

SOUTH WEST COLLEGE GOVERNING BODY

Minutes of a meeting of the **Finance & General Purposes Committee**
held on Wednesday 8 June 2022 at 9.00 am
via Microsoft Teams

- PRESENT:**
- Mrs Deborah Brown (*items 1.0 – 4.0 only*)
 - Mr Seamus McCaffrey, Committee Chair
 - Mr Michael McGuckin
 - Mr Leo Murphy, Interim Chief Executive
 - Mr Gerard O’Hanlon
 - Dr Nicholas O’Shiel
- IN ATTENDANCE:**
- Dr Jill Cush, Deputy Chief Executive
 - Mrs Fiona McCauley, Secretary to the Governing Body
 - Mrs Sharon McGrath, Head of Services
 - Mr Ciaran McManus, Assistant Chief Executive (*item 6.0 only*)
 - Mr Sean O’Donnell, Head of Finance

1.0 APOLOGIES

It was noted that all members were present.

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 6 April 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.

ELECTRONICALLY SHARED at the meeting:

- Paper 04.03 2022/23 Budget Summary – Working Draft.

With reference to paper 04.02, Mr Murphy advised that the Social Bond proposal has been superseded somewhat by the Mid South West Growth Deal; explained that the delivery of international consultancy services by the College is cost neutral and creates opportunities for the development of expertise; suggested that dedicated resourcing of the PFI Contracts may aid effective management of the contracts; and recommended that a reflection of key strategic issues for the Governing Body as a whole is undertaken.

Mr Murphy then advised that the uncertain budgetary situation remains the most pressing issue at present. He reminded members of the usual process and timeline for budget approval and noted that this process has not taken place due to uncertainty around the 2022/23 budget as a result of the lack of a functioning NI Executive. He explained that it is expected that a contingency resource allocation will be issued by DfE and that work has been undertaken with the Finance and Management Teams to identify savings on the assumption of a reduced allocation. He reported that a resulting £2.5m deficit position is currently forecast and noted that other colleges are forecasting similar deficits. Dr O'Shiel acknowledged the serious nature of the budget situation and provided assurances that all actions are being taken to mitigate any impacts.

With reference to paper 04.03 Mr O'Donnell then took the Committee through the working draft of the 2022/23 budget, outlining the reasons for the variances from 2021/22 figures and noting that conservative estimations had been made in each case. He explained that the College's objective of a cash neutral budget has not been possible and confirmed a forecasted £2.5m deficit position. He advised that in-year allocations may close the funding gap but cautioned that such allocations cannot be guaranteed. He concluded by informing members that it is hoped that a 2022/23 budget can be brought to the 22 June 2022 Governing Body meeting for approval pending receipt of a contingency resource allocation by DfE.

In response to comments from members, management acknowledged the need to ensure optimal Full-Time and Associate Lecturer deployment and to consolidate classes to ensure viability, if required. In light of the uncertainties around the security and timelines of potential funded projects, the prudence of redeploying associated staff to core provision, where possible, in order to retain skills was noted.

A discussion then ensued on a potential job evaluation process for business support staff during which clarification was provided on the background to the expectation for such a process and it was noted that additional budget would be required to fund any resulting pay enhancements, that additional Human Resources capacity would be required to implement the process, that a framework on the governance of the process should be put in place prior to its commencement, that staff would welcome more comprehensive updates on the work of the Change Management team, that the remit of the Change Management team does not currently include consideration of a job evaluation process and that clarity on this should be provided to staff. Dr O'Shiel undertook to raise the matter at the next meeting of the Change Management Committee.

Mrs Brown withdrew from the meeting at this juncture.

5.0 MANAGEMENT REPORT

PREVIOUSLY ISSUED to all members:

- Paper 05 Management Report
- Paper 05.01 Financial Management Report
- Paper 05.02 Erne Campus Finance Report
- Paper 05.03 Part-Time Lecturing Costs Report
- Paper 05.04 Debtors and Creditors Report
- Paper 05.05 Finance Return
- Paper 05.06 SWC Capital Allocation Letter 2022 2023
- Paper 05.08 Payments over £50,000
- Paper 05.09 Credit Control & Debt Management Policy

- Paper 05.10 Estates Report
- Paper 05.11a SWC Estates Strategy 2022-26
- Paper 05.12 Report on Externally Funded Projects
- Paper 05.13 Student Hardship Report.

Mr O'Donnell referenced the Management Report and associated papers and highlighted the prediction of a good financial performance to 31 July 2022, the positive financial outturn for the Erne Project, the decrease in student debt due to additional internal debt recovery measures, the increase in the bad debt provision generally and the reviews undertaken of the Credit Control & Debt Management Policy and the Financial Regulations. Mrs McGrath then referenced the Estates Report and drew attention to the development of an Estates Strategy for 2022-26.

In response to a question on the roll out of EBS, the student information system, Mr Murphy explained that all components are now operational and suggested that a comprehensive integrated presentation of college systems may benefit governors' understanding. In response to a query on IT issues in the Erne campus, Mrs McGrath explained that some issues remain in relation to guest wifi and advised that the IT Helpdesk is closely monitored by the new IT Manager.

