
MINUTES OF THE FIFTY SIXTH MEETING OF THE FINANCE & GENERAL PURPOSES COMMITTEE MEETING HELD ON TUESDAY 18 JUNE 2019 IN THE BOARDROOM, STRAND ROAD CAMPUS, COMMENCING 1141.

PRESENT

Mr S Gillespie (Committee Chair)
Mr A Magee
Mr S McGregor
Mr L Murphy (Principal & Chief Executive)

IN ATTENDANCE

Mr P McKeown, Director of Finance & Economic Engagement
Mrs É Doherty, Governance Secretary

56.1 WELCOME & APOLOGIES

The Chair welcomed everyone to the meeting. Apologies were received from Mr P Canavan and Mr B Quinn.

56.2 CONFLICT OF INTEREST DECLARATIONS/DECLARATIONS OF ANY OTHER BUSINESS

There was no conflict of interest declarations/no declarations of any other business.

56.3 DRAFT MINUTES OF THE COMMITTEE MEETING HELD ON 26 FEBRUARY 2019**➤ PREVIOUSLY ISSUED TO ALL MEMBERS**

Draft Minutes of the Committee Meeting held on 26 February 2019

The Minutes were taken as read and agreed were as a true and accurate record of the meeting.

PROPOSED: Mr A Magee

SECONDED: Mr S McGregor

56.3.1 Matters Arising – February 2019 Committee meeting

55.3.1 Telephony System – to invite the IT Service Manager to the June Committee.

Update: Report provided by the IT Service Manager (Ref FC 56.5, Report 3) included within June papers.

Fees & Charges Policy – to recommend to the Governing Body the acceptance of the Policy and approve the Fees Structure for 2019/20 subject to the agreed changes.

Update: Fees & Charges Policy approved by the Governing Body at their meeting held on 12 March 2019.

Concessionary Fees – the Director to report back on the query.

Update: The Director confirmed that students in the ROI are means tested for Disability Allowance.

56.4 COMMITTEE CHAIR'S BUSINESS

The Chair stated this was the last Committee meeting for the academic year and from September 2019, subject to approval, the Committee business will amalgamate with the Staffing Committee under a new 'Resources Committee'.

The Chair invited Mr McKeown to present his report to the Committee.

56.5 MANAGEMENT REPORT – Mr P McKeown, Director of Finance and Economic Engagement**➤ PREVIOUSLY ISSUED TO ALL MEMBERS**

Report 1	Tenders Issued
Report 2	Estates Update
Report 3	IT Services Update
Report 4	Management Accounts for 10 Months to 31 May 2019
Report 5	NDPB Return May 2019
Report 6	Draft Budget 2018/19
Report 7	Procurement Contract Items £100K and over
Report 8	Prompt Payment – verbal

The Director of Finance & Economic Engagement referred to the Tender Issued Report to 31 May 2019 and provided an update since then. Staff Governor, Mr A Magee, reported on the DFE Frameworks tenders issued in respect to supply of natural gas, window cleaning services and fuel cards.

Referring to the Estates Update, Springtown redevelopment, the Director reported that the timeframe was slightly behind, however works were progressing. Phases 1 and 3 are due to be completed by August 2019. The Architects, RPP are currently in dispute with the College, actions are ongoing in an attempt to resolve these issues.

The Director continued with his report and brought members through the IT Services Update which detailed the Capital Spend (over £3K) for 2018/19, the Recurrent Spend to date for 2018/19, this showed estimated spend in line with actual spend.

In respect to the replacement telephony platform and on the recommendation of the Governing Body an independent specialist (JISC Telephony Advisory Service) was brought in to survey the existing system, to consult with stakeholders and produce a specification which can be then presented to PSSN for pricing. It is envisaged that this will go out to tender in July 2019. Staff Governor, Mr A Magee stated it would be beneficial to factor in a plan to manage the vast amount of cable that will become obsolete once the new system is in place.

The Management Accounts for the 10 months to 31 May 2019 showed Income, DfE Grants after adjusting for VES were showing a positive variance to date of £141k. TFS Income was down £27K on budget.

Expenditure, Pay Direct Teaching Costs were showing an adverse variance of £300k, this includes the pay rise recently awarded to lecturing staff in March 2019 backdated to September 2015. This cost is fully funded. Pay administration Staff Costs were showing an adverse variance of £1,365K however excluding the additional expenditure on VES which is fully funded the variance was a positive one at £285K. The Director highlighted the exceptional item and indicated this figure should read £3.59m.

The Balance Sheet as at 31 May 2019, cash at bank and in hand was showing a balance of £4.7m. This was in line with the agreement with the Department to use the College reserves towards some estates projects including the Springtown development.

The Director concluded that the finances were being managed appropriately.

The Director referred to the Draft Budget 2019/20 paper and provided members with detail on recent movements to the DfE Budget allocation. This included the reduction in budget by £303k due to the MaSN being reduced by 56 enrolments.

On 5 June 2019 the College was informed that an additional £1.3m was being made available, the Director cautioned members that he was confident that the College will receive this extra funding however it is still at risk. The Budget has been updated to assume the College will receive this additional funding. The DEL allocation has moved to £26.7m for 2019/20 year ending 31 March 2020. This is made up of £24.4m of funding that has been secured and £2.3m of funding still at risk. The Director added it was also assumed for the purposes of preparing the Budget that the same level of funding for the year to March 2020 will be maintained to July 2020. Two sets of data were provided for this.

The Director brought members through some of the movements in the Budget. A Historic Deficit of £1,712k is budgeted for 2019/20 (year to 31 July 2020).

In concluding the Budget discussion the Director stated that assuming DfE are successful in obtaining the additional money he had no major concerns with the budget for 2019/20.

Members were content with the Budget 2019/20 for and recommended approval to the Governing Body.

Budget 2019/20 (1 August 2019 – 31 July 2020)

PROPOSED; Mr S Gillespie

SECONDED; Mr A Magee

Budget 2019/20 (1 April 2019 – 31 March 2020)

PROPOSED; Mr S Gillespie

SECONDED; Mr S McGregor

The Director requested approval from the Committee for the items listed within the Procurement Report for items over £100,000 2019/20

PROPOSED; Mr A Magee

SECONDED; Mr S McGregor

In concluding his report the Director stated Prompt Payment for 30 days to 31 May 2019 was 91% and for the year to date was 93%.

Governor, Mr S McGregor wished to thank the Director and the Finance Team for their great work in managing the finances of the College and suggested that the full board should be made aware of this. The Principal also wished to thank the Director and the Finance Team on managing the finances relating to the STS Sector Project.

56.6 SCHEDULE OF COMMITTEE MEETINGS 2019/20

Members noted the Schedule of Meetings for 2019/20.

56.7 CORRESPONDENCE

There was no correspondence received.

56.8 ANY OTHER BUSINESS

There was no any other business to discuss.

That being the end of business the Chair thanked everyone and closed the meeting at 1256

DATE OF NEXT MEETING; 18 September 2019

Signed; _____ Chair
Mrs R Dougherty

Date: 18 September 2019

APPROVED