

MINUTES OF PROCEEDINGS OF THE FINANCE AND GENERAL PURPOSES COMMITTEE OF THE EDUCATION AUTHORITY HELD ON 17 MAY 2016 AT 2.00 PM IN ANTRIM BOARD CENTRE

1. PRESENT Dr I McMorris (Chair)

Fr T Bartlett	Sir Gerry Loughran
Mrs P Carville	Ms S O'Connor
Rev R Herron	

2. IN ATTENDANCE

Mr G Boyd, Ms J Bill, Mrs C Duffield, Ms S Long, Mr S McCurdy, Mr P O'Neill, Mrs G Flavell, Mr P Hughes, Mrs P McErlean and Ms L McCall.

The Chair welcomed Mrs C Duffield to her first meeting of the Committee.

3. APOLOGY

An apology had been received from Mr R Pollock.

4. DECLARATIONS OF INTEREST

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

5. MINUTES OF MEETING HELD ON 5 APRIL 2016

The Board, at its meeting on 28 April 2016, had agreed that minute 11.3 (determining eligibility of home to school transport) should be referred back to the Committee for further consideration in light of new information.

The minutes of the meeting held on 5 April 2016 were approved as an accurate record on the proposal of Mrs Carville, seconded by Rev Herron.

6. MATTERS ARISING FROM THE MINUTES

6.1 ANNUAL EMPLOYMENT MONITORING RETURN (6.3)

A report on Teachers' Exemption would be presented to a future meeting of the Committee.

6.2 HOME TO SCHOOL TRANSPORT - CONSISTENT APPLICATION OF ELIGIBILITY CRITERIA (11.3)

The Board had considered this matter at its meeting on 28 April and had agreed to defer consideration in order to allow the Finance and General Purposes Committee to further consider the matter in light of new information.

The Committee agreed that the matter would be considered at its meeting on 7 June.

7. CHAIRPERSON'S BUSINESS

7.1 2016/17 BUDGET

Following the budget workshop on 3 May 2016, a second budget workshop had been held earlier in the day to which all Board Members had been invited. Papers summarising the budget position, financial position, financial strategy, savings categories and savings options risks and actions to deliver had been considered at the workshops. Members had endorsed the financial strategy, with some misgivings. Members had considered the construction of the budget and the update provided on bids for June monitoring. At the workshop earlier in the day, Members had given attention to individual budget lines which would be adjusted to reflect estimated savings and pressures to arrive at an overall balanced budget in line with DE's allocation letter of 23 March 2016.

On the proposal of Ms O'Connor, seconded by Mrs Carville, the Committee agreed that the Board should adopt the financial strategy (option 1), that the draft budget would be submitted to DE by the deadline of 17 May 2016 with appropriate caveats and that the budget would be presented to the Board for final approval at its meeting on 26 May 2016.

7.2 REPORT ON SOCIAL CLAUSES

A report on Social Clauses would be presented to the Committee at its meeting on 7 June.

7.2 TIMING OF COMMITTEE MEETINGS DURING THE MONTH

It was agreed that consideration would again be given to the most appropriate time to convene a monthly Committee meeting to align with the financial reporting to DE.

Action: Review date of Committee meeting.

8. DELEGATED AUTHORITY - APPROVAL OF TENDERS

The Committee had agreed revised arrangements to approve tenders at its meeting on 5 April. In line with the new arrangements to approve tenders, the Committee considered proposed changes to Standing Order 12.7* (FGP/5/16/6.1) and the Scheme for the Committee* (FGP/5/16/6.2). The Scheme also incorporated a proposed amendment in relation to its membership.

On the proposal of Rev Herron, seconded by Mrs Carville, the Committee agreed to recommend that the Board should adopt the revised Standing Order 12.7 and the revised Scheme for the Committee.

9. FINANCE

9.1 2015/16 PROVISIONAL OUTTURN - RECURRENT

Mr Hughes presented the report* (FGP/5/16/7.1) detailing the provisional recurrent outturn position for 2015/16. It was noted that further very limited changes to the recurrent outturn position would be reflected in the 2015/16 Annual Accounts.

