

GOVERNING BODY OF THE BELFAST METROPOLITAN COLLEGE

**Minutes of the Resources Committee meeting of the Belfast Metropolitan College held on 21st May 2014
at 4.30pm in the boardroom, Titanic Quarter campus.**

Present	Governors: Lindsey Smith (vice Chair) , Joe Eagleson, and Michael McCamley. Officers: Elaine Hartin [COO], Damian Duffy [DDLs], Greig Twaddle (Head of Estates) and Siobhan Lyons, (Head of Business Development). Secretary: John McAndrew	
R 45 13/14	Apologies and Notice of AOB There were apologies from David Taylor (Chair), Sam Hagen and Wendy Langham. There was no AOB.	
R 46 13/14	Conflicts of Interest Declaration	
	In response to the Chair's question no conflicts or potential conflicts were raised.	
R 47 13/14	Minutes of the Resources Committee meeting of 24th February 2014	
	The minutes were agreed .	
R 48 13/14	Matters Arising	
	<i>R 32 13/14</i> <ul style="list-style-type: none"> • <i>R 17 13/14 Vice Chair.</i> Chair to speak to Miss Smith. • <i>R 17 13/14 Head of HR appointment.</i> New appointee to start in August 2014. RES 18 Tower Street (See minute 53) RES 19 Parkmore (See minute 53) R 33 13/14 Disposal of CSE and BS (See minute 53) R 33 13/14 PFI contract management (See minute 53) RES 21, 22, 23 DEL financials put before Governing Body of 26th February 2014 and forwarded to schedule. RES 24 BMC Efficiencies reviewed at Governing Body of 26th February 2014 RES 26 International Activity recommendation to Governing Body of 26th February 2014. RES 29 HR raised up Agenda. (See minute 54)	
Joe Eagleson and Damian Duffy entered the meeting		
R 49 13/14	Chair's Business	
	The Chair asked the COO to comment on Issue 2 of the DEL Health Check. The COO noted <ul style="list-style-type: none"> • the number of cash days above the suggested range due to accumulating cash to pay back the BMC loan; • the I&E reserves less than the expected range due to the impact of PFI on reserves; • the prompt payments figure less than the suggested range due to the increased target following reclassification as an NDPB. On enquiry the COO gave details of the options to repay the BMC Loan and said that a recommendation would be made to the Budget setting Governing Body in June 2014. The higher ratio of support staff was queried by the Committee and details of intended work on the metrics surrounding support staff were outlined (different colleges with different delivery methods were favoured by the current classification). Performance against FLU targets was discussed in detail due to the missed flu target. The Chair asked for assurance about the 2014/2015 budget	

	<p>assumptions for flu targets to ensure that lessons learnt have been used for the basis of more accurate planning. The impact of withdrawals on performance and the lessons learned were noted ; it was recognised that there was no direct correlation between performance and DEL allocation. The Committee noted the significant improvement made on retention levels and the new control measures in place to track variance.</p> <p>In regard to Essential Skills it was noted that targets had been set too high across the sector and that the Department was likely in future to redirect efforts towards STEM related products.</p> <p>Members were satisfied with the Comparative performance information and detailed explanations provided by the Executive team,</p>	
RES 30	The Resources Committee agreed to re-instate the Aged Creditors information in the Financial Report.	HoF
RES 31	The Resources Committee agreed to re-instate the Support staff ratio in the Financial Report.	HoF
RES 32	The Resources Committee agreed that an analysis of local and sectoral reporting on the support staff metric be reported to the next Resources Committee meeting.	HoF
R 50 13/14	COO's business	
	There was none as such not covered in the Agenda.	
R 51 13/14	Full Cost Recovery	
	<p>The HBD detailed the YTD income against budget and identified a shortfall of 1.2million due to profiling, and projects not progressing as anticipated; with a forecast full year income 0.9m below target.</p> <p>This was discussed in detail, generally while there was a reduction in fees and income there were increases in Assured Skills income with longer term prospects e.g. a multi-million contract with Caterpillar over the next 5 years. Contracts such as that with Bombardier had begun as FCR work had then been converted to FLU.</p> <p>On enquiry the HBD confirmed that the costs of business development had been factored in, and that there was a real contribution of £124k. It was also confirmed that the stated contribution of International students were contributions to the bottom line.</p> <p>It was confirmed that this year's budget setting had been more rigorous, that pipeline was no longer confused with budget, and that the degree of certainty required before pipeline was converted to budget was much greater. It was confirmed caution is taken in transforming FCR into FLU to ensure no adverse effects. The Committee applauded the considerable change in mind set in forecasting FCR, and welcomed the recent developments in the Prison Service relationship with BMC and noted the significance of the process to Crown Transfer for SLA agreements with the Prison Service.</p> <p>The Committee congratulated BMC on winning the "Services to Business Award" at the recent Belfast Telegraph Business Awards in March against considerable opposition.</p>	
RES 33	The Resources Committee agreed to re-instate the costs of generating non FLU income in future reports.	DDLS
R 52 13/14	Quarter 3 2013/14 Financials	

