

GOVERNING BODY OF THE BELFAST METROPOLITAN COLLEGE

**Minutes of the Resources Committee meeting of the Belfast Metropolitan College held on 23rd February 2015
at 4.30pm in the boardroom, Titanic Quarter campus.**

Present	<p>Governors: David Taylor (Chair), Joe Eagleson, Sam Hagen, and Wendy Langham. Officers: Elaine Hartin [COO], Damian Duffy [DDLS], Gillian Mayhew [Head of Finance], Darren Crothers [Head of HR], Siobhan Lyons, Head of Business Development, Colin Daysh (Head of IT) and Peter Kane (Estate Area Manager). Secretary: John McAndrew</p>	
R 27 14/15	<p>Apologies and Notice of AOB There were apologies from Lindsey Smith and John McGrillen.</p>	
R 28 14/15	<p>Conflicts of Interest Declaration In response to the Chair's question no conflicts or potential conflicts were raised.</p>	
R 29 14/15	<p>Minutes of the Resources Committee meeting of 24th November 2014 The minutes were agreed.</p>	
R 30 14/15	<p>Matters Arising</p> <p><i>R 14 14/15 Personnel Paper.</i> This will be tabled at a future meeting. <i>R 17 14/15 Support side metrics.</i> COO to Update. <i>R 4 14/15 (R52 13/14) Statement of Travel.</i> See individual minutes. <i>RES 2 and RES 11 1 page summary reports from Capital Project Boards.</i> See minutes 34 14/15 <i>R 18 13/14 Circulation of letter by Chair.</i> So done 24th November 2014. <i>RES 12 Fin Memorandum/MPMNI/NDPB status; Reporting on changes to be taken forward by DEL in form of training session with GB.</i> See minute 32 14/15 <i>RES 12 Cross referrals.</i> NIPS SLA See minute 38 14/15. <i>RES 13 Interim Capability Agreement (ICA)</i> See minute 35 14/15. <i>R 19 13/14 COO's update on 13/14 FLU performance.</i> Delivered to Governing Body on 26th November 2014. <i>R 20 13/14 BMC 13/14 Accounts.</i> Approved by Governing Body on 26th November 2014. <i>RES 15 14/15 Q1 financials.</i> Approved by Governing Body on 26th November 2014 for submission to DEL. <i>RES 16 Non FLU pipeline and line 2011 be re-visited.</i> See minute 37 14/15 <i>RES 16Q2 report forecast outturn be revised or supported in greater detail.</i> See minute 37 14/15 <i>RES 17 Additional lines of explanation be added to the FCR table namely the costs of the business development and the net contributions.</i> See minute 37 14/15 <i>RES 18 Further assurance required on non FLU.</i> Reported to Governing Body of 26th November 2014. <i>R 24 14/15 Reporting of staff survey outturns and remedial actions.</i> See minute 35 14/15 <i>R 24 14/15 and RES 19. RAGing of appraisal metrics.</i> See minute 35 14/15 <i>RES 20 Identification of problems and solutions.</i> See minute 35 14/15. <i>R 26 14/15 Resources Committee Terms of Reference.</i> See minute 40 14/15</p>	<p>HHR COO Secretary</p>
R 31 13/14	<p>Chair's Business There was no correspondence nor business.</p>	
R 32 13/14	<p>COO's business</p>	

	<p>The COO reported the recently released provisional budget and FLU allocation as 9468 FLU (down by 952 which resulted in a £2.6m decrease. She said that the Executive would present the CDP submission to the Governing Body on 25th February to meet the deadline of 27th February 2014.</p> <p>The COO noted the recent publication of the DFP Memorandum arising from the PAC review of PFI; all of the half dozen or so recommendations were completed or in train.</p> <p>The COO noted the draft Management Statement and Financial Memorandum (MSFM) and the accompanying briefing paper. As an executive NDPB the document was not simply a Financial Memorandum but a Management Statement and Financial Memorandum and the document reflected the NDPB status. Of particular note external accountability appeared to have been expanded with performance against targets within the remit of external auditors; cash balances to continue at 10%; colleges expected to self insure or make a business case for marketplace insurance; the budget to run from 1st April to 31st March however the College Accounts will continue to be prepared for the year 1st August to 31st July. The COO confirmed that Governors would be kept informed when officers fully understood all of the implications and that there would be a briefing and Q&A session which would be led by DEL [update: DEL have advised that the new FM will become effective from August 2015 and that they will complete this training after appointment of new GB members].</p>	<p>P&CE COO</p> <p>A&R Cttee</p> <p>COO</p>
--	--	---

