**Resources Committee Meeting**

**Monday 17th June 2019 – 8.45am – i52**

## Present:

Mrs L Hedden (Chair of Governors)

Mrs J Swettenham (Governor)

Mr G Herniman (Chair of Resources)

Ms C Herman - Headteacher

Mr A Worth (Governor)

Mrs K Boulton (Governor)

Mr S Roberts (Business Manager)

Mrs D Matthews - Finance Manager

Mrs C Watson - scribe

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| 1. | ApologiesMr Simon Murray sent his apologies and also tendered his resignation as he has struggled to get to meetings. He will try to attend FGB. Will need to recruit a parent Governor. |
| 2. | **Minutes of last Resources committee meeting**  Minutes from the Resources meeting held on 26th April 2019 had been distributed, were not contested therefore they were agreed and signed. |
| 3. | **Matters arising from the last minutes**  Committee was not aware of any matters arising from the previous minutes.  SR confirmed:-   * The falling roll money is in the bank * Net capacity of the school has now been updated to 1499 (from 1620). The deed of variation has been signed off by the Secretary of State and is now all in place. * The Budget Forecast Return Outturn has been filed with the ESFA before the deadline. A new requirement is for this (and the BFR in July), to be approved by Governors before submission. The challenges around this are that the timings don’t fit with Governors meetings and that the returns are done in the style of the accounts and to ESFA requirements not the monitoring style Governors are used to. SR circulated the return to CJH, LH, JS, GH with a narrative highlighting the key points and how they relate back to our monitoring reports. The return was approved in correspondence prior to submission, which the Auditors indicated was sufficient to meet the requirements. This procedure can be reviewed next year if necessary. |
| **4.** | **Business Interests Updates**  None declared. |
| **5.** | **Finance Reports**  **Budget Position**  A narrative and back up information had been provided by SR to Governors prior to the meeting. SR discussed the content of the narratives, highlighting:  SR explained that he has made a start on separating Capital and Revenue financial reporting and this is reflected in the Outturn report.   * Budget positon was reported to be £317,563 (£255,180 revenue and £62,383 capital), which is up from £242,593 on the last report. The main reasons for this are due to the updating of cost centres to reflect current position and expected year-end balance which resulted in:-   Contingency increasing by £30k due to the recent virements  Department Services photocopying balance was a reasonable estimate at £12,000  £12,000 left in the exam budget  MEITT Teaching apprenticeship grant £11k  Water being £5,000 under budget  Other year-end cost centre estimates £5k  Lettings income is expected to come in £9k less than expected  GH asked about the letting income being lower than expected. SR confirmed some months are down and August will be a smaller income. Next year’s budget will be set for less to reflect this. |
|  | **Cashflow**  SR apologised for not getting this information to Governors prior to the meeting. It will be released next week but there are no concerns.  The falling rolls funding is now in. The balance at the bank did drop into the £450k range in April\May as predicted but is now back up around £750k  **Virements**  Virements 14 and 15 were presented and discussed.  LH enquired about the minus figure on V15 form and SR explained that it related to an income budget so the minus figure represented additional income with increased contingency. Virement Approval form V14 and V15 were signed by Leanne Hedden.  **5 Year Financial Plan**  SR had provided a narrative and back up information to Governors prior to the meeting.  2020/21 expected small surplus of £41k which is up from £18k on the last report  2019/20 shows an expected in-year deficit of (£200k) but this has been anticipated for some time. All the cost savings over the past couple of years have been aimed at covering this in-year deficit.  2020/21 shows an expected in-year deficit but is balanced overall. This position may well improve if the Teachers pay grant is extended beyond Aug 2020. This likely to happen but not guaranteed so has been left off the forecast for now.  The Teachers’ pension grant has been left in the forecast moving forward as removing it causes a£250k drop, which is un-manageable for any school so the assumption is that it will be protected.  LH highlighted year on year there are uncertain finances e.g. payment for appeals, which is the uncertainty of education finances.  