**F&GP/Min/19/20**

**Minutes of the 19th Finance & General Purposes Committee held on 21st September 2020 by Webex**

**Present: K Smith (Chair), S Lambe, C McBride**

**Apologies: G Gault, E Loughridge, B Morgan, S McElhinney**

**Attending: S Gallaher (CEO), M Matthews (F&CM), G Devlin (SEO), S Gondhia (TA), L Dickson (PA)**

1. **Apologies**

Apologies were noted.

1. **Declarations of Interest**

There were no declarations of interest.

1. **Minutes of Previous Meetings &**
2. **Matters Arising**

The CEO advised that there were 3 sets of minutes on the agenda and that it was unclear as to which minutes had been adopted at the previous F&GP Committee.

CMcB advised that on 29 July she had to leave the meeting early as her account was time bound due to being on holidays. She enquired if a time limit could be put on meetings. She also asked about training. The CEO advised this would be covered later in the meeting.

The CEO advised that it was hoped to limit meetings to 2 hours and would commit to trying to keep the meetings to 2 ½ hours max. CMcB noted that there was a lot of paperwork involved and that it can be difficult to absorb. The Chair advised that he understood the difficulties. SL requested that the date and venue on the Minutes of June 2020 be amended as these were incorrect.

Members dealt with the minutes of 1 June. These were proposed for adoption by CMcB and seconded by SL.

The Minutes of the 17 June and 29 July were proposed for adoption by CMcB and seconded by SL.

1. **Finance Report (F&GP/20/19/P01)/P02/P03**

The F&CM spoke to the Finance Report including Agenda items - Papers 2 and 3.

Referring members to Section 1, Table 1 of the Finance Update Report, supplemented by Appendix 1, the Council’s current budget and out-turn at 31 August 2020 was outlined.

Members were advised that despite earlier concerns about the income budget due to Covid and the closure of schools, the Council was on target to collect its full budgeted income for 2020. She advised that 87% of the budgeted income had been collected and that officers were preparing to invoice a further 4,500 teachers. Members were appraised of the DE Monitoring Round process which had been commissioned and detailed the sizeable net easement on expenditure which had been declared to the Department. Members were advised that overall a break-even position was being forecast for the year ending 31 March 2021. The reasons for the net easements in expenditure were explained to members as resulting from:

* Reduced staffing following VES and other exits, unfilled posts and the delay in implementing the staff restructure. However in forecasting forward it has been assumed that whilst all recruitment processes will be completed in 2020/21, the start dates will be delayed to 1 April next year.
* Savings on office related cost headings due to working from home arrangements as well as reduced legal costs due to regulation not proceeding as planned.
* The surrender of the annual consultancy budget allocation as it is also not required.

Members were advised that much of the easements on expenditure have however been off-set by the need to bid for increased budget cover of to offset the increased write off charges on the registration system upgrade and the recently developed website.

Members were referred to Sections 2 and 3 of the Report and the F&CM gave an update on the current status of the 2018/19 and 2019/20 Accounts. She advised that clearance had been received from DE/DoF for the previous Vice-Chair provide an Introduction and to co-sign the 2018/19 Accounts with the CEO.

It was further advised that an Audit Planning meeting had taken place and that whilst the NIAO audit of the 2019/20 Accounts was due to be finalised prior to Christmas, this year the NIAO has indicated that the Accounts are unlikely to be cleared before Christmas. Consequently, a special meeting may be needed post-Christmas to clear these.

The CEO spoke to Section 4 of the report dealing with Internal Audit. He recapped that at the end of the financial year the Council had received 3 Internal Audit reports giving unacceptable internal audit assurance ratings. He advised that we are trying to make progress on these areas and said that a further preliminary internal audit investigation report investigating a breach of confidentiality had been received on 23 July and that the report confirmed that a breach of confidentiality had taken place. He added that this report will be discussed with both ARAC and Council.

SL enquired if the breach of confidentiality was in relation to finances and the CEO said it was not.

