

**MINUTES OF PROCEEDINGS OF THE FINANCE AND GENERAL PURPOSES COMMITTEE OF THE EDUCATION AUTHORITY HELD AT 10.00 AM ON 9 MARCH 2021 (by zoom)**

**1. PRESENT** Mr G Doran (Chair)

Mr J Craig	Sir Gerry Loughran
Mrs P Carville	Mr N McCausland
Rev R Herron	Mrs G McGrath
Mr M Johnston	Mr B Mulholland
Mr P Kavanagh	Mr K Mulvenna

**2. IN ATTENDANCE**

Ms S Long, Mrs M Corkey, Mrs C Duffield, Mr S Wade, Ms L McCall and for part of the meeting Mrs E Bremner, Mrs S McCartan, Mrs F Meehan, Ms P Maxwell, and Mrs D Rogers.

**3. PROTOCOL FOR EA BLENDED AND REMOTE ATTENDANCE MEETINGS**

All present were observing the protocol.

**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 9 FEBRUARY 2021**

The Committee agreed the minutes\* (FGP/3/21/4) of the meeting held on 9 February 2021 on the proposal of Mr Craig and seconded by Mrs Carville.

**6. MATTERS ARISING FROM THE MINUTES**

**6.1 CORPORATE BUSINESS PLAN 2020/21 - UPDATE ON QUARTER 3 (8)**

Induction training would be provided to new Members in March on the Corporate Business Plan and performance processes. A number of other Members also indicated interest in attending this training.

***Action:** Invite other interested Members to attend the training on the Corporate Business Plan and performance processes.*

**6.2 REVIEW OF EA'S EQUALITY SCHEME (11.1)**

Information on the number of policies that had been screened by EA since its establishment and the number that had undergone full EQIA had been provided to the Committee.

The Committee agreed to consider agenda items in the following order.

**7. HUMAN RESOURCES**

On the proposal of Mr Craig, seconded by Mrs Carville, the Committee agreed that two items of business would be discussed in committee.

**7.1 DISCUSSION IN COMMITTEE**

**7.1.1 HOLIDAY PAY**

Ms Maxwell provided a report on this matter which was subject to legal professional privilege.

**7.1.2 EXTENDED SCHOOLS - UPDATE**

Mrs Duffield provided a report on this matter which was subject to legal professional privilege.

On the proposal of Mr Johnston, seconded by Mrs Carville, the Committee agreed to resume the meeting.

While in committee, the Committee had noted the actions being taken by EA on the review of holiday pay for non-teaching staff and the associated risks. In addition, it had noted the progress made in relation to the settlement of claims made by staff engaged in the Extended Schools' Programme.

## **7.2 EA DISABILITY CHAMPION ACTIVITY REPORT**

Mrs Duffield said that EA, in its Disability Action Plan 2018-2022, had given a commitment to appoint a Disability Champion and Mr O McMullan had been appointed to this role by the Board.

The Committee noted the activity report\* (FGP/3/21/7.3) of EA's Disability Champion. As Mr McMullan had left the Board's membership on 31 January 2021, the Committee, on the proposal of Mr Mulvenna and seconded by Mr Johnston, agreed to the principle of re-appointing a Disability Champion and that expressions of interest should be sought from all Board Members in order to appoint a Member to this role.

***Action:** Seek interest for a Board Member to undertake the role of EA's Disability Champion.*

## **7.3 ORGANISATIONAL DEVELOPMENT AND LEARNING PROGRAMME (OD&L) - UPDATE**

Mrs Rogers presented a paper\* (FGP/3/21/7.4) setting out progression of the OD&L Strategy which had been approved by the Board in January 2020. She said that all activity was underpinned by EA values and was delivered through the Game Changing People Model. She said that, with no current Learning and Development function, lack of compliance across EA with regard to statutory and mandatory training remained a risk. She pointed out however that a cross-directorate working group had been established to take forward necessary improvements to mitigate risk and to ensure compliance.

