



SOUTH EASTERN REGIONAL COLLEGE

Minutes of a Meeting of the Financial and General Purposes Committee of the Governing Body (the "Committee")

held on Tuesday 10th September 2024 at 17:30, in Meeting Room D Floor, Lisburn Campus

1. Chairs Business

a) Attendance and apologies

Present: Mr Alan McCrum, Mr Derek Wilson, Mr Tommy Martin (Interim Principal & Chief Executive), Ms. Majella Corrigan, Mr. John Nugent (Chair of the Governing Body), Mr Steven Lee, Dr Danny McConnell

In attendance: Mr Gary Ritchie (Deputy Principal Curriculum) 'DPC', Mrs Heather McKee (Deputy Principal Student Support Services) 'DPSSS', Mrs Emma Carson (Acting Director HR & Facilities), Mrs Claire Williamson (Secretary to the Governing Body), Ms Claire Ward (Deputy Head of Finance), Mr Andrew Emmett (Acting Director IT & Finance), Mrs Maureen McKay (HR Business Partner) Item 5C Only

Apologies: Mrs Deborah O'Hare, Ms Pauline Leeson

In the Chair: Mr McCrum

b) Declarations of Conflict of Interests

The following conflicts were declared:

- Ms Corrigan declared she is employed by CCMS whose sponsor department is DENI. She is a current member of the Governing Body of Stranmillis College.
- Mr Lee declared that his wife is employed as a Deputy Head of School at the College.
- The Interim Principal & CEO declared his daughter is employed as a lecturer at the College.

- The Deputy Principal Curriculum declared his wife and sister are employees are at the College.

No action was taken in relation to any of the declared conflicts.

c) Minutes of the F&GP meeting held on 11th June 2024

Previously issued to all Members.

Agreed: The minutes of the meeting held on 11th June were reviewed, members agreed they were a true and accurate reflection of the meeting. The minutes were adopted on the proposal of Derek Wilson and seconded by Majella Corrigan.

d) F&GP Action Points from meeting held on 11th June 2024

Members noted the actions from the previous meeting were addressed on the agenda.

e) Committee Cycle of Business 24/25

The Secretary to the Governing Body presented the work plan for the year to members, she highlighted that she worked with the Chair and the Acting Director of HR& Facilities to ensure the plan was relevant to the work of the College this year and addressed any new and emerging issues since the last review.

Agreed: Members approved the Committee Cycle of Business 24/25 on the proposal of Danny McConnell and seconded by Derek Wilson.

2) Correspondence:

Previously issued to all Members.

a) FE Training Collaboration

The Interim Principal & CEO talked to the correspondence and highlighted the Department are supportive of the sector delivering training to NICS staff as it fits with the Minister's priorities. He advised that the Head of Business Engagement will represent the College on a sector working group to develop the training programme. The Interim P&CEO added that SERC have been asked to deliver an IT training programme in the first instance and this will be useful in terms of a pilot. In response

to a member's question the Interim P&CEO advised that the resource allocation would have to be flexed accordingly depending on the scale of any agreed training programme.

b) Teaching increments

Members noted the enclosed correspondence that confirmed that temporary approval has been secured from the Permanent Secretary for 2024/25 pay progression increments for lecturers in Further Education colleges, effective from 1 September 2024.

3) Financial Items for approval

Papers previously issued to all Members.

a) Final Resource Budget 24/25

The Deputy Head of Finance presented the final resource budget for review, she highlighted that SERC's 2024/25 resource budget allocation, as stated by DfE on 5th June 2024, is £46,510k and the enclosed operational budget highlights a Resource Requirement of £46,510k. She briefly took the committee through income and expenditure and highlighted some of the changes to the budget since June.

The Interim Principal & CEO highlighted that the pressure of £300k reported to the committee in June that directly related to staff restructuring and RtS has been eliminated due to changes in the income for business services. The Chair noted that this is an excellent position for the College to be at for this point in the year.

Agreed: The committee approved the final Resource Budget and recommended it to the Governing Body for adoption on the proposal of Derek Wilson and seconded by Majella Corrigan.

b) Draft Annual Report and Financial Statements

The Deputy Head of Finance presented the draft report to the committee and began by setting out the process of how the statements will be audited before being re-presented to the committee in November for approval.

