SOUTH WEST COLLEGE GOVERNING BODY

Minutes of a meeting of the **Finance & General Purposes Committee**
held on Wednesday 14 October 2026 at 11.00 am
in the Boardroom, Omagh Campus and via MS Teams

PRESENT: Mr Michael Barnett, Committee Chair
Mrs Maureen Brunt
Mrs Maria Hackett *(MS Teams)*
Ms Celine McCartan, Principal & Chief Executive *(MS Teams from Item 4.3)*

IN ATTENDANCE: Mrs Sharon McGrath, Interim Deputy Chief Executive *(MS Teams)*
Mr Padraig McNamee, Acting Chief Executive
Mrs Nicola Nugent, Acting Secretary to the Governing Body
Mr Sean O'Donnell, Head of Finance & Governance

1.0 APOLOGIES

Apologies noted from Mrs Sandra Isherwood and Dr Lynsey Quinn.

2.0 CONFLICT OF INTEREST DECLARATIONS

No conflicts of interest declared.

3.0 MATTERS ARISING FROM MINUTES OF PREVIOUS MEETING

PREVIOUSLY ISSUED to all members:

- Paper 03 Minutes of the Finance & General Purposes Committee meeting held on Wednesday 10 June 2026.

There were no matters arising from the minutes.

4.0 KEY STRATEGIC ISSUES

PREVIOUSLY ISSUED to all members:

- Paper 04 Management Update on Key Strategic Issues.

4.1 **Financial Stability**

Mr McNamee advised that the College continued to operate against the £32.848M contingency Resource allocation for 2026/27. He reported that the September Finance Return forecast an overspend of £3.449M; however, management remained committed to delivering the previously identified savings target of almost £1M and was currently on track to achieve the required reductions across both pay and non-pay expenditure.

Members noted that the final Resource allocation remained unconfirmed and that restrictions on exceptional expenditure remained in place. Management advised that the financial position continued to be closely monitored through monthly finance returns and ongoing engagement with DfE with a continued focus on maintaining firm expenditure controls and delivering the identified savings required to mitigate the

funding shortfall.

4.2 **Further Education Transformation**

Mr McNamee advised that the Department's Fit for the Future Programme continued to progress through a number of curriculum, performance and funding workstreams. He noted concerns within the Principals' Group regarding the need for greater coherence across the various groups and advised that preparatory work was commencing with NIFON to support the sector's response to future funding reforms.

Members noted that the College continued to engage actively in the programme and was contributing to the development of an evidence-based case for future funding. Discussion highlighted the importance of demonstrating both the efficiency of the FE sector and the additional costs associated with delivering a broad curriculum across a large rural catchment area. Management also outlined the College representatives participating in the various reform workstreams.

4.3 **Sustainability**

Mrs McGrath reported that sustainability activity had focused on progressing the College's response to climate risk and strengthening staff awareness and engagement. Members noted that work was ongoing to assign ownership of climate-related risks and that new energy monitoring systems had been implemented across all campuses, providing enhanced visibility of energy usage.

An update was also provided on the upgrade of the Building Management System and progress towards BREEAM certification for the Erne Campus project. Members noted the continuing work to embed sustainability considerations within estate planning, capital investment and risk management arrangements.

Ms McCartan joined the meeting during the above discussion.

5.0 MANAGEMENT REPORT

PREVIOUSLY ISSUED to all members:

- Paper 05 Management Report
- Paper 05.01 Finance Return 2026/27
- Paper 05.02 FENI Correspondence to DfE regarding Funding
- Paper 05.03 Draft Annual Report and Financial Statements 2025/26
- Paper 05.04 DfE Correspondence regarding Interim Accounts
- Paper 05.05 Payments over £50k
- Paper 05.06 Estates Report
- Paper 05.06a Draft Climate Risk Assessment
- Paper 05.07 Capital Budget Report 2026/27
- Paper 05.08 CCTV Policy
- Paper 05.09 Hardship Fund Policy
- Paper 05.10 Student Hardship Fund Report
- Paper 05.11 Insurance Renewal Costs 2025 v 2026
- Paper 05.12 Charities Amendment Bill Correspondence
- Paper 05.13 National Fraud Initiative Data Matching Exercise.

5.1 **Finance Return and Budget Update 2026/27**

Ref: Management Report Section 2.1 and Papers 05.01 and 05.02

Mr O'Donnell advised that the latest Finance Return forecast expenditure of £36.297M

against the contingency Resource allocation of £32.848M. Members noted that the forecast position remained net of £1.002M of planned savings and that management continued to actively monitor expenditure through vacancy management and other savings measures whilst awaiting confirmation of the final Resource allocation.

The Committee noted that a draft Mid-Year Assurance Statement had been submitted to DfE and received an update on ongoing sector engagement regarding the budget position, including concerns raised with the Department on behalf of the six FE colleges. Members discussed the impact of pay awards on the College's financial position and agreed that management should model the position based on a full budget allocation to provide greater clarity on the remaining funding gap and associated pressures.

AGREED: Management to model the College's financial position based on a 100% budget allocation and report the outcome to the Committee.

5.2 **Financial Management and Accounting**

5.2.1 Draft Annual Report and Financial Statements 2025/26
Ref: Management Report Section 3.1 and Papers 05.03 and 05.04

Mr O'Donnell confirmed that the draft Annual Report and Financial Statements for the eight-month period ended 31 March 2026 had been submitted to DfE and NIAO and that the external audit remained ongoing. Members noted that the Report to Those Charged with Governance was expected shortly and received an update on discussions with NIAO regarding fixed assets, noting that the previous recommendation to review fully depreciated assets had subsequently been revised as the issue fell below the audit materiality threshold.

Members also noted the introduction of new DfE requirements for six-month and nine-month interim accounts, which would result in a significant increase in financial reporting and compliance requirements. The first interim accounts return, covering the period to 30 September 2026, was due to be submitted by 23 October 2026.

5.2.2 Payments over £50k
Ref: Management Report Section 3.2 and Papers 05.05

The Report on Payments over £50k for the period from 1 June to 30 September 2026 was noted by the Committee. Members noted that the report also included euro payments made to partners participating in SEUPB-funded projects.

5.3 **Estates**
Ref: Management Report Section 4.1 and Paper 05.06 and 05.06a

Mrs McGrath advised that the Estates budget remained challenging, particularly in relation to planned preventative maintenance. Existing expenditure and historic orders continued to be reviewed to determine maintenance priorities over the coming months. Members received an update on the draft Climate Change Risk Assessment and associated business continuity arrangements and noted that testing of business continuity plans was undertaken annually, or more frequently where required.

The Committee received an update on a number of ongoing PFI matters, including discussions regarding historic lifecycle costs and the outstanding surveys required to

support these negotiations. Members also noted that, following clarification from HMRC requirements, the College would not be required to replace boilers previously identified as a potential risk. An update was provided on the Property Maintenance Framework procurement process, including a legal challenge which could delay implementation of the new framework. Members noted that existing arrangements remained in place and were considered sufficient in the short term, although delays beyond March 2027 could present increased risks.

5.4 **Capital Budget Report 2026/27**
Ref: Management Report Section 4.2 and Paper 05.07

Mr O'Donnell advised that the College had received minor works funding of £450k for 2026/27, the majority of which had been allocated to the replacement of the College firewall. Members noted that confirmation was awaited from DfE regarding a further £450k allocation for roof replacement works at the Cookstown Campus and Crest Centre.

Members welcomed the approach taken to prioritising available capital funding and noted that expenditure proposals had been assessed against operational requirements and affordability. It was further noted that DfE had invited the College to consider taking on additional minor works funding and that management was currently reviewing potential projects and associated business cases to determine what could be delivered within the required timescales.

The Committee noted the Capital Budget Report for 2026/27.

5.5 **Policy Review**

5.5.1 CCTV Policy
Ref: Management Report Section 5.1 and Papers 05.08

Mr O'Donnell presented the revised CCTV Policy and confirmed that it had been reviewed to reflect current legislative, governance and operational requirements.

During discussion, members sought clarification regarding the Policy's alignment with the College's data retention arrangements. Management confirmed that retention provisions were included within the Policy and undertook to review the wording to ensure this was clearly articulated.

AGREED: To recommend the CCTV Policy to the Governing Body for approval, subject to confirmation that data retention requirements are appropriately reflected within the Policy.

5.5.2 Hardship Fund Policy
Ref: Management Report Section 5.2 and Paper 05.09

Mr O'Donnell presented the revised Hardship Fund Policy and outlined the principal updates made to reflect current Departmental guidance and College arrangements.

Members noted that the Hardship Fund Policy was aligned to current DfE guidance and that applicants could be signposted to alternative sources of support where appropriate.

AGREED: To recommend the Hardship Fund Policy to the Governing Body for approval.

5.6 **Other Matters**

5.6.1 Student Hardship Fund Report 2025/26
Ref: Management Report Section 6.1 and Paper 05.10

Mr O'Donnell advised that 59 students had received support from the Student Hardship Fund during 2025/26, with total awards of £39,982 and an unspent balance of £72,042.

Members welcomed the positive impact of the Fund in supporting student retention and success. Management advised that Student Support staff actively follow up on incomplete applications and provide guidance to help students access available financial support.

5.6.2 Consultancy Expenditure Report 2025/26

Mr O'Donnell confirmed that there had been no expenditure on consultancy during 2025/26.