Mrs Rogers outlined the current work programme which included the implementation of the Agile Performance Framework, the development of corporate training with consultation currently taking place on an interim Statutory and Mandatory Training Policy, the Lunch 'n' Learn initiative connecting employees on a virtual basis once a week to a range of topics, and leadership development through the Great People Manager Programme and the Game Changing Gateway, as well as corporate induction for new employees. She also referred to the upcoming activity to be undertaken by the OD&L team. This included engagement with employees to gain baseline information by means of a formal survey, the launch of an online calendar for training programmes, and the development of further senior management leadership programmes.

Members commended the work taking place in respect of building staff capacity. Clarification was sought on the impact of the programmes on the workforce and from a school perspective. Mrs Rogers said that, with the progression of the programmes, the OD&L team would be monitoring key areas of the strategy, including the impact of the programmes on the workforce and their influence on the culture of the organisation. To date, feedback had been positive and attendees had been able to adapt the programmes into their own work environments.

The Committee noted the paper.

## **8. FINANCE**

### **2020/21 FINANCIAL REPORT - TEN MONTHS ENDING JANUARY 2021**

Mr Wade presented the financial report\* (FGP/3/21/10.1) including the January MEMR\*. He said that, during January, DE had notified EA of additional funding of £72.595m (comprising £28.012m to the schools' delegated budget, £9.516m to the Block Grant, £34.087m to Earmarked, and £0.980m to Youth) which brought the overall DE Recurrent Budget for 2020/21 to £2.341bn. For the benefit of new Members, he provided an overview of the distribution of funding across the main budget areas within the Block Grant and how this percentage distribution had changed in the current year due to the increase in Earmarked allocations for Covid-related funding streams and Education Restart. He said that, following concerns around school spending patterns in respect of Covid-related funding, the Minister had approved flexibility across all delegated Earmarked funds.

Mr Wade said that, based on current information and available assumptions, EA was projecting a break even position at year end. An explanation of this position was provided. Currently, EA was reporting an overall estimated underspend of £17.997m. This incorporated an underspend on Earmarked and Youth budgets of £19.774m and a funding gap on the Block Grant of £1.777m. A report on the movement in the funding gap was provided. This included the surrender of school surpluses (£16.194m), the adjustment of £5.5m from resource to capital expenditure in relation to LMS Capital, additional budget allocations from January monitoring (£4.016m), and additional pressures and easements identified in the January MEMR (£393k). Mr Wade said that every effort would be given to managing the Block Grant funding gap of £1.777m within EA's current budget allocations. Information on the outcome of the bids submitted as part of January monitoring, as confirmed by DE on 3 February, was set out in the paper.

Mr Wade said that the January MEMR reflected the revised savings plan of £17.260m, of which £14.442m had been delivered to date (representing 84%).

Mr Wade advised that, during February, officers had undertaken a further assessment exercise and this had resulted in the surrender of projected underspends to DE and DoF for Earmarked funding streams relating to temporary teachers, Education through Covid, and General Restart. He said that, based on the assessment undertaken in February, schools would not be allocated any further Covid-related funding in the current financial year. He provided a report on other movements within the Earmarked budget and this included pressures in respect of VES, VG/GMI loss of income, loss of income in providing school meals, and loss of income in the Music Service.

Mr Wade pointed out that, during January, DE had allocated an additional £49.706m to address pay pressures arising from recent pay settlements.

Mr Wade said that the schools' delegated budget was projected to be on budget. He advised that LMS officers continued to engage with schools to progress the submission of signed financial plans. To date, 99% of financial plans had been received from controlled and maintained schools; 79% of these were final plans and 20% were draft plans. No financial plans had been received as yet for 10 schools (1%). Furthermore, approved plans had been received from 32 of the 88 VG/GMI schools. He advised that a letter had issued recently to all schools expressing appreciation for their work during a particularly challenging year and to remind them of the requirement to submit signed financial plans if they had not already done so. He also said that a letter would issue to schools shortly to advise that EA would continue to monitor the position across schools to identify if further Covid-19 funding was required in the current financial year. The letter would also state that, at the end of the financial year, school Covid-related budgets

would be adjusted appropriately to ensure there was a cost neutral impact on schools' financial positions. Mr Wade said that some schools were seeking to purchase capital items from funding provided through Earmarked funding. He advised that, in order to support the funding commitment made to schools by the Minister, this matter had been discussed with DE officials with a view to securing sufficient capital. Any expenditure items that were delayed would be considered as part of the capital planning exercise for 2021/22 and the intention was to enable these items to be purchased in April.

