

SOUTH WEST COLLEGE GOVERNING BODY

Minutes of a meeting of the **Finance & General Purposes Committee**
held on Wednesday 4 June 2025 at 9.00 am
via MS Teams

PRESENT:	Mr Michael Barnett, Committee Chair Mrs Maureen Brunt Mrs Sandra Isherwood Ms Celine McCartan, Chief Executive
IN ATTENDANCE:	Mrs Fiona McCauley, Secretary to the Governing Body Mr Sean O'Donnell, Head of Finance & Governance
APOLOGIES:	Mrs Maria Hackett Mrs Sharon McGrath, Director of Corporate Services Dr Lynsey Quinn

1.0 PRELIMINARIES AND APOLOGIES

Mr Barnett, Committee Chair, welcomed all present to the last committee meeting of the 2024/25 academic year.

Apologies were tendered on behalf of Mrs Hackett, Mrs McGrath and Dr Quinn.

2.0 CONFLICT OF INTEREST DECLARATIONS

No conflict of interest declarations were made.

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 12 March 2025.

There were no matters arising.

4.0 KEY STRATEGIC ISSUES

PREVIOUSLY ISSUED to all members:

- Paper 04.01 Key Strategic Issues
- Paper 04.02 Management Update on Key Strategic Issues.

4.1 Long Term Financial Planning

Ms McCartan confirmed receipt of notification of the College's 2025/26 budget allocation of £34.968m from the Department for the Economy (DfE), noting the reduction of £571k on the 2024/25 allocation. She added that funding for additional pressures has not been included in this allocation and that a number of these pressures will be considered for funding through the June Monitoring Round.

Ms McCartan went on to explain that a draft internal budget is under development and will be presented to the Governing Body at its June 2025 meeting for initial review, noting the likelihood of an imbalanced budget in the first iteration. She also reminded the Committee of the anticipated change in legislation to align colleges'

statutory year end with that of DfE and commented on the benefits and drawbacks of this approach.

Whilst acknowledging the College's challenging 2025/26 budget position, members reflected on the relatively low reduction within the sector and welcomed the recognition of the College's good performance in recent years in relation to DfE objectives for the sector.

4.2 Review of the Further Education Delivery Model

Ms McCartan advised of a realignment of resources within DfE to support the Review of the FE Delivery Model and noted the need for the establishment of a sectoral team to progress any initiatives arising. She also informed the meeting of her role as Chair of the Principals' Group in 2025/26 and, in response to a query from a member, spoke of the possibility of a review of curriculum to streamline provision across the sector.

4.3 Sustainability

Ms McCartan reminded the Committee of the identification of Sustainability as one of the four priorities within the 2025-28 Strategic Plan and listed the related objectives and actions. With reference to paper 05.07b, she also highlighted the inclusion of costs within the Sustainability Action Plan as requested by the Governing Body.

Members then reviewed the Committee's key strategic issues and agreed to redefine 'Long Term Financial Planning' to 'Financial Stability'. Members also discussed the need to ensure that the four priorities within the Strategic Plan are reflected within the key strategic issues of relevant committees and Ms McCartan and Ms McCauley undertook to consider the appropriate placement of the strategic priorities to committees for close monitoring.

AGREED: to redefine the 'Long Term Financial Planning' key strategic issue to 'Financial Stability'.

ACTION: Ms McCartan and Mrs McCauley to consider the appropriate placement of the College's strategic priorities within with key strategic issues of committees.

5.0 MANAGEMENT REPORT

PREVIOUSLY ISSUED to all members:

- | | |
|----------------|---|
| ▪ Paper 05 | Management Report |
| ▪ Paper 05.01 | 1 April 2024 to 31 March 2025 Finance Report |
| ▪ Paper 05.02 | Revised 2025/26 Draft Budget Allocation |
| ▪ Paper 05.03 | Financial Management Report to 30 April 2025 |
| ▪ Paper 05.04 | Payments over 50k |
| ▪ Paper 05.05 | Trade Debtors and Creditors Report at 30 April 2025 |
| ▪ Paper 05.06 | Bad Debt Write Off Proposal 2025 |
| ▪ Paper 05.07 | Estates Report |
| ▪ Paper 05.07b | Sustainability Action Plan with Costs |
| ▪ Paper 05.08 | Capital Budget Report |
| ▪ Paper 05.09 | 2025-26 Capital Funding Allocation Letter |
| ▪ Paper 05.10 | Hardship Fund Report |
| ▪ Paper 05.11 | Externally Funded Projects May 2025 |
| ▪ Paper 05.12 | Governance Bulletin - Financial Delegations and DoF Approvals |
| ▪ Paper 05.13 | DfE Charitable Status Communication |
| ▪ Paper 05.14 | Lecturers Pay Business Case 24-25 and 25-26. |

5.1 Budget Update 2024/25 & 2025/26

5.1.1 1 April 2024 – 31 March 2025 Finance Report

Ref: Management Report Section 1.1 and Paper 05.01

Mr O'Donnell apprised the Committee of the £81k (0.02%) overspend recorded in the DfE financial year to 31 March 2025. He commented on his satisfaction with this out-turn and explained that approval for the overspend had been sought from DfE.

