

NORTHERN REGIONAL COLLEGE

RESOURCES COMMITTEE

Minutes of the meeting of the Resources Committee (unreserved business) held on 27 March 2017 at the Newtownabbey Campus commencing at 4.00pm.

Present: Mr H Crossey (Chair), Mr K Chambers, Mrs G McConnell, Ms Y Mallon and Prof T Scott

In Attendance: Dr S Brankin, Mr D Hewitt, Mr M Higgins, Mr S Lavery and Mr I Murphy
Mrs C Robinson (Secretary)

7.1 Apologies

Prof M McKinney.

7.2 Declaration of Interests

None declared. To be noted if arise during the course of the meeting.

7.3 Minutes of the Last Meeting

The minutes of the meeting held on 16 January 2017 were approved by the Committee.

Proposed: Mrs McConnell **Seconded:** Ms Mallon

7.4 Matters Arising

The Chair highlighted that all matters arising from the minutes of the last meeting had been addressed and where appropriate had been included under relevant agenda items.

Action: Mr Higgin's communication to Mr Chambers on the New Build would be circulated to Resource Committee members.

7.5 Chairperson's Communications

Mr Crossey made reference to the resignation of the GB Chair and advised that he was unclear at present about the replacement process. He indicated that he had been invited to meet with the Department in April to discuss.

7.6 Correspondence

i) NRC Capital allocation letter

Mr Higgins referred to the DfE communication confirming the capital funding for 2016/17. He stated that £911k had been allocated for the New Build. Capital funding for the coming year 2017/18 was uncertain however the College was on target for capital spend in 2016/17 and all capital claims had been submitted by the 22 March 2017 deadline.

Following a discussion on the matter, Mr Lavery assured Mr Murphy that the College had been in communication with the Department in relation to capital expenditure and officials had been aware of the timeline for completion of the new build funding. The College was confident it was within tolerance levels.

Prof Scott confirmed that the transfer of funds for the lands in Coleraine had been completed once the contracts had been signed.

The Chair congratulated Prof Scott and all involved on ensuring completion of contracts and payment of capital monies before the end of March deadline.

ii) Director Approval of UoR Increase issued to College Principals

The Committee acknowledged the 2% increase to the 2017/18 UoR grant allocation as outlined in the communication from the Department. SLT welcomed the increase.

7.7 Update on New Build Project

Mr Higgins reported that the Project Manager had been invited to present on the Gateway Review, at the March Audit and Risk Committee meeting. The action plan had been circulated to the Committee for information. He advised on the outcome of the review noting that all of the critical recommendations had been completed and the other recommendations would be completed in line with the scheduled timeline.

A discussion on the schedule of accommodation followed. Prof Scott provided information on the associated risks, issues affecting student numbers, adjustments to the footprint, stakeholder engagement and the Department's involvement in the delivery schedule. Prof Scott advised that liaison with post primary schools at a local level, as well as the review of provision by other providers was ongoing and that a further Gateway Review would be undertaken prior to the decision to commence construction. It was noted that the estimate of student numbers was a critical issue that would need to be monitored closely as the project progresses.

The Committee noted that a benefits realisation plan had been appended to the original outline business case and the Gateway Review team had received a copy.

7.8 Update on Student Numbers

Mr Higgins advised that the FLU enrolment profile report had also been circulated to recent Education and Governing Body meetings. He reported that the College had been within target and tolerance levels for FLU in 2015/16. The 2016/17 figures had reflected a slight increase on the previous year. 2016/17 had been more challenging and it was expected that the FLU performance would be lower than the target by about 300-350. The Department had been advised of this position at the recent bilateral meeting. The 2017/18 profile had been discussed in detail at the Education Committee meeting on 22 February 2017, prior to submission to the Department.

In response to Mr Chamber's query on how the figures were aligned with the Department bid, Mr Higgins advised that no clear guidance was available. He also advised that as there was a general trend of lower numbers across the sector, the Department had invited all Colleges to bid for additional funds over and above proposals submitted.

The Committee noted the 2017/18 forecast for student numbers.

7.9 Monthly Management Accounts

The Committee considered the reports circulated.

i) Monthly management accounts for the period up to 28 February 2017

Mr Lavery spoke to the management accounts for the seven month period up to the end of February 2017. He highlighted that income overall was below budget; that education income was down £769k due to reduced TfS claims and staff costs were currently £922k below budget. Procurement for IT and Estates had been delayed due to changes in CPD guidance but would now be accelerated with the aim of breaking even at year end.

In response to Mr Murphy's query Mr Lavery confirmed that the July year end date for financial reporting was common to all Colleges. Mr Higgins confirmed that budget reporting to the Department was at the end of March. The difficulties arising in respect of differing year ends had been recognised and the College Finance Officers and Department officials were looking into the matter. Training in this area would be provided to the Governing Body in conjunction with the Department and Finance officers.

The Committee noted the management accounts.

ii) Forecast expenditure schedule to March 2017

Mr Lavery drew attention to the report and the detailed figures reported to the Department on a monthly basis. The report presented actual figures for February and forecast figures for

March. Mr Lavery highlighted a £105k variance for the total DEL resource which was within the 1% tolerance level. Mr Lavery also referred to the Department's communication on the increased capital budget and advised that it was anticipated that expenditure of the capital funds would be in full.

