

MILLTHORPE SCHOOL

MINUTES OF THE FINANCE & STAFFING COMMITTEE MEETING

Held on Thursday 24th April 2014 at 6pm



Present: Mr Trevor Burton (Headteacher) Mr Tim Hooper (Chair)
 Mr Tim Moat Mr Bill Schofield
 Mrs Eileen Robertson [until 7.08pm] Ms Helen Thomas

In Attendance: Mr Alex Collins (School Business Manager)
 Mrs Sheila Sweeting (Bursar)
 Ms Naomi Heaton (Staff Governor)
 Ms Helen Ainsworth (Staff Governor)
 Miss Amy White (Clerk)

		Action								
1.	Apologies for Absence & Declarations of Interests Apologies for absence were received from Bob Sydes. There were no declarations of interest.									
2.	Minutes of the previous meeting held on 6th February 2014 (previously distributed) The minutes were agreed as a true and accurate record of the meeting and were signed by the Chair.									
3.	<p>Matters Arising With reference to the Action Plan:</p> <table border="1"> <tr> <td>Amend Terms of Reference as agreed</td> <td>Completed</td> </tr> <tr> <td>E-mail all governors regarding membership on the committee</td> <td>Completed – have two new members</td> </tr> <tr> <td>Contact Helen Thomas re-link to SFVS</td> <td>Completed – Helen Thomas had set a date to meet with Alex Collins</td> </tr> <tr> <td>Arrange additional meeting for initial discussions regarding Start Budget</td> <td>Completed</td> </tr> </table> <p>Matters Arising: A governor asked for an update on the Steve Wells feasibility study. Alex Collins reported that an initial survey had taken place in February and there had been no further progress. Governors discussed the study and felt that timelines should be agreed in order to keep the momentum going. In response to questions regarding budget and payment, it was clarified that there would be an initial fee for undertaking the appraisal report and further payment would be requested by Steve Wells in retrospect of work completed. Governors expressed a concern with retrospect billing and it was agreed that a letter would be written to formally outline the scope of the work and a fee. Timescales would also be included within the letter and governors agreed that the study should be completed by the end of the academic year. Governors noted that the school had not made any payments to date.</p>	Amend Terms of Reference as agreed	Completed	E-mail all governors regarding membership on the committee	Completed – have two new members	Contact Helen Thomas re-link to SFVS	Completed – Helen Thomas had set a date to meet with Alex Collins	Arrange additional meeting for initial discussions regarding Start Budget	Completed	A.C/Chair
Amend Terms of Reference as agreed	Completed									
E-mail all governors regarding membership on the committee	Completed – have two new members									
Contact Helen Thomas re-link to SFVS	Completed – Helen Thomas had set a date to meet with Alex Collins									
Arrange additional meeting for initial discussions regarding Start Budget	Completed									
4.	<p>Request to increase the limit on the Purchasing Card Alex Collins reminded governors of the use of the Purchasing Card and noted that the card had been approved with limits of £250 per transaction and £3,000 per month.</p> <p>A request was made to increase the limits of the Purchasing Card to £1,000 per transaction and £5,000 per month.</p> <p>In response to a question it was confirmed that transactions were monitored and authorised by Sheila Sweeting. It was further clarified that all transactions were made in school as the card remained securely on site at all times.</p> <ul style="list-style-type: none"> ▪ Governors unanimously agreed to increase the limits of the purchasing card to £1,000 per transaction and £5,000 per month. 									
5.	Predicted End of Year Outturn (previously distributed) Governors received the End of Year Outturn and noted that it was superseded by the Start									

