than one year - intangible asset	12	(40)	75
Decrease/(Increase) in Intangible asset	12	21	(75)
Amortisation of Intangible asset	12	19	-
(Decrease)/Increase in Provisions	16	(17)	158
Pension cost less contributions payable	19	2,966	1,626
Pension interest cost	19	443	200
<b>Adjustment for investing or financing activities</b>			
Proceeds on disposal of fixed assets	11	786	-
<b>Net cash inflow from operating activities</b>		<b>5,964</b>	<b>21,190</b>
<b>Cash flows from investing activities</b>			
Proceeds from sales of fixed assets		(786)	-
Payments made to acquire tangible fixed assets	11	(5,484)	(18,651)
<b>Net cash outflow from investing activities</b>		<b>(6,270)</b>	<b>(18,651)</b>
<b>(Decrease)/Increase in cash and cash equivalents in the year</b>		<b>(306)</b>	<b>2,539</b>
Net funds at 1 August		5,280	2,741
<b>Net funds at 31 July</b>		<b>4,974</b>	<b>5,280</b>

In this statement, figures in brackets refer to cash outflows and all other figures are cash inflows to the College.

*The accompanying accounting policies and notes form an integral part of these financial statements.*

## **STATEMENT OF ACCOUNTING POLICIES**

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

### **BASIS OF PREPARATION**

These financial statements have been prepared on the going concern basis in accordance with the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education 2019 and in accordance with Financial Reporting Standards (FRS 102). The College and Group is a public benefit entity and has therefore applied the relevant public benefit entity requirements for FRS 102. The financial statements are prepared in accordance with the historical cost convention except that certain freehold properties are shown at their revalued amount. They also conform to the Accounts Direction issued by the Department for the Economy (DfE).

### **BASIS OF ACCOUNTING**

The financial statements are prepared in accordance with the historical cost convention modified by the revaluation of certain fixed assets and in accordance with applicable United Kingdom accounting standards.

### **CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATES**

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the College's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are:

#### **PENSION LIABILITY**

The critical judgements of the pension liability schemes are included in the accounting policy note (page 86). The key actuarial assumptions used in the valuation of the NILGOSC pension scheme, including discount rates, salary and pension increases, and mortality rates are reported in note 19.

#### **PROPERTY, PLANT AND EQUIPMENT**

Land and buildings (including those inherited from the Education and Library Board) are stated in the statement of financial position at valuation on the basis of depreciated replacement cost, including irrecoverable VAT, as the open market value for existing use is not readily obtainable. Freehold buildings are depreciated over their expected useful economic life to the College as advised by the LPS. All other depreciation is calculated based on assumptions of asset useful economic lives and expected residual value. A change in depreciable life is treated as a change in accounting estimate.

## **GOING CONCERN**

The activities of the College, together with factors likely to affect its future development and performance are set out in the Strategic Report. The financial position of the College, its cash flow, liquidity and borrowings are described in the financial statements and accompanying Notes.

The College currently has no borrowings. The College's forecasts and financial projections indicate that it will not require any borrowings for the foreseeable future.

The College is satisfied that the organisation is a going concern on the basis that there is no reason to believe that the Department's future sponsorship and future assembly approval will not be forthcoming to meet the College's liabilities as they fall due. It has accordingly been considered appropriate to adopt the going concern basis for the preparation of these financial statements.

## **RECOGNITION OF INCOME**

### **GOVERNMENT GRANTS [ACCRUALS MODEL]**

The recurrent grant and other revenue grants received from DfE (and other government bodies) are recognised in income over the periods in which the College recognises the related costs for which the grant is intended to compensate. Where part of a government grant is deferred, it is recognised as deferred income within creditors and allocated between creditors due within one year and creditors due after more than one year as appropriate.

Income from tuition fees is recognised in the period for which it is received and includes all fees payable by students or their sponsors.

Income from non-government grants, controls and other services rendered is included to the extent that the conditions of the funding have been met, or the extent of the completion of the contract or service concerned.

All income from short-term deposits is credited to the income and expenditure account in the year in which it is earned.

### **CAPITAL GRANTS (NON-LAND GRANTS) [ACCRUALS MODEL]**

Non-recurrent grants from DfE received in respect of the acquisition of fixed assets are recognised in income over the expected useful life of the asset.

Other capital grants are recognised in income when the College is entitled to the funds subject to any performance related conditions being met.

### **CAPITAL GRANTS (LAND) [PERFORMANCE MODEL]**

Capital grants (land) are recognised in income when the College is entitled to the funds subject to any performance related conditions being met.



## **DONATIONS AND ENDOWMENTS**

Non-exchange transactions without performance related conditions are donations and endowments. Donations and endowments with donor-imposed restrictions are recognised in income when the College is entitled to the income. Income is retained within the restricted reserve until such time that it is utilised in line with such restrictions at which point the income is released to general reserves through a reserve transfer.

Donations with no restrictions are recognised in income when the College is entitled to the funds.

