



Southern Regional College Annual Report and Accounts

For the year ended 31 July 2022

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for the year ended 31 July 2022

The Accounting Officer authorised these financial
statements for issue on 30 November 2022

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**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022**

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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 2022.

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 10X 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's 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 annual College Development Plan 2021-22 set out the College's purpose, values and vision and embodies our commitment to working effectively together in providing skills solutions that meet current and emerging economic demand.

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 2021-22 academic year. The College implemented a range of measures for the safe resumption of on-site delivery and services from 01 September 2021 including the continued operation of a track and trace system. 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 a significant number of 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 throughout the year. This included planning for the resumption of provision in College and the continued deployment of technology and laptops to support remote learning where necessary.

Staff and student absence during the year continued to pose challenges in terms of delivery and assessment. The pandemic continued to impact on student enrolment particularly in adult and community based courses where a number of centres remained closed throughout the year.

The six key strategic aims of the College for the reporting period 2021-22 were:

Provision of a high quality learning experience through a relevant and meaningful curriculum	<ul style="list-style-type: none">•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.
Support economic growth and innovation through flexible business support solutions	<ul style="list-style-type: none">•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.
Inspired people and Organisation Development	<ul style="list-style-type: none">•To be a high performing College through the recruitment, development and deployment of a highly skilled and well-motivated staff.
Effective Governance and Financial Management	<ul style="list-style-type: none">•To continue to provide effective corporate Governance and ensure that the College operates within a robust system of internal financial management and control.
Provision of a safe and stimulating environment	<ul style="list-style-type: none">•To create an environment that inspires learners to achieve their potential.
Increased International Links	<ul style="list-style-type: none">•To promote an outward and forward looking College through the development of international links supporting staff, students and knowledge exchange.

IMPLEMENTATION OF THE DEVELOPMENT PLAN

The College's development plan for 2021-22 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 2021 – 31 July 2022. The commentary also sets out the impact of the COVID-19 pandemic 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 Action Plan.

The enrolment targets for 2021-22 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 compared to other areas 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 2021-22 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 2021-22 are those recorded at 31 July 2022 and are not final validated figures. The figures presented for 2020-21 are revised audited figures and may differ from those presented in the 2020-21 annual report and accounts.

ENROLMENT PROFILE

The College set out its plans for the provision of education and training opportunities in 2021-22 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 had a significant impact on the College delivering its enrolment targets during the 2021-22 academic year. This was particularly evident in both new full time intake in further and higher education and across all aspects of adult learning.

Despite the challenges of the continuing pandemic the College continued to play a significant role in addressing the education needs of those living in areas of greatest deprivation. This is illustrated by the fact that 50.7% of the College’s total enrolment were from students within population quintiles 1 and 2, Figure 1.

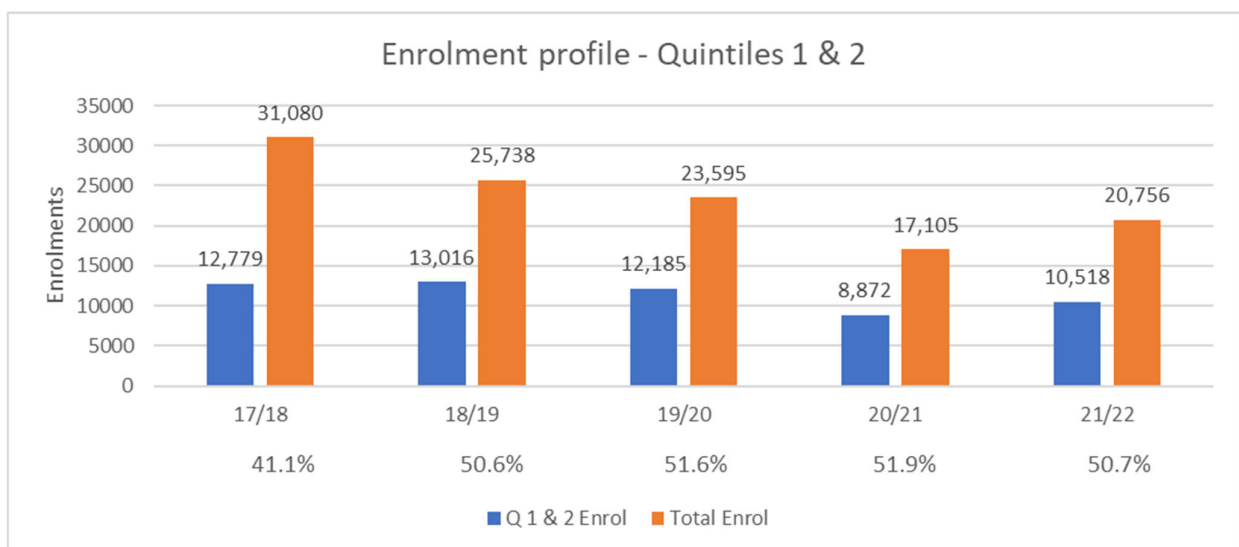


Figure 1

The College 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 2021-22 academic year, 53.7% 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 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 2021-22

The College's development plan for 2021-22 set targets for enrolment across Further, Higher Education, Training and Essential Skills. The pandemic continued to impact on planned activity across community outreach and on-site evening provision throughout the year.

Despite this the overall enrolment position (excluding Essential Skills) at 31 July 2022 showed the College achieved 97.3% of its full-time enrolment target and 91.2% of our part time enrolment target. The College's total part time enrolment increased by 15% compared to that reported in 2022-21 (12,804) largely due to the increased activity through the Business Support and Innovation Unit.

Total Enrolment		Enrolments		
		Target	Actual	% Target
Level 0-8	Full time	3,892	3,789	97.3%
	Part time	16,164	14,749	91.2%

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 67.6% of its target for part time enrolments emphasising the continuing challenges of reengaging adult learners during the pandemic, Table 2.

Further Education		Enrolments		
		Target	Actual	%
Levels 0-3	Full time	2,238	2,330	104.1%
	Part time	6,707	4,538	67.7%
	Total	8,945	6,868	

Table 2

The slight increase in full time further education intake experienced in 2020-21 has not been sustained with the total full-time level 3 intake falling by nearly 10%.

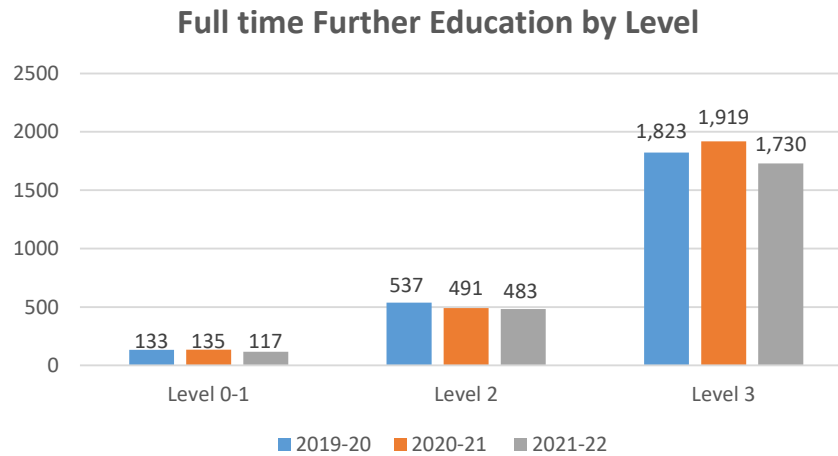


Figure 2

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 albeit with reduced class sizes.

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 1,200 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	447	257	57.5%
	Part time	1,040	844	81.1%
	Total	1,487	1,101	

Table 3

The College was allocated a total Maximum Student Number (MaSN) of 447 full time Higher Education places in 2021-22. The College only recruited a total of 257 full time students with a further 245 enrolments on Higher Level Apprenticeship programmes in Applied Science, Computing, Mechatronics, Digital Marketing and Accounting. The total number of full time Higher Education enrolments continues to decrease 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 during the pandemic 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 12% increase compared to enrolments in 2020-21.

SKILLS TRAINING - TRAINING FOR SUCCESS AND APPRENTICESHIP TRAINING

DfE approved the College to deliver the new Level 2 Traineeship from September 2021. Traineeship programmes were offered in areas previously delivered under Training for Success and the College will phase out all existing TfS provision as trainees complete their programmes of study. The College continues to offer a wide range of apprenticeships aligned to the traineeship areas and will continue to develop this in response to local industry needs.

During the 2021-22 academic year the College met its projected target for the new Traineeship programme, recruiting a total of 259 new Trainees. However, by year end this had reduced to 144 as a result of trainees gaining employment and moving to a corresponding apprenticeship which in turn resulted in the College exceeding its targets for Apprenticeships as shown in Table 4. The transitioning between Traineeships and Apprenticeships will be monitored in conjunction with DfE for the year ahead to assess the continuing impact of the workforce challenges faced by local companies and the need to fill vacancies through apprenticeships.

Traineeships		Enrolments		
		Target	Actual	% Target
Levels 2	Full time	215	144*	
			259**	120%

* Total enrolment at year end

** Total Traineeship enrolment in year prior to transition to apprenticeships

Apprenticeships		Enrolments		
		Target	Actual	% Target
Level 2-3	Full time	768	785	102.2%
Level 4+	Part time	240	245	102.0%
	Total	1,008	1,030	

Table 4

ESSENTIAL SKILLS

The College enrolled a total of 2,065 learners for Essential Skills in Literacy, Numeracy and ICT against a target enrolment of 2,881, as shown in Table 5. The College was unable to deliver its planned essential skills curriculum in a number of community outreach centres as a result of the ongoing pandemic. In addition, the projected number of new full time learners requiring essential skills dropped significantly. This can be partly attributed to the level of grade inflation on GCSE examinations and consequently fewer students presented with a deficit in literacy and numeracy qualifications at Level 2.

Essential Skills	Target	Actual	% Total
Age >=16 and <20	2,188	1,690	77.2%
Age 20 or over	693	375	54.1%
Total	2,881	2,065	

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 2021-22, the College maintained excellent levels of engagement with 25 schools across the 4 Area Learning Communities within the region, Figure 3.

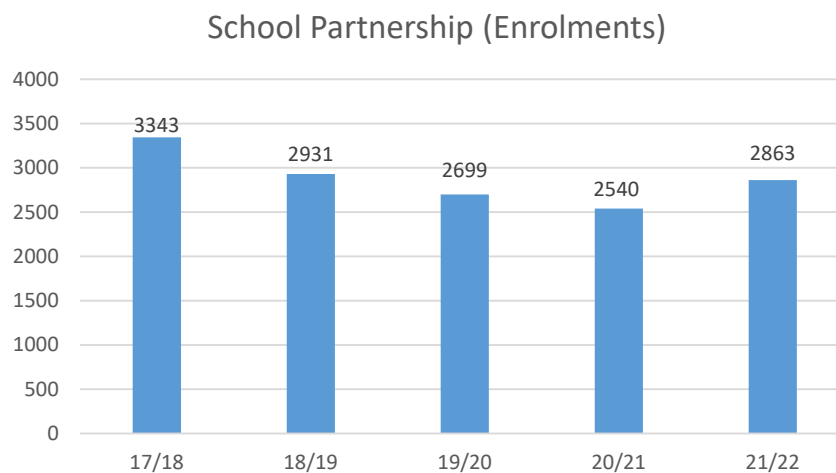


Figure 3

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 decline in the level of engagement at both Key Stage 4 and post GCSE across all area learning communities. The recent launch of the joint DE/DfE 'Transition of Young People into Careers (14-19)' framework and the implementation of an effective action plan will be critical in addressing the future College – School partnership work and the continued level of competition for full time learners.

COMMUNITY ENGAGEMENT

The College continued to focus its community engagement during 2021-22 on areas of social deprivation and in particular, the five Neighbourhood Renewal Areas (NRA) within our region. Community enrolment was significantly impacted because of COVID-19. 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 and to assist participants to secure employment.

Despite the ongoing challenge of COVID-19, the total community enrolments for 2021-22 was 1,313 students. The numbers enrolling on recreational courses remained low compared with pre 2020 figures, which reflects the ongoing challenge created by COVID-19. Although many community facilities reopened, the activity levels in the centres were low as volunteers and users continued to be cautious about meeting in groups. The Community Team had to innovate to enable courses to be delivered either safely in controlled venues or where appropriate online.

The College continued 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. These projects evolve each year to reflect the changing nature of skills shortages in businesses and requests from the community groups. In 2021-22, 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 261 residents were recruited for the College 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 78 residents have achieved full qualifications. In addition, 242 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 the College were not disadvantaged by the pandemic.

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 and supported 82 underemployed or unemployed individuals to attain new qualifications.

The College has secured further funding from DfC for 5 new projects in the 2022-23 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; and
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; and
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.

The Department for Communities has commenced a review of the People and Places Strategy which is likely to significantly change the way they address social inclusion and will replace the Neighbourhood Renewal Programme. The College is participating in the co-design of the new programme.

PROSPER+ Project

This project, funded by the Department of Agriculture, Environment and Rural Affairs (DAERA), has been developed to empower and encourage participation in education, address issues around social deprivation, address unemployment and rural isolation. The letter of offer was received in September 22.

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

1. Accredited training programme for adults;

2. Mentoring support to young people engaged in the College 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 would link them to further education and employment opportunities;
4. Increase the level of community cohesion and social inclusion within the southern region;
and
5. Strengthen links between DAERA, the College and residents.

Kilkeel Jobs and Benefits Programme (SEAFLAG Funding)

This programme, funded by the European Commission, aims to deliver a Jobs and Skills Programme in the Kilkeel harbour area. As a result of engaging with the business community in the Harbour it was identified that many companies were struggling to recruit staff and that many applicants were not job ready when they attended interviews.