	Budget 2014/15.	
6.	<p>Start Budget 2014/15 (previously distributed) Governors noted the following balances:</p> <ul style="list-style-type: none"> · In-Year Deficit: (£95,290) · Brought Forward: (91,226) · Cumulative Carried Forward: (186,516) <p>The In-Year balance was projected to be in credit by the end of 2015/16 but the Cumulative credit would take longer than expected.</p> <p>Alex Collins presented the 2014/15 Start Budget and highlighted the following:</p> <p>Total <u>Teaching Staff Costs (table S09)</u> had increased slightly from the previous Start Budget and represented a significant proportion of the overall budget. Governors noted that the cost assumptions had been made with the information available at the time and there had since been notification that the 1% National Pay Award was likely to be an annual increment. Alex highlighted that relatively small variances could have an impact on the budget and a lot of work had taken place to reduce expenditure elsewhere and make efficiency savings.</p> <p>Governors noted that assumptions had been made regarding student numbers and the actual numbers, for which funding would be received, would not be known until the October census. The student intake for September 2014 was assumed at 195 with an increase in future years; though this was not a guarantee. Alex reported that Year 7 would be close to full from 2014/15 but it would take time for this increase to work through the other year groups.</p> <p>Alex highlighted that the school wanted to protect the quality of teaching and there had been no assumptions that the teaching establishment would reduce. A number of likely scenarios had been considered including the resignation/natural wastage of higher pay grade teachers and replacing them with lower pay grade teachers. Governors noted that such scenarios were outside of the school's control but it was in a position to control the compliment of staff and the strategy for replacing staff.</p> <p>Considering the license with the LA for the deficit budget, Alex reported that it was not realistic to expect a Cumulative Balance credit by the end of 2015/16 as originally agreed. The school was reasonably confident that a year-on-year surplus budget would be possible – with an increase in student numbers and reduction in contingency – thereby reducing the deficit amount. The Chair reported that, as the school could not fulfill the three year license agreement made with the LA, an extension would need to be requested. He noted that the request could not be made until after the Start Budget had been signed off.</p> <p>Governors rigorously discussed the budget and license:</p> <p>A governor asked why the income amount for <u>Special Education Needs and Pupil Premium (I03 and I05)</u> were the same year-on-year when an increase in student number was predicted. Sheila answered that the figures were automatically set in the formula on the LA spreadsheet. Governors discussed that when applying for the license extension it should be clearly stated that an increase in student numbers was predicted and this could result in an increase in funding. Sheila highlighted that the introduction of cashless catering would hopefully increase the take-up of free school meals, thereby increasing the amount of Pupil Premium funding received. In response to a question Sheila confirmed that a £20,000 grant was available to support the introduction of cashless catering.</p> <p>Governors acknowledged that there had been no major reductions in expenditure (particularly in teaching) as it was important to protect the quality or resources in preparation for the increase in student numbers. Governors discussed that the school did not have a history of overspending and areas for reduced expenditure were, therefore, limited.</p> <p>Governors discussed that the direction of the school was positive and sound spending decisions were being made to move the school forward and attract students. Governors expressed that rejecting the license could be detrimental to the school. It was agreed that these points should be highlighted to the LA when applying for the license.</p>	

With reference to *Other Insurance Premiums (E23)* governors asked why the budget had been reduced from £75,320 in 2014/15 to £25,000 in 2015/16. The Headteacher explained that the reduction was a result of the de-delegated contingency for the closure of Burnholme Community College. He explained the nature of this de-delegated amount.

A governor queried the figures for *Agency Supply Staff (E26)*, expressing that the figure was high considering the reduction in absence. In response to this query it was explained that agency supply covered planned and unplanned absence (illness, maternity, training etc) and there had been some changes to the categories under which this budget was allocated.

With reference to *Staff Related Insurance (E11)* governors were reminded that the decision had been made a few years earlier to set up a £45,000 contingency instead of buying into a staff absence insurance scheme. Alex reported that this contingency amount had reduced to £40,000 in the 2014/15 budget. Governors noted that the total budget for E11 was £50,774 and it was clarified that insurance for trips and visits was also included under this budget heading.

A governor raised a concern that unexpected long term sickness could significantly impact the budget and reducing the contingency could put the school in a difficult position. It was suggested that, as the school was already applying for a deficit license, the contingency could be increased to offer greater security.

The contingency figure and impact on the license was discussed in detail and the Headteacher reported that expenditure from the contingency had been below £40,000 in 2013/14.

In response to a question regarding LA support and advice, it was noted that the LA was working with the school to reduce their deficit budget and received a copy of the school's Monitoring Reports every term. It was agreed that the school would seek guidance from the LA regarding the license extension and amount. An e-mail would then be circulated to all members of the Committee outlining the LA's advice. If, following that action, there were any major concerns regarding the lower contingency amount or license, an emergency meeting of the Committee would be arranged.