SR highlighted Year 7 intake will be 248 for 2019/20 then 240 each year. Year 12 intake will be 190 for 2019/20 and 2020/21, then 160 each year. GH asked what the impact would be if we maintained 6th form numbers and if we can go above our net capacity. SR confirmed that we can go above our net capacity but it would put a strain on resources especially social areas for Years 8, 9 and 10. This will be a problem even at the numbers we are currently looking at and a plan to help with this will be discussed under any other business.  SR also noted that the 2019-20 in-year deficit was showing a £7k more on this report than the 1 Year Budget. This is down to the fact the 5 Year Plan is still being reported on the old template which is handling carry forwards and revenue\capital split differently. The template will be updated for September to match the budget but the figure in the 1 Year budget is the correct in-year-deficit. This does not change the overall 5 year forecast and the bottom line figures are accurate. |
| 6. | **Budget 2019-20**  SR provided a copy of the proposed budget to Governors prior to the meeting that comprised of Income, Expenditure, Expected Carry-forward figures, and Summary totals and information. The Budget this separates out Capital and Revenue reporting of funds which was explained by SR.  SR talked through the Income section explaining how the carry-forward figures were set and referenced the Appendix that shows the breakdown along with the Outturn report.  With regards to Pupil Premium funding, we know the number of students leaving in Year 11 but uncertain of how many will be joining us in September. As such, SR has been cautious with the expected income and maintained it at the same level as this year.  The teachers’ pay and pension grants were discussed as was funding around SEN and LAC students.  SR then talked through the Expenditure section explaining that departmental budgets had been set on a zero base and requests from budget holder again this year. It was felt this continues to be the best method as it ensure budget holders have an input into the funding of their departments.  Discussed the astro sinking fund balance where SR explained we are required to save £150,000 to replace the surface at the end of life and we are 4 years away from this happening. As the balances are tight nothing is initially assigned to the sinking fund, which currently stands at £105,000, but we may put some funds in that cost centre later in the year. We are still on track to hit our target by 2022/23.  SR covered the rationale that had been used for setting the various expenditures and explained the Capital expenditure section.  SR talked through the Summary page highlighting the breakdown of the totals and the in-year only income and expenditure and in-year deficit, which had been expected.  The contingency is set at £50,559 which is higher than had been previously expected. The total cost of staffing and pupil premium funding allocated to staffing was also discussed.  A further document had been provided to Governors prior to the meeting which compared 2018/19 budget to 2019/20 budget. LH queried if the IT increase was due to a new phone system. SR explained there had been £16,000 in new contracts this year (Go4Schools, video library) and that a new phone system would be covered by the combination of not paying the existing lease and the maintenance support and paying monthly payments.  LH asked why there had been an increased in the mini bus expenditure and SR explained this was because it was essential to lease two new mini buss due to the previous mini-busses were not being roadworthy. Expect to require a new lease on the older mini bus next year.  These figures will be taken forward to FGB for approval.  GH thanked SR for this very good work on the budget. |
| 7. | **Staffing Updates**  Four colleagues are leaving:-  Jane Cross – retiring  Ellie Gibbons – 1 year maternity cover taking up a professional netball post  Aqsa Malik – promotion to second in department in another school  Chris Robinson – part time maths teacher – retiring again  Confirmed starters:-  Trudy Arnold - Maths  Jessica Matthews – PE  Ann Quinlan – English  Melissa Watson – MFL  Part time science / food technology technician  Chris Towns – NQT teaching Social Science and humanities  Pending recruits:-  Sixth Form Pastoral Manager (interviews this week)  Two TA positions to be paid for out of EHCP money.  In order to keep appropriate talent with SLT CJH circulated a document of a proposed review structure of the senior team and highlighted the background of the proposal. The document included the proposed costs of the structure.  AW arrived at 9.40am  CJH suggested she would write to the Assistant Heads to explain the situation and set out the school review of the structure. LH asked if the timing would be right at the end of term and CJH explained her reasons. LH questioned if there is the budget for performance related pay, which there is and also LH asked what is our policy with regards to one off payments.  **Action: SR to check school policy on one-off payments with regards to salaries**  As LH, GH, JS, KB and AW are Pay Committee members therefore they agreed this proposal for it to be taken forward to FGB for approval. |
