**Finance & Premises Committee Meeting**

**Wednesday 25th November 2015 - 8.30am – i52**

## Present:

Mr C Vaughan-Governor (Chair of F & P Committee)

Mrs L Hedden (Chair of Governors)

Mr D Simpson (Governor)

Mrs R O’Hara (Governor)

Mr A Lunn-(Governor)

Ms C Herman-Headteacher

Mrs C Owens-Business Manager

Mrs D Matthews-Finance Manager

Mrs L Smith-scribe

MWS (auditors) – Clive Smith

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| 1. | Apologies Andrew Worth |
| 5. | **Business Interests Update**  None declared. |
| 3. | **Minutes of last finance & Premises Committee meeting**  The minutes from the last meeting dated 7th October 2015 were previously circulated and agreed to be a true reflection of this meeting. |
| 4. | Matters Arising from the last finance & premises committee **Item 6** - CO has liaised with both the cleaning and catering company. She has also obtained benchmarking figures for cleaning using the EFA benchmarking website. These figures show that cleaning at Shenfield is slightly below the average cost of cleaning in similar schools. It was noted that the benchmarking does not show whether the other schools have as many facilities such as a swimming pool, sports hall, pavilion etc as SHS. CO reported that both companies are in the process of preparing proposals for January. Committee concurred that as long as the charges were reasonable it was agreed to renew both the contracts. **CO to bring these figures to the next F & P meeting in January 2016.**    **Item 6** - RO service – CO to see if auditors could provide this service in place of ECC Finance Services at a lower cost.  LH requested that the Risk Register go to FGB in December in order that LH can propose changes at FGB. |
| 2. | **Accounts – 2014/15 presented by MWS**  Committee agreed to review the accounts point by point making any amendments as they reviewed them, (except where completely different wording was felt necessary, in this case the appropriate individual to make amendments. CS will forward a word document copy for the amendments to be made.  Other amendments were noted as follows:   * New parent governor – Neil Purbrick, appointed 20.11.15. to be added. * Three governors to be removed from the F & P committee: G Jones, DJ Baron and E Prince. * J Wiles and J Martin are the same person. * G Batt to be added to Senior management team – resigned 31.8.15. * J P Gulleford resigned 22.9.15. * Page 3 – Policies and procedures – change “and to Performance Management” to Safeguarding requirements. * Page 7 – Going Concern – item to be added regarding additional funding from the Falling Roles Fund. **LH to action.** * CJH to review and amend a. Future Developments on page 11. * Page 13 - Neil Purbrick to be added to Trustee list of names. * The Finance and General Purposes Committee to be amended to The Finance and Premises Committee, on several pages. * Typo in penultimate paragraph “achievement of all students…..” – remove the full stops. * Page 14 – LH to be included in the Finance and Premises Committee attendance list. * LS to confirm G Jones, E Prince and DJ Baron’s attendance during 14-15 at F & P meetings. * Page 15 – it was agreed AL’s role as RO needs clarification that support is also provided by ECC. * Page 16 – Sign off date to read 10th December 2015. * Pages 22 and 23 page breaks were discussed and the clarity of linking the figures together for ease of looking at document. * Page 34 - A few Trustee changes were required to no. 14 Trustees’ remuneration and Expenses.   The following items were discussed:   * The balance sheet on page 24 - it was noted that liabilities had increased. It was noted that net current assets (liquidity) needs monitoring. * Clarification was provided on the pension scheme and how it’s funded. * It was noted that cashflow had decreased. The reasons for this were discussed. * Page 29 – it was noted that lettings had dropped, this was however explained by CO as being due to SCITT moving out. The majority of this reduction is actually a reduction in staffing reimbursement for SHS staff who worked for SCITT. Actual lettings had increased by about £40K. * Page 30 - Funding **-** CJH explained SGO funding to the Committee. * Page 31 - Direct costs – a reduction in staffing costs was noted. * Page 31 - Support Costs - CS reported this as being consistent with previous years and looks to be very well managed. * The statutory Governance costs were noted. * Page 34 – CV raised query with no. 17, Transfers Between Funds – this is to be referred to MWS. CO believed this query to be connected with building works/repairs that had been undertaken. CS confirmed that he would ask Jason Lamont to do a note to Governors and ensure transfers tie up