

MINUTES OF PROCEEDINGS OF THE FINANCE AND GENERAL PURPOSES COMMITTEE OF THE EDUCATION AUTHORITY HELD ON 1 NOVEMBER 2016 AT 2.00 PM IN FORESTVIEW

1. PRESENT Dr I McMorris (Chair)

Mrs P Carville	Sir Gerry Loughran
Mr G Doran	Ms S O'Connor
Rev R Herron	Mr R Pollock
Mrs N Lappin	

2. IN ATTENDANCE

Miss J Bill, Mr J Collings, Ms S Long, Mr P O'Neill, Ms L McCall and for part of the meeting Mr G Boyd and Mrs H Gallagher.

3. APOLOGIES

Apologies had been received from Fr T Bartlett, Mr J Craig and Ms N Toman.

4. DECLARATIONS OF INTEREST

The Chair reminded Members of the requirement to declare interests during the course of the meeting, where appropriate.

5. MINUTES OF MEETING HELD ON 4 OCTOBER 2016

The minutes* (FGP/11/16/3) of the meeting held on 4 October 2016 were approved as an accurate record on the proposal of Mrs Carville, seconded by Ms O'Connor.

6. MATTERS ARISING FROM THE MINUTES

6.1 ACCOMMODATION AT FORESTVIEW (7)

It was agreed that the Committee should meet in Antrim Board Centre in the coming months and that the location for meetings should again be reviewed by the Committee in early Spring.

Action: *Committee to meet in Antrim Board Centre; review location of meetings in early Spring.*

6.2 LAND AND PROPERTY TRANSACTIONS (11.5)

Ms Long referred to a query raised at the October meeting on connection charges for developers. She said that Land and Property Services had been asked to recommend a consideration/charge for the connection and grant of easement across the particular school's lands. She advised that approval granted to developers would be subject to Land and Property Services assessing and recommending a charge.

7. CHAIRPERSON'S BUSINESS

MATTER REFERRED FROM COMMUNITY USE OF SCHOOLS COMMITTEE

The Chair said that the Community Use of Schools Committee, at its meeting on 10 October 2016, had asked that a report on claims and legal costs be presented to the Finance and General Purposes Committee. Ms Long said that an annual report would be provided.

Action: Annual report to be presented to the Committee on claims and legal expenses.

8. BUDGET WORKSHOP HELD ON 27 OCTOBER 2016

A workshop had been held on 27 October 2016, to which all Board Members had been invited which focused on the potential savings proposals that might impact on the EA Block Grant for 2017/18 to 2019/20 in line with the Minister's letter to the Chair on 25 August 2016. Miss Bill updated the Committee on the templates and latest discussions with DE and advised that the final report detailing the long list of deliverable proposals had been submitted to DE by the deadline of 28 October 2016. Miss Bill advised that the report had also highlighted the Board's concerns on the impact of the savings on services to schools and children and young people.

Miss Bill said that DE had responded to advise that the templates associated with the return required consideration and completion.

9. HUMAN RESOURCES

ASSISTANT DIRECTORS – RECRUITMENT AND SELECTION PROCESS

Mrs Gallagher provided a progress report on the business case which had been agreed by the Committee at its October meeting in respect of the salary range for the posts of Assistant Director and the mechanism for performance progression. She outlined recent engagement with Trade Union and DE officials. Members sought clarification on the issues raised by DE officials with regard to the business case. It was pointed out that the recruitment and selection process could not proceed until approval was given by DE and DoF to the business case. Mr Boyd outlined a course of action with regard to negotiations with DE officials on the business case. The Committee agreed to this course of action. Mrs Gallagher advised that she would keep the Trade Unions apprised of any changes in this matter.

Mrs Gallagher outlined the recruitment and selection guidance for the composition of the selection panels for the post of Assistant Director. The business case provided for 19 posts at this level.