The F&CM continued with the Finance Update and went on to address the section on Capital Projects and Procurement, providing details on the cost and status of the registration system upgrade. She advised that Millar Technology had handed over the upgraded software for user acceptance testing which is currently underway. Members were updated on the work by BCS which is at an advanced in the development of a business case for DoF/DE approval to procure a new registration and regulation system. She highlighted the useful engagement with GTCS regarding their system and the possibility of this being a viable business case and procurement option. Members were advised that the procurement of a Project Manager for this project has been progressed and that this process should be completed by early November. Members were also advised that a Project Board had been re-established and that a meeting had taken place last week. Current risks to the project were summarised for members.

The Chair asked for further information on the links with GTCS and enquired if they would run the system. The F&CM advised that this was just an option at the moment which could expedite the procurement process but that it is just at the exploratory stage. The Chair enquired when it was hoped to appoint a Project Manager. The member was advised that this was a 2 phase process using the DOS framework. There would be an initial trawl followed by a more detailed assessment and that the appointment should be made by the first week in November depending on satisfactory security clearance. (This could take 4-6 weeks so could be the end of November). The Chair asked if this would be a two year contract. The F&CM explained the contract and its likely term.

CMcB commented that it was good to see the GTCNI working with other GTCs, and that this could be economical and asked if there were other ways we could work with them.

The F&CM indicated that the GTCs speak on a regular basis. CMcB asked if this is the first time the other GTCs have worked with us. The F&CM said that we had previously spoken to EWC in relation to this particular project. The CEO explained that GTCNI participate in the 4 nations meetings where the CEO’s of the four teaching councils meet to share information and ideas. The CEO went on to explain how a GTCS partnership arrangement might take form.

CMcB asked if this is the first time we worked collaboratively or have there been other projects.

The SEO advised that we have been collaborating with the other GTCS for a long time and that GTCS had moved from a similar Millar database. He said that GTCS had been regulating since 1964 and we had a longstanding relationship with them.

The CEO explained that GTCS had conditional registration, and a range of sanctions which they employ in regulatory functions. They also register FE and are looking at professional update records for teachers.

CMcB asked if we could not have been set up along the same lines.

The CEO advised that all three GTCs are ahead of us but have a willingness to share what they have done and that there are things that we can utilize to create efficiencies.

The SEO added that GTCS are working on a different scale, are better resourced and have their own in-house legal team and communications team.

The CEO indicated the economics of scale, adding that GTCS had more teachers and a higher fee and that EWC were funded by government. The SEO also added that they have a very sound legislative basis on which to proceed with projects.

The F&CM continued with the papers giving an update on the Procurement and Contracts Registers and the status of contracts due for renewal as the Council’s requirement to complete Post project Evaluations for all expenditures regardless of value. Some discussion took place about the impact on staff resourcing to complete this work going forward

The CEO said he had been informed recently about the requirement to complete PPE’s and that this would be picked up in the Management Meetings and discussed to see what resources were needed.

SL asked how long GTCNI had known and what resources would need to be in place. The CEO said he had known about 3 weeks and there is a need to look at the contracts register.

SL enquired about a timeframe. The CEO said he would discuss this at the management meeting and will look at how to take forward.

CMcB asked for an update at the next meeting.

*Action: Update needed for next meeting.*

The CEO enquired how many procurements the Council does. The F&CM said the biggest one is the Registration database and there are a lot of small ones maybe 100 per year. She acknowledged that it is an issue but that presently there are other issues more pressing and highlighted that we need to do an assessment and address.

The CEO said it may only involve a checklist but we need to know the scale of the work. The Chair enquired if we had been given a start date for this. The F&CM said there was no date but it was expected that this will be carried out.

The F&CM addressed the remaining sections of the report addressing the status of business cases and the council’s cash balances position.

The Chair thanked the F&CM.