with the correct notes. * It was noted in no. 19 and 20 Debtors and Creditors, that the differences were in the timing of funds coming in. * AL asked if heading could be inserted at the top of page 37 under no. 21 Statement of Funds. * No. 26, Pension Commitments were discussed. CS pointed out that pension investments were out of our control, but all the specifications were statutory. Reference to page 43 Pension Commitments and retirement age were made. * No. 27, Operating Lease Commitments – CO reported this referred to the photocopier leases that had recently been renewed. * No. 28, RPT – explanation was given regarding the donation stated by R O’Hara. * Discussion took place regarding note 28 on page 44 – Related Party Transactions. The question was asked whether this actually necessitates appearing as a qualification or not. It was reported that as both parties involved were unaware of the RPT and indeed no public monies were spent, should this be qualified? CO gave a brief overview of the trip, confirming that Smile was independently recommended to the school. Once the trip had been booked the director who is the brother of LH, mentioned the trip to LH. At this point LH declared her interest. Up until this point the School had been unaware of any related party. CV added that in the course of his position in another school, Smile is used and recommended as it was the best supplier out of a choice of 3. CV commented that it was preference NOT to qualify in the accounts. **CS to check this and revert back to CO with exact definition of RPT rule.** CS also suggested that any potential connection with immediate family should be declared on the business interest form.   This concluded the review of the accounts with CS from MWS – CV thanked him for stepping in at the last minute.  CS confirmed the date of 10th December that the final accounts are to be ratified at the FGB.  AL and CS left the meeting at this point. |
| 6. | **Finance Reports**  **Estimated Outturn**– CO gave a brief overview of the current out turn figures which show an estimated £8,463 at year end but it is still very early days. Nevertheless, it was noted that finances are going in the right direction. CO confirmed that additional costs have been factored into these figures where possible.  Teacher costs - £16K better off due to staff changes.  Educational/Support Staff show a £9K decrease due to a reduction in Pupil Premium income. It is anticipated that the catchup Pupil Premium received later in the year will make up this shortfall. |
| 7. | **A.O.B.**  CO requested authority to allocate £20K of the DFC budget to complete the kitchen area which has had to be removed from the current windows and cladding project due to increased cost as a result of the late agreement of funding from the EFA. Approval was given to go ahead with the cladding for this area particularly in light of the fact that it is very much on show. It was noted that funding this work in this way, would result in a saving in the overall cost as the contractors would still be on site.  CO – explained to the Committee recent communications received from ECC regarding the School’s insurance renewal next year. Figures were coming out £20K cheaper than this year’s premium. CO reported that she will be undertaking further investigations in order to ensure parity with cover.  CJH reported to the Committee that news had just been received regarding our year 7 intake for 2016. It is expected that the intake is likely to be approaching 180. However, the increase in numbers will cause a cashflow issue in the short term. As due to lagged funding the income received in 16/17 will be based on this year’s intake of 122. Therefore, it is recommended that we approach the Schools Forum with a revised business plan requesting additional funding in 16/17 with a reduction in the final year.  CJH reported figures as follows:  2015 1st choice – 76  2015 2nd choice – 230  2016 1st choice – 147  2016 2nd choice – 262  LH reiterated what had been said at the previous evening’s training meeting: that the School would continue to invest in pastoral support because it was a major factor in the improvement in standards Ofsted had recognised and it should not be jeoparidsed.  DM – Signing of orders – DM requested that on occasion it can be difficult to find two members of SLT available to sign off orders due to the reduction in SLT numbers and maternity leave. It was agreed that in these circumstances DM could sign off order in the first instance and collect an SLT– signature when possible. This was something that the RO had raised previously. Financial Regulations would cover this process. |

**Date of next meeting – Wednesday 27th January 2016, 8.30am in i52**