

ST BARTHOLOMEW'S SCHOOL
MEETING OF THE GOVERNORS' FINANCE & RISK COMMITTEE
MONDAY 25TH NOVEMBER, 2019 AT 6.15 PM IN THE WORMESTALL MEETING ROOM

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
	Helen Strutt (HSS)	Finance Manager
	Bruce Steiner (BS)	Co-opted Governor
IN ATTENDANCE:	Mike Farwell (MF)	Auditor, James Cowper Kreston (JCK)
	Ian Peddie (IP)	Chair of Governors
	Gareth Scourfield (GS)	Parent Governor
	Jeremy Sharpe (JPS)	Deputy Headteacher
	Helen Sutherland (HLS)	Clerk to the Governors

1. APOLOGIES

2. DECLARATION OF AOB

There were no declarations of AOB.

3. DECLARATION OF INTERESTS

There were no declarations of interest.

4. MINUTES OF THE LAST MEETING – 27th JUNE, 2019

The minutes were agreed.

5. MATTERS ARISING

Teachers End of Year Pension Audit Certificate

This has now been received.

6. THREE YEAR FORECAST

Papers were circulated in advance of the meeting.

JAM explained:

- The financial forecast is now looking a lot more positive;
- New funding rates have been announced for pre and post-16 students, including additional funding for students undertaking two or more STEM courses (caveat: this measure was announced in the Autumn Statement before the General Election was called);
- The Teachers' Pay Grant is likely to cease in two years;

- It is assumed that the Teachers' Pension Grant will continue but this is not guaranteed – it is worth approximately £350,000 a year;
- It is also assumed that the Pupil Premium Grant will continue but this could change;
- It is possible that the catch-up grant may change;
- Assumptions have been made regarding salaries and these are detailed in the papers;
- Sixth Form numbers have increased significantly this year; it is not clear, at this stage, if numbers will be maintained next year and, but a Sixth Form of 600 has been assumed for this model. JPS added that the numbers of applications for September 2020 are encouraging;
- The figures assume a Published Admission Number (PAN) of 270;

HSS and GS joined the meeting at 6.30 pm.

- More staff will be needed to support increased numbers;

KS asked about bursary funding reserves. HSS explained that there is an estimate of what should be spent each year, otherwise there would be a requirement to pay any surplus funds back.

KS asked about Browns Meadow. HSS replied that £40,000 had been included in the draft budget which was drawn up before the project was terminated. HSS confirmed that, should a new project be agreed, funds would need to be set aside again.

GS asked about the £130,000 drop in teachers' pay and pension costs. HSS responded that this figure takes into account the teachers' pension grant and the expectation that the grant will continue. JAM added that it is unlikely that the Government will continue to provide grants to cover pay.

KS stated that she was pleased to see a review of Sixth Form numbers and is keen to ensure that quality of provision is not compromised. JAM acknowledged that this is the right time to have a review due to the new courses and qualifications now available, as well as the increased number of students.

CS noted that inflation may need to be taken into consideration.

7. PAN PROPOSALS

A paper detailing the considerations taken into account regarding a possible further increase in the PAN was circulated in advance of the meeting.

JAM highlighted that:

- A number of actions have been undertaken over recent years to mitigate budget deficits, however, due to the increase in Sixth Form numbers there is a need to look at whether some of the areas that have been cut should be reinstated such as careers advice, counsellor etc.
- Risks for the budget include:
 - the need for additional teachers to support increased numbers across the school;
 - staff recruitment, retention and morale due to increased workloads;

- increased maintenance and replacement costs as the building and equipment ages.
- Future opportunities include The Clere partnership, trading services etc.
- The budget forecast is a lot healthier than previously predicted;
- Staff have been asked for their thoughts on increasing the PAN: they are managing at 270 but there are more pressure points including normal movement around the school, the size of classes, in particular those in core subjects and ensuring sufficient support for students and achieving excellent progress;
- A balanced budget can be set in the short to medium term, some of the funds now available should be used to address the pressure points and there is low risk in doing so;
- JAM noted that if the PAN were to be increased to 280, additional English classes will be needed in Year 8 and Year 9.

