

MINUTES OF PROCEEDINGS OF THE FINANCE AND GENERAL PURPOSES COMMITTEE OF THE EDUCATION AUTHORITY HELD AT 10.30 AM ON 6 OCTOBER 2020 (blended meeting – in Antrim and by zoom)

1. PRESENT

Mrs P Carville	Mr M Johnston
Mr J Craig	Sir Gerry Loughran
Mr G Doran	Mr K Mulvenna
Rev R Herron	Ms N Toman

2. IN ATTENDANCE

Ms S Long, Mrs C Duffield, Mr D Hanna, Mr S Wade, Ms L McCall and for part of the meeting Mr M McDermott.

3. PROTOCOL FOR EA BLENDED AND REMOTE ATTENDANCE MEETINGS

All present were observing the protocol.

4. OFFICE OF CHAIR

On the proposal of Mr Mulvenna, seconded by Mrs Carville, Mr G Doran was elected Chair.

5. APOLOGY

An apology had been received from Ms S O'Connor.

6. DECLARATIONS OF INTEREST

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

Mrs Carville, Mr Johnston, and Sir Gerry Loughran declared an interest in schools referred to in the paper on Voluntary Grammar and Grant Maintained Integrated Schools' Emergency Grant Funding (minute 11.2).

7. MINUTES OF MEETING HELD ON 16 SEPTEMBER 2020

The Committee agreed the minutes* (FGP/10/20/5) of the meeting held on 16 September 2020 on the proposal of Rev Herron and seconded by Mrs Carville.

8. MATTERS ARISING FROM THE MINUTES

8.1 2020/21 FINANCIAL REPORT - FOUR MONTHS ENDING JULY 2020 (9)

Information relating to Education Restart bids had been included in the financial report and would be considered later in the meeting.

8.2 COLLABORATIVE CONTRACT FOR THE PROVISION OF NATURAL GAS (10.1)

Mr Hanna said that the collaborative contract would be made available to Grant Maintained Integrated schools.

8.3 MINI MODEL DAY CARE FACILITY, BELFAST (10.3)

Mr Hanna said that Members' comments on the Day Care Facility and the North Belfast City Learning Centre had been conveyed to the relevant DE officials.

9. CHAIR'S BUSINESS

ADMISSIONS TO POST PRIMARY SCHOOLS FOR SEPTEMBER 2021 - UPDATE

Mr Hanna said that, as announced by the two independent academic test providers on 2 September 2020, the dates for the tests for academic selection had been moved to January and early February 2021. This meant a compression of the normal timetable for EA to conduct the post primary admissions process for September 2021. Mr Hanna said that it was anticipated that the compressed timetable could be achieved through maximising the digitalisation of the application process. He drew attention to four key areas which required to be taken forward: an online portal for school applications; the management of special circumstances within the system; the admission appeals process; and the transfer of supporting evidence.

Members sought clarification around a number of risks. Mr Hanna said that EA was committed to delivering the admissions process for September 2021 by developing digital networks with an external provider and by improving and supporting its own processes. He said that the risk set out in the highlight report related to ICT capacity. Officers were seeking a digital approach to ensure that EA's ICT infrastructure was not impacted by an online solution to the admissions process for September 2021. The preferred delivery option would be determined before the mid-term break and this information would be provided to Members. A Member drew attention to GDPR considerations in respect of third party servers. A Member also drew attention to a specific piece of work which was currently taking place around cloud based solutions within the region.

A Member said that some schools might be required to amend their admissions criteria and queried whether this could be facilitated within the compressed timetable. Mr Hanna said that DE would be writing to schools on this matter and would refer to contingency arrangements.

The Committee noted the ongoing work to ensure implementation of the post primary admissions process for September 2021, as set out in the paper** (FGP/10/20/7).

10. EA BUSINESS PLAN 2020-21

Ms Long said that the Business Plan was linked to DE's Business Plan, the draft Programme for Government, and DE's draft Children and Young People's Strategy. She presented the Business Plan* (FGP/10/20/8) detailing six corporate objectives.

A Member queried progress on developing an interactive dashboard relating to Covid-19 cases in schools. Ms Long said that this matter would be discussed at the Education Committee.

A Member paid tribute to staff on the tremendous amount of work taking place to support Education Restart. She said that areas requiring current consideration were access to meals in schools, mental health, and issues relating to special educational needs within mainstream education.

A Member also referred to the growing challenges for schools to deal with special educational needs within mainstream education. He referred to the level of support provided by EA to schools and to the need for training to prepare schools to address issues around special educational needs and to manage expectations. Ms Long said that this matter would be discussed at the Children and Young People's Services Committee.

A Member commended the Business Plan for identifying current and key objectives.

On the proposal of Rev Herron, seconded by Mr Craig, the Committee agreed to recommend the adoption of the Business Plan for 2020-21.

11. FINANCE

11.1 2020/21 FINANCIAL REPORT - FIVE MONTHS ENDING AUGUST 2020

Mr Wade presented the financial report, based on information available, as set out in the paper* (FGP/10/20/9.1) including the MEMR* (Appendix 1). In August, EA had received additional allocations amounting to £44.220m (block grant £2.5m, earmarked £41.313m, and youth £0.407m). The earmarked budget allocation had related to Education Restart (£40.286m), Covid-19 free school meals (£0.527m), and PPE to enable schools to reopen (£0.500m). Information on the budget allocation and estimated outturn across budget categories, based on available information and current assumptions, was provided.

Mr Wade said that EA was profiling earmarked expenditure of £196.361m resulting in an unfunded pressure of £64.178m. This related to Education Restart (£49.983m), school maintenance (£6.433m), substitute teachers' hardship fund (£0.994m), contingency (£1.058m), pre-school initiative (£1.562m), shared education (£2.405m), voluntary exit scheme (£0.945m), and other miscellaneous (£0.798m). It was anticipated that all earmarked funding would be received to cover these pressures.

The August MEMR was reporting an overall estimated funding gap of £70.946m, excluding earmarked and youth, and an estimated block grant funding gap of £70.678m after estimated savings of £17.611m. The overall estimated funding gap had decreased by £6.388m on the figure reported in the July MEMR due to the additional £2.5m block grant allocation and an adjustment to reflect the movement from the 2019-20 provisional outturn to final outturn of £4.688m.

Mr Wade said that the current funding gap did not include the estimated pressures identified in respect of Education Restart. He said that schools were being monitored for additional costs incurred as a result of Covid-19 and this information was being conveyed to the Minister. Based on the latest information and assumptions, estimates were identifying costs of over £90m across terms 1 and 2.

Mr Wade said that the youth recurrent expenditure was anticipated to come in on budget and that the budget allocation for capital would be fully spent by year end.

Mr Wade drew attention to the bids submitted as part of October monitoring (approximately £52m) which were reconciled to the block grant funding gap reported in the August MEMR. He also drew attention to remaining pressures which had not been included in the bids for October monitoring. These related to pay pressures (£18.144m) and other net pressures including non-pay inflationary pressures (£265k).

Mr Wade advised that an earmarked allocation of £19.2m had been received for Education Restart in September. This allocation would be reflected in the September MEMR.

Mr Wade advised that, given the extent of the financial risk, the Corporate Leadership Team had decided, where possible, to pause recruitment in the current year. Posts which were in critical service areas or were deemed to be essential by CLT could however proceed. A Member received clarification on the posts where recruitment could progress.

A Member queried the process to track Covid-19 specific costs in schools. Mr Wade said that a discrete code had been provided to schools for Covid-19 related costs. Thereafter, EA officers were sub-checking and validating the data across the various budget lines. He undertook to assess how summary information on costs incurred by schools relating to Covid-19 could be provided to the Committee in the financial report.

Ms Toman left the meeting at 11.25 am.

A Member referred to the quality of information provided by schools on Covid-19 specific costs. He also queried whether the information was being received in time for reporting on to the Minister. Mr Wade said that LMS officers were working closely with schools on their financial plans and no issues around coding had been highlighted to date. He said that school financial plans would be received in October.

A number of Members paid tribute to LMS officers for their tremendous work in supporting schools at the current time.

The Committee noted the profiled financial position, including the update on the estimated savings for 2020/21, and the actions being taken by officers in working with DE and to address profiled pressures. It noted that EA continued to operate at significant financial risk.

11.2 VOLUNTARY GRAMMAR AND GRANT MAINTAINED INTEGRATED SCHOOLS (VG/GMI) – EMERGENCY GRANT FUNDING

Mrs Carville, Mr Johnston, and Sir Gerry Loughran declared an interest in schools referred to in the paper.

Mr Wade presented a paper* (FGP/10/20/9.2) setting out information on VG/GMI schools which had accessed the emergency maintenance grant in 2018/19 and 2019/20. He advised that Mrs Corkey and he were currently meeting representatives from the four schools which had required access to the emergency grant funding in both years to discuss their financial positions.

Mr Wade reported that EA had been allocated funding in 2020/21 to provide emergency grant funding to VG/GMI schools which were facing cash flow issues in respect of the teachers' pay award arrears. He said that this funding was restricted to up to 1% of teachers' pay arrears as this should have been already accrued by the schools. Information on the VG schools requesting and receiving access to the teachers' pay award arrears funding was provided. It was noted that GMI schools were not in a position to apply for the grant until the arrears were paid and notified in October.

A Member received confirmation that access to the grant was only considered once all other possible avenues of funding had been exhausted. Mr Wade said that LMS officers adopted the same challenging approach with VG/GMI schools in respect of financial planning as with controlled and maintained schools.

In response to a Member's query, Mr Wade said that DE had been advised that some schools had been unable to set aside the 1% element of the teachers' pay award arrears.

A number of Members drew attention to anomalies in the funding structure which did not provide for equity of treatment across all sectors. It created challenges where certain sectors could maximise funding opportunities. A Member sought assurance around the application process and the verification of information provided by schools. Mr Wade said that EA had adhered strictly to DE's scheme and had sought evidence from the schools in the form of financial statements. The amounts sought by the schools were proportionate to their payroll costs. He also said that he was engaging with DE in order that DE would write to those VG/GMI schools in receipt of teachers' pay award arrears funding with the intention that the schools would be asked to review their financial position and to make arrangements for repayment should there be any change in their financial position.

The Committee noted the paper.

12. OPERATIONS AND ESTATES

REPORT ON TENDERS AND CONTRACT DOCUMENTS

The Committee considered the paper* (FGP/10/20/10) providing information on tenders for construction works, tenders for goods and services, and contract documents.

On the proposal of Mrs Carville, seconded by Mr Craig, the following tenders were approved:

- Goods and Services - Above Threshold: FAE-20-010; FAE-20-011; FAE-20-012; and CAT-19-006.

The following tenders were noted:

- Goods and Services – Below Threshold: ICT-20-033; FAE-20-017; and FMM-20-025.
- Construction Works - Below Threshold: EANI-2225; EANI-2136; EANI-2135; EANI-2168; EANI-2178.

13. HUMAN RESOURCES

ANNUAL PROGRESS REPORT TO EQUALITY COMMISSION NI 2019-20

Mr McDermott said that the Annual Report* (FGP/10/11.1) to the Equality Commission outlined EA's compliance with its obligations under Section 75 and Schedule 9 of the Northern Ireland Act 1998, as outlined in EA's Equality Scheme. He said that the report had been completed in line with the template provided by the Equality Commission. Areas of work undertaken across all the Directorates throughout 2019-20 were highlighted.

A Member queried the rationale for pausing membership of the Diversity Champions Programme. Mr McDermott said that EA had been able to avail of expertise, guidance, materials and networking opportunities through this membership but was now shifting focus to supporting colleagues within the staff networks. The Diversity Champions Programme was a year on year rolling programme so membership could be paused and EA would re-assess its membership of the programme over the next two years.

The Committee noted the Annual Report for 2019/20 which would be submitted to the Equality Commission in line with a revised deadline.

14. DATE OF NEXT MEETING

The next meeting would be held on 10 November 2020.

The meeting ended at 12.05 pm.

Chair

Date

* Paper circulated