

The Minutes of the Finance & General Purposes (F&GP) Committee Meeting
Held on Thursday, 19th October 2017

Present

Tahir Darr (TD);
Vicki Jackson (VJ);
Steven Mackay (SMK) (Headteacher);
Joanna Symons (JS);
Kevin Ward (KW) (Chair of F&GP Committee);
Stuart Weatherall (SWe).

In Attendance

Siobhan Randall (SR) (Finance & Facilities Manager);
Marya Marriott (MM) (Clerk).

1. Procedural Matters

- 1.1 JS was warmly welcomed to her first F&GP Committee meeting.
- 1.2 Apologies were received and accepted from Simon Morris (SM).
- 1.3 The meeting was quorate.

2. There were no declarations of interest.

3. Election of the Chair of the Committee (Clerk)

KW was re-elected as Chair of the Finance & General Purposes Committee for 12 months.

4. Notification of Any Other Urgent Business

- a. CIF (Condition Improvement Fund) Bid 2017/2018. To be dealt with Item 11.
- b. Consultation on High Needs Funding. To be dealt with at Item 19.

5. The Minutes of the last meeting (29th June 2017)

One amendment was noted: Kevin Ward's initials should be 'KW' (not KO). Subject to that correction, the minutes were agreed to be an accurate record of the meeting. They were signed by the Chair and passed to SR for inclusion on the governing body's file.

6. Matters Arising from the previous minutes

Please see Page 7.

7. Outturn Statement for 2016-2017 Financial Year

Reserves were c£72,000 higher than had been anticipated, despite a significant but necessary overspend of the Capital budget.

- Reserves in original budget - £584,000
- Forecast Reserves - £612,000
- Actual Year End Reserves - £647,000.

Governors asked: Was there a significant underspend across the whole budget to result in this level of reserves?

A: Yes. The process for forecasting staff costs has become more refined and it's a similar picture in some other areas. However, £32,000 is school trip money ie it is not the school's. If that is discounted the year-end figure is in line with forecasts: £612,000.

Governors asked: Will this picture be mirrored in the final accounts?

A: To some extent – but the annual accounts incorporate information such value of assets and depreciation.

The school was feeling the benefit of Lagged funding catch up after a period of growth. In 2016-2017 the school had been funded for 885 students but had 1002 on roll. The financial statements indicated that, going forward, the school would not be running an in-year deficit. It was agreed that the position indicated that the decision to invest c£200,000 in capital projects had been correct.

The Capital budget had been overspent by £38,000 over the course of the year. Contributing factors:

- During re-wiring of the Music Block it was found that materials could not be re-used.
- The total cost of installing the Snack Shack had been £10,000 more than originally quoted.
- A replacement kitchenette in the staff room had been installed.
- There had been additional costs relating to carpeting and decorating works.

It was agreed that a 20% margin would be needed in future due to the deterioration of the building fabric.

8. NFF (National Funding Formula) – Update and Implications

A paper, *School Funding Reform, Consultation on the School Funding Formula for Mainstream Schools in BANES 2018-19*, was circulated.

The document laid out to options for the distribution of the funding. In addition, schools were asked whether some specific services should be 'de-delegated'. A response was required by 13th November 2017.

SMK advised that Richard Morgan, BANES LA (Bath & North-East Somerset Local Authority), had confirmed the implications for 2019-2020 onwards:

- a. The minimum uplift for Oldfield from the outcomes of the consultation would be £173,000. This was based on BANES applying the LA funding formula rather than national one, and also top-slicing an additional 0.5% for high needs. The maximum uplift for Oldfield would be £213,000.
- b. The minimum uplift would be £340,000 and the maximum would be £414,000 per annum for 2019-2020 onwards.
- c. No school in the BANES area would lose money.

SMK advised uplift figures would be including in school forecasts (using the lower of the figures for each year until outcome of the consultation was confirmed).

9. Budget & Forecast 2017-2018

The *5-Year Budget Forecast from 1st September 2017* had been circulated in advance of the meeting. The spreadsheet included budgets set and actual spending for 2016-2017, budgets for 2017-2018 and predictions for the academic years to 2021.

Income for the coming year would increase but staff costs would also be higher. Some of the increase was due to an 'insurance' approach to staffing to protect teaching and learning e.g.

maternity cover. The number of teaching assistants had been increased to provide support for students with EHCPs (Education Health Care Plans). A new history teacher and a Site Maintenance person had been appointed. There had also been some changes to staff contracts. Overall, once salary increases were taken into account, there would be a 2% increase to staff costs in the forthcoming year.

Additional funding had arrived for the students that came from BCA (Bath Community Academy). (This funding was included in the income line. Income had risen but so had costs.

Governors asked: Was the lagged funding £157,000?

A: The figure will be checked and confirmed. **Action: SMK.**

Governors asked: Have the budgets for subsequent years been updated to reflect the changes?

A: Yes, including staff pay increases.

It was noted that the forecasts indicated that the school's reserves would fall below the £500,000 level identified in its Financial Policy. The committee confirmed that it was content that was the case. The spending plans were approved. **Action: SMK**

2016-2017 Expenditure - SMK and SR highlighted the following:

- a. The Supply Staff budget had been overspent due to sickness and an unplanned staff departure in the Science Department. However there had been an underspend in the Support Staff budget.
- b. The school had not had to pay the Apprenticeship Levy because the salary bill was below the £3, 000,000 threshold.

Governors asked: How close was the school to the threshold?

A: Very close. The salary bill will be above the threshold in 2018.

- c. The cleaning costs had been overspent due to phasing issues with the new contract; this would correct in the coming year.
- d. Vandalism at the school site had increased; resulting costs had been significantly over the allocated budget.

Governors asked: Is the CCTV up and running?

A: Yes – but more cameras are needed.

- e. The budget for total Occupancy costs had been slightly underspent. However, the committee noted that rises for electricity and gas were anticipated in 2017-2018.
- f. The school would be re-claiming a rates over-payment; there had been changes to the rateable value during the year.
- g. The total Departmental Capitation and Non-Subject Capitation budgets had been overspent. This was largely due to the purchase of some unplanned but necessary items, including new software.
- h. There had been some miscoding of expenditure in the Administration Supplies and Services Budget, which was being corrected.
- i. The school was still hiring drivers for the minibuses. Training was taking place; the internal pool of qualified staff was increasing. There were 2 years to run on the minibuses' lease.
- j. The school had bought too many bus passes; the surplus would be sold back to the supplier.
- k. The Headteacher's Contingency Fund had been used to purchase music equipment.
- l. The examination fees budget had been underspent. It was noted that costs would increase in 2017-2018 because the number of students had increased.
- m. £20,000 had been spent on school re-branding. School signage, website development, new prospectuses for the main school and a discrete prospectus for the 6th Form were included.

- n. The Educational Visits and Field Trips budget would contain large balances until all trips were completed (parent contributions).
- o. BET (Bath Education Trust) Educational Services expenditure was for professional services.
- p. The school planned to bring support for inclusion (including managed moves, hospital service, education welfare, counselling) in-house. Ultimately, the change would result in a higher-quality, less expensive, service.
- q. Careers support had been brought in-house.

Governors asked: Where is the Pupil Premium Funding shown?

A: £24,000 is in the Administration and Educational Supplies budget. The rest (total budget £173,000) is spent via the staffing budgets.

Governors asked: Is the NFF included?

A: Not for this year. There may be a windfall if 5/12 of funding.

10. Cash Flow Forecast

It was agreed that a cash flow forecast would be presented to the next meeting. **Action: SR.**

11. Capital Spending Programme

SMK advised that the previously agreed annual budget allocation was likely to be too low; consideration of the development needed to achieve strategic objectives was recommended. The level of reserves and impact of the NFF provided scope to move forward.

It was noted that a reason for maintaining the existing level of reserves was so that the school could capitalise on opportunities that arose. Reserves could also be used in other ways e.g. to raise standards via increased staffing.

CIF (Condition Improvement Fund) Bid 2017/2018. Ward Williams Associates had been commissioned to prepare 2 new bids (roofing and window); the draft documents were circulated in advance of the meeting.

The outcome of the CIF bids would not be known until March 2018. Successful outcomes would not impact directly on the teaching and learning environment. Most of the classrooms were still in need of re-decoration/refurbishment. Work on the Penn and Malloy spaces was required.

Office space was very tight. The school was unlikely to need to increase teaching staff soon because there was currently some (deliberate) over-staffing. However, further support staff might be required, which would have implications for office space.

The Fire Alarm system was scheduled for essential upgrade work; those costs would take a significant portion of the planned budget. (Further information about precise costs was due very soon.)

Governors asked: Are academies entitled to SALIX funding?

A: Yes.

The school was likely to be over-subscribed again in 2018.

It was noted that deprivation levels at the school were high for the area (20%).

Governors asked: Does it account against the school if pupils come from outside the LA?

A: No. We can accept pupils from anywhere.

Governors asked: When could we put in an Expansion Bid?

A: Next year; substantial preparation time will be needed.

Governors asked: Does not growing the 6th Form count against us?

A: Growing the rest of the school should lead to 6th Form growth.

The committee agreed that growth should be based on the school's identified priorities.

Governors asked: Is SEND (Special Educational Needs and Disability) not currently a priority?

A: No. But educational achievement for all students is – it all ties in.

It was agreed that the £50,000 per annum should be retained as a general maintenance budget. It was agreed that some of that funding should be ring-fenced as the school contribution to the CIF bid. **Action: SMK**

The committee agreed that options for capital expenditure for the next 5 years should be provided. The options should be linked, as appropriate, to health and safety, improving standards, reducing costs, growth of the 6th Form. **Action: SMK**

It was agreed that an additional £100,000 would be ring-fenced for capital projects, regardless of whether the CIF Bid was successful. **Actions: SMK**

12. Staffing Update

12.1 Finance Team:

- Helen Flint had left the school in September 2017.
- Casual support had been employed as an interim measure.
- A permanent replacement had now been appointed.
- The (experienced) casual employee had agreed to stay on during the induction period.

12.2 Facilities Team:

- Steve Sage (Site Caretaker) had retired.
- New staff were joining the team, which had grown slightly.
- The Apprentice Painter & Decorator had left the school. The school was considering how to replace the role.

Governors asked: Could facilities staff be trained to drive the minibuses?

A: Yes. Some are already qualified.

13. Audit & Accounts Preparation Update

The moved to Monahans had worked well. The company had been very helpful with the close-down of the annual accounts. There were some final items for completion.

The accounts would be presented to the next F&GP Committee meeting. James Gare would attend on behalf of Monahans. **Action: SR/Clerk.**

14. Review of Terms of Reference (Chair)

It was agreed that the Clerk and Company Secretary would draft revised TORs, which would come to the next F&GP meeting. **Action: Clerk/Company Secretary.**

15. Academies Financial Handbook 2017

The Clerk reminded the committee that the updated Handbook had been issued by the ESFA (Education & Skills Funding Agency). A summary of changes was described at page 5.

Action: Clerk/Company Secretary to incorporate changes in to Scheme of Delegation and advise the Board.

16. Appointment of Responsible Officer

The committee was advised that Audit West had been commissioned to undertake the next audit; the focus would be payroll, purchasing and income.

It would be confirmed whether a 'Responsible Officer' position was a requirement for the Trust.

Action: Clerk.

17. Review of the Risk Register

R01 Funding. On target (Green). Ongoing risk; minimised by NFF.

R02 Public Health Hazard. On target (Green). Ongoing risk (tolerate). A cover plan would be needed in the event of large scale staff absence.

R03 Sixth Form. On target (Green). Ongoing. The risk was being treated via marketing and a Raising Achievement Plan.

R06 Systems Failure. On target (Green). Action to maintain systems and insurance ongoing. It was noted that, earlier in the week, the fibre optics in Penn Building had failed temporarily.

R07 Maintenance. Complete (Green). It was noted that there was a risk of unexpected failure of items such as boilers.

R08 Business Continuity. Complete (Green). Systems were in place.

R08 Business Continuity. Off target (Red). A new CIF Bid for additional teaching spaces was being prepared.

It was agreed that the new General Data Protection Regulation (GDPR) would be added to the register. **Action: SMK.** (It was noted that Patrick Heuff, Deputy Headteacher, would lead.

18. School Improvement Plan: Review of Progress against elements assigned to the committee

- a. Resources. This would be considered after the next joint Strategy Meeting. ICT would be a key strand.
- b. Marketing Plan. Some investigative work had been undertaken. Advertising on buses was too expensive. Other options would be explored.
- c. Learning Development. Significant progress had been made as part of planned development.
- d. The whole-school prospectus had been completed. The 6th Form prospectus was near completion.
- e. 6th Form. Improvements for 2019, when numbers were likely to increase, were planned.

19. Any Other Urgent Business

19.1 BANES Consultation: High Needs Funding

BANES had asked schools to allow top-slice of the SEND budget to support Higher Needs to continue. The top slice equated to 0.5% - £17,000 from Oldfield in the current financial year. In 2018-2019 that was forecast to increase to £23,000. A response was required by 13th November 2017.

The quality of the BANES provision appeared under threat. It was agreed that it would be appropriate to respond favourably if any other schools in the LA were losing funding because of the NFF; that was not the case. It was therefore agreed that school would vote for the funding to be devolved directly to schools' budget. **Action: SMK.**

20. Items noted for next agenda:

- a. Terms of Reference
- b. Scheme of Delegation – update.
- c. School Improvement Plan – review of F&GP Progress

Date of the next meeting: 23rd November 2017 at 5.30 pm

The business concluded at 7.55 pm.

