

SOUTH WEST COLLEGE GOVERNING BODY

Minutes of a meeting of the **Finance & General Purposes Committee**
held on Wednesday 6 April 2022 at 9.00 am
via Microsoft Teams

- PRESENT:** Mr Seamus McCaffrey, Committee Chair
Mr Michael McGuckin
Mr Leo Murphy, Interim Chief Executive
Mr Gerard O'Hanlon
Dr Nicholas O'Shiel
- IN ATTENDANCE:** Mrs Claire Baxter, Finance Manager
Dr Jill Cush, Deputy Chief Executive
Dr Barry McCarron, Senior Business Development Officer (*item 6.0 only*)
Mrs Fiona McCauley, Secretary to the Governing Body
Mrs Sharon McGrath, Head of Services
Mrs Nicola Quinn, Business Development Support Officer (*item 6.0 only*)
- APOLOGIES:** Mrs Deborah Brown
Mr Sean O'Donnell, Head of Finance

1.0 PRELIMINARIES AND APOLOGIES

The Committee Chair, Mr McCaffrey, welcomed all present and extended a particular welcome to Mr Murphy to his first meeting of the Committee in his role as Interim Chief Executive.

Dr O'Shiel spoke to formally welcome Mr Murphy to the role of Interim Chief Executive and recorded his appreciation to Mr Murphy as well as to the Chair and Governing Body of North West Regional College for facilitating the arrangement.

Apologies were tendered on behalf of Mrs Brown and Mr O'Donnell. It was noted that Mrs Baxter would present the Management Report on behalf of Mr O'Donnell.

2.0 CONFLICT OF INTEREST DECLARATIONS

No conflict of interest declarations were made.

3.0 MATTERS ARISING FROM MINUTES OF PREVIOUS MEETING

PREVIOUSLY ISSUED to all members:

- Paper 03 Minutes of the Finance & General Purposes Committee meeting held on Wednesday 23 February 2022.

There were no matters arising.

4.0 KEY STRATEGIC ISSUES

PREVIOUSLY ISSUED to all members:

- Paper 04.01 Key Strategic Issues
- Paper 04.02 Key Strategic Issues Management Update.

The Committee Chair noted members' receipt of the above papers and invited questions.

In response to questions on the impact of the additional funding provided by DfE to mitigate Covid-19 effects and the resourcing of initiatives undertaken, Dr Cush explained that curriculum and mentoring support has been provided to students under the 'Lost Learning' initiative and confirmed that the impact of these interventions is monitored. She advised that the curriculum support is provided by existing lecturers and that additional staff have been employed to provide the enhanced mentoring support. It was noted that approximately £450k of the Covid funding provided by DfE has been accrued beyond 31 March 2022 and that a portion of this will be used to extend the employment period of the additional staff until June 2022. Mr Murphy added that it is likely that an external sectoral evaluation of the impact of the funding will be undertaken.

5.0 MANAGEMENT REPORT

PREVIOUSLY ISSUED to all members:

- Paper 05 Management Report
- Paper 05.01 Financial Management Summary
- Paper 05.02 Part-Time Lecturing Costs Report
- Paper 05.03 Bad Debt Write Off Proposal
- Paper 05.04 Finance Return
- Paper 05.05 Budget 2022/23 Letter to FE Principals
- Paper 05.06 Chief Executive Response to DfE Budget Letter
- Paper 05.07 Detailed 2022/23 Budget Preparation Plan
- Paper 05.08 Delegated and Authorised Payments Levels
- Paper 05.09 Payments over £50,000
- Paper 05.10 Estates Report.

The Committee Chair noted members' receipt of the above papers and invited questions.