A.C

In response to a question it was clarified that the proposed English and Maths capacity increase (Item 9 on the agenda) had been included in the Start Budget.

Alex tabled a document outlining 'Cost Saving and Income Generation Ideas'. He explained that not all of the ideas within this document had been implemented but it highlighted the range of possibilities that had been considered. Governors noted that ideas with a long term detrimental impact had been discounted.

Alex outlined the following cost saving ideas that had been incorporated into the budget:

- £35,000 reduction in the ICT budget – essential work had been completed and the contract with Vital had been reduced
- £15,000 had been removed from 'planned improvement' but there was sufficient budget remaining to cover essential work
- Learning resources had been reduced by 10% and work was taking place with all departments regarding capitation
- Planned recruitment for ICT had been put on hold
- A reduction in the expenditure on Careers Advice had been incorporated. Governors were reassured that there had been significant improvements in this area and the reduction would not impact on the quality of advice
- Some off-site courses for students would no longer take place, including the motor vehicle course
- Reductions had been made in printing and photocopying.

Governors noted that income generating ideas had not been incorporated into the budget but included selling services to other schools (e.g. website production). The Headteacher reported that non-financial implications, such as the impact on staff capacity, had also been considered.

- Governors unanimously approved the Start Budget 2014/15 to be signed by the Chair of Governors and submitted to the LA with a request for an extended deficit license.

Proposed: Tim Hooper (Chair of Committee) Seconded: Bill Schofield

	<i>Eileen Robertson left the meeting at 7.08pm.</i>	
7.	<p>School Fund <i>(previously distributed)</i> Governors received the School Fund report and noted that the Fund was balanced.</p> <p>Sheila Sweeting reported that the Lightwater Valley trip had an overspend of £895 but there was sufficient reserves to cover the shortfall. Governors discussed the issues resulting from lack of payment and considered the subsidy for Pupil Premium students.</p> <p>Sheila reported that the Year End accounts had not yet been completed but would be sent for audit once finalised.</p>	
8.	<p>Services to Schools The Chair reported that Services to Schools had been raised at the last Full Governing Body meeting and a review delegated to the Finance and Staffing Committee.</p> <p>Alex Collins explained that Services to Schools referred to the services provided by the LA that schools could buy in to. A spreadsheet had been circulated for the FGB meeting which outlined costs of services and governors noted that there was a three month 'opt out' period. Governors discussed the Committee's involvement in contract discussions, including the recent decision to take the cleaning service in-house.</p> <p>Governors briefly discussed academy status and the impact on local authorities. It was acknowledged that there were advantages to purchasing LA services but, in light of the continual cuts within the LA, some services would need to be closely considered.</p> <p>Governors acknowledged that a review of services was part of the School's Financial Value Standard. It was agreed that it would be positive to review the services in September, prior to the production of the Revised Budget in November.</p>	Agenda
9.	<p>English and Maths Capacity The Headteacher reported that a key accountability measure was the amount of student progress made in English and Maths. As the amount of pressure on these departments was higher than any other department, the Headteacher proposed increasing the capacity in both English and Maths by the equivalent of half a teacher.</p> <p>The Headteacher highlighted that there had been significant improvements in both departments that had benefited the wider school. He then explained that the compliment of teachers in both departments would be maintained and the overall teaching establishment would not rise. This was due to changes that had been made elsewhere.</p> <p>Governors considered the proposal and noted that the changes had been incorporated into the Start Budget. Sustainability of improvement was considered and governors agreed that it was important to support this improvement in order to achieve positive results.</p> <ul style="list-style-type: none"> ▪ Governors unanimously approved the proposal to increase English and Maths capacity. 	
10.	<p>Staff Training Analysis Sheila Sweeting reported that had reviewed the training that had been purchased but this did not cover the overall training that had taken place. Governors discussed that there had been an expectation that external training would reduced and it would be beneficial to look at the value for money of training in terms of cost versus impact.</p> <p>In response to a question it was clarified that Continue Professional Development training was purchased as block training but delivered across the year. A governor asked if training attendance was reflected in the supply budget and the Headteacher explained that, as far as possible, training was held at a time that would have the least impact on teaching; for example, twilight sessions.</p> <p>The Headteacher reported that the school had a substantial training program and agreed that more formal reports would be beneficial. He then noted that John Bates (Assistant Headteacher) was improving the training for the following year by offering staff tailored, in-house training.</p> <p>Governors discussed that it would be beneficial to look at the effectiveness of all training in relation to the School Improvement Plan priorities; though it was acknowledged that this kind of</p>	