## **PENSION SCHEME**

The two principal pension schemes for the College's staff are the Northern Ireland Teacher's Pension Scheme (NITPS) and the Northern Ireland Local Government Officers' Superannuation Committee (NILGOSC) defined benefit schemes, which are externally funded and contracted out of the State Earnings-Related Pension Scheme.

The NITPS is an unfunded contributory, voluntary membership scheme administered by the Department of Education. The current regulations under which the scheme operates are the *Teachers' Superannuation Regulations (NI) 1998 (as amended)*. The NITPS is a multi-employer scheme, and the College is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The NITPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

NILGOSC is a defined benefit scheme, which is externally funded and contracted out of the second state Pension Scheme. The Funds are valued every three years by actuaries using the projected unit method, the rates of contribution payable being determined by the trustees on the advice of the actuaries. Pension costs are assessed on the basis of the latest actuarial valuations of the schemes and are accounted for on the basis of charging the cost of providing pensions over the period during which the College benefits from the employees' services. Variations from regular cost are spread over the expected average remaining working lifetime of members of the schemes after making allowances for future withdrawals.

The difference between the fair value of the assets held in the College's defined benefit pension scheme and the scheme's liabilities measured on an actuarial basis using the projected unit method are recognised in the College's Statement of Financial Position as a pension scheme asset or liability as appropriate. The carrying value of any resulting pension scheme asset is restricted to the extent that the College is able to recover the surplus either through reduced contributions in the future or through refunds from the scheme.

Changes in the defined benefit pension scheme asset or liability arising from factors other than cash contribution by the College are charged to the Statement of Comprehensive Income and Expenditure.

## **TANGIBLE FIXED ASSETS**

### **LAND AND BUILDINGS**

Land and buildings (including those inherited from the Education and Library Board) are stated in the Statement of Financial Position at valuation on the basis of depreciated replacement cost (inclusive of non-recoverable VAT) when the open market value for existing use is not readily obtainable, or existing use value when the open market value is available. The associated credit is included in the revaluation reserve. The difference between depreciation charged on the historic cost of assets and the actual charge for the year calculated on the revalued amount is released to the income and expenditure account reserve on an annual basis. Properties that are surplus to requirements are valued on the basis of market value. Land and buildings acquired since the last valuation are included in the Statement of Financial Position at cost. Freehold land is not depreciated. Freehold buildings are depreciated over their expected useful economic life to the College as advised by the Land and Property Services. Where land and buildings are acquired with the aid of specific grants, these are accounted for in accordance with the revenue recognition policies above.

### **ASSETS UNDER CONSTRUCTION**

Assets under construction were accounted for at cost based on the value of architects' certificate and other direct costs, incurred to 31 July 2021. They are not depreciated until they are brought into use.

### **ASSETS OTHER THAN LAND AND BUILDINGS**

Assets other than land and buildings costing less than £3,000 per individual item are written off to the statement of consolidated income and expenditure in the period of acquisition. Assets other than land and buildings inherited from the Education and Library Board are included in the Statement of Financial Position at valuation. All other assets are capitalised at cost.

These assets are depreciated as follows:

Computers	-	three years straight line or over their useful economic lives
Fixtures and Fittings	-	five years straight line or over their useful economic lives
Motor vehicles	-	four years straight line or over their useful economic lives
Plant and equipment	-	five years straight line or over their useful economic lives

Where these assets are acquired with the aid of specific grants these are accounted for in accordance with the revenue recognition policies above.

### **LEASED ASSETS**

Costs in respect of operating leases are charged on a straight-line basis over the lease term.

Leasing agreements, which transfer, to the College's substantial ownership of an asset are treated as if the asset had been purchased outright and are capitalised at their fair value at the inception of the lease and depreciated over the shorter of the lease term or the useful economic lives of equivalently owned assets. The capital element outstanding is shown as obligations under finance leases. The finance charges are allocated over the period of the lease in proportion to the capital element outstanding.

### **INTANGIBLE ASSETS**

Intangible assets, greater than £3,000 per individual item, are capitalised. Software integral to an item of hardware is dealt with as fixed assets.

### **FOREIGN CURRENCY TRANSLATION**

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the end of the financial period with all resulting exchange differences being taken to the income and expenditure account in the period in which they arise.

### **TAXATION**

As an exempt charity, the College benefits by being broadly exempt from corporation tax on income it receives from tuition fees, interest and rents.

The College is exempted from levying VAT on most of the services it provides to students. For this reason the College is partially exempt in respect of VAT, so that it can only recover a minor element of VAT charged on its inputs. Irrecoverable VAT on inputs is included in the costs of such inputs and added to the cost of tangible fixed assets as appropriate, where the inputs themselves are tangible fixed assets by nature.

### **INVESTMENTS**

Investments include sums on short-term deposits with major UK financial institutions regulated by the Financial Conduct Authority and Prudential Regulation Authority.

### **CASH AND CASH EQUIVALENTS**

Cash includes cash in hand, deposits payable on demand and overdrafts. Deposits are repayable on demand if they are in practice available within 24 hours without penalty.

Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash with insignificant risk of change in value. Investments would only be included in this total where the period of deposit is less than three months.