JPS added:

- There are staffing implications for the Sixth Form due to the increased number of students;
- There are a couple of periods during the week when the school has run out of room and there are concerns that there will be more of a struggle to find suitable rooms for some lessons;
- the Sixth Form increased this year by more than an increase in the PAN to 280 would have brought in.

IP asked if a classroom expansion programme is needed. JAM answered that this would depend on whether the PAN is increased to 280.

KS noted that there are other dimensions to take into account which include ensuring that high quality marking and feedback is maintained and how much additional time it would take staff with a larger PAN.

GS suggested that it would be sensible to think about an upper limit for student numbers: it may not be possible to physically expand to accommodate larger numbers due to planning consent or environmental concerns. JAM replied that this will be considered when the review of the Sixth Form is carried out.

JAM recommended that the PAN should remain at 270 for the moment.

The recommendation for the PAN to stay at 270:

Proposed: SF

Seconded: CC

Vote: unanimous.

JPS left the meeting at 7.05 pm.

CS welcomed MF to the meeting at 7.05 pm.

8. FINANCE GOVERNORS' REPORT REGARDING THE MANAGEMENT ACCOUNTS

CS' report was circulated in advance and taken as read.

9. REPORT ON FORMAL COMPLAINTS

JAM's report was circulated in advance and taken as read.

10. PART 1: PRESENTATION OF THE ACCOUNTS

The Report and Financial Statements for the Year Ended 31 August 2019 and the Completion Letter to the Governors were circulated in advance of the meeting.

Report and Financial Statements

MF explained that the Report and Financial Statements had been compiled in accordance with the "Academies Accounts Direction 2019-2019".

The following were noted:

- The Audit had gone smoothly, with no issues to report again;
- There was a meeting with HSS a couple of weeks ago but there was very little to discuss;
- Nothing was found that was inconsistent with the accounts;
- Some academies are including an environmental report in their governance statement – this is something to consider for the future;
- The value for money report is good;
- JAM confirmed that she is not aware of any breaches for the Statement on Regularity, Propriety and Compliance;
- MF explained that "Restricted Funds" relate to those provided by the General Annual Grant (GAG) from the Government;
- "Unrestricted Funds" relate to those not provided by the Government: it is unusual for a school to have this level of unrestricted funds and they have increased by £50,000 over the last year;
- The Local Government Pension Scheme (LGPS) can be calculated so the liability is included in the accounts but the Teachers' Pension Scheme is not possible to calculate so contributions are noted;
- There was £1.5 million in the bank (cash) on 31st August, 2019;
- Note 10: staff costs increased by approximately £300,000, mostly due to pension contributions;
- Agency costs are low;
- There was an increase in key management personnel costs due to the restructure of the Leadership Team.

Reconciliation of the Accounts

The Accounts were circulated in advance of the meeting. HSS noted the following:

- There was a deficit of £126,000 in 2018/19;
- The overall deficit of £531,000 was supported from reserves of £405,000.

Completion Letter

MF:

- The letter summarises the work that has been undertaken;
- No internal control issues were identified and there were no audit differences;
- The internal assurance report now has to be submitted to the ESFA;
- Benchmarking is harder to do as there are fewer single academy trusts.

CS asked how St Bart’s compares to other schools. MF replied that St Bart’s looks good. Other academies are having to undertake more reviews in terms of overheads, the curriculum, teacher contact ratios etc.

MF added that there is an independent pension scheme starting to come out of the Teachers’ Pension Scheme (TPS). Aviva have developed a product. This will have an effect on the funding of the TPS if there is sufficient uptake of the Aviva scheme.

Governors thanked HSS.

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

SignedDate

Chair of the Finance & Risk Committee