The Committee agreed with the proposed composition of the selection panels, as outlined by Mrs Gallagher in accordance with the recruitment and selection guidance. It also agreed that the number of panels should be kept to a minimum and that, where a Board Member served on a panel as the Chair's nominee, the Board Member should be drawn from the appropriate Committee to align with the Directorate in which the Assistant Director was placed. The Committee also agreed arrangements in respect of a nominee, where necessary, in place of the Chief Executive on the selection panels.

Mrs Gallagher outlined a proposal in respect of sourcing specialist support from a public sector organisation to assist with the assessment centre process. The Committee agreed to this arrangement.

Mrs Gallagher provided an update on the management of the change process arising from the implementation of the new Assistant Director structure. She outlined the number of senior managers at ASEO level and above who remained in post since March 2016. She said that not all senior management currently in post would be impacted by the arrangements of the new structure at this stage. This depended on each Director's strategy for restructuring as some senior management posts would still be required on an interim basis. An outline of the number of posts which might be affected by the new Assistant Director structure was provided. Mrs Gallagher said that formal consultation would take place with this cohort of staff who remained in substantive posts. Directors would be informed of all senior managers at risk and individual consultations would take place with those senior managers to discuss a range of options. She said that Trade Union officials would continue to be kept up to date on this matter.

Discussion ensued in relation to redeployment opportunities and pay protection for members of staff.

Actions: *Mr Boyd to engage with DE officials to agree a way forward regarding the Assistant Director business case; composition of panels agreed; and arrangements to source specialist support to assist with the assessment centre process agreed.*

10. FINANCE

10.1 WORKING GROUP ON SCHOOL SURPLUSES AND DEFICITS

The Chair of the Working Group presented the Report* (FGP/11/16/7.1.1) which set out the background, scope of the review, summary of recommendations and further matters for consideration. She said that, in seeking to improve the robustness of schools' financial projections used by Local Management, the Working Group considered that the support arrangements offered to schools should be consistent. In addition, the Working Group considered that there needed to be a way to augment support and advice to schools which extended beyond financial matters. She emphasised the importance of communicating effectively with schools and considered that training for Boards of Governors and Principals was a fundamental element in this process of communication.

The recommendation concerning a model Bursar scheme was discussed. Members considered that such a scheme had value and would allow for sharing best practice. A Member pointed out that any independent advice provided to schools should align with EA policies and procedures.

On the proposal of Mr Pollock, seconded by Mrs Carville, the Committee agreed that the Report, along with an action plan to take forward the Report's recommendations, should be presented to the Board for consideration. The Chair of the Working Group would be involved in the compilation of the action plan to be presented to the Board.

Members of the Working Group paid tribute to the Chair of the Working Group for her work involved in preparing the Report. The Chair also expressed appreciation to the Working Group and to the officers for their contributions.

The Committee noted the minutes* of the Working Group covering the period 13 October 2015 to 20 October 2016.

Action: Miss Bill and Mr Collings, in conjunction with Mrs Lappin, to draw up an action plan to accompany the Working Group's Report which would be presented to the Board.

10.2 RECURRENT REPORT : SIX MONTHS TO 30 SEPTEMBER 2016

Miss Bill presented the recurrent report* (FGP/11/16/7.2) detailing spend as at 30 September 2016 and the projected spend to year end (Appendix 1).

The allocation for Schools' Delegated Budgets was £893.831m. The projected schools' year end position was indicating that schools expected to draw down £10m of their accumulated prior year surpluses. As part of the June monitoring round, £5m had been received from DE to address the school surplus drawdown and a bid for the remaining £5m had been submitted to DE as part of the October monitoring round. Miss Bill said that while officers had been informed that this bid had been unsuccessful in October monitoring, a bid would again be submitted for school surplus drawdown. The Aggregated Schools' Budget figures would be revised in November / December and shared with DE.

