

NORTHERN REGIONAL COLLEGE

FINANCE AND GENERAL PURPOSES COMMITTEE

Minutes of the meeting of the Finance and General Purposes Committee held on 8 November 2011 at the Farm Lodge Ballymena Campus.

Present Mrs K Collins, (Chairperson), Mr T Neilands, (Director), Mr S Davidson, Dr D Lennox, Mr P McCudden. Mr R Jay, a Member of the Staffing Committee, joined the Finance and General Purposes Committee for minute 23.21.

In Attendance Mrs B Crotty, Mrs C Moore and Mr J Hunter.

UNRESERVED BUSINESS

23.1 Membership of Committee

a) It was noted that the revised membership of the Committee consisted of: Mrs K Collins, Mr S Davidson, Dr D Lennox, Mr P McCudden, Mr T Neilands and Mr Watt/Staff Representative;

b) The Committee appointed Mrs Collins as its Chairperson and Mr P McCudden as Vice-Chairperson;

c) The Committee reviewed its Terms of Reference and **agreed that**

(i) The Terms of Reference be approved subject to the revision of the section dealing with attendance at meetings to include 'and other senior managers as required'.

(ii) The revised Terms of Reference should be forwarded to the Governing Body for endorsement (see Appendix 1).

23.2 Apologies

An apology was received from Mr A Watt.

23.3 Declaration of Interests

There were no declarations of interests.

23.4 Minutes of the Last Meeting

The minutes of the last meeting, held on 27 June 2011, were approved.

23.5 Matters Arising

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

23.6 Chairperson's Communication

There were no Chairperson's communications.

23.7 Correspondence

The Committee noted the following correspondence:

a) Correspondence from DEL, dated 3 August 2011, regarding return dates for 2011/2012. The Committee also received, for comparative purposes, details of the financial returns made during 2010/2011. It was noted that all returns had been made on time to DEL;

b) Press Statement issued by DEL on 6 September 2011 regarding changes to the future delivery of further education for the Antrim area. It was noted that the College had received a formal letter from DEL, on 28 October 2011, stating that:

'The Minister has given his approval to the recommendation in the above business case to close NRC's Antrim campus, relocate courses to other College campuses and make suitable partnership arrangements with other providers in the Antrim area for the delivery of further education.

As confirmed in the business case, the Antrim site is now surplus to requirements and earmarked for disposal. Please refer to the Financial, Audit and Accounting arrangements for Institutions of Further Education for guidance on the disposal of the site and liaise with Land and Property Services and the Department.'

The College will be proceeding to dispose of the property in line with the Guidance detailed above.

23.8 Monthly Management Accounts

The Director of Finance presented the Monthly Management Accounts for the period up to 30 September 2011. The Accounts indicate that the College has a surplus of £178k on continuing operations and an historic cost surplus of £300k, which is £114k lower than budget. The Bank Balance as at 31 May was £ 4.2 million.

23.9 Economic Appraisal Larne Adult Education Centre

The Committee noted that the Governing Body had agreed at its last meeting that the Economic Appraisal Larne Education Centre (LAEC) should be presented to the Finance and General Purposes Committee for approval on behalf of the Governing Body for final submission to DEL. The Director reminded Members that the Larne Enterprise Development Company had been engaged by the Larne Borough Council and the Northern Regional College to carry out a Feasibility Study on the future purpose and use of the Larne Education Centre in 2010 but DEL had asked the College to submit an Economic Appraisal rather than a Feasibility Study.

The Appraisal seeks to determine the means whereby the NRC may optimise the use of the LAEC in the short term pending the outcome of the Outline Business Case, which will recommend suitable accommodation to enable the provision of a quality curriculum and experience for the whole of the College's catchment area including Larne.

The Economic Appraisal LAEC sets out options for the use of the LAEC, pending the outcome of the Outline Business Case, to alleviate the financial burden for the College. Based on the assessment of need and informed by a SMART analysis, six options have been drawn up. Following an appraisal process Option 5 (leasing the building out to a third party on a short term basis and rent back the space that the NRC would need to deliver courses) has been selected as the preferred option. It was noted that there had been a number of parties interested in leasing the LAEC following the publication of the Feasibility Study and it was hoped that this interest would be sustained.

The Committee agreed that the Economic Appraisal Larne Adult Education Centre be approved for submission to the Department.

23.10 Catering Services

It was noted that the Catering review had recommended that the College should market test the feasibility of outsourcing the provision of catering services at four of its campuses, Farm

Lodge, Newtownabbey, Coleraine and Magherafelt. The Director of Finance advised the Committee that the draft tender document had been circulated for consultation. She stated that an update would be provided at the next meeting and a proposal on the future of catering services within NRC would be presented to F&GPC by 31 January 2012.