	<p>The COO noted the Q3 projection for the full year position of a forecast deficit after HCA of £237k, this was an £113K improvement from the Q2 forecast. This was because of :</p> <ul style="list-style-type: none"> • Forecast income lower than budget by £1.6m; • Forecast expenditure lower than expected by £1.2m. <p>Income and expenditure headlines were examined in detail. Of note the staff costs (excluding redundancy) were likely to be under by £800k, and it was envisaged that the underutilised provision for redundancy be used to close down the restructuring programme. The committee agreed the close down of the restructuring programme.</p> <p>Financial risks discussed included loss on the sale of CSE/BS, increases in P/T lecturer costs, unforeseen estates issues, FCR targets not fully realised and depleted training income. On enquiry it was confirmed that the Historical Claims review was a one off.</p> <p>Potential financial opportunities discussed related to FRS 17, and the sale of Brunswick Street and College Square East ,</p> <p>The Committee suggested that all reports would benefit from a statement upfront showing the direction of travel as in the Quarter 3 report.</p> <p>The Committee noted that BMC had not yet received notification of its allocation from DEL.</p>	<p>All report writers</p>
<p>RES 34</p>	<p>The Resources Committee recommended to the Governing Body that the Q3 Financial Statements were fit for purpose and submission to DEL</p>	<p>Chair COO</p>
<p>RES 35</p>	<p>The Resources Committee agreed that the DEL financial returns and the Q3 reforecast be circulated to the Governing Body .</p>	<p>Secretary</p>
<p>R 53 13/14</p>	<p>Estates Update</p>	
	<p>The HEFM updated members on the BMC Estate.</p> <ul style="list-style-type: none"> • Girdwood – Green – BCC confirmed SEUPB funding, N Belfast provision to be vacated in 2015/16 • SOC- Green- Ongoing liaison on track. • Capital funding – Green - Ongoing liaison on track • Review of Rental arrangements- Green – On track. Remedial works at Mallusk. • Planned Maintenance – Green – Ongoing. • PFI contract management – Amber - Ongoing discussions with Ivywood. • Millfield- Green- Ongoing restoration to original schedule. • Restructuring – Amber – Ongoing <p>The Committee reviewed further reports on Parkmore and Tower Street properties; to date BMC had been unable to locate legal title for both of them and had secured legal advice to reconstitute titles as previously discussed at Resources Committee. The options for Parkmore would be further explored in the SOC/OBC for the Springvale and Castlereagh Redevelopment Programme. In regard to Tower Street legal advisors had discovered portfolio anomalies relating to NIHE registered land and this was being pursued with NIHE.</p> <p>On enquiry the HEFM confirmed that BMC had let a contract to carry out Asbestos Management Surveys in accordance with HSG 248, these were almost completed and on completion BMC would receive an updated asbestos management plan for each site. All of the above actions were in compliance with the current HSENI guidance in managing asbestos in premises.</p>	

	<p>In regard to Brunswick Street contracts had been exchanged with a contracted completion date of 30th April 2014. The purchasers did not complete and a formal notice to complete was issued by College solicitors on the 8th of May 2014 and the purchaser had until the close of business on the 14th of May 2014 to complete the sale. The purchaser's solicitor contacted College solicitors asked to be given until the 22nd of May to complete the sale. On the basis of legal advice, and with the agreement of DEL, this was agreed.</p> <p>In regard to College Square East, BMC had accepted an offer for the property on the 15th of April 2014. Draft contracts of sale have been exchanged, with a target completion date proposed of the 30th of May 2014. Contract negotiations were almost complete with only one matter to be resolved – the ownership of the steps and ramp at the front of the building.</p>	
RES 36	The Resources Committee noted the Update.	
R 54 13/14	HR Update	
	<p>The HR reports were commented upon by exception</p> <ul style="list-style-type: none"> • People strategy update • Report on key metrics including sickness, absence • Employee relations tracker summary • Employee relations tracker <p>The Committee noted the trends in sickness absence and work related stress had seen a down ward trend in Q3. It was confirmed that absence management was being proactively promoted with managers rather than HR taking the lead; the COO also outlined the range of activities to deal with stress in the environment ranging from Health and Welfare programmes to referrals to stress reduction schemes.</p> <p>The COO noted the delay in reviewing performance management processes and developing and rolling out HR Toolkits which was due to re-prioritising other higher value work including the re-centralisation of the P/T lecturer recruitment campaign .</p> <p>The Chair noted conversations in the CQE Committee concerning the teacher competencies, the quality of teaching, and the perceived slow pace of recruitment. The COO highlighted potential changes in planning recruitment and the probation period, and defining competencies.</p>	
RES 37	The Resources Committee asked to be kept informed of initiatives on absence management and work related stress.	COO
R 55 13/14	AOB There was none.	
R 56 13/14	DONM. September 2014	
R 57 13/14	Meeting evaluation: "excellent given length of the agenda".	
	Signed Chair:	Date: