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**MINUTES OF THE FORTIETH MEETING OF THE FINANCE & GENERAL PURPOSES COMMITTEE HELD ON TUESDAY 23 FEBRUARY 2016 IN MEETING ROOM 1, STRAND ROAD CAMPUS @17:00.**

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**PRESENT;**

Mr M Agnew (Chair)  
Mr P Canavan  
Mr M Cooper  
Mr D Limb  
Mr S McGregor (from 17:10)  
Mr L Murphy (Principal & Chief Executive)  
Mr B Quinn

**IN ATTENDANCE;**

Mr B Cox, Estates Manager (until 17:55)  
Mr P Mc Keown, Director of Finance & Economic Engagement  
Mrs E Doherty, Governance Secretary

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The Chair welcomed everyone to the meeting and extended a warm welcome to Mr Barrie Cox, Estates Manager.

**40.1 APOLOGIES**

The meeting had full attendance.

**40.2 CONFLICT OF INTEREST DECLARATIONS/DECLARATIONS OF ANY OTHER BUSINESS**

No member declared a conflict of interest in the business of the meeting.  
The Director indicated he wished to report on correspondence received.

**40.3 MINUTES OF THE MEETING HELD ON 17 NOVEMBER 2015– (Ref Paper)**

The Minutes were taken as read and were an accurate record of the meeting.

**PROPOSED;** Mr P Canavan

**SECONDED;** Mr D Limb

**40.3.1 MATTERS ARISING**

**38.4 Health Check** -The Director confirmed the Health Check will be an item on the next Committee Agenda.

**Action:** On Agenda today item no 40.5, Report 5

**39.5.3 Estates Update** – The Chair to consider inviting the Estates Manager to the February meeting.

**Action:** Estates Manager in attendance at this meeting.

**39.5.4 Bad Debt Write Off** – Approval be sought from DEL to write off debts totalling £3,421.70 ( all individual debts > £1,000).

**Action:** The Director confirmed DEL had approved the write-off.

**39.5.6 Northside** – update to be provided at next Committee meeting

**Action;** The Director stated he would report on this under the Estates item 40.5.2 later into the meeting.

**40.4 CHAIR'S BUSINESS**

The Chair had no further business to discuss.

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**40.5 MANAGEMENT REPORT – Mr P McKeown – Paper FC 40.5**

The Chair indicated he would take item 2 first;

**2 Northside** – The Director reported that since the last Committee meeting held in November 2015 he had received recent correspondence from solicitors confirming new owners of Northside. Prior to receiving this information the College had contacted the previous owners seeking a meeting to discuss the dilapidations schedule. To date no reply had been received.

The College had appointed a Quantity Surveyor to prepare a Schedule of Works to be undertaken prior to leaving the property.

The Director reported that Phase 7A (Works to the Tower Building) were completed on 4 January 2016. Phase 2 works are underway and are due to be completed by mid-March 2016.

Phase 6 – Springtown Development – The planning application for the main works contract was submitted in early February 2016. It is anticipated that the works will commence in January 2017 with a completion date of January 2018.

**Strabane Campus** –Roe Consulting had issued a draft Economic Appraisal for the new Strabane Estates Strategy which is currently being reviewed by SMT. The Director hoped to have this report with the Committee at their next meeting and with the Governing Body's June meeting.

**AGREED ACTION; The Economic Appraisal for Strabane Estates to be available at the April 2016 meeting.**

**2.1 Health & Safety Projects-Condition Survey**

The Director handed over to Mr B Cox, Estates Manager to report on this item;-

Mr Cox reported that the Estates Department had recently completed a Condition Survey of the College's existing building services plant and equipment. This survey had identified the need to carry out a number of projects (Report 2.1). Mr Cox referred members to the Report (2.1) and brought members through each item in detail highlighting the main points of concern and provided an indication of the timeline and cost of the planned works over the next 12 months.

The Estates Manger also reported on the recently completed Risk Assessments on Legionella and Fire Risk which required remedial repairs and actions.

A question and answer session followed. Concerns were raised on the possible safety issues with some of the plant and equipment. The Committee were informed that Burke Morrison Engineers were content that the rest of the estate was in good or acceptable condition.

**AGREED ACTION; The Estate Manager to make arrangements for Burke Morrison Engineers to monitor the projects within report 2.1, to ensure the safety of the plant and equipment until all projects have been completed.**

The Estates Manager reported that going forward the Condition Report will act as a baseline and a rolling programme will be prepared for regular monitoring.