Mr Murphy apprised the Committee of the challenging fiscal environment and identified pressures in the areas of pay and energy costs, adding that no funding will be made available for Covid-19 interventions as had been the case in recent years. He explained that the unstable political environment may lead to quarterly budget allocations and that Principals will be working with DfE to submit bids for allocations from the June and November Monitoring Rounds. Referring to papers 05.05 and 05.06, Mr Murphy explained that similar levels of budgetary cuts had been mooted with other colleges and that such sectoral reductions are unfeasible with the current provision and estate. Dr O'Shiel and Mr Murphy then provided assurances that meetings will be held with DfE to discuss the budget allocation. Members spoke of the difficulties created by the uncertainty around the budget position and the reliance on Monitoring Round allocations.

Mrs Baxter reported that a bid for an additional £220k for energy costs has been submitted to DfE as has an analysis of inflationary pressures valued at approximately £1m.

In response to a question on the benchmarking of the College's bad debt, Mr Murphy advised that other colleges incur similar levels of bad debt. He commented on the political reaction to the use of a debt collection agency to attempt to recover student debt, detailed the sanctions put in place for students with outstanding debt, including removal of access to college systems, and spoke of the importance of a cross-services approach and early communications in debt recovery.

In response to a comment on the potential for student debt to be exacerbated by the previously reported issues in the application process, Dr Cush, supported by Mrs McGrath, explained that the EBS system is used sectorally, that the issues arising from the system are discussed at curriculum management meetings, that actions have been taken to streamline the application process since the introduction of the system in 2020/21, and that a number of temporary staff will be recruited to further support this process for the early months of the 2022/23 year.

With reference to paper 05.10, Mrs McGrath then took the Committee through the Estates Report. She noted the sectoral Business Case for a Computer Aided Facilities Management system, the appointment of an Estates and Sustainability Manager and a Sustainability Officer, the plan to submit an application for funding in relation to energy management, the submission of a bid for funding for minor works projects, the pending finalization of the Estates Strategy and the submission to DfE of the 2019/20 space utilization return.

Regarding the Erne Campus, she highlighted the concern regarding the operation of the Combined Heat and Power Unit in light of the pending end of the Defects Liability Period on 16 April 2022 and the retention of the Building Clerk of Works, the Mechanical & Electrical Clerk of Works and the maternity cover for the Estates Supervisor until 30 April 2022 to support the transition to the new Estates staff. She added that good progress has been made in relation to benefits realization and that the disposal of Fairview is anticipated to commence in April / May as planned.

Regarding the actions agreed at the PFI Contracts Review Meeting held with Belfast Educational Services (BES) during the previous committee meeting, Mrs McGrath explained that the legal advice on the legitimacy of BES' decision not to undertake a Building Fabric Survey of the Dungannon campus is awaited, that the explanation received from BES on the Dungannon campus heating oil consumption issue is under review, that a formal written request has issued to BES to market Dungannon campus' crèche facility outside of the College to promote its use by the general public, that two items have been added to the joint risk register, that details of the quantity of items affected by the re-designation of maintenance periods have been received by BES and that the entitlement for re-imbursment of maintenance costs, where appropriate, has been raised.

Dr O'Shiel referred to his request at previous committee meetings for an operational plan for the first three years of the Erne Campus' operation and enquired as to the reasons why this plan has not yet been made available. Following discussion on the content of this plan, it was agreed that the terms of reference for this work would be defined by Dr O'Shiel and actioned by Mr Murphy. The importance of strong engagement with schools as a marketing tool for the Erne campus and the College generally was highlighted. The need to ensure optimal utilization of the College's estate was also raised.

AGREED: that the Terms of Reference for the Three Year Operational Plan for the Erne Campus be defined by Dr O'Shiel and actioned by Mr Murphy.

AGREED: that the banking mandates detailed in paper 05.08 be recommended to the Governing Body for approval.

6.0 FINANCIAL PERFORMANCE OF THE BUSINESS DEVELOPMENT UNIT

PREVIOUSLY ISSUED to all members:

- Paper 06 Financial Performance of the Business Development Unit.

Dr Barry McCarron, Senior Business Development Officer, and Mrs Nicola Quinn, Business Development Support Officer, joined the meeting for this item.

Mrs Quinn began the presentation on the financial performance of the Business Development Unit by providing an update on performance against strategic objectives, noting that all targets have been achieved or exceeded. She went on to list the portfolio of innovation projects currently underway and provide a breakdown of the revenue generated in 2021/22.

Dr McCarron then provided an overview of the funding outlook. He explained that a proposal has been submitted to DfE for a third year of the Flexible Skills Fund, that InnovateUs and Skills Focus funding has been baselined within DfE funding, that Innovation Vouchers are secure until 2025 and that there is scope for an expansion of the College's delivery of Knowledge Transfer Partnerships and Innovation Boost projects. He also spoke of the need to invest in professional development to update staff skills to facilitate an increase in innovation projects.

Dr McCarron went on to explain that two international student mobilities will take place in Summer 2022 under the Turing Scheme and that an application for further mobilities in 2022/23 is under development. He added that at least two applications will be made for funding under the Peace Plus programme, that early exploration is underway to ascertain opportunities under the Shared Island Fund and that opportunities have presented in the area of research, development and innovation under the Mid South West Growth Deal. In response to a question, Dr McCarron explained that applications for Erasmus and Turing Scheme funding are developed within the Business Development Unit with input from curriculum teams due to the established international connections and the presence of bid writing skills within the team.

In response to a comment from a member on the benefits to students of the College's involvement in business development activity, Dr McCarron spoke of the synergies between business development activity, the curriculum and students and undertook to provide details of this in future reports. A brief discussion ensued on the value of measuring performance in terms of economic impact following which Mr Murphy undertook to work with Dr Cush to explore the development of an Impact Model for the region and revert to the Committee on the matter.

AGREED: Mr Murphy and Dr Cush to explore the development of an Impact Model for the region.

Dr McCarron and Mrs Quinn were thanked for their presentation and withdrew from the meeting at this juncture.

7.0 ANY OTHER RELEVANT BUSINESS

No further business was raised.

8.0 REVIEW OF OUTSTANDING ACTIONS

PREVIOUSLY ISSUED to all members:

- Paper 08 List of Outstanding Actions

The Secretary to the Governing Body led a review of the outstanding actions listed in paper 08. A revised list of outstanding actions is included as Appendix A.

9.0 REFLECTION ON EFFECTIVENESS OF MEETING

It was suggested that management present an overview of the reports prepared for the Committee, as in previous meetings, in order to provide a structure to the agenda items. The challenge in achieving balance in terms of strategic and operational updates was raised and it was suggested that the adoption of a RAG system may help in this regard by highlighting areas of concern.

Mrs Baxter withdrew from the meeting at this juncture and the meeting then went into confidential session.

**CONFIRMED AND ADOPTED BY THE GOVERNING BODY AT A MEETING HELD ON WEDNESDAY
27 APRIL 2022**

CHAIRMAN



DATE 27/04/2022

SUMMARY OF OUTSTANDING ACTIONS

Item	Meeting Date	Minute Ref	Action
1	15/12/2021	5.5.5	Mrs McGrath to provide a report on benefits realization regarding the Erne Campus at the February 2022 meeting as well as the operational plan for the first three years.
	23/02/2022	10.0	The above to be addressed at the April 2022 meeting.
2	23/02/2022	5.0	BES to share legal advice received on the legitimacy of its decision not to undertake a Building Fabric Survey of the Dungannon campus when received.
3	23/02/2022	7.5.2	Dr O'Shiel to liaise with Mrs McGrath on the proposed appointment of a governor to the Sustainability Impact Group.
4	06/04/2022	5.0	The Terms of Reference for the Three Year Operational Plan for the Erne Campus to be defined by Dr O'Shiel and actioned by Mr Murphy.
5	06/04/2022	6.0	Mr Murphy and Dr Cush to explore the development of an Impact Model for the region.