**RESOURCES COMMITTEE MEETING**

**THURSDAY 13TH OCTOBER 2022 – 9.30AM**

## Present:

Mrs J Swettenham Chair of Governors

Ms C Costello Headteacher

Mrs K Boulton Co-opted Governor- Chair of Resources

Mrs Lynn Smith Governor

Mr S Roberts Staff Governor-Business Manager

Mrs D Matthews Finance Manager

Mrs L Smith Clerk

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| 1. | APOLOGIESAndy Williams | **Action** |
| 2. | **MINUTES OF THE LAST RESOURCES COMMITTEE MEETING**Minutes from the Resources meeting held on 29th April 2022 had been distributed. These were not contested and Committee were happy to approve these minutes. |  |
| 3. | **MATTERS ARISING FROM THE LAST MINUTES**There were no matters arising from the last minutes. |  |
| 4. | **BUSINESS INTEREST UPDATES**None declared. |  |
| 5. | **RESOURCES TERMS OF REFERENCE 2022-23**Resources Committee approved the financial regulations. This is to be added to the Terms of Reference. Committee approved the Terms of Reference.  | **LS** |
| 6. | **FINANCE REPORTS**SR reported on the following:**BUDGET POSITION 2021-22 Year end**Forecasted Carried forward figure was £354,000 of which £161,000 was reserves. Actual revised carry forward was £336,000 of which reserves were £164,000. Once the audit was undertaken we had to put £60,000 against the support staff back pay. Biggest variations at the end of the year ended up being:ESFA income ended up £49,000 more than our forecast – this was due to ECT mentor grant of £8,000 in July. PP revised figures on new census between April & August, was higher than Oct census. Various grants: tuition grant, covid testing and vaccination grants were cumulatively £14,000 more than in the budget.Variations across the cost centres amounted to £15,000.Reserves slightly increased but year end was position was pretty solid.Reserves included the £125,000 in the rollover figure of £171,000 Astro sinking fund. Actual in year surplus to be updated and reported later**SR to action**.**CASHFLOW 2021-22 Year end**SR explained the end of year report had been discussed up to the end of April, so between May onwards we didn’t actually have any months of concern. Closing bank balance was £783,000. Bank balance all year did not drop below £500,000 which was good.**BUDGET POSITION-2022-23 UPDATED BUDGET POSITION**Our in year position is going to be the focus at these meetings. When the budget was set in April/May. We set a budget of an expected year end position of £468,000 which did include the £125,000 of sinking fund. The current forecast figure is £158,000 a movement of (£310,000). We were looking at an in year surplus of £114,000 and we’re now looking at an in year deficit of (£178,000). That’s a difference in the brought forward and then the difference of the in-year of £292,000 and £18,000 which adds up to £310,000. Analysing these variations are:Teaching staff pay rises - £125,000Support staff pay rises - £80,000Energy – £105,000 with a possible further risk of £120k if the Governments price cap ends in March 2023Other staff costs –£12,000, two contract buy outs in July – appointed but paid agency fees which were due in September.Creation of a new cost centre – Estates Management and funded £35,000 – this is to address urgent Health & Safety issues and improvement isue around the site.Professional fees budget needs an extra £7,500 – we have bought into a Health & Safety partnership which was absolutely essential.The above have added an extra £365,000 to the expenditure this year.Income and savings – School led tutoring grant was £15,000 more than expected.The recovery premium which is based on PP figures was £25,000 more.We also analysed the Alt Ed and tutoring cost centre and having spoken to various members of staff about what it’s actually used for, the tutoring was almost exclusively for PP students. With some provisos, we may need 1 to 1 tutoring for students that don’t fit within PP or the tuition fund, we may as well claw back into the pot for now. There were various other cost centres that were reviewed against budget requests and allocations where it was felt we could make savings of about £5000. Although it is better than initially thought it may have been as we are forecasting a budget year end position of £158,000. We are balanced currently for the year and are not in ned of taking any urgent action yet.Further discussions followed on the usual improving picture, but that it was likely that although there will be an in year deficit projected, we will be able to set a balanced budget next year due to our reserves.Energy – SR explained the Government’s discount scheme (as opposed to a capped scheme). Our budget assumes a 12 month discount – although only 6 months are actually guaranteed. Forecasted increased costs are would be £100,000-£120,000 extra if the guarantee 6 months (March) cap is removed.Government reported that electricity is capped at 0.36p per kw and gas at 10.5p kw – these don’t include standing charges.If you are in a fixed rate scheme, which we’re not, advise will be to buy into one. There’s no cap on how much you will save. If you’re out of contract or in a flex, they put a max discount that they will allow you on. Although this was an estimated discount scheme at this stage. The estimate was £180,000 discount assuming it’s received across the year. Figures are due in later this week.Committee discussed further the everyday savings that could possibly be implemented, such as lights switched on etc.SR reported that LED lights and energy efficient windows (decarbonisation project) had been undertaken. The school is currently considering solar panels – PCH are in the process of getting this tendered. In terms of energy usage, an energy survey is being considered and thought to be a good investment. This will drive questions such as what lights can be killed etc and where. Our school and many others are campaigning heavily for more than 6 months guaranteed discount – during normal times our combined energy bill was approx. £150,000. Last year it was £260,000. Now we’re discussing figures of about £780,000. Information gleened yesterday was that Government are trying drive down energy costs. Further discussion ensued regarding decreasing wholesale prices and standing fees. SR reported that the Government are auditing the discount fees in November.Opportunity - ASCL are campaigning for help in the form of a grant with the teaching staff pay increases.LyS discussed any opportunities with the Lettings income – this is to be on the agenda for later this year – Sports centre has had to reduce it’s income as this facility needs using for the school exams.Employees NI is decreasing, hopefully Employers NI will do also.**3 YEAR FINANCIAL PLAN**SR reported on the table previously provided and circulated. SR emphasised 24/25 is not to focused on as it is hugely speculative. In terms of the 3 year forecast, this is the most “guess work” that goes into the budget, particularly as the October census hasn’t gone through. The funding set up from ECC, and the government national funding formula and isn’t finalised until December/ January time. SR has used the funding rates used this year and added 2% but there’s a lot of nuances around this. 23/24 needs close monitoring but will be sharpened up and more accurate, but need to be aware that we’ll have a potential deficit of £492,000. In June we were looking at a small deficit of £41,000 (a movement of £450,000). There’s cumulative impact on staffing of £200,000 – reduced expected income based pupil income based in June’s forecast. Across KS3/4 we’re down on forecast numbers by about 14, which is about £90,000, and in KS5 we’re down by about 21 which is about another £90,000. However, this is not a massive concern how we are recruiting pupils. This was down to courses not running. In terms of 6th form this is not indicative of an ongoing problem. We are not far below PAN in any year group.Discussion followed regarding particular issue with the BTEC course, but hoped that recruitment into year 12 next September might be higher. CC also mentioned the potential T levels that need exploring as an alternative option.In terms of energy – a big unknown – should we return to normal levels we could have a much better position next year. SR has reduced costs by about 25% - this has added an extra £60,000. LyS asked how frequently this 3 year forecast is revisited. It’s advised to review 3 times a year, however SR reviews for each Resources Committee, so 5 times a year.Actions: we work with other schools, benchmarking, identifying other savings and efficiencies we can. We need to await further funding information coming from the Government.Much is dependent upon grants and potential reduction of energy. SR reported the focus is getting through this year and having a plan for 23/24.**The 3 year forecast was discussed and approved by the committee**.**VIREMENTS**There were no virements for this meeting. | **SR** |
| 7. | **STAFFING UPDATES**CC reported that a TL for Music had been appointed.Vacancy for Estates Manager has been posted together with an Attendance post (which has been revisited). |  |
| 8. | **21/22 Trustees Summary ICE Report**SR reported that there were very few priorities.Register of interest – minor corrections corrected instantly.Medium priority – accuracy of register.Balance sheet – management accounts that are sent out every month but doesn’t define what it has to look like. Reference is made to a balance sheet, which is interpreted by SR as a cost centre report and budget position report which shows income, expenditure and balance at the end of the year.Juniper’s interpretation is that a summary trial balance should be put up, a 15 page document which is not helpful and does not add value. SR assured the Committee that what he sends out to Trustees is the correct paperwork. SR suggests going on the forum to ask what other schools do and possibly heading up our paperwork as a balance sheet instead. Committee agreed to this suggestion.Contract register was also discussed with the auditors and will be reviewed thoroughly this year. This is a useful operational document not a legal document.A scheme of delegation was discussed and the benefits of having a separate scheme which is on the agenda for this year. Transparency of register of interests – SR felt it unnecessary to include this and action anything.Review of internal controls and evaluation not discussed at Committee and put on the following agenda. JS recalled that it came in late. | **SR** |
