

SOUTH WEST COLLEGE GOVERNING BODY

Minutes of a special meeting of the **Finance & General Purposes Committee**
held on Thursday 5 September 2024 at 10:30 am
via Microsoft Teams

PRESENT: Mr Michael Barnett, Committee Chair
Mrs Maureen Brunt
Dr David Cutting
Mrs Maria Hackett
Ms Celine McCartan, Chief Executive

IN ATTENDANCE: Mrs Fiona McCauley, Secretary to the Governing Body
Mrs Sharon McGrath, Director of Corporate Services
Mr Ciaran McManus, Director of Development & Support
Mr Pdraig McNamee, Director of Curriculum
Mr Sean O'Donnell, Head of Finance & Governance

APOLOGIES: Mrs Deborah Brown

1.0 PRELIMINARIES AND APOLOGIES

Mr Barnett, Committee Chair, opened the meeting by welcoming members to the special committee meeting and explaining that its purpose was to review the proposed 2024/25 budget.

An apology was tendered on behalf of Mrs Brown.

2.0 CONFLICT OF INTEREST DECLARATIONS

No conflict of interest declarations were made.

3.0 2024/25 BUDGET

PREVIOUSLY ISSUED to all members:

- Paper 03.01 2024/25 Budget Presentation
- Paper 03.02 Proposed 2024/25 Budget
- Paper 03.03 Budget Revision Reconciliation.

Mr O'Donnell reminded the meeting of the draft 2024/25 budget presented to the Governing Body at its 12 June 2024 meeting showing a cash deficit position of £858k. With reference to papers 03.01, 03.02 and 03.03, he then detailed the changes leading to a balanced cash budget position including the confirmation of additional income streams, a reduction in the pay costs previously projected, and non-pay cost savings in IT and electricity expenditure. He drew attention to the £250k reduction in the traineeship income previously projected and the offsetting of this by the confirmation of additional funding streams. He spoke of the fluid nature of both pay and non-pay costs, influenced by various factors including student enrolments, and the consequent need for continuous monitoring including monthly engagement with budget holders.

In response to questions and comments from members, management detailed the budget management process and financial controls in place within the College, informed members of the planned internal audit of budget management and financial controls in

the 2023/24 year, explained that a deficit of £1.97m is projected when depreciation and other non-cash items are accounted for, confirmed that internal management accounts and reports to the Department for the Economy (DfE) focus on cash budgets and highlighted the significant proportion of pay costs in relation to total costs as well as the increase in this cost due to salary and pension contribution increases despite reduced staff numbers as a result of the 2023/24 Reform to Save scheme.

Mrs McGrath and Dr Cutting withdrew from the meeting during the above discussion.

The Committee Chair welcomed the balanced budget presented and members agreed to recommend the budget to the Governing Body for approval.

AGREED: to recommend the proposed 2024/25 budget to the Governing Body for approval.

4.0 ANY OTHER RELEVANT BUSINESS

PREVIOUSLY ISSUED to all members:

- Paper 04 DfE Three Year Information Gathering Request.

Ms McCartan drew attention to the letter from DfE in paper 04 outlining a three-year governmental forecasting exercise and requesting details of any anticipated exceptional pressures of over £100k in the 2025/26 to 2027/28 years. It was noted that a response will be submitted to the Department which may indicate a potential pressure in relation to funding staff costs in the transition period between rounds of externally funded programmes.

The meeting concluded at 11:40 am.

**CONFIRMED AND ADOPTED BY THE GOVERNING BODY AT A MEETING HELD ON WEDNESDAY
11 SEPTEMBER 2024**

CHAIRPERSON



DATE 11/09/2024