

**MINUTES OF PROCEEDINGS OF A BOARD MEETING HELD ON WEDNESDAY,
2 NOVEMBER 2005 AT 2.00 PM IN THE BOARD ROOM**

1. PRESENT Very Rev L M McVeigh (Presiding Chairperson)

Mr P H Aiken	Councillor P P McAleer
Councillor P Brannigan	Mrs C M McCaul
Rev J Byrne	Mr A McCreesh
Mr M P Campbell	Councillor J McCrum
Dr P Cunningham	Councillor P McGinn
Councillor F Dawson	Rev Canon J McKegney
Mr B Doran	Councillor K McKeivitt
Mr P Gildea	Councillor S McRoberts
Councillor I E B Hanna	Councillor B Monteith
Councillor J Hanna	Councillor R Mulligan
Councillor R A Harkness	Professor P Murphy
Dr M Hollinger	Mr A G Sleator
Councillor A B Lewis	Mr J K Twyble
Mr C Mackin	Councillor Dr P A Weir
Mrs M M Magennis	Mrs E Wright
Mr W Mayne	

2. IN ATTENDANCE

Mrs H McClenaghan, Mrs K Ryan, Messrs W Burke, J F Curran, T M Heron, P Keating, W A Neville, B O'Hara and Mrs J McAneney.

The Presiding Chairperson explained that whilst it was Board policy to admit eight people to the public gallery 12 people had requested admission. Mrs McClenaghan clarified that there would be no risk to health and safety.

It was proposed by Mr Aiken, seconded by Councillor McRoberts and agreed that 12 people be admitted to the public gallery following consideration of agenda item three.

3. APOLOGIES

Apologies were received from Mrs S R Brownlee, Mrs M E Donnell and Rev W R Ferguson.

4. MINUTES

Mr Aiken referred to minute* 13 (B/11/05/02) and confirmed that his recollection was that Mr Sleator had indicated that committees would be provided with financial information to indicate the broad areas of spend. Subject to this amendment and, on the proposal of Councillor Brannigan, seconded by Mrs Wright, the minutes of the meeting held on 20 October 2005 were approved as an accurate record and signed by the Presiding Chairperson and Chief Executive.

(Councillor J Hanna entered the meeting at 2.10 pm).

5. PROGRESS ON PLANNED SAVINGS 2005/06

The Board agreed, on the proposal of Councillor J Hanna, seconded by Councillor McCrum, to discuss this item in Committee.

On the proposal of Councillor McAleer, seconded by Councillor J Hanna, the Board agreed to come out of Committee.

The paper* (B/11/05/03) was noted.

(During the discussion of this item Councillor P McGinn entered the meeting at 2.20 pm)

The Presiding Chairperson welcomed the public gallery. He drew attention to Standing Orders and confirmed that members of the public gallery would not be permitted to speak.

6. YEAR END FORECAST POSITION

6.1 RECURRENT EXPENDITURE REPORT – YEAR END FORECAST

Mr Heron presented the paper* (B/11/05/4.1) and confirmed that it had been considered at the Finance Committee on 1 November 2005. He confirmed that it provided a forecast as at 30 September of the year end position.

The paper was noted.

6.2 YEAR END FORECAST COMMENTARY

Mr Heron presented the paper* (B/11/05/4.2). In particular, he drew attention to point 7 (Conclusions) and said that the forecast delegated schools surplus as at 31 March 2006 was £1.8m. He referred to the forecast centre deficit of approximately £2m and pointed out that the schools surplus would offset the centre deficit.

Mr Heron also pointed out that schools planned to use their surplus in 2006/07. This would mean that there would be no cover for the centre deficit and therefore the Board needed to plan to recover the centre deficit in 2006/07.

(Mr A G Sleator entered the meeting at 2.35 pm)

7. DRAFT PRIORITIES AND BUDGET 2006-08

Mrs McClenaghan referred to a letter** dated 25 October 2005 from the Department of Finance and Personnel and to a copy of the Consultation Document on the Draft Priorities and Budget 2006-08. She explained that the document illustrated the Government's proposals for priorities and spending for 2006/07 and 2007/08. She drew attention to a number of consultation events arranged across the Province and confirmed that she would be informing schools of the importance of attending. She stressed the necessity to ensure that education was well represented.

Dr Cunningham reaffirmed the importance of attending.

Mrs McClenaghan sought approval to arrange a number of additional public meetings within the Board's area in order to seek customers' views on perceived service priorities and circulated a list of proposed dates. This was approved. She also drew attention to the importance of the News Release**.

Mrs McClenaghan presented the paper** (B/11/05/05) and pointed out that the 2% increase in budget was inadequate to meet continued rising costs. In particular, she drew attention to the 2006/07 Assumptions and confirmed that based on the information provided the cost of providing the current level of services for schools in 2006/07 was likely to exceed the 2006/07 indicative budget by approximately £2.2 m. She also highlighted a number of Department of Education Assumed Centre Resource Releasing Efficiencies.

