**RESOURCES COMMITTEE MEETING**

**FRIDAY 2nd DECEMBER 2022 – 8.45AM**

## Present:

Mrs J Swettenham Chair of Governors

Mrs C Costello Headteacher

Mrs K Boulton Co-opted Governor – Chair of Resources

Mrs Lynn Smith Governor

Mr S Roberts Chief Finance & Operations Officer

Mrs D Matthews Finance Manager

Mrs L Smith Clerk

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| 1. | APOLOGIESAndy Williams and Vicky Noonan | **Action** |
| 2. | **MINUTES OF THE LAST RESOURCES COMMITTEE MEETING**  JS raised whether the employer’s NI was correct after the Autumn statement, and if so, is there savings for us? SR reported it’s not yet been defined.  Scheme of Delegation – Section 8 – will be looked at in a later meeting.  NGA – JS has an estimate from the NGA in the context of the external review of governance – JS has emailed Juniper but no reply yet.  **Minutes from the Resources meeting held on 13th October 2022 had been distributed, were not contested, and were approved.** |  |
| 3. | **MATTERS ARISING FROM THE LAST MINUTES**  There were no matters arising. |  |
| 4. | **BUSINESS INTEREST UPDATES**  None declared |  |
| 5. | **FINANCE REPORTS**  A detailed narrative and back up information for Budget Position, Cashflow, and 3 Year Forecast, had been provided by SR to Governors prior to the meeting. A brief overview explanation was provided by SR in respect of what the Governor reports reflected. SR discussed the content of the narratives, highlighting:  **CASHFLOW**  The forecast reflects the starting balance and what cash is expected at certain points and says this is the most positive year, every month throughout this year is forecast to be above £400K. Actuals tab now populated with September and October.  Staffing costs are divided by 12 – teaching staff get their back pay in October. Date needed to be amended.  CC asked about employer accruals – DM explained this is work done in August, but paid in this year, but belongs in the previous year – items such as summer schools.  Creditors – KB asked about payments not due but on the system – DM explained it’s all the suppliers that weren’t due until September.  First year that Finance managed to get debtors down to zero.  CC asked about when orders close, getting the goods on site. DM explained that each order line is checked and reviewed as to whether we are happy for any outstanding orders to be carried forward or remain in the previous year’s budget. Discussion ensued around the budgets that continue ordering as a necessity. DM explained that information is put into Notices, Briefing, discussions with budget holders and technicians so that the necessary items for the next academic year are in school for September.  CC highlights the fact of closing budgets earlier will pool potential extra funds.  **Cashflow report had been discussed and approved by the committee**  **BUDGET POSITION**  Narratives were circulated before the meeting.  Year end position is expected to be £255,738 up from £158K on the last report.  £255K is made up of £110,000 reserves and £145,000 Astro sinking fund. The in year deficit is now expected to be (£100,781) which is an improvement of £77K since the last report.  We’ve ended up with £19,000 extra carry forward than had been thought from last year. Expected £27,500 SEN funding – latest EHCP list came in. Extra £15,000 in funding. ECC noted 2 students with EHCP’s which hadn’t been funded for 2 years. It was noted that moving forward the TL will check this without fail in order to ensure correct funding figures.  Two students with IPRA funding – immediate funding for medical needs, which will probably convert to an EHCP.  Cleaning – We have a net improvement of £8,000. Hours had been reviewed and day time hours reduced. It had come to light that the supplies the school had been billed for had been billed monthly and not annually as it should have been. Churchill’s stated this was a computer error. This refund came back as a credit. CC asked about the cleaning ledger – SR explained that it also has other things such as bin collection and washroom services. Therefore, orders that had gone on in September, the amendments reflect an overspend.  Further discussion centred on the cleaning going forward – SR reported that the school is going out to tender due to appalling standards. A meeting was held between Churchills and CC/SR recently regarding these standards. Additionally, it was discussed that the school could employ cleaning staff on our own contract, especially as we are getting a new estates manager. Recruitment problems are still possibly an issue. It was felt that after this recent meeting with Churchills they are not looking at how to attract and maintain cleaning staff, so not managed effectively and no value for money.  Staffing savings – SR gave a brief overview of the £110,000 savings forecast on staffing costs calculator since the last review including:   * Data team on Maternity leave – returning on 0.6 instead of full time, which saves 24k each year. * Removal of positions that were going to be recruited to but are now not. (IT Support and Attendance Support)   IT recruitment is very difficult – we’re in a better position than last year, therefore will not recruit now, in light of changes in the department to accommodate this. This would be a saving of about £35,000.  Also one of the Data team will be leaving us and we’ll replace with an assistant level as opposed to Manager level – this will be a saving of £23,000.  Attendance recruitment – this was looked at last year, but on reviewing what actual gaps are it was felt to use technology and capacity in the school which equates to £30,000 saving.  