

**MINUTES OF PROCEEDINGS OF A MEETING OF THE TRANSITIONAL BOARD
HELD ON WEDNESDAY, 9 FEBRUARY 2011 AT 1.00 PM IN THE BOARD ROOM**

1. PRESENT Mr M P Campbell (Chairperson)

Mrs R Brownlee	Councillor J McCrum
Councillor C Casey	Rev Canon J McKegey
Councillor J Cavanagh	Councillor S McRoberts
Councillor S Clarke	Mr R McVeigh
Dr P Cunningham	Professor P Murphy
Mr C Mackin	Councillor Dr P Weir
Mrs C M McCaul	Mr W J Wilkinson

2. IN ATTENDANCE

Mrs L McCall and for part of the meeting Ms L Ayling, Mr G Butler, Mr P Keating, Mr P Mackey and Dr C Mangan.

3. APOLOGIES

The Chairperson expressed the Chief Executive's disappointment at his inability to attend the meeting and gave an explanation of his absence. He advised that, to conduct business during the meeting, Ms Ayling would serve as Acting Chief Executive.

4. MINUTES OF BOARD MEETING HELD ON 26 JANUARY 2011

Mr Mackin asked that the minute involving discussion on the severe weather conditions over the Christmas period should reflect his appreciation of the Building Supervisor at St Patrick's Primary School, Newry. The sterling work and commitment of Mr Eugene O'Reilly had meant that the school had been able to re-open after the Christmas period.

On the proposal of Mr Wilkinson, seconded by Councillor McCrum, the minutes* (B/1/11/3) of the meeting held on 26 January 2011 were approved as an accurate record, subject to the above amendment, and were signed by the Chairperson and the Chief Executive.

5. MATTERS ARISING FROM THE MINUTES

5.1 SYMPATHY (8.1)

The Chairperson confirmed that a letter of sympathy had been sent on behalf of the Board to the widow of the former principal of St Teresa's Primary School, Tullyherron.

5.2 SEVERE WEATHER CONDITIONS OVER THE CHRISTMAS PERIOD (8.6)

The Chairperson advised that a letter had been sent to schools expressing the Board's appreciation at the level of commitment and dedication of Building Supervisors and Principals in dealing with emergency procedures within their buildings over the Christmas period.

5.3 COMMITTEE MEMBERSHIP (9)

The Chairperson advised that two vacancies remained on the Teaching Appointments Committee, and consequently the Committee for the Appointment of Peripatetic Teachers, for a Councillor Member and a Substitute Councillor Member.

It was proposed by Mrs Brownlee, seconded by Councillor McRoberts, and agreed that Councillor J McCrum would serve on these Committees. It was further proposed by Councillor Casey, seconded by Dr Cunningham, and agreed that Councillor S Clarke would serve as the Substitute Member.

5.4 DRAFT BUDGET 2011-15 : DE DRAFT ALLOCATIONS AND SAVINGS PROPOSALS (12.2)

Ms Ayling drew attention to schools' confidence in the budget planning process following the recent concerns over the withdrawal and subsequent reinstatement of schools' access to EYF. She confirmed that a letter had been issued to schools on 3 February 2011 to reassure schools regarding the planning process to operate the following year and to give an indication of the timescale schools could expect to receive their 2011/12 budget, the timeframe for considering staff reductions and an offer of support from the LMS Officers when schools were completing their three year plans for the Spring budget setting process. A copy of this letter had been issued to Board Members for information.

6. CHAIRPERSON'S BUSINESS

6.1 CHILDREN & YOUNG PEOPLE'S SERVICES

6.1.1 PROPOSED FORMAL STATEMENTS

It was proposed by Mrs McCaul, seconded by Mrs Brownlee, and agreed that Statements of Special Educational Needs** should be made on pupils with code reference numbers SEN 2011 / 13 to SEN 2011 / 24 inclusive. It was noted that 40% of pupils requiring additional support had shared classroom assistance.

6.1.2 AMENDED FORMAL STATEMENTS

It was proposed by Mrs McCaul, seconded by Mrs Brownlee, and agreed that Amended Statements of Special Educational Needs** should be made on pupils with code reference numbers SEN 2011 / 108A to SEN 2011 / 140A inclusive.

