**Minutes of the 11th Meeting of the Finance and General Purposes Committee held on Monday 3 December 2018, at GTCNI, Albany House, Great Victoria Street, Belfast**

**Present:** Clive Bowles (Chair), Paul Boyle, David Canning

**Apologies:** Delma Boggs

**In Attendance:** Sam Gallaher (CE), Majella Matthews

(Finance & Contracts Manager) (MM), Gerry Devlin (SEO) (GD), Lesley Dickson (Personal Assistant) (LD).

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| 1. Welcome, Introduction and Apologies   The Chair welcomed all members to the 11th meeting of the Finance and General Purposes Committee meeting. Apologies were noted.     1. Declarations of Interest   There were no Declarations of Interest     1. Minutes   Members reviewed the Minutes of the meeting of Wednesday 19 September 2018 and were asked to confirm for accuracy and completeness.  The Minutes were adopted; proposed by DC and seconded by PB.   1. Matters Arising   The CE advised that most of the Matters Arising would be covered in the body of the meeting.  The CEO informed members that the MSFM had been signed and returned from DE.  Members were informed that the appeal relating to the recent decision of a HR investigatory panel had been heard, the original decision had been ratified by the panel and the matter is now closed.   1. Draft Audited Annual Report and Accounts 2017-18 (Tabled)   The F&CM informed members that she had expected to have the 2017-18 draft audited accounts ready for the meeting and also for the ARAC meeting on 4 December, however notwithstanding that the NIAO had issued a satisfactory Report To Those Charged With Governance (RTTCWG), the Council had received a late communication from the Audit Office to say that the Accounts could not be certified without qualification. The specifics of the matter were that;   1. the Council’s taxation status had not as yet been resolved and a contingent liability and “emphasis of matter” paragraph were proposed as part of the certification process by the C&AG; 2. under these circumstances, the Audit Offices’ technical team are required to review the information giving rise to the “limitation of scope qualification”; 3. following their review the technical team specified that they were not satisfied that sufficient appropriate evidence had been provided that GTCNI had made enough effort to resolve their taxation status with HMRC; and 4. as a consequence the Accounts could only be certified with a limitation of scope qualification.   The CEO advised that he had spoken to NIAO regarding the issue and told members that every effort had been made by officers and the Council’s taxation adviser to arrange a meeting to progress matters with HMRC. In particular he outlined the circumstances leading to the cancellation of the teleconference call that had been scheduled to take place between the parties and HMRC on 28 November 2018. The CEO further advised that he had contacted the Finance Director in DE in this regard.  They discussed the way forward and expressed grave concern at the time taken to resolve the Council’s taxation status and instructed the CEO and F&CM to pursue a conclusion to the matter with urgency  Members asked for their concerns to be noted and agreed that finalising the Accounts with qualification should be avoided if possible.   1. Finance Update (F&GP/18/11/P01)   The F&CM took members through this paper summarising details of the Council’s financial outturn for the 7 months ended 31 October 2018.  Members considered and discussed the revised forecast position to 31 March 2019 and were advised that the matters causing pressure to the pay line had been resolved.  The F&CM informed members that a revised Internal Audit Plan for the remainder of the 2018-19 year had been drawn up and that this would be presented to ARAC on 4 December for their approval together with draft internal audit reports on work completed to date on: HR Policies, Information Management and the Council’s Financial Systems.  The F&CM highlighted the work undertaken on procurement and contracts management advising that the tender for the development of a new website had closed, that a number of bids had been received and that the evaluation process was already underway.  The CEO said that a business case to procure consultancy services to conduct a review of Teacher Qualifications had been drafted. He highlighted discussions he had with the other GTCs on a strategic review of teacher qualifications. The SEO advised that the Council had a statutory duty to do this.  The F&CM concluded her report highlighting the reserves and cash balances position.  The content of the Finance Update was noted by members    Proposed: PB, seconded: DC   1. Projected Finance Position (F&GP/18/11/P02)   The CEO introduced the paper which was for information and discussion and stressed the importance of the content of the paper. He advised that the report provided an estimate of projected income and expenditure over years 2018-19 to 2021-22.  The F&CM took members through the body of the report highlighting the assumptions on which it was built and summarised the potential future direction of the Council in terms of;   1. Possible accumulating deficit positions over the coming years with increasing pressure on Reserves and Cash balances. 2. Diminishing capacity for the Council to fund development and seek to make an impact with its stakeholders and the profession   Members discussed the Rest of World (RoW) assessment fees and the CEO advised that work was currently underway to explore the costs of assessing and registering RoW applications. Some further discussion took place about possible revenue streams.  DC concluded that the Council would need to consider and absorb the information and to see what could be achieved. Members agreed.  Proposed: PB, seconded by DC   1. Regulation (Verbal Update)   The CEO updated members on progress in relation to progressing Regulation. He advised members that he had recently received a letter from the Department and that a copy of the letter would be included with the Council papers. He advised that the letter indicated an element of risk sharing by the Department but the specifics of this would have to be clarified in due course. He advised that the detail of the draft Conduct Rules had been carefully considered by the SMT, the Chair of Council and the Education Officer responsible, that some further minor amends are proposed and that these are now with Council’s Legal Advisor for opinion which will be available at the upcoming meeting of Council on 11 December 2018.  The CEO added that there may be a Special Council meeting held towards the end of January 2019 to discuss/approve the final Conduct Rules if they are agreed and cleared by DSO and DE.   1. Capital Projects Update (Verbal Update)   The CEO informed members that the tender competition for a new website had been run and that evaluations were taking place. Regarding the project to replace the registration database, a review of the project had been completed and the project team were working on the specification. He advised that technical advice had been secured free of charge from ESS and a job description was being finalised for the post of Project Manager.  He indicated that the statement of requirements would be completed by June 2019 and the procurement completed by Christmas.   1. Corporate Planning *(In Committee)* (Verbal Update) 2. Terms of Reference   Members reviewed and agreed the Terms of Reference of the F&GP. The ToR was agreed by members with no amends.  Proposed: PB, seconded: DC.     1. Board Effectiveness Review   The CEO reminded members that the Review of Effectiveness had been discussed at Council in October and it was proposed to complete this process at the next round of Committees as it was important that the Council reviews how it is performing.   1. Any other business   PB requested a meeting with the CEO to discuss the issues around FE registration.   1. Date of next meeting   Monday 25 February 2019    Signed………………………….. Dated ……………………………. | Action  Action  CE/F&CM  Actions  CE  Action  CE |
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