**9. Accommodation Update (F&GP/20/19/P05/P06/P07)**

The Temporary Accountant took members through the report advising that at the meeting of 28 July members had gone through the Business Case and had looked at the options, which were

a) Contact Bank re Mortgage;

b) Consider leasing one floor of Albany House; and

c) Looking at a tender route for Crumlin Road Gaol.

She advised that she had contacted Danske Bank regarding the possibility of securing a mortgage and the bank had provided her with rates.

She went on to advise that post 2022 the Council could look at leasing one floor of Albany House with a corresponding reduction in rent and rates. There is a need to ascertain the capacity of each floor and in this regard an architect had been engaged to determine

She confirmed that she had looked at Crumlin Road Gaol and ascertained that it was high risk as there was uncertainty regarding space and layout. In addition, the department had only been looking for expressions of interest. She advised that this option has been excluded.

Discussion took place about possible changes to working arrangements and office requirements post Covid. The options and costs of staying at Albany House were considered. The Chair asked if purchasing property was still feasible. The Temporary Accountant advised that it would be but we would have to get approval from DE/DOF/Bank and there is also the fit out, services and upkeep of the building to be considered with a 25 year commitment.

SL enquired if that if the building was too big, could it be sublet.

The Temporary Accountant said that because of the confidentiality of our work we would have to ask for permission. The CEO added that it was not straightforward and that we should be looking at the needs of the organization.

The CEO highlighted that the action was that the Temporary Accountant has engaged with the architect and that they should proceed so that we will have useful results and then think what our requirements might be in the context of a changing landscape. The CEO asked members if they wished to proceed to paper 10.

The Chair said that we should let the estate agents know that we could purchase and to keep in touch with information.

The Temporary Accountant confirmed that said she would update the business case and also contact the estate agents.

CMcB said that it was difficult times and that we should stay where we are and the Temporary Accountant confirmed that we are okay until March 2022 and that the landlord was working with us.

**10. Accommodation – Working arrangements in light of Covid 19 &**

**11. Working from Home (WfH)**

The CEO spoke to paper 10 and advised that the Council does not have a working from home policy and that is one of the reasons we were nervous about James House as it involved agile and flexible working. However at the end of March we had to move to WFH and trying to keep business going as usual. It was acknowledged that at the moment the situation is changing regarding infection rates and there is no change in advice to move back but we that have to prepare for when we do. He said he would reassure the Committee that no one is advocating a return to the office by November/Christmas but we need to look at the steps to be taken. He said there is not an appetite to return to work and the work is continuing and that should GTC move to WFH in part, it would have an impact on the accommodation needs moving forward? It is for Council to decide. Some things are more difficult remotely and the health and safety of staff has to be considered. We need to take a strategic look at WFH and the roles and implications involved and need to come up with proposals and then work out the accommodation requirements. He proposed that perhaps we should suspend work on the accommodation at present and look at what WFH would look like in future to inform accommodation requirements.

The Chair enquired if there would be a particular role within the organization which would find it difficult to work from home.

The CEO advised that bar some minor registration matters all are working productively from home

The SEO spoke to paper 11 highlighted the advantages and disadvantages outlined in the paper. He said that the Registration staff have worked fantastically well over the summer months, that it is a small team which has worked diligently. He said that staff have had to adapt quickly whilst having other family responsibilities to deal with as well.

SL enquired if Covid had stopped the usual running of GTC and if things were normal could we still work from home. The CEO said staff could work remotely but he did not see remote working for all as a permanent arrangement.

CMcB enquired about the other GTCs and what their working arrangements were. The CEO said he thought that they too were predominately office based but that they will have had to deal with the same issues as GTCNI

The CEO said the key is not making rash or emotional decisions and that when the accommodation business case was picked up on again we would have the scope to look at arrangements.

SL enquired if it was essential for the SEO to go into the office. He replied that he found working from home difficult and came in to deal with the mail and scan application forms.

The Chair enquired if there was the facility to have staff meetings and the CEO advised that we can use Webex or teleconferencing. He said staff have a weekly call and then follow up calls as needed.