The Committee noted the figures and that NRC was operating within the tolerance level. Members also noted that the Department monitored expenditure across all Colleges and this was discussed at NIFON group meetings.

iii) Analysis of income and expenditure across curriculum areas

The Committee noted the key figures on income and expenditure across the four departments highlighted by Mr Lavery and discussed in more detail specific areas requiring attention.

Prof Scott referred to legacy issues within certain departments, the outcome of a recent skills audit and indicated that there was now greater clarity around staffing costs and that the College was currently working through issues relating to skills gaps and over reliance on part-time staff and overtime..

The Chair sought additional information on how the College was addressing the KPI on diversifying income. In response Mr Higgins identified the areas that would be the focus of attention in relation to this - Engineering, Apprenticeships, Business, Computing, Tourism, along with IT. He advised that during the coming year more stringent targets would be established along with greater accountability at HoD level.

The Committee thanked Mr Lavery for the informative report.

iv) Budget for 2017/18

Mr Higgins spoke to the budget report. He indicated that the College had submitted FLU projections. The new build capital line had subsequently been adjusted. Mr Higgins advised that FLU and Entitlement framework funding were reduced and would be offset by a reduction in staff costs. However, in order to work towards financial sustainability whilst still operating on a 6 campus model, a bid for an additional £750k funding had been submitted to the Department. If approved this would supplement investment in IT and Estates. If unsuccessful with the bid, the College could continue to bid for additional funds through in year monitoring rounds.

The Chair sought clarity on the position with regard to financial sustainability. Mr Higgins advised that it was the College's intention to operate within 1% of budget and as an ALB the Department had an obligation to fund the College's commitments. The dependency on Departmental funding was noted. Opportunities to generate more independent income sources were being considered. .

7.10 KPI Update

The Committee noted the update report on KPIs 1, 5, 10 and 11 which had also been discussed in detail at the March Governing Body meeting.

7.11 College Health Check

Mr Crossey pointed out that the Health Check report had been considered by the Governing Body at its meeting on 22 March 2017.

The Committee noted issue one report for 2016/17.

7.12 Shared Services

Dr Brankin provided an update on the sector wide STS project. He advised that as the business case had not been approved by the deadline it was now necessary to look at contingencies for the Learner Management and Payroll systems.

With regard to the Learner Management System the Committee noted that the earliest date that an improved system was likely to be available was for the 2019/2020 academic year. The STS project board had undertaken to produce an options report on the way forward for its next meeting in April.

Action: An update and options report on a Learner Management System to be presented at the next Governing Body meeting.

The Chair noted his support for the improvement of technology/services and sought assurance in relation to the cost of the proposed transformation.

Prof Scott reiterated the importance of all Colleges operating with the same platform and noted there had been significant progress with regard to collaboration at sector level.

Attention was drawn to the options for payroll outlined in the report. The Committee noted that the College had no alternative but to extend its current arrangement for one or possibly two years. This contract would be finalised in the next few months. The potential cost implications were noted.

The contingency arrangements for the STS project were noted by the Committee.

7.13 Outsourcing

Mr Higgins reported that the outsourcing process had reached the final stages and he was hopeful that would go out to tender within a few weeks. He noted that the unions had no major issues with the process and there had been no further feedback on the consultation process. There had been engagement with CPD on pension entitlement for current staff.

Mr Higgins stated that there was no formal indication on further VES in 2017/18.

The Committee noted that the service had not been affected by the changes.

7.14 Staffing Update

Mr Hewitt spoke to the update report circulated, highlighting on-going recruitment/restructuring activity required in Libraries, Student Services and IT, along with the present position of facilities management in relation to outsourcing and the final tranche of VES departures.

Further details were provided on the re-profiling of academic staff and efforts to bring the balance of part/full time staff into line with the sector. Heads of Department were currently involved in the re-profiling exercise to ensure optimisation of staff delivering the curriculum, as well as continuity of service across all campuses for the coming academic year. The dependency on part time staff would receive further attention.

Mr Hewitt also outlined changes to the recruitment process for academic staff piloted since the start of the year, noting the process had been received positively by both staff and candidates. He noted that for full time appointments a member of SLT or the Head of Student Experience/Corporate Challenge would Chair interview panels. He also noted that for the immediate academic recruitment processes, given the volume that this would be extended to, the Chair would be drawn from across all of SMT. For part time recruitment, the interview panel would consist of Heads of Section from at least two different Curriculum areas.

The Committee noted the update and unanimously approved the amended recruitment process for academic staff.

7.15 Code of Conduct

The Committee noted the Code of Conduct was taken from the Instrument of Government and had been presented at a previous meeting. As such it was agreed that it was not necessary to review or make changes to the document on an annual basis.

7.16 Any Other Business.

Mr Laverty reported on changes to the banking system proposed by the Department of Finance. He advised that all NDPBs were now required to use the Civil Service bank account and that the six regional Colleges would have to transfer day to day banking business to Danske Bank by 1 August 2017. College Finance officers were engaging with the Department and Danske Bank on the move and a Board resolution on the move would be required.


The Committee noted the work involved in managing the transfer of business and endorsed the transfer.

Action: A recommendation on the transfer of bank would be taken to the next full Governing Body meeting.

7.17 Next Meeting


The next meeting was confirmed as Monday 19 June 2017 at 4.00pm at the Ballymena Campus.

Mr Laverty left the meeting.



Mr H Crossey (Chair)

Date 20/6/2017
19 June 2017



Mrs C Robinson (Secretary)