AGREED: that the Credit Control & Debt Management Policy and the Estates Strategy 2022-26 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 Centres for Excellence.

Mr Ciaran McManus, Assistant Chief Executive, joined the meeting for this item.

With the aid of a Powerpoint presentation Mr McManus provided an analysis of the variances in income and expenditure in each of the Centres for Excellence and noted the resultant indication of good financial management. He drew attention to the commencement of the Rural Economic Accelerator Programme (REAP), the first college project funded by the UK Shared Prosperity Fund, which focuses on retrofitting in alignment with one of the key priorities of the Skills for a 10x Economy Strategy. He also highlighted the new model for Welding Academies, the pending commencement of an Apprenticeship programme with Moy Park, the opportunities presented under the Labour Market Partnerships and the continuing development of cross border partnerships.

In response to questions and comments from members, Mr McManus outlined the collaborative model for the development and delivery of projects within the College involving the Centres for Excellence, the Business Development Unit and curriculum teams; explained that the call for applications to the Peace Plus programme has been delayed and is expected to open in late June 2022; and commented on the differentiation between college delivered and industry delivered Apprenticeships particularly in relation to the portability of the qualifications awarded.

Mr McManus was thanked for his presentation and withdrew from the meeting at this juncture.

7.0 REVIEW OF COMMITTEE'S PERFORMANCE 2022/23

PREVIOUSLY ISSUED to all members:

- Paper 07 Partially Completed Review of Committee's Performance in 2022/23.

With reference to paper 07, it was noted that the review had been partially completed by the Secretary to the Governing Body where a factual response was available. The Committee Chair then sought members' views on the self-assessment with the resulting review attached as Appendix A.

8.0 SCHEDULE OF MEETINGS 2022/23

PREVIOUSLY ISSUED to all members:

- Paper 08 Schedule of Meetings 2022/23.

AGREED: acceptance of the proposed schedule of Finance & General Purposes Committee meetings for 2022/23.

9.0 REVIEW OF OUTSTANDING ACTIONS

PREVIOUSLY ISSUED to all members:

- Paper 09 List of Outstanding Actions

The Committee was made aware of the significant reduction in oil consumption in the Dungannon campus, welcomed the suggestion of a dedicated resource to manage PFI contracts and proposed that a Building Fabric Survey of the Dungannon campus is initiated by the College. A revised list of outstanding actions is included as Appendix B.

10.0 ANY OTHER RELEVANT BUSINESS

The Committee Chair, supported by Dr O'Shiel, acknowledged the forthcoming end of Mr O'Hanlon's term of office on the Governing Body and paid tribute to him for his contribution to the Committee during his eleven years of service. Mr O'Hanlon thanked the Committee Chair, the Chair of the Governing Body and the Secretary to the Governing Body for their support and commented on his pleasure in serving on the Committee.


11.0 REFLECTION ON EFFECTIVENESS OF MEETING

No comments were made on the effectiveness of the meeting.

The meeting went into confidential session and ended at 11:00 am.

**CONFIRMED AND ADOPTED BY THE GOVERNING BODY AT A MEETING HELD ON WEDNESDAY
22 JUNE 2022**

CHAIRMAN



DATE 22/06/2022

REVIEW OF PERFORMANCE OF FINANCE & GENERAL PURPOSES COMMITTEE

2021/22

		Yes	No	Comments
Terms of Reference				
1	Does the Finance and General Purposes Committee have written terms of reference?	✓		
2	Were the terms of reference reviewed by the Committee and approved by the Governing Body in this academic year?	✓		Reviewed in October 2021 by the Committee and approved by the GB in November 2021
3	Has the Committee complied with the provisions of its terms of reference in its proceedings throughout the year?	✓		
Programme of Business				
4	Did the Committee agree a programme of business for the academic year?	✓		Agreed by the Committee at its October 2021 meeting
5	Did the Committee cover all business listed in the programme of business?		✓	Hardship Fund Policy 22/23 delayed pending receipt of indicative allocation.
6	Have all actions identified by the committee been satisfactorily delivered?		✓	Some actions to be carried forward to 2022/23.
7	Was there any business that members feel do not need to be covered next year?		✓	Note potential review of key strategic issues for the GB.
8	Was there any additional business that members feel should be included next year?		✓	
Skills, Knowledge and Competences of Members				
9	Does the appropriate mix of skills, knowledge and competences exist within the Committee to perform most effectively?	✓		Note loss of Mr O'Hanlon due to end of term of office and need for a replacement.
Governing Body Key Performance Indicators				
10	Did attendance levels at Committee meetings average at least 65%?	✓		93.2% average.
11	Did Committee meetings generally last no more than two hours?	✓		
Additional Comments				
12				

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.
	08/06/2022	9.0	To be addressed when more steady state data is available.
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	6.0	Mr Murphy and Dr Cush to explore the development of an Impact Model for the region.