6. Matters Arising from Previous Minutes

Item 7. Annual Budget 2017-2018

The committee agreed that the proposed Annual Budget for 2017-2018 should be recommended to the full governing body at its next meeting. **Action completed: KW/SMK**

Item 8. Capital Spending Proposal 2017-2018 Financial Year

The F&GP Committee agreed that the proposal be recommended to the FGB.

Action completed: KW/SWe.

Item 9. Final Audit Report

It was agreed that KW would review the TORS for the F&GP and Remuneration Committees and cross reference them to the School Development Plan. **Action: KW** [Item passed to Clerk and Company Secretary.]

Item 9. It was agreed that the Whistle-blowing Policy would be delegated to the Personnel and Student Welfare Committee. **Action completed: SR/Clerk.** [Logged for PSW agenda.]

SR would provide feedback to the Audit team. **Action completed: SR.**

Item 10. Audit/Accountants Tendering Process - Update

It was agreed that a 3-year contract be awarded to Monahans. **Action completed: SR.**

It was agreed that Monahans would be asked to provide a training session on trustees' financial responsibilities. **Action: SR.** [The annual accounts would be presented to the next F&GP meeting. Monahans had indicated that it could provide training for the whole governing body early in 2018. Logged for FGB, Feb 2018.]

Item 11. Cleaning Services Contract

Further to the detail provided at the last F&GP meeting, it was agreed that the contract with the existing provider be extended for 18 months with effect from 1st September 2017, taking the total contract to 3 years.

Action: SR. [The action had been completed but subsequently the service had deteriorated. A back-up plan was being formulated. There were significant disadvantages to taking the work in-house. SR would be discussing frustration of the contract with Stone King, the school's solicitors. SR would provide an update at the next F&GP meeting. Logged for 23rd November 2017.]

Item 12. Risk Register

The F&GP Committee would retain oversight of the whole register. Committees would see the whole register as a standing agenda item. **Action completed: Clerk to log for agenda.**

Item 12. It was agreed that SLT was responsible for implementing actions agreed by the governing body or its committees to mitigate risk. **Action ongoing: SMK** [The committee agreed this standalone action should be deleted.]

Item 12. It was agreed that the register would be sent to committees for review in the context of their delegated responsibilities. It was agreed that the register would be presented to the full governing body once each year. **Action ongoing: SMK.** [The committee agreed this standalone action should be deleted.]

Item 12. The risk register would be added to the next full governing body agenda. **Action: Clerk.** [Logged for FGB, 7th December 2017.]

Item 13. Highway 'Stopping Up'

The committee agreed that because the issue had been identified on the Risk Register it should be addressed. **Action ongoing: SR.** [A budget had been allocated for the work. SR would instruct Stone King and provide progress reports to the F&GP.]

Item 14. Review of Charging & Remissions Policy

It was agreed that the policy would be updated ready for approval at the next F&GP Meeting.

Action carried forward: SR/SMK [SMK confirmed the that existing policy remained compliant with regulations.]

Item 16. Academy Financial Regulations Policy

It was agreed that SR and the Clerk would meet to identify and plot timescales for items explicitly linked to the governing body's role. Action ongoing: SR/Clerk [A review of the trust's Scheme of Delegation, Financial Handbook requirements and F&GP Terms of Reference scheduled for 10th November 2017.]

Item 17. Proposed F&GP Schedule of Meetings for 2017-2018

The proposed schedule was agreed. Action completed: Clerk to add to GovernorHub.

Item 18.1. Oldfield School Investment Policy

The policy was required by the Academies' Financial Regulations. Review of the policy had been delegated to the F&GP Committee. The policy was approved.

The policy would be scheduled for review in June 2019. Action completed: SR.

Matters arising from 11th May 2017

Item 5. Proposed letting rates for 2017-2018

It was agreed that SR and VJ would explore commercial possibilities [in relation to lettings] in June 2017.

Action superseded. [Super Camps would be renting the school premises for c.£1200 per week during the 2018 summer holiday period.]

Item 10. CIF Bid Appeal

The appeal would be dealt with by the agents; they were employed on a 'no win, no fee' basis.

Action completed: SMK.

Item 13. Terms of Reference (TORs) & Key Performance Indicators (KPIs)

It was agreed that the document would be finalised and circulated to reflect the committees monitoring responsibilities in relation to the School Development Plan. KW: Action carried forward. [Action passed to Clerk/SR.]

APPROVED BY COMMITTEE