### **TRADE AND OTHER RECEIVABLES**

Trade and other receivables are measured at cost less any bad or doubtful debt impairment. An allowance for impairment of trade and other receivables is established if the collection of a receivable becomes doubtful. Such receivable becomes doubtful when there is objective evidence that the College will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor and delinquency in payments are considered indicators that the receivable is impaired.

### **TRADE PAYABLES**

The College makes its payments to creditors, where the amount is not disputed, within 30 days. The College aims to make payments as quickly as possible and within 10 working days.

### **PROVISIONS**

Provisions are recognised when the College has a present legal or constructive obligation as a result of a past event. It is probable that a transfer of economic benefit will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

### **AGENCY ARRANGEMENTS**

The College acts as an agent in the collection and payment of Hardship Funds. Related payments received from DfE and subsequent disbursements to students are excluded from the Statement of Comprehensive Income and Expenditure and are shown separately in Note 24. The College administers the Hardship Fund applications and payments through a Student Hardship Committee in line with the recommendations from DfE.

The College acts as an agent in the collection and payment of Care to Learn Grants. Related payments received from DfE and subsequent disbursements to students are excluded from the Statement of Comprehensive Income and are shown separately in Note 24. The College administers the payments in line with the recommendations from DfE.

The College acts as an agent in the collection and payment of Covid-19 Study Disruption funds. Related payments received from DfE and subsequent disbursements to students are excluded from the Statement of Comprehensive Income and are shown separately in Note 24. The College administers the payments in line with the recommendations from DfE.

**1. DEPARTMENT FOR THE ECONOMY INCOME**

	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
<b>Grant in aid received from DfE</b>		
Recurrent grant	28,624	27,029
Release of unrestricted capital grants	1,264	4,374
<b>Total grant in aid received from DfE</b>	<u>29,888</u>	<u>31,403</u>
<b>Non-grant in aid received from DfE</b>		
Education maintenance allowance administration (EMA)	23	15
Higher level apprenticeships	690	532
Other non-grant in aid	530	276
<b>Total non-grant in aid received from DfE</b>	<u>1,243</u>	<u>823</u>
<b>Total DfE income</b>	<u><b>31,131</b></u>	<u><b>32,226</b></u>

**2. EDUCATION CONTRACTS**

	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
Entitlement framework	895	955
Training for success	5,434	5,389
<b>Total</b>	<u><b>6,329</b></u>	<u><b>6,344</b></u>

**3. TUITION FEES AND CHARGES**

	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
Higher education (HE)	1,192	1,400
Home and other European Union	788	890
Non-European Union	-	7
<b>Total</b>	<u><b>1,980</b></u>	<u><b>2,297</b></u>

The HE fees above include amounts to fund bursaries payable to eligible HE students of £34k (2019: £39k)

**4. OTHER GRANT INCOME**

	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
European funds	81	95
Other funds	273	281
<b>Total</b>	<u><b>354</b></u>	<u><b>376</b></u>

**5. OTHER OPERATING INCOME**

	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
Catering and residence operations	238	640
Other income generating activities	478	381
Other income	43	133
<b>Total</b>	<b>759</b>	<b>1,154</b>

**6. STAFF COSTS**

The average number of persons (including senior post-holders) employed by the College during the year, expressed as full-time equivalents was:

	<b>2021</b>	<b>2020</b>
	<b>No.</b>	<b>No.</b>
Governing body	-	-
Teaching	333	299
Support	114	107
Administration	161	157
Premises	25	24
<b>Total</b>	<b>633</b>	<b>587</b>

	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
Governing body	57	53
Teaching	15,955	14,668
Support	3,392	3,222
Administration	6,362	6,251
Premises	900	897
FRS 102 pension adjustment (note 19)	2,966	1,626
	<b>29,632</b>	<b>26,717</b>
Exceptional staff costs – VES	-	1
Exceptional staff costs - provision for annual leave on overtime	(17)	158
<b>Total</b>	<b>29,615</b>	<b>26,876</b>

## 6. STAFF COSTS (continued)

	Senior post-holders		Other staff	
	2021 No.	2020 No.	2021 No.	2020 No.
£50,001 to £60,000	-	-	2	1
£60,001 to £70,000	-	-	1	3
£70,001 to £80,000	-	-	8	6
£80,001 to £90,000	-	-	2	-
£90,001 to £100,000	-	-	-	-
£100,001 to £110,000	3	2	-	-
£110,001 to £120,000	-	1	-	-
£120,001 to £130,000	-	-	-	-
£130,001 to £140,000	-	-	-	-
£140,001 to £150,000	1	-	-	-
£150,001 to £160,000	-	1	-	-
<b>Total</b>	<b>4</b>	<b>4</b>	<b>13</b>	<b>10</b>

## 7. KEY MANAGEMENT PERSONNEL

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the College and are represented by the college Governing Body and Executive Team, which comprises the Chief Executive and three Directors.