6.1.3 STATEMENTS TO BE CEASED

It was proposed by Mrs McCaul, seconded by Mrs Brownlee, and agreed that Statements of Special Educational Needs** should cease to be made on the pupils with code reference numbers SEN 2011 / 06C to SEN 2011 / 08C inclusive.

6.1.4 PROPOSAL TO MAKE A NOTE IN LIEU

It was proposed by Mrs McCaul, seconded by Mrs Brownlee, and agreed that a Note in Lieu should be made on the pupil with code reference number SEN 2011 / 02NS.

6.2 DEVELOPMENT PROPOSAL AS TO PRIMARY (INCLUDING NURSERY) AND SECONDARY EDUCATION NO 254 : PROPOSED ESTABLISHMENT OF A NEW GRANT-AIDED IRISH-MEDIUM PRIMARY SCHOOL IN DUNGANNON (GAELSCOIL AODHA RUA)

Mr Butler reported that the Board was required to publish the above Development Proposal to enable the consultation process to proceed. In light of the business to be transacted at the current meeting, he advised that the Development Proposal would be presented to the Board for consideration at its March meeting along with any comments received at that time from interested stakeholders.

The Board agreed to publish the Development Proposal and to receive the documentation at its meeting on 9 March 2011 to enable consideration of a Board response.

6.3 EDUCATION AND TRAINING INSPECTORATE REPORT ON YOUTH PROVISION IN THE ARMAGH, NEWRY AND MOURNE AREA

The Chairperson reported that a letter dated 31 January 2011 had been received from Mr P Sweeney in response to the inspection carried out in October 2010. In his letter, Mr Sweeney had referred to the Inspectorate's comments on the outstanding quality of the youth provision and pastoral care in the Armagh, Newry and Mourne areas. He had also drawn attention to the strengths of strategic leadership and focus on quality displayed by the staff in these areas. The Board noted that the Inspectorate report would be presented to the Joint Education Committee at its meeting on 15 February 2011.

6.4 DISCRETIONARY POLICIES PROVISION

Mr Keating advised that in accordance with pension legislation a paper outlining certain discretionary provisions had been adopted by the Board at its meeting on 27 July 2009 including a policy on Flexible Retirement.

Mr Keating presented an Addendum** to the Flexible Retirement Policy and advised that the Addendum was intended to be used across the five Boards to complement the implementation of a streamlined, shared service or convergence model of service delivery. Its objectives were to enable officers in certain circumstances to phase their retirement while at the same time facilitating efficiencies within the service. The facility would assist staff to enter partial retirement while the core skills and experience would be retained by the employer.

Mr Keating confirmed that a member of staff could make application through either the Policy or the Addendum. He advised that an application had been received within the terms of the Addendum which would be presented to the Board later in the meeting during consideration of the Voluntary Severance Business Cases.

In response to queries from Members, Mr Keating confirmed that the Board was required to hold such discretionary provisions. The Addendum to the existing Policy had been agreed by the Association of Chief Administrative Officers in December 2010 and would be presented to each Board for adoption. He pointed out that the terms of the Addendum meant that the Board, should it wish to allow an application under the provision, would be required to meet the actuarial costs of early pension release and that, in accordance with the provision, such costs were

required to be recouped within a twelve month period from the date of implementation of the flexible retirement arrangement.

Councillor Cavanagh drew attention to the impact of flexible retirement on the workload of remaining staff and queried if this arrangement could result in the remaining staff seeking additional remuneration. Mr Keating advised that applications for flexible retirement were considered on an individual basis to ensure that service delivery would not be affected or that a burden would be imposed on other members of staff.

It was proposed by Mrs Brownlee, seconded by Mr Wilkinson, and agreed to adopt the Addendum to the Flexible Retirement Policy.

6.5 ASSOCIATION OF NORTHERN IRELAND EDUCATION AND LIBRARY BOARDS (ANIELB)

The Board noted the letter** dated 4 February 2011 from Mr J McCullough, Honorary Secretary, to the ANIELB seeking a nomination from the SELB for a Second Vice-President to the ANIELB.

