

MINUTES OF PROCEEDINGS OF THE FINANCE AND GENERAL PURPOSES COMMITTEE OF THE EDUCATION AUTHORITY HELD ON 2 FEBRUARY 2016 AT 2.00 PM IN FORESTVIEW

1. PRESENT Dr I McMorris (Chair)

Fr T Bartlett	Mrs N Lappin
Mrs P Carville	Sir Gerry Loughran
Miss N Gowan	Ms S O'Connor
Rev R Herron	Ms N Toman

2. IN ATTENDANCE

The Interim Chief Executive, the Interim Head of Finance, the Interim Director of Operations and Estates Projects, the Change Director, the Board Support Manager and for part of the meeting the Interim Head of Corporate Human Resources and other officers of the EA.

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 where appropriate.

5. MINUTES OF MEETING HELD ON 12 JANUARY 2016

On the proposal of Fr Bartlett, seconded by Rev Herron, the Committee approved the minutes* (FGP/2/16/3) of the meeting held on 12 January 2016.

6. MATTERS ARISING FROM THE MINUTES

6.1 FORMER BALLEE COMMUNITY HIGH SCHOOL – CONSIDERATION OF POTENTIAL FUTURE USE (10.5.1)

The Committee noted that the Permanent Secretary had not authorised the capital expenditure on Ballee. It was pointed out that the EA would continue to give consideration to maximising the former Ballee Community High School accommodation and therefore reduce the need for rented accommodation in the Ballymena area.

Members noted that the Permanent Secretary was seeking a detailed location strategy for EA staff *in the Ballymena area*.

6.2 ACCOMMODATION – FORESTVIEW

The Change Director said that a DFP DAO letter had been received in August 2015 requiring public authorities to seek approval from the DFP for the leasing of all accommodation. He said that while approval had been sought from DFP to extend the tenure at Forestview to 30 April 2016, management would wish to extend the tenure until such time as other suitable public sector accommodation was found. A report on office accommodation would be presented to the Committee in due course.

Action: Report on accommodation to be presented to the Committee in due course.

7. CHAIRPERSON'S BUSINESS

The Chair reported that two matters had been referred to the Committee from the Audit and Risk Assurance Committee concerning school procurement and the generation of income by schools. These matters would be considered by the Finance and General Purposes Committee at a subsequent meeting.

Action: Committee to consider matters referred from the Audit and Risk Assurance Committee.

8. FINANCE

8.1 RECURRENT REPORT : NINE MONTHS TO 31 DECEMBER 2015

The Chief Finance Officer (Western Office) presented the recurrent report* (FGP/2/16/6.1) detailing spend as at 31 December 2015 and the projected spend to year end (Appendix 1). The report projected a total surplus of £2.863m.

Based on schools' actual expenditure to 31 December 2015 and best estimates of projected spend to year end, it was noted that schools' surplus drawdown was estimated to be £2.431m. The EA had received £5m to cover previous estimates for surplus drawdown which had resulted in an easement of £2.569m. The Chief Finance Officer reported that approval had now been received to the surrender of the £2m easement previously reported to DFP (the easement was therefore now £0.569m).

Appendix 2* detailed additional Earmarked allocations (£21.584m) received during December 2015. The Committee noted the net easement of £5.453m in Earmarked monies related mainly to school based redundancies and the voluntary exit scheme. The Chief Finance Officer reported on an internal January monitoring exercise, undertaken at DE's request, which had identified projected easements of £2.535m and pressures of £1.273m. The Committee noted that decisions on easements were subject to Ministerial decision.

The projected Centre block grant year end shortfall was estimated to be £5.180m as at 31 December 2015, representing a reduction of £0.325m on the figure reported within the previous MEMR. After taking account of other adjustments relating to a reduced LMS spend on Capital (£0.8m), additional estimated voluntary severance savings (£0.2m) and an outstanding corporate budget (£0.863m) as well as the earmarked pressures, the projected adjusted Centre shortfall was £4.590m.