The CEO said that work on the accommodation business case could be stopped at present and we could work on preparations for going back and for working arrangements in the future. This could be put as a recommendation to Council.

The Chair asked for a proposer to carry out a feasibility study regarding future working arrangements.

Proposer: CMcB, Seconder: SL

**12. Chairs Expenses, Gifts and Hospitality (F&GP/20/19/P08)**

The F&CM advised that there was nothing to report as no expense claims had been made and no gifts or hospitality had been declared as extended or received.

**Corporate Risk Register and Report (**No 8 was moved to this position) **(F&GP/20/19/P04)**

The F&CM advised that this is a standing agenda item for ARAC and Council. She advised that for the purposes of this meeting the Corporate Risk Register and the Action Plan can be read together for expediency and ease of reference. Members were reminded that the Action Plan had its origins in the ARAC of 13 February 2020 when the CEO was advised to develop an Action Plan to address the core risks that it faced. Subsequently, a “special” meeting of ARAC was held where the Action Plan was considered and members recommended that each committee should thereafter take ownership of the delivery of those risks relevant to its remit.

Members were advised that;

* the Corporate Risk Register and Action Plan had been reviewed on 13 September in preparation for the current round of meetings;
* The Corporate Risk Register and the attaching Action Rreport documents all of the Councils 10 risks and that since the last meeting of ARAC there has been movement on 2 risks:
  1. Risk 3 – referring to Business Continuity arrangements has reduced to Orange but is still **High**
  2. Risk 5 – refers to Regulation and has increased to **Critical** reflecting the recent NICCY correspondence
* 6 out of the 10 risks**,** of which 2 are classified as Critical and 4 as High, are within the remit of the F&GP for auctioning and monitoring.

Members were asked to note the actions taken and planned.

Commenting on some of the risks, the CEO informed members that he had discussions with the Council’s Legal Adviser on Thursday 17th September regarding case review and screening.

SL enquired about the election of a Chair for ARAC, asking when this was to happen and how long the Committee could function without a Chair.

The CEO said that the Committee had difficulty in selecting a Chair and that two meetings had been chaired by a temporary Chair. It was advised that they were looking for full committee attendance at the next meeting which will be held on Wednesday 23 September. The CEO said the Committee needs a Chair and if the election does not happen at this meeting then the matter will be referred to Council for a decision. CMcB enquired how the election took place and the CEO explained the process. SL asked if this problem is due to non-attendance then is it possible for Committees be restructured. The CEO advised that historically attendance at Council and Committees was low and advised that it is an ongoing issue.

SL noted that the 6 issues relating to F&GP really need to be addressed. The CEO indicated that these are all important issues and that we need a risk workshop for Council and a formal programme of work which may take a couple of years.

Some further discussion took place about the risks outlined, in particular Risk 2 and the process and timing by which they might reduce. The CEO said that in order to address this risk there is a requirement for a strategic review of income which needs to happen relatively soon.

CMcB asked if other GTCS were funded solely by Registration fees and the CEO and SEO responded explaining their make-up, size and capability relative to the GTCNI.

The Chair noted that the Council had been hit by the recent pension’s revaluation exercise and the Registration System Database costs. The CEO added that assets needed to be replaced. He said it may be possible that WFH and smaller accommodation costs could free up some money but that these needed to be examined in detail and there was only so long that addressing the registration fee level could be put off. CMcB asked what the Department’s take on this was and asked if it was not the Department’s responsibility. The CEO said that the Council has the power and authority to charge for its services. He concluded that it is important to set up a small working group to discuss the Council’s finances going forward as we need to plan for the future.

The Chair noted that the committee is seeing very little progress with the risks remaining red and that the actions planned may not be good enough to change their status. The CEO responded that 4 people at the meeting are the ones to do the work on this and work has to be prioritised. He said we need a working group of Council to take forward Risk, the Registration System, the Staffing Structure, the Strategic Review of Income and Information Governance and that these are big issues to deal with.

