

The Swanage School
MINUTES OF A MEETING OF THE FINANCE & PREMISES COMMITTEE
Held on Wednesday 28 June 2017

Present: William Knight (Chair), Geoff Atkinson, Tristram Hobson (Headteacher), Stephen Parker, Isobel Tooley
In attendance: Sue Fletcher (Clerk), Katy Kerr (Business Manager)

Item	Action	Lead	By
FP 7.1 Apologies for Absence Apologies were received from Tim Marcus, Amanda Rowley and Catherine Starmer-Howes.			
FP 7.2 Declarations of Interest There were no new declarations of interest or conflict with any agenda item.			
FP 7.3 Minutes of the Last Meeting The minutes of the meeting held on 10 May 2017 were confirmed as an accurate record.			
FP 7.4 Matters Arising & Actions Where not elsewhere on the agenda <u>FP 6.3 Financial Procedures</u> The Chair confirmed that the Scheme of Financial Procedures had been approved by the full governing body at their meeting on 24 May 2017.			
FP 7.5 Reports I. Premises KK updated the committee on outstanding snags, reporting that issues relating to lightning protection and the gas safety valves had been resolved and are compliant, whilst remedy for the wing door leaks remained outstanding. She noted that the school is not in agreement with Kier in relation to whether the ventilation system works as it should and so this matter is ongoing, although there had been no known issues in recent hot weather. A recent electrical test of the fixed electrical installation had identified a number of defects which the contractor responsible had agreed to rectify. In light of recent concern over building cladding following the Grenfell Tower fire, the Education Funding Agency (EFA) had asked schools to complete a survey to identify any action required. The school had done so and been informed that no further action is required, which takes into account that the school is non-			

<p>residential and lower than four storeys high. Nonetheless, the school had approached Kier in relation to a safety check of the cladding and the fire risk assessment will be reviewed. It was noted that the governing body had raised the question of sprinklers during the design phase of the building works and had expressed a view that they should be installed. Guidance from the EFA at the time had been that they were not necessary and would not be funded. KK agreed to contact the EFA for current guidance. The committee was satisfied that appropriate evacuation procedures are in place.</p> <p>2. Business Manager</p> <p>i) <u>Budget monitor</u> Governors clarified the figures for the end of year outcome. There had been little movement in the end of year projections since the last meeting.</p> <p>ii) <u>Cashflow and cash position</u> A month by month cashflow forecast, showing August 2016 to August 2018 was reported as usual, as were month-end cash positions in bank accounts and funds.</p> <p>iii) <u>Banking</u> KK reported that the new Barclays bank account will be opened shortly.</p> <p>iv) <u>Petty Cash</u> The committee APPROVED a pre-paid card being made available to the science department, noting that this would be used to make contactless payments of less than £30 for the local purchasing of materials for experiments which are currently funded from petty cash. The PIN number for use of the card for higher purchase amounts or cash withdrawals would not be released to staff to ensure the system remained low risk.</p> <p>v) <u>Cleaning Contract</u> KK reported that only one tender had been received for the cleaning contract, from the current contractor. A significant increase in contract price, due to the company's increased costs, had led the school to consider moving to an in-house cleaning operation for an estimated saving of 5k-10k per year. Initial discussions had taken place with the current company and the cleaning staff, all of whom were happy to transfer to the school's employment which would be done under TUPE (Transfer of Undertakings (Protection of Employment) Regulations) to preserve their terms and conditions. However, it was noted that as the school's terms were favourable, a transfer to these terms would be discussed in due course. Governors asked questions to better understand the plans for cleaning staff management, capital expenditure on equipment and ongoing cost of materials, and potential employment and pension implications, ensuring that no actuarial pension liabilities would be inherited. It was suggested that it would be worth exploring whether economies of scale might be achieved by sharing or providing a cleaning service</p>	Follow up	KK	Jul '17
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	<p>to other schools. Legal advice was not felt to be necessary given the low risk and low potential for issues arising. Advice had been received from SAGE HR with regard to the appropriate process.</p> <p>APPROVED that the school move to in-house cleaners, with a review at the end of the Spring term 2018.</p> <p>vi) <u>Reportable Accidents</u> There were no accidents requiring RIDDOR reporting in April and May 2017.</p> <p>3. Health & Safety</p> <p>i) <u>Health & safety report</u> The receipt of a written report from the link governor for health & safety was noted, on which there were no questions. This related to the verbal report given at the last meeting.</p> <p>ii) <u>Threats from terrorism</u> TH reported that in light of recent terror attacks in Europe, the Senior Leadership Team (SLT) had considered the action that should be taken in such events and had reviewed the risk assessment process for trips/visits, based on guidance from the Metropolitan Police and the Department for Education. An appendix on threats from terrorism had been added to the risk assessment form meaning that this would now be considered for all trips/visits.</p>	Follow up	KK	Jul '17
FP 7.6	<p>Revised Budget 2017-18 and 5-year Forecast 2017-22</p> <p>KK presented a revised budget and 5-year forecast, noting that the overall picture was a c£200k deficit over the 5-year period as opposed to the previously budgeted c£70k surplus. Explaining the change, she noted that student numbers had been updated to reflect a reduction in the intake for September 2017 and to take account of a small number of students who were known to be leaving the school. Updated cohort sizes for the feeder primary schools over the 5-year period had also decreased compared to previous figures. The reduction in income over the 5-year period from these changes amounted to c£200k.</p> <p>Compounding the decreased income, increased expenditure of c£75k over the 5-year period had been added to the budget to reflect necessary uplifts in costs. This primarily related to staffing cost increases, although these had been lessened where possible by decisions to employ a cover supervisor to reduce supply teaching costs, to bring cleaning in-house and to reduce the number of staff hours allocated to catering.</p> <p>Governors probed the size of the predicted deficit for 2017/18 compared to 2016/17 and were informed that for 2017/18 there will be a 0.25% drop in funding for all per-student unit values in addition to no inflationary increase. Coupled with a 1% increase in payroll and a 2% inflationary rise on all other expenditure headings, the outlook for</p>			