| 8. | **I.C.E. Report (3)**  This document had been provided by SR to Governors prior to the meeting. Nothing serious has been highlighted. This is a valuable service that we pay for and it is reassuring we are doing things right.  It was noted that the Terms of Reference need to be changed as indicated on page 4 to reflect the delegated authority of Resources committee to deal with ESFA letters.  **Action: Recourse Committee Terms of Reference need updating**  A Pabulum commitment is required to be put on the budget to meet the requirements on page 7. SR has included this on the final proposed budget.  Page 9 the Financial Regulations should be updated to correct the contradiction with who has final authorisation on staffing changes. SR has updated this in the final version of the regulations that are to be approved.  A green mark was also received as one order had been found not signed. This was just an oversight and it was recognised that it was not a common occurrence. |
| 9.10 | **Updates**  Grounds Maintenance Tender – Outcome  Contour will be our new grounds maintenance company. They provided a very competitive quote and they reassured us that they will meet the contract. There contracts starts on 1st July. SR has written to the existing provider without any response.  Chart of Accounts –  Historically we have continued using Essex County Council ledger codes. The ESFA have bought out 10,000 ledge codes for us to use. SR advised phasing this in over time as it is a massive undertaking to achieve by September 2018 and if it goes wrong, it will cause many issues. IT is not compulsory and the possible benefits are not likely to materialise during 2019/20. There are some question marks around various finance systems being able to handle the change as well.  School Site Transport Safety –  SR explain what has been done and what is planned for the future:-  Done   * Bollards installed at Oliver Road so cars cannot do a U-turn where students walk * The bike shed entrance had been reversed, a ramp installed and the other end blocked off   Planned   * Students leaving site during the day will queue behind the gate by the side of Reception and exit there rather than through Reception and waiting by the mini buses. The gate key will be with the mini bus key. * Look at a barrier off Oliver road car park for staff and visitor access * Separate the lane for buses and fence off * Parents to queue up when picking up from Oliver Road.   The plans need capital investment but it is hoped that it can be tied in with a CIF bid.  CIF update -  Fire safety. Looking at fire doors, especially in the tower and emergency lighting. SR gave some background to the initial discussions and issues agreeing a scope of work around the cabling of the new system. Several meetings and discussions had taken place and the reasoning for the final decision was discussed. A scope of work has now been agreed and the project will start as per the forecast timelines. |
| 10. | **Policy Reviews**  Educational Visits Policy  LH stated the same values and behaviour expectations for students and staff apply in and out of school, of which alcohol is one part. No alcohol to be consumed on a school trip needs to be made clear in the body of the policy.  **Action: CJH to include a statement about alcohol to make expectations clear** |
| 11. | **NatWest Account**  It was reported the balance is £1,511.57 as at 03.06.19. |
| 12. | **A.O.B**  SR explained with the growing number into Year 7 the problems that will be encountered about social space. Year 7, 11 and Sixth Form will be able to cope but as the larger year groups move up the school there will be a strain on the Refectory. A food cube has been looked into and discussions have taken place with Pabulum to invest in such a project ready for September 2019. The following were covered:-   * Extending Pabulum’s contact to 2029 * Pabulum withholding profit share until 2024 the returning to 50/50 with SHS * Break points added in 2022 and 2026 to protect both parties * No fault termination clause will be extended to the amended contract to further protect SHS   The cube needs to be installed and ready for September 2019. Pabulum’s investment is £50k.  Governors asked questions about the break clause, what our liability would be, what would happen if Pabulum went into liquidation and what the regulations are regarding extending a current contract. Discussions took place and the proposal was agreed with SR to check the regulations and see if it is possible to reduce the extension length by a year. This would be a bonus but should not hold up the project if it is not possible.  **Action: SR to check regulations with extending current contractions**  **SR to negotiate with Pabulum the length of extension of contract** |

**Date of next meeting: TBA**