

Belfast Metropolitan College Resources Committee 2.00pm on Friday 12 November 2021 via Microsoft Teams Minutes FINAL approved 9 March 2022

Committee Members: Seamus Dawson (Chair); Kate Burns; Wendy Gillies; Kathleen O'Hare; Janis Leadin; Nikita Brijpaul; Amy Carr, Louise Warde Hunter, Principal & Chief Executive.

Management: Damian Duffy, Director of Curriculum (DD), Aidan Sloan, Interim Director of Development and Digital (DDD); Laura Allen, Head of Finance (HoF); Siobhan Lyons, Head of CEDSI (HCEDSI).

Clerk to the Governing Body: Gerry Crossan

<p>RC14 21/22</p>	<p>Quorum, Apologies, Welcome, Conflicts of Interest, Notice of AOB and Leadership Culture</p> <p>Quorum: The meeting must be quorate under the terms of Section 5.2 of Terms of Reference for the Resources Committee approved by the Governing Body at GB04c 21/22 23 Sep 20 (V2) (2 Governors).</p> <p>Apologies: Apologies received from Wendy Langham (15 November 2021).</p> <p>Welcome: The Chair welcomed Amy Carr, Student Governor 2020/21 to the meeting.</p> <p>Conflicts of Interest: Committee members must report any perceived, potential or actual conflicts of interest under the terms of Paragraph 15.1 of the Belfast Metropolitan College Governing Body Standing Orders dated August 2015.</p> <p>AOB: No Items of AOB received at date of issue of Agenda FINAL 15 November 2021).</p> <p>Leadership Culture: Chair to note our commitment to:</p> <ul style="list-style-type: none"> i) brave leadership and meaningful dialogue; ii) simpler governance; and, iii) engaging in the right spirit.
<p>RC15 21/22</p>	<p>Minutes of the meeting held on 15 September 2021 Draft (Proposed Final)</p> <p>The Committee approved the DRAFT (Proposed Final) minutes of the meeting held on 15 September 2021 unamended.</p>
<p>RC16 21/22</p>	<p>Matters Arising from the minutes of the meeting held on 15 September 2021</p> <p>There were no matters arising from the meeting held on 15 September 2021 that are not on this agenda.</p>

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<p>RC17 21/22</p> <p>Clerk</p>	<p>Governance Guidance and Information</p> <p>(a) Consultation on Financial Reporting : Departments’ and Public Bodies’ Bill – sectoral response issued on 19 October 2021.</p> <p>The Committee noted this issue.</p>
<p>RC18 21/22</p> <p>Chair</p>	<p>Chair’s Business</p> <p>None advised at the meeting.</p>
<p>RC19 21/22</p> <p>HoF</p>	<p>Financial Reforecast - Q1 Financial Report based on actual results to end September 2021.</p> <p>Management advised the Committee on the following key points:</p> <ul style="list-style-type: none"> (a) Allocated £47m in June 2021; additional funding has included Economic Recovery Action Plan £300k to develop programmes aimed at economic recovery, including Public Sector Apprenticeships – current forecast is £8.5m deficit and this includes £2.5m of COVID related funding; (b) COVID bid has not been funded as yet; (c) Business Case for Lost learning has been reviewed by DoF economic team and is with Minister – final approval is expected in the next few weeks. Several Colleges have been providing the extra support at risk during the development of the business case since September 2021. Belfast Met College management did not take this approach and are confident that the risk of non-approval is now low and preparations are now under way for delivery before March 2022. <p>The Committee asked how much later the College is going into this delivery compared to other Colleges. Management advised that curriculum delivery was not critically affected and this funding is aiming to enhance the learning experience and use the funding as constructively as possible. Management confirmed that practical skills apprenticeships have been under way in face-to-face teaching and learning since April 2021.</p> <ul style="list-style-type: none"> (d) Cash is within target and aiming for an outturn break even position; (e) Budget approved in June 2021 (f) Financial Risks include those around student numbers, social distancing, risk of clawback on foot of DfE restructuring, teachers’ pay, clawback of additional skills programmes and the maintenance of core grant as the basis for maintaining the capability of the College to deliver a flexible curriculum offering; (g) The business engagement activity does not fit with the financial management framework which is being bid-led; (h) Management have been working steadily to mitigate these risks, however, traineeships have been subject to clawback of £974k; (i) Income has increased by £2.5m, other grants, deferred grants have increased; (j) Traineeship income is behind budget but budget was built on a reduced number of enrols which will mitigate the effect of clawback; (k) HE income target will not be met; (l) Overall favourable variance of income of 3%; (m) Staff costs are reduced but year on year increase is evident on the assumption of a funded pay deal and expenditure on lost learning; (n) Overall adverse expenditure variance of 1%; and,