The Earmarked allocation was £50.993m. The Committee noted the projected £11.798m pressure on the Earmarked budget which related to costs associated with the release of teaching and non-teaching staff through the voluntary exit scheme (£8.078m) and a pressure within School Maintenance (£3.6m). Miss Bill pointed out that the EA anticipated receipt of VES funding and School Maintenance from DE.

Appendix 2* detailed the total monies available to DE Schools and DE Youth, including Earmarked allocations.

The EA Block Grant was detailing an overspend of £1.494m with the application of savings (around £41m savings from the long list of savings). Over the coming months, the underlying assumptions would be subject to ongoing review.

The DE Youth allocation was £34.042m and reflected the £200k surrendered to DE. It was anticipated that this budget would come in on target at year end. DE Youth capital was detailing a forecast pressure of £21.089m. Miss Bill said that the MEMR would be updated to reflect the outcome of capital bids submitted as part of October monitoring.

The Committee noted that the MEMR now reflected the move to budgeting on a functional basis and the challenges with this approach, including the current operation of five regional finance systems.

10.3 PROGRESS IN IMPLEMENTING THE SAVINGS PLAN AND PROJECTED OUTCOME

Appendix 3* (FGP/11/16/7.2) detailed the Savings Plan for 2016/17 which had been applied to the MEMR amounting to £40.554m.

Miss Bill, in a presentation, gave an overview of the agreed financial strategy to seek to balance the EA Block Grant by using a combination of savings and bids and their associated red / amber / green (RAG) rating of the savings as at August 2016. She highlighted that, in line with the strategy, bids had been submitted to DE in June and October monitoring to mitigate the impact of savings on the EA and its services to schools and children and young people. She outlined the measures contained in Appendix 3, their estimated potential savings, their RAG rating and the actions that had been taken forward for each.

Miss Bill said that DE had advised that bids submitted as part of October monitoring had been unsuccessful. She advised that 50% of the total savings discussed for 2016/17 were therefore currently assessed at risk. Miss Bill also outlined the approaches which could be taken to address this. This included using some of the savings activities identified for 2017/18 such as music stock or the use of advances and revisiting some of the innovative measures put forward initially in 2016/17.

Members expressed concern that some measures would only capture part year savings and highlighted that schools and parents needed timely notification of any changes in practice. It was confirmed that schools had not yet received notification on any proposed change in practice in relation to teacher substitution costs. (This is one of the areas covered within the bids.)

It was agreed that a Budget workshop would be held on the morning of the Board meeting on 24 November 2016 to which all Board Members would be invited. The recommendations from the workshop would be presented to the Board on that day for approval. Officers were tasked with presenting information to the Budget workshop on specific areas and to draw up a communications plan which could be taken forward immediately following consideration by the Board on 24 November 2016.

The Chair of the Board said that officers should now engage with DE officials on the issues to be considered at the Budget workshop.

***Actions:** Budget workshop to be held on 24 November 2016 to consider additional savings activities for 2016/17; communication plan to be drawn up to align with savings proposals; officers to engage with DE officials on proposals being presented at the Budget workshop.*

10.4 CAPITAL REPORT : SIX MONTHS TO 30 SEPTEMBER 2016

The Committee noted the capital report* (FGP/11/16/7.4) detailing spend as at 30 September 2016 and the projected spend to year end within the overall capital allocation (schools and youth) of £80.190m.

Miss Bill said that £5.5m which had been set aside for savings was now being used for other areas. Officers would engage with DE officials to endeavour to reinstate this funding.

It was noted that capital allocations and spend profiles were being carefully monitored with new processes in place involving Finance, ICT, and Operations and Estates.

11. OPERATIONS AND ESTATES SERVICES

11.1 TRANSPORT - CONSISTENT INTERPRETATION OF HOME TO SCHOOL TRANSPORT POLICY

(Mrs Lappin declared an interest in this item as she had children of school age.)