The Chairperson reported that Mrs C M McCaul and he had indicated that they would serve as Advisory Members to the ANIELB until such time when the full complement of the Board had been constituted. He now sought nominations for up to four Board Members to serve on the Executive Council of the ANIELB.

It was agreed that the following Members would be the Board's nominees to serve on the Executive Council of the ANIELB:

- Councillor J Cavanagh (proposed Rev Canon McKegey, seconded by Mrs McCaul)
- Councillor S McRoberts (proposed by Rev Canon McKegey, seconded by Mrs McCaul)
- Councillor Dr P Weir (proposed by Councillor McRoberts, seconded by Councillor McCrum)

It was further proposed by Mrs Brownlee, seconded by Councillor Dr Weir, and agreed that Councillor S McRoberts would be nominated as Second Vice-President in order to comply with the Rules and Constitution of the ANIELB concerning rotation of officers.

7. DRAFT BUDGET 2011-15 : DE DRAFT ALLOCATIONS AND SAVINGS PROPOSALS

Ms Ayling presented the Board's draft Response* (B/2/11/5) to DE's consultation on the Draft Budget 2011-15. She pointed out that the deadline to the consultation was 16 February 2011. The Board noted that a delegation of officers representing the five Boards was being received by the Assembly's Education Committee that day to discuss the Draft Budget.

Ms Ayling highlighted that due to the absence of detail within the consultation document the Board was unable at present to make an informed judgement on how realistic the savings targets were and their impact at individual service level. She stated that no differentiation had been given in the consultation document between proposals affecting the Board's core funded element of services and those affecting earmarked services. No breakdown had been given between schools and youth budgets. Ms Ayling stated that

clarification was needed as to whether DE was considering any changes to the ARNE mechanism for distributing resources across the five Boards.

Ms Ayling advised that the proposed four year budget for education would mean that the required level of capital investment would not take place to meet accommodation and equipment needs in line with curriculum reform and new approaches to learning and teaching. The demographic downturn, already ceased in primary schools, was currently causing acute financial difficulties in the post-primary sector. Reference was made to the transfer of £41m from the capital resource budget to the recurrent budget in the first year. The Board noted DE's comments in relation to putting in place plans across the education sector to reshape school provision through rationalisation and restructuring. Ms Ayling pointed out that significant capital investment was needed to secure rationalisations and the savings to be achieved from rationalisations were minimal in the first few years.

Attention was given to comments relating to individual service areas within the Response.

Mr Mackin commented that DE had not taken into consideration the rural nature of the Board when putting forward its home to school transport proposals. He referred to the significant financial difficulties ahead for schools in light of the draft Budget and expressed concern in relation to the impact of the demographic downturn on the post-primary sector which was expected to continue to 2015. He concurred with the Board's comment on Substitution Cover for Teacher Sickness Absence which highlighted the unpredictable nature of genuine long-term sickness absence and its distortion on absence statistics. He considered that the current absence statistics, as provided to the Board, should identify long-term sickness and thus provide clearer representation of any issues.

Mr Wilkinson was gravely concerned at the significant impact on schools and services to schools should the draft Budget be implemented. He proposed that the response should highlight this overall impact more directly. Ms Ayling commented that Boards had been disappointed with DE's lack of engagement with stakeholders when preparing the draft Budget but DE had indicated that such a consultation exercise had not been possible with Boards due to the timeframe.

Dr Cunningham referred to the proposals affecting Special Educational Needs. He pointed out that the number of children attending Special Schools had never been as high as currently evidenced. He stated that Special School budgets in the current year had not increased in line with enrolment numbers, in fact enrolment numbers had increased by approximately 20% on the previous year.

Professor Murphy expressed concern at the inadequate timeframe within which the Board would be required to prepare detailed Resource Allocation Plans. He welcomed the transfer of the £41m from the capital resource budget to the recurrent budget.

Mrs McCaul drew attention to the constraints on the Board to prepare financial plans in a tight timescale and endeavour to engage in a meaningful consultation exercise with persons from the equality categories on measures to effect savings. She drew attention to the impact of a potential change to the AWPU on funding to rural schools. Ms Ayling commented that proposed changes to the Common Funding Formula should be designed to meet the needs and pressures developing in the various sectors including the impact of demographic changes. She commented that these issues would be discussed further by the Finance Committee.