The Interim Chief Executive said that the Governance and Accountability Review meeting had taken place earlier in the day. Issues discussed had included projections of school spend, schools' surplus drawdown and the savings anticipated from the regional framework agreed by the Children and Young People's Services Committee which had been implemented to ensure consistent provision of support across the Region.

8.2 CAPITAL REPORT : NINE MONTHS TO 31 DECEMBER 2015

The Committee noted the capital report* (FGP/2/16/6.2) with an overall capital allocation (schools and youth) of £60.215m as at 31 December 2015. An overview of anticipated spend within each budget area through to year end was provided.

The Chief Finance Officer (North Eastern Office) said that slippages and variations in planned Major Works, the School Enhancement Programme and ICT provision within EOTAS had been reported to DE and the necessary adjustments had been made to the respective budgets.

The Committee noted that every effort would be made to spend all budgetary allocations prior to year end. It also noted that DE would not be accepting the surrender of funds following any further in year slippage.

The Interim Chief Executive advised that, in response to a recent request from DE, the EA was preparing Initial Furniture and Equipment bids.

8.3 WORKING GROUP ON SCHOOLS' SURPLUSES AND DEFICITS – INTERIM REPORT

The Chair of the Working Group presented an interim report** which set out various issues considered by the Working Group and a summary of its preliminary recommendations. She indicated that final recommendations would be presented to the Committee by May 2016. She paid tribute to the members of the Working Group and officers for their contributions in this area of work.

The Chair of the Board advised that the work of this Group had been highlighted to DE officials. The Deputy Secretary had indicated that DE would engage with the EA on the Working Group's findings to ensure that resources to schools would be managed in the most efficient and effective manner. The Interim Chief Executive said that DE was as much concerned with the level of school surpluses as deficits, especially should any linkage be found to exist between schools in surplus and any educational under-achievements of pupils at those schools.

The Chair of the Working Group advised that the terms of reference for the Working Group had not focused on linkages between schools in surplus positions and educational outcomes. This was perhaps an area that could be considered by the Education Committee at a later stage when the Working Group presented its final report.

The Chair of the Education Committee referenced supports to schools particularly via staff in the LMS units and the School Development Service. He was conscious of the reduced staffing levels within the School Development Service and the need to ensure that mechanisms continued to exist to monitor and assist schools which showed early signs of requiring support. The Interim Chief Executive drew attention to the model of a link officer for schools. These supports would continue to be revisited by the School Development Service and considered by the Education Committee.

9. HUMAN RESOURCES

9.1 TRANSFER OF STAFF FROM THE YOUTH COUNCIL FOR NI

The Board, at its meeting on 10 December 2015, had received a report on the Minister's decision on the outcome of the Youth Council consultation. The Minister had indicated that key activities undertaken by the Youth Council would be delivered by the EA and that the Youth Council would be dissolved subject to the passage of primary legislation. In the interim, its Council would remain in position to provide advice to DE and the EA. This meant that the EA would have full responsibility for the provision of all DE-funded youth services and that funding for regional voluntary youth organisations would be administered through the EA.

The Interim Head of Corporate Human Resources advised that the Youth Council staff would either transfer to the EA under TUPE principles or would have access to a voluntary exit scheme. DE would chair a partnership involving the EA, the Youth Council and other stakeholders to develop a way forward to integrate regional and local youth services within EA. He said that DE had initiated a Youth Service Reform Programme with a Project Board chaired by the Deputy Permanent Secretary. The Project Board had agreed a number of workstreams which included Policy and Legislation, Governance, Finance, Communications, Human Resources and Operations.

The HR Project Officer advised that the HR workstream plan had been developed with DE and Youth Service colleagues. She outlined the key objectives of the plan which included a voluntary exit scheme, the transfer of staff from the Youth Council to the EA, the transfer of Youth Council pension liabilities to the EA, engagement with Trade Unions and the redeployment of staff within the EA post transfer.