Following previous consideration by the Committee and the Board on this matter, further analysis had been carried out to establish the impact on potential savings of protecting all siblings where a consistent approach based on the 'Gate to Gate' measurement for Home to School Transport would be adopted.

Ms Long presented a paper* (FGP/11/16/9.1) which set out the potential impact of full sibling protection. Members noted that adopting the 'Gate to Gate' measurement, with the added protection for all siblings, would reduce the level of savings that would be generated from an estimated £130k per year to £65k per year. Adopting the 'Door to Door' measurement would increase the number of pupils eligible for transport assistance and increase transport costs by approximately £255k per year. Savings over a seven year period were discussed.

The Committee agreed that the matter should be placed on the agenda for the Budget workshop to be held on 24 November 2016.

11.2 TENDERS

On the proposal of Ms O'Connor, seconded by Mrs Carville, the Committee agreed to consider this item in committee.

(Rev Herron and Mr Pollock left the meeting at 4.50 pm.)

The Committee considered tender reports* (FGP/11/16/9.2.1 and 9.2.2).

On the proposal of Ms O'Connor, seconded by Mrs Carville, the Committee agreed to resume the meeting.

The Chair reported that, while in committee, the following tenders had been approved on the proposal of Ms O'Connor and seconded by Mrs Carville:

- Construction Works - ITT 441213,
- Goods and Services - T70148, T70154 and T70190

The following tenders had also been noted:

- Construction Works - EANI 519, EANI 543, EANI 549, EANI 556, EANI 560, EANI 563, EANI 591, CfT 476241, CfT 546857 and CfT 584854
- Goods and Services - T70144, T70151, T70168, T70176, T70198 and T70210

11.3 CONTRACT DOCUMENTS

The Committee noted the paper* (FGP/11/16/9.3) containing information in respect of contracts signed and sealed.

11.4 LAND AND PROPERTY TRANSACTIONS

(Mrs Lappin declared interests in Lurgan Junior High School and Waringstown Primary School and withdrew from the meeting during consideration of these matters.)

Licence Agreement : Lurgan Junior High School, Poyntzpass Primary School, Aughnacloy College, Regent House

Acquisition of Property : Waringstown Primary School, Banbridge Academy, Elmgrove Primary School

Granting of Easement : Dromore Nursery School

Renewal of Lease : EA Dundonald Office, Newcastle Primary School

Land / Property Transfer : Moira Library Transfer of Title, Former Gransha High School

Ms Long outlined the recommendations set out in the report* (FGP/11/16/9.4).

The Committee agreed to recommend that the Board should progress the transactions as set out in the report. It further agreed that officers would examine the Land Registry map in respect of other neighbouring land at the former Gransha High School.

Action: *Officers to examine Land Registry map in respect of other neighbouring land at the former Gransha High School*

11.5 CASTLE TOWER SCHOOL

The Committee considered the paper* (FGP/11/16.9.5).

On the proposal of Mrs Carville, seconded by Ms O'Connor, the Committee agreed to recommend that the Chief Executive would advise Mid and East Antrim Council that the EA would be willing to grant an Option to the Council, exercisable upon the Council acquiring the entirety of the St Patrick's Barracks site, and subject to the requisite approvals and completion of legal formalities upon terms to be settled by Land Property Services acting on joint instruction.

12. BOARD MEMBERS EMAIL ACCOUNTS – SECURITY CONSIDERATIONS

Mr O'Neill presented the paper* (FGP/11/16/10) which provided an overview of security considerations with regard to Members' use of EA issued devices and personal devices and personal emails.

It was acknowledged that some Board Members had identified previously that they preferred to keep their own personal email accounts. It was agreed that all Members should again be asked if they would consider using EA email accounts.

Action: *Ask Members to consider using EA email accounts.*

13. DATE OF NEXT MEETING

The next meeting would be held on 10 January 2017.

The meeting ended at 5.15 pm.

Chair

Date

* Paper circulated ** Paper tabled