	2021 No.	2020 No.
The number of senior post-holders including the Chief Executive was:	<b>4</b>	<b>4</b>

Senior post-holders' emoluments are made up as follows:

	2021 £'000	2020 £'000
Salaries	378	397
Benefits in kind	-	-
Pension contributions	85	90
<b>Total emoluments</b>	<b>463</b>	<b>487</b>

The above emoluments include amounts payable to the Chief Executive (who is also the highest paid senior post-holder) of:

	2021 £'000	2020 £'000
Salaries	117	125
Benefits in kind	-	-
	117	125
Pension contributions	29	31
<b>Total</b>	<b>146</b>	<b>156</b>

The pension contributions in respect of the Chief Executive and senior post-holders are in respect of employer's contributions to the Teachers' Superannuation Scheme and the Northern Ireland Local Government Officers' Superannuation Scheme is paid at the same rate as for other employees.

SOUTHERN REGIONAL COLLEGE  
 NOTES TO THE FINANCIAL STATEMENTS (Continued)  
 FOR THE YEAR ENDED 31 JULY 2021

2019-20 salaries for senior management include payment of pay awards backdated to September 2015.

**8. OTHER OPERATING EXPENSES**

	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
Direct teaching	1,645	1,164
Direct support	3,375	3,396
Administration	2,220	2,151
Premises	6,569	5,366
<b>Total</b>	<b><u>13,809</u></b>	<b><u>12,077</u></b>

**Other operating expenses include:**

	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
Auditors' remuneration:		
Financial statements audit (includes £24k in respect of the college – 2019-20 £23k)	24	23
Internal audit	20	16
Other services provided by the financial statement's auditors (National Fraud Initiative exercise)	2	-
Hire of plant and equipment assets – operating leases	133	143
Hire of other assets – operating leases	29	259

**9. INTEREST AND OTHER FINANCE COSTS**

	<b>Note</b>	<b>2021</b>	<b>2020</b>
		<b>£'000</b>	<b>£'000</b>
Net charge on pension scheme	19	443	200
<b>Total</b>		<b><u>443</u></b>	<b><u>200</u></b>

**10. TAXATION**

The members do not believe the College was liable for any corporation tax arising out of its activities during this period.

	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
<b>Tax Payable</b>	<b><u>-</u></b>	<b><u>-</u></b>



## 11. TANGIBLE FIXED ASSETS

	Freehold land & buildings £'000	Assets under construction £'000	Plant & equipment £'000	Computer: £'000	Fixtures & fittings £'000	Motor vehicles £'000	Total £'000
<b>Cost or valuation</b>							
At 1 August 2020	73,230	3,011	5,655	3,634	2,070	203	87,803
Additions	2,583	565	1,105	713	428	90	5,484
Surplus on Indexation	173	-	-	-	-	-	173
Disposals	(896)	-	(19)	-	(957)	-	(1,872)
<b>At 31 July 2021</b>	<b>75,090</b>	<b>3,576</b>	<b>6,741</b>	<b>4,347</b>	<b>1,541</b>	<b>293</b>	<b>91,588</b>
<b>Depreciation</b>							
At 1 August 2020	-	-	3,954	2,150	1,827	187	8,118
Charge for the year	2,787	-	628	671	59	23	4,168
Disposals	-	-	(19)	-	(957)	-	(976)
Impairment adjustment	(360)	-	-	-	-	-	(360)
<b>At 31 July 2021</b>	<b>2,427</b>	<b>-</b>	<b>4,563</b>	<b>2,821</b>	<b>929</b>	<b>210</b>	<b>10,950</b>
<b>Net book value at 31 July 2021</b>	<b>72,663</b>	<b>3,576</b>	<b>2,178</b>	<b>1,526</b>	<b>612</b>	<b>83</b>	<b>80,638</b>
Net book value at 31 July 2020	73,230	3,011	1,701	1,484	243	16	79,685

### Revaluation

Land and buildings were subject to an interim valuation at 31 July 2020, the majority of the estate was valued on a depreciated replacement cost basis. The valuations were undertaken having regard to UK GAAP, and more specifically the Statement of Recommended Practice: Accounting for Further and Higher Education (SORP) 2019 (effective from January 2019) for Further and Higher Education sectors and Financial Reporting standard (FRS) 102 issued by the Financial Reporting Standards. The valuations were also carried out in accordance with HM Treasury guidance, International Valuation Standards and the requirements of Royal Institution of Chartered Surveyors (RICS) Professional Standards.

LPS have advised that the outbreak of the novel Coronavirus (COVID-19), declared by the World Health Organisation as a "Global Pandemic" on 11th March 2020, has impacted global financial markets. As a consequence, LPS have reported that as at the valuation date, they consider that they can attach less weight to previous market evidence for comparison purposes, to inform opinions of value. The valuation of the college estate is reported on the basis of 'material valuation uncertainty' as per VPS 3 and VPGA 10 of the RICS Global Standards. Consequently, less certainty – and a higher degree of caution – should be attached to them than would normally be the case.