Councillor Casey requested that the words 'as far as possible' be removed from the line "The Board is committed to the protection of front line services as far as possible and to operate within effective and efficient administration and management structures." Ms

Ayling pointed out that the Board continued to seek clarification from DE on the definition of front line services.

Subject to the two amendments, it was proposed by Professor Murphy, seconded by Mr Mackin, and agreed to adopt the Response.

8. BUDGET 2011/12 : VOLUNTARY SEVERANCE – PROPOSED BUSINESS CASES

The Chairperson reminded the Board that the £26m set aside by the Minister for voluntary severance across the 9 Education partners was a cost reduction exercise in preparation for the 2011/12 budget. This package was required to be spent by 31 March 2011 with business cases to be submitted by each Board no later than mid-February.

The Chairperson stressed that the voluntary severance package was separate to convergence and that the terms to be applied were the Boards' current terms for redundancy. He explained that while it had been previously envisaged that one business case would be agreed across the five Boards, this approach had not proved possible in the time available. Consequently, each Board would be required to submit its own business cases to DE.

The Chairperson advised that each Head of Department would explain the rationale and the risk management process for each business case in their service area. Following consideration of these business cases he would request the Senior Management Team to withdraw from the meeting to allow for consideration of a further proposal concerning the Senior Management Team. He wished Members to seek clarification on any issues as the Board progressed through each business case in order that he might put the question to the Board at the end of its meeting on whether the business cases should be adopted or otherwise.

Ms Ayling explained the layout of each document being considered. She highlighted that final verification of some actuarial costs for staff was still awaited from NILGOSC and therefore these figures could be amended in the following days.

It was proposed by Councillor McCrum, seconded by Councillor Dr Weir, and agreed that discussion in relation to this matter would be held in committee.

(During discussion of this item Councillor Dr Weir left the meeting temporarily at 3.17 pm and re-entered at 3.26 pm, Councillor Casey left the meeting temporarily at 3.36 pm and re-entered at 3.40 pm, Councillor Clarke left the meeting temporarily at 3.44 pm and re-entered at 3.47 pm, Councillor Cavanagh left the meeting at 4.00 pm, Dr Cunningham left the meeting at 4.10 pm, Councillor Dr Weir left the meeting at 4.15 pm, Mr Keating withdrew from the meeting at 4.15 pm and re-entered at 4.35 pm, Professor Murphy left the meeting temporarily at 4.35 pm and re-entered at 4.40 pm, Mrs Brownlee left the meeting temporarily at 4.40 pm and re-entered at 4.42 pm, the Senior Management Team withdrew from the meeting at 4.45 pm and re-entered at 5.25 pm, Councillor Casey left the meeting at 4.53 pm and re-entered at 4.55 pm, and Mrs McCaul left the meeting at 5.28 pm.)

It was proposed by Councillor Casey, seconded by Councillor McCrum, and agreed to resume the meeting.

The Chairperson reported that it had been proposed by Rev Canon McKegney, seconded by Mr Wilkinson, and agreed to adopt all business cases. However, this was on the understanding that the Board had expressed concerns about governance and accountability issues in connection with its role and the role of the Accounting Officer and would seek

assurances with regard to the new accounting structures in the proposed way forward. The Chairperson further reported that the Board, while acknowledging the challenging timeframe to complete the business cases, had requested that the governance processes should be reviewed.

The Chairperson also reported that it had been proposed by Professor Murphy, seconded by Mr Veigh, and agreed to approve the application for flexible retirement under the terms of the Addendum to the Flexible Retirement Policy. It was further proposed by Mr Wilkinson, seconded by Councillor Casey, and agreed that the Board would submit a business case to DE for this application for flexible retirement in order that the actuarial cost might be released from the voluntary severance package as part of the overall cost reduction exercise.

The Chairperson advised that the Board had decided that should DE require any further clarification on the business cases the Board would reconvene for this purpose.

The meeting ended at 5.35 pm.

CHAIRPERSON

* Paper circulated

CHIEF EXECUTIVE

** Paper tabled

DATE

11 February 2011 LMCC