The Community Team developed a programme, run in partnership with Clanrye Training Group and collaborating with local businesses, Jobs and Benefits and other stakeholders, to offer a 12-week paid training and temporary employment programme. The project will offer 16 candidates a position in areas such as Business, ICT, Marine Engine and Engineering and Graphic Design. The aim is that businesses at the end of the 12-week placement offer the participant an interview with the possibility of candidates securing employment.

Rural Economic Accelerator Programme (REAP)

The College, in partnership with South West College, applied for a 3-strand programme under the UK Levelling Up Fund – Community Renewal Fund to address sustainability issues in the region.

The social inclusion strand of the project involved the establishment of a partnership with community groups in the Banbridge and Craigavon area (primarily targeting the urban area of Portadown) to identify and work with 30 unemployed / economically inactive residents. The Programme funded a Key Worker who would support the 30 participants to overcome barriers and training needs to progress into employment or to progress further into education. The programme will provide tailored, local, wrap-around support to those furthest from the labour market, who require intensive support, guidance, training and mentoring to secure employment.

The continued fiscal pressures and the review of the People and Places Strategy is likely to lead to further reductions in the level of support across the community at all levels. The Community Team is therefore pursuing other funding streams such as:

- Prosperity Fund;
- PEACE Plus; and
- Future Skills Programme for Rural Communities - DAERA

STUDENT OUTCOMES

The number of learners achieving qualifications is shown in Table 6 below.

STUDENT ACHIEVEMENT	Achievement 2020-21	%	Achievement 2021-22	%
Further Education				
Full time	1,410	86%	1,572	84%
Part time	4,114	85%	6,473	84%
Higher Education				
Full time	165	98%	123	91%
Part time	584	85%	653	75%
Work Based Learning TFS/AppsNI	1,180	85%	971	89%
Essential Skills	1,462	65%	1,178	57%

Source:QLS/ebs

Table 6

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	2020-21	2021-22
No. of final year Level 2 FE Learners	358	414
No. of final year Level 3 FE Learners	914	903
No. of final year Level 5 HE Learners	156	136
No. of final year TFS trainees	175	88

Table 7

QUALITY AND PEDAGOGY

The College remains committed to providing outstanding quality learning and teaching experience for all students. Each Faculty, with continued 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.

Education and Training Inspectorate

The Education and Training Inspectorate (ETI) carried out an inspection of the Training for Success and ApprenticeshipsNI provision in the College in November 2019, May 2022, and a final follow up inspection in June 2022.

The overall quality of the Training for Success programme and outcomes for learners was graded as good. The quality of provision in construction was also graded as good in construction, engineering,

transportation operations and maintenance and essential skills. The College has demonstrated that it has the capacity to identify and bring about improvement in the interest of all the learners.

College Connect

The College also participated in an ETI review of the College CONNECT project operating across all regional Colleges. The curriculum offer across the six Colleges was adjudged to be 'very good' where provision was deemed to be well-planned, designed with appropriate differentiation.

Life Science Curriculum HUB

The Department for the Economy commissioned ETI to provide an independent review of the work undertaken by the six Further Education (FE) Colleges to progress the development and implementation of the Curriculum Hubs. As part of this work ETI reviewed the work of the College's Life Science Curriculum HUB in Sep 2021. The ETI report published in March 2022 highlighted the difference this form of collaborative activity was having on curriculum development and delivery.

Continuous Professional Development

Continuous Professional Development of staff is an integral part of the College Development Plan. Priority is 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 2021-22, staff had the opportunity to undertake professional development in several areas utilising a range of online delivery. Programmes included:

- 6 Lecturers completed the Level 5 Award for Professional Recognition, 8 Lecturers completed the Certificate in Teaching, and 11 Lecturers successfully completed the Postgraduate Certificate in Further Education;
- 70 Full Time and Part Time Lecturers participated in the College's bespoke induction programme.
- 144 staff completed the College bespoke e-Educator Modules 1-5. The e-Educator 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 virtual learning environment (VLE) and 0365 and maintaining and supporting student online engagement;
- The College is using the Jisc Digital Capability Framework to assist in developing a new Technology Enhanced Learning (TEL) strategy. The College launched the Jisc Digital Experience Insights surveys to staff and students in 2021-22. The Jisc Discovery tool was launched in April 2021, as an individual tool to assist academic staff to identify gaps in their digital capability which will provide feedback on areas for improvement which was considered during the appraisal discussion with the individual's manager. 90% of staff surveyed agreed the value of the College's CPD support for them in digital skill development;
- 179 staff attended training sessions on Project Based Learning (PBL). PBL remains a "primary driver" of curriculum for learning, teaching and assessment;
- Faculty staff members attended 236 training sessions on the new Canvas VLE;

- 7 staff have been awarded Senior Fellowship of Advance HE and 6 staff are currently working towards Fellowship; and
- 23 staff attended assessor/verifier training.

Strategically, the College continues to embed enterprise and industry focused activities and assessment through a PBL approach. The College 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, Entrepreneurship and Green Environment.' In May 2022, the College hosted the sector wide competition comprising of 20 project entries with participation of 60 students from the six NI Colleges. The College achieved success in the Innovation category with 'To Olivia' a creative short animation depicting Bagenal Castle developed by students from the Level 3 Extended Diploma in Games, Animation and Virtual effects VFX.

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. The College shares 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 2021-22 the Further Education Sector Safeguarding Policy was reviewed and approved. The Safeguarding Team dealt with 46 Cause for Concerns during 2021-22 which represents an increase of 11 from the previous year.

In October 2021, the College retained the Matrix Quality Award for Student Services. The Matrix Quality Standard is the unique quality standard used by 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 students are fully supported to achieve to their optimum ability. In July 2021, the College achieved first time accreditation for the support provided to young carers through the Driving Change Project. In November 2021, the Learning Support Team were awarded Autism Accreditation by the National Autistic Society for the first time.

CAREERS EDUCATION INFORMATION, ADVICE AND GUIDANCE

During the 2021-22 academic year the Careers Team provided support to learners through a range of activities such as Induction, Central Registration, Higher Education (HE) applications, Pre-Entry Advice and Guidance (PEAS) interviews and HE presentations. 566 students received assistance in applying to Higher Education through the University Central Application System (UCAS). These activities enable students to develop their knowledge, understanding, skills and experience of the extensive range of career opportunities available. Students can more effectively manage their

career development and make informed choices thereby facilitating successful transition into education, training, and employment as a result of these career interventions.

The Careers Team, through effective working arrangements with Curriculum teams and other Student Service departments, provided timely and quality advice to service users, through guiding them in choosing the best option suitable to their aspirations and individual needs. The team worked 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 continues to be facilitated by the SRC Careers Service 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 the College 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. The Careers Team have developed a qualification equivalency flier designed professionally for sharing with local schools detailing qualifications equivalency to General Certificate of Secondary Education (GCSE) and the points each qualification is worth for entry to the College. In September 2021, the Careers Service was promoted to new students at group induction and tutorials as well as throughout the year. All students received 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 widely displayed throughout all campuses. There is a specific Careers section on the College Virtual Learning Environment (VLE).

The Careers Team continued to use Facebook to promote the service and improve communication with clients. This facility continues to be useful in advertising local employment opportunities to students.

During the 2021-22 academic year, the Unifrog platform continued to be a key resource used to support the role of the Personal Tutor. The Careers Team has worked with the Quality and Pedagogy Unit in amending the Electronic Individual Learning Plan (e-ILP) system which now has 5 review periods and incorporates the Unifrog platform. The new e-ILP system will be introduced in September 2022.

Through engagement with a range of external stakeholders, including the Department for the Economy (DfE), 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 2021-22 academic year the Careers Team tracked the destination of full-time and part-time Level 2 and 3 Further and Higher Education learners who left Southern Regional College in June 2021. Findings indicated a range of leaver destinations, including progression into employment or additional learning. In total, 2,906 students were contacted with a response rate of

2,815 students (96.8%). Table 8 shows the breakdown of tracked destinations for 2,815 FE and HE students who left SRC in June 2021.

TRACKED DESTINATION	Number	
Total Number of SRC Students Tracked	2,906	100%
Total Number of SRC Students Responses	2,815	96.8%
Progressed to HE externally	493	17.5%
Progressed to HE internally	242	8.6%
Progressed to FE internally	349	12.4%
Progressed to FE externally	10	0.4%
Progressed to other SRC Courses	121	4.3%
Entered Employment	1,365	48.5%
Seeking Employment	32	1.1%
Gap Year	137	4.9%
Repeating Year	58	2%
Other	8	0.3%

Table 8

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

1. Nursing;
2. Business;
3. Mechatronic Engineering;
4. Biomedical Science;
5. Computer Science; and
6. Sports 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 (VLE). This includes:

- A comprehensive study skills programme;
- A strong learner development programme including collaboration with partner Higher Education (HE) institutions; and
- 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 continued development of electronic resources, particularly e-books and the purchase of an additional online database, enhances embedded learning and contributes to the College's

Information Learning Technology (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 electronic resources including Kortext Open Collection – consisting of a database of over 10,000 textbooks covering various academic areas for the Further Education and Skills (FES) sector. The College has also extended the Elton B. Stephens Company (EBSCO) collection portfolio to include resources for Higher Education students.

Additional electronic journal databases have also been acquired to include Kogan Page Employability Collection, recommended by the College's Matrix assessor. This collection is a curated selection of essential career planning and employability skills e-books. Written by subject experts and tailored to the students' needs, these e-books are valuable resources for the next steps in a student's career development. Forbes Magazine Archive has an extensive archive of topics. Published first in 1917, it features original articles on finance, industry, investing, and marketing topics. Forbes also reports on related subjects such as technology, communications, science, politics, and law. Finally, Bloomsbury Business Week Magazine Archive, this resource helps global leaders stay ahead with insights and in-depth analysis on the people, companies, events, and trends shaping today's complex, global economy. This resource enables students to search through the extensive archive range going back as far as 1929 when it was first issued. These resources save users time searching for interactive learning materials and learners can access what they need when they need it. We have added extensively to the e-book portfolio this year by procuring over £20,000 worth of e-books in a range of academic areas in order to support recent additions to the curriculum - Cyber Security, Forensics and Renewable Energy.

During the COVID-19 pandemic many additional resources have been made available to support learners during remote working. The College initially provided 250 laptop devices to students to assist with their transition to working from home, this number increased to over 300 devices in September 2021. The number of laptops on loan to staff also increased dramatically to facilitate remote working and the gradual move towards incorporating blended learning into some courses.

In 2021-22, 2,937 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 Identification (ID) card.

Significant time and resources went into researching and exploring alternative ID Card printing software to ensure the new system was the correct fit for the College. In May 2022, the team introduced the new upgraded EasyBadge software, as well as procuring new ID card printers for each of the five sites. This system is up to date, user friendly, modern and is expected to future-proof this aspect of service provision. The new footfall counter system was introduced across all sites, which records 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 2021-22 the Student Engagement Team continued to meet the needs of all students, by delivering 361 activities with 9,762 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 (PCSP), the Southern Health and Social Care Trust (SHSCT), external outreach programmes 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 tutorial titled 'Managing Stress during Revision and Exams.' This tutorial aims to teach students how to prioritise and organise, how to take effective revision notes and other proven revision strategies. It also helps boost self-confidence, avoid negative self-talk and make more realistic appraisals of their ability. This tutorial was part of a mental health strategy developed so that students learn to take care of themselves in the lead up to the examinations.

Students have engaged in a range of tutorial sessions delivered by external organisations such as AWARE NI 'Mood Matters' workshops which were delivered to students via MS Teams, while Women's Aid continued to facilitate 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 a LGBTQ+ Society, Gaming Society and contributing to the National Union of Students – Union of Students of Ireland Further Education (NUS-USI FE) Steering Committee and the Quality Assurance Agency for Higher Education (QAA) Student Quality Network. The formation of a Movie Club, a Cultural Diversity and Inclusion Council and a Sustainability Working Group have also been notable additions. 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.

Due to COVID-19 several events were moved online whilst others had to be cancelled, this included the Freshers Fair, however the extremely popular annual Formal took place in April 2022 as restrictions eased.

The Student Engagement Coordinator worked closely with the Learning Support Manager in implementing the Health and Wellbeing Hub Action Plan for 2021-22. This led to the promotion of support available for students who are Young Carers/ Young Adult Carers and the Student Engagement Team focused on promotion and awareness raising so to encourage participation from Young Carers. In support of this, the Student Engagement Coordinator opened dialogue from autistic students on potential issues experienced by students with disabilities. The Student Engagement Coordinator and the Learning Support Manager developed and promoted the Health and Wellbeing Hub Action Plan for 2022-23.

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. There has also been an introduction of a Sexually Transmitted Infections (STI) self-test kit which is now available in all campuses.

The Student Council Annual General Meeting was held via MS Teams in April 2022. In April 2022 NUS-USI held their annual conference via MS Teams and this was attended by the SRC SU LGBTQ+ Officers, the Cultural Diversity Officer, and the 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;
- improve 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 (SPP), 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.

Competitions in the 2021-22 Academic Year

With COVID-19 restrictions easing during the past academic year, many annual competitions returned and as always SRC students achieved great success across the board. Student achievements during 2021-22 are listed below.