At 31 July 2021 LPS provided index ratings to be applied to the estate and the adjustments have been incorporated into the financial statements and the resulting revaluation adjustments have been taken to the revaluation reserve. Where the valuations at 31 July 2020 resulted in an impairment below cost for the

**11. TANGIBLE FIXED ASSETS (continued)**

new buildings at Armagh and Banbridge the indexation adjustment has been applied to the statements to reduce the overall impairment of these buildings.

There are three surplus assets have been valued as follows:– premises at 81 and 83 Lisanally Lane, Armagh valued at £840k, and premises at Corry Square, Newry valued at £150k.

During the year the sites at Scarva Road Banbridge and Station Road Armagh were sold, with proceeds of £786k. The Department for the Economy has approved the use of the proceeds from the sale of the sites to fund capital investment in 2020-21.

If land and buildings (including those that were inherited and assets under construction) had not been revalued, they would have been included at the following amounts:

	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
Cost (including assets under construction)	58,277	55,958
Aggregate depreciation based on cost	<u>(11,926)</u>	<u>(10,911)</u>
Net book value based on cost	<b><u>46,351</u></b>	<b><u>45,047</u></b>

The depreciation charge for the year is analysed as follows:

	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
Owned assets	<u>(4,168)</u>	<u>(3,521)</u>

**Jointly Controlled Asset**

The net book value of computers includes the fully depreciated computer hardware that is a jointly owned and controlled asset amongst the six colleges of the Northern Ireland Further Education Sector. The hardware is used to support the sector's Management Information Systems and Information Technology services and is operated centrally on behalf of the sector.

## 12. INTANGIBLE FIXED ASSETS

	Computer Asset £'000	Asset Under Construction £'000	Total £'000
<b>Cost or valuation</b>			
At 1 August 2020	-	445	445
Reclassification	-	(21)	(21)
Transfer to Asset in Use	424	(424)	-
<b>At 31 July 2021</b>	<b>424</b>	<b>-</b>	<b>424</b>
<b>Amortisation</b>			
At 1 August 2020	-	-	-
Charge for the year	19	-	19
<b>At 31 July 2021</b>	<b>19</b>	<b>-</b>	<b>19</b>
<b>Net book value at 31 July 2021</b>	<b>405</b>	<b>-</b>	<b>405</b>
Net book value as at 31 July 2020	-	445	445

The net book value of the intangible asset under construction is a jointly owned and controlled asset among the six Further Education Colleges of Northern Ireland. The asset under construction is a Learner Management System that will be operated centrally for the sector. The intangible asset is funded in full through a capital grant from the Department for the Economy. Although the asset was in use for the August 2020 enrolments the implementation was effective from April 21, and amortised from May 2021.

## 13. TRADE AND OTHER RECEIVABLES FALLING DUE WITHIN ONE YEAR

	2021 £'000	2020 £'000
Trade receivables	414	175
Prepayments and accrued income:	2,385	1,787
<b>Total debtors</b>	<b>2,799</b>	<b>1,962</b>
Included within prepayments and accrued income are the following items of income;		
	2021 £'000	2020 £'000
DfE income	771	496

## 14. CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £'000	2020 £'000
Trade payables	1,814	3,457
Taxation and social security	57	43
Deferred income and payments received in advance	3,363	1,865
Accruals	2,908	1,850
<b>Total</b>	<b>8,142</b>	<b>7,215</b>

SOUTHERN REGIONAL COLLEGE  
 NOTES TO THE FINANCIAL STATEMENTS (Continued)  
 FOR THE YEAR ENDED 31 JULY 2021

Included within deferred income and payments received in advance are the following items of income which have been deferred until specific performance related conditions have been met;

	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
DfE grant income	426	228
Capital grant income	1,894	1,102
Other grant income	1,043	535
<b>Total</b>	<b><u>3,363</u></b>	<b><u>1,865</u></b>

**15. CREDITORS - AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
Capital grant income	33,581	29,488
<b>Total</b>	<b><u>33,581</u></b>	<b><u>29,488</u></b>

**16. PROVISIONS FOR LIABILITIES AND CHARGES**

	<b>Pensions</b>	<b>Other</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
At 1 August 2020	32,410	158	32,568
Additions in the period	-	-	-
Expenditure in the period	3,409	-	3,409
Transferred to statement of comprehensive income and expenditure	(8,716)	(17)	(8,733)
<b>At 31 July 2021</b>	<b><u>27,103</u></b>	<b><u>141</u></b>	<b><u>27,244</u></b>
	<b>Pensions</b>	<b>Other</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
At 1 August 2019	10,093	-	10,093
Additions in the period	-	158	158
Expenditure in the period	1,826	-	1,826
Transferred to statement of comprehensive income and expenditure	20,491	-	20,491
<b>At 31 July 2020</b>	<b><u>32,410</u></b>	<b><u>158</u></b>	<b><u>32,568</u></b>

The non pension provision relates to a Holiday Pay provision resulting from the Court of Appeal (CoA) judgement (17 June 2019) in the case PSNI v Agnew. The CoA judgement determined that claims for Holiday Pay shortfall can be taken back to 1998.

