**RESOURCES COMMITTEE MEETING**

**THURSDAY 29TH JUNE 2023 – 8.15AM (Board Room)**

## Present:

Mrs J Swettenham Chair of Governors

Mrs C Costello Headteacher

Mrs K Boulton Co-opted Governor – Chair of Resources

Mr C D’Silva Governor

Mr A Willilams Governor

Mr S Roberts Chief Finance & Operations Officer

Mrs D Matthews Finance Manager

Ms S Hatton Finance Manager

Mrs L Smith Clerk

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| 1. | APOLOGIES Vicky Noonan | **Action** |
| 2. | **MINUTES OF THE LAST RESOURCES COMMITTEE MEETING**  JS mentioned a typo on page 3 under budget position which should have said £116K, **not £116.00**.  **Minutes from the Resources meeting held on 27th April 2023 had been distributed, were not contested, and were approved.** |  |
| 3. | **MATTERS ARISING FROM THE LAST MINUTES**  SR reported on the website portal – apologised that he did not get all the documentation over, but will endeavour to get the FGB paperwork over and use this as a test with all the log ons.  Similarly with the contracts tracker, its undergoing a huge overhaul and hasn’t been able to bring this to this meeting.  Diversity policy – recruitment. It’s not under policies, it’s under vacancies. This will need a review as it’s dated 2018, albeit there are no changes.  Continuity Plan flagged to go to FGB next week will now be going in September as it needs a thorough overhaul.  SR reported on the huge BACs run of £400K in March, explaining that £116K was exam fees, Energy bills £100K and trips totalling around £20K were paid. There were also some premises and capital works from the February half term that had to be paid.  Health & Safety Governors meeting – more to follow.  Outstanding action from that meeting was the Fire Risk Assessment which will be scheduled for the summer holidays.  CIF updates – to cover in updates.  Cleaning – to cover in updates.  JS mentioned the staff sickness data – SR was going to find out what the local schools were. CC has this on her HT report and said we’d be able to find a comparison. JS asked about a new policy we need to do, under section 7 Audit committee, minor financial risk ongoing review of catering overdraft (student debt), to be addressed by September to be signed off by governors in a policy. SR said this isn’t quite a policy, but more a procedure.  Review of the Finance Regulations.  Benchmarking onto the agenda – SR felt it best that it’s not on every agenda, but probably twice a year. |  |
| 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**  SR explained only two months had been added since the last meeting, April and May. April lettings income was showing as lower than forecast, which is probably due to the 2 week Easter break. The SFA income was hugely over what we thought we were getting due to the mainstream schools additional grant which was announced in the New Year. We received £100K. We’ve also got other income due to the Active Essex pool grant funding coming in. Expenditure – staffing was below what was forecast due to May review being recalculated from the changes that occurred in November with NI. We also had some leavers at the beginning of April. Again, the BACs run were significantly higher with two lots of energy bills which arrive erratically. There were also payments of capital works from Easter. The forecast was still £200K higher than expected. SR confirmed he wouldn’t do a re-forecast currently given that there were only 2 more operational months and no further governor meetings.  JS asked about cashflow deficit and any impact – SR confirmed there is no impact as the cashflow is never allowed to go this low.  ESFA income – we anticipate receiving about £230K which will come in two different payments, in Autumn 2023 and April 2024. The purpose of this money to pick up all the inflationary costs that have hit, but in effect it’s leveraged it out.  C de S asked about lettings increasing year by year – SR announced that a new letting had been secured which will increase lettings and would be discussed later in the meeting. It’s an area of focus that both SR and Steve Adams, SA will be looking at. SR reported that advertising will need to improve, in order to claw in income.  **Cashflow report had been discussed and approved by the committee**  **BUDGET POSITION**  Narratives were circulated before the meeting and covered April and May update. SR reported that we had a net improvement of about £80K in our forecast year end figure. End of year expected is about £405K. The exclusions are carry forward funds, restricted funding like Pupil Premium,  D of E cost centres that we would carry into next year. The variation is £35K savings on the staff calculators which is our leavers in April and pension opt outs and other savings. There was also a £50K savings on outgoings together with about £18K savings on salaries on strike days. There were various savings across the central budgets, we are also expecting an additional £20K for SEN. We have a back dated payment of a student that’s been here for 2 years – the student was out of Borough. SR explained that much work had gone into correcting the SEN list and subsequently passed to Finance correctly and chasing the relevant authorities in the last couple of months.  We’re expecting a £30K investment from Pabulum which will be discussed later in the meeting. We are expecting another £15K from Active Essex towards the swimming grant.  The main additional expenditure is supply, we’ve added another £22K, but may go slightly over again. This is due to a long term vacancy, being covered by daily supply. The additional £8K in other staff costs is from having to go through agencies. CC had been exploring getting Home Office licence to get overseas teachers. It had been agreed to get three licences which will cost about £4K which is far less than one agency buyout for one teacher.  