

NORTHERN REGIONAL COLLEGE

RESOURCES COMMITTEE

Minutes of the meeting of the Resources Committee held on 16 January 2017 at Farm Lodge Ballymena Campus commencing at 4pm.

Present Mr H Crossey (Chair), Mr K Chambers, Mrs G McConnell, Ms Y Mallon, Mr I Murphy, Professor T Scott

In Attendance Mr M Higgins, Dr S Brankin, Professor M McKinney, Mr D Hewitt, Mr S Laverty, Miss K Hamilton (Secretary)

UNRESERVED BUSINESS

6.1 Apologies

Mrs C Robinson

6.2 Declaration of Interests

There were no declarations of interests.

6.3 Minutes of the Last Meeting

The minutes of the meeting held on 24 October 2016 were reviewed and approved by the Committee.

6.4 Matters Arising

Mr Crossey sought clarification on the New Build Spend Profile in agenda point 5.7. At the last meeting, the Committee approved the return of capital funds due to uncertainty on the ability to fully spend the capital allocation on the purchase of additional land by the 31st March 2017. Prof Scott updated the Committee that in recent weeks the situation has developed with the vendors and they have agreed the sale and the respective solicitors are progressing legal matters. As a result the capital funding has been reallocated to the College. The College and the Department recognise there are a number of risks. All parties are aware of the timeframe pressures and solicitors are confident that the sale of the land will be complete by end of March 2017. Mr Crossey queried how the College were managing the risk and Mr Higgins assured him that significant work has been carried out by the Project Director to ensure critical stages of the project are triggered and monitored on a timely basis.

6.5 Chair's Communications

There were no Chair's Communications.

6.6 Correspondence

There were 3 items of correspondence:

1. FE College Lecturer Staff – Temporary Cover for Incremental Progress Pay 2016/17
2. FE Means Success Programme (including a copy of Dec 16 E-zine)
3. Capital Allocation Letter 2016/17 - The letter from DfE dated 5 December 2016 confirmed the capital funding provision for the purchase and associated fees of the site in Coleraine and other minor works capital funding.

6.7 Monthly Management Accounts

Mr Higgins presented a summary of income and expenditure at November 2016 against budget. He noted that income was £1.2million lower than anticipated and as a result the College had taken mitigating steps to reduce staff costs, in particular associated and part-time lecturers, in-line with lower income levels.

Income is behind budget primarily due to Jobskills income. A European Audit was conducted during the year and all income claims were subsequently postponed until the findings were fully investigated. The issue was added to the risk register and Dr Brankin's team had performed an extensive review on the processes involved. Dr Brankin concluded that the monetary outcome of the investigation was a small adjustment of circa. £20,000. As a result, September – December claims remain outstanding and will be claimed within the next few weeks.

Prof Scott noted that income levels had been budgeted assuming all new posts would be filled however there was a delay in the recruitment of the Business Development Manager. She also noted that previously reported engineering related income had been examined and associated costs e.g. staff replacement costs had not been fully considered, impacting on income streams incurring greater levels of overheads than anticipated. Adjustments have been put in place to business processes related to cost recovery activity.

Mr Crossey enquired what the implications of a shortfall of income would be. Mr Higgins responded that the external environment is very challenging however by next year the BD team would be fully implemented. Dr Brankin added that previously external engagements were predominately led by the engineering department however there is an anticipated shift towards IT, with some promising connections already established.

It was noted that operating expenses were £960k behind budget, of which £453k relates to non-pay premises. Mr Lavery reported that the DfE are keen for the sector as a whole to maximise spend to year end 31 March 2017 and are therefore hoping to provide Colleges with flexibility to use Call-Off contracts. The College anticipates that access to these frameworks will accelerate spend on IT and estates to ensure break-even position by the Departments March year-end.

6.8 Budget Update

Mr Higgins noted the NRC Forecast Template 2016/17 which profiles spend against budget until the end of March 2017. Mr Lavery highlighted the £600k underspend on the resource line and reiterated that the extension of frameworks until end of year would eliminate this.

Mr Higgins noted that the Department were unable to confirm the 2017/18 budget in December 2016 and assured this would be presented to the Committee when it becomes available.

6.9 KPI Reporting Schedule

The Committee considered the report circulated and noted comments provided by SLT on student numbers, business sustainability and diversifying income. Mr Higgins highlighted that KPI 1 on enrolment targets and retention is linked KPI 5 which reports on long-term financial sustainability.

The Chair referred to the competitive market highlighted within the report and the effect on student numbers. Prof Scott outlined that significant efficiencies have been implemented and improvements can be seen through a significant reduction in staff to income ratio. Further cost saving initiatives have been carried out and will be more prevalent when the College moves to a four campus model. There has also been a modest transition on the curriculum provision in terms of maximising class sizes and optimising staff utilisation and Prof McKinney added that further changes are in the pipeline. Mr Murphy commented that the efficiencies are commendable.