| 9. | **ICE SCHEME OF WORK 2022-23 & AUDIT COMMITTEE’S DIRECTED FOCUS 22-23**Focus from audit committee – SR suggests to use Scheme of Work from Juniper and use the review of governance. **SR to obtain quotes for this**. | **SR** |
| 10. | **AUDIT COMMITTEE-CYBER PENETRATION TESTING REPORT SUMMER 2022**This review was undertaken over the summer. GDPR previously discussed at a previous meeting.SR focussed the Committee on looking at the Executive summary – our IT Manager fully understands the report – JS remarked that it’s good that 4 out of the 6 were marked as low priority.SR explained our firewall is “industry leading” which is unusual for schools, but decision was made years ago and maintains it was the correct one at the time.The two high risk highlighted were the email server – running of old software, which is already being addressed moving to a cloud based email system. There is however, other layers of security around it.The other one was relating to “patching” and updating on servers of which there is a plan in place now to rectify.It was felt overall that this was a good exercise and demonstrated a fairly robust and secure system.LyS asked about upskilling in the IT department and keeping up with current hacking methods.SR explained about the back-up systems we have in school and the security software on computers. Should the school suffer a cyber attack it was explained that we could revert to the previous day’s work and restart from that point. Further discussions followed regarding security systems on our PCs and the layers of virus tracking along with what is and isn’t allowed to be accessed. |  |
| 11. | **AUDIT COMMITTEE – RISK REGISTER AREA OF FOCUS FOR AUTUMN TERM**SR gave a brief overview of the Risk Register review, pointing out that this document has become more of an operational one, more of SLT level, but on the FGB agenda few times a year – what was felt useful was to focus on categories of risk under environmental / specifically Health & Safety and estate management. CC feels this is something we need to forge ahead with. |  |
| 12. | **HEALTH & SAFETY AND COMPLIANCE UPDATE**SR highlighted that we have some serious risks and lack of assurance and non compliance with health & safety. The recent internal surveys for fire & health & safety are inadequate. Training is needed for site team and the wider staff. Minimal evidence for health & safety training or compliance in some areas. In terms of risk assessment our minimum compliance level has been resolved but we need to be on top of this. We also have the issue of risk assessments, no central store. Concerns and inadequate answers.SR is liaising with the site team on this – briefings with the team – Site manager will be retiring at Christmas - advertising for an estates manager, taking on levels of responsibility.Health & Safety concerns are, where we are now and the things we don’t know, and how we address that. Whilst it’s expensive at £7,500 this year and £11,000 next year. The partnership service consists of a 3 day audit, tell you what you need to do to be compliant – as long as you take steps to be compliant they would guarantee to defend the client in court, should the need arise. The partnership also has an e learning package which we can send out to staff, making them compliant. As it’s central you would have evidence staff have been trained. The system automatically updates content, and re-sends when training needs updating. The costs are contained within the budget. Risk assessments are all on central platform which can be modified easily, not making it too onerous for staff. Further discussion ensued on this topic. DM raised the question about lettings health & safety too and whether lettees are compliant and consideration of safeguarding as well. |  |
| 13. | **UPDATES**Preliminary Audit feedback – nothing of concern.Academies Handbook main changes and discussion – four changes only.Lettings arrangements – reviewing at a future meeting. There had been minor increases to commercial football matches on the Astro from September 22. |  |
| 14. | **POLICY REVIEWS**None. |  |
| 9. | **A.O.B.**None. |  |

**Date of next meeting: Friday 2nd December 2022**

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

**Date: ……………………………………………..**