**RESOURCES COMMITTEE MEETING**

**MONDAY 11th OCTOBER 2019 – 9.30AM – i52**

## Present:

Mrs J Swettenham Chair of Governors

Ms C Herman Headteacher

Mr A Worth Governor

Mrs K Boulton Parent Governor

Mr S Roberts Staff Governor-Business Manager

Mrs D Matthews Finance Manager

Mrs L Smith Scribe

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| 1. | APOLOGIESGraham Herniman and Andy Williams sent apologies. | **Action** |
| 2. | **MINUTES OF THE LAST RESOURCES COMMITTEE MEETING**  Minutes from the Resources meeting held on 17th June 2019 had been distributed, were not contested, therefore they were agreed and signed. |  |
| 3. | **MATTERS ARISING FROM THE LAST MINUTES**  SR reported that having checked the pay policy and other legislation, one off non-consolidated payments to Assistant heads and Deputy heads are permissible.  It was agreed that JS would sign off on the trip evaluation sheets.  Pabulum contract extension-SR had liaised with MWS, who gave assurance that the contract looks secure especially with the agreed contract break options.  JS enquired about the reduction in expected numbers in year 12 which will be discussed further in agenda.  CIF update – SR reported the challenges with the management of the fire safety works over the summer. The work had been to a good standard, but the project management and organisation from Mercury had been very bad. This left the job unfinished and the school in an unacceptable state in Sept. The system is functional and we are covered by an operational fire safety system but there is significant work outstanding to get the job complete. SR confirmed the problems were entirely with the Project Manager from Mercury and he and PCH have had some difficult meetings to ensure the project gets back on track. PCH\SR\Mercury have also undertaken a full room by room survey of the works to document progress and outstanding works. The Managing Director from Mercury has responded well and a programme of works has been agreed for half term.  Grounds maintenance company had made a good start and had completed the works for the new food cube. |  |
| 4. | **BUSINESS INTEREST UPDATES**  None declared |  |
| 5. | **RESOURCES TERMS OF REFERENCE REVIEW FOR 2019-20**   * SR questioned whether point 21 regarding overview of teacher performance reviews and appraisals would be better under Pay committee ToR. Following discussion, it was agreed that it would stay under Resources remit. * Item 15-SR gave explanation as to how the Health and Safety sub committee works – 1 meeting per term and a report submitted annually to Resources Committee. It was agreed that “annually” should be added at the end of item 15. * Removal of item 24 regarding Insets/Holidays as this is duplicated with FGB   **The Committee were happy to approve the ToR after these amendments had been made** | **LS** |
| 6. | **FINANCE REPORTS**  A narrative and back up information for Budget Position, Cashflow, and 5 Year Forecast, had been provided by SR to Governors prior to the meeting. SR discussed the content of the narratives, highlighting: |  |
|  | **BUDGET POSITION-INCLUDING YEAR-END 2018-19**   * The final year end position 2018-19 had been amended from the estimated position presented in June. This resulted in in a decrease in Capital c/f from £62,383 to £47,191, and increase in Revenue c/f from £255,180 to £282,405. This also represents an overall increase in c/f. * The current expected c/f for 2019-20 is £110,785 (Revenue £80,279 and Capital £30,506) * Pupil premium income was higher than budgeted and SEN income had been reduced to reflect the final number of pupils funded. * Teachers pay grant expected increase has been calculated and included but we are awaiting final allocation figures. * We have had one exclusion resulting in unbudgeted expense which has now been included   Budget position report was discussed and approved by the committee. |  |
|  | **CASHFLOW**  SR discussed the initial forecast and how it was put together.   * May and Aug showed the lowest expected balance totals (as low as £350k) These need monitoring but are not a cause for immediate concern * SR noted that table 3 on the notes section (and initial forecast), should include Restricted and Ringfenced c/f under “Other expenditure. This will be updated for next time but will not make a material difference (approx. £3k per month).   Cashflow report was discussed and approved by the committee. |  |
|  | **5 YEAR FINANCIAL PLAN**   * The report now show revenue and capital split as well as overall * Teachers are now shown a FTE total not basic total * 2020\21 is now showing a revenue deficit of (£12k) which must be addressed. The previous forecast showed a surplus and the main factor for the deficit is the drop in expected pupil numbers against actual. * Year 12 is 23 pupil down on expected (and an additional 9 down in KS3 and KS4) which has had a huge impact.   It was forecast that in September 2021 we would have a healthy surplus. JS asked about the £5K pupil funding & if it was assured. SR reported that it had not yet been confirmed that Essex would honour that commitment but it was highly likely.  Falling roles funding was not 100% guaranteed next year.  SEN funding – SR commented that this is a very changeable funding source and varies based on the pupils attending the school at any time.  The key assumptions, risks and opportunities, and other factors contained in the narrative were discussed.  5 Year Forecast was discussed and approved by the committee. |  |