LyS asked about apprentices – CC explained it’s not always as cost effective as it appears. The school needs to be in a good position financially and have the capacity to support that individual. The government does not fully fund this.  Expenditure increases – SR reported that our gas fired water heaters died, costing £21,000 which impacted no hot water in showers in PE, Food Tech and Science.  Energy – No fixed rate contract was in place at the last meeting, but there is now. SR reports although he has forecasted energy bills, 3 months usage is needed in order to be more accurate. Only had October’s gas bill in which was £2,000 less than forecasted. Energy has to be increased by £50,000 – SR felt this would possibly be adjusted down very significantly.  Although heating has been put on now, a training course for the whole team and SR was undertaken before the current Site Manager retires. The school has been heated from 7am till 10pm 7 days a week. New schedule of heating on at 7am, dropping temperature by a couple of degrees. Turn off at 12 noon. Weekends-tweaking of temperatures in areas where needed. Savings will obviously be made from this. Temperatures reset in Science, due to timer issues.  SR reports that government support will not go beyond March. Therefore predicated figures will have to be revised for the 6 months of savings. JS asked if energy figures were predicated upon the government support continuing till August, which it is. However, it doesn’t include savings from gas reduction and any amendments to the forecasting which forecast down based on bill data rather than last year’s bill data. SR reported that hopefully in Feb he can bring more accurate data to the meeting.    CC asked about staffing cost centres being significantly higher. SR explained how the systems communicate with each other and represent cost centres effectively. This is manually adjusted by SR as per the staff cost calculators. A new budget monitoring system has been purchased to integrate with the HR system. DM explained that the HR manager cannot make changes on sims until amendments have been to Pay committee. Soon as changes have been put on with a back date to September, once it has gone to governors it is correct. It becomes accurate in April once support staff increase is known. Teaching staff should all be correct as at now. Allocation is on the staff calculators which is the spreadsheet SR explained he uses off line. The same assumptions have been made in our allocations. SR explained it’s the way the systems works, it’s the allocation, the commitment, plus what we’ve actually spent and what the system thinks we’re having to spend, that it’s not accurate for support staff until after April.  SR to review and clarify the explanation. It was discussed that there seems to be a lot of manual work involved – SR explained this was part of the reason a new finance package was considered a couple of years ago, as it’s currently a very limited system. It would need to integrate with HR and be implemented by May to start in September. It was also noted that this is open to human error too.  CC asked what PASS is – it was to change to Learning Support.  CC also asked why they were 320% - it was a SEN robot purchase and the funding hasn’t come in yet.  It was decided that all management information systems need reviewing alongside the SIMS contract.  LyS asked about the water issue – SR reported on the delays with exploring if the meter was faulty or not. Discussion ensued surrounding the investigation and following this up.  **Budget position report had been discussed and approved by the committee**.  **3 YEAR FORECAST**  In terms of the changes for this year the updated column reflects the current position we’re in which is the in-year deficit of £100,000 but with the improved carry forward of £255,000. Next year we’re looking at £327,000 in year deficit (last report £492,000 expected in year deficit), and now the overall deficit for 2023-24 is £71,000 which is manageable. It was £334,000 deficit on the last report. SR believes there will be higher income in the GAG that noted. ECC don’t get their settlement figure till 12th December, so funding figures are brought to the January school’s forum meeting, which SR sits on. The £2.3 billion will make a big difference, however no-one has an idea on what it will be allocated to. SR’s allocation of £80,000 is thought to be a conservative one. It’s thought accurate data will be ready for February’s meeting.  LyS asked about pupil figures in 23/24 – explanation was given of the 6th form was lower than projected – As students move from 12 to 13 will be appreciably smaller than current year 13. Discussions were had surrounding whether the school over offer next year.  CC reported on the current numbers for this year are approx 154, which informs next year’s figures, although not on funding as that’s the October census.  Further discussions followed on the census numbers on year 7-11 is taken on October census numbers which will make a difference on 24/25. If the school over offer to the 6th form next year by 15-20 places and retain more  6th formers, it could potentially be £200,000 better off.  JS asked about projected in year deficit of £100,000 and whether a balanced budget can be set in July 23 for school year 23/24. It was thought by end of January 2023 this would be known but would be likely.  JS asked about putting any cash on deposit due to increasing interest rates. Although we don’t currently, SR commented this may be something to consider and would be monitored.  