Members paid tribute to the finance team and to all budget holders for this out-turn.

5.1.2 Draft 2025/26 Budgetary Position

Ref: Management Report Section 1.2 and Paper 05.02

Adding to the update provided earlier in the meeting on the 2025/26 budget, Mr O'Donnell listed the actions planned to meet the budget shortfall and advised that the first monthly financial return of the 2025/26 year had been submitted to DfE showing a £1.42m pressure.

5.1.3 2025/26 College Budget

Ref: Management Report Section 1.3

Mr O'Donnell reported on the work underway with budget holders to allocate the funding provided to cost centres, noted that a balanced college budget is unlikely to be finalised until later in the year when further clarifications are received, and explained that Governing Body authorisation will be sought to commit expenditure pending approval of the 2025/26 budget.

5.2 Financial Management / Accounting

5.2.1 August 2024 – April 2025 Financial Management Report

Ref: Management Report Section 2.1 and Paper 05.03

Mr O'Donnell provided an overview of the variances against budget in relation to the August 2024 to April 2025 Financial Management Report, noting in particular the income expected from DfE and the impacts of both the lecturer pay settlement and the increase in employer national insurance contributions. He advised of the expectation of the closure of these variances by the financial year end in July 2025.

5.2.2 Payments Over £50k

Ref: Management Report Section 2.2 and Paper 05.04

With reference to the Report on Payments Over £50k, Mr O'Donnell highlighted the exceptional expenditure on IT infrastructure.

In response to a query from the Committee Chair, Ms McCartan provided an overview of the College's partnership with The Nerve Centre.

5.2.3 Trade Debtors and Creditors Report at 30 April 2025

Ref: Management Report Section 2.3 and Paper 05.05

Mr O'Donnell explained that the increase in the debtors position compared with the same point in 2024 is due to an outstanding payment from DfE and provided assurance on the security of this debt. He drew attention to the enhanced performance in the 10 day prompt payment metric as well as the deterioration in the 30 day prompt payment performance.

In response to queries from members, management commented on the balance to be

achieved between accuracy of invoices and efficiency of payments and confirmed satisfaction with the College's performance in this area.

5.2.4 Bad Debt Write Off Proposal

Ref: Management Report Section 2.4 and Paper 05.06

Mr O'Donnell reported the bad debt write off of £40k by the Chief Executive. He highlighted the increase in the value of student debt write off, explained that much of this debt related to the pandemic period and confirmed that all measures to retrieve the debt have been exhausted.

5.3 Estates

5.3.1 Estates Report

Ref: Management Report Section 3.1 and Papers 05.07 & 05.07a

Mr O'Donnell drew attention to the cost of activities associated with each of the sustainable development goals within the Sustainability Action Plan and noted the commitment of much of the College's capital funding allocation to sustainability initiatives. Ms McCartan commented on the reduction in energy costs, the importance of the skills and behaviours of staff in relation to sustainability and the added value to be gained through the GRASP and PRISM projects.

Updating the Committee on the investigations and maintenance work carried out in the training and preparatory kitchens in the Erne campus, Ms McCartan outlined the works undertaken and those still to be carried out, advised of plans to re-instate all curriculum delivery for the 2025/26 year and undertook to circulate, in confidence, the Health & Safety Executive report on its assessment of ventilation extraction and dust sampling, along with communications with the Contractor and Project Manager in relation to latent defects. Management also advised of the FE Capital Project Steering Group's review of the outstanding actions identified during the Gateway 5 review of the Erne Campus Development Project, noting the closure of a number of actions and the College's inability to control progress on the remaining outstanding actions.

ACTION: Ms McCartan to circulate, in confidence, the Health & Safety Executive report on its assessment of ventilation extraction and dust sampling, along with communications with the Contractor and Project Manager in relation to latent defects.

An overview was provided of the meeting held in May 2025 between the PFI Liaison Committee and Belfast Educational Services. The discussions held on the maintenance of equipment was highlighted and the value of the enhanced oversight provided by the PFI Liaison Committee was noted.

5.3.2 Capital Budget Report

Ref: Management Report Section 3.2 and Papers 05.08 & 05.09

Mr O'Donnell reported a capital funding allocation of £500k from DfE for 2025/26, noting the significant reduction from the prior year allocation. He commented on the planning underway to allocate this funding to minor works projects and spoke of the demand for funding for sustainability initiatives and curriculum developments.