- In November 2021, fifteen students from Southern Regional College were selected to participate in the WorldSkills UK finals – the highest number from any College in NI. They competed across a range of disciplines including Beauty Therapy, Automation and Laboratory Technician. SRC students scooped 3 gold, 1 silver, 1 bronze and 2 highly commended medals. Gold medal winners were Shannon Fearon for Beauty Therapy, Fiona Hagan for Creative Media Make-Up and Aaron Gillespie for Wall and Floor Tiling. The silver medal winner was Patrick Sheerin for Automation. The bronze medal winner was Jacqui Hawthorne for Painting and Decorating. Highly commended was awarded to Codie Jo Carr for Butchery and Tony Kane for Wall and Floor Tiling. SRC yet again topped the NI College's leader board and achieved 3rd overall in the UK medals table.
- In July 2022, twenty-five students from Southern Regional College have been named as finalists in this year's WorldSkills UK National finals taking place in November 2022. This is the second largest number of participants of any College in the UK. The competition will see SRC students competing in a range of different categories which include Automation, Beauty Therapy, Bricklaying, Commercial Make Up, Creative Media Make Up, Health and Social Care,

Laboratory Technician, Mechatronics, Painting and Decorating, Plastering, Plumbing and Wall and Floor Tiling.

- SPP student Faith Belshaw from Newtownhamilton High School was awarded first place in the County Armagh heat of Springboard's FutureChef competition held in December 2021. This achievement saw Faith proceed to the Northern Ireland finals held in February at Belfast Met.
- The College's Greenbank Campus hosted the annual Inter-Campus SkillBuild Competition in February 2022 which saw SRC students and local schools compete in 22 separate competitions which showcased their skills.
- Aaron Gillespie, a level 3 Wall and Floor Tiling apprentice, was awarded the 'Montgomery Award for Excellence in Wall and Floor Tiling' in March 2022.
- Six students excelled at the Northern Ireland Colleges Media Awards in March. The winning students in the animation category were Rachel Houston who was awarded 1st place and Andrew Fraser and Kimberley Liggett who were awarded 2nd and 3rd place, respectively. Karalee Edwards won 3rd place in the photography category and Cait Donnelly and Martin Cerny were awarded 1st and 2nd place respectively in the fiction category.
- Butchery apprentice Sean McGrath awarded 'Best Apprentice Showing Management Potential in a Manufacturing Environment' at the Institute of Meat and The Worshipful Company of Butchers Annual awards in March.
- Southern Regional College girls' volleyball team were crowned winners of the volleyball Schools Cup in March. SRC captain, Emma Duke, was successfully selected to play for the Northern Ireland Under 19 women's volleyball team.
- The College hosted the Association of Hairdressers and Therapists regional competition in April which saw students compete in 13 categories involving 128 participants from across the sector. SRC students managed to scoop 12 first place awards and SRC achieved the overall intercollege award.
- The regional SkillBuild competition was held in June and Southern Regional College students achieved 10 top medals including four gold, three silver, three bronze and the apprentice of the year award across a diverse range of construction related areas.
- Southern Regional College students had the opportunity to participate in the FE Sector Project Based Learning (PBL) skills competition for the second year in June. This year, students from the Games, Animation and VFX Skills level 3 extended diploma were joint winners in the 'Innovation' category.

STAFF ACHIEVEMENTS

Staff Achievements for 2021-22 are listed below:

- Mairead Maguire, a member of the Management Information Systems (MIS) team at the College was awarded an MBE in the New Year's Honours for her services to education following a successful career in the Education Authority and the former Education and Library Boards.
- Maura Quinn was crowned 'Tutor of the Year' at the 2022 (International Association of Bookkeepers) IAB Awards for the second year in succession.

COLLEGE ACHIEVEMENTS

College Achievements for 2021-22 are listed below:

- The College and the other five Colleges in Northern Ireland were chosen to participate in the WorldSkills UK Centre of Excellence through the curriculum HUBs in September 2021, with the aim of raising standards in technical education and training at all levels across all Colleges.
- The Life Sciences Curriculum HUB, led by the College, won a bronze award at the Pearson National Teaching Awards in October 2021.
- The College in partnership with McGuinness Plumbing, was delighted to win the 'Small - Medium Enterprise' Employer Award' at the NI Apprenticeship Awards in February 2022. This award was designed to acknowledge the excellence and originality of employers, working with training providers, in the delivery of apprenticeship training.
- At the Open College Network (OCN NI) Learning Endeavour Awards 2022, Southern Regional College received a highly commended award in the 'Advancing Learning Through Innovation' category in recognition of delivery of level 2 and level 4 cyber security qualifications.

LEARNING SUPPORT

The Learning Support Team consists of 11 Learning Support Co-ordinators and administration staff, 60+ Learning Support Assistants (LSAs), 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 £628k from the Department for the Economy (DfE) to support students with learning difficulties and disability throughout the 2021-22 academic year. A total number of 668 Further Education mainstream, Training for Success/ Apprenticeships NI (TFS/APPNI) and discrete students with learning difficulties/ disabilities (SLDD) received additional learning support during this period. Learning Support also provided additional support for 16 HE students. The team also processed 771 examination access applications for students during 2021-22, this was a 22% increase from the previous year.

In 2021-22, a total of 83 students received counselling support from Inspire, this was a 5.7% decrease from the previous year. The total number of structured telephone counselling sessions arranged was 199 with an additional 33 video counselling and 19 face to face sessions

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

- The Learning Support Team were awarded with the Autism Accreditation by the National Autistic Society, the UK's leading charity for autistic people in November 2021. The College was the first FE College in Northern Ireland to be accredited as well as the first setting of any kind to be accredited in Northern Ireland. The assessment found that departments within the College work well collaboratively to ensure adaptations and adjustments are provided for autistic students; while there has also been significant investment in technology to help promote independent learning; and the development of clear systems which allows for consistent information sharing on the needs of individual students.

- Meetings with the external transition working group took place remotely during 2021-22. This was 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 Southern Trust disability transition social workers, when supporting students who are enrolling for courses in September 2022. This is also a shared forum where College staff can receive updates from its external partners.
- The Learning Support Department invested in the purchase of 2 new and innovative Sensory HUB's in Armagh and Banbridge campus. The Sensory Hub is a designated space that students with Autism or other emotional regulation issues can retreat to, when they feel overwhelmed and overloaded by the sensory input from the College environment. It gives them time and space to calm their sensory system and take control of their emotions again so that they can continue with their studies.
- During 2021-22, the Learning Support Department developed a core team of 18 permanent LSAs and Mentors across all campuses to improve retention and consistency of support for students.
- Two students from the Armagh and Banbridge Campuses who were in receipt of learning support attended the Harkin International Disability Employment Summit in June 2022. The aim of the event was to develop a bespoke package aimed at young people with disabilities who are career planning or preparing to leave school or College.
- 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

During 2021-22, the Marketing Communications and Student Recruitment (MCR) team have undertaken projects to introduce new and significant communications channels for the College; namely the 'SRC Go APP' and a new College website. The College recruited an external web design agency to deliver a new website which would have a fresh look and feel, more intuitive navigation structure and which would embrace the use of the College's Learner Management System (LMS) for development of course content. During 2021-22, the process for creation and approval of published curriculum content was streamlined, which permitted much earlier opening of the course application portal to prospective students (9 November 2021 for higher education provision and 1 February 2022 for all other provision). The new website will further enhance this development and is due to launch early into the next academic year.

The new College APP is also due to launch into the first semester of the new academic year and the team have worked with the supplier of the LMS to tailor the product to fit the needs of both students and staff. The new APP will include features such as easy access to class timetables, seamless reporting mechanisms and a two-way flow of communication between staff and students.

With relaxation of COVID-19 restrictions during the latter part of 2021-22, face to face delivery of MCR activities once again became a possibility. The team, working alongside colleagues in the Careers department, began to visit secondary schools in the region again from November 2021. In total 73 sessions were delivered including:

- attendance at 5 careers conventions;
- facilitating 53 careers guidance sessions;

- conducting 8 interview skills sessions; and
- facilitating 7 subject specific workshops.

While these figures are a significant increase to the previous academic year (due to COVID-19 restrictions preventing us from physically visiting schools), however when compared to pre COVID-19 there has been a reduction. This would be accounted for by the fact that at the beginning of 2021-22 schools were still reluctant to allow us on site. However, the College expects visit numbers to increase and return to pre-pandemic levels in the upcoming academic year.

Towards the end of 2021-22, we were able to resume in-person celebration events once again on College campuses and at external venues. The 'Celebration of Success Awards' was the first ceremony to be held in May 2022 at the Armagh City Hotel. Given the break in delivery of these awards, we took the opportunity to reinvent the format and style of this event, which was warmly received by students and staff alike. This event saw 70 further education, traineeship and apprenticeship students attend to receive special recognition awards. This event was quickly followed by 'Launch Lunches' for staff at the two new campuses. As we move into the new academic year, we are delighted to hold the higher education graduation ceremony once again in Armagh, the first in three years, and host open campus events in August at three sites.

The March Open Days were a huge success. Over the course of the five campuses open days we saw upwards of 1,500 people attend campuses to find out more about what the College offers, mainly within the full-time provision. The success of these open days can also be measured in increased applications following these events which ranged from a 36% increase right up to an 88% increase during that period.

The team's digital marketing goes from strength to strength. Follower numbers continue to increase across all channels and more importantly engagement and impressions across all channels is in general up each month in comparison to that month in the previous year. On average 45,000 website users are reached each month and over 280,000 pages are viewed each month. Social channels have seen increased reach of upwards of 224,000 per month on Facebook and 7,000 on Instagram. The monthly Edurank scores (UK social benchmarking tool covering all UK colleges and universities) from September 2021 to June 2022, ranked the College in the top spot within the six NI FE Colleges for four out of ten months, second for a following four months and third for two months. It also saw the College rise to a massive 18th place in the UK with the College holding a top 50 spot for most of those months.

Graphic design and video projects also continue to be of high importance within the department. During 2021-22, the team completed 240 graphic design projects, which is on par with 2020-21. Moving image (video) projects rose for a second year in a row to 266, an increase of 9%.

Many of these successes have happened as a result of the restructure of the MCR department which took place within the first few months of the academic year. The restructure facilitated the need for team members to become more specialised in their roles, and we recruited three new staff to the team this year which has had a positive impact. The team aim to recruit to a further two positions during the next academic year.

Stakeholder Engagement Plan

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

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

CAMPUS SERVICES

During the 2021-22 academic year the Campus Services Team have overseen the College key business processes of applications, enrolments and student finance support services. The team continued to align admissions and enrolment processes with the EBS Learner Management System (LMS) which enabled the main student services to be delivered remotely and online. Pre-Enrolment and Advice Sessions (PEAS) as well as one to one course interviews were mainly presented through Microsoft Teams or via telephone calls. Results, registration and clearing days were delivered as an online service with very few students having to travel and attend campuses for these events. The team worked collaboratively with Student Services, IT services, Finance and Curriculum to plan and implement these processes.

Major performance issues with the EBS system arose on GCSE results day in late August 2021 until the end of September, causing significant difficulties with admission and enrolment processes. Contingency plans and EBS workarounds were introduced to ensure full and part time enrolments were prioritised. This caused a two-week delay in some processes including the keying and verification of qualifications to support the Essential Skills process and keying of enrolments.

The annual Admissions/Enrolment review for entry in 2021 was conducted during November 2021 with feedback from staff, students, clients and feeder schools obtained and collated and a report submitted to SMT. Recommendations from this review included changes to some admissions processes which were implemented in advance of the launch of Admissions Entry 2022.

Enrolments 2021-22

A total of 18,334 enrolments for courses which commenced during the 2021-22 academic year were processed by Campus Services, Skills Training and Business Support staff. These enrolments included a breakdown as follows: 13,747 enrolments, 2,719 cancellations, 945 transfers, 915 withdrawals and 8 on a waiting list.

Online Enrolment Pilot

In preparation for the introduction of the online enrolment pilot, new enrolment processes and progress codes were developed along with changes to the EBS system. The enrolment pilot commenced on 29 July 2022 and involved a sample of 97 part time courses and 397 applicants. During the first six days, 112 applicants (28%) commenced an online enrolment. 66 of these applicants (59%) fully completed the online enrolment including the payment of fees online.

Student Finance Support

The Campus Services team continue to oversee the student finance service and process applications and payments for students receiving Educational Maintenance Allowance (EMA), College Hardship Fund, FE and HE awards and free meals.

The Campus Services Manager assisted the Assistant Director of Student Services and Marketing in the completion of the SRC Student Support Review response document, developed as part of a DfE led Sector review of Student Support.

Customer Service

The Campus Services Team increased their use of electronic and automated systems, emails and text messages during the 2021-22 academic year. 112,005 text messages were sent to applicants and students between August 2021 and June 2022. The Contact Centre was once again operational during the busy enrolment period from August to September 2021 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; and
- EMA administration and attendance portals.

WIDENING PARTICIPATION

As part of the College's DfE, Higher Education (HE) Widening Access Participation Plan (WAPP) 2021-22, bursaries were awarded to 64 HE students amounting to £15,250 support. Due to ongoing restrictions as a result of COVID-19 and reduced HE enrolment, planned outreach within post primary schools was postponed in the 2021-22 academic year. 4 second year students received the final instalment of £1,000 from the CEO scholarship to help towards the costs of studying at HE, and a further 4 students were awarded £600. 8 of the original 10 students returned to complete 2nd year of their programme and have progressed to university.

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 2021-22, the College invested some £2.8m 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 continues to be used to assist further developments of the College on-line delivery capacity.
- The College has completed the implementation of the System Technology Services (STS) collaborative project including Education and Business System) EBS, Human Resources

system (JANE) and Unit 4 Business World (U4BW), which provides the College with common critical business systems for Learner Management, Human Resources and Finance.

