
MINUTES OF THE FIFTY FIFTH MEETING OF THE FINANCE & GENERAL PURPOSES COMMITTEE MEETING HELD ON TUESDAY 26 FEBRUARY 2019 IN MEETING ROOM 1, STRAND ROAD CAMPUS, COMMENCING 1130.

PRESENT

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

IN ATTENDANCE

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

55.1 APOLOGIES

There were no apologies received.

55.2 CONFLICT OF INTEREST DECLARATIONS/DECLARATIONS OF ANY OTHER BUSINESS

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

55.3 DRAFT MINUTES OF THE COMMITTEE MEETING HELD ON 5 NOVEMBER 2018**➤ PREVIOUSLY ISSUED TO ALL MEMBERS**

Draft Minutes of the Committee Meeting held on 5 November 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

55.3.1 Matters Arising – November 2018 Committee meeting**54.5 Management Report**

To recommend approval to the Governing Body of the Annual Report & Financial Statements Year End 31 July 2018, subject to the Audit & Risk Committee approving same at their meeting to be held on 6 November 2018.

Update: Audit & Risk Committee approval received followed by Governing Body approval on 14 November 2018.

- The Director to bring data to a future Committee on space utilisation.
Update: Report within papers for February 2019 meeting.
- Budget 2018/19 – To recommend approval of the Budget 2018/19 to the Governing Body.
- Student Council Report & Financial Statements – To recommend approval to the Governing Body of the Student Council Report & Financial Statement Year Ended 31 July 2018
- Bad Debt – To recommend approval for bad debt write-off totalling £6,421 to the Governing Body

Update: Approval of the Budget 2018/19, the Student Council Report & Financial Statements Year Ended 31 July 2018 and the Bad Debt Write-off received at the Governing Body meeting held on 14 November 2018.

The Director added that the Department had since approved the bad debt write-off.

Bad debt write-off for individual balances of £2K or more require Departmental approval. The figure had previously been £1k.

In reference to previous reporting on the telephony system the Director stated that BT was successful in the Public Sector Shared Network (PPSSN) tender. Expert advice will be sought from JISC when developing the specification as previously discussed by the Committee.

AGREED ACTION; to invite the IT Service Manger to the June Committee meeting for an update.

55.4 CHAIR'S BUSINESS

The Chair had no further business to discuss and invited the Director to present his Management Report to members.

55.5 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	Management Accounts for 6 Months to 31 January 2019
Report 4	NDPB Return January 2019
Report 5	NDPB Sector Summary January 2019
Report 6	Budget 2018/19 - verbal
Report 7	Fees & Charges Policy 2019/20
Report 8	Prompt Payment – verbal

The Director referred to the Tenders Issued Report and noted that there was an increase of tenders issued due to additional capital funding received in December 2018. Members noted the one Direct Award Contract and the one item on the DFE Frameworks.

In relation to the Estates Report, the Director was pleased to report the new Estates Manager was now in post. The works with Springtown has been delayed due to issues associated with asbestos. The DIAL Centre and the upgrade to works to the Tower Courtyard have now been completed, works are progressing with the replacement of the catering goods lift and are due to be completed by 29 March 2019. Works have commenced on the Northland Building refurbishment of the Board Room and the Strand Road main reception and will be completed by 29 March 2019.

The Director then referred to the Space utilisation report for the Sector, a discussion ensued. The Department with the assistance of SIB are undertaking a piece of work in the Sector on this matter and the Director will bring updates to the Committee.

In reference to the Management Accounts for 6 months to 31 January 2019 the Director highlighted income, DfE Grants were showing an adverse variance partly due to recurrent grant less than budgeted for January 2019 due to a cash clawback by the Department. This is being queried. Concern exists in relation to TFS income down £199k on budget and down £60K on same period last year. Tuition HE Fees are showing a favourable variance in year of £103k but down £214k on last year. FT HE numbers are lower than last year. FE fees are currently up £83K

on budget and up £45k on the same time last year. European grant income is showing a £313k adverse variance to date due to some trips now taking place later in the year. Expenditure, Pay Direct Teaching costs to date (£6,309K) are down £262k on the same period last year (£6,571K). Total favourable variance to date is £112k, most of which relates to part-time lecturing costs. Pay Administration Staff costs are showing an adverse variance of £141K however excluding the expenditure on VES (Tranche1) which is fully funded the variance is a positive one at £206K. Non-pay premises currently £199K underspent however £604k is committed under commitments.

Members noted the Aged Debtors Report showing outstanding balance as at 1 February 2019 of £1.4m, the Director had no concerns.

The Director referred to the NDPB Forecast Expenditure Schedule – Jan 2019 for the College and reported he had no concerns with same.

Budget 2018/19 – The Director reported on concerns regarding the budget including Brexit; the funding for the lecturers' pay rise and the increase in the employer contribution rate for the teachers' pension scheme – which will increase to 25% (currently 17.7%) from April 2019. He referred to the update from the Department regarding whether or not the Sector can continue to avail of charitable status, the position from the Charity Commission for NI (CCNI) suggests that the revisions that were requested to the Model Articles and Instrument of Government may not be sufficient for the Sector retaining charitable status. Colleges remain charities and await the final outcome of the process. Steps are now in place to assess the potential impact should charitable status be removed.

Fees & Charges Policy – The Director brought members through the updated policy. It was suggested that item 14, Student Printing Charges be re-worded. The Director also agreed to check if students from NI in receipt of disability allowance can avail of concessionary fees.

AGREED ACTIONS;

It was agreed to recommend to the Governing Body the acceptance of the Policy and approve the Fees Structure for 2019/20 subject to the agreed changes discussed.

The Director to report back on the query regarding concessionary fees.

PROPOSED; Mrs L Taggart

SECONDED; Mr S McGregor

Prompt payment figure for the year to date was 94% and for January 2019 was 88%. The Director added the monthly figure was lower than normal possibly due to the holiday period.

55.6 CORRESPONDENCE

There was no correspondence received.

55.7 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 1237.

DATE OF NEXT MEETING; 18 June 2019

Signed: _____ Chair
Mr S Gillespie

Date: 18 June 2019

APPROVED