

NORTHERN REGIONAL COLLEGE

RESOURCES COMMITTEE

Minutes of the meeting of the Resources Committee held on 21 March 2016 at the Newtownabbey Campus **commencing at 4.00 pm.**

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

In Attendance Dr S Brankin, Mr D Hewitt, Mr M Higgins and Mr J Hunter

Observer Mr I Murphy

UNRESERVED BUSINESS

3.1 Apologies & Membership

An apology was received from Dr C O'Mullan.

The Chair welcomed Mr Murphy to his first meeting. He advised Members that Mr Murphy, as a qualified accountant, would be providing independent financial support to the Committee. The Chair also welcomed Mr Hewitt, Head of HR and CDP, to the meeting

3.2 Declaration of Interests

There were no declarations of Interests.

3.3 Minutes of the Last Meeting

The Committee approved the minutes of the Resources Committee held on 25 January 2016.

3.4 Matters Arising

3.4.1 Travel Expenses (minute 2.5.1 b)). Mr Higgins, Chief Operating Officer, advised the Committee that Governors were not liable for tax in respect of travel expenses

3.4.2 Staff Governor Remuneration (Minute 2.5.1 b). Mr Higgins informed the Committee that discussions were taking place concerning the remuneration of Staff Governors. This matter had still to be resolved and, in the meantime, the College would continue to deal with staff Governors as detailed in DEL Circular FE 13/15.

3.5 Chairman's Communications

The Chair expressed his pleasure regarding the approval of the Outline Business Case. He congratulated the Principal and all those involved in the favourable outcome (minute 3.8 refers).

3.6 Correspondence

The Governing Body received DEL Circular FE 02/16 dated 9 March 2016, which sets out summary information from College Accounts for the academic year 2014/2015 and the preceding seven years. A view was expressed that the Members had been receipt of much of this information in the past by way of the Health Checks.

3.7 Monthly Management Accounts

Mr Higgins explained that the Accounts were presented in two different formats:

a) Monthly Management Accounts for the period up to 31 January 2016. The Accounts indicate that the College has achieved an historic cost surplus of £656k, which is £425k ahead of budget. It was noted that income was as predicted but staff costs and other operating expenses were less than budget. The bank balance on 31 January 2016 was £4.8m (DEL target £1.7m - £3.3m). It is anticipated that the College will come in on budget for 2015/2016.

b) Forecast Expenditure Schedule for the year up to March 2016. Mr Higgins advised that this was the format favoured by the Department. Negotiations are currently taking place between DEL and NIFON to approve an agreed format for the presentation of accounts

It was noted that staff costs were £320k less than budget due to a combination of budget profiling, timing of contracts and the reallocation of teaching staff to management posts. Dr Brankin mentioned the risks associated with restructuring and the measures being taken to mitigate these risks.

3.8 Outline Business Case

The Principal reported that the Outline Business Case for the College's new build programme had been approved. Based on the recommendations identified the College will now be taking forward a planned public consultation over the coming months seeking the views of local communities.

The College's new build programme, which is expected to take three years, involves plans to move from a six to a four campus model in order to enable vital investment in infrastructure and facilities, and contribute to a fit-for-purpose environment, which will enhance the overall student experience.

The preferred option, which the College will be consulting on is a new campus in Coleraine on the existing site, and the development of the Ballymena Campus at Farm Lodge. It is intended to go out to public consultation after the forthcoming elections in May with assistance from McCann Public Relations. It is planned to have a consultation period in excess of the normal 8 weeks as consultation will be taking place during the summer months.

The Principal informed the Committee that prior to the appointment of a Projector Director the College had an option to build on another site at Coleraine

3.9 KPI Reporting Schedule

The Resources Committee received the KPI Reporting Schedule and noted that it was required to monitor KPI 5 (Financial Sustainability), KPI 8 (Learning Environment) and KPI 11 (Diversifying Income).

KPI 5 has been colour coded green; the staff costs/income ratio is lower than expected as a result of higher than anticipated recurrent grant income and lower than planned lecturer costs. KPI 8 is amber; the DEL Minister announced approval of the OBC on 9 March 2016 and planning is now in progress to hold a series of public consultation meetings with local communities and key stakeholders. KPI 11 is amber; the College is projecting a 1% below target for income diversification and plans are being made to mitigate the erosion of the target.

Dr Brankin stated that despite the recent investment in IT NRC was still lagging behind Colleges in the Sector. He said that NRC was collaborating with leading Colleges with a view to ascertaining best practice and with further investment should be capable of achieving a more prominent position in the Sector.