- The College has continued to implement the Canvas Virtual Learning Environment (VLE) platform as its primary VLE, the Moodle platform due to be decommissioned by November 2022.
- 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 Lurgan 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 several initiatives have been progressed including Multifactor Authentication, Enhanced monitoring of IT Systems and Changes to device management processes.
- 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 0365 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: SUPPORT ECONOMIC GROWTH AND INNOVATION THROUGH FLEXIBLE BUSINESS SUPPORT SOLUTIONS

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 (BSI) 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 (HLAs). The centre offers three key pillars of support:

1. Knowledge transfer and innovation;
2. Workforce development and upskilling; and
3. Talent Acquisition through the development of HLAs.

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 2021-22 across the range of programmes are captured in Table 9.

2021-22 Business Support Targets and Outcomes

Number of Business Engaged		
Support Area:	2021-22 Target	Actual
InnovateUs	90	86
Innovation Vouchers	20	19
Fusion/KTP/Co-Innovate	22	27
Skills Focus	180	230
Full Cost Recovery/Scheduled Training	40	39
Assured Skills	10	16
Skill Up (The Flexible Skills Fund)	30	18
Themed Workshops	150	159
TOTAL	542	594

Table 9

Although 2021-22 continued to be a challenging year, due to the ongoing impact of COVID-19, the BSI team exceeded the business engagement and income targets. As restrictions eased throughout the year, the team resumed a lot of face-to-face delivery with clients, where possible, particularly in the practical innovation and knowledge transfer projects. DfE offered additional funding to support a greater volume of businesses through economic recovery, and the College was able to deliver on this, particularly in the area of digital skills and digital transformation; product design and development; lean processes; food innovation and tourism development.

In-person events remained restricted for most of the year, so the team continued to deliver a range of topical webinars to support businesses and continue to raise the profile of the industry offering at the College. There were 12 webinars delivered in the period April 2021 to March 2022, using Microsoft Teams, with 159 businesses in attendance. The webinar themes included:

- AR/VR for the tourism industry;
- Podcasting for the tourism industry;
- Cut it, cook it, quaff it (for food industry);
- Selling online with effective e-commerce;
- Instagram reels for retail;
- How SRC can help your tourism business;
- Tools to create online content;
- Are you an entrepreneur?;
- Allergen labelling changes for the food industry;
- AR/VR for retail businesses;
- Automation in manufacturing; and
- Screen recording tips.

The webinar series has helped the College to reach out to new clients in the region and beyond and has contributed to exceeding targets for 2021-22. See Figure 4 below for 3-year employer engagement figures from 2019-22:

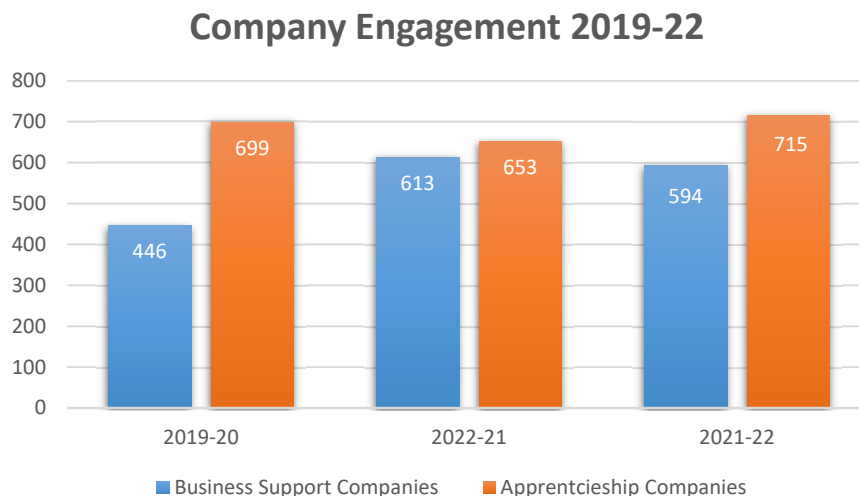


Figure 4

The BSI Team continued to work in partnership with the economic development teams of our two local councils – Armagh City, Banbridge and Craigavon Borough Council (ABC) and Newry, Mourne and Down District Council (NMDDC). The team delivered webinars for both councils during Global Entrepreneurship Week in November 2021 and played an integral role in the development of local skills and employability action plans through the new Labour Market Partnerships. As 2021-22 ended, BSI won a tender (in partnership with the local enterprise agencies) to deliver the inaugural Employability and Skills Week for ABC Council which will be delivered in 2022-23.

The team also continued to strengthen the relationship with Newry Chamber of Commerce and Trade as well as ABC's Business Partnership Alliance. The College sponsored award categories for

Newry Chamber and ABC Council's Business Awards, was a headline sponsor and speaker at the NI Digital Marketing Conference in February 2022 as well as the NI Small Business Conference in June 2022. These events were attended by over 200 businesses respectively and they provided great exposure for the industry provision at SRC as well as the suite of Apprenticeships and HLAs.

The BSI team also worked closely with Invest NI, InterTradeIreland, local enterprise agencies, 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.

In September 2022, DfE launched a new programme – Skill Up (The Flexible Skills Find). This new programme has been established to help upskill and reskill individuals to meet the needs of the economy as NI emerges from COVID-19. BSI is coordinating the programme on behalf of the College and has worked closely with faculty colleagues in 2021-22 to develop and deliver a suite of short, accredited courses from Level 3 to Level 5, all of which are free to the learners. Courses range across priority areas as follows:

- Digital skills;
- Health and life science;
- Advanced engineering and manufacturing;
- Leadership and management;
- Green technologies; and
- Employability and entrepreneurship.

Through Skill Up, the College also delivered a Data Analytics graduate pre-employment programme with employer placements. BSI also identified a gap in the market for a women returners programme encompassing a Level 3 Business Administration programme with soft skills and a work placement. Employers are struggling to recruit administrative staff across a range of sectors. This programme has helped to meet this need with 23 participants successfully completing the programme with all progressing into employment or further education and training. The Skill Up programme has been very successful in its first year with 783 enrolments.

KNOWLEDGE TRANSFER AND INNOVATION ACTIVITY

During 2021-22, 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 2021-22 include:

- **InnovateUs:** 86 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. The College delivered 93 projects in digital technologies, food product development, product design and development;

- **Intertradelreland's (Fusion) Innovation Boost and Knowledge Transfer Partnerships (KTP):** The College's engagement with InterTradelreland continued in 2021-22 with 23 businesses engaged in the Innovation Boost programme (previously known as Fusion). The majority of projects focused on the Engineering, ICT and Food Technology specialisms. Work also completed in year in the delivery of a KTP project in Digital Construction;
- **Innovation Voucher Scheme:** 19 companies were engaged in the delivery of Innovation Vouchers during the 2021-22 year. The Innovation Voucher Scheme, funded by Invest NI, 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;
- **Innovate Programme:** This programme, funded by InterTradelreland through Interreg VA, supports 12-month graduate projects to undertake an innovation activity in the business. In 2021-22, the College engaged with 2 businesses under this fund, supporting projects in food product development and design engineering; and
- **Connected:** This programme facilitates collaboration between the FE and HE sectors to support small businesses along the innovation escalator. The business support team delivered 12 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. Additional funding was secured to allow the food innovation team to work in partnership with Ulster University and seven local companies to explore how to convert food waste into nutritious and affordable plant-based snack products for children.

TRAINING AND UPSKILLING PROGRAMMES

In 2021-22, the BSI Team continued to coordinate DfE's flagship upskilling programme for employers 'Skills Focus'. The College's funding allocation increased from £350k to £540k and the support was 100% funded for businesses with less than 250 employees from April 2021 to March 2022. Due to the ongoing impacts of COVID-19, a lot of the Skills Focus provision was delivered online, with all leadership and management programmes moving to online delivery. Employers now favour this model. New provision in coaching and mentoring was developed in 2021-22, ready for delivery in the new academic year. The team develop and publish a professional brochure to promote all industry provision which is widely distributed and has been very well received.

Through the Skill Up fund, funding was secured to carry out a range of development activities, resulting in a suite of new, short courses ready for delivery in 2022-23. The courses include new OCN units in Applied Industrial Science, Robotics and Digital programmes, all of which range from Level 3 to Level 5.

Some examples of training provision to industry in 2021-22 include:

- **Skills Focus:** There were 230 businesses engaged for upskilling support through Skills Focus with 565 enrolments. There continued to be a high demand for leadership and management, health and social care and digital construction courses, most of which were delivered online. DfE fully funded the support in 2021-22 which resulted in high demand for this provision;
- **Full Cost Recovery:** The BSI Team engaged with 39 businesses for full cost recovery training contracts. Projects included continuous professional development in the care sector, health and safety, leadership and management, electrical, IT and digital construction programmes;

Demand for bespoke training is high from the manufacturing sector and this is an area for development going forward;

- **Assured Skills Academies:** Due to the volume of demand for welding staff, SRC designed and delivered three welding academies in 2021-22, working in partnership with 16 local businesses. Through the delivery, there were 32 candidates enrolled with most of them moving into employment. Demand for welding skills continues to be very high and the College plans to try to meet this demand through the Skill Up and Skills Focus programmes; and
- **Skill Up (The Flexible Skills Fund):** This new programme generated 783 enrolments across a range of short courses spanning key priority areas as detailed above. A graduate programme in data analytics was delivered as well as two cohorts of women returners in L3 Business Administration. Demand for these free courses is very high, making it the busiest programme for BSI staff 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 ongoing impact of COVID-19, the total number of new higher-level apprentices enrolled in September 2021 was over 120 compared with over 90 new starts in September 2020. Employer engagement activities continued to grow as more employers signed up for the HLA route as a means to recruit new talent into their organisations. The work of this team over the last five years has positioned the College as a key player in supporting employers with their talent acquisition plans.

At the NI Digital Marketing Conference and NI Small Business Conference, HLAs featured prominently as a key area of interest for employers, with presentations delivered by BSI to provide employers with relevant information and case studies. This has led to increased demand this year for this provision.

The success of this area of work for the College was recognised through the achievement of an NI Apprenticeship Award in February 2022 in partnership with local Small Medium Enterprise (SME), Mc Guinness M&E.

The BIG Apprenticeship Event

The BSI team continued to build on the success of the annual BIG Apprenticeship Event to help promote Apprenticeships and HLAs at the College. As in 2020, the team had to deliver a virtual event due to COVID-19 restrictions. The event was delivered in February 2022 during NI Apprenticeship Week.

BSI wanted to provide an experience that was as close as possible to facilitating a face-to-face conversation with an employer, therefore the team produced the theme “In Conversation With....” Hosted on the College website, the team developed a series of webinars with local employers (large and small) across different sectors, along with their Apprentices and HLAs, to discuss the benefits and local opportunities with this career option. There was also a series of live Q&As, vlogs, TikTok videos and other material to help engage the target market.

There were just under 700 unique attendees to the BIG Apprenticeship events during NI Apprenticeship week and the material remains on the College website for people to access. Over 50 businesses received appointments for “online conversations” and there were just under 90 attendees at the Q&A session. It was a very interactive week of events, and the College received a record number of HLA applications in 2021-22.

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

Further to that, NMDDC provided funding to carry out further Public Relations activities in March 2022 to drive the message of apprenticeship opportunities across the district. Funded through the Labour Market Partnership, the BSI team created a theme “Local Jobs, Local Apprenticeships” and carried out a range of activities including:

- The development of eight professional videos showcasing different employers and their apprentices;
- A series of billboard advertisements throughout the district;
- Targeted social media campaign including a showcase of 40 apprentices “Advice from Apprentices for Apprentices”
- Print and distribution of the College’s HLA booklet to all post primary schools in the region.

Client Satisfaction and Evaluation

The BSI Team is committed to providing a best-in-class service to all client companies. The team strives to ensure 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 2021-22, the team received a 60% response rate to evaluations, with 97% of clients claiming they were satisfied with the service provided (86% of whom were 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, wherein there was less on-site development activities and a move to online delivery. This approach continued throughout the year with a gradual return to some programmes being delivered on-site as restrictions eased.

The College supported numerous individual requests for professional development including supporting staff through teacher training (PGCE), professional and higher-level courses as well as specific job-related training. The College 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 1,020 sessions on pedagogic activities including teaching and classroom strategies, standardisation and moderation, TEL best practice, digital marketing, role of the personal tutor, transversal skills, project based learning, and internal and external verification;
- support staff attended some 400 development activities, for example, brow lamination, cash handling, procurement, admissions, enrolment and exam processes;
- academic staff had 600 opportunities for upskilling within various disciplines, for example, financial engineering and risk management specialisation, digital marketing, food allergy risks, Canvas and Internet of Things;
- managers attended 200 sessions in leadership and management, business continuity, recruitment and selection, tender evaluation, and risk management; and
- staff attended over 1,340 training sessions on various health, safety and wellbeing activities including first aid and fire warden training, basic life support training, mindfulness techniques for students, COVID-19 awareness, risk assessment, manual handling and CSR training.

The College retained the Investors in People (IIP) Silver Award having gone through the IIP re-accreditation process in May 2022. There was an acknowledgement of the extraordinary efforts made by staff during the COVID-19 pandemic and there is an enormous sense of pride amongst staff of the remarkable achievements made by them during this time.

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 2021-22 was 96.38% against a target of 96.50%.

Providing support to staff was particularly important when faced with the challenge of dealing with the COVID-19 pandemic. The HRD Department continued to provide 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 HRD Department took the following actions to ensure the safe return of staff to work.

- The development and introduction 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 142 new staff to ensure completion of the necessary training and health declaration before commencing employment;
- The communication of a COVID-19 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. As the College saw the relaxation of the COVID-19 measures this requirement was subsequently withdrawn for all new starts later in the academic year;
- Communication 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; and
- 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 continued to manage key processes such as recruitment and selection of staff, payroll, staff induction, appraisal, employee relations, staff recognition and equality working remotely where necessary.