|  | **VIREMENTS**  2018-19 Virement 18 (CIF funding) and 19 (little extras”-School Improvement DFC) were presented and discussed.  2019-20 virements 1-3 were also presented for approval  Virement 1 – carried forward adjustments  Virement 2 – energy budgets  Virement 3 – zero to £500 – JMA budget  AW enquired about energy analysis in light of the virement. SR will bring full energy analysis to next meeting.  SR explained the Working Environment budgets and what it entailed.  All Virements were discussed and approved by Committee, and signed by the Chair. | **SR** |
| 7. | **STAFFING UPDATES**  CJH reported on uplifts.   * CJH reported on a member of staff in the Maths Department who wishes to take adoption leave there will likely be agency supply costs to cover. DM raised the issue of adoption pay on production of the adoption certificate. * It is likely the School will lose one member of the Science staff due to a family relocation, therefore possible agency supply until September 2020. |  |
| 8. | **ICE SCHEME OF WORK 2019/20**  The proposed scheme of work had been distributed prior to the meeting.  SR talked through key points.  ICE Scheme of work was discussed and approved by committee. |  |
| 9. | **LETTINGS RATES REVIEW**  SR reported a fall in lettings and explained that he would be evaluating this with VW, (site manager). He didn’t intend making any recommendations for increases this year for the main school facilities.  There had been small changes to the prices for the Astro to remove an “off peak” sat rate and more clearly define all other rates.  Committee agreed the proposal and approved the rates. |  |
| 10. | **MWS LETTER OF ENGAGEMENT JUNE 2019**  A copy of the letter had been distributed prior to the meeting.  SR explained the services covered and the pointed out the responsibilities of the Trustees section. SR also covered the scope of Audit section.  It was explained that the AFH 2019 now requires the letter to be split into Audit, and a separate one for other services. SR will bring the new letters back to committee after the Accounts submission in Dec 2019.  The letter of engagement was discussed and approved by committee | **SR** |
| 11. | **ESFA LETTER JULY 2019**  The letter had been distributed prior to the meeting.  SR talked through the key points and what we have in place to address them, highlighting:   * AFH 2019 requirements –   + Internal scrutiny – ICE and audit committee   + Submit controls assurance reports to ESFA from Dec 2020– should be covered by ICE reports but SR will review   + Risk register – our is well established   + Get info about schools – all up to date (we were just audited)   + Academies Accounts Direction early publication – this will be beneficial * Good practice guides * Resource Management tool/return to be submitted by 14th Nov * Fraud risk – SR detailed our main prevention measures and is confident in our systems   The letter was discussed further by the committee | **SR**  **SR** |
| 12. | **UPDATES**  **Audit feedback and actions**  There was nothing of major concern found in the recent audit.  Wording update of “capitation” and update of asset disposal up to £25K in the regulations should be updated.  A technicality issue that SR should sign off zero value on old PCs (asset disposal issue).  Governors attendance on website not recorded correctly, albeit it appears in the accounts.  The management letter must have at least one point on it and this year we will have included   * asset register was not up to date. This was due to lots of moving of items during the Summer and the register not being updated fully by 2nd week in Sept. Most Academies get this at least once and it will be resolved by half term. * The purchase of alcohol from the staff room fund (which is funded by staff donations). Despite this, it is now seen as anything through our Finance system can’t be used to buy alcohol. We will now have a policy of buying gifts other than alcohol for leavers and life events.   **Food Cube update**  It was reported that the completion of this had been a challenge, but was proving very popular. The next project will be a covered walkway for the queues.  **Academies Financial Handbook 2019 – key changes**  Estates and resources management tools (14/11)  Management accounts – definition of what it must include. SR ran through the items that must be included  Internal controls annual summary  Governor’s statement to include a paragraph regarding internal control strategies.  Submission of annual report due, December 2020.  Members to have access to the accounts (this will be done via weebly)  Related Party Transactions – ESFA to be informed.  SR is content that SHS is meeting the “musts” and is compliant with the AFH 2019.  JS page 11 para 1.5 – SR reported that recruiting of non-trustee members is difficult but agreed with JS that we should look to increase Members to 5 (inc non Trustees) as soon as possible as it is likely to be a “must” rather than suggestion in the future.  Committee acknowledged the direction in the AFH and responsibilities of Trustees. | **SR** |
| 13. | **POLICY REVIEWS**  None |  |
| 14. | **RISK REGISTER**  Item 1 – SR suggests removal of dates which are no longer relevant – SR to re-word.  Item 6 – Removal of last sentence – “major restructure”.  KB raised point about Windows 7 support – SR reported that plans are being discussed to address the upgrade of all IT systems. | **SR** |
| 15. | **NATWEST ACCOUNT**  SR confirmed this account is now closed and funds have been transferred to Lloyds. |  |
| 16. | **A.O.B.**  JS raised Gender pay gap reporting – SR confirmed we do not meet the criteria to have to produce the report. |  |

**Date of next meeting: 29th November 2019**

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

**Date: ……………………………………………..**