5.4 Other Matters

5.4.1 Student Hardship Fund 2024/25

Ref: Management Report Section 4.1 and Paper 05.10

Mr O'Donnell outlined the expenditure of the Hardship Fund to date in 2024/25. It was noted that uncommitted funds may not be ringfenced by DfE for student support initiatives as in prior years.

5.4.2 Externally Funded Projects

Ref: Management Report Section 4.2 and Paper 05.11

Ms McCartan reflected on the need to ensure the successful delivery of the College's existing externally funded projects and to focus resources on the priorities within the Strategic Plan 2025 – 2028.

5.4.3 Financial Delegations and DoF Approvals

Ref: Management Report Section 4.3 and Paper 05.12

The Governance Bulletin on Financial Delegations and Department of Finance (DoF) Approvals was noted by the Committee.

5.4.4 FE Colleges Charitable Status

Ref: Management Report Section 4.4 and Paper 05.13

With reference to paper 05.13, Mr O'Donnell advised of the extension to the timeframe for the progression of legislation to enable colleges to obtain charitable status and of the sector's continued access to the benefits of charitable status in the meantime.

6.0 REVIEW OF COMMITTEE'S PERFORMANCE IN 2024/25

PREVIOUSLY ISSUED to all members:

- Paper 06 Review of Committee's Performance in 2024/25.

With reference to Paper 06, Mrs McCauley advised that the self-assessment checklist had been completed where a factual response was available and sought members' views on remaining questions. The resulting review is attached at Appendix A.

7.0 SCHEDULE OF MEETINGS 2025/26

PREVIOUSLY ISSUED to all members:

- Paper 07 Schedule of Meetings 2025/26.

The Committee accepted the proposed schedule of meetings for 2025/26.

AGREED: acceptance of the proposed schedule of Finance & General Purposes Committee meetings for 2025/26.

8.0 REVIEW OF OUTSTANDING ACTIONS

PREVIOUSLY ISSUED to all members:

- Paper 08 List of Outstanding Actions.

A revised list of outstanding actions is included as Appendix B.

9.0 ANY OTHER BUSINESS

No further business was raised.

10.0 REFLECTION ON EFFECTIVENESS OF MEETING

Members commented favourably on the information provided as well as on the effective chairing of the meeting.

The meeting went into confidential session.

**CONFIRMED AND ADOPTED BY THE GOVERNING BODY AT A MEETING HELD ON WEDNESDAY
18 JUNE 2025**

PRESIDING CHAIR Brian Ingram **DATE** 18/06/2025

APPENDIX A

		Yes	No	Comments
Terms of Reference				
1	Does the Finance and General Purposes Committee have written terms of reference?	✓		
2	Were the terms of reference reviewed by the Committee and approved by the Governing Body in this academic year?	✓		Reviewed on 16 October 2024 by the Committee and approved by the GB on 20 November 2024
3	Has the Committee complied with the provisions of its terms of reference in its proceedings throughout the year?	✓		
Programme of Business				
4	Did the Committee agree a programme of business for the academic year?	✓		Agreed by the Committee at its 16 October 2024 meeting
5	Did the Committee cover all business listed in the programme of business?	✓		
6	Have all actions identified by the Committee been satisfactorily delivered?		✓	One action, which is not yet due, will be carried forward to 2025/26.
7	Was there any business that members feel do not need to be covered next year?	✓		Financial Management Report will no longer be required when colleges' financial year changes to a 31 March year end.
8	Was there any additional business that members feel should be included next year?		✓	
9	Does the appropriate mix of skills, knowledge and competences exist within the Committee to perform most effectively?	✓		
Governing Body Key Performance Indicators				
10	Did attendance levels at Committee meetings average at least 65%?	✓		76% average.
11	Did Committee meetings generally last no more than two hours?	✓		
Additional Comments				
12	Key Strategic Issues to be amended as agreed by Committee.			

SUMMARY OF OUTSTANDING ACTIONS

Item	Meeting Date	Minute Ref	Action
1	12/03/2025	5.1.2	Mr O'Donnell to circulate examples of historical DfE FE College Health Check Reports to the Committee Chair.
2	12/03/2025	5.3.4	Procurement Policy to be revised to reflect amended Procurement Control Limits.
3	04/06/2025	4.3	Ms McCartan and Mrs McCauley to consider the appropriate placement of the College's strategic priorities within with key strategic issues of committees.
4	04/06/2025	5.3.1	Ms McCartan to circulate, in confidence, the Health & Safety Executive report on its assessment of ventilation extraction and dust sampling, along with communications with the Contractor and Project Manager in relation to latent defects.