JS commented looking at increasing 6th form numbers and looking at bids for example the Science labs and other areas from a safety perspective. Cif has gone in again for the Science labs. £35,000 has gone into the estates management where investment is needed. SR has increased the capital budget due to investments here. Bid funding for a new block - this remains linked to when the application for housing goes in, a strong bid will go in for a STEM block which will then generate space for 6th form due to new facilities for KS3 and KS4 to go into. We’re also working with PCH surrounding boilers and how we replace those with Salix schemes next year. We’ve had solar panels which required a £130,000 capital investment.  David Churchill is looking into lift replacement with SR. JS raised teachers’ pay grant on pg.2, 6th form only and teachers’ pension grant. SR brief committee on teachers’ pension grant – this has been rolled into GAG funding for years 7-11. Sixth form institutions have not been rolled into the core funding yet. This is paid as a separate grant, however it was the pay grant was rolled into core funding this year which needs to be accounted for in the next report. Therefore, around £18,000 to come off. Further discussion followed about how 6th form funding is calculated.  Additional hours – these are summer camps, over-time in premises team and a cover of a science technician.  Other staff costs cost centre – JS asked about why the increase reflected – SR explained it was agency buy-out for teachers. The virements have now changed the budget.  CC asked about professional fees £10,000 more in the updated – provision for citation for Health & Safety for the year.  TR coded cost centres – SR explained this is carry forward from trip balances from trips last year which will be spent in year. So no overall expenditure to our funds this year. The budget appendix breaks this down defining what it is.  JS asked if there’s capacity to increase our lettings – SR explained that there was and will be reviewing this once the new Estates Manager takes up the new post. Lettings income has been lost due to year group getting bigger, the sports hall has been needed for exams. Site team have suggested building a table store at the back of the sports hall as opposed to shipping the desks across the school.  Discussion followed surrounding pupil numbers – LyS discussed Capital being stable – currently school improvement (capital expenditure budget), DFC and capital expenditure. SR explained this is known as DFC and is a capital grant based on pupil numbers – we do spend more than that under the estates management which ends up being revenue to capital transfer. SR reported we do need more capital, and any project would have been funded from revenue.  **VIREMENTS**  1 – this is the brought forward cost centres.  2 – Pupil Premium funding that’s carried forward. SR gave a brief overview of what can be spent on the various strategies. In short a net increase of £26,000 to spend on strategies.  3 – Adjusted expenditure income from the ESFA. (LEA income).  4 – Non staffing adjustments, such as energy, other staff costs.  5 – Staffing expenditure – formalising what has previously been discussed at previous meetings.  **The Virements were discussed and approved by the committee**. | **SR**  **SR** |
| 8. | **AUDIT COMMITTEE-RISK REGISTER AREA OF FOCUS SPRING TERM 2023**  It was agreed to roll the review over to next term – all Committee concurred. |  |
| 6. | **STAFFING UPDATES**  There were two leavers and two replacements – Head of Music and the Site Manager’s retirement. The site manager’s role has been replaced by the title Estate Manager role with a different enhanced role. In terms of other staffing there have been staff on long term sick which has impacted on supply costs. Mobility in general has been quite stable. |  |
| 7. | **BENCHMARKING AND KEY PERFORMANCE INDICATORS**  SR explained this needs to be dropped for now – SR felt there was nothing meaningful presented to committee. Discussion followed regarding the enhanced access for governors. SR to action.  SR ran through VN’s questions with Committee: benchmarking with other schools – SR to try liaising with other schools although it’s extremely difficult to garner this information. Especially taking into consideration that there would be different facilities and other variables at other schools.  SR noted that energy is expected to reduce at the end of 2023. | **SR** |
| 9. | **UPDATES**   * Preliminary feedback on Financial Statements – as this came in too late it can’t be discussed – they will be presented at FGB next week. There was a discrepancy of our carry forward was about £20,000. JS raised Academies Handbook – do we have to put the auditing out to tender? SR said that this does have to happen, although most auditors don’t have the capacity and therefore don’t want to tender. SR to investigate. * Sports Hall Insurance Claim – SR reported that the works are brilliant, however the sub contractor who was dealing with works beneath the floor had submitted many invoices that were unclear and confusing – underwriters told SR not to pay until McClarens advised otherwise. They have strong concerns of fraud on sub contractor’s behalf. Evidence was requested and he sent other sub contracting invoices who, once contacted to verify, denied these were their invoices. He finally admitted to fabricating the invoices and tried to push the blame elsewhere. The school fortunately had not made any payments. It’s currently in the hands of the insurers and solicitors. | **SR** |
| 10. | **POLICY REVIEWS**  There were none. |  |
| 11. | **A.O.B.**  SR requested that the day of the Resources Committee is changed to a Thursday. Committee agreed to change the day and also the time to 8.15am. LS to email Committee with all the future dates and times in the New Year. | **LS** |

**Date of next meeting: Thursday 9th February 2023 AT 8.15AM**

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**Signature of Chair of Resources Committee:………………………………………**

**Date: ……………………………………………..**