In reply to a query from Councillor McKevitt about whether the Board could charge for concessionary transport, Mr Heron explained that the Department of Education had indicated that the Board could charge for concessionary seats.

Councillor McKevitt reminded the Board that an agreement with Ballyholland Primary School had been made in June to hire a bus to provide early afternoon transport. She also said that technically these children were not eligible for a bus. Mr Heron confirmed that transport assistance would only be provided if there were eligible pupils. In relation to charging for concessionary pupils Mr Heron also confirmed that there would be implications for insurance and administrative costs and, consequently the cost to the Board for entering into such an arrangement might outweigh the resources recouped from charging. Mrs McClenaghan undertook to discuss the matter further with Councillor McKevitt.

Mr Heron clarified that the assumed resource releasing efficiencies would be spread evenly across the five Boards. Councillor J Hanna expressed concern about meeting such targets in the current financial climate.

Councillor Lewis sought information on the organisation structure within the Board and pointed out the necessity to ensure that savings measures for services were also reflected in administration costs. Mrs McClenaghan pointed out that earmarked funding was provided for some posts and undertook to liaise with Councillor Lewis on the matter.

In reply to a query from Mr McCreesh about whether the assumed efficiencies as required by the Department had been included in the forecast centre deficit for 2006/07, Mr Heron confirmed that they had been already included.

Mr Heron reaffirmed Professor Murphy's comment that it was difficult to forecast the growth in Special Education. Mrs McCaul pointed out that the information was difficult to project as Special Education was a demand-determined service which had experienced significant developments over a period of time.

In reply to a query from Mr Campbell about costs in relation to Upper Pay Scale 3, Mr Heron confirmed that such costs would be covered by a specific Department allocation for the first year.

Mr Aiken drew attention to charges by Translink and Mr Heron clarified that the 10% increase was an assumption based on information provided on their fuel contract.

Mrs McClenaghan confirmed that the costs of rates for the entire schools estate was borne from schools centre budget.

(During the discussion of this item Councillor P McGinn left the meeting at 2.50 pm and re-entered at 2.51 pm; Councillor P Brannigan left at 2.55 pm and re-entered at 2.56 pm).

8. COSTING OF EARLY AFTERNOON TRANSPORT SERVICE SAVINGS 2005/06

Mrs McClenaghan highlighted the contents of the paper* (B/11/05/06). In particular, she drew attention to the following:

Section A which illustrated the estimated full year's savings from the removal of the early afternoon transport service to be £621,716

Section B which illustrated projected savings from 1 September 2005 to date of reinstatement to be £232,471

Section C which illustrated the planned savings from 1 September to 31 March 2006 to be £363,000.

The paper was noted.

9. REINSTATEMENT PLAN FOR EARLY AFTERNOON TRANSPORT SERVICE

Mrs McClenaghan presented the paper* (B/11/05/07). She said that the number of pupils identified included those occupying concessionary seats. She added that the service would only be planned for eligible pupils and applications would require to be validated through Transport Branch. Consequently, in order to reintroduce the service a letter had issued to schools to determine the number of eligible pupils for transport. She pointed out that reinstatement of the service would require to be phased in as follows and explained the rationale for it. The following timetable was noted:

Board buses commencing 28 November 2005 with all Board buses reintroduced by beginning of January 2006.

Private Operators 20 February 2006

In reply to a query from Mr Aiken about the numbers of concessionary seats, Mr Neville confirmed that the information contained in the Board's database would require to be checked with the information to be received from schools.

Mr Aiken also enquired about the policy applied when an older child in a family was eligible for transport and the second one was not. Mr Neville confirmed that in certain areas the number of concessionary pupils had been identified approximately two years ago and the Board had decided these would be phased out over a period of five years.

Councillor J Hanna expressed concern about the difficulties facing the Board in trying to make the required savings for the next two financial years.

(Rev J Byrne left the meeting at 3.00 pm).

Councillor Dr Weir sought clarification on the numbers of pupils eligible for school transport and Mr Neville explained that as a decision was taken to withdraw the service in March 2005 parents/guardians had not applied for transport assistance for September 2005. Consequently the information contained in the transport database would require to be updated with information received from schools. He added that transport assistance was considered on receipt of application by the parent/guardian.

Councillor Monteith expressed concern about the unavailability of information. Mrs McClenaghan explained that Transport Branch had numerous responsibilities. She added that occasionally parents assumed that because the first child received transport assistance the remainder of the family would follow and consequently applications had not always been made. Mrs McClenaghan said that it would prove difficult to obtain precise statistical information.

(During the discussion of this item Mr A G Sleator left the meeting at 3.50 and re-entered at 3.51 pm; Mrs M M Magennis left the meeting at 3.57 pm and re-entered at 4.00 pm.)