As at 31 March 2016, the overall DE recurrent budget was projecting an underspend of £7.535m (0.48%), of which £6.367m (0.57%) related to the Aggregated Schools' Budget

and Earmarked allocations, and £962k (0.23%) related to the Centre Block Grant. The projected outturn position for DE Youth was an underspend of £207k.

The Committee noted that the overall recurrent underspend fell within DE's acceptable targets.

9.2 2015/16 PROVISIONAL OUTTURN - CAPITAL

Mrs McErlean presented the report* (FGP/5/16/7.2) detailing the provisional capital outturn position for 2015/16.

As at 31 March 2016, the overall DE Schools' budget was detailing an underspend of £222k (0.4%) and DE Youth was detailing an underspend of £380k (9.5%). It was noted that the underspend within DE Youth related mainly to the slippage on the major capital project at Lakeland Youth Club.

9.3 2015/16 STATEMENT OF LOSSES

Mrs McErlean presented the report* (FGP/5/16/7.3) which set out the requirement on the Authority to maintain a record of losses and to include this information within the Annual Report and Accounts.

The Committee noted the Statement of Losses contained within Appendix 1*.

9.4 LMS UPDATE

As requested at the budget workshop on 3 May 2016, Ms Bill provided an overview of the opening and closing positions of schools in surplus and deficit positions for 2014/15 and 2015/16 and the work which was being taken forward to prepare the report. She advised that a detailed financial report would be presented to the Committee at its June meeting.

10. DRAFT ANNUAL REPORT AND ACCOUNTS 2015/16

Ms Bill said that the draft Accounts had been submitted to DE by 16 May 2016 in line with the DE deadline and the final Annual Report and Accounts was due to be submitted to the Northern Ireland Audit Office (NIAO) by 3 June 2016. The Audit and Risk Assurance Committee, at its meeting on 27 May 2016, would give final consideration to the Annual Report and Accounts for submission to the NIAO.

Mrs Flavell said that the draft Accounts covered the period 12 December 2014 (which was the day after which Royal Assent had been received on the legislation to establish the Authority) to 31 March 2016. She said that no transactions were recorded in the Accounts between 12 December 2014 and 31 March 2015 as all expenditure during this period would be recorded in DE's Accounts. She advised that the Accounts were compliance with the Government Financial Reporting Manual and that they had been consolidated from the trial balances operated by the Authority which reflected the operations of the five former education and library boards and incorporated the balances transferred from the Staff Commission and DE.

Mrs Flavell provided an overview of the Primary Statements and Notes to the draft Accounts.

A Member referred to the balances transferred from the former education and library boards and received confirmation that the draft Accounts had not received any qualification.

Mrs Flavell said that issues arising from the former education and library boards were included within the Report to those Charged with Governance.

The Chair received clarification on the Authority's share of NILGOSC pension deficits as set out in the Statement of Comprehensive Net Expenditure (SoCNE).

Ms O'Connor paid tribute to officers for their work in producing one regional set of Accounts which had been based on five discrete financial systems.

11. HUMAN RESOURCES

11.1 2015/16 EA VOLUNTARY EXIT SCHEME - UPDATE

Mrs Duffield said that 205 non-teaching non-school based staff had been approved to exit within the scheme during 2015/16. Of these, 182 had left by 31 March 2016 and 23 were confirmed to exit on or before 31 August 2016.

The Committee noted the paper* (FGP/5/16/9.1) which set out the associated costs and savings in relation to the staff leaving within the scheme.

In response to the Chair, Mrs Duffield confirmed that funding for the scheme remained available from the Public Sector Transformation Fund. She said that expressions of interest from 862 members of staff were currently being considered by the Directors.