<p>2017/18 was significantly worse than the current year. The surpluses forecast for the following two years (2018/19 and 2019/20) largely reflected the fact that the full cohort (the 87 students currently in Year 9) would be going through key stage 4 which attracts additional per-student funding. The school returned to a predicted deficit for 2020/21 and 2021/22 following the departure of this cohort and consequent drop in estimated student numbers.</p> <p>The Chair presented a range of benchmarking data pulled from similar schools (mixed secondary 11-16 comprehensive schools outside of London), it being concluded that the benchmarking comparison indicated that the school was generally cost effective. On first glance, the spend on learning resources appeared to be high by comparison to the benchmark, however this included costs of trips and visits (which the school keenly supports and which also has a corresponding income line) and costs of alternative provision which have been higher than expected. The spend on administrative and support staff was also noted to be relatively high. When considered on a per-student basis, however, the school compared favourably against benchmarks both for income and expenditure.</p> <p>Governors discussed how best to manage the budget to ensure the long-term sustainability of the school, recognising that it would be prudent to ensure that actions are taken to start to address the forecast deficit during the 5-year period. It was concluded that any action to limit the curriculum or staffing would be counter-productive at the present time given the importance of maintaining the offer and achievement of good results for attracting future pupils, and therefore that such options should not be considered for the 2017/18 or 2018/19 academic years. The positive impact on the budget of additional student numbers meant that the school would break even at around 85% capacity (approximately 70 students per cohort) and there were reasons to be optimistic that applications will increase beyond those forecast over the 5-year period. The forecast numbers used in the budget had been set on a prudence basis, using the average percentage intake from the feeder primary schools to date and not taking into account any positive impact which is expected to arise from the marketing and engagement strategy and from potential changes to the Local Authority's transport policy.</p> <p>Recognising that the long-term viability of the school relates to revenue generation as well as maintaining a tight control on expenditure, the need for a focus on alternative funding streams was also discussed. This included options which may arise as a result of gaining teaching school status.</p> <p>AGREED to recommend the budget for 2017/18 and 5-year forecast for 2017/22 to the full governing body.</p> <p>Thanks were recorded to Katy Kerr.</p>	FGB agenda	Clerk	Jul '17
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FP 7.7	<p>School Development Plan: End of Year Review Recent progress on the objectives under the “Operational Excellence” section of the School Development Plan was discussed:</p> <p><u>SDP 4.1 Develop and maintain efficient and effective IT provision both for learning and administration:</u> IT capacity had been increased with the successful IT project (see IT annual report, minutes of 10 May 2017) and staff feedback will be sought on the impact and use of the extra capacity. The IT Manager and governor Tim Marcus are due to meet to review the use of software in the school.</p> <p><u>SDP 4.2 Create a school environment which is inspiring on entry and all round the school:</u> art work in the atrium and on the front windows is due to be installed in the summer holidays after which feedback will be sought on what has been done and any further improvements that could be made.</p> <p><u>SDP 4.3 Improve the take-up and nutritional quality of the food served in school:</u> the menu had moved closer to meeting food standards and a student survey will inform further development of it. Efficiency and cost reduction had been achieved through changing some suppliers, portion control and reduction of waste.</p> <p><u>SDP 4.4 Provide a secure financial framework through which maximum benefit is derived from the available resources:</u> An upgrade to SAGE may lead to more effective management of financial analysis. SP, the Responsible Officer, would be working with KK to look at the possibilities for efficient management reporting that would reduce time spent on this function.</p> <p><u>SDP 4.5 Improve the quality of communication and procedural compliance within the school:</u> A Communications Working Group, chaired by a member of staff, had been established to consider ways to improve internal communication. Several suggestions by staff had already led to changes, such as the use of Outlook Calendar. Procedural compliance was improving, it being recognised that as the school has grown there is more necessity to have good, consistent internal procedures and so a tougher stance is gradually being taken to ensure staff adhere to the systems in place. Improved systems will be put in place to advise staff when policy changes are approved by governors and to ensure they are aware where to find up-to-date policies.</p>			
FP 7.8	<p>External Auditors [Confidential]</p>			
FP 7.9	<p>Any Other Business There was some discussion of moving governor meetings to daytime and the possibility of reducing the number of Finance & Premises Committee meetings or reducing the frequency of some reports. It was agreed that dates for the meeting schedule for 2017/18 would be set based on the current number and that the committee could then decide on whether to drop any.</p>			

FP 7.10	<p>Confidentiality It was agreed the discussion and decision in relation to appointment of external auditors should be a confidential minute as this was commercially sensitive.</p>			
FP 7.11	<p>Next Meeting Full Governing Body – 12 July 2017 Finance & Premises Committee – Autumn Term tbc</p>			
	<p>The meeting closed at 7.10pm</p>			