

ST BARTHOLOMEW'S SCHOOL
MEETING OF THE GOVERNORS' FINANCE & RISK COMMITTEE
THURSDAY 27TH JUNE, 2019 AT 6.30 PM IN THE WORMESTALL MEETING ROOM

DRAFT MINUTES

PRESENT:	Campbell Smith (CS)	Finance Governor (Chair)
	Julia Mortimore (JAM)	Headteacher
	Catie Colston (CC)	Co-opted Governor
	Steve Foyle (SF)	Appointed Governor
	Karen Sadler (KS)	Vice-chair of Governors
	Bruce Steiner (BS)	Co-opted Governor
	Helen Strutt (HSS)	Finance Manager

IN ATTENDANCE:	Ian Peddie (IP)	Chair of Governors
	Patricia Ray (PR)	Co-opted Governor
	Will Thomas (WT)	Appointed Governor
	Helen Sutherland (HLS)	Clerk to the Governors

1. APOLOGIES

There were no apologies.

2. DECLARATION OF AOB

PAN Implications and Parental Engagement were added to the agenda.

3. DECLARATION OF INTERESTS

There were no declarations of interest.

4. MINUTES OF THE LAST MEETING – 13TH MARCH, 2019

The minutes were agreed.

ACTION: CS to sign

5. MATTERS ARISING

Bank Mandate

KS has now been added to the bank mandate.

6. MANAGEMENT ACCOUNTS

Summary Management Accounts for 2018/19

The Management Accounts to 31st May, 2019 were circulated in advance of the meeting.

Expenditure Against Budget

HSS highlighted:

- The revised forecast at the end of May shows a deficit of £235,000, improved from the original annual budget forecast of £346,000 for 2018/19;

This is largely due to:

- An increase in income of £118,000;
- Salary savings of £55,000;
- However, these have been offset by an increase in utility costs of £56,000.
- Government has funded teachers' pay awards above 1%;
- A grant towards pension increases will also be received in September.

Finance Governor's Report

ACTION: CS to write the Finance Governor's Report and circulate via HLS.

7. DRAFT BUDGET AND FORECASTS

The three year forecast was circulated in advance of the meeting and HSS tabled a Powerpoint presentation.

Three Year Forecast

The following positions are predicted for the end of each of the following years:

- 2018/19: £235,000 deficit
- 2019/20: £84,000 surplus
- 2020/21: £23,000 deficit
- 2021/22: £196,000 deficit.

After three years, at the end of 2021/22, there will be £935,000 left in reserves, which is compliant with the current Reserves Policy.

HSS explained:

- For 2019/20 a surplus of £84,000 can be achieved through:
 - further budget cuts,
 - achieving savings by employing ten NQTs (approximately £20,000 saving per person)
– JAM clarified that this was not a planned strategy but the outcome of the challenge of recruitment, the best people are employed, regardless of cost
 - an increase in voluntary contributions from parents: request for funds towards Sixth Form books has realised approximately £3,800 from a possible £6,000 and contributions towards PE transport have come in at around 50%. It is planned to ask parents for contributions towards PE transport in a different way.
 - The forecasts assume that the level of funding for teachers' pay along with any grants will cover any pay awards but the national spending review has yet to be completed. Funding is only known up to April 2020.
 - Uncertainty in funding could lead to inaccurate forecast assumptions, which, in turn, could cause unnecessary cuts and properly informed strategic decisions;
 - The ESFA want the budget forecasts submitted to them without taking into account any grants;
 - Sixth Form numbers are based on assumptions and may vary;

- The building is aging so there will be costs incurred for maintenance of the structure, plant and equipment.
- Strategies to increase income include:
 - The PAN has already increased and may be increased further;
 - The School will continue to ask for voluntary contributions towards PE transport and books;
 - Growth and sustainability of the Sixth Form;
 - Increasing the marketing of the school, lettings and catering.
- Strategies to reduce costs include:
 - Good timetable planning;
 - All vacancies reviewed before recruiting for replacements;
 - Overtime agreed in advance;
 - Cross-subject teaching;
 - Value for money from contracts;
 - Investing in LED lighting, through a capital grant.

CC asked what percentage of the budget is taken up by salaries. JAM and CS replied that salaries take up approximately 85% of the budget.

HSS added:

- that last year, St Bart's had been unfortunate in the number of Level 5 students attending the Sixth Form; the budget position will improve next year;
- there will be more SEND students next year which will see an additional approximately £40,000 in funding, up to £60,000 from £20,000;
- It is hoped that there will be an increase in contributions towards PE transport costs;
- Lettings income will increase and there will be an increase in charges;
- The increase in employer contributions to the Teachers' Pension Scheme is huge, up from 16.48% to 23.68%.

