



Q2 2015-16

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Governing Body KPI  
and Risk  
Management Report

**For the attention of the Governing Body**

# KPI and Risk Management Report

**Classification:** NON Confidential.

**Objective:** To provide the Governing Body with a Quarter 2 update on Belfast Met's performance against the 15 indicators identified in the 2015-16 4 Point Plan.

**Reporting Officer:** Lisa McCartney, Centre Manager for Strategic Planning.

**Decision tracker:** Gillian Magee, Director of Transition.

**FOI Implications:** N/A.

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## Background

In June 2013 Governors approved the College's 3 year Corporate Plan and 2015-16 Operational Plan, both of which serve as the baseline against which delivery of operational targets are to be measured throughout the academic year. Our Corporate and Operational plans contain a total of 13 corporate objectives which can be interrogated into 15 corporate outcomes (key performance indicators).

This paper updates the Governing Body on Quarter 2 progress against our 15 corporate outcomes. Our Key Performance Indicators (KPIs) have been assessed against the following 5 level colour system to give an 'at a glance indication' of progress:

- On Track / Achieved / Completed
- Slippages / Areas Being Monitored
- Significantly behind Schedule / Low Level Monitoring
- Not Yet Started / Reports or Data Not Yet Available
- Exceeded / Over Achieved

## Key Facts to Note

Our 13 corporate objectives have been interrogated into 15 KPIs. Within this there are:

- 10 targets (67%) on track for delivery.
- 2 targets (12%) behind schedule and being monitored.
- 1 target (7%) significantly behind schedule.
- 1 target (7%) not yet started.
- 1 target (7%) exceeded.

Details of the three targets that are behind schedule have been extrapolated for ease of reference onto page 5 of the report.

## Recommendation

It is recommended that the Governing Body notes the College's Quarter 2 performance against the 2015-16 KPIs and risks.

# Belfast Met 4 Point Plan



# Summary of Performance in Quarter 2 2015 -16

## Against the Outcomes



10 of the College's 15 KPIs are on track at the end of Quarter 2.

2 of the College's 15 KPIs are being monitored at the end of Quarter 2.

1 of the College's 15 KPIs is significantly behind schedule at the end of Quarter 2.

Data is not yet available for 1 of the College's 15 KPIs at the end of Quarter 2.

1 of the College's 15 KPIs has been exceeded at the end of Quarter 2.

### Key achievements during Quarter 2 2015-16

- 9,726 FLUs were enrolled against a target of 9,527. Current position is 199 FLUs ahead of full year CDP target.
- 87.0% of learners agree that Belfast Met provides a safe, secure, supportive learning environment for all – an increase of 2 percentage points on Q4 2014-15.
- 92.0% of learners would recommend Belfast Met to others – again, an increase of 2 percentage points on Q4 2014-15.
- Over four out of five of our stakeholders recently confirmed that they have a favourable opinion of the contribution Belfast Met makes to the Belfast and NI economy.
- The first module of the College wide middle management development programme “Leadership through Excellence” was delivered in January 2016 to approximately 50 teaching / non-teaching staff. This has received strong, positive feedback. The programme consists of six modules supported through project work, action learning sets and on-line training content. The second of the modules “Leading People” will be delivered in March. The programme will be delivered throughout the 2015-16 year.
- All Tier 3 Managers have been recruited and the College is currently working to populate its Curriculum Area Manager structure.

## **Summary of slippages against KPIs:**

At the end of Quarter 2, two outcomes are being monitored (**yellow**) and one outcome is significantly behind schedule (**red**).

### **3.7.9**

**Deliver the skills the economy needs and ensure our offer is consistent with the nature and level of demand.**

Target = 7,000 people aged 26-45 engaged in vocational and accredited learning.

Quarter 2 outcome = The number of 26-45 year olds currently engaged in vocational and accredited learning is 4,368, compared to 3,615 last quarter. The removal of FLU funded leisure courses is impacting upon our ability to achieve this target.

### **3.9.11**

**Enhance existing collaboration with Belfast's extensive neighbourhood and community structures to secure participation in College provision.**

Target = £0.42mn School Partnership contracts and income.

Quarter 2 outcome = The College currently has contracts in place with 20 schools however policy changes in the Department for Education (DE) has resulted in a lower level of engagement and year-end income is expected to amount to £0.33mn.

### **4.13.15**

**Maximise income and utilise it to deliver an excellent curriculum as efficiently as possible.**

Target = Achieve financial breakeven by maximising use of public funds and securing income from alternative sources.