5.6.3 Insurance Renewals 2026/27
Ref: Management Report Section 6.3 and Paper 05.11

Mr O'Donnell reported that the annual insurance premium had increased by £26,704 compared with the previous year. Members noted that a significant element of the increase related to cyber insurance, following a Departmental requirement to increase the level of cyber cover from £1M to £5M.

The Committee noted the increase in insurance costs and that the full insurance renewal report from UMAL remained outstanding.

5.6.4 Charities Amendment Bill
Ref: Management Report Section 6.4 and Paper 05.12

Members noted the sector response to the Department for Communities regarding the Charities Amendment Bill. It was noted that FE colleges remained unregistered with the Charity Commission for Northern Ireland but continued to have charitable recognition through HMRC.

5.6.5 National Fraud Initiative
Ref: Management Report Section 6.5 and Paper 05.13

Mr O'Donnell advised that the National Fraud Initiative data-matching exercise had commenced and that the College was required to participate every two years.

5.6.6 Employee Tax-Free Mileage
Mr O'Donnell advised that the tax-free element of the employee mileage rate had increased from 45 pence to 55 pence per mile with effect from April 2026.

6.0 REVIEW OF FINANCE & GENERAL PURPOSES COMMITTEE TERMS OF REFERENCE

PREVIOUSLY ISSUED to all members:

- Paper 06 Finance & General Purposes Committee Terms of Reference.

The Committee reviewed its Terms of Reference as part of the annual governance cycle. Members considered the inclusion of provision for the appointment of co-optees where specific skills or expertise were required and discussed the tenure of the Committee Chair.

Members agreed that the Terms of Reference should clarify that the Committee Chair shall normally serve for a period of two years and be eligible for re-election thereafter.

The Acting Secretary undertook to incorporate the agreed amendments and circulate the revised Terms of Reference in advance of submission to the Governing Body. Members also expressed their appreciation to Mr Barnett for his leadership of the Committee and agreed to recommend his reappointment as Chair for a further two-year term.

AGREED: Subject to the inclusion of the agreed amendments, the Committee recommended the Finance & General Purposes Committee Terms of Reference to the Governing Body for approval.

AGREED: To recommend the reappointment of Mr Michael Barnett as Chair of the Finance & General Purposes Committee for a further two-year term.

7.0 PROGRAMME OF BUSINESS 2026/27

PREVIOUSLY ISSUED to all members:

- Paper 07 Proposed Programme of Business 2026/27.

The Committee considered the proposed Programme of Business for 2026/27 and noted that it had been aligned to the Committee's Terms of Reference and meeting cycle. Members agreed that the three strategic themes of Financial Stability, Further Education Transformation and Sustainability should continue to feature as standing strategic items.

During discussion, members agreed that an item relating to the reporting of Procurement Authority exercised should be added to the March 2027 meeting agenda. Members also noted that, following receipt of the PFI Liaison Report at the current meeting, this item could be deferred from the next scheduled meeting.

AGREED: Acceptance of the Finance & General Purposes Committee Programme of Business for 2026/27, subject to the agreed amendments.

8.0 REVIEW OF OUTSTANDING ACTIONS

PREVIOUSLY ISSUED to all members:

- Paper 08 List of Outstanding Actions

The Committee noted that there were no outstanding actions from the previous meeting.

9.0 ANY OTHER RELEVANT BUSINESS

9.1 Format of Future Meetings
The Chair suggested that consideration be given to the format of future Finance & General Purposes Committee meetings.

AGREED: The format of future Committee meetings would be kept under review.

10.0 REFLECTION ON EFFECTIVENESS OF MEETING

Members conveyed their satisfaction with the proceedings of the meeting.

The Chair thanked members for their continued commitment and engagement and extended his appreciation to Management for their contribution and support.

The meeting concluded at 12.26 pm.

CONFIRMED AND ADOPTED BY THE GOVERNING BODY AT A MEETING HELD ON WEDNESDAY 04 NOVEMBER 2026

GB CHAIRPERSON _____ DATE _____

APPENDIX A

SUMMARY OF OUTSTANDING ACTIONS

	Meeting Date	Minute Ref	Action
1	14 Oct 2026	5.1	Management to model the College's financial position based on a 100% budget allocation and report the outcome to the Committee.
2	14 Oct 2026	6.0	Amend the Finance & General Purposes Committee Terms of Reference to include provision for co-optees and clarify arrangements for the tenure and re-election of the Committee Chair, and circulate the revised version to members.
3	14 Oct 2026	7.0	Update the Programme of Business 2026/27 to include reporting on Procurement Authority exercised at the March 2027 meeting and reschedule the PFI Liaison Report as agreed.