	<p>analysis also fell into the remit of the Quality and Curriculum Committee. The Headteacher agreed and noted that the SIP priority regarding middle leaders had benefitted from external training.</p> <p>It was agreed that Helen Thomas would meet with Alex Collins and Sheila Sweeting to discuss in more detail the value for money of training. The Quality and Curriculum Committee would assess the impact of training with John Bates.</p>	<p>Action Agenda</p>
11.	<p>Budget Management Policy (<i>previously distributed</i>) With reference to Appendix A: <i>Governing Body Decision Planner Relating to Financial Management</i>, governors discussed, in detail, the decision level for each key function. The levels were agreed and the Policy would be updated accordingly.</p> <p>Where the decision level had been delegated to a committee, individual governor or the headteacher, governors agreed that this would be subject to updates and reports being presented to the Full Governing Body (via papers or minutes).</p> <p>With reference to the rest of the Budget Management Policy, governors noted that the Terms of Reference needed to be updated to reflect the recently approved terms.</p> <p>A governor highlighted the references to a costed School Improvement Plan under <i>Budgets: 1. Aims and Objectives</i> (page 3) and asked if there would be figures against each activity. Governors were informed that a costed SIP had been attempted in previous years but the activities and priority usually required additional time not cost. Any priorities with a direct cost were discussed and documented elsewhere, including Finance and Staffing Committee meetings/minutes. It was agreed that this section of the Policy would be amended to include “as appropriate” when referring to a costed SIP.</p> <p>Governors agreed that the Finance and Staffing Committee would consider the SIP as a whole to determine any financial implications. This would be a standing item on the agenda.</p> <ul style="list-style-type: none"> ▪ Subject to the above amendments, the Budget Management Policy was unanimously approved for ratification by the Full Governing Body. 	<p>Amend</p> <p>Amend</p> <p>Amend</p> <p>Agenda</p> <p>FGB</p>
12.	<p>Governor Involvement in School Helen Thomas confirmed that she would be visiting in May to discuss staff training and other elements of her link governor responsibilities. Bill Schofield and Tim Moat reported that they had also arranged visits to discuss their link governor areas.</p> <p>Governors noted that a pre-meeting had taken place to discuss the Start Budget and the Committee members would continue to be involved in interviews and Pay Committee meetings</p>	
13.	<p>Confidentiality There were no items recorded as a separate, confidential minute.</p>	
14.	<p>Dates of future meetings – all at 6.00pm · Thursday 3rd July 2014</p>	
	<p>Meeting ended at 7.50pm.</p> <p>_____</p> <p>Mr Tim Hooper Chair of Finance & Staffing Committee</p>	<p>_____</p> <p>Date Signed</p>

**Action Plan following the Meeting of the Finance Committee Meeting
Held on Thursday 24th April 2014**

	Action	Agenda	Person	Date
1.	Write letter to Steve Wells to outline scope, fee and timescales	2	Alex Collins / Chair	By 3 rd July
2.	Contact the LA regarding the deficit license and the concerns regarding the contingency for staff absence. E-mail governors with the information received.	6	Alex Collins / Head	Asap
3.	Meet Alex Collins and Sheila Sweeting to discuss value for money of staff training	10	Helen Thomas	May 2014
4.	Amend Budget Management Policy as agreed	11	Clerk / Alex Collins	1 st July 2014

Items for Future Meetings:

- SIP costings – including detailed review of SP4 (standing item)
- Staff training analysis (from item 5)
- Review of SP4 – Summer Term
- Pay Policy discussion and review
- Services to Schools – Autumn Term

FGB: Decision Planner from Budget Management Policy

Q&C: Staff Training Analysis – impact of training