Quarter 2 outcome = The Quarter 2 reforecast shows a forecast deficit of £1.6mn which is a negative variance against budget of £1.5mn. The NDPB March year end budget is currently projecting an underspend of £0.5mn. Since the last Quarter's report, the Department requested that the College spend further funds before the end of March to maximise NDPB budget position. This has contributed to the financial year projected overspend. Please note that the new Financial Memorandum prioritises living with the NDPB Budget, and the requirement to achieve a deficit of no more than 2% no longer exists. This position will continue to be monitored closely in the next quarter.

# Operating Plan KPIs in detail 2015-16

# 1

Put the learner at the centre of everything we do

- █ On Track / Achieved / Completed
- █ Slippages / Areas Being Monitored
- █ Significantly behind Schedule / Low level Monitoring
- █ Not Yet Started / Reports or Data Not Yet Available
- █ Exceeded / Over Achieved

## Learning & Growth Perspective

Corporate Objective	Outcome	Target 2015-16	Update as at end of Quarter 2	Q2
				GYRB
<b>1. Create a successful learning environment that places the learner and their success at the heart of our work.</b>	1. Successful learners into employment or further study.	75%	<p>DEL recently conducted a survey of FE leavers in the 2013/14 academic year enquiring about their main activity both before and six months after completing and achieving their regulated qualification at Belfast Met. In summary, for Belfast Met:</p> <ul style="list-style-type: none"> <li>• The proportion of learners in employment increased from 40.6% to 45.6%;</li> <li>• Those in learning decreased from 36.4% to 33.7%; and</li> <li>• Those unemployed decreased from 9.2% to 7.2%.</li> </ul>	<span style="color: #6aa84f;">█</span>
<b>2. Deliver an excellent curriculum that is aligned to the needs of employers.</b>	2. Success in all substantive qualifications.	76%	2014-15 outturn was 74.61% against a target of 73%. 2015-16 outcomes will be available in October 2016.	<span style="color: #1e9e9e;">█</span>
<b>3. Deliver skills and qualifications that create opportunities for sustainable employment.</b>	3. Training and education in priority skills areas.	28%	31.19% of FLU enrolments are within Priority Skills areas.	<span style="color: #6aa84f;">█</span>
	4. Provision of a safe, secure, supportive learning environment for all.	87%	In the global student satisfaction survey conducted in October 2015, 87% of learners agreed that Belfast Met provides a safe, secure, supportive learning environment for all. A follow up survey will be issued to all learners in March 2016.	<span style="color: #6aa84f;">█</span>

# 2

Deliver the highest quality possible in all we do

- █ On Track / Achieved / Completed
- █ Slippages / Areas Being Monitored
- █ Significantly behind Schedule / Low level Monitoring
- █ Not Yet Started / Reports or Data Not Yet Available
- █ Exceeded / Over Achieved

## Customer Perspective

Corporate Objective	Outcome	Target 2015-16	Update as at end of Quarter 2	Q2 GYRB
<b>4. Maintain a focus on what the College does best that is central to its overall Mission.</b>	5. Ensure that at least 9 out of 10 learners would recommend Belfast Met to others.	90%	The global student satisfaction survey conducted in October 2015 revealed that 92% of learners would recommend Belfast Met to others. A follow up survey will be issued to all learners in March 2016.	<span style="color: purple;">█</span>
<b>5. Sustain and improve our responsiveness to learners, employers and communities.</b>	6. Increase the level of favourability among key stakeholders.	85%	Findings from the updated stakeholder satisfaction survey indicate Belfast Met continues to be very well regarded by its wider stakeholder group with over four out of five of our stakeholders having a favourable opinion of the contribution we make.	<span style="color: green;">█</span>
<b>6. Be recognised regionally, nationally and internationally as outstanding in all our main curriculum areas, in all modes and contracts of delivery.</b>	7. Every teacher provides 'good or better' teaching and learning experiences.	100%	Observers and observees for 2015-16 have been allocated. All teaching staff (including Part-Time and Associate Lecturers) are subject to a formal observation once every two years. To date, 100 observations have taken place with those outstanding scheduled for March and April. All observations have been graded as 'good or better'.	<span style="color: green;">█</span>