Members noted that in terms of financial performance there is still a statutory requirement to report until the end of July, however this is a temporary measure as the sector has agreed to move towards a March year end. Members noted that the financial performance set out in these statements is in line with meeting both year end targets.

The Deputy Head of Finance advised that in terms of the July year end performance the College generated a deficit, as recorded in the Statement of Comprehensive Income & Expenditure, in the year of £3,679k (2022/23 deficit of £3,569k). The result in 2023/24 is stated after accounting for a

pension charge of £104k (Pension Charge £372k and Net Interest (£268k)), as determined by the College's actuaries.

The DHoF highlighted that the result is stated after exceptional costs of £3,614k. This exceptional cost includes £3,450k of costs related to the execution of a Voluntary Severance Scheme (VSS) in 2023/24.

The committee discussed the financial performance, including the financial statements deficit that is automatically generated by the NDPB funding model methodology, and commended the CMT and finance team on an excellent financial result.

Agreed: The committee reviewed and approved the Draft Annual Report and Financial Statements on the approval of Danny McConnell and seconded by Derek Wilson.

4) Financial Items for Information

Papers previously issued to all Members.

a) NDPB Budgeting and Forecasting Submission

Members noted the recent submission in paper 004A, the Deputy Head of Finance advised the following:

The latest return was submitted on 22 August 2024. This return covered the period April 2024 to March 2025 and reflected:

1. Actual performance as per draft Financial Statements for April to July 2024 (please note draft accounts subject to change and audit).
2. Budget performance as per baseline budget for August 2024 to March 2025

The return detailed a resource requirement of £46,816k. The total resource allocation from DfE for the 23/24 year, as confirmed June 2024, was £46,510k. This return therefore detailed a £306k pressure. Since the date of the return, this pressure has been mitigated due to the increase in income for business services. The next forecast return will reflect this updated position.

Members agreed that it would be useful to see the pressures and easements work through the year in a graphic.

Action: The committee requested if a visual graphic could be included in the future versions of the NDPB forecasting report to show the trends in performance

b) Finance Operational Report

The DHoF asked members to note the written report at 004B and highlighted that debt and supplier payment days were both on positive trends.

c) Estates & Capital Expenditure Report

The Acting Director of HR & Facilities talked to the written report at 004C and highlighted the following summary from the report:

- PPP 2024 life cycle works are in progress with a target completion of the Halloween break. Works identified in the 2024 life cycle surveys are in progress and are over 70% complete. The target for completion is the Halloween break.
- Recurrent funded projects are ready to instruct should funding become available.
- DfE capital funding and Energy funding for 2024/25 has been confirmed.
- Energy consumption and costs for July 2024 were both the same when compared to that a year previous. The new year to date comparator (Apr 2024 – July 2024) when compared to the previous period saw an increase in consumption and costs.
- Capital projects and other services being provided via the PSC framework are progressing satisfactorily.
- The renewal process to retender both PSC and TSC frameworks is in progress, although a year's extension to both is to be requested.

The Interim Principal & CEO advised members that: in terms of the Energy saving plans, the College had recently submitted a business case for investment in heat pumps; and SERC had confirmation that the DfE Minister is visiting the Hollywood campus, which would provide the College an opportunity to show case the its energy & sustainability work.

In response to a member's question on the TAMS system the Interim Principal & CEO advised that while the situation has not been resolved it has improved, and so TAMS now sits as an amber risk on the corporate risk register rather than a red. Members noted that the team is still having to do a lot of manual workarounds and the time could be spent more constructively. RSM conducted a recent internal audit to provide assurance on the procedures and controls put in place by the College as a result of the issues with the system functionality and a satisfactory rating was provided. One recommendation was made for the Department to make a change to the format of the shared issues log.

5) Staffing Items for Information:

Papers previously issued to all Members.

a) HR Priorities 2024/2025 plan and status updates/HR Key Metrics Report

Members were asked to note the report and the Acting Director of HR & Facilities provided an update on the progress of the priorities. Members noted that the Departmental review of the delivery model and independent review of industrial relations are not completed and so these priorities remain red.

Members noted that the Learning Academy had delivered development and training to provide support to line managers.

Moving onto the metrics report the Chair highlighted that staff absence figures have increased to 4.69% and committee had previously undertaken a benchmarking exercise and noted at that time the College were not outliers.

