

MINUTES OF PROCEEDINGS OF THE FINANCE AND GENERAL PURPOSES COMMITTEE OF THE EDUCATION AUTHORITY HELD ON 8 SEPTEMBER 2015 AT 2.00 PM IN FORESTVIEW

1. PRESENT Dr I McMorris (Chair)

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

2. IN ATTENDANCE

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

3. DECLARATIONS OF INTEREST

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

4. MINUTES OF MEETING HELD ON 9 JUNE 2015

On the proposal of Rev Herron, seconded by Mr Pollock, the minutes of the meeting held on 9 June were approved as an accurate record.

5. MATTERS ARISING FROM THE MINUTES

5.1 VENUE FOR FUTURE MEETINGS OF COMMITTEE (4.2)

It was agreed that meetings would be held in Forestview for the foreseeable future.

5.2 SCHOOL MEALS – CHARGES FOR THE 2015/16 ACADEMIC YEAR (7.4)

It was agreed that a presentation would be given to the Committee at its October meeting on the School Meals Service.

6. CHAIRPERSON'S BUSINESS

6.1 PRESENTATIONS TO FUTURE MEETINGS OF COMMITTEE

It was agreed that, in the coming months, presentations would be given to the Committee in the areas of Financial Processes, Replacement of Financial Systems, Estates Management, Transport, Procurement as well as the Catering Service.

A query was raised in respect of the C2k system. It was noted that the Education Committee was the appropriate forum to give consideration to the requirements of a system to support schools whereas the Finance and General Purposes Committee would consider matters relating to the IT infrastructure.

Action: Presentations as listed to come to future meetings of Committee.

6.2 ADDITIONAL ITEMS FOR INCLUSION ON AGENDA

The Chair received the Committee's agreement to consider two additional items relating to tenders at the appropriate point in the agenda.

7. DRAFT EA 2015/16 BUSINESS PLAN

Officers outlined the actions being taken in relation to the target areas that fell within the remit of the Finance and General Purposes Committee.

Queries were raised in respect of targets 3.4 and 3.5 relating to teaching and non-teaching sickness absence and the measures used to address sickness absence. The Interim Head of Corporate HR advised that a Regional Strategy Group had been established to consider the issue of sickness absence in schools and the recommendations and good practice guidelines from that Group had been provided to schools. He said that various strategies were in place to support staff, such as flexible working arrangements and Carecall. Furthermore, officers were currently reviewing the support mechanism provided by the Occupational Health Service in order to improve the service for both employer and members of staff. He added that, at meetings of TNC, Teaching Unions and management were currently considering a Health and Wellbeing Strategy for Teachers. Nominations had been provided to DE in order to establish a working group to develop an absence management strategy for support staff.

It was agreed that an analysis of sickness absence across sectors and by region would be presented to the Committee to enable comparisons to be made on sickness levels elsewhere.

The challenge associated with target 5.6 on prompt payment of invoices was noted.

The Committee noted that the draft Business Plan would be presented to the Board at its meeting on 24 September for final consideration.

Action: Comparative paper on sickness absence across sectors and by region to be presented to Committee.

8. FINANCE

8.1 2015/16 BUDGET : UPDATE

The Interim Head of Finance referred to the work carried out in the summer months to identify the proposed savings which had been detailed to the Board at its meeting on 27 August. He presented a paper* (FGP/09/15/7.1) which elaborated on each of the savings areas and provided an update on voluntary severance.

An outline of the re-classification of LMS capital monies was provided. A Member expressed concern that some schools spent a portion of their LMS allocations on capital items. The Interim Head of Finance advised that protocols were in place and schools were constrained on such capital spend.

A Member suggested that an understanding of the spend per pupil in NI against other regions would be helpful. It was noted that disparities existed between other regions, eg arrangements concerning transport provision where in NI there was an equalisation of costs per pupil, and that a better management tool would be the pupil / teacher ratio. It was pointed out that a considerable number of schools in NI were in a rural setting and that school enrolments in general were smaller than in other regions.