The PSNI has appealed the CoA judgment to the Supreme Court, however due to delays in relation to the COVID-19 situation, it is expected that this will not be heard until 2021. The Supreme Court judgement may result in a decision which either reduces the period of liability or confirms the full period back to 1998.

SOUTHERN REGIONAL COLLEGE  
 NOTES TO THE FINANCIAL STATEMENTS (Continued)  
 FOR THE YEAR ENDED 31 JULY 2021

The £141k provision has been estimated by the College and covers the period from 1998 to 31 July 2020. Costs in respect overtime for September 2020 and July 2021 for teaching staff, and April 2020 to July 2021 for non teaching staff have been included within pay costs.

There are some very significant elements of uncertainty around this estimate for a number of reasons:

1. The appeal to the Supreme Court (as detail above);
2. Lack of accessible data for years previous to 2008/09, requiring estimations to be applied;
3. Future negotiations with Trade Unions;
4. Obtaining legal advice on specific application of the ruling for the NI Further Education sector;
5. The pension element has not been factored into the provision at the current rates;
6. The provision is gross (inclusive of Employee National Insurance and PAYE) and also includes an uplift of 13.8% for Employer National Insurance Contributions (NI); and
7. Taxation issues are under discussion with HMRC, by the wider NI public sector.

The estimated provision of £141k outlined above may be subject to change following the outcome of the Supreme Court appeal.

**17. RESTRICTED RESERVE**

	<b>Unspent Capital Grants £'000</b>	<b>Donations £'000</b>	<b>2021 Total £'000</b>	<b>2020 Total £'000</b>
At 1 August	405	-	405	405
New grants	-	-	-	-
Total comprehensive income for the year	-	-	-	-
<b>At 31 July</b>	<b>405</b>	<b>-</b>	<b>405</b>	<b>405</b>

**18. CASH AND CASH EQUIVALENTS**

	<b>At 1 August 2020 £'000</b>	<b>Cash flows £'000</b>	<b>At 31 July 2021 £'000</b>
Cash and cash equivalents	5,280	(306)	4,974

## 19. PENSIONS AND SIMILAR OBLIGATIONS

The College's employees belong to two principal pension schemes: the Northern Ireland Teachers' Pension Scheme (NITPS) for academic and related staff; and the Northern Ireland Local Government Officers' Superannuation Committee (NILGOSC) for non-teaching staff. Both are defined-benefit schemes.

### Total pension cost for the year

	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
NITPS: contributions paid	3,101	2,876
NILGOSC: Contributions paid	1,457	1,454
NILGOSC: FRS 102 (28) adjustments	<u>2,966</u>	<u>1,626</u>
NILGOSC: charge to the Statement of Comprehensive Income and Expenditure (staff costs)	<u>4,423</u>	<u>3,080</u>
<b>Total pension cost for year</b>	<b><u>7,524</u></b>	<b><u>5,956</u></b>

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest formal actuarial valuation of the NITPS was 31 March 2012 and NILGOSC was 31 March 2017.

### NITPS

The NITPS is an unfunded contributory, voluntary membership scheme administered by the Department of Education. Until 1 April 2015, the scheme operated under the Teachers' Superannuation Regulations (NI) 1998 (as amended). Further information about the scheme is given in the explanatory booklet dated November 2007, and on the Department of Education's website at [www.education-ni.gov.uk](http://www.education-ni.gov.uk).

The Public Service Pensions Act (Northern Ireland) 2014 provides for the closure of existing public section pension schemes (including the NITPS) from 31<sup>st</sup> March 2015 and the establishment of new schemes based on a career average re-valued earning model with normal pension age equal to state pension age introduced from 1 April 2015.

The employer contribution rate was 17.7% until 31<sup>st</sup> March 2019. The employer contribution rates increased to 25.1% from April 2019. The salary bands applicable to member contribution for the NITPS, based on a members' annual salary rate (actual earnings) from 1<sup>st</sup> April 2020 to 31<sup>st</sup> March 2021:-

**19. PENSIONS AND SIMILAR OBLIGATIONS (continued)**

Salary	
Up to £28,169	7.4%
£28,169 to £37,919	8.6%
£37,919 to £44,961	9.6%
£44,961 to £59,588	10.2%
£58,588 to £81,255	11.3%
£81,255 and above	11.7%

Table 21

From 1<sup>st</sup> April 2021, the bands changed to those below.

Salary	
Up to £28,310	7.4%
£28,310 to £38,109	8.6%
£38,109 to £45,186	9.6%
£45,186 to £59,886	10.2%
£58,886 to £81,662	11.3%
£81,662 and above	11.7%

Table 22

**NILGOSC**

NILGOSC is a defined benefit statutory scheme, administered in accordance with the Local Government Pension Scheme Regulations (Northern Ireland) 2002, as amended.

The following information is based upon a full actuarial valuation of the fund at 31 March 2019 updated to 31 July 2020 by a qualified actuary.