In May 2022, there was a restructuring of the HRD Department. This revised structure was designed to enable improved capacity and capability of the team and offer a much more resilient structure, better able to meet the increasing needs of the College over the next two to three years. The Organisational Development Team, formerly known as Employee Development and Equality, supports the development and embedding of a staff engagement strategy and the implementation of a succession planning scheme across the College. Other changes in the wider HRD team include the introduction of a Deputy Head of HRD role and a Business Partner model. This created a new tier within the HRD structure of four new HR Business Partners each with responsibility for providing generalist support, advice and guidance to a nominated Faculty and several support functions.

EQUAL OPPORTUNITIES AND EMPLOYMENT OF DISABLED PERSONS

By virtue of Section 75 of the Northern Ireland Act 1998 the 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 Annual Progress Review during the reporting year, submitting both to the Equality Commission during 2021-22.

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 students continue to be a 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 learners are met.

Staff induction continues to provide awareness of not only the College’s obligations under Section 75, but also highlights tools available to support staff via the Employee Handbook and/or specific training.

New staff are also required to undertake mandatory Equality training in respect of Equality, Good Relations, SENDO and Safeguarding. The College continues to keep staff up to date, through its Employee Handbook, the Equality Information and Communications Support sections.

Staff across the College have been offered the opportunity to engage in a range of training and development activities to enhance and develop their knowledge and skills in respect of supporting an inclusive college environment such as Safe Talk, Understanding Self Harm, Mental Health Awareness, Admissions training.

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 2021-22 were:

- The revision and release of the SENDO on-line mandatory programme. As at 31 July 2022, completion rates were as follows:-
 - Equality and Good Relations (86%);
 - Special Education Needs and Disability Order SENDO (79%);
 - Safeguarding (80%); and
 - Disability Awareness (93%).

The Disability Awareness programme was released in August 2022;

- 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 2021), Mental Health Awareness/World Teachers Day (October 2021), Road Safety Awareness (November 2021), Flu Season (December 2021), Diet and Lifestyle (January 2022), Time to Talk (February 2022), No Smoking Day/Action Cancer awareness sessions (March 2022), Stress Awareness Month (April 2022), Mental Health Awareness Week and National Walking Month (May 2022) and Healthy Eating week (June 2022);
- 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 buildings at Armagh and Banbridge; and
- 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 2021-22, 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 funding allocated by DfE to support a wide range of interventions to maintain delivery services to learners and businesses and address lost learning opportunities for learners due to the interrupted learning.

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 and Risk Committee meeting.

The on-going COVID-19 emergency continued to present 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 the implementation and delivery of its Estates Strategy which remains a key strategic priority. A significant element of the strategy is the modernisation and consolidation of the estate via the delivery of four new build campuses in Armagh, Banbridge, Craigavon and Newry.

During 2021-22, the Estates Project Board and the Capital Projects Steering Group met on a regular basis to provide strategic governance and oversight with considerable progress being made in the delivery of the projects including:

- Contract completion and seasonal commissioning of the new build Armagh and Banbridge Campus.
- Purchase and demolition of Newry Leisure Centre, Patrick Street, Newry
- Procurement of Integrated Consultancy Team for Newry Higher Education and Innovation Centre

To create an environment that inspires learners to achieve their potential while reducing College carbon footprint, the refurbishment and enhancements programme continued across the estate including;

- Implementation of a new Consultancy and Maintenance framework. This resulted in successful mobilisation of services with McAdams Design Ltd and LM Services Ltd, respectively.
- Internal and external signage at Newry Campus;
- Gas workshop upgrades in Greenbank Campus to facilitate running gas installation courses.
- Upgrade of pipework, condensing boiler, and chiller plant at Newry west Campus;
- LED lighting installation across the Newry Estate representing an investment of £1.10m.
- Installation of four electric car charging points at Newry West and Newry Greenbank.
- Upgrade of electrical switchgear at Violet block Portadown.
- Refurbishment of Hair and Beauty salons at Lurgan and Newry East.
- Refurbishment of Bakery Kitchen at Newry east.

The initiation of digital processes across the estate has been a challenge to the Estates Department; a task met positively by the Estates Team. The full implementation of a Building Information Modelling (BIM) compatible Computer Aided Facilities Management System across areas of Response, Remedial and Planned Preventative Maintenance for the whole supply chain has been a notable accomplishment. This was recognised at Digital Construction Live Awards 2022 where the College was awarded Highly Commended in Best Asset Management Innovation category

In addition to the already busy 2021-22 year, the ongoing response to COVID-19 continued to be a priority toward the safety of staff and students:

- 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;

ESTATE

The College estate includes the following campus buildings and land:

Campus	Net Book Value at 31 July 2022
	£000
Armagh, Lonsdale Campus	46,627
Armagh, Lisanally Campus	840
Banbridge Campus	17,810
Craigavon	964
Lurgan Campus	5,104
Newry East Campus	10,659
Newry West Campus	10,061
Newry Model Campus	1,148
Newry Greenbank Campus	3,845
Kilkeel Campus	210
Portadown Campus	9,009
Total	106,277

Table 10

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 themselves 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 gained through international mobilities and curriculum partnership projects. Unfortunately, due to the COVID-19 pandemic, student mobility placements had to be postponed in 2021-22, however plans are in place to recommence mobilities in Autumn 2022. The College continued to partner in and lead several KA2 projects, building on the excellent international partnerships that have already been created to share best practice with, and to learn from others.

During the year, several new partnerships were developed in the Republic of Ireland which it is hoped will lead to meaningful cross-border cooperation in the future. The first of these learning experiences was realised, with three staff travelling to the South of Ireland to spend time in three 5* hotels with the goal of bringing back to the College knowledge and experience of the latest developments in the hospitality sector.

During 2021-22 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.

Curriculum Projects

- **The Well project**

SRC is the lead partner for the KA2 strategic partnership "Well" project on 'Promoting Mental Well Being'. SRC is the lead partner and the project partners are:

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

Through this project the team developed an accredited level 2 "Transitioning to HE" promoting Mental Well-being course. This programme promotes positive mental health and well-being by exploring the key issues faced by many students moving to HE. The accredited

course has been delivered to 270 level 3 second year students and will be available on the College website.

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.

- **Skills project**

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; and
- Salpaus College, Finland.

The project partnership continued to develop:

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

The project included a skills competition in Arnhem in the Netherlands in March 2022, which participants attend in person or online.

- **Bridges Project**

The College is leading the two-year Bridges (Building Resources in Digitalisation to Gain Employment Skills) KA2 Curriculum Project. The project partners are:

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

This project commenced in November 2020 with partners developing 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 to the new Turing Scheme and the application was successful with the College securing funding to support 16 construction students travelling to Denmark in June 2022 for a 2-week placement on environmental sustainability. Unfortunately, this trip had to be postponed to 2022-23 and the funding could not be drawn down. The College applied for and secured additional Turing funding for the incoming academic year to support the construction mobility to Denmark and to allow ICT students to travel to Portugal. Through the Turing funded mobilities, students will develop new skills, gain vital international experience, and boost their employability.

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 2022 showed an operating deficit for the year of £6.60m compared to the deficit for 2020-21 of £7.14m.

Overall income decreased on the previous year by £0.19m with expenditure in 2021-22 decreased by £0.75m.

The College has significant reliance on the Department for the Economy (DfE) as its principal funding source, largely from recurrent grants. In 2021-22 74.8% of the College's total income through allocated recurrent grant (2020-21 70.6%). This represented 13.6% of the total recurrent grant available to the sector (2020-21 13.6%).

At 31 July 2022 Land and Property Services (LPS) undertook a full inspection valuation on the College's Land and Buildings, increasing the value of the estate by £35.04m. Of this increase £5.06m was released to the statement of comprehensive expenditure to reverse the impairment applied to the new buildings at Armagh and Banbridge in July 2020, the remainder of the increase in respect of these buildings was taken to the revaluation reserve. The impairment at July 2020 also released capital grant to the statement of comprehensive expenditure, the additional release in July 2020 (£3.86m) has also been reversed in these statements. The total net book value of freehold Land and Buildings, excluding assets under construction at 31 July 2022 was £106.28m (July 2021 £72.66m), with assets under construction totalling £2.27m.

The actuary valuation of the NILGOSC pension scheme at 31 July 2022 decreased the overall liability from £27.10m to £8.32m at July 2021, representing a reduction to the liability of £18.78m in the statement of financial position from 31 July 2022. 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:

- changes in financial assumptions used to calculate the overall liability (specifically higher corporate bond yields since July 2021) has led to a decrease in the liability of £29.93m; and
- a change in the demographic assumptions used to calculate the liability has led to a decrease in liability of £0.63m;

this has been offset to some extent by:

- lower than assumed returns on the Fund assets over the period of £4.74m; and
- experience losses due to inflation (and therefore deferred revaluation and pension increases) were higher than expected over the period ending July 2022, and when an allowance for an expected inflationary experience loss over the next accounting period due to the current high inflationary environment is applied the liability increased by £3.43m

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 £66.46m at 31 July 2022 (£19.85m at July 2021).

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 £1.00m (2020-21 £0.31m outflow). 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 College used a contingency development plan for the year 2021-22 reflecting the ongoing challenges associated with the pandemic. The annual College Development Plan (CDP) was underpinned by an education report card that better reflected the planned level of activity and outcomes-based accountability approach being adopted across all areas of Government.

The absence of long-term budget planning is impacting on future developments and on the College's ability to develop long term plans. 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 post 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 programmes from entry-level through to level six and also hobby and leisure provision. Despite the continued absence of a final budget and political uncertainty 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 and Innovation Team by further developing the range of services and interventions for local Small Medium Businesses (SMEs) and micro businesses with a view to improving business productivity, growth and competitiveness in the regional and Northern Ireland economy. The College will continue to support the delivery of the Skill Up initiative as part of the Economy department's economic recovery plan;
- the College recognises the important 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 Traineeship 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 expansion of the Traineeship offer with further plans to transition current full time further education provision planned for 2023 onwards. The College will work with the other regional Colleges in progressing the development of these new Traineeships through an agreed programme of collaborative activity;
- the College will continue to work with DfE on the development of the Advanced Technical Award. The College will offer all 6 Advanced Technical Awards from the start of the 2022-23 year. 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;
- 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. Dedicated SOLVE PBL centres have been created in Newry, Armagh and Banbridge to the support development of PBL across all areas of the curriculum and these developments will further inform the design of new buildings 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 development of dedicated Higher Education Centres remains a priority and will be further explored in the context of the future estate 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;
- 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;
- the College will further build on its success in the use of skills competitions to improve the quality of teaching and learning. The College plans to widen the use of competitions across all areas and all levels with the goal of topping the WorldSkills UK national competition table within five years;
- the College will participate in the WorldSkills UK Centre of Excellence initiative with a view to cascading learning as part of its revised professional development programme from 2023; 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 and political environment 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 budget uncertainties, cost of living crisis, 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. The College will continue to work closely with the Department for the Economy and the other regional Colleges in further implementing the new vocational education and training system based on Traineeships and Advanced Technicals.

The new builds in Armagh and Banbridge were successfully opened for use during the 2020-21 academic year. 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 delayed the project by over two years. The outcome of the

Judicial Review process was published in January 2021, following which the appellant submitted an appeal to Court of Appeal. Following the Court of Appeal ruling against the previous Judicial Review findings, the College is currently considering the full implications in relation to the future of the project.

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 2026.

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. DfE confirmed that the College could proceed with the closure of the campus at the end of the 2021-22 academic year. The College has put alternative plans in place to support continued delivery of courses in the Kilkeel area.

The College continues to act 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 early part of the 2022-23 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 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 to implement any recommendations from the review of Higher Education in Further Education. 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, and the continued barriers to providing parents and young

people across the post-primary sector with relevant information on vocational pathways. The six regional Colleges contributed to both the DE Independent Review of Education and to the joint DE/DfE 'Transition of Young People into Careers (14-19)' Project that aims to develop a more strategic approach to 14-19 education. The 14-19 Framework launched by both DE and DfE Ministers in June 2022 provides a significant opportunity to address these issues and the College will continue to play its part, together with the other regional colleges, in the development and implementation of a 14-19 action plan.

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.

DfE also announced in the early part of the 2021-22 year of its intention to undertake a review of the current delivery model for Further Education. The review will provide an opportunity to initiate the type of radical change needed to ensure that the sector remains fit for purpose and sustainable going forward. Further stages in the review process may be taken forward during the 2022-23 academic year.

PAYMENT PERFORMANCE

The Late Payment of Commercial Debts (Interest) Act 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 2021 to 31 July 2022, the College paid 96% (97%, 2020-21) 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 2021 to 31 July 2022, the College paid 80% (78%, 2020-21) 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 2022 were £66.46m (including £8.32m pension liability). There was no long-term debt at 31 July 2022.

PEOPLE

The average number of people employed by the College during 2021–22 was 925 including full time, part time and term time only staff. The 925 people equated to an average of 640 full time equivalent (FTE) staff of whom 342 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 3.62% or 6.61 days per FTE (based on FTE and work pattern analysis) for 2021-22.

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.

The College has in place a comprehensive Corporate Risk Register and a series of operational risk registers, all of which form part of the College's internal control and corporate governance arrangements. During 2021-22 the College implemented a cloud-based risk management software to further enhance the system of Internal control providing a complete picture of the Colleges risk, controls and assurance environment in real time.

The Colleges Risk Management Group with overall responsibility for the administration and implementation of the risk management process undertakes a comprehensive review of the risks to which the College is exposed.

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 is 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 and Risk Committee for review.