The proposal to recommend approval of the budget to the FGB, with a £10,000 allowance either way whilst remaining figures are finalised:

Proposed: SF

Seconded: CC

Vote: unanimous

8. BUDGET FORECAST RETURN

The proposal to approve the budget forecast plan, with final review by CS before submission to the ESFA:

Proposed: CC

Seconded: KS

Vote: unanimous.

ACTION: HSS & CS

9. INTERNAL CONTROL CHECKS

CS carried out the internal control checks on Monday 24th June. The report was circulated in advance and taken as read.

KS asked if CS had been able to identify and review sufficient samples. CS explained that five samples for each area are examined. HSS confirmed that this is exactly the process that external auditors had employed when they have undertaken the checks.

10. TEACHERS' PENSION END OF YEAR CERTIFICATE AUDIT

HLS relayed an update from Karen Pollard:

- The auditors are still chasing for an update from Capita on the issues from the 2017/18 End of Year Certificate (EOYC);
- They also want to discuss the 2018/19 EOYC;
- This will continue to be chased.

ACTION: Karen Pollard

11. AUDIT PLANNING DISCUSSION

Trustee Report Plan

It was agreed that HLS will provide the initial updates to the report and it will then be reviewed by KS and CS.

Audit Dates

The audit will take place week beginning 14 October.

Value for Money Statement

A draft was circulated in advance of the meeting and agreed by those present.

ACTION: HLS to prepare for FGB

12. BUILDING PROJECT UPDATES

Browns Meadow

SF:

- There have been three tender returns;
- Costs were expected to be approximately £300,000 but came in between £427,000 and £470,000;
- Value-engineering has reduced costs but not sufficiently;
- In addition to the £50,000 already committed by the School, an additional £110,000 needs to be found;
- A report on refurbishment has been commissioned by Newbury Athletic Club but it does not give costs or an opinion on feasibility;
- SF and KS will write a paper to allow Governors to consider the options;
- The FGB may need to make a decision by the end of term;
- Sport England are expected to withdraw their funding at the end of term;

- The financial position needs to be seen in the context of reserves.

13. BENCHMARKING REPORT

This item was deferred as the information from other schools has gaps and the information regarding timetable comparisons is inconsistent.

14. RISK REGISTER

The Financial and Non-financial Risk Registers were circulated in advance of the meeting.

Financial Risk Register (FRR)

HSS explained that the FRR went to CS in March for review.

There are concerns around larger numbers of students as a result of increases to the PAN and having enough room for exams. This will be included in the PAN paper during the Autumn Term.

ACTION: JAM/HSS

Non-financial Risk Register (NFRR)

JAM confirmed that the NFRR has been re-ordered and updated. HLS explained that the F&R Committee has overall responsibility for risk so both registers are circulated for information.

15. HEALTH & SAFETY GOVERNOR'S REPORT

SF's report was circulated in advance and taken as read. The following were highlighted:

- A summary of reports and meetings are included;
- Monitoring checks have been re-established.

IP asked to see how actions track visit by visit to enable trends to be identified.

16. REPORTS ON FORMAL COMPLAINTS, FREEDOM OF INFORMATION AND DATA PROTECTION REQUESTS

JAM's report was circulated in advance of the meeting and the contents noted.

KS reported that she will be undertaking a data assessment by the end of term with Julie Shepherd.

17. POLICIES FOR REVIEW

The following policies were agreed:

- Investment
- Reserves
- Data Protection

- Fundraising.

ACTION: HLS to prepare for FGB

18. TERMS OF REFERENCE

These were agreed.

ACTION: HLS to prepare for FGB

19. ANNUAL WORK PLAN

This was agreed.

ACTION: HLS to prepare for FGB

20. AOB

Parental Engagement

CS explained that comments at a recent Parents' Association (PA) event had indicated that feedback from primary school parents is that St Bart's has a lot of money and it may be this view that is resulting in fewer parents becoming involved in the PA, meaning fewer activities and, therefore, lower income.

A suggestion was made that a note addressing this issue could be put in Bartholonews at the end of term but some Governors felt that this could do more harm than good. However, it was agreed that parents are a resource that should be utilised.

PAN Implications

There is nothing further to report at this time. There will be a paper to Governors during the Autumn Term.

These minutes are subject to final approval by the Finance & Risk Committee at its next meeting.

SignedDate

Chair of the Finance & Risk Committee