R 33 13/14	IT Update	
-------------------	------------------	--

	<p>The Head of IT provided the IT Update noting overall it was RAGged green and on track with ambers all being “managed slippage”.</p> <table border="1" data-bbox="316 1124 1177 2114"> <thead> <tr> <th>Performance measure</th> <th>Date</th> <th>Status</th> </tr> </thead> <tbody> <tr> <td>Refresh PC and laptops to ensure all IT kit is within warranty</td> <td>Dec-14</td> <td></td> </tr> <tr> <td>Technical IT input and support to procure and implement Policy Compliance tool by December 2014.</td> <td>Dec-14</td> <td></td> </tr> <tr> <td>Decommission current internally hosted College Internet Web Site</td> <td>Feb-15</td> <td></td> </tr> <tr> <td>New Service Management processes in place and in use by September 2014.</td> <td>Sep-14</td> <td></td> </tr> <tr> <td>New Service Management toolset in place and in use by September 2014</td> <td>Sep-14</td> <td></td> </tr> <tr> <td>Draft, agree and launch agreed set of IT Policies and Controls by July 2015</td> <td>Jul-15</td> <td></td> </tr> <tr> <td>Provide professional and technical training for IT Staff</td> <td>Jul-15</td> <td></td> </tr> <tr> <td>Implement Access controls on all IT Stores and Comms Rooms by July 2015</td> <td>Jul-15</td> <td>Not yet started</td> </tr> <tr> <td>Implement new MIS reporting system by December 2014</td> <td>Dec-14</td> <td></td> </tr> <tr> <td>Define and procure replacement contract for current Blackboard contract by August 2015</td> <td>Aug-15</td> <td></td> </tr> <tr> <td>Assess and rollout Microsoft Lync across the College by July 2015</td> <td>Jul-15</td> <td></td> </tr> <tr> <td>Replace SharePoint 2010 and TRIM with SharePoint Online and rollout across the College</td> <td>Aug-15</td> <td></td> </tr> </tbody> </table>	Performance measure	Date	Status	Refresh PC and laptops to ensure all IT kit is within warranty	Dec-14		Technical IT input and support to procure and implement Policy Compliance tool by December 2014.	Dec-14		Decommission current internally hosted College Internet Web Site	Feb-15		New Service Management processes in place and in use by September 2014.	Sep-14		New Service Management toolset in place and in use by September 2014	Sep-14		Draft, agree and launch agreed set of IT Policies and Controls by July 2015	Jul-15		Provide professional and technical training for IT Staff	Jul-15		Implement Access controls on all IT Stores and Comms Rooms by July 2015	Jul-15	Not yet started	Implement new MIS reporting system by December 2014	Dec-14		Define and procure replacement contract for current Blackboard contract by August 2015	Aug-15		Assess and rollout Microsoft Lync across the College by July 2015	Jul-15		Replace SharePoint 2010 and TRIM with SharePoint Online and rollout across the College	Aug-15		
Performance measure	Date	Status																																							
Refresh PC and laptops to ensure all IT kit is within warranty	Dec-14																																								
Technical IT input and support to procure and implement Policy Compliance tool by December 2014.	Dec-14																																								
Decommission current internally hosted College Internet Web Site	Feb-15																																								
New Service Management processes in place and in use by September 2014.	Sep-14																																								
New Service Management toolset in place and in use by September 2014	Sep-14																																								
Draft, agree and launch agreed set of IT Policies and Controls by July 2015	Jul-15																																								
Provide professional and technical training for IT Staff	Jul-15																																								
Implement Access controls on all IT Stores and Comms Rooms by July 2015	Jul-15	Not yet started																																							
Implement new MIS reporting system by December 2014	Dec-14																																								
Define and procure replacement contract for current Blackboard contract by August 2015	Aug-15																																								
Assess and rollout Microsoft Lync across the College by July 2015	Jul-15																																								
Replace SharePoint 2010 and TRIM with SharePoint Online and rollout across the College	Aug-15																																								