11.2 YOUTH COUNCIL : STAFF TRANSFER - UPDATE

Mrs Duffield reported that 16 Youth Council staff had transferred to the Authority on 1 April 2016 under the principles of TUPE Regulations. Following the transfer, 7 staff had been approved to exit under the voluntary exit scheme by June 2016 and 9 staff had opted to remain in employment with the Authority. Consultation was ongoing with the 9 members of staff and Trade Unions in relation to suitable redeployment within the Authority's Youth Service.

The Committee noted the paper* (FGP/5/16/9.2) which set out detailed information on the transfer including the transfer of pension liabilities to the Authority.

12. OPERATIONS AND ESTATES SERVICES

12.1 TENDERS

On the proposal of Fr Bartlett, seconded Ms O'Connor, the Committee agreed to consider this item in committee.

The Committee considered tender reports* (FGP/5/16/10.1.1 and 10.1.2).

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 recommendations concerning the following tenders had been approved:

On the proposal of Mrs Carville, seconded by Rev Herron:

- *Construction Works*
CfT 200895 (Lots 1 and 2); CfT 202245 (Lots 1 and 2); CfT 202976 (Lots 1 and 2); CfT 203044 (Lots 1 and 2); and CfT-EANI 281.

- *Goods and Services*
70024; 70033; 70067; 70070; 70100; 70101; 70125; 70133; 70136; and 70147.

On the proposal of Rev Herron, seconded by Mrs Carville, the following tenders** had been approved:

- *Construction Works*: CfT 200895 (Lots 1 and 2).
- *Goods and Services*: 70125.

The following tenders had also been noted:

- *Goods and Services - External Frameworks*: RM 3703 – 70146; ID 106193.
- *Goods and Services - Select Tenders*: 70073.

12.2 CONTRACT DOCUMENTS

The Committee noted the paper* (FGP/5/16/10.2) containing information in respect of contracts awarded for CfT EANI-94 (ITT 30219) (Lots 1 and 2); CfT EANI-179; CfT EANI-223. The paper also set out that a transfer agreement had been signed and sealed between the Authority, the Youth Council for NI and DE for the transfer of Youth Council NI staff to the Authority and an apportionment agreement had been signed and sealed between NILGOSC and the Authority to transfer pension liabilities from the Youth Council NI to the Authority.

12.3 TERM SERVICE CONTRACTS – EXTENSION

Procurement Guidance [FD (DFP) 10/15] which had issued on 25 November 2015 required all contracts, contract extensions and procurement projects to be supported by suitable appraisals and business cases.

The Committee noted the paper* (FGP/5/16/10.3) setting out the arrangements to extend current Building Maintenance Term Service Contracts (Lots 1 and 2) in the Western area.

12.4 MINI MODEL DAY CARE CENTRE – PROPOSED PRICE INCREASES

Ms Long presented a paper* (FGP/5/16/10.4) setting out the current day care charges set by the Mini Model Day Care Centre, situated within the community wing of Belfast Model School for Girls, and the recommendations regarding an increase in its charges effective from 1 June 2016.

It was noted that the Centre was a particular outworking of a cross departmental initiative.

On the proposal of Mrs Carville, seconded by Ms O'Connor, the Committee agreed to recommend the adoption of the recommendations contained in the paper.

12.5 ST PATRICK'S BARRACKS – MEMORANDUM OF UNDERSTANDING

Mr Boyd said that the Memorandum of Understanding* (FGP/5/16/10.5) was supporting the preferred option of a development plan prepared by the Department for Social Development to facilitate the redevelopment of the former St Patrick's Barracks site in Ballymena. The Memorandum of Understanding took account of public sector stakeholders who had an interest in taking forward individual development proposals on the main site and a neighbouring site. Mr Boyd said that the document enabled the Authority to continue to express an interest without being committed to any expenditure at this stage other than an element of developmental expenditure.

On the proposal of Ms O'Connor, seconded by Fr Bartlett, the Committee agreed to recommend that the Board should approve the Memorandum of Understanding.

13. DATE OF NEXT MEETING

The next meeting would be held on 7 June 2016.

The meeting ended at 3.00 pm.

Chair

Date

* Paper circulated ** Paper tabled