The Chair asked how the Committee would address this and should they note their concerns. The CEO asked that they should note the Corporate Risk, severity of risk and actions planned.

SL asked for an explanation of the risk target colours and the F&CM explained how this worked.

CMcB advised that she would have to leave the meeting soon and stated that she found the meetings to be heavy and said that the Committee needed to plan the time.

The CEO said there was a need to keep the meetings concise and that he would send CMcB an email on training. CMcB said it would be helpful for all members to be included.

*Action: CEO to send email to all new members on training.*

The CEO said he would need to look at what needs to be in place for new members and SL asked about timescales. The CEO said that induction days have been completed and will look for training for Council members. He said he could put together a series of calls and maybe get the assistance of the Department on this.

The Chair said the Committee could revisit paper 4 again and the F&CM noted that it was hard to tackle a paper if you were unsure about how the Risk Register was constructed and operated. The CEO said that we were working in difficult circumstances. SL said that the Committee had no background to the papers. The CEO added that it would be an idea to build training into the meetings and we could use a webinar at 3.30 – 4.00pm in the afternoons. SL said that she was not prepared to make any comments on the Corporate Risk Register or Action Plan until she had sufficient training.

Proposer: SL Seconder: CMcB

*CMcB left the meeting at 13.03.*

**Policy Review and Staff Handbook** (Item No 14 - moves to this point )

The CEO advised that there was a phased approach on the consultation of staff policies and the received NIPSA comments are to be considered and the finalized documents are to be brought to Council.

**13. GDPR/FOI/Complaints**

The CEO indicated that the Council was dealing with a number of very complex FOIs and he was concerned that this was not from a member of the public and was also concerned about confidentiality. Again this provided added work for the staff.

SL enquired about the timescales of the FOIs. The CEO said it was very complex and he sensed that this was a concerted programme of communication coming into the organization that he did not think coincidental. He highlighted the work of redaction, exemption, responses and a considerable amount of time to address these requests. SL asked if this was a new or unusual volume. The CEO informed members that this year we were dealing with more complex FOIs which he didn’t think was unconnected or coincidental. He also added that there were some of these that he needed to take legal advice on.

The SEO said that in the past the Council used to get some FOIs that were easily dealt with but that some of these would need specialist training. The CEO said he had been speaking to the Information Commissioners Office. He also advised that we may need to recruit someone to take these forward.

**15. Training**

This matter was dealt with earlier in the meeting.

**16. Any Other Business**

The Chair advised the Committee that he had received a copy of the NICCY letter. The CEO advised that the Council had agreed the response and the letter had been copied to PRRC. The Chair enquired if the letter had been reviewed by the Chair and Vice-Chair of Council. The CEO indicated that the response had been based on the views of the Council at their meeting and a draft response had been circulated to every member of Council and the majority of Council members were content with the response. The Chair asked if it had been approved by the Chair and Vice-Chair. The CEO advised that every member of Council saw that letter before it went out and comments had been received. The Chair enquired about referrals being addressed and asked what this meant. The CEO said that it meant that we are dealing with and processing referrals.

The CEO asked the Chair if he had been prompted to ask these questions as the questioning felt contrived. The Chair said he assumed the letter, where the SEO answered the 9 questions from NICCY, was an update and asked if members are to check the answers on the questions. The CEO advised that his response was an appropriate response and that if NICCY wished for more detail we could provide this. The Chair asked if the 9 questions had been addressed on this letter.

The CEO indicated that this letter was not a job for F&GP but for PRRC and then to go on to Council and enquired if this letter was for information or discussion.

The Chair said he was concerned about getting the letter late in the day and needed to find out if it has been approved by the Chair of Council. The CEO added that it was not relevant for this committee and the normal process was through the PRRC as it has been provided in their papers for discussion at their meeting this week.

*At this stage the Chair’s connection was cut and SL took over ending the meeting.*

SL enquired if there was anything else to discuss, then thanked everyone and ended the meeting.

**17. Date of Next meeting:**

16 November 2020