A summary of the risks on the Corporate Risk Register during the 2021-22 academic year is set out in Table 11 below:

No.	Risk Category	Risk Description
1	Financial: Financial & Budgetary Management	The existing one-year planning process inhibits long term planning and delivery of College strategic objectives
2	Financial: Anti-Fraud	Financial loss resulting from fraud
3	Operational	Continued provision of a secure College IT systems infrastructure to support business operations
4	People & Culture	The challenges in recruiting a skilled workforce could inhibit our capacity to deliver key strategic objectives
5	Strategic Change	Meeting conditions of planning for Craigavon Campus within designated timeline
6	Operational	Continued reduction in Full time Higher Education MaSN recruitment leading to the collapse of this core provision and our ability to address local skills needs
7	Operational	Leadership capacity and poor performance of training provision in Faculty of Building Technology and Engineering could lead to restricted student progression, poor outcomes and financial loss.
8	Operational	Impact on continued College services resulting from Coronavirus pandemic.
9	Legal & Compliance	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.
10	New Learner Management System	The failure to successfully deploy the new learner management system could impact on critical business operations

Table 11

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 2021-22 there were no data incidents which reached the threshold of there being a requirement to report to the Information Commissioner's Office (ICO).

CHARITABLE AND TAXATION STATUS

The College has charitable status with 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.

AUDITORS AND PROFESSIONAL ADVISERS	
External Auditors	Northern Ireland Audit Office, 106 University Street, Belfast, BT7 1EU
Internal Auditors	RSM Northern Ireland (UK) Limited, Number One, Lanyon Quay, Belfast, BT1 3LG (from 1 August 2020)
Bankers	Danske Bank, Corporate Banking, Donegall Square West, Belfast, BT1 6JS Bank of Ireland, 4-8 High Street, Belfast, BT1 2BA Santander UK plc, 301 St Vincent Street, Glasgow, G2 5HN
Solicitors	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 12

SOUTHERN REGIONAL COLLEGE
 STRATEGIC REPORT (Continued)
 FOR THE YEAR ENDED 31 JULY 2022

The members who served on the Governing Body during the year are outlined in Table 14. There were two resignations in the year. Dr Moore resigned his position as Member on 31 July 2022 on appointment as Governing Body Chair. Mr Nugent resigned his position on 31 July 2022 and ceased to become a Governor at Southern Regional College. There were two members that came to the end of their term in the year, Gordon Gough and Nicola Wilson.

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
Brian Doran	28/01/2008		Accounting Officer & Chief Executive	Governing Body Education Finance Staffing
Gordon Gough	01/08/2011	31/12/2021	Chair Member Member	Education Staffing Governing Body
Louisa Goss	04/10/2021	30/09/2022	Student Member Student Member	Governing Body Education
Aidan McCormick	01/08/2015	31/07/2023	Member Member Chair	Governing Body Audit and Risk Education
Gary McMurray	13/01/2022	12/01/2026	Member Member	Governing Body Finance
Laura Milner	13/01/2022	12/01/2026	Member Member Member	Governing Body Education Staffing
Thomas Moore	13/01/2022	31/07/2022	Member Member Member	Governing Body Education Staffing
John Nugent	01/08/2015	31/07/2022	Chair Member Vice Chair	Audit and Risk Staffing Governing Body
Gregory O'Hare	01/08/2015	31/07/2023	Member Member Member	Governing Body Audit and Risk Education
Tom Redmond	01/10/2015	30/09/2023	Member Member	Governing Body Finance
Andrew Saunders	01/08/2011	31/07/2022	Chair	Governing Body

SOUTHERN REGIONAL COLLEGE
 STRATEGIC REPORT (Continued)
 FOR THE YEAR ENDED 31 JULY 2022

Carla Shields	01/08/2021	31/07/2025	Member Member Member	Governing Body Audit and Risk Staffing
Hilary Singleton	13/01/2022	12/01/2026	Member Member Member	Governing Body Audit and Risk Education
Eileen Stewart	22/06/2016	21/06/2024	Member Member Member	Governing Body Staffing Audit and Risk
Tracy Strachan	01/08/2021	31/07/2025	Member Chair	Governing Body Finance
Kieran Swail	16/11/2015	15/11/2023	Staff Member Staff Member	Governing Body Finance
Judith Thompson	01/08/2015	31/07/2023	Member Member Member	Governing Body Finance Education
Matthew Turner	16/11/2015	15/11/2023	Staff Member Staff Member Staff Member	Governing Body Education Audit and Risk
Nicola Wilson	01/08/2012	31/12/2021	Member Member Member	Governing Body Education Staffing

Table 13

For and on behalf of the members of the Governing Body

Accounting Officer 

Date: 28 November 2022

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 1 January 2016. There are no arrangements in place for the payment of a bonus. No member of the Governing Body, including the Chairperson, receives a 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 2021-22	Benefits in kind 2021-22	Pension Benefits 2021-22	Total 2021-22	Salary 2020-21	Benefits in kind 2020-21	Pension Benefits 2020-21	Total 2020-21
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Scott Alexander Member	0-5	0	0	0-5	0-5	0	0	0-5
Aaron Foy Member (Student)	0-5	0	0	0-5	0-5	0	0	0-5
Louisa Goss Member (Student)	0-5	0	0	0-5	0	0	0	0
Teresa Campbell Member	0-5	0	0	0-5	0-5	0	0	0-5
Arder Carson Member	0	0	0	0	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
Gary McMurray Member	0-5	0	0	0-5	0	0	0	0
Laura Milner Member	0-5	0	0	0-5	0	0	0	0
Thomas Moore Member	0-5	0	0	0-5	0	0	0	0
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

SOUTHERN REGIONAL COLLEGE
 REMUNERATION REPORT (Continued)
 FOR THE YEAR ENDED 31 JULY 2022

Name	Salary 2021-22	Benefits in kind 2021-22	Pension Benefits 2021-22	Total 2021-22	Salary 2020-21	Benefits in kind 2020-21	Pension Benefits 2020-21	Total 2020-21
Carla Shields Member	0-5	0	0	0-5	0	0	0	0
Hilary Singleton Member	0-5	0	0	0-5	0	0	0	0
Eileen Stewart Member	0-5	0	0	0-5	0-5	0	0	0-5
Tracy Strachan Member	0-5	0	0	0-5	0	0	0	0
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 14

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 2021-22	Benefits in kind 2021-22	Pension Benefits 2021-22	Total 2021-22	Salary 2020-21	Benefits in kind 2020-21	Pension Benefits 2020-21	Total 2020-21
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Brian Doran Chief Executive	115-120	0	80-85	195-205	115-120	0	30-35	145-155
Raymond Sloan Director	85-90	0	5-10	90-100	85-90	0	30-35	115-125
Keith Kilpatrick Director	85-90	0	25-30	110-120	85-90	0	30-35	115-125
Terry McGonigal Director	0-10	0	0-5	5-10	85-90	0	20-25	105-115
Lee Campbell Director	60-65	0	0	60-65	n/a	n/a	n/a	n/a

Table 15

Terry McGonigle left on 31/08/21, Lee Campbell joined on 01/11/21.

	2021-22	2020-21
	£'000	£'000
Band of highest paid directors' total remuneration	115-120	115-120
25 th percentile	20,962	n/a
Ratio*	5.6	n/a
Median total remuneration	28,465	27,741
Ratio*	4.1	4.2
75 th percentile	34,812	n/a
Ratio*	3.4	n/a

Table 16

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 31/7/22 and related lump sum	Real increase/(decrease) in pension and related lump sum at pension age	Value of CETV at 31/07/22	Value of CETV at 31/07/21	Real increase in CETV during year
	£'000	£'000	£'000	£'000	£'000
Brian Doran (Chief Executive)	55-60 plus lump sum of 150-155	2.5-5 plus lump sum of 2.5-5	1,325	1,208	117
Raymond Sloan (Director)	35-40 plus lump sum of 50-55	0-2.5 plus lump sum of 0	647	612	17
Keith Kilpatrick (Director)	15-20 plus lump sum of 0	0-2.5 plus lump sum of 0	281	239	27
Terry McGonigal (Director)	5-10 plus lump sum of 0	0-2.5 plus lump sum of 0	83	79	4
Lee Campbell (Director)	0-5 plus lump sum of 0	0 plus lump sum of 0	13	n/a	0

Table 17

Mr. McGonigal left the scheme on 31/08/2021.

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 Department of Finance (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 2022 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 of 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. The Governing Body met on nine occasions during the 2021-2022 year and is supported by a number of committees, including the Staffing Committee, Finance and General Purposes Committee, Education Committee and the Audit and Risk 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 AND RISK COMMITTEE

The Audit and Risk 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 and Risk 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 2021-22 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 and Risk 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 and Risk 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 2021-22 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 2021-22 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, monitoring a new plan for the following year and receiving an update on Investors in People (IIP). The Committee met on three occasions during 2021-22.

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 2021-22.

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 2021-22 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 2021-22 year is shown in the table below. In total, there were twenty-four meetings of the Governing Body and its sub committees during 2021-22. Average Member attendance recorded at Governing Body meetings during 2021-22, excluding staff and student representatives was 89.6% (93% for 2020-21).

SOUTHERN REGIONAL COLLEGE
 STATEMENT OF CORPORATE GOVERNANCE AND INTERNAL CONTROL (Continued)
 FOR THE YEAR ENDED 31 JULY 2022

	Governing Body	Audit and Risk Committee	Education Committee	Staffing Committee	Finance and General Purposes Committee
No. of meetings held:	9	4	4	3	4
Scott Alexander	6	-	-	3	-
Brian Doran (Chief Executive)	9	4	4	3	4
Louisa Goss (Student representative)	3/6	-	2/3	-	-
Gordon Gough	3/3	-	2/2	1/1	-
Aidan McCormick	9	4	4	-	-
John Nugent	9	4	-	3	-
Gregory O'Hare	7	4	4	-	-
Tom Redmond	9	-	-	-	4
Thomas Moore	6/6	-	2/2	2/2	-
Gary McMurray	5/6	-	-	-	2/2
Laura Milner	6/6	-	2/2	2/2	-
Andrew Saunders (Chair)	6	3	4	3	2
Hilary Singleton	5/6	2/2	2/2	-	-
Carla Shields	7	4	-	3	-
Eileen Stewart	8	3	-	3	-
Tracy Strachan	8	-	-	-	4
Kieran Swail (Support Staff Representative)	8	-	-	-	4
Judith Thompson	9	-	4	-	2
Matthew Turner (Teaching Staff Representative)	9	4	4	-	-
Nicola Wilson	2/3	-	2/2	-	0/1

Table 18

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 as Accounting Officer 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 of 3 Executive Directors; the Director of Finance and Planning, the Director of Client Services, and the Director of Curriculum. In addition to the Executive Team, there is a Senior Management Team (SMT) that comprises the Chief Executive, the Executive Team, 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:

1. **Governing Body** – which has defined the strategic approach, encourages a culture of Risk Management within the College and during 2021-22 monitored, primarily through the Audit and Risk Committee, that significant risks were being managed;
2. **Audit and Risk 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 and Risk Committee met on four occasions during the year and reviewed the corporate risk register and the actions plans to control and mitigate potential risks;
3. **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, these are regularly reviewed by the Director and presented to the Risk Management Group to inform and update the corporate risk register.

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 2021-22 saw the completion of a programme of work that provided Satisfactory assurance in 7 areas. A summary of the internal audit work and the assurance ratings for each is included below:

Internal Audit Operational Plan and Assurance Ratings 2021-22	
Area Reviewed:	Assurance Rating:
Curriculum Management & Staff Restructuring	Satisfactory
COVID-19 Compliance	Satisfactory
Business Continuity & Disaster Recovery	Satisfactory
New Traineeship System	Satisfactory
Newbuild Project Governance – HE and Innovation Centre at the Newry Campus	Satisfactory
Payroll	Satisfactory
Learner Management System – Advisory Review	n/a

Table 19

Follow-up reviews conducted during 2021-22 indicated continued satisfactory progress with implementing outstanding recommendations. There were no priority 1 recommendations.

Based on the work performed during 2021-22 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 and current legislation. There were no incidents reported during 2021-22 where the processing of personal data did not comply with Data Protection requirements.

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 2021-22 there were no reports of suspected Fraud.

WHISTLEBLOWING

The College has a Whistleblowing (Public Interest Disclosure) Policy which is subject to periodic review and updated as necessary. 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 College has a mandatory Whistleblowing training module in place which all staff must complete. During 2021-22 the College received no disclosures under the Whistleblowing (Public Interest Disclosure) Policy.

EVENTS AFTER THE REPORTING PERIOD

On 25th October 2022 the Court of Appeal ruled against the previous Judicial Review findings in relation to Armagh City, Banbridge and Craigavon Borough Council's decision to grant the College planning permission for a new campus at South Lake, Craigavon. The College is currently considering the full implications of this decision in relation to the future of the project.

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 2021-22 financial year.

Accounting Officer



Date: 28 November 2022

Opinion on financial statements

I certify that I have audited the financial statements of the Southern Regional College for the year ended 31 July 2022 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: the Statement of Comprehensive Income and Expenditure, Statement of Changes in Reserves, Statement of Financial Position, Statement of Cash Flows and the related notes including significant accounting policies. 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 Southern Regional College's affairs as at 31 July 2022 and of its deficit for the year then ended; 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 and Regularity of Public Sector Bodies 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 that are relevant to my audit of the financial statements in the UK, including the Financial Reporting Council's Ethical Standard, 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 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 require entities to adopt the going concern basis of accounting in the preparation of the financial statements where it 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 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, Staff 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
- 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 examine, 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 Southern Regional College through discussion with management and application of extensive public sector accountability knowledge. The key laws and regulations I considered included Further Education (Northern Ireland) Order 1997 as amended by the Audit and Accountability Institutions of Further Education (Public Sector Audit) Order (Northern Ireland) 2008

- 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 and posting of unusual journals;
- 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;
- documenting and evaluating the design and implementation of internal controls in place to mitigate risk of material misstatement due to fraud and non-compliance with laws and regulations;
- 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;
- 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; and
- applying tailored risk factors to datasets of financial transactions and related records to identify potential anomalies and irregularities for detailed audit testing.