by August 2015		
Obtain benchmark costs from UK Grade 1 Colleges by December 2014	Dec-14	
Develop KPIs and SLAs that show how IT spend delivers value	Dec-14	
Deliver MIS Project (restructure; Qlikview, etc)	Jul-15	
Meet all departmental returns for DQ submissions	Ongoing	

Summary of IT Update

On enquiry it was confirmed that delivery of the MIS Project was awaiting the completion of the Curriculum Review, and that "IT Assist" was a five year contract which was subject to regular review.

RES 21

The Resources Committee noted the IT Update.

Chair

Mr Daysh left the meeting

R 34 14/15

Estates Update

The Estate Area Manager confirmed the direction of travel as positive and on track.

Performance measure	Date	Status
M1- Activities Maintain and operate College Estate to statutory compliance levels and operational best practice (evidenced through ISO's and HSE feedback)	Apr-15	
DE5 - On-going exploration of Funding & Partnership Opportunities to secure Capital funding for all planned developments: Installation of PV Panels at Millfield	Ongoing	
M2 - College Wide retained estate - Implement Planned Preventative Maintenance Plan	Ongoing	
DE6 - Girdwood - Deliver Girdwood	Jul 2015	
DE7 - Finalise SOC for Capital Development (incorporating Perf Arts; Castlereagh & Tower St, Parkmore and W'rock divestments.) Note : dependent on wider curriculum review	Draft Dec 13; Final June 14	
DE7 - Finalise SOC for Capital Development. Note : Whiterock review being undertaken	Nov-14	
DI1 - Finalise BS and CSE sale	Sep-14	
MGE1 - Millfield PFI - Contract Administration	ongoing	
MGE1 - Titanic Quarter PPP Contract Administration	ongoing	
DI4 - College Wide Estate - Review rental arrangements	ongoing	
DI2 - Tower St - Legal, carry out Title Review	Ongoing	
MGE2- Millfield PFI - Review original Schedule of Accommodation against current use and provide recommendations	Ongoing	

Summary of Estates Update

On enquiry it was confirmed that the SOC was on hold until the Curriculum Review was complete, that asbestos was identified and managed, and that the contract administration was red in the Corporate Risk Register (as a result of TQ issues) but green in terms of action to be taken in the Estates Update, that Girdwood was underway and that decisions on Riddell and Chichester awaited the completion of the Curriculum Review, and that a paper on Whiterock would be brought to the next Resources Committee.