Mr Wade said that the Capital budget had been updated to reflect increased allocations and now totalled £95.339m for Schools and £5m for Youth. Based on current assumptions and available information, he said it was anticipated that the remaining Capital allocations for Schools and Youth would be fully spent for 2020/21.

Mr Wade concluded by reminding members that, whilst EA was projecting a break even position in the current year, the underlying financial position was still challenging given that there was no recurring funding source each year for pay and price inflation.

Members sought clarification around the school surpluses' position, the movement of Earmarked funding, the engagement taking place with schools around capturing all Covid-related expenditure, and the arrangements for the provision of further Covid-related expenditure for schools in 2021/22. Mr Wade said that school surpluses amounting to £16.194m had been surrendered. This was to ensure that schools could access these monies in future years. He said that, in February, the Minister had given approval to EA to move monies between all delegated Earmarked funds in the current year. EA was working to ensure that school budgets were not impacted negatively or positively as a result of Covid-19. He referred to the letters that had issued to all schools, the details of which had been agreed with DE, to advise of the need to capture all Covid-related expenditure and thus ensure a cost neutral impact on school budgets. Mrs McCartan said that a detailed exercise had taken place between LMS officers and schools as part of January monitoring. LMS officers had contacted schools to discuss Covid-related expenditure and school profiles. She said that she was taking part in Locality Leadership Network meetings over the coming months and this monitoring issue would be discussed. In addition, schools would be advised that officers were engaging with DE on access to funding for Covid-related expenditure in the following financial year. Mr Wade said that all risks were contained in the Corporate Risk Register. He continued to discuss with DE the financial position for next year including the additional financial supports available to schools, either through access to Earmarked funding or through monitoring rounds.

In response to a Member's query, Mr Wade said that the Capital budget was not currently under the same pressure as the Resource budget and it was anticipated that there would be some flexibility between now and year end to enable schools to spend some additional Capital if required. Mrs McCartan said that this matter was being discussed with DE.

A Member paid tribute to the support being provided by LMS officers to schools.

The Committee welcomed and noted the profiled financial position for 2020/21 which was resulting in an anticipated break even position by year end.

Mr Wade undertook to provide a summary paper to Members on areas of expenditure within the Block Grant.

*Action: Paper to be provided to Members on areas of expenditure within the Block Grant.*

## 9. OPERATIONS AND ESTATES

### 9.1 PROCUREMENT AND DELIVERY OF MAINTENANCE AND MINOR WORKS

Mrs Meehan said that the tender process for the provision of response and planned maintenance and minor works had concluded and the tender evaluation exercise had completed. Intent to award letters had issued to the successful economic operators with a view to commencing new contractual arrangements in April 2021, following the anticipated full award of the contract in mid-March. Mrs Meehan said that, under the new Scheme of Delegation and Authorisations, approval for award of contracts over EU Threshold had been delegated to the relevant Director. However, given the overall estimated value of this tender, advance approval was being sought from the Committee to enable the award of the tender to proceed.

The Committee noted the content of the paper\* (FGP/3/21/6.1). On the proposal of Mrs Carville, seconded by Mr Craig, the Committee agreed to recommend that the Board should approve the tender for the provision of maintenance and minor works (Ref FMM-20-003) which was based on a 4 year contract period.

## **9.2 TENDERS AND CONTRACT DOCUMENTS**

In accordance with the Scheme of Delegation and Authorisations, approved by the Board on 26 November 2020, the Committee noted the paper\* (FGP/3/21/9.1) setting out information on tenders and contract awards as approved by the appropriate Director.

## **9.3 SCHOOL CROSSING PATROL GUIDANCE**

Mrs Bremner said that the management and operation of School Crossing Patrols (SCPs) was guided by Road Safety GB's 'School Crossing Patrol Service Guidelines'. She advised that some minor variations in practice however had existed across the legacy ELB areas. While the service was not a statutory function of EA, it was highly valued by school communities. She provided an outline of the number of SCPs employed by EA and their associated cost for the current year.