3.10 FE College Health Check Report Issue 1 2015/2016

The Committee received the FE College Health Check Report Issue 1 2015/2016, which has been prepared using the 1st Quarter (31 October 2015) Management Accounts and includes figures from the first FLU lift for 2015/2016. It was noted that the Report had already been reviewed by the Education Committee (17 February 2016) and the Governing Body (24 February 2016).

3.11 Shared Services

Mr Higgins reported that a Project Workshop had been held on 11 March 2016 facilitated by Neueda. The overall aim of the Workshop was to provide a structured approach to identifying the finance systems, technology and service requirements, dependencies, issues and risks in preparation for Enterprise Shared Services (ESS) engagement in relation to Account NI and also to inform project development.

The Committee noted the first issue of 'Collaborate', which provides details of the Collaboration Programme for the FE Sector. The Programme aims to stimulate, manage and oversee the sharing of service activities and of best practice between Colleges. Each College in the Sector has been allocated a key area of work to examine; NRC has been allotted 'Workforce Excellence'. These strands are aligned to projects proposed to deliver the Further Education Strategy, 'FE Means Success'.

The Chair expressed the view that Shared Services would bring economy of scale and improved services.

3.12 Code of Conduct

The Committee received a copy of a proposed Code of Conduct for Governors as required by Part IV of the Instrument of Government.

It was agreed that the document at Appendix 1 be recommended to the Governing Body (26 May 2016) for approval and insertion in the Governance section of the NRC website.

3.13 Any Other Business

3.13.1 Membership of Governing Body

The Education Authority has advised the Department that it wishes to re-nominate Councillor Brown to serve for a further period from 3 April 2016 to 31 March 2017. The Department has now issued a new minute of appointment for Councillor Brown. It was noted that DEL intends to seek Assembly approval to remove EA's Nomination rights after 31 March 2017.

3.14 Next Meeting

It was noted that the next meeting of the Resources Committee is scheduled for Wednesday 20 June 2016 at 4.00 pm at the Ballymena Campus.

APPENDIX 1

NORTHERN REGIONAL COLLEGE

CODE OF CONDUCT FOR GOVERNORS

1. Part IV of the Instrument of Government requires the College to draw up a Code of Conduct for Governors, which sets out the principles underpinning the governance and management of the College. All members of the Governing Body are required to uphold and abide by the code as a condition of appointment.

2. Governors are required to adhere to the seven principles of public life published by the Committee on Standards in Public Life (the Nolan Committee) in May 1995. These are:

- **Selflessness** - holders of public office should take decisions solely in terms of the public interest. They should not do so in order to gain financial or other material benefits for themselves, their family or their friends;
- **Integrity** - holders of public office should not place themselves under any financial or other obligation to outside individuals or organisations that might influence them in the performance of their official duties;
- **Objectivity** - in carrying out public business, including making public appointments, awarding contracts, or recommending individuals for rewards and benefits, holders of public office should make choices on merit;
- **Accountability** - holders of public office are accountable for their decisions and actions to the public and must submit themselves to whatever scrutiny is appropriate to their office;
- **Openness** - holders of public office should be as open as possible about all the decisions and actions they take. They should give reasons for their decisions and restrict information only when the wider public interest demands;
- **Honesty** - holders of public office have a duty to declare any private interests relating to their public duties and to take steps to resolve any conflicts arising in a way that protects the public interest; and
- **Leadership** - holders of public office should promote and support these principles by leadership and example.

3. Except with the approval of the Department, no members of the Governing Body shall take or hold any interest in any property held or used for the purpose of the college.

4. The Governing Body shall prepare and maintain a register of interests in accordance with the requirements set out in the Instrument. The register shall be made available during normal office hours at the college to any person wishing to inspect it. A summary of the register may be placed on the College's website.

5. Whether before or during any meeting of the Governing Body (or any committee or sub-committee of the Governing Body as provided for in the Articles of Government), any members become aware that they, or any person related to or connected with them, have a material interest in or relating to any matter to be or being considered, they shall declare such interest and withdraw from the meeting during such consideration and shall not vote on any question relating to the matter. This should be recorded in the minutes of the meeting.

6. Subject to paragraph 7, nothing in paragraph 5 shall require the principal, a member of staff or a student to declare an interest or withdraw from consideration of any matter where their interest exists only by reason of their being the principal, a member of staff or a student.

7. Notwithstanding paragraphs 5 and 6, the principal, the staff members and the student member shall, unless invited to remain by a resolution of the other members present, withdraw

from any meeting including meetings of any committees where any of the circumstances set out in Schedule 4 to the Instrument apply.

8. The requirements set out in paragraphs 3 and 5 shall not prevent members of the Governing Body from considering and voting upon proposals for the College to insure members against liabilities arising out of their office or prevent the college from obtaining such insurance and paying the premiums.