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	<p>(o) Forecast is achievement of financial targets on the assumption of successful bids which are already in process.</p> <p>The Committee enquired about the impact of building utilisation on costs over the coming months. Management advised that building costs are still ongoing because teaching and learning is still being delivered but to smaller groups. Easements are around variable staff costs, such as travel and expenses and electricity. Management advised that the budget process has been managed very carefully, including prudent assumptions on enrolment levels which have proven to be accurate. The Committee commended the approach that Management are taking in relation to managing financial risk and curriculum services.</p> <p>The Committee asked if there were accessible low risk funding opportunities available currently. Management advised that core grant is likely to come under increasing pressure and existing model is built around core delivery of 34 week programmes. The funding opportunities are moving towards providing services with a greater degree of flexibility and and the College marketing effort is now more closely aligned with curriculum delivery. The key issues will be the capacity of the College to respond in an agile way.</p> <p>The Committee noted the financial management, funding and delivery challenges facing Management and the action taken by Management to meet these challenges.</p>
<p>RC20 21/22</p> <p>HoF</p> <p>IDDD</p>	<p>Draft Annual Report and Accounts 2020/21</p> <p>(a) Annual Report and Accounts 2020/21 FINAL (b) NIAO RTTCWG received today; (c) Briefing note Financial Results – Draft 2020/21 vs Actual 2020/21 Last considered AC06 21/22 20 September 2021</p> <p>Management advised that:</p> <p>(a) Overall Income increased by 5%; (b) Reduced grant funding compared to 2019/20; (c) Expenditure increased by 9% but biggest impact was <u>non-cash</u> pension costs; (d) Staff costs increased by 10% due to pay increase, new posts and an increased pension charge. (e) Other operating expenses increased by 7% and reflects the investment in supporting remote teaching and learning and the response to COVID 19; (f) Cash flow and balance sheet both improved in 2021 over 2020, with limited movement on some valuations of the property owned by the College; (g) NNIAO going concern statement provides assurance to the Committee; (h) Reduced deficit compared to forecast is due to accounting treatment of transfer payments to students which were channelled by DfE through FE Colleges; and, (i) Overall very good results and clear audit report.</p> <p>The Committee commended Management on the financial management actions and the excellent financial reporting.</p> <p>The Committee recommended the Annual Report and Accounts to the ARAC in line with the agreed governance pathway</p>

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RC21 21/22	Non-Core Income and Reforecast Report: Q1 2021/22
IDDD	<p>Management advised the Committee on the following key issues:</p> <ul style="list-style-type: none"> (a) Estimated £14.1m of Non-Core Income with estimated contribution of £1.36m from Non Core Income – in line with opening budget estimates; (b) Additional funding for a number of programmes through CEDSI; (c) Anticipating reaching targets for Skill Focus and other programmes; (d) NIPS contract and Apprenticeship Programmes are successful; (e) Level 5 and Level 6 programmes in cybersecurity are at pre-delivery stage; (f) Greatest challenge is resourcing capacity and scalability in deliver. <p>The Committee noted the action taken and the information provided by Management.</p>
RC22 21/22	Catering Contract - CONFIDENTIAL
IDDD	<p>Management advised the Committee on the key issues in relation to this contract.</p> <p>The Committee noted the action taken and the information provided by Management.</p>
RC23 21/22	Estate and Facilities Management Report as at September 2021
Clerk	The Committee noted the information provided in the report.
RC24 21/22	Information Technology Update November 2021
Clerk	The Committee noted the information provided in the report.
RC25 21/22	Any Other Business
	None advised at the meeting.
RC26 21/22	Leadership Culture - Meeting Feedback
Chair	The Committee considered that the conduct of this governance meeting demonstrated the Governing Body commitments on leadership culture. The P&CE commended Management on their efforts throughout the year.
RC27 21/22	Date of next meeting
	<p>Governance Programme 2021/22 Cycle 3: The next meeting of the Resources Committee will be at 4.00pm on Wednesday 9 March 2022 at the Titanic Quarter Board Room.</p> <p>Governance Programme 2022/23 Cycle 2: The second meeting of the Resources Committee during the 2022/23 year will take place at 4.00pm on Wednesday 9 November 2022 at the Titanic Quarter Boardroom.</p>

Chair of Belfast Metropolitan College
Resources Committee

Seamus Dawson



9/3/22 .

Signature

Date