The Committee noted the letter* from the Permanent Secretary dated 28 August 2015 giving approval to the EA's Block Grant budget, subject to certain conditions. A Member expressed concern at the content of the letter. It was pointed out that the assurances sought by the Permanent Secretary would be provided by the Accounting Officer in that the EA was committed to delivering a balanced 2015/16 budget. The Interim Head of Finance said that he would be meeting DE's Financial Director to further discuss the budget.

A Member queried whether the Committee could meet on a date each month to align with the end of month financial reporting systems. It was agreed that the practicalities of a change of Committee date would be reviewed.

A Member suggested that areas relating to travel and subsistence, hospitality and leasing arrangements should be reviewed. The Interim Head of Finance said that these areas had been examined and officers were bearing down on all costs to effect savings. A brief report was provided on measures to effect savings on leasing of premises. It was agreed that information on travel and subsistence and their entitlements would be presented to the Committee.

An update on voluntary severance was provided, particularly the savings that could be effected in year and the distribution of these posts across a number of services by region.

A Member requested information on the number of posts suppressed in the current year. It was agreed that information would be provided to the Committee on this matter.

The Chair announced that the Committee would give a determination on its financial plan at its next meeting in order to allow for information to be received on funding for the voluntary exit scheme.

Actions: *Committee to decide financial plan at October meeting; reports to be presented to Committee on travel and subsistence and posts suppressed in the current year; and Committee dates to be reviewed.*

8.2 MONITORING OF SCHOOLS SURPLUSES AND DEFICITS : LMS WORKBOOK

(Rev Herron left the meeting at 4.00 pm.)

The Chief Finance Officer of the Belfast Region presented a report* (FGP/09/15/7.4) which detailed the summary position of schools' LMS financial plans as at 31 March 2015 and the projected position as at 31 March 2016.

The Committee noted that schools, in submitting their plans, were required to adhere to DE's target that they should not have a surplus or deficit in excess of 5% of their delegated budget or £75k, whichever was the lesser.

A report summarising schools in surplus and deficit positions was noted. The Chief Finance Officer advised that all plans were analysed by EA officers on the basis of the financial information submitted and on local knowledge. She reported that 67% of school plans had met DE's target.

The Committee noted that, on the basis of schools' financial plans, a drawdown of accumulated surpluses of £15.7m had been projected in 2015/16 together with a deficit growth of £7.7m.

The role of LMS officers was conveyed to Members and the support available to schools when completing their financial plans.

A Member raised concerns that schools in surplus which were outside DE's target were not spending their allocations for the benefit of pupils currently at their schools. Similarly sanctions were required for schools in deficit which were outside DE's target. It was proposed by Mrs Lappin, seconded by Ms O'Connor, that a working group should be established to monitor and review schools' surplus and deficit positions and that attention should be given to appropriate sanctions.

Members pointed out that communication between EA officers and Boards of Governors was critical, and that Boards of Governors should be provided with appropriate training so as to ensure their understanding of the importance of submitting robust financial plans.

Action: Working Group to be established to examine schools' surplus and deficit positions.

(Ms Toman left the meeting 4.32 pm.)

8.3 RECURRENT REPORT : FOUR MONTHS TO 31 JULY 2015

The Chief Finance Officer of the Western Region presented the recurrent report* (FGP/09/15/7.2) which set out spend as at 31 July 2015 and the projected spend to year end. The Committee noted the allocations made to the EA from DE:-

	£m
Schools' delegated budgets	884.169
Block Grant allocation	396.645
Earmarked allocations (initial)	148.354

Earmarked allocations (additional)	20.482
Youth	26.216
Youth Earmarked (initial)	2.532
Youth Earmarked (additional)	0.400

Attention was drawn to the significant spend associated with Special Education within the Centre budget. It was pointed out that a review was being undertaken within this area.

