
**MINUTES OF THE FIFTY SECOND MEETING OF THE FINANCE & GENERAL PURPOSES COMMITTEE
MEETING HELD ON TUESDAY 12 JUNE 2018 IN MEETING ROOM 1, STRAND ROAD CAMPUS,
COMMENCING 1130HRS**

PRESENT

Mr S Gillespie (Committee Chair)
Mr A Magee
Mr S McGregor
Mr L Murphy
Mrs L Taggart

IN ATTENDANCE

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

The meeting was quorate, the Chair declared the meeting open and welcomed everyone.

52.1 APOLOGIES

Apologies were received from Mr P Canavan, Mr B Quinn and Mr M Cooper.

52.2 CONFLICT OF INTEREST DECLARATIONS/DECLARATIONS OF ANY OTHER BUSINESS

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

52.3 DRAFT MINUTES OF THE COMMITTEE MEETING HELD ON 14 MARCH 2018**➤ PREVIOUSLY ISSUED TO ALL MEMBERS**

Draft Minutes of the Meeting held on 14 March 2018

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

PROPOSED: Mr A Magee

SECONDED; Mr S McGregor

52.3.1 MATTERS ARISING – March 2018 Committee Meeting – there were no matters arising from the March 2018 Committee meeting.

52.4 CHAIR'S BUSINESS

The Chair had no further business to discuss.

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

Report 1	Tenders Issued – to 30 May 2018
Report 2	Estates Update
Report 3	Management Accounts for 9 Months to 30 April 2018
Report 4	Budget 2018/19
Report 4.1	Budget Note
Report 5	Procurement Contract Items 100K and over

Verbal Report: Prompt Payment

The Director of Finance & Economic Engagement brought members through the Tender Issued Report, May 2018 and updated members on the tenders that had been awarded since the report was issued. In reference to the Estates, Springtown redevelopment, the Director indicated that it was expected that tender documents will be issued to the short listed contractors shortly and returned before the end of July 2018.

Works are progressing on site for the DIAL Centre and the external upgrade works to the Tower Courtyard. These are expected to be completed before the start of the new academic year. Works are complete with the Coffee Bar, Northland Building and the Product Design Centre in Greystone Campus, Limavady.

Management Accounts for 9 Months to 30 April 2018 - Report 3

The Director with the aid of a Power Point presentation brought members through an overview of the Management Accounts and the Budget items.

The Director stated that the May 2018 Management Accounts will be provided for the Governing Body meeting on 20 June 2018. The Accounts up to 30 April 2018 were showing a Projected Deficit of (£1.36m) against a (£1.69m) historic deficit. The Director highlighted two items that may reduce this deficit. Accruals for backdated teaching staff pay rises if released will reduce this deficit. The new Outcome Based Accountability (OBA) funding model will result in the College receiving increased funds compared to the FLU model - this may increase the funding for the period April to July 2018 and hence reduce the forecasted deficit.

The Principal added that it was an uncertain year and the College is in a challenging financial position moving forward as concerns exist regarding potential pressure and easement issues within the new funding model.

The Cash at Bank and in Hand was showing a reduction now at £7.8m.

The Director provided an up to date figure for the Aged Debtor Report, the total outstanding was now showing a significant reduction, £285K is now outstanding.

The Director added he was content with the Accounts other than the two items brought to members' attention.

Budget 2018/19 - Report 4

The Director reported that the Budget provided to members was based on a number of assumptions previously discussed within the Management Accounts.

The Director emphasised that there is now more importance placed on the Department's financial year end (NDPB) and meeting the budget resourced target for the year ending 31 March. The Budget included in the papers relates to the year ending 31 July 2019. It is assumed for the purposes of preparing the Budget that the same level of funding for the year to March 2019 will be maintained to July 2019.

An historic deficit of £654K is budgeted for 2018/19 compared to a forecasted deficit of £1.361m to July 2018.

Enrolment targets for 2018/19 are 17,952 against 15,965 in 2017/18. Youth Training income will reduce to almost zero however this is projected to be offset by an increase in Training Apprenticeship income.

There are significant increases in Staff Costs and the Director provided detail to this. The College is now appointing their own Additional Support - previously outsourced to MPA Recruitment. The Director indicated that assumptions have been made regarding staff pay rises but that the budgeted position may be materially impacted once pay increases are finally agreed. In concluding the Budget discussion the Chair added that the key message is that the College is currently in a good financial position, however this could change, concerns were expressed if easements come into place. The Board needs to be conscious of this and ensure focus is placed on increasing the part-time enrolments to counterbalance the deficit on full time enrolments.

Members were content with the Budget 2018/19 for and recommended approval to the Governing Body.

PROPOSED; Mrs L Taggart

SECONDED; Mr A Magee

PROCUREMENT ITEMS £100,000 AND OVER 2018/19 – Report 5

The Director requested approval from the Committee for the items listed within the Report

PROPOSED; Mr A Magee

SECONDED; Mr S McGregor

A member suggested it would be useful for the Committee to receive regular reports from the IT Department on its capital spend etc. Members agreed.

Prompt Payment

In concluding his report the Director stated Prompt Payment for 30 days to 31 May 2018 was 96% and for the year to date was 90%.

The Chair thanked Mr McKeown for his report.

52.6 SCHEDULE OF COMMITTEE MEETINGS 2018/19

Members noted the schedule and it was suggested to consider an earlier start time for future meetings.

AGREED ACTION; The Chair to consider a new starting time for future Committee meetings.

52.7 CORRESPONDENCE

There was no correspondence received.

52.8 ANY OTHER BUSINESS

There was no any other business to discuss.

DATE OF NEXT MEETING; 17 September 2018

That being the end of business the Chair thanked everyone and closed the meeting at 1250hrs.

Signed: _____ Chair
Mr S Gillespie

Date: 19 September 2018

APPROVED