A member queried the number of staff involved in the Youth Council and their terms and conditions. The HR Project Officer advised that the Youth Council employed 16 members of staff, all but one were employed on NI Civil Service pay grades with a combination of NJC and Civil Service terms and conditions.

9.2 ANNUAL EMPLOYMENT MONITORING RETURN

The Interim Head of Corporate Human Resources advised that, following a specification by OFMDFM, the EA had been registered with the Equality Commission on 1 January 2016. He advised that The Fair Employment and Monitoring Regulations 1999 (as amended) required public sector authorities to submit an annual monitoring return to the Equality Commission for NI for specified employment categories. The return would provide details of gender, community background, full-time / part-time status and standard occupational classification of staff and would apply to the workforce composition, applicants for jobs, appointees to jobs, leavers and promotees.

The EA was required to submit an initial return detailing the monitored workforce only to the Equality Commission within four months, ie by 1 May 2016. The monitored workforce included school-based support staff and teachers working in roles outside schools such as EOTAS and peripatetic functions. Teachers employed in schools were exempt from the return under 'Teachers' Exemption'.

The Interim Head of Corporate Human Resources said that an officer working group had been established the previous year to develop a single annual monitoring return from information collected from the five separate equal monitoring systems. The working group had produced a full report, which included composition, applicants, appointees, leavers and promotees, which would be submitted to the Equality Commission on 1 May 2016. This report exceeded the EA's minimum obligations and had been welcomed by the Equality Commission.

A Member drew attention to a duty of Equality Commission to keep the 'Teachers' Exemption' under review and queried if the EA had been formally consulted on this exemption. Officers confirmed that no formal request had been made by the Equality Commission to the EA on this issue.

10. OPERATIONS AND ESTATES SERVICES

10.1 TENDERS

On the proposal of Ms O'Connor, seconded by Mrs Carville, it was agreed that this item would be discussed in committee.

Fr Bartlett declared an interest in ITT 30253 as he served as Chair of the Board of Governors of St Louis' Grammar School, Kilkeel.

The Committee considered tender reports* (FGP/2/16/8.2.1 and 8.2.2). An outline of the tender process concerning the Strategic Partnering Agreement with Amey FMP was provided.

On the proposal of Fr Bartlett, seconded by Mrs Lappin, 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 Ms O'Connor:

- *Construction Works*
Target costs associated with EANI 10103327 and EANI 10104076;
CfT 183630 (and agreement to approach the second lowest tenderer if the lowest tenderer should withdraw);
CfT 208039 (and agreement to approach the second lowest tenderer if the lowest tenderer should withdraw); and
EANI-48; CfT EANI-57; CfT EANI-71; EANI-91; EANI-124; and the tender** in respect of professional services required for a multi-purpose room extension and additional works to Carnhill Nursery School.

On the proposal of Mrs Carville, seconded by Miss Gowan:

- *Goods and Services*
ITT 70097.

While in committee, reports concerning the following tenders had also been noted:

- *Construction Works*
ITT 29832; ITT 29833; ITT 29834; ITT 30253; ITT 30315; ITT 30496; ITT 30524 and EANI-36
- *Non-Controlled Capital / Minor Works*
CfT 200471 and ITT 164497.
- *Goods and Services*
RM 955 (Supply and Fit of Tyres); RM 955 (Fuel Card Services); RM1045 (Network Services); Garage Sundries; Auction Services for Vehicles and Associated Garage Equipment; and Natural Gas.

Members discussed design and quality of new builds and the quality measure applied to a tender process which took account of the experience of a design team to meet the requirements of a project. It was suggested that the EA should put forward an educational perspective on the design of new builds to the Central Procurement Directorate.

10.2 CONTRACT DOCUMENTS

The Committee noted the paper* (FGP/2/16/8.2) containing information in respect of ITT 28578 and ITT 30521.

