

NORTHERN REGIONAL COLLEGE

FINANCE AND GENERAL PURPOSES COMMITTEE

Minutes of the meeting of the Finance and General Purposes Committee held on 31 January 2012 at the Ballymena Campus.

Present Mrs K Collins, (Chairperson), Mr T Neilands (Director), Mr S Davidson and Dr D Lennox.

In Attendance Mrs C Moore and Mr J Hunter.

UNRESERVED BUSINESS

25.1 Apologies

Apologies were received from Mr P McCudden and Mr A Watt.

25.2 Declaration of Interests

There were no declarations of interests.

25.3 Minutes of the Last Meeting

The minutes of the last meeting, held on 12 December 2011, were approved.

25.4 Matters Arising

There were no matters arising from the minutes of the last meeting.

25.5 Chairperson's Communication

There were no Chairperson's communications.

25.6 Correspondence

The Committee received the following correspondence:

a) Recurrent Block Grant 2011/2012. A letter has been received from DEL, dated 30 January 2012, stating that the Department has secured an additional £900k for allocation to FE Colleges through the recurrent block grant. NRC has been allocated £333,169, which represents a 38% share of the £900k. The Director advised the Committee that the College's allocation had been based on its part-time delivery of HE, which had been higher than planned. He informed Members that he intended to make use of it to develop productivity gains. The use of the additional funding would not be finalised until the six monthly meetings with Budget Holders had taken place.

b) Equality Scheme. Correspondence has been received from the Equality Commission, dated 25 January 2012, indicating that it has approved the College's Equality Scheme. The Commission acknowledges the considerable effort made by the College to ensure that its Scheme complies with the Commission's Guidelines.

25.7 Monthly Management Accounts

The Director of Finance presented the Monthly Management Accounts for the period up to 31 December 2011. The Accounts indicate that the College has an historic cost deficit of £135k, which is £103k more than budget. The Bank Balance as at 31 December 2011 was £3.0 million.

The Director of Finance explained that the training income was £193k lower than budget as a result of lower than anticipated trainee numbers. She also explained that staff costs were £113k less than budget. The Committee noted that a recent analysis of staff costs indicates that current staff utilisation is 99%.

In response to a query from the Chairperson concerning a recent advertisement for staff, the Director of Finance stated that the advertisement was for temporary posts or posts identified as specialist, e.g. maternity cover and examination officer. She added that all requests for posts come to the EMT for approval.

25.8 Fees 2012/2013

The Committee received a paper relating to the College's Fees Policy and Regulations for 2012/2013. The Director of Finance provided a summary of recommendations relating to fees for 2012/2013. The Committee noted that the College was responsible for setting all fees with the exception of the HE full-time fee, which was prescribed by DEL. In formulating the fees several criteria had been taken into consideration to ensure that sufficient revenue is raised to meet College requirements and that fees compare favourably to those of other providers.

In response to a comment in relation to fees for room bookings, the Director of Finance explained that the Head of Estates had flexibility to negotiate with clients regarding the hiring of rooms.

The Committee recommended that the Fees Policy and Regulations 2012/2013 be endorsed and forwarded to the Governing Body for approval.

25.9 Catering Services

The Director of Finance reported that a request for proposals on the feasibility of outsourcing Catering Services had been sent to organisations that currently supply outsourced catering services to the FE sector in Northern Ireland. A Panel evaluated proposals, received from three suppliers, on 26 January 2012. None of the proposals was able to offer the service requested at zero net cost. All of the proposals indicated that capital investment would be required to deliver an efficient service with increased sales. Two of the proposals stated that out-sourcing would be more attractive if cleaning could be included. All of the proposals referred to TUPE arrangements in relation to employer pension contributions.

The Panel concluded that the outsourcing of catering services would be financially attractive compared to the current cost of delivering the NRC catering provision in-house. In order to compare a proposed outsourcing service against a comparable in-house service the Panel recommended that a further analysis of a revised in-house service should be undertaken.

The Committee approved the process recommended by the Panel.

25.10 Estate Issues

The Committee received an update regarding the following estate issues:

a) Outline Business Case. It was noted that the schedule of accommodation had been completed and that the Project Board had met on 27 January 2012 to discuss the Outline Business Case. The Director informed the Committee that CPD had expressed reservations regarding the appointment of consultants for the Outline Business Case.

b) Larne Adult Education Centre. The Economic Appraisal has now been approved and the tender for lease was advertised on 20 January 2012. The closing date for applications was 21 February 2012 and bids would be evaluated on 24 February 2012. The target date for the installation of tenants is 1 April 2012

c) Antrim Campus. The disposal process has commenced. A site visit has been carried out by NRC senior staff and legal advisors to confirm boundaries. The College solicitors have been instructed to proceed with the completion of 'Request for Preliminary Advice' for submission to Land and Property Services.

d) Portrush. The first meeting of the Land Disposal Committee was held on 4 January 2012 to discuss the 'unused house' at Portrush. A second meeting was held on 10 January 2012.

e) Station Road, Newtownabbey. The first meeting of the Land Disposal Committee was held on 4 January 2012 to discuss this matter. A second meeting was held on 10 January 2012.

f) Maintenance Matters. No funding is available in respect of the bid for capital funds. DEL has agreed that the cost of the Buildings Condition Survey could be recovered from the receipts of land sales.

25.11 Single Action Procurement

The Director of Finance provided an update regarding single action procurements. The Committee noted:

a) Details of Single Action Procurements during November and December 2011;

a) Details of Single Action Procurements, in excess of £5,000, approved by the Director during the period 21 November 2011 to 19 January 2012:

25.12 Any Other Notified Business

25.12.1 Cheque Fraud

The Director of Finance informed the Committee that the Management Accounting Technician had detected a difference between the value of a cheque being debited to the bank account and the value that was recorded on Agresso. The full amount of the fraudulent cheque has been credited back into the College's account and PSNI are investigating the matter.

The Committee noted that this matter would be reported to the next Audit Committee.

25.12.2 Strategic Workshop

The Director reminded Members that the Strategic Workshop has been arranged for Wednesday 29 February 2012 at 1.00 pm at the Ballymena Campus. Tea, coffee and sandwiches would be available prior to the meeting at 12.30 pm and the session would conclude with dinner at Trostan Avenue. The Director mentioned some of the topics to be covered during the course of the Workshop such as a DEL presentation on the Review of Governance and a presentation on balanced scorecards. He also stated that NRC would be hosting three Iraqi visitors pursuing a leadership qualification, at the end of February. He suggested that they should be invited to attend the Workshop as they were examining governance issues during their stay at the College.

The Committee agreed that the Iraqi visitors be invited to attend the Workshop and be asked to provide a short presentation on education in Iraq.

There was no other notified business.

25.13 Next Meeting

It was noted that the next meeting of the Committee would be held on Tuesday 28 February 2012 at the Ballymena Campus commencing at 5.30 pm.

K Collins, Chairperson

J A Hunter, Secretary