Things that need doing around the school in order to give it a face lift have been looked at and an extra £50K has been earmarked on top of everything else. Exam costs have had to be increased by £15K – this is due to invigilator costs this year due to the amount of small venues and home invigilations and also the registrations.  We have taken out an IT lease which a full breakdown will be given later in the meeting. Delivery has taken place but they understandably want first payment in this financial year.  £8K had to be put in for exclusion this year (2 pupils this year), although the budget is always set to zero.  SR briefed Committee that he will bring a full energy analysis to the Committee in September meeting, but when working out the new discount scheme that kicked in in April, he did an analysis and found we had used 20% less gas but 12% more electricity. We have had a full energy audit done recently which provided some useful data which will be brought to Committee in September. Gas usage is good, mainly down to the review of heating, being on for ½ day as opposed to all day. The audit also threw up some investments that could be made.  **VIREMENTS**  KB said how delighted she was with the new layout with the virement form. It was felt much easier to review.  **Virement 7** – this was due to regular cost centre reviews and looked at what was under and over spent.  **Virement 8** – Staffing – SR re-viewed the expenditure for staffing and all the cost centres applied to that. SR said he had a cost centre set up for the support and teachers staff additional hours – premises overtime goes in there but is also for revision clubs. The supply budget was set at £35K now currently at about £52K expenditure.  **Virement 9** – this was a follow up cost centre review after the year end position to set the budget allocations as per the latest findings, as per discussions.  Discussion followed surrounding a history teacher starting in July and the pros and cons it entails. There’s a couple of salaries in there and SEN income that had been discussed.  Additional appeals hearings – the Professional fees budget has had to increase – further discussion followed not only on the financial impact but also staff time taken for this process. JS asked if this can be lobbied at one of the ECC meetings. CdeS asked if it was possible to use our local constituency MP to also lobby.  **The Virements were discussed and approved by the committee** |  |
| 6. | **Budget 2023-24**  SR discussed the new layout to the budget to reflect comparisons from last year and any updates throughout the year. We’ve ended up with a separate report. By adding the additional columns to the end of income & expenditure you can see what was allocated and what was updated in the previous year. You’ll note there was an updated column for the current year, as we do virements throughout the year they’re going to be reflected so this document will come back to governors a bit more every time there’s a virement, looking at the inyear position which is where we need to be looking for next year. Notes – SR has tried to put more detail in which will help direct governors more effectively. In terms of the notes, we discussed about other staff costs – we fund agency fee buy outs and fund qualifications, if it’s part of staff’s recruitment package.  We also provide flu vaccinations to our staff – an investment of £2K hopefully will help with absence. Any OH and ECT training fee also go into this cost centre.  JS asked about maximising our cash – in particular an “easy access” account – however it was judged that this would link back to cashflow and how much could you afford to have out of circulation. Further discussions ensued about the interest rates that could be taken advantage of against the time resources we need to put into it. Enquiries to be made.  The balances brought forward and how they’re allocated out became confused. The appendix on the back the £196K is the restricted ring fenced money that has to be brought forward and it will be spent next year, but it doesn’t need to be reflected as income/expenditure for next year. SR did not think we would ever be carrying capital funds forward unless we’ve got big CIF projects over the year end and the reserves brought forward is everything else out of that £405K that isn’t allocated within there. In terms of the summary page the total in year income and in year expenditure and in year surplus for next year (almost £2K), we have a balanced budget. The expected year end is £407K. However, SR felt it important to flag the significant risk which is likely to come next year, is teachers and support staff pay rises. SR has forecast 3% - 6 to 6.5% is on the table – 3% would equate to £170K and if not funded, would have to be absorbed by the school. Support staff has been forecast at 3%, currently the offer on the table to the unions is 8% - however 3% would equate to around £110K which again, if unfunded would have to be absorbed by the school. The back dated on top of the £110K would be about £40K.  Plant room / boilers – there’s a good chance of obtaining funding for this next year.  CC asked about the SGO grant – where does this sit. Currently there’s a balance of £6K which is not shown as income as it’s in and out. SR has also added JP and trips, as the money is in and out.  Discussion followed surrounding supply and maintaining it at £35K. CC felt it was wise not to let it “creep”. CC spoke about the variation of absences, not connected to sickness and that these do not often come via CC. This subject is on CC’s HT report and how to manage this effectively.  Conversation followed regarding the achievement of ending the financial year on a balanced budget.  **Committee were content to approve the budget for 23/24**  **3 YEAR FORECAST**  SR reported on the overview of the year.  