Action: Recommendations on Hybrid working will be presented to members at the next meeting for consideration

Action: The Acting Director of HR & Facilities agreed to conduct a benchmarking exercise of other public sector organisations in terms of absence levels to gain a sense of where the College is currently performing

b) Employee Relations Update

Members were asked to note the report and in response to a query from the Chair the Acting Director of HR & Facilities confirmed that a lessons learned exercise had been conducted.

Action: The lessons learned exercise will be shared with the committee at a strategic level

d) Health and Wellbeing Update

At this juncture the HR Business Partner joined the meeting.

The HR Business Partner presented a detailed overview of the work the HR team are conducting to improve health and wellbeing across all staff in the College. She highlighted initiatives and schemes that staff can avail of along with the Healthcare Scheme.

The Chair thanked the HR Business Partner for her work and presentation, he added that he always looks forward to this item of business as it is very impressive, and the work around mental health is extremely impactful.

At this juncture the HR Business Partner left the meeting.

d) Case Management Review

The Acting Director of HR & Facilities talked to the report provided and provided an overview of the information, she highlighted that in the period 1st September 2023 to 31 August 2024, the following activity was recorded:

- There have been 13 new cases instigated from Sept 23, accounting for 76.47% of the total ongoing investigations to date during the 23/24 academic year (a total of 17 investigations have been ongoing during the period plus 7 legal proceedings). Whilst this is an increase of 18.18% on the number instigated in the same period during 22/23, the total number of investigations ongoing in the period has declined by 41%.
- 46.15% of cases instigated since September 23 are grievances, an increase of 50% on 22/23 numbers for the same period. 83.33% of grievances have been resolved with informal action in one case whilst 17.66% of grievances remain ongoing.
- The number of Discipline cases represents 46.15% of all cases instigated
- in the period, an increase of 300% when compared to the same period during 22/23. 33.33% of cases have been completed resulting in no action, with 66.67% of cases ongoing.
- There was 1 case instigated since September 23 relating to Dignity at Work, compared to 5 cases in the same period in 22/23.
- No cases instigated since September 23 relate to Raising a Concern, compared to 1 case raised within the same period in 22/23.

The Acting Director highlighted that a significant amount of work had been conducted with the Dignity at Work advisors and this aims to resolve a lot of cases at an informal stage.

In response to a question on the number of staff employed in the HR team to work on cases the Director advised that primarily the HR manager manages the cases supported by an employee relations officer. She highlighted that the College has been unable to recruit new investigating officers this year. She added that the College has an excellent team in HR however it is difficult to resource the investigations side as it is hard to predict what the case load will be. The Interim Principal & CEO commented that while the investigating officers do a substantial amount of work on cases a lot is still picked up by the HR team.

Action: The committee ask if trends could be included in the next case management review due to be presented, for example by school and by type of case

7) Applications and Enrolments

Paper previously issued to all Members.

The committee noted the written report in 007, which provided an update on the College applications and enrolment figures, the Deputy Principal Curriculum highlighted the variances in the report and the current enrolment figures.

In terms of FE the DPC advised that while there has been an overall increase in enrolments, some schools are performing better than others and the team want to take a deep dive into this, in

particular to understand where improvements can be delivered in terms of the overall conversion from applications to enrolments.

HE remains an area of concern: the allocated MASN is 386, with an accepted variance to 372, and the college is behind this target at 342. The Head of HE is liaising with Departmental officials on how the MASN is allocated so that the College are bidding for an achievable target.

In response to a member's question the Interim Principal & CEO advised that although the Department have not applied fiscal penalties in the last 5 years for not reaching the MASN targets, they reserve the right to do so.

The Interim CEO & Principal added that in terms of the overall picture its worth remembering that there has been an 9% year-on-year increase in the last year, and that the College is likely to exceed this again in the current year with traineeships which has been a real area of growth and success. There are a lot of positives that deserve recognition.

The Chair agreed that maintaining this growth is significant and that this is down to the work of the staff and the work conducted to incentivize people to come to the College. In concluding this update, the Chair noted that the format of this report was welcomed by the Committee as it gave a greater understanding of the figures and work involved in recruiting students.

8) Policies for review

Papers previously issued to all Members.

a) CDP Policy

Members were asked to note the reviewed policy, no changes were made.

7) Any other Business

No other business was discussed.

8) Confidential

A sperate note was taken for this item.

With no other business being discussed the meeting concluded at 8.00pm