23.11 Bad Debts

The Committee noted that the College Bad Debt provision for 2010/2011 amounted to £125,178.50. During the course of the financial year 2010/2011 the College has been assiduous in the collection of debts and as a result it has been necessary to write-off only £11,908.57. DEL approval has been sought for the write off of individual debts great than £750. There were two such debts in 2010/11.

23.12 Anti-Fraud Policy

The Committee received an updated version of the College's Anti-Fraud Policy, the aim of which is to promote a culture, which actively aids the prevention and detection of fraud. It was noted that the revised Policy had been drafted to include procedures to reflect the new Bribery Act.

During discussion confirmation was received that the College had Gift and Hospitality procedures in place. A Member expressed the view that students should be aware of the Anti-Fraud Policy. It was also noted that the Policy had been forwarded to the Equality Officer for comment in regard to screening; it is usually unnecessary to screen revised policies, which are essentially the same as their predecessors. It was further noted that comments had been received from PricewaterhouseCoopers, which may have to be included in the document prior to submission to the Governing Body.

The Committee agreed that the Anti-Fraud Policy be approved and forwarded to the Governing Body (see Appendix 2), subject to additional comments from PwC.

23.13 Treasury Management Policy

The Committee received a copy of the revised Treasury Management Policy, which sets out a framework for cash management, long-term investment and borrowing by the College. The aim of the Policy is to ensure that the College maintains proper financial controls, safeguards its assets and secures value for money. It was noted that comments from the Chair of the Audit Committee had still to be included the Treasury Management Policy prior to submission to the Governing Body.

The Committee agreed that the Treasury Management Policy be approved and forwarded to the Governing Body (see Appendix 3)

23.14 Annual Equality Progress Report

The Committee received the Annual Equality Progress Report 2010/2011, which has been submitted to the Equality Commission to meet a deadline of 31 August 2011. The Report is in the format specified by the Commission and includes a number of sections relating to the implementation of Section 49a of the Disability Discrimination Order 2000 and Section 75 of the NI Act 1998. The Director of Finance drew attention to the progress report, as at 1 June 2011, in relation to the Disability Action Plan 2010/2011.

The Committee endorsed the Annual Equality Progress Report.

23.15 Committee Action Plan

a) The Committee reviewed its Action Plan for 2010/2011 and noted that it had undertaken all activities detailed in the Plan. It was further noted that section 'q' relating to the monitoring of the Equality Action Plan should be removed.

b) **The Committee considered and approved its Action Plan for 2011/2012.**

23.16 Annual Report 2010/2011 Finance & General Purposes Committee

The Chair presented the Committee's Annual Report 2010/2011.

The Committee agreed that it be approved and submitted to the Governing Body (see Appendix 4).

23.17 Any Other Notified Business

23.17.1 Single Tender Action (STA)

The Director of Finance explained that, in accordance with paragraph 113 of the Financial Memorandum (Version 1.2- July 2008), all single tender actions must be approved by the Governing Body and the College Accounting Officer. She advised Members that single tender actions are currently approved by the Director, as Accounting Officer, for STAs under £5,000 and by the Director of Finance and the Director for STAs over £5,000. In order to comply with paragraph 113 of the Financial Memorandum, that "all single tender actions must be approved by the Governing Body", the Director of Finance has suggested and **the Committee has recommended that:**

The Governing Body delegates the approval of single tender actions as follows:

- **Value of £0 and £5,000 to be approved by Director on a monthly basis;**
- **Value of £5,001 and £50,000 to be approved by Budget Holder, Director of Finance and Director on an individual basis, with accompanying evidence of reason for STA from Budget Holder;**
- **Value over £50k to be approved by Director of Finance and Director and Chair of Finance and General Purposes Committee; and**
- **Details of all STAs approved by above process are to be presented to each F&GPC.**

23.17.2 UK Border Agency

The Director informed the Committee that a number of Colleges, including the NRC, had had their sponsorship licences for overseas students revoked by the Agency. The College had followed the recommended course of action in its application for the renewal of the licence and had appealed against the Agency's decision. It was noted that there was only one overseas student attending the College and he would be contacted regarding this matter.

There was no other notified business.

23.18 Next Meeting

It was agreed that the next meeting of the Committee should be held on Wednesday 30 November 2011 at the Ballymena Campus commencing at 5.30 pm rather than on the scheduled date, Tuesday 29 November 2011. The Secretary undertook to inform absent members of the revised date.