SR discussed the £200K deficit which was predicated on taking in 180 6th formers into year 12. If this number is actually 200 that we take in, then that’s an extra £100K funding the following year. SR also made an assumption that the ESFA grant would be 4% higher than received this year based on increase from last year.  Energy contract – prices have reduced and our contract renews in October. SR explained to the Committee how the renewal process works with regards to increasing prices during July/August. It was advised that we should be signed up into a new contract by end of June. After a re-tender we have now been signed up to an energy contract which is £275K forecast for the year. Together with a push on electricity savings throughout the year it’s hoped we can further reduce costs.  All pay rise forecasts have been left at 3% - SR’s rationale is this is a reasonable assumption – Committee discussed the impact of staffing costs is one of our biggest risks and much an unknown cost.  The in year deficit needs to be worked on – and are still looking at that balancing at the end of 2024. SR commented that the budget forecast return will be worked on.  Income – on the other ESFA grants it drops by about £50K between 23/24 and 24/25, that’s due to the recovery grant we’ve been receiving for the last two years ends.  Pupil Premium (PP) income for next year and recovery funding – expenditure PP shows the total being fully spent and PP cost centre transfers which shows a large amount being reversed out – this is funding of £251K in PP and recovery. We put £10K of this into a cost centre that supports strategies like uniform support. The remainder is broken down on the PP strategy form, but the expenditure is broken down in all the other cost centres, for instance 20% of LSA salaries is allocated to PP. The reason it’s reversed out is it would show twice.  **Budget position report had been discussed and approved by the committee**. |  |
| 7. | **STAFFING UPDATES**  CC reported on where we are currently:  There were still 3 teaching vacancies in Geography, Social Science and Science. CC explained the struggles and time wasted when trying to interview potential candidates. All this will be in CC’s HT report to FGB. We’ve got 12 members of staff leaving us this summer across subjects. However successful recruitment has been taking place across all other subjects including recruitment across support staff. Three graduate teaching assistants have been recruited and this is potentially a possible pathway to develop them to fully qualified teachers. Further discussion followed surrounding building relationships with universities in order to capture future teachers. CC said we need to develop a recruitment strategy.  AW asked about reasons for staff leaving – there were a variety of reasons, however there were no detrimental reasons as to why staff are leaving this summer.  CdeS suggested we need to have a forward thinking approach within the recruitment strategy and discussed a student he is mentoring currently and how that person is planning ahead for their career.  Committee discussed the cost of living and higher housing costs in this area. CC discussed that we must make our school a desirable place to work that then draws people in. |  |
| 8. | **AUDIT COMMITTEE**  **Ice Report 3 of 3**  SR ran through the items raised by Juniper.   * Medium – Financial regulations specify that payments above £50K needed to be signed by the Chair/Vice Chair. This was the Churchill’s order (cleaning company) – this was one that was missed. * Low – sample highlighted the orders dated after the invoice. SR explained why this occurred – catering team have to make a call out and let SR know. Sometimes the timing of things does mean that an order has to be put on after an invoice, particularly if Pabulum forget to inform SR. * Low – The regular suppliers register is not up to date – this will be overhauled and brought to Committee. * Medium – Samples of personnel files – current pay for the HT and sample teachers had not been reviewed in accordance with Finance Regulations. With the HT’s one, the salary letter was signed off by HR Manager and should have been signed off by JS. This has been done like this for years and not been picked up, but on reflection, we need to get the salary letter signed by JS. Sample teacher – CC’s name , HT and no signature – SR suggested KW sent a copy to CC to sign and distribute and then did a file copy. In future get signed copies back and photocopy those. * Low – Schools Resource Self Assessment – it was not evidenced that this had been brought to governors – it was submitted on time, at end of March. This was forgotten as Benchmarking was the focus. This can be circulated in correspondence but next year we will look at timings of meetings and if appropriate SR will email out and noted as reviewed at the following meeting. |  |
| 8. | **UPDATES**  SR discussed on how the school site needs a lift in general in order to improve the environment but wanted to highlight the bigger works  **Pool ventilation System**  The installation costs of the filter units are £49K each with a discount for two installed at the same time, but this would cost c.£70K. This summer one filter will be replaced. SR suggested that in two years time we replace the other two. This project has to go ahead and we have managed to secure £40K in funding through the Active Essex Pool grant which has very much minimised the impact  **Refectory Refit**  There’s only 2 tills for potentially 700 students which is operationally very difficult. Pabulum have said they’re happy to invest in improving this area. There is a theft problem in the Refectory – SR explained what the suggested improvements will look like which will guide students appropriately to the tills and also reduce the theft issue. The flooring will also get a lift in order to match the facelift - this would amount to c.