10.3 LAND AND PROPERTY TRANSACTIONS

Granting / Renewing of Leases: St John's Primary School, Gilford - School Meals Kitchen; Killylea Primary School, Armagh; St Patrick's Primary School, Donaghmore - School Meals Kitchen; St Patrick's Primary School, Crossmaglen - School Meals Kitchen
Wayleave Agreements: Poyntzpass Primary School

The Interim Director of Operations and Estates Projects detailed the various recommendations set out in the report* (FGP/2/16/8.3).

On the proposal of Miss Gowan, seconded by Mrs Carville, the Committee agreed to recommend that the Board should progress the transactions as set out in the paper*.

10.4 TERM SERVICE MAINTENANCE CONTRACTS – EXTENSIONS

The Committee noted a paper* (FGP/2/16/8.4) setting out two instances where modifications to existing Term Service Contracts had been made within current Procurement Regulations. The anticipated completion date of the procurement process for the replacement contracts was April 2016 and May 2016.

10.5 MANAGEMENT OF ASBESTOS

The Committee noted a paper* (FGP/2/16/8.5) setting out issues discussed with the Health and Safety Executive for NI on managing asbestos and the actions taken by the EA within areas of its responsibility.

Members queried the number of schools and other EA buildings in which asbestos containing materials had been found and the funding streams to address these instances. The Head of Property and Planning Services (South Eastern Office) gave an update on the number of buildings with asbestos containing materials. He explained that removing asbestos from a building was difficult in many cases as it was incorporated into the structure. Following identification, the EA would continue to carefully monitor the area in question and only take action if the material deteriorated or works were planned. It was noted that the EA had a statutory responsibility to conduct asbestos surveys and to include this information in an Asbestos Register. An Asbestos Register was in place for each school built before 2001 and schools were advised to keep this at the school reception for use by both the school and contractors. The costs associated with surveys, or indeed any minor works arising, were met within the Maintenance budget. However, the EA would be unable to meet pressures arising from any major incidents and bids would therefore be made to DE in this regard. It was noted that the EA had received funding from DE in 2015 following the discovery of damaged asbestos containing materials in some schools.

A Member requested that a report should be presented to the Committee on fire safety in schools.

Action: A report on fire safety in schools to be presented to the Committee in due course.

10.6 CASTLE TOWER SCHOOL, BALLYMENA

Members were reminded of the difficulty encountered with Mid and East Antrim Borough Council regarding the access route to the site at Castle Tower School. The Interim Chief Executive said that the former NEELB had pursued an agreement with the former Council to provide for an access route at the school. The NEELB had understood that an agreement had been reached. Subject to signing of contracts, the EA had asked Mid and East Antrim Borough Council for a letter of comfort which would enable the EA's contractor to upgrade the access road to the site for its adoption by Transport NI. The Council had subsequently confirmed to the EA on 18 January 2016 that it wished to retain a strip of land to allow for access to a site at the rear of Castle Tower School, known as St Patrick's Barracks. The Interim Chief Executive said that this condition would not be compliant with the planning approval already received by the EA in connection with Castle Tower School. He advised that he had written to the Council on 27 January to acknowledge the Council's additional conditions and to seek a clear commitment that work on the access route could proceed in the interim while the matter received attention. He had further asked the Council to consider allowing the Land and Property Services to act as honest broker between the two authorities to progress an outcome.

Members noted that the contractor required access by March 2016 to allow for works at the new Special School to proceed.

11. DATE OF NEXT MEETING

The next meeting was scheduled for 1 March 2016.

The meeting ended at 4.05 pm.

Chair

Date

* Paper circulated ** Paper tabled

Action Sheet

Finance and General Purposes Committee : 2 February 2016

Minute Ref	Actions
6.2	Accommodation : Forestview Report on accommodation to be presented to the Committee in due course.
7.	Chair's Business Committee to consider matters referred from the Audit and Risk Assurance Committee.
10.5	Management of Asbestos A report on fire safety in schools to be presented to the Committee in due course.