**Principal actuarial assumptions**

Principal actuarial assumptions at the Statement of Financial Position date are as follows:

	At 31 July 2021	At 31 July 2020
Rate of increase of salaries	4.1%	3.8%
Rate of increase for pensions	2.6%	2.3%
Discount rate for scheme liabilities	1.7%	1.4%
Inflation assumption (CPI)	2.6%	2.3%

The current mortality assumptions include sufficient allowance for the future improvements of mortality rates. The assumed life expectations on retirement age 65 are:

**19. PENSIONS AND SIMILAR OBLIGATIONS (continued)**

	<b>At 31 July 2021</b>	<b>At 31 July 2020</b>
<i>Retiring today</i>		
Males	21.9	21.8
Females	25.1	25.0
<i>Retiring in 20 years</i>		
Males	23.3	23.2
Females	26.5	26.4

The College's share of the assets in the scheme were:

	<b>Value at 31 July 2021 £'000</b>	<b>Value at 31 July 2020 £'000</b>
Equities	24,847	20,512
Bonds	23,007	18,590
Property	5,119	4,467
Cash	4,544	4,468
<b>Fair value of assets</b>	<b>57,517</b>	<b>48,037</b>

**Amounts recognised in the statement of financial position**

	<b>2021 £'000</b>	<b>2020 £'000</b>
Scheme assets	57,517	48,037
Scheme liabilities	(84,620)	(80,447)
<b>Deficit in the scheme (net pension liability recorded within pension provision)</b>	<b>(27,103)</b>	<b>(32,410)</b>

**Analysis of amounts charged to staff costs**

	<b>2021 £'000</b>	<b>2020 £'000</b>
Employer service cost (net of employee contributions)	4,421	3,130
<b>Total operating charge</b>	<b>4,421</b>	<b>3,130</b>

**Analysis of pension finance costs**

	<b>2021 £'000</b>	<b>2020 £'000</b>
Expected return on pension scheme assets	680	1,153
Interest cost	(1,123)	(1,353)
<b>Net charge to interest payable</b>	<b>(443)</b>	<b>(200)</b>



**19. PENSIONS AND SIMILAR OBLIGATIONS (continued)**

**Analysis of other comprehensive income/(expenditure) for pensions**

	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
Actuarial (losses)/gains on pension scheme assets	7,779	(5,813)
Actuarial (losses) on the scheme liabilities	937	(14,678)
<b>Total of other comprehensive income</b>	<b>8,716</b>	<b>(20,491)</b>

**Movement in deficit during the year**

	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
Deficit in scheme at 1 August	(32,410)	(10,093)
Employer service cost (net of employee contributions)	(4,421)	(3,130)
Employer contributions	1,455	1,504
Curtailment	-	-
Past service cost	-	-
Net interest on assets	(443)	(200)
Actuarial (loss)/gain recognised in other comprehensive income	8,716	(20,491)
<b>Deficit in scheme at 31 July</b>	<b>(27,103)</b>	<b>(32,410)</b>

**Reconciliation of liabilities**

	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
<b>Liabilities at start of period</b>	<b>80,447</b>	<b>61,726</b>
Service cost	4,421	3,130
Interest cost	1,123	1,353
Employee contributions	466	439
Actuarial loss/(gain)	(937)	14,678
Benefits paid	(900)	(879)
Past service cost	-	-
<b>Liabilities at end of period</b>	<b>84,620</b>	<b>80,447</b>

**Reconciliation of assets**

	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
<b>Assets at start of period</b>	<b>48,037</b>	<b>51,633</b>
Expected return on assets	680	1,153
Actuarial (loss)/gain	7,779	(5,813)
Employer contributions	1,455	1,504
Employee contributions	466	439
Benefits paid	(900)	(879)
<b>Assets at end of period</b>	<b>57,517</b>	<b>48,037</b>

The estimated value of employer contributions for the year ended 31 July 2022 is £1,514k.

## 20. EVENTS AFTER THE REPORTING PERIOD

There were no events after the reporting period.

## 21. CAPITAL COMMITMENTS

Provision has not been made for the following capital commitments at 31 July

	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
Commitments contracted for at 31 July	1,029	2,242
Authorised but not contracted at 31 July	-	100
<b>Total</b>	<b><u>1,029</u></b>	<b><u>2,342</u></b>

## 22. FINANCIAL COMMITMENTS

At 31 July, the College had annual expenditure commitments under non-cancellable operating leases as follows:

	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
Land and Buildings		
Expiring within 12 months	-	37
Expiring within two and five years inclusive	-	-
<b>Total</b>	<b><u>-</u></b>	<b><u>37</u></b>

	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
Other		
Expiring within 12 months	133	143
Expiring within two and five years inclusive	-	-
<b>Total</b>	<b><u>133</u></b>	<b><u>143</u></b>

At 31 July, the College had annual income commitments under non-cancellable operating leases as follows:

	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
Income		
Expiring within two and five years inclusive	39	69
Expiring in over five	-	-
<b>Total</b>	<b><u>39</u></b>	<b><u>69</u></b>

**23. RELATED PARTY TRANSACTIONS AND TRANSACTIONS INVOLVING GOVERNING BODY MEMBERS AND SENIOR MANAGEMENT**

Owing to the nature of the College's operations and the composition of the Governing Body being drawn from local public and private sector organisations, it is inevitable that transactions will take place with organisations in which a member of the Governing Body may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the College's financial regulations and normal procurement procedures.