£60K, but Pabulum are looking to put in £30K, SR is comfortable to match fund and could turn this area into quite a selling point to showcase.  There are also some big changes to the attendance and student services area which will costs around £12K. It’s become an area where students hang around – we’ve also got a second attendance officer starting therefore they will both be moved to an area within the South Hall – this will allow staff to access the area but control the students in and out. It is hoped this will create a much calmer area.  **The C Block Tower** – the flooring on each level is dreadful. The whole area needs a lift and although the walls have all been painted, it would enhance the areas of 3 departments, so this will be targeted.  **Reception area** - this is a cramped and difficult space. It’s also quite a vulnerable position for the receptionists, particularly now the doors are locked and require lanyard access. SR informed Committee that we have a quote to reconfigure this area by knocking down the wall where the mail room is and installing a new reception desk which would have access from the main Admin corridor. This would allow a much bigger space for visitors to sit, displays could be put up and make a nicer environment. The mail room would have to be relocated to the smaller meeting room, A4. Although we would loose a meeting room, the current Attendance office could be re-modelled into an additional meeting room. All this would cost about £7-8K.  **Science**  SR briefed Committee about the whole Science area that badly needs a refurb. Suggestion that some of the worktop surfaces are replaced, possibly Trespa tops and await a quote for these. Site Team will be primarily focussed on this area during the summer. SR reported that Steve and his team have already begun work in Maths area. In terms of investment of capital works, this year will be huge, but essential.  **Water Leak**  The temporary meter has now evidenced a leak. Steve Adams has also investigated too and discovered an outside tap which apparently hasn’t been used for a couple of years due to bad pressure. A specialist firm came in but unfortunately couldn’t track the piping as it went to plastic instead of metal. Another way of evidencing is to do a dye test or alternatively, dig a lot of holes. In conclusion, there is a leak somewhere in that area. SR will be approaching the water company for compensation in respect of this.  **Lettings**  SR reported that we had managed to secure a very lucrative partnership with a summer camp provider, “Schools Out Activities”. There offer is for 4-16 year olds and are Ofsted registered and accept UC vouchers and child care vouchers. They’re also doing a first year discount for anyone that signs up and offer 20% discount for any staff members of Shenfield High School. They are keen to build a partnership as opposed to a letting. We’re charging them an initial start up fee of £1250 per week with an understanding this is to absorb their start up costs and will be significantly higher as they grow their numbers. The initial offering is going to be 4 weeks over the summer holidays and are looking to take 40 children (their Colchester site took in 180 children, so room for growth for both). They are looking to use during all holidays if possible.  **IT Lease**  SR reported on the age of computers in the school which is 10 years plus – we have about 510 computers on site and are looking at how to replace a big chunk of them in one go. The only feasible solution is a lease. Three quotes were obtained and we’ve now signed up a lease for 380 computers on a 5 year lease, but it’s a 3 + 2. For the first 3 years we’re paying just over £50K p.a., then the last 2 years we’re paying £14 p.a. That equates to across the whole term, a cost of about £468 per computer. These have been delivered and have started to be distributed already in the classrooms that are used. AW asked about software licence, but SR explained this is purely hardware only. CdeS asked about a firewall, to which SR confirmed we have one of the leading commercial firewalls in place.  SR reported that there are about 40-50 computers which are in the office based category which will eventually need replacing.  **CIF bids – Science and Roofing**  Both came back as “rejected” – it was disappointing and SR explained the reasons as to why they were rejected, such as schedule of works (which indeed were included). There are grounds for appeal because of this and appeals have been submitted.  For Science a CIF loan was applied for – this was for about £70K and was to be repaid over about 10 years, which significantly boosts your point score as to whether you receive it or not. SR queried this with our consultants, but it was automatically removed as we didn’t show reserve figures of 3% of our income. The detail surrounding this criteria was unclear, however our appeal is not hopeful and we should know by end of July.  **Cleaning**  The contract is appalling currently and Steve Adams has site team cleaning together with agency cleaning too. We’re also recouping money through the contract as they’re not doing enough hours. We are at an advanced stage of discussion with Litmus about bringing cleaning in-house. SR will cost this up and when the contract ends in October, we will be in a position to TUPE staff over and take control of the contract. |  |
| 9. | **POLICY REVIEWS**  None. | **SR** |
| 10. | **A.O.B.**  KB – raised the timing of the Resources meeting being a Tuesday afternoon at 4.30pm and also mentioned the possibility of moving all other Committees to this day/time – SR acknowledged to Committee that this will present an issue with clerking and reassured LS that this will be addressed. Committee agreed that in principle this would be moved to this time. |  |

**Date of next meeting: TBC**

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

**Date: ……………………………………………..**