Action: Paper to be presented at next meeting on student numbers and analysis of income and expenditure across the curriculum areas.

The Curriculum Plan will be brought to the Committee in March. Prof Scott highlighted that staff feel there is reporting duplication and that SLT are seeking a common format of reporting requirements to be agreed with Department. She also asked the Committee to consider what (if any additional detail) they would like reported. Mr Crossey suggested departmental level reporting on curriculum planning would be helpful.

Prof Scott noted that the SIP Committee meeting was brought forward to 6 Jan 2017 to clarify existing arrangements. In respect of the 78 actions, 74 of the 78 actions have been completed, the outstanding 4 actions are due to be completed by end of January 2017 and these activities will become business as usual. The Committee noted a Report compiled by Jenny Small relating to the progress of the plan. The review is intended to provide clarity and alleviate any misunderstandings. At the SIP Committee, individual Chairs of Committees (or nominees) were asked to reassess their monitoring requirements in particular on the content of the KPIs reported and the level of detail provided.

Action: Chair of Governing Body has asked Committee Chairs to consider specific reporting requirements and to revert to the Secretary in advance of the Governing Body meeting on 1st February.

Mr Hewitt reported on KPI 7 that the new team brief system was introduced before Christmas and has been rolled out across the College to improve lines of communication. There will also be a staff survey issued in the upcoming months. Prof Scott commented that significant effort has been invested in communications e.g. issue of E-zine, improved email protocols and enhancements to staff surveys. In relation to staff surveys Mrs McConnell enquired if percentage improvement targets had been set and it was confirmed this was the aim going forward.

It was noted that the RAG status of KPI 11 on diversifying income targets is amber due to delay in Jobskills income and Mr Higgins noted that these targets would be reviewed and reset in relation to Commercial income for 2017/18.

6.10 Shared Services

Dr Brankin reported that the lead on the STS project, Celine McCartan has resigned and the business case has been stalled. The risk is that some of the College systems will be no longer supported. Mr Murphy suggested that the College needs to put in place a Plan B and cannot wait for a sector wide response.

Action: Mr Higgins and Dr Brankin to prepare a contingency plan for the systems affected for the next meeting.

6.11 Outsourcing

Mr Higgins informed the Committee that staff consultations had taken place in relation to the proposed outsourcing arrangements and the College had engaged with all trade unions. He noted that generally staff were accepting of the news and the College were prepared to support the affected employees by ensuring they gained relevant qualifications to enhance future employment opportunities. Prof Scott added that given the timing of VES, there would be no redundancy requirements.

Paper presented to Committee via email on 14th December 2016 and members in agreement to proceed to the tender stage. Mr Murphy noted that CPD may propose having single contractors for the three elements – catering, cleaning and estates management however by grouping the elements in this nature will exclude local providers from the tender process. Mr Higgins responded that CPD advised on the most appropriate procurement strategy and agreed to query CPD on the grouping proposal.

Action: Mr Higgins to discuss grouping proposal with CPD.

Mr Higgins outlined the proposed timeline of events as following – tender issued Feb'17, tender awarded Mar/Apr'17 and start date Sep'17.

6.12 Staffing Update

Mr Hewitt referred to the report circulated and highlighted that recruitment of the Senior Management Team was completed in November 2016 and the recent appointment of a Learning and Development Manager completes the structure of the wider management group. He also referred to the recent advertisement of supervisory and junior management roles within the Business Development and Transformation Directorate, which will see a full staffing complement in place by the beginning of the third semester.

To conclude Mr Hewitt outlined the proposed College-wide Skills Audit due to commence this term. It will be aligned to the Curriculum Plan and will provide an indication of the academic needs of the College over the next three to five years.

6.13 Any Other Business

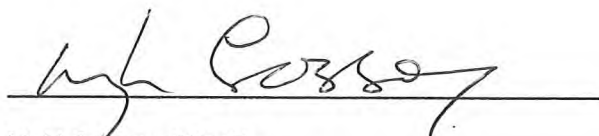
Minutes of Project Board Meeting on 14 September 2016 were circulated to the Committee. Mr Higgins informed the Committee that Project Director, Kieran Mooney would attend a future Committee to provide an update on the project.

Action: Mr Higgins to circulate reply to Mr K Chambers on the New Build Project.


6.14 Date of Next Meeting

The next meeting was confirmed as Monday 27 March 2017 at Newtownabbey at 4pm.

The meeting concluded at 6pm.


Mr H Crossey (Chair)

Date 27/3/2017


Miss K Hamilton (Secretary)