**Table showing transactions where goods or services are provided to the College by the related organisation.**

Governor / Senior Manager of Southern Regional College	Related Organisation	Transactions 2021 £'000	Transactions 2020 £'000	Amount outstanding at 31 July 2021 £'000	Amount outstanding at 31 July 2020 £'000
T Rice**	Newry Chamber of Commerce & Trade	1	3	-	-
A McCormick*	Education Authority	125	10	-	-
M Turner** S Rogan**	Pearson UK	209	233	-	1
S Rogan** M Turner**	CCEA	8	37	-	-

*\*denotes governor, \*\* denotes member of staff*

Table 23

**Table showing transactions where goods or services are provided by the College to the related organisation.**

Related Organisation	Transactions 2021 £'000	Transactions 2020 £'000	Amount outstanding at 31 July 2021 £'000	Amount outstanding at 31 July 2020 £'000
N Wilson* M Turner** F Bradley** T Rice**	6	10	-	-
A McCormick*	59	70	1	3
B Doran**	1	2	-	-
B McGuigan*	46	-	-4	-

*\*denotes governor, \*\* denotes member of staff*

Table 24

## 24. AGENCY ARRANGEMENTS

Student Hardship funds are available solely for students; the College acts only as paying agent. The grant and related disbursements are therefore excluded from the Statement of Comprehensive Income and Expenditure Account.

	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
DfE student hardship grant	360	405
Disbursed to students	(251)	(236)
<b>Balance unspent at 31 July</b>	<b><u>109</u></b>	<b><u>169</u></b>

Care to learn funds are available solely for students' childcare obligations; the College acts only as paying agent. The grant and related disbursements are therefore excluded from the Statement of Comprehensive Income and Expenditure Account.

	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
DfE care to learn grant	23	28
Disbursed to students' childcare providers	(23)	(28)
<b>Balance at 31 July</b>	<b><u>-</u></b>	<b><u>-</u></b>

DfE Covid-19 Study Disruption funds are available solely for the HE students; the College acts only as paying agent. The grant and related disbursements to students are therefore excluded from the Statement of Comprehensive Income and Expenditure Account. The administration fee related to costs relating to systems development to enable the payments to be processed and an audit of the Fund.

	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
DfE Covid-19 Study Disruption Payments to HE Students within FE	172	-
Disbursed to students	(145)	-
Administration fee	(15)	-
<b>Balance unspent at 31 July</b>	<b><u>12</u></b>	<b><u>-</u></b>

## 25. LOSSES AND SPECIAL PAYMENTS

There were 2 special payments greater than £1k during the financial year totalling £10k.

## 26. ADDITIONAL DISCLOSURES TO COMPLY WITH FINANCIAL REPORTING MANUAL

Financial Reporting Manual (FReM) requires Non-Departmental Public Bodies to regard grant-in-aid received as contributions from controlling parties giving rise to a financial interest in the residual interest of the body, and hence accounted for as financing i.e. by crediting them to the income and expenditure reserve.

	Notes	2021 £'000	2020 £'000
<b>INCOME</b>			
DfE income (non-grant in aid items)	1	1,243	823
Education contracts	2	6,329	6,344
Tuition fees and charges	3	1,980	2,297
Other grant income	4	354	376
Other operating income	5	759	1,154
<b>Total incoming resources</b>		<b>10,665</b>	<b>10,994</b>
<b>EXPENDITURE</b>			
Staff costs	6	(29,632)	(26,717)
Fundamental restructuring costs	6	-	(1)
Exceptional item – provision for annual leave on overtime	6	17	(158)
Other operating expenses	8	(13,809)	(12,077)
Depreciation and impairment	11	(3,827)	(8,939)
Interest and other finance costs	9	(443)	(200)
<b>Total resources expended</b>		<b>(47,694)</b>	<b>(48,092)</b>
<b>Deficit before tax</b>		<b>(37,029)</b>	<b>(37,098)</b>
Taxation	10	-	-
<b>Deficit for the year</b>		<b>(37,029)</b>	<b>(37,098)</b>
Unrealised surplus on revaluation of land and buildings		173	2,593
Actuarial gain/(loss) in respect of pension scheme		8,716	(20,491)
<b>Amount transferred to reserves</b>		<b>(28,140)</b>	<b>(54,996)</b>
<b>Analysis of reserves prepared under FReM</b>			
		<b>2020 £'000</b>	<b>2019 £'000</b>
Balance at 1 August		18,101	41,694
Grant in aid received in year		29,888	31,403
Amount transferred to reserves		(28,140)	(54,996)
<b>Balance at 31 July</b>		<b>19,849</b>	<b>18,101</b>

**Date of authorisation for Issue**

The Accounting Officer authorised the issue of these financial statements on 24 November 2021.