8. National / international staff and student awards.	20	<p>Multiple staff and student awards have been achieved to date including:</p> <ul style="list-style-type: none"> <li>(1) Principal and Chief Executive, Marie-Thérèse McGivern - UK Public Sector Director of the Year;</li> <li>(2) Head of Finance, Gillian Mayhew - awarded Industry Professional Accolade;</li> <li>(3) The senior management team - ILM Diploma or Certificate in Leadership &amp; Management;</li> <li>(4) Grainne McGowan and Julie Ferguson - Postgraduate Certificate in FE;</li> <li>(5) Isis Palamine, NVQ Level 3 Professional Cookery - Chef's Choice Award;</li> <li>(6) Belfast Met Foundry student Phil Goss - ASU Perpetual Trophy, Best Members' work in Show;</li> <li>(7) The Computerised Accounting and Payroll team in School of Business and Management won the IAB Gold Centre 2015 award; and</li> <li>(8) The College was highly commended in the Education and Business Partnership award for GESMA.</li> </ul>
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# 3

Achieve the highest possible positive impact we can on the economic and social wellbeing of Belfast and NI.

- On Track / Achieved / Completed
- Slippages / Areas Being Monitored
- Significantly behind Schedule / Low level Monitoring
- Not Yet Started / Reports or Data Not Yet Available
- Exceeded / Over Achieved

## Collaboration & Contribution Perspective

Corporate Objective	Outcome	Target 2015-16	Update as at end of Quarter 2	Q2 GYRB
<b>7. Deliver the skills the economy needs and ensure our offer is consistent with the nature and level of demand.</b>	9. Number of people aged 26-45 engaged in vocational and accredited learning.	7,000	The number of 26-45 year olds currently engaged in vocational and accredited learning is 4,368 including essential skills, or 3,481 excluding essential skills.	<span style="background-color: #fca82e; border: 1px solid black; display: inline-block; width: 15px; height: 15px; vertical-align: middle;"></span>
<b>8. Work in partnership with higher and further education, schools, local government and employers in ways that support collaboration and achievement of common goals.</b>	10. Income from training contracts.	£3.3mn	We currently have over 900 learners on Training for Success (TFS), Apprenticeships, Higher Level Apprenticeships (HLA) and traineeship pilots with projected income of £3.6mn. The breakdown includes: <ul style="list-style-type: none"> <li>• TFS learners – 337</li> <li>• Apprenticeships – 478</li> <li>• HLA - 32</li> <li>• Traineeship pilots - 55.</li> </ul>	<span style="background-color: #6aa84f; border: 1px solid black; display: inline-block; width: 15px; height: 15px; vertical-align: middle;"></span>
<b>9. Enhance existing collaboration with Belfast's extensive neighbourhood and community structures to secure participation in College provision.</b>	11. Schools Partnership contracts and income.	£0.42mn	The College currently has contracts in place with 20 schools however policy changes in the Department for Education (DE) has resulted in a lower level of engagement and year-end income is expected to amount to £0.33mn. Early engagement with schools for 2016/17 indicates new business from RBAI and Occupational Studies work from Hazelwood College.	<span style="background-color: #e62e2e; border: 1px solid black; display: inline-block; width: 15px; height: 15px; vertical-align: middle;"></span>
	12. Income from alternative sources.	£3.7mn	The full year reforecast is predicted to be £3,946,371.	<span style="background-color: #6aa84f; border: 1px solid black; display: inline-block; width: 15px; height: 15px; vertical-align: middle;"></span>

# 4

Strive to be an excellent organisation, growing sustainably, innovating and investing in learning.

- █ On Track / Achieved / Completed
- █ Slippages / Areas Being Monitored
- █ Significantly behind Schedule / Low level Monitoring
- █ Not Yet Started / Reports or Data Not Yet Available
- █ Exceeded / Over Achieved