The Director of Finance indicated that some of the projects within the report fell under Capital expenditure and a bid had been made to DEL for budget cover.

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#### 4.2 Minor Works Projects

The Director referred to the draft programme of Summer Works 2016 which included some of the projects within the Condition Survey (2.1). Some of these items were not budgeted for in Planned Maintenance, however additional resources have been allocated and most of the works will be completed by the end of July 2016. The Director recommended that some of these items are clustered, all less than £100K, into a Programme of Works.

**The items within the Condition Survey over £100K were also approved.**

**PROPOSED;** Mr B Quinn

**SECONDED;** Mr S McGregor

The Chair thanked Mr Cox for his time and report.

*Mr Cox left the meeting at this juncture.*

#### 1 TENDERS ISSUED – Report

The Director brought members through the Report providing explanations to some items and updating on tenders since awarded from date of report.

The Director also reported on the Framework Contracts awarded and Tenders awarded through CPD. Member discussed the report, a member enquired if the College considered or made use of Cloud storage.

**AGREED ACTION;** It was agreed to speak with the Vice Principal Curriculum & Information Services on this matter.

#### SINGLE TENDER ACTIONS

There were no Single Tender Actions to report.

#### 3 MANAGEMENT ACCOUNTS –Report 3

The Director referred members to the Management Accounts for the 6 months to 31 January 2016. Items highlighted included;

##### **Income;**

DEL Grants Other – showing a favourable variance of £151K most of which relates to DEL funding for Tranche 3 of the VES.

VEP – Income is up on budget £30K but is £144K down on 2014/15.

TFS Income was up £106K on budget with an additional £126K received in back dated travel claims.

HE Income – The favourable variance will reduce in the coming months once the additional HE bursaries are paid to students.

FE Income – Down on budget by £49K and down significantly on the same period last year. This is mostly due to the drop in non-vocational courses.

Other Grant income – forecasted a reduction for the year.

##### **Expenditure;**

Support Staff; showing a favourable variance of £221K (exc VES cost of £222k). The increase on last year is due to additional staff to support the prison contract and the DEL sponsored business support initiatives.

Non-pay Premises, £89K adverse variance – Response and Planned Maintenance are over budget. Given potential savings and additional income in other areas Management plan to allocate additional resources to the Estates budget to ensure the estate remains fit for purpose.

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The Director referred to the Aged Debtor Report (3) and indicated he had no concerns at present, however these figures may increase again due to the increase in student fees. Discussion took place; a member expressed his concern on the impact to the College of the projected demographic downturn and subsequent reduction in student numbers. The Principal reported that aggressive marketing campaigns, continued discussion with the DEL and a further VES might help mitigate the impact.

#### **4. FEES & CHARGES POLICY**

Members discussed the Policy. The Director highlighted item 3.3, Higher Education fees where students wish to infill to a full-time HE course on a part-time basis. In these circumstances, the fee must be agreed with the Director of Finance & Economic Engagement in advance.

A member queried the wording attached to item 52.1, Concessionary Fees for Staff. It was agreed that the Director and member agree on an amendment to same.

**AGREED ACTION; To recommend to the Governing Body the acceptance of the Policy and approve the fees structure for 2016/17 with the agreed amendments.**

**PROPOSED;** Mr M Cooper

**SECONDED;** Mr S McGregor

#### **5. HEALTH CHECK 1**

The Director provided a summary report indicating it was based on NDPB forecasts to 31 March 2016; Management Accounts for the 3 months to 31 October 2014 and first FLU lift for 2015/16.

Figures from the Colleges' January 2016 Forecast Expenditure Schedule report that the Sector will underspend by £2,057K as at 31 March 2016. (1.2%). The College figure is an overspend of -201K (-0.8%), however this is likely to move to an underspend position.

Members discussed the ratios and it was noted that the College had the lowest absenteeism rates year to date @ 1.97%. with a Sector average of 2.89%.

The Director wished to notify members of an amendment within the Paper on page 3 FLU Performance against target, Further Education figure should read +243.

#### **6. PROMPT PAYMENT**

93% of invoices were paid within 30 days in the first 6 months to 31 January 2016.

#### **40.6 CORRESPONDENCE**

The Director reported he had received the provisional budget for 2016/17 from DEL. He highlighted a number of items that will not receive funding next year.

#### **40.7 ANY OTHER BUSINESS**

There was no other business to discuss.

#### **DATE OF NEXT MEETING; 19 April 2016**

The Chair thanked everyone and closed the meeting at 18:45.

Signed \_\_\_\_\_ Chair

Date: 19 April 2016