Members expressed their concerns about the potential financial position for the EA in the final months of the year and the ability to achieve the savings set out in the budgetary context.

The Interim Head of Finance indicated that the financial reporting systems and processes operating across the five Regions of the EA continued to be scrutinised to ensure that all potential pressures and easements were identified and to move reporting processes to a more consistent basis.

8.4 CAPITAL REPORT : FOUR MONTHS TO 31 JULY 2015

The Chief Finance Officer of the North Eastern Region presented the capital report* (FGP/09/15/7.3) detailing allocations as follows:-

	<i>£m</i>
School Major Works	26.646
Schools' Enhancement Programme (initial)	9.762
Schools' Enhancement Programme (additional)	3.601
Minor Works Capital Programme (initial)	10.801
Minor Works Capital Programme (additional)	3.675
Initial F&E for Major, SEP and Minor Works (initial)	0.710
Initial F&E for Major, SEP and Minor Works (additional)	1.800
Youth	4.000

The Committee noted that capital monies had also been received in respect of various other services and that monies had been surrendered to DE in respect of various major works projects, in line with DE's monitoring and reporting requirements.

It was pointed out that the initial allocation for the Minor Works Capital Programme had meant that it had only been possible to continue with those works that had been carried forward from the 2014/15 financial year. However, upon receipt of additional monies, some new works could now be programmed within the 2015/16 year. Bids had been submitted to DE in the October monitoring round to seek to augment this allocation and to enable officers to initiate further work in allocating funds to priority areas within the Regions.

It was also pointed out that the Furniture and Equipment allocations, associated with new capital works, were insufficient to meet all of the requirements for the schools involved. In order to manage this budget in year, notwithstanding additional monies having been received, it had only been possible to facilitate an allocation equivalent to 76% of the overall identified requirement.

An outline of anticipated spend within each budget area to year end was provided to the Committee.

9. HUMAN RESOURCES

9.1 ENDURING TEACHING APPOINTMENTS SCHEME

The Committee noted that a working group had been established comprising representatives from the EA, DE and the Controlled Schools' Support Council to develop, consult on and seek approval to an Enduring Teaching Appointments Scheme. The working group had given consideration to the responses received to the consultation on the Transitional Teaching Appointments Scheme and had developed a project plan and associated timeframe in order to make an enduring scheme available for Spring 2016.

The Committee considered a paper* (FGP/09/15/8.1) setting out the terms of reference for the working group, a timeframe for developing the Enduring Teaching Appointments Scheme and the recommendation that the Board should proceed with developing the Enduring Scheme in line with the views expressed in the consultation responses and in line with the consensus given by a majority of Board Members at the induction day on 28 April 2015, ie that Boards of Governors should be responsible for appointing principals and vice-principals with appropriate support provided from the EA. It was pointed out that, in accordance with the proposed timeframe, the Enduring Scheme would undergo equality screening and be consulted upon for a minimum of 12 weeks, planned for November 2015 to January 2016. Thereafter, it was anticipated that consideration would be given to the consultation responses and the Enduring Scheme would be presented to the Committee for consideration in February 2016.

On the proposal of Ms O'Connor, seconded by Mr Pollock, the Committee agreed to recommend that the Board should proceed with developing the Enduring Teaching Appointments Committee Scheme as outlined in the paper.

Action: *Proceed to develop the Enduring TAC Scheme in line with proposals in the paper presented to Committee.*

9.2 EQUALITY SCHEME AND INTERIM DISABILITY ACTION PLAN

The Committee considered the draft Equality Scheme* (FGP/09/15/8.2) which set out the EA's commitments to fulfilling its Section 75 equality duties. It noted that an Equality Scheme was required to be submitted to the Equality Commission within six months of the establishment of the EA.

The Committee considered the Interim Disability Action Plan* (FGP/09/15/8.2) which was also required to be submitted to the Equality Commission. It noted that the Equality Commission had agreed that an Interim Plan could be produced by the EA and would be reviewed within two years in line with evolving organisational structures and following an Audit of Inequalities and the development of an Equality Action Plan.

On the proposal of Mrs Carville, seconded by Fr Bartlett, the Committee agreed to recommend that the Board should adopt the Equality Scheme for 2015/16 and the Interim Disability Action Plan for the period October 2015 to October 2017.

Action: *Submit Equality Scheme and Interim Disability Action Plan to Equality Commission.*

9.3 RECRUITMENT ADVERTISING

The Committee considered the paper* (FGP/09/15/8.3) which set out proposals in respect of a change in practice to facilitate teaching and non-teaching posts to be advertised via a range of electronic media. It was pointed out that the Equality Commission was content with the proposals and had asked EA officials to monitor access to ensure that no specific group would be significantly impacted by the move to on-line advertising. The proposals had already received equality screening and had been screened out.

The Committee noted the costs associated with placing advertisements in the newspapers in respect of teaching and non-teaching posts and the anticipated savings from moving to on-line advertising. It also noted that the proposal would enable a small reduction in the workload of HR staff.

The Committee also noted that the proposal offered the option for schools, CCEA and Libraries NI to continue to advertise in the newspapers for a period of 6 months, after which arrangements would be reviewed to consider the feasibility of moving to electronic media.

It was suggested that the new proposals should incorporate social media and that officers should examine the possibility of using digitised forms for all recruitment exercises.

A query was raised in respect of the need to seek approval to this change in practice from OFMDFM and DE. The Chair of the Board undertook to raise the issue with the Permanent Secretary and to report back to the Committee. Subject to this confirmation, the Committee agreed on the proposal of Mrs Carville, seconded by Mr Pollock, to recommend that teaching and non-teaching posts be advertised by electronic means as set out in the paper.

At the request of a Member, it was also agreed that further consideration would be given to potential options available for delivering the advertising service in the future.

Action: *Teaching and non-teaching posts to be advertised on-line following confirmation that DE is in agreement with the change in practice; further consideration to future options available for delivering the advertising service.*

9.4 LOCAL GOVERNMENT PENSION SCHEME DISCRETIONARY POLICY STATEMENT

The Committee noted the Discretionary Policy Statement* (FGP/09/15/8.4) as consulted upon with NILGOSC and the Trade Unions.

9.5 DRAFT LOCAL GOVERNMENT PENSION SCHEME (AMENDMENT NO 3) REGULATIONS (NI) 2015 – CONSULTATION RESPONSE

The Committee noted the response* (FGP/09/15/8.5) to the above Regulations which had been submitted to the DoE's Local Government Policy Division by the deadline of 22 July 2015.

10. OPERATIONS AND ESTATES SERVICES

10.1 HOME TO SCHOOL TRANSPORT – HARMONISATION OF THE INTERPRETATION AND APPLICATION OF THE ELIGIBILITY CRITERIA

The Committee considered the papers* (FGP/09/15/9.1) which identified that the draft policy had been screened out by a screening panel on the basis that the available evidence had confirmed no differential impact on any of the nine equality groups. However, the panel had recommended that public consultation should be carried out on the proposed arrangements to use the 'gate to gate' measurement as the basis of eligibility.

A Member sought clarification that the public consultation would target schools and parents. It was confirmed that the consultation groups would include schools from all sectors.

On the proposal of Ms O'Connor, seconded by Mrs Carville, the Committee agreed to recommend that the proposed arrangements for determining eligibility for home to school transport should be issued for public consultation and that the results would be presented to the Committee in January 2016 in order to inform a final decision.

Action: *Public consultation on the proposed arrangements to harmonise transport eligibility criteria.*

10.2 TENDERS

(Mrs Lappin declared an interest and withdrew from the meeting at 5.50 pm.)

On the proposal of Ms O'Connor, seconded by Fr Bartlett, it was agreed to discuss Tender Reports on construction works and goods and services (agenda items 10.2.1 and 10.2.2) in committee.

The Committee considered reports* within this item of business.

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

The Chair reported that, while in committee, the recommendations concerning the following tenders had been approved:

- *Construction Works*
Gailscoil Na MBeann (provision of two double prefabricated units on an alternative site);
Woodburn Primary School (Design Team); and
Parkhall Integrated College (Construction Contractor).

- *Goods and Services*
T70002; T70003; T70004; T70013; T70019; T70035; and T70037.

The Chair also reported that, while in committee, the reports concerning the following tenders had been noted:

- *Construction Works*
ITT26591 (Lot 1); ITT26591 (Lot 2); ITT 27655; ITT27806; ITT 27890; ITT 28128.
- *Goods and Services*
T70009; T70022; T70023; T70036; T70042; T70043; T70044; T70045; T70046;
P17864 (external framework); and RM1059 (external framework).

Action: Progress tenders.

10.2.1 SINGLE TENDER ACTIONS

The Committee noted the following Single Tender Actions* approved by the Interim Chief Executive:

- Supply of Mercedes Benz branded vehicle parts;
- Supply of M A N branded vehicle parts; and
- Maintenance and repair service for home to school transport vehicles in the Cookstown area.

10.3 CONTRACT DOCUMENTS

The Committee noted the paper* detailing the contract documents signed and sealed by the former Southern Education and Library Board which had been awarded from pre-qualified lists of economic operators for works projects and for managed services and including contract documents in respect of maintenance works, youth service works, FRA and Security Works and Full Design Team.

The Committee also noted the paper* detailing the contract documents from the Western Region which had been signed and sealed.

10.4 LAND AND PROPERTY TRANSACTIONS

10.4.1 FORMER CAUSEWAY SCHOOL – SURRENDER OF LEASE TO TRUSTEES AND DILAPIDATION CLAIM

The background and recommendations concerning this matter were outlined to the Committee. On the proposal of Fr Bartlett, seconded by Mrs Carville, the Committee agreed to recommend the surrender of the lease to the Trustees in accordance with the arrangements as set out in the paper*, subject to the approval of DE.

10.4.2 McCLINTOCK CONTROLLED PRIMARY SCHOOL, OMAGH – EXTENSION TO LEASE AND SUB-LET AGREEMENT WITH McCLINTOCK CHILDREN’S CENTRE

The background and recommendations concerning this matter were outlined to the Committee. On the proposal of Mrs Carville, seconded by Miss Gowan, the Committee agreed to recommend that the Board enter into an extension of lease with the current landlords and to enter into a sub-let agreement with McClintock Children’s Centre in accordance with the arrangements as set out in the paper*, subject to the approval of DE.

10.4.3 CITY CENTRE YOUTH PROVISION, UNITS 1, 2 AND 3 NORTHERN COUNTIES BUILDING, L’DERRY

The Committee noted the signing and sealing of the lease of the above provision for two years with an option to renew thereafter as set out in the paper*.

10.4.4 WAYLEAVE AGREEMENTS – KINNEGO CENTRE, DUNGANNON AND LURGAN COLLEGE

On the proposal of Mrs Carville, seconded by Fr Bartlett, the Committee agreed to recommend that the Board should enter into Wayleave Agreements with BT plc in order to allow maintenance works to proceed at the two properties as set out in the paper*.

10.4.5 FORMER ROSLYN STREET YOUTH CLUB SITE – DISPOSAL

The background and recommendations concerning this matter were outlined to the Committee as set out in the paper*. On the proposal of Mrs Carville, seconded by Mr Pollock, the Committee agreed to recommend that the site should be declared surplus to requirements and that arrangements should be made to dispose of the site.

***Actions:** Progress land and property transactions.*

11. DATE OF NEXT MEETING

The next meeting was scheduled for 13 October 2015; however, future meeting dates for the Committee were under consideration.

The meeting ended at 6.10 pm.

Chair

* Paper circulated

Date

10 September 2015 LMcC

** Paper tabled at meeting