Mrs Bremner presented harmonised School Crossing Patrol Guidance\* (FGP/3/21/9.2). She highlighted that the Guidance reflected that EA would continue to use Road Safety GB's guidelines and criteria to assess SCP sites, assessments would only be triggered by a request from a school, and assessments would not be repeated within a two year period unless there was evidence of significant change. The Guidance would also reflect that if a SCP post became vacant for any reason, the site would be assessed to determine whether the post was replaced unless an assessment carried out in the previous two year period had confirmed that it met the threshold and no significant change had occurred since.

Members discussed ad hoc arrangements put in place by schools on occasions when SCPs were absent from work. Mrs Bremner advised that only SCPs employed by EA were authorised to stop traffic and were indemnified in the event of an accident. She drew attention to arrangements which were being facilitated to introduce a list of reserve SCPs in the event of a SCP being absent from work.

Members paid tribute to the role of SCPs to school communities. Clarity was provided on how assessments could be triggered. It was agreed that the wording in the Guidance should be amended to read that an assessment could only be triggered by a request from the Board of Governors. A Member queried whether the criteria for reassessment of a site took account of whether any serious accidents had taken place in the locality. Mrs Bremner said that assessments consider the history of road traffic collisions involving pedestrians and that she would undertake to reflect evidence of change to this criteria in the grounds for reassessment.

The Committee noted the School Crossing Patrol Guidance which would take account of the two amendments raised by Members.

*Actions: Two amendments to be made to the guidance/criteria as raised by Members.*

#### **9.4 PROCUREMENT GOVERNANCE AND COMPLIANCE - UPDATE ON QUARTER ENDING 31 DECEMBER 2020**

Mrs Meehan presented a paper\* (FGP/3/21/9.3) setting out the performance of key activities within the Commercial Procurement Service through the use of dashboards. The paper also set out emerging issues relating to EU Exit and work relating to the inclusion of social community benefits in tenders, where appropriate. Mrs Meehan referred to the implementation of category councils for various operational elements of the Operations and Estates Directorate and to the establishment of EA's Procurement Programme Board, which was a cross-directorate group chaired by the Director of Operations and Estates. She also advised that she served as EA's representative on the NI Procurement Board. The NIPB was responsible to the Executive, accountable to the NI Assembly and was chaired by the Minister for Finance.

A Member sought clarity around an element of the 'Buy Social Policy' relating to work policy and practices. He pointed out that the Executive had signed up to be a 'living wage' employer. Mrs Meehan said that the issue of the payment of a living wage as opposed to the minimum wage was currently receiving consideration by the NIPB.

The Committee noted the progress report.

#### **10. ANY OTHER BUSINESS**

##### **FINANCIAL COSTS RELATING TO TEACHING AND NON-TEACHING STAFF**

On the proposal of Mr McCausland, seconded by Mrs Carville, the Committee agreed to discuss a matter in committee.

*Mrs M Corkey, Mrs C Duffield, Mr S Wade, Mrs E Bremner, Mrs S McCartan, Mrs F Meehan, Ms P Maxwell, and Mrs D Rogers left the meeting.*

A Member asked for a report on specific information relating to teaching and non-teaching staff.

On the proposal of Mr Johnston, seconded by Mrs Carville, the Board agreed to resume the meeting.

While in committee, it was agreed that a paper setting out the number of teaching and non-teaching staff who were absent from work for more than six months due to a grievance or a disciplinary procedure, along with the associated costs, would be provided to the Committee. An insight into costs associated with a specific case had also been requested.

#### **11. CHAIR'S REMARKS**

As the new Committee structure was anticipated to be in place for April 2021, the Chair expressed his appreciation to all Members and officers for their support to the work of the Committee.

#### **12. DATE OF NEXT MEETING**

All Committee dates from April onwards would be captured within the new Committee structure and would be agreed by the Board.

The meeting ended at 12.28 pm.

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Chair

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Date

\* Paper circulated with the agenda