10. OPTIONS TO FACILITATE THE RELEASE OF SUFFICIENT FUNDING TO RESTORE THE EARLY AFTERNOON TRANSPORT SERVICE

Mrs McClenaghan presented the paper* (B/11/05/08). She explained that in order to facilitate release of sufficient funding to restore the early afternoon transport service in the current financial year three short-term options had been identified as follows:

- Ten temporary posts at Headquarters
- Curriculum Reserve Fund
- Maintenance

Mrs McClenaghan explained that restrictions had been placed on sickness and maternity cover at Headquarters and said that the Board had recently approved 23 voluntary redundancies. It was noted that further termination of permanent posts would not yield savings in the current financial year. She outlined the sections to be affected by potential termination of temporary posts and the detrimental impact on the provision of support to schools.

(Mr J K Twyble entered the meeting at 4.00 pm).

Mrs McClenaghan explained that the Curriculum Reserve Fund was provided to schools to assist with, for example, the employment of a part-time teacher or to provide enhanced hours. Maintenance had already been cut by £3.5m in order to enable the Board to live within budget in the current financial year. She highlighted arrangements which had been made whereby 2% of each service budget had been retained for contingency.

In reply to a query from Mr Campbell about the amount of money set aside for the Curriculum Reserve Fund, Mr Burke confirmed that £274,000 had been set aside.

Mr Heron clarified that the projected shortfall of £2.2m for 2006/07 included £650,000 for the early afternoon transport service.

In reply to a query from Mrs McCaul about the position of the schools' delegated budget and the potential for redundancies, Mr Heron confirmed that the indicative

budget for schools was unlikely to meet their cost pressures and therefore additional teacher redundancies were likely.

Councillor Lewis expressed concern that the Board would be overspent, however, Mr Heron reiterated that because of the schools' surplus the Board would not be overspent at 31 March 2006. However, for 2006/07 the schools surplus would not exist and therefore the Board needed to plan cuts of £4.2m to ensure it was not overspent at 31 March 2007.

In reply to a query from Councillor Dr Weir as to whether the Board would be overspent even if non-statutory services were not included, Mr Heron confirmed that the cost of the non-statutory services was not sufficient to deliver the savings which might be required.

Dr Cunningham expressed concern about inadequate funding.

In reply to Mr Mackin's concern that identified proposed savings had not been made, Mrs McClenaghan confirmed that, whilst it had been anticipated to save £7.2m, savings of £6.6m were forecast. Mr Mackin urged that a decision be made in relation to the early afternoon transport service. Councillor Harkness pointed out the responsibility of Board members.

Consequently, the following proposals were put forward:

Rev Canon McKegney proposed and Councillor Harkness seconded that the early afternoon transport service should not be reinstated as it was a non-statutory service.

Mr Mackin proposed and Councillor Lewis seconded, that the early afternoon transport service should be reinstated until the end of the school year.

Councillor Lewis expressed concern about the non-achievement of savings in relation to drivers' salaries. Mrs McClenaghan confirmed that negotiations were continuing with Trade Union Side on the matter.

Clarification was sought on the two proposals and whether Mr Mackin's proposal was an amendment to Rev Canon McKegney's proposal.

Councillor McRoberts enquired about the impact on schools of the identified options for reinstatement of the early afternoon transport service. Mrs McClenaghan referred to section 2 of the paper* (B/11/05/08) and reiterated the implications.

In reply to a query from Mr Doran about whether schools would have already planned for funds from the Curriculum Reserve Fund, Mr Burke confirmed that allocations had not been confirmed at this stage.

(Councillor K McKeivitt left the meeting at 4.45 pm and re-entered at 4.50 pm; Mr A McCreesh left the meeting at 4.53 pm and re-entered at 4.57 pm).

Councillor McGinn expressed concern about the need to provide front-line services and urged that Mr Mackin's proposal be put to a vote. Mrs McClenaghan said that if the early afternoon transport service was to be reinstated, it was a matter for the Board to decide how it was to be funded. She reminded members of the options put forward.

In reply to a query from Councillor McKeivitt about whether any correspondence had been received from the Minister regarding a deputation, Mrs McClenaghan confirmed that the Chairperson had received a letter expressing the Minister's regret that she was unable to meet the deputation. She added that the purpose of a deputation with the Minister was to address funding for the early afternoon transport service.

Councillor Dr Weir sought clarification that if the early afternoon transport service was reinstated temporary posts would be made redundant. Mrs McClenaghan confirmed that savings would require to be met from the three options already identified, however, it was a matter for the Board to decide.

The Presiding Chairperson called for a vote on Rev Canon McKegney's proposal and the following votes were cast:

For	13
Against	13
Abstentions	3

The Presiding Chairperson cast his vote in favour of the motion.

The Presiding Chairperson declared Rev Canon McKegney's proposal carried.

Councillor McGinn acknowledged the difficult circumstances which the Presiding Chairperson had faced in casting his vote.

The meeting ended at 5.12 pm.

CHAIRPERSON

CHIEF EXECUTIVE

DATE

3 November 2005
/JMCA

* paper circulated
** paper tabled