	It was agreed that TQ and e3 Minutes should be shared with the Resources Committee in line with previous discussions. [The Secretary uploaded e3 and TQ Project Board minutes following the meeting.]	Secretary																																													
RES 22	<i>The Resources Committee noted the Estates Update.</i>																																														
	Mr Kane left the meeting, Mr Hagan joined the meeting.																																														
R 35 14/15	HR Update																																														
	<p>The Head of HR confirmed the direction of travel as positive and green.</p> <table border="1"> <thead> <tr> <th>Performance</th> <th>Date</th> <th>Status</th> </tr> </thead> <tbody> <tr> <td>L&D training programme developed</td> <td>Ongoing - end July 15</td> <td></td> </tr> <tr> <td>IiP status maintained</td> <td>February 15</td> <td>Complete</td> </tr> <tr> <td>Review and refine performance management processes (support side)</td> <td>March 2015</td> <td></td> </tr> <tr> <td>Staff Conference / employee engagement</td> <td>April 15</td> <td></td> </tr> <tr> <td>Employee Development framework</td> <td>Ongoing - end July 15</td> <td></td> </tr> <tr> <td>Corporate induction fully implement</td> <td>November 14</td> <td></td> </tr> <tr> <td>Resourcing approach (R&S policy, system, documentation etc.)</td> <td>Ongoing - end July 15</td> <td></td> </tr> <tr> <td>HR toolkits Phase 1</td> <td>Ongoing - end July 15</td> <td></td> </tr> <tr> <td>Implement and monitor new resourcing models</td> <td>Ongoing - end July 15</td> <td></td> </tr> <tr> <td>Adequate, qualified register of PTL lecturers</td> <td>December 14</td> <td>Complete</td> </tr> <tr> <td>HR Business Process review</td> <td>Ongoing - end July 15</td> <td></td> </tr> <tr> <td>BP and Resourcing team responsibilities are clear and understood</td> <td>November 14</td> <td>Complete</td> </tr> <tr> <td>Reporting Dashboards</td> <td>Ongoing - end July 15</td> <td></td> </tr> <tr> <td>Sickness absence reporting in place</td> <td>Ongoing - end July 15</td> <td></td> </tr> </tbody> </table> <p>The HoHR believed that on feedback to date following over 74 interviews, BMC would continue to be accredited as an IIP organisation. Members congratulated the HR Unit on the likely continuation of BMC as an IIP accredited organisation.</p> <p>On enquiry he confirmed the cycles of appraisal (Academic once every two years, and Support Staff once every year) and that there were ongoing positive discussions with Trade Union side, that as yet there had been no dismissals on terms of capability only conduct, that College exposure depended on the nature of the dismissal, and that there were still some appraisals to be put on the system (and thus counted).</p> <p>On enquiry it was confirmed that BMC utilised different employers for placements as part of employer development and that staff were covered by insurance.</p>	Performance	Date	Status	L&D training programme developed	Ongoing - end July 15		IiP status maintained	February 15	Complete	Review and refine performance management processes (support side)	March 2015		Staff Conference / employee engagement	April 15		Employee Development framework	Ongoing - end July 15		Corporate induction fully implement	November 14		Resourcing approach (R&S policy, system, documentation etc.)	Ongoing - end July 15		HR toolkits Phase 1	Ongoing - end July 15		Implement and monitor new resourcing models	Ongoing - end July 15		Adequate, qualified register of PTL lecturers	December 14	Complete	HR Business Process review	Ongoing - end July 15		BP and Resourcing team responsibilities are clear and understood	November 14	Complete	Reporting Dashboards	Ongoing - end July 15		Sickness absence reporting in place	Ongoing - end July 15		
Performance	Date	Status																																													
L&D training programme developed	Ongoing - end July 15																																														
IiP status maintained	February 15	Complete																																													
Review and refine performance management processes (support side)	March 2015																																														
Staff Conference / employee engagement	April 15																																														
Employee Development framework	Ongoing - end July 15																																														
Corporate induction fully implement	November 14																																														
Resourcing approach (R&S policy, system, documentation etc.)	Ongoing - end July 15																																														
HR toolkits Phase 1	Ongoing - end July 15																																														
Implement and monitor new resourcing models	Ongoing - end July 15																																														
Adequate, qualified register of PTL lecturers	December 14	Complete																																													
HR Business Process review	Ongoing - end July 15																																														
BP and Resourcing team responsibilities are clear and understood	November 14	Complete																																													
Reporting Dashboards	Ongoing - end July 15																																														
Sickness absence reporting in place	Ongoing - end July 15																																														
RES 23	<i>The Resources Committee noted the HR Update.</i>																																														
R 36 14/15	Quarter 2 2014/15 Financials and Q2 Reforecast																																														

The HoF forecast a full year position, after HC adjustment, of £636K (cf a CDP budget of £1,131K) and thus nearly half a million less than budgeted. A summary of the budget cf forecast follows:

and a Reconciliation of Budgeted outturn to Forecast outturn is below:

Explanation for movement from original budget		
	£000's	
	Q2 Reforecast	
2014/15 Budget	1,131	
Decrease in TFS income	-429	
Decrease in FCR income	-198	
Increase in DEL other income	192	
Decrease in EU/Other Grant income	-104	
Decrease in other income	-96	
Increase in International income	12	
Increase in Depreciation Charge	-306	
Decrease in Estates spend	-175	
Decrease in FE/HE Income	-302	
Increase in School Partnerships	40	
Reduced spend on staff	-94	
Savings on Indirect Costs	229	
HC accounting Adjustment	266	
One offs	470	
2014 /15 Forecast Outturn	636	

The Hof noted the lower forecast income of £0.9m, higher forecast expenditure of £0.3m, savings of £0.5m on one off exceptional spend and gave line by line explanations for the variances. She outlined the risks (e.g. threats to cash held over 10% limit, threats to self-financing targets) and the opportunities (e.g. successful outcomes to contractual negotiations) and confirmed that there was still time to take corrective action in year.

The DDLS noted the risks associated with delivering the Assured Skills programme i.e. possible delay in delivery and the ability to bring in flexible resourcing skills such as business associates and trainers, and also spoke of the cultural change required within the College. He confirmed that the reforecast figures were deliverable.

Members reviewed the Q2 financial statements and were content

DDLS

RES 24	<i>The Resources Committee agreed that movements in forecast should be also be shown on a Quarter by Quarter basis by use of additional columns (see table above)</i>	DDLS
RES 25	<i>The Resources Committee recommended to the Governing Body the Q2 financial statements as fit for purpose and submission to DEL.</i>	HoF
R 37 14/15	Non FLU income	
	The HoBD noted the YTD income for 2014-15 was £1.866m compared to budget of £1.831m however the FYF was £71k lower than budgeted. [See tables below.]	

NON Flu Year to Date Income compared to Budget			14/15	Year to date	Year to date	
Description	Code		Budget	budget	actual	Variance
			£'000	£'000	£'000	£'000
DEL Other Grants	1240	DEL Grants - Other	467,000	217,333	615,141	397,808
DEL Other Grants	1261	DEL Grants - Innovation Fund & Other Prog.	240,000	120,000	181,000	61,000
Tuition Fees & Charges	2011	Fees self financing courses	2,223,846	1,028,936	761,277	-267,659
Tuition Fees & Charges	2101	Course Fees - Non Euro FE	57,000	28,500	6,811	-21,689
Tuition Fees & Charges	2102	Course Fees - Non Euro HE	-	-	18,613	18,613
Other Grant Income	2201	Other Grant Income - European	93,500	46,750	82,361	35,611
Other Grant Income	2302	Other Grant Income	489,000	244,500	93,776	-150,724
Other Operating Income	2614	Letting of facilities	235,500	122,500	83,035	-39,465
Other Operating Income	2610	Placement Income	45,264	22,632	24,644	2,012
			3,851,110	1,831,152	1,866,658	35,506

NON FLU Full Year Forecast Income compared to Budget			14/15	Full Year	Variance
Description	Code		Budget	Forecast	£'000
			£'000	£'000	£'000
DEL Other Grants	1240	DEL Grants - Assured Skills	467,000	774,475	307,475
DEL Other Grants	1261	DEL Grants - Innovation Fund & Other Prog.	240,000	190,000	-50,000
Tuition Fees & Charges	2011	Fees self financing courses	2,223,846	2,025,742	-198,104
Tuition Fees & Charges	2101	Course Fees - Non Euro FE	57,000	69,000	12,000
Tuition Fees & Charges	2102	Course Fees - Non Euro HE	-	-	0
Other Grant Income	2201	Other Grant Income - European	93,500	97,708	4,208
Other Grant Income	2302	Other Grant Income	489,000	380,587	-108,413
Other Operating Income	2614	Letting of facilities	235,500	195,250	-40,250
Placement income	2610	Placement income	45,264	47,274	2,010
			3,851,110	3,780,036	-71,074

The forecast for Self-Financing fees was £198,000 under budget and was the largest negative variance within the financial year. This was largely offset by the increase in income from Assured Skills programmes in DEL Other Grants. Each of the descriptors was examined in detail.