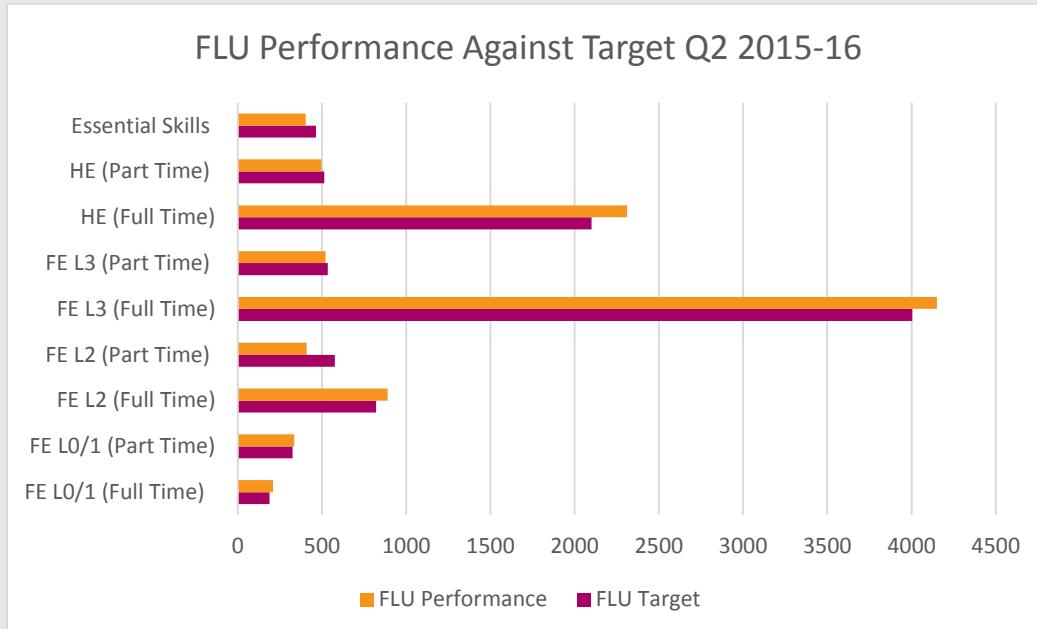
## Developing our People & Assets Perspective

Corporate Objective	Outcome	Target 2015-16	Update as at end of Quarter 2	Q2 GYRB
<b>10. Invest in the skills, tools and support to empower our people to be excellent.</b>	13. Number of staff who feel Belfast Met is a good place to work	72%	The staff satisfaction survey conducted in May 2014 showed an increase in the number of staff who participated who feel Belfast Met is a good place to work – in 2012 this was 69% and in 2014, 78%. The 2015-16 target of 72% has been achieved. A staff survey will not be run in the 2015-16 year with the next survey envisaged for completion in the 2016-17 year.	<span style="color: green;">█</span>
<b>11. Provide a service that is flexible, relevant and adds real value to local employers.</b>	14. External quality benchmarks	10	<p>We have retained four external accreditations including:</p> <ul style="list-style-type: none"> <li>• ISO 9001 – Quality Management (E&amp;FM only)</li> <li>• ISO 18001 – Occupational H&amp;S Management (E&amp;FM only)</li> <li>• ISO 14001 – Environmental Management (College Wide)</li> <li>• IS050001 – Energy Management (College Wide)</li> </ul>	<span style="color: green;">█</span>
<b>12. Provide an inclusive culture in which all individuals are encouraged to participate fully and are treated on the basis of their abilities.</b>			<p>The College's Widening Access and Participation (WAP) and Equality Plans have been approved and targets set.</p> <p>Our current student profile demonstrates full inclusivity.</p>	<span style="color: green;">█</span>
<b>13. Maximise income and utilise it to deliver an excellent curriculum as efficiently as possible.</b>	15. Achieve financial breakeven by maximising use of public funds and securing income from alternative sources.	Breakeven	The Quarter 2 reforecast shows a forecast deficit of £1.6mn within the financial year, which is a negative variance against budget of £1.5mn. The NDPB March year end budget is currently projecting an underspend of £0.5mn which is within overall DEL parameters. The New Financial Memorandum requires the College to live within the NDPB budget.	<span style="color: yellow;">█</span>

## 2. FLU Performance against CDP

A breakdown of FLUs by FE full time/part time, HE full time/part time and Essential Skills is provided below. As at the end of January, 2016 a total of 9,726 FLUs were enrolled against a target of 9,527. Current position is 199 FLUs ahead of full year CDP target. This position represents 223 less FLUs than the 422 FLUs reported at the end of Quarter 1.

	FLU Target	FLU Performance
FE L0/1 (Full Time)	188	209
FE L0/1 (Part Time)	325	334
FE L2 (Full Time)	822	889
FE L2 (Part Time)	576	409
FE L3 (Full Time)	4,004	4,152
FE L3 (Part Time)	535	521
HE (Full Time)	2,100	2,311
HE (Part Time)	513	497
Essential Skills	464	404
<b>Total FE + HE + Essential Skills</b>	<b>9,527</b>	<b>9,726</b>



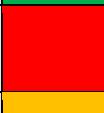
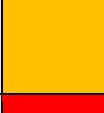
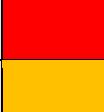
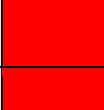
### 3. Corporate Risk Register– Quarter 2 2015-16

In this section of the report Governors will find attached a summary of our Corporate Risk Register for Quarter 2 (2015-16). The Corporate Risk Register contains a total of 16 corporate risks that may prevent the college from achieving the aims and objectives set out in the Corporate Plan. Risk owners score their risks on a quarterly basis and no new risks materialised in the second quarter of 2015-16.

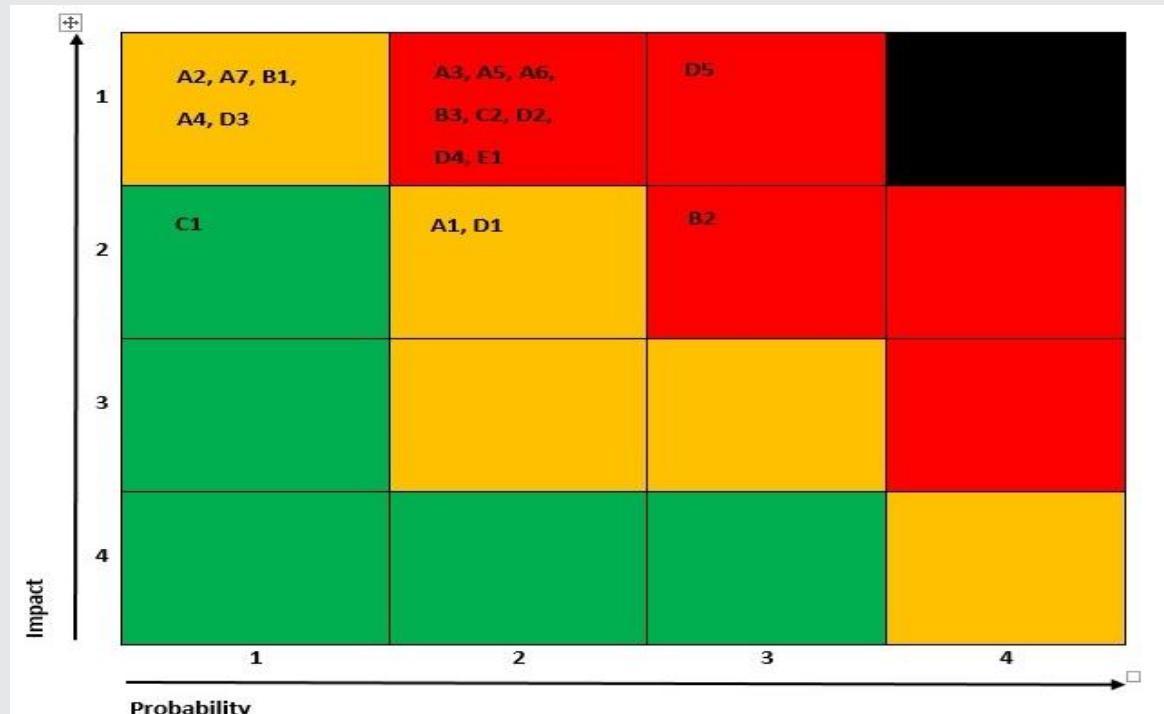
Score	Risk Status	Colour
1-3	Low	Green
4-7	Medium	Amber
8-11	High	Red
12-16	Very High	Black

Quarter 2 progress against the Corporate Risk Register is summarised below. Our risks have been assessed using the following 4 X 4 Risk Matrix, with each risk being grouped under one of five key categories.

Risk Category	Risk Description	RAGB
A1. Funding, Legal and Related	Failure to recruit planned learner numbers.	
A2. Funding, Legal and Related	Failure to achieve planned learner retention rates.	
A3. Funding, Legal and Related	Failure to achieve learner achievement targets.	
A4. Funding, Legal and Related	Failure to achieve success targets.	
A5. Funding, Legal and Related	Failure to be compliant with all relevant legislation, directives and recommended good practice.	
A6. Funding, Legal and Related	Failure to ensure our financial viability within increasingly uncertain economic and political pressures.	
A7. Funding, Legal and Related	Reduced levels of training income and connected impact on FE Level 2 Programmes.	
B1. Economic, Social and Political	Failure to respond to the evolving skills needs of the economy today and tomorrow.	
B2. Economic, Social and Political	Failure to engage with the traditionally hard to reach and therefore transform their lives through our curriculum offer.	
B3. Economic, Social and Political	Failure to respond to changing policy and educational landscape e.g. Higher Level Apprenticeships and Foundation Degrees.	

<b>C.1 Infrastructure</b>	Failure to provide suitable accommodation and infrastructure to enhance learning environment across all of our estate.	
<b>C.2 Infrastructure</b>	Unavailability of key IT systems.	
<b>D1. Operations</b>	Failure to create and maintain an internal framework which delivers top quality, high performance and real accountability.	
<b>D2. Operations</b>	Failure to build and develop a forward looking, innovative, enthusiastic and flexible workforce.	
<b>D3. Operations</b>	Failure to ensure that the teaching staff are continually developed thereby ensuring that the quality of curriculum delivery to students is always improving.	
<b>D4. Operations</b>	Health & safety compromised.	
<b>D5. Operations</b>	Failure to retain specialist and business knowledge.	
<b>E1. Reputational</b>	Failure to maintain the College's reputation.	

#### Summary Risk Map for Quarter 2 2015-16



Governors are asked to note that no new risks materialised during the second quarter of 2015-16.

The following changes have taken place since the previous quarter:

- Risk A1 – Failure to recruit planned learner numbers – probability reduced from 3 to 2 to reflect latest information on College performance against target enrolment numbers. Risk score changed from high to medium;
- Risk A5 – Failure to be compliant with all relevant legislation, directives and good practice – responsibility for data quality and Virtual Learning Environment (VLE) transferred to Director of Transition; this is also referenced in risk C2 – unavailability/ineffective use of key IT systems;
- Risk A7 – Reduced levels of training income and connected impact on FE level 2 programmes – new risk added to reflect continuing uncertainty around the scope and timeline of the proposed DEL training offer; and
- Risk D5 - Failure to retain specialist and business knowledge – new risk added to reflect the need to capture organisational information prior to the departure of personnel as part of the Voluntary Exit Scheme (VES).

The detailed Quarter 2 Risk Register for 2015/16 was approved by Audit and Risk Committee on 24 February, 2016.

## 4. Complaints Register – Quarter 2 2015-16

The table below illustrates the number of new complaints captured during the second quarter of 2015-16. During Quarter 2, 2015-16 the number of complaints captured at stage 2 of the College procedure (formal investigation) was six. Half of those were allocated to curriculum departments with the remaining half being dealt with by business support departments.

Key themes of complaints received this quarter included problems with car parking at Millfield (2), academic delivery issues (1) and poor advice during admissions (1). The total of six complaints compares to 27 formal complaints recorded in the same period in 2014-15. However, delays in the carrying out of repairs to the pottery kiln at Castlereagh accounted for 13 of those complaints.

No group complaints were received during Quarter 2, 2015-16.

Complaints	Whole College	Curriculum	Business Support
Formal complaints carried forward from any previous quarter.	1	1	NIL
Number of formal complaints raised during Quarter 2, 2015-16.	6	3	3
Total number of complaints in Quarter 2, 2015-16.	7	4	3
Resolution of complaints during Quarter 2 2015-16:			
Stage 2 (formal)	4	2	2
Stage 3 (appeal)	NIL	NIL	NIL
Withdrawn formal complaints	NIL	NIL	NIL
Formal complaints carried forward to Quarter 3, 2015-16.	3	2	1

## 5. Outstanding Audit Recommendations – Quarter 2 2015-16

The table below illustrates the number of audit recommendations outstanding at the end of Quarter 2 2015-16. No Priority 1 recommendations have been received from internal audit since 2012-13 however of the four new external audit recommendations received this Quarter, one is a Priority 1, two are a Priority 2 and one is a Priority 3. Each of these recommendations are contained in the NIAO audit on Belfast Metropolitan College's Financial Statements for 2014/15 (Report To Those Charged With Governance).

The sole Priority 1 recommendation relates to accrued expenditure for PFI work at Titanic Quarter. It is classified as Priority 1 due to the need for senior management to be involved in the resolution rather than the potential for it to result in a material weakness in internal control.

During Quarter 2, four new recommendations were added to the outstanding six recommendations carried forward from Quarter 1. One recommendation was superseded and therefore deleted. Three recommendations have been completed leaving six recommendations outstanding.

Total Recommendations	Outstanding Recommendations	Source of Outstanding Recommendations	Theme of Outstanding Recommendations	Priority Rating
9	6	NIAO 14-15	1. Accrued expenditure for PFI work at TQ 2. Updated TQ Model 3. Register of Interests 4. Intangible assets	1 2 2 3
		KPMG 14-15	5. Policy review (fraud & whistleblowing) 6. Data protection & management of information	3 3