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. 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.



Dorinnia Carville
Comptroller and Auditor General
Northern Ireland Audit Office
106 University Street
BELFAST
BT7 1EU

30 November 2022

SOUTHERN REGIONAL COLLEGE
STATEMENT OF COMPREHENSIVE INCOME AND EXPENDITURE
FOR THE YEAR ENDED 31 JULY 2022

	Note s	2022 £'000	2021 £'000
INCOME			
Department for the Economy income	1	32,161	31,131
Education contracts	2	4,857	6,329
Tuition fees and charges	3	1,701	1,980
Other grant income	4	403	354
Other operating income	5	1,236	759
Total income		40,358	40,553
EXPENDITURE			
Staff costs	6	(30,872)	(29,632)
Other operating expenses	8	(14,886)	(13,809)
Depreciation, amortisation and impairment	11,12	(714)	(3,827)
Interest and other finance costs	9	(486)	(443)
Total expenditure		(46,958)	(47,711)
Deficit before exceptional items		(6,600)	(7,158)
Exceptional staff costs - provision for annual leave on overtime	6	(2)	17
Total exceptional items		(2)	17
Deficit before other losses		(6,602)	(7,141)
Deficit before tax		(6,602)	(7,141)
Taxation	10	-	-
Deficit for the year		(6,602)	(7,141)
Unrealised surplus on revaluation of land and buildings		30,820	173
Actuarial gain in respect of pension scheme		22,394	8,716
Total comprehensive income and expenditure for the year		46,612	1,748
Represented by:			
Unrestricted comprehensive income and expenditure for the year		46,612	1,748
		46,612	1,748

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 2022

	Income and expenditure account				Revaluation Reserve	Total
	Unrestricted (excluding Pension)	Pension Reserve	Unrestricted (including Pension)	Restricted		
	£'000	£'000	£'000	£'000	£'000	£'000
Balance at 1 August 2020	18,912	(32,410)	(13,498)	405	31,194	18,101
Deficit from Statement of Comprehensive Income and Expenditure	(3,732)	(3,409)	(7,141)	-	-	(7,141)
Other comprehensive expenditure	-	8,716	8,716	-	173	8,889
Transfers between revaluation and income and expenditure account	2,668	-	2,668	-	(2,668)	-
Balance at 1 August 2021	17,848	(27,103)	(9,255)	405	28,699	19,849
Deficit from Statement of Comprehensive Income and Expenditure	(2,987)	(3,615)	(6,602)	-	-	(6,602)
Other comprehensive income/(expenditure)	405	22,394	22,799	(405)	30,820	53,214
Transfers between revaluation and income and expenditure account	1,966	-	1,966	-	(1,966)	-
Total comprehensive (expenditure)/income for the year	(616)	18,779	18,163	(405)	28,854	46,612
Balance at 31 July 2022	17,232	(8,324)	8,908	-	57,553	66,461

SOUTHERN REGIONAL COLLEGE
STATEMENT OF FINANCIAL POSITION
AS AT 31 JULY 2022

	Notes	2022 £'000	2021 £'000
Non-current assets			
Tangible fixed assets	11	112,498	80,638
Intangible fixed assets	12	328	405
Total non-current assets		112,826	81,043
Current assets			
Trade and other receivables	13	2,901	2,799
Cash and cash equivalents	18	3,974	4,974
Total current assets		6,875	7,773
Less: Creditors - amounts falling due within one year	14	(8,474)	(8,142)
Net current (liabilities)/assets		(1,599)	(369)
Total assets less current liabilities		111,227	80,674
Less: Creditors - amounts falling after more than one year	15	(36,299)	(33,581)
Provisions			
Provisions for liabilities and charges	16	(8,467)	(27,244)
Net assets including pension liability		66,461	19,849
Restricted reserves			
Income and expenditure account – restricted reserve	17	-	405
Unrestricted reserves			
Income and expenditure account – unrestricted reserves (excluding pension reserve)		17,232	17,848
Pension reserve		(8,324)	(27,103)
Income and expenditure account – unrestricted reserves (including pension reserve)		8,908	(9,255)
Revaluation reserve		57,553	28,699
Total reserves		66,461	19,849

The financial statements on pages 77-106 were approved by the Governing Body of Southern Regional College on 28 November 2022 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 2022

	Notes	2022 £'000	2021 £'000
Cash outflow from operating activities			
Deficit for the year		(6,602)	(7,141)
Adjustment for non-cash items			
Depreciation	11	4,859	4,168
Disposal of fixed assets	11	150	896
Reversal of impairment below cost	11	(4,222)	(360)
Increase in debtors less than one year	13	(102)	(837)
Increase in creditors less than one year	14	332	927
Increase in creditors more than one year	15	2,795	4,133
Decrease in creditors more than one year - intangible asset	15	(77)	(40)
Decrease/(Increase) in Intangible asset	12	-	21
Amortisation of Intangible asset	12	77	19
(Decrease)/Increase in Provisions	16	2	(17)
Pension cost less contributions payable	19	3,129	2,966
Pension interest cost	19	486	443
Adjustment for investing or financing activities			
Proceeds on disposal of fixed assets	11	360	786
Net cash inflow from operating activities		1,187	5,964
Cash flows from investing activities			
Proceeds from sales of fixed assets		(360)	(786)
Payments made to acquire tangible fixed assets	11	(1,827)	(5,484)
Net cash outflow from investing activities		(2,187)	(6,270)
Decrease in cash and cash equivalents in the year			
Net funds at 1 August		4,974	5,280
Net funds at 31 July		3,974	4,974

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 83). 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 2022. 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.

In the prior year, the College was 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

	2022	2021
	£'000	£'000
Grant in aid received from DfE		
Recurrent grant	30,204	28,624
Release of unrestricted capital grants	56	1,264
Total grant in aid received from DfE	<u>30,260</u>	<u>29,888</u>
Non-grant in aid received from DfE		
Education maintenance allowance administration (EMA)	22	23
Higher level apprenticeships	809	690
Other non-grant in aid	1,070	530
Total non-grant in aid received from DfE	<u>1,901</u>	<u>1,243</u>
Total DfE income	<u>32,161</u>	<u>31,131</u>

2. EDUCATION CONTRACTS

	2022	2021
	£'000	£'000
Entitlement framework	1,022	895
Training for success	3,835	5,434
Total	<u>4,857</u>	<u>6,329</u>

3. TUITION FEES AND CHARGES

	2022	2021
	£'000	£'000
Higher education (HE)	906	1,192
Home and other European Union	795	788
Non-European Union	-	-
Total	<u>1,701</u>	<u>1,980</u>

The HE fees above include amounts to fund bursaries payable to eligible HE students of £22k (2021: £34k)

4. OTHER GRANT INCOME

	2022	2021
	£'000	£'000
European funds	61	81
Other funds	342	273
Total	<u>403</u>	<u>354</u>

5. OTHER OPERATING INCOME

	2022	2021
	£'000	£'000
Catering and residence operations	485	238
Other income generating activities	720	478
Other income	31	43
Total	1,236	759

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:

	2022	2021
	No.	No.
Governing body	-	-
Teaching	343	333
Support	113	114
Administration	161	161
Premises	23	25
Total	640	633

	2022	2021
	£'000	£'000
Governing body	63	57
Teaching	16,438	15,955
Support	3,603	3,392
Administration	6,750	6,362
Premises	889	900
FRS 102 pension adjustment (note 19)	3,129	2,966
	30,872	29,632

Exceptional staff costs - provision for annual leave on overtime	2	(17)
Total	30,874	29,615

Wages and salaries	20,883	20,206
Social security costs	2,032	1,802
Apprentice Levy	91	83
Pension cost	7,867	7,524
Total	30,874	29,615

6. STAFF COSTS (continued)

	Senior post-holders		Other staff	
	2022 No.	2021 No.	2022 No.	2021 No.
£50,001 to £60,000	-	-	2	2
£60,001 to £70,000	-	-	5	1
£70,001 to £80,000	1	-	4	8
£80,001 to £90,000	-	-	6	2
£90,001 to £100,000	1	-	-	-
£100,001 to £110,000	1	3	-	-
£110,001 to £120,000	-	-	-	-
£120,001 to £130,000	-	-	-	-
£130,001 to £140,000	-	-	-	-
£140,001 to £150,000	1	1	-	-
£150,001 to £160,000	-	-	-	-
Total	4	4	17	13

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.

	2022 No.	2021 No.
The number of senior post-holders including the Chief Executive was:	<u>4</u>	<u>4</u>

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

	2022 £'000	2021 £'000
Salaries	363	378
Benefits in kind	-	-
Pension contributions	76	85
Total emoluments	<u>439</u>	<u>463</u>

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

	2022 £'000	2021 £'000
Salaries	118	117
Benefits in kind	-	-
	<u>118</u>	<u>117</u>
Pension contributions	30	29
Total	<u>148</u>	<u>146</u>

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.

8. OTHER OPERATING EXPENSES

	2022	2021
	£'000	£'000
Direct teaching	1,926	1,645
Direct support	2,989	3,375
Administration	1,962	2,220
Premises	8,009	6,569
Total	14,886	13,809

Other operating expenses include:	2022	2021
	£'000	£'000
Auditors' remuneration:		
Financial statements audit (includes £27k in respect of the College – 2020-21 £24k)	27	24
Internal audit	23	20
Other services provided by the financial statement's auditors (National Fraud Initiative exercise)	-	2
Hire of plant and equipment assets – operating leases	148	133
Hire of other assets – operating leases	-	29

9. INTEREST AND OTHER FINANCE COSTS

	Note	2022	2021
		£'000	£'000
Net charge on pension scheme	19	486	443
Total		486	443

10. TAXATION

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

11. TANGIBLE FIXED ASSETS

	Land & buildings	Assets under construction	Plant & equipment	Computer:	Fixtures & fittings	Motor vehicles	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost or valuation							
At 1 August 2021	75,090	3,576	6,741	4,347	1,541	293	91,588
Additions	162	105	870	690			1,827
Surplus on Revaluation	30,820	-	-	-	-	-	30,820
Impairment below cost adjustment	4,222	-	-	-	-	-	4,222
Transfer from AUC	1,414	(1,414)					0
Disposals	(150)	-	(81)	(298)	(20)	-	(549)
Elimination of Depreciation on Revaluation	(5,281)	-	-	-	-	-	(5,281)
At 31 July 2022	106,277	2,267	7,530	4,739	1,521	293	122,627
Depreciation							
At 1 August 2021	2,427	-	4,563	2,821	929	210	10,950
Charge for the year	2,854	-	820	957	206	22	4,859
Disposals	-	-	(81)	(298)	(20)	-	(399)
Elimination of Depreciation on Revaluation	(5,281)	-	-	-	-	-	(5,281)
At 31 July 2022	0	0	5,302	3,480	1,115	232	10,129
Net book value at 31 July 2022	106,277	2,267	2,228	1,259	406	61	112,498
Net book value at 31 July 2021	72,663	3,576	2,178	1,526	612	83	80,638

REVALUATION

Land and buildings were subject to a full revaluation at 31 July 2022. This was a full 5 yearly asset valuation exercise, and as such, a full inspection of all assets was undertaken.

The valuations have been undertaken having regard to UK GAAP, and more specifically the Statement of Recommended Practice: accounting for further and higher education (SORP) 2019 (effective from 1 January 2019) for the Higher and Further Education sectors and Financial Reporting Standard (FRS) 102 issued by the Financial Reporting Council (FRC). The valuations have also been carried out in accordance with HM Treasury guidance, International Valuation Standards and the requirements of the Royal Institution of Chartered Surveyors (RICS) Professional Standards (hereinafter referred to as either the Global Standards or National Supplement as appropriate). Any departure from these Standards, agreed with the client, is highlighted below.

11. TANGIBLE FIXED ASSETS (continued)

The majority of the College assets are specialist assets where there is no market-based evidence to support and assess an 'in use' fair value, the Depreciated Replacement Cost (DRC) approach has been used. These are properties which are rarely sold in the market, except by way of a sale of the business or entity of which it is part, due to uniqueness arising from its specialised nature and design, its configuration, size, location or otherwise.

The land and building parts of these specialised properties have been valued (and reported) separately and when combined these figures give the asset's total value. Where the Depreciated Replacement Cost (DRC) approach has been used, valuers have had regard to the RICS Guidance Note: Depreciated Replacement Cost Method of Valuation for Financial Reporting, as supplemented by HM Treasury guidance.

The RICS Guidance Note Depreciated Replacement Cost Method of Valuation for Financial Reporting, at Section 2.3 defines DRC as: ***'The current cost of replacing an asset with its modern equivalent asset less deductions for physical deterioration and all relevant forms of obsolescence and optimisation.'***

Where the DRC approach is used, the Modern Equivalent Asset (MEA) Principle has been applied; it being the underlying use for which the asset is being used that determines the valuation treatment. The modern equivalent asset (MEA) is defined by its comparative performance and output, not its physical characteristics, and is an asset that could deliver the remaining service potential at least cost.

At each inspection a full internal assessment and investigation has been undertaken, as far as was possible and appropriate in the circumstances prevailing at the time, to ensure full compliance with all appropriate COVID 19 restrictions and measures, as per current NI Assembly and PHA regulations and guidance.