The HoBD introduced a new table showing the business development contribution totalling £563k.

Business Dev Contribution	Non Flu Forecast
	£'000
Non FLU	2,043,372
Other Income	-
Income	2,043,372
Pay	1,880,426
Non pay	140,570
Direct Contribution	22,376
Plus FCR Contribution in Schools	540,730
Total Contribution	563,106

The DDLS noted that on occasion NON FLU work was subsequently mainstreamed into FLU income.

FCR Full Year Income compared to Budget			Full Year				
Description	14/15	forecast	Variance	14/15	Full Year	Variance	%
	Budget			Budget	Forecast		
	£'000	£'000	£'000	£'000	£'000	£'000	
	Income			Contribution			
School of Business, Mgt, Finance	145,000	71,509	-73,491	113,722	35,755	-77,968	50
School of Applied Science, Hair & Beauty	148,250	135,739	-12,511	103,000	76,151	-26,849	56
School of Creative & Service Industries	150,000	121,500	-28,500	104,000	68,040	-35,960	56
School of Health Care Sport & Leisure	148,000	101,348	-46,652	103,819	42,913	-60,906	42
School of Academic Support	-	-	0	-	-	0	0
School of Community Ed & Lifeskills	39,500	19,500	-20,000	17,410	8,580	-8,830	44
School of Engineering & Construction	507,536	602,300	94,764	193,344	224,050	30,706	37
School of Electronic & Computing Technologies	135,000	158,277	23,277	89,980	81,671	-8,309	52
School of Academic Studies	14,560	6,160	-8,400	7,234	3,570	-3,664	58
Business Development	936,000	809,409	-126,591	525,000	261,103	-263,897	32
	2,223,846	2,025,742	-198,104	1,257,509	801,833	-455,676	40

It was noted that the table reflected a greater loss in contributions than in income. On enquiry it was confirmed that there was no standard contribution levels, that there were a number of variables to be taken into account in setting targets, that there were no sanctions and that a cultural change was necessary. Also on enquiry it was confirmed that lower than expected revenues in Training together with a reduction in Fees were largely responsible for the overall forecast income lower than budget.

RES 26	<i>The Resources Committee agreed that progress regarding non FLU income was being made which in turn would benefit from further work on contributions and agreed to report this to the full Governing Body.</i>	Chair
R 38 14/15	NIPS SLA	
	The DDLS reprised the background on the NIPS SLA (to begin April 2015) and explained the DEL and DOJ stipulations in relation to profit and the arrangements for an administration and management fee, the level of fee and the absence of fixed overheads, secondment arrangements for NIPS staff were noted. On enquiry the project management arrangements were also detailed and noted. Members recognised the unusual working environment and the hard work of staff in reaching this point.	
R 39 14/15	<i>The Resources Committee were satisfied with the framework of the SLA including the financial and HR arrangements.</i>	DDLS
R 40 14/15	Resources Committee TOR	
	The Secretary introduced the TOR which in line with best practice in corporate governance required regular review. Given the extensive review of the TOR in recent times it was not envisaged that the TOR be radically changed anew prior to the upcoming change of committee membership when a new Governing Body was to be appointed. However he noted the addition of Mr McGrillen to the Committee membership, and the move to Audit & Risk Committee of Mr McCamley. It was also noted that the monthly circulation of financial papers to the Chair had been overtaken and could be replaced by reference to quarterly circulations.	
RES 27	The Resources Committee recommended approval of the Resources Committee TOR, subject to the amendment regarding the circulation of financial statements, to the Governing Body.	Secretary
R 41 14/15	Meeting Evaluation	
	"It went very well and everything was covered in a timely fashion."	

	DONM: 26 May 2015	
	Signed	Date: