

MINUTES OF PROCEEDINGS OF THE FINANCE AND GENERAL PURPOSES COMMITTEE OF THE EDUCATION AUTHORITY HELD AT 10.30 AM ON 10 NOVEMBER 2020 (by zoom)

1. PRESENT

Mr J Craig	Sir Gerry Loughran
Mr G Doran	Mr N McCausland
Rev R Herron	Mr K Mulvenna
Mr M Johnston	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 Mrs J Aicken. Ms P Philport, Board Room Apprentice, was in attendance.

3. PROTOCOL FOR EA BLENDED AND REMOTE ATTENDANCE MEETINGS

All present were observing the protocol.

4. OFFICE OF CHAIR

Mr G Doran was elected Chair on the proposal of Rev Herron and seconded by Mr Craig.

5. APOLOGIES

Apologies had been received from Mrs P Carville and Ms S O'Connor.

6. DECLARATIONS OF INTEREST

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

7. MINUTES OF MEETING HELD ON 6 OCTOBER 2020

The Committee agreed the minutes* (FGP/11/20/5) of the meeting held on 6 October 2020 on the proposal of Rev Herron and seconded by Mr Craig.

8. CHAIR'S BUSINESS

8.1 ESRI IRELAND CUSTOMER SUCCESS AWARD

Mr Hanna reported that EA had won the ESRI Ireland Customer Success award for its digital online application and eligibility checker in respect of the Home to School Transport Service. The Chair commended the service on its achievement.

8.2 MATTER REFERRED FROM THE AUDIT AND RISK ASSURANCE COMMITTEE - ICT RISK AND RESOURCE

Mr Wade said that the Audit and Risk Assurance Committee, at its meeting on 12 October 2020, had requested that its concerns regarding ICT provision should be referred to the Finance and General Purposes Committee. He said that a paper on ICT risks and resources would be provided to the Committee for consideration at its December meeting.

A Member again highlighted the importance of monitoring the consequential of the Comprehensive Spending Review impacting on the Education sector.

8.3 ASSISTANT DIRECTOR VACANCIES – RECRUITMENT

The Committee noted that three Assistant Director vacancies existed within the Operations and Estates Directorate and the Finance and ICT Directorate. It also noted that two of the posts would proceed to be filled on a permanent basis and the third post would be filled on an interim basis to enable wider consideration to be given to the portfolios of Assistant Directors. Mrs Duffield said that officers would be seeking support from Board Members to serve on the recruitment panels for the three posts.

A Member drew attention to the full range of skills and expertise across the Board's membership and queried the procedure for appointing Board Members to recruitment panels. Mrs Duffield said that, in line with EA's Recruitment Framework, Board Members supported the recruitment process for senior leadership posts and these vacancies would be informed to the relevant Committee. She expressed appreciation to Members for supporting recruitment panels which required a significant time commitment.

9. HUMAN RESOURCES

9.1 UNAVOIDABLE REDUNDANCIES 2020/21

Mrs Aicken presented a paper* (FGP/11/20/8.1) setting out EA's approach for managing unavoidable teaching and non-teaching school-based redundancies in 2020/21. She said that, to date, DE bids for funding voluntary exit schemes in 2020/21 had not been successful and funding was not therefore available at the current time.

Mrs Aicken said that the process to support schools through the 2020/21 redundancy programme had been delayed due to Covid-19 and non-confirmation of funding. Following agreement with DE in June 2020, EA had issued a communication to all schools confirming that only priority 1 unavoidable teaching and non-teaching redundancies would be able to proceed. This included two schools where the Minister, as part of the area planning process, had approved their closure on 31 August 2020. It also included staff who were coming out of time bounded collective agreements in August 2020 and staff who would be made redundant from SEN funded posts due to changes in SEN provision within schools.

Mrs Aicken said that an enhanced process to consider and approve priority 1 unavoidable redundancy proposals for all teaching and non-teaching school based staff had been put in place by EA. This had taken account of lessons learned from the operation of redundancy schemes in previous years and, in addition, guidance and processes around governance and accountability had been strengthened where appropriate. She advised that an EA Scrutiny Panel, comprising the Director of Human Resources & Legal Services and the Director of Finance & ICT which had previously been set up to approve corporate voluntary severance proposals, would now approve all teaching and non-teaching redundancy proposals. She outlined the additional checks which were being put in place by EA, as set out in the paper, and the additional assurance process which would also be put in place by EA for priority 1 unavoidable teaching and non-teaching redundancies involving employing authorities/employers (other than EA). She advised that DE had been informed of the new process.

Mrs Aicken outlined the redundancy compensation terms. She provided details, and associated costs, of the number of teaching and non-teaching staff involved in unavoidable redundancies in 2020/21 to date, including the number of staff who were projected to be impacted by redundancies from SEN funded posts due to changes in SEN provision in schools. She said that EA had worked in partnership with DE to complete business cases for teaching and non-teaching school-based unavoidable redundancies for consideration

by the Department of Finance and a further bid for resource had been made as part of October monitoring.

Mrs Aicken highlighted that redundancy proposals for corporate staff and other school priorities were unable to proceed at the current time. Such proposals included, for example, management of a school's challenging financial position, a result of changes in the curriculum, or a reduction in pupil numbers. She advised that these priorities could be the subject of further discussion between EA and DE at a later stage.

The Committee noted the paper outlining EA's approach and process for managing unavoidable teaching and non-teaching school based redundancies in 2020/21.

9.2 CHRISTMAS FAMILY APPEAL

Mrs Duffield presented a paper* (FGP/11/20/8.2) giving information on the delivery of an initiative, within the Health and Wellbeing Strategy, to enable staff to give back within the local community. The initiative would make arrangements for staff to engage with Saint Vincent De Paul and the Salvation Army to support the Christmas Family Appeal via online donations over the next 1.5 months.

On the proposal of Mr Johnston, seconded by Sir Gerry Loughran, the Committee agreed to recommend that arrangements should be facilitated for EA to engage with Saint Vincent De Paul and the Salvation Army to support the Christmas Family Appeal via online donations via online donations over the next 1.5 months.

10. FINANCE

2020/21 FINANCIAL REPORT - SIX MONTHS ENDING SEPTEMBER 2020

Mr Wade presented the financial report, based on information available, as set out in the paper* (FGP/11/20/9.1) including the MEMR* (Appendix 1). In September, EA had received additional budget allocations for Earmarked (£29.432m) and Youth (£1.569m). Based on current information and available assumptions, the September MEMR was profiling an overall estimated funding gap of £70.964m, excluding earmarked and youth, and an estimated block grant funding gap of £70.678m after estimated savings of £17.611m. It was noted that £9.630m of the £17.611m savings (55%) had been delivered.

Mr Wade said that EA was currently profiling Earmarked expenditure of £224.154m. This was resulting in an unfunded pressure of £62.539m relating to Education Restart (£31.766m), School Maintenance (£6.433m), Substitute teachers' hardship fund (£1.508m), Covid-19 FSM food scheme (£1.4m), school meals loss of income (£0.49m), VG/GMI loss of income (£0.270m), contingency (£1.058m), pre-school initiative (£15.061m), Shared Education (£2.405m), VES for teaching and non-teaching (£0.971m), PFG transformation (£0.753m), and miscellaneous (£0.425m). EA was assuming that additional Earmarked funding would be received to cover these pressures and that all Earmarked costs would be fully funded at year end.

Mr Wade advised that Youth recurrent expenditure was expected to come in on budget and that the Capital budget allocation would be fully spend by year end.

Mr Wade drew attention to the bids submitted by EA as part of October monitoring (£60.046m) and the bids which were supported by DE (£43.988m) for onward submission to the Department of Finance. He said that the vast majority of the variance related to increasing school deficits (£15.636m) and this figure was inextricably linked to pay pressures. He outlined the process undertaken by DE to bid separately for pay pressures. He advised that, from September, LMS officers had been engaging with schools on their financial plans. To date, 517 draft financial

plans (52%) and 260 final plans (22%) had been received by 16 October and this position was changing on a daily basis. He paid tribute to schools for submitting their plans in a timely manner during a very challenging year.

In response to a Member's query, Mr Wade undertook to provide a summary of budget allocations which had already issued to schools in the current year along with details of funding which was being held at centre for schools. The Member also queried the approach being adopted in the current year to secure funding through monitoring rounds in order to address EA's overall funding gap. Ms Long said that, as occurred in the previous year, officers continued to work closely with DE officials on EA's financial position and challenges and, as part of EA's strategy, agreed pressures were taken forward through monitoring rounds. It was apparent that, during the current year, the priority of monitoring rounds was to address Covid-19 related requirements across Government Departments.

Mr Wade said that EA's strategy in 2019/20 had been successful in securing non-recurring expenditure. He reminded Members of the significant reduction in the overall DE Recurrent budget since 2010/11 and the savings implemented by EA since 2015 (approximately £100m). This meant there was little scope to effect further significant savings without fundamental transformation of the Education sector. He said that EA would continue to be placed in a challenging financial situation when no funding was allocated for annual pay awards.

A Member queried the supports that could be made available in the current year to schools which sought to effect redundancies for reasons other than priority 1 unavoidable redundancies. Mr Wade said that officers had engaged with DE on this issue. A better understanding of the overall requirement for unavoidable school-based redundancies would be made known once all school financial plans had been reviewed.

In response to a Member's query, Mr Wade undertook to provide clarity with regard to the bid submitted within October monitoring for increasing school deficits. The Member also sought an update on the final report and recommendations of the School Surpluses and Deficits' Working Group. Mr Wade said that this Working Group's final report would be provided to the Committee.

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

Actions: *Committee to receive a summary of the budget allocations which have already issued to schools in the current year along with details of funding which are being held at centre for schools; clarity to be provided on the figure relating to increasing school deficits; and the final report and recommendations of the School Surpluses and Deficits' Working Group to be presented to the Committee.*

11. OPERATIONS AND ESTATES

11.1 LAND AND PROPERTY TRANSACTIONS, TENDERS AND CONTRACT DOCUMENTS

The Committee considered the paper* (FGP/11/20/10.1) providing information on land and property transactions, tenders for construction works, tenders for goods and services, and contract documents.

On the proposal of Rev Herron, seconded by Mr Craig, the Committee approved the following:

- Land and Property Transactions for: Donacloney Primary School, Craigavon (licence agreement); Technology Education Centre (temporary use of car park by Libraries NI); and Ballycastle High School (interim lease).
- Tenders for Construction Works - Above Threshold: EANI-1510; EANI-1985; EANI-2181; FAE-20-011; FAE-20-013; FAE-20-024.
- Tenders for Goods and Services - Above Threshold: FAE-20-010; FAE-20-011; FAE-20-012; and CAT-19-006.
- Tender for Goods and Services awarded from External Framework: ICT-20-039.
- Contract Documents: RM3814; RM6060.

The following tenders were noted:

- Construction Works - Below Threshold: EANI-1729; EANI-1895; EANI-2071; EANI-2205; EANI -2237; EANI-2245; EANI-2246; EANI-2266; EANI-2236; EANI-2338.
- Goods and Services - Below Threshold: CPC-DU-MUS-04A; FAE-20-019; BSP-20-21.
- Contract Document: ICT-19-026.

11.2 ADMISSIONS TO POST PRIMARY SCHOOLS FOR SEPTEMBER 2021

Mr Hanna presented a paper* (FGP/11/20/10.2) setting out a summary of the three options which had been considered, as part of a business case, to deliver the post primary admissions process for September 2021. The paper set out the rationale for proceeding with option 3 as the preferred option, the governance and funding arrangements, and included a copy of the full business case. Option 3 would provide an integrated solution, ie it would support online applications, evidence upload and schools' management, processing and automated routing of second and subsequent preferences, transfer test integration, and remote EA management of the admissions process. Option 3 could also be integrated with the future Education Technology Service solution.

A Member sought and received confirmation that option 3 would make provision for evidence upload for the primary and pre-primary admissions process and that it had ability for all Integrated schools to monitor religious balance. The Member also sought assurance that option 3 could deliver on the compressed timetable. Mr Hanna outlined the arrangements for project governance and advised that the risk had been included in the Directorate risk register.

A Member commended the project team on its agility to take forward delivery options given current challenges. He queried a response contained within the business case relating to the privacy impact assessment. Mr Hanna undertook to liaise with the Equality Unit to ensure that the response had been appropriately reflected in the business case.

On the proposal of Mr Mulvenna, seconded by Mr Doran, the Committee agreed to recommend that the Board should proceed with option 3 (preferred option).

Action: *Liaise with Equality Unit on a response contained within the business case relating to the privacy impact assessment.*

12. DATE OF NEXT MEETING

The next meeting would be held on 1 December 2020.

The meeting ended at 11.40 am.

Chair

Date

* Paper circulated