Where the July 22 valuation has valued premises below the cost incurred in bringing the premises into use an impairment has been applied in these statements. Where the July 22 valuation has increased the value of premises previously impaired the prior year impairment has been reversed in these statements.

There are three surplus assets have been valued as follows:— premises at 81 and 83 Lisnally Lane, Armagh valued at £840k, premises at 55 Greencastle Street, Kilkeel valued at £210k and a Sports Field at the Banbridge Campus valued at £565k.

During the year the site at Corry Square Newry was sold with proceeds of £360k. The Department for the Economy has approved the use of the proceeds from the sale of the sites to fund capital investment in 2022-23.

11. TANGIBLE FIXED ASSETS (continued)

Land and building valuation can be analysed as;

	2022	2021
	£'000	£'000
Freehold Land & Buildings	106,213	72,663
Leasehold Land	64	-
Owned assets	<u>106,277</u>	<u>72,663</u>

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

	2022	2021
	£'000	£'000
Cost (including assets under construction)	58,758	58,277
Aggregate depreciation based on cost	<u>(7,767)</u>	<u>(11,926)</u>
Net book value based on cost	<u>50,990</u>	<u>46,351</u>

The depreciation charge for the year is analysed as follows:

	2022	2021
	£'000	£'000
Owned assets	<u>(4,448)</u>	<u>(4,168)</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	Total £'000
Cost or valuation		
At 1 August 2021	<u>424</u>	<u>424</u>
At 31 July 2022	<u>424</u>	<u>424</u>
Amortisation		
At 1 August 2021	19	19
Charge for the year	<u>77</u>	<u>77</u>
At 31 July 2022	<u>96</u>	<u>96</u>
Net book value at 31 July 2022	<u>328</u>	<u>328</u>
Net book value as at 31 July 2021	<u>405</u>	<u>405</u>

The net book value of the intangible asset is a jointly owned and controlled asset among the six Further Education Colleges of Northern Ireland. 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 2021 and amortised from May 2021.

13. TRADE AND OTHER RECEIVABLES FALLING DUE WITHIN ONE YEAR

	2022	2021
	£'000	£'000
Trade receivables	637	414
Prepayments and accrued income:	2,264	2,385
Total debtors	<u>2,901</u>	<u>2,799</u>

Included within prepayments and accrued income are the following items of income;

	2022	2021
	£'000	£'000
DfE income	<u>688</u>	<u>771</u>

14. CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£'000	£'000
Trade payables	3,084	1,814
Taxation and social security	641	57
Deferred income and payments received in advance	2,893	3,363
Accruals	1,856	2,908
Total	<u>8,474</u>	<u>8,142</u>

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;

	2022	2021
	£'000	£'000
DfE grant income	213	426
Capital grant income	1,760	1,894
Other grant income	920	1,043
Total	<u>2,893</u>	<u>3,363</u>

15. CREDITORS - AMOUNTS FALLING due AFTER MORE THAN ONE YEAR

	2022	2021
	£'000	£'000
Capital grant income	36,299	33,581
Total	<u>36,299</u>	<u>33,581</u>

16. PROVISIONS FOR LIABILITIES AND CHARGES

	Pensions	Other	Total
	£'000	£'000	£'000
At 1 August 2021	27,103	141	27,244
Additions in the period	-	-	-
Expenditure in the period	3,615	-	3,615
Transferred to statement of comprehensive income and expenditure	(22,394)	2	(22,392)
At 31 July 2022	8,324	143	8,467
	Pensions	Other	Total
	£'000	£'000	£'000
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)
At 31 July 2021	27,103	141	27,244

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.

In 2021, the case was paused to facilitate mediation. In March 2022, the PSNI were unable to obtain the required authorisation from the Department of Finance in respect of agreeing a potential financial settlement. The mediation process continues, but the case has been re-listed with the UK Supreme Court on 14 and 15 December 2022. The Supreme Court judgement may result in a decision which either reduces the period of liability or confirms the full period back to 1998.

The £143k 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 2022 for teaching staff, and April 2020 to July 2022 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 15.05% 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 £143k outlined above may be subject to change following the outcome of the Supreme Court appeal.

17. RESTRICTED RESERVE

	Unspent Capital Grants £'000	Donations £'000	2022 Total £'000	2021 Total £'000
At 1 August 2021	405	-	405	405
Transfer to general reserve	(405)	-	(405)	-
New grants	-	-	-	-
Total comprehensive income for the year	-	-	-	-
At 31 July 2022	-	-	-	405

18. CASH AND CASH EQUIVALENTS

	At 1 August 2021 £'000	Cash flows £'000	At 31 July 2022 £'000
Cash and cash equivalents	4,974	(1,000)	3,974

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

	2022 £'000	2021 £'000
NITPS: contributions paid	3,201	3,101
NILGOSC: Contributions paid	1,537	1,457
NILGOSC: FRS 102 (28) adjustments	3,129	2,966
NILGOSC: charge to the Statement of Comprehensive Income and Expenditure (staff costs)	4,666	4,423
Total pension cost for year	7,867	7,524

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 2019.

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.

19. PENSIONS AND SIMILAR OBLIGATIONS (continued)

The Public Service Pensions Act (Northern Ireland) 2014 provides for the closure of existing public section pension schemes (including the NITPS) from 31 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 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 April 2021 to 31 March 2022:-

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 20

From 1 April 2022, the bands changed to those below.

Salary	
Up to £29,188	7.4%
£28,188 to £39,291	8.6%
£39,291 to £46,587	9.6%
£46,587 to £61,743	10.2%
£61,743 to £84,194	11.3%
£84,194 and above	11.7%

Table 21

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 2022 by a qualified actuary.

SOUTHERN REGIONAL COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 JULY 2022

Principal actuarial assumptions

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

	At 31 July 2022	At 31 July 2021
Rate of increase of salaries	4.25%	4.1%
Rate of increase for pensions	2.75%	2.6%
Discount rate for scheme liabilities	3.55%	1.7%
Inflation assumption (CPI)	<u>2.75%</u>	<u>2.6%</u>

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)

	At 31 July 2022	At 31 July 2021
<i>Retiring today</i>		
Males	21.8	21.9
Females	25.1	25.1
<i>Retiring in 20 years</i>		
Males	22.8	23.3
Females	<u>26.1</u>	<u>26.5</u>

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

	Value at 31 July 2022 £'000	Value at 31 July 2021 £'000
Equities	21,171	24,847
Bonds	13,776	23,007
Property	6,719	5,119
Cash	6,191	4,544
Multi Asset Credit	6,964	-
Fair value of assets	<u>54,821</u>	<u>57,517</u>

Amounts recognised in the statement of financial position

	2022 £'000	2021 £'000
Scheme assets	54,821	57,517
Scheme liabilities	<u>(63,145)</u>	<u>(84,620)</u>
Deficit in the scheme (net pension liability recorded within pension provision)	<u>(8,324)</u>	<u>(27,103)</u>

Analysis of amounts charged to staff costs

	2022 £'000	2021 £'000
Employer service cost (net of employee contributions)	<u>4,565</u>	<u>4,421</u>
Total operating charge	<u>4,565</u>	<u>4,421</u>

Analysis of pension finance costs

	2022 £'000	2021 £'000
Expected return on pension scheme assets	987	680
Interest cost	<u>(1,473)</u>	<u>(1,123)</u>
Net charge to interest payable	<u>(486)</u>	<u>(443)</u>

19. PENSIONS AND SIMILAR OBLIGATIONS (continued)

Analysis of other comprehensive income/(expenditure) for pensions

	2022	2021
	£'000	£'000
Actuarial gains/(losses) from assets	(4,735)	7,779
Actuarial gains from a change in financial assumptions	29,931	-
Actuarial gains from a change in demographic assumptions	629	-
Actuarial (losses)/gains from experience	(3,431)	937
Total of other comprehensive income	22,394	8,716

Movement in deficit during the year

	2022	2021
	£'000	£'000
Deficit in scheme at 1 August	(27,103)	(32,410)
Employer service cost (net of employee contributions)	(4,565)	(4,421)
Employer contributions	1,498	1,455
Past service cost	(63)	-
Net interest on assets	(486)	(443)
From changes in financial assumptions	1	-
Actuarial gains recognised in other comprehensive income	22,394	8,716
Deficit in scheme at 31 July	(8,324)	(27,103)

Reconciliation of liabilities

	2022	2021
	£'000	£'000
Liabilities at start of period	84,620	80,447
Service cost	4,565	4,421
Interest cost	1,473	1,123
Employee contributions	477	466
Actuarial loss/(gain)	3,431	(937)
Benefits paid	(923)	(900)
Past service cost	63	-
From change in financial assumptions	(29,932)	-
From change in demographic assumptions	(629)	-
Liabilities at end of period	63,145	84,620

Reconciliation of assets

	2022	2021
	£'000	£'000
Assets at start of period	57,517	48,037
Expected return on assets	987	680
Actuarial (loss)/gain	(4,735)	7,779
Employer contributions	1,498	1,455
Employee contributions	477	466
Benefits paid	(923)	(900)
Assets at end of period	54,821	57,517

The estimated value of employer contributions for the year ended 31 July 2023 is £1,565k.

20. EVENTS AFTER THE REPORTING PERIOD

On 25th October 2022 the Court of Appeal ruled against the previous Judicial Review findings in relation to Armagh City, Banbridge and Craigavon Borough Council's decision to grant the College planning permission for a new campus at South Lake, Craigavon. The College is currently considering the full implications of this decision in relation to the future of the project.

21. CAPITAL COMMITMENTS

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

	2022	2021
	£'000	£'000
Commitments contracted for at 31 July	2,056	1,029
Authorised but not contracted at 31 July	2,840	-
Total	<u>4,896</u>	<u>1,029</u>

22. FINANCIAL COMMITMENTS

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

	2022	2021
	£'000	£'000
Other		
Expiring within 12 months	-	133
Expiring within two and five years inclusive	62	-
Total	<u>62</u>	<u>133</u>

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

	2022	2021
	£'000	£'000
Income		
Expiring within two and five years inclusive	39	39
Total	<u>39</u>	<u>39</u>

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 2022 £'000	Transactions 2021 £'000	Amount outstanding at 31 July 2022 £'000	Amount outstanding at 31 July 2021 £'000
T Rice**	Newry Chamber of Commerce & Trade	7	1	-	-
T Rice**	Newry, Mourne and Down District Council	18	n/a	-	n/a
A McCormick*	Education Authority	66	125	5	-
M Turner** S Rogan**	Pearson UK	199	209	-	-
S Rogan** M Turner**	CCEA	5	8	-	-
N Wilson* M Turner** F Bradley** T Rice**	Armagh City, Banbridge and Craigavon Borough Council	2	-	-	-

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

Table 22

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

	Related Organisation	Transactions 2022 £'000	Transactions 2021 £'000	Amount outstanding at 31 July 2022 £'000	Amount outstanding at 31 July 2021 £'000
N Wilson* M Turner** F Bradley** T Rice**	Armagh City, Banbridge and Craigavon Borough Council	6	6	-	-
A McCormick*	Education Authority	57	59	34	1
B Doran**	WorldSkills UK	4	1	1	-
S Rogan**	Bridge Integrated Primary School	21	n/a	-	n/a

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

Table 23

24. AGENCY ARRANGEMENTS

SOUTHERN REGIONAL COLLEGE
 NOTES TO THE FINANCIAL STATEMENTS (Continued)
 FOR THE YEAR ENDED 31 JULY 2022

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.

	2022	2021
	£'000	£'000
DfE student hardship grant	360	360
Disbursed to students	(147)	(251)
Balance unspent at 31 July	<u>213</u>	<u>109</u>

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.

	2022	2021
	£'000	£'000
DfE care to learn grant	21	23
Disbursed to students' childcare providers	(21)	(23)
Balance at 31 July	<u>-</u>	<u>-</u>

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.

	2022	2021
	£'000	£'000
DfE COVID-19 Study Disruption Payments to HE Students within FE	-	172
Disbursed to students	-	(145)
Administration fee	-	(15)
Balance unspent at 31 July	<u>-</u>	<u>12</u>

The balance of the unspent funds were returned to Department for the Economy.

25. LOSSES AND SPECIAL PAYMENTS

There was 1 special payment greater than £1k during the financial year totalling £5k.

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	2022 £'000	2021 £'000
INCOME			
DfE income (non-grant in aid items)	1	1,901	1,243
Education contracts	2	4,857	6,329
Tuition fees and charges	3	1,701	1,980
Other grant income	4	403	354
Other operating income	5	1,236	759
Total incoming resources		10,098	10,665
EXPENDITURE			
Staff costs	6	(30,872)	(29,632)
Fundamental restructuring costs	6	-	-
Exceptional item – provision for annual leave on overtime	6	(2)	17
Other operating expenses	8	(14,886)	(13,809)
Depreciation and impairment	11	(714)	(3,827)
Interest and other finance costs	9	(486)	(443)
Total resources expended		(46,960)	(47,694)
Deficit before tax		(36,862)	(37,029)
Taxation	10	-	-
Deficit for the year		(36,862)	(37,029)
Unrealised surplus on revaluation of land and buildings		30,820	173
Actuarial gain/(loss) in respect of pension scheme		22,394	8,716
Amount transferred to reserves		16,352	(28,140)
Analysis of reserves prepared under FReM			
		2022 £'000	2021 £'000
Balance at 1 August		19,849	18,101
Grant in aid received in year		30,260	29,888
Amount transferred to reserves		16,352	(28,140)
Balance at 31 July		66,461	19,849

Date of authorisation for Issue

The Accounting Officer authorised the issue of these financial statements on 30 November 2022.

