

The Swanage School
MINUTES OF A MEETING OF THE FINANCE & PREMISES COMMITTEE
Held on Monday 16 July 2018, 5pm (rescheduled from Wednesday 11 July 2018, 5.30pm)

Present: William Knight (Chair), Angela Beal, Ben Gibbard, Tristram Hobson (Headteacher) and Isobel Tooley
In attendance: Sue Fletcher (Clerk), Anna Carvisiglia (Bursar)

Item		Action	Lead	By
	The Chair welcomed the new Bursar, Anna Carvisiglia, and noted how impressed governors have been with the amount achieved in a short space of time.			
FP 7.1	Chairing This item was not needed as the Chair was available due to the meeting having been rescheduled.			
FP 7.2	Apologies for Absence Apologies were received from Tim Marcus, Nicola Newman, Amanda Rowley and Catherine Starmer-Howes.			
FP 7.3	Declarations of Interest There were no new declarations of interest or conflict with any agenda item.			
FP 7.4	Minutes of the Last Meeting The minutes of the meeting held on 27 June 2018 were confirmed as an accurate record and signed. [Matters arising and actions will be picked up at the next meeting]			
FP 7.5	Management Accounts 2017-18 Management accounts to 31.05.18 had been circulated. AC reported that the backlog of SAGE entries has been cleared, with the exception of a small number of costs and income still to be finalised. The reported surplus of 95k was for year to date (to 31.05.18), and there was not yet a projection to year end as the new finance team were being cautious whilst becoming familiar with the income and expenditure lines. Payroll entries, accounting for the majority of the budget, were up to date and no significant unknown expenditures were expected prior to year-end.			

	<p>Governors recognised that the likely out-turn looked consistent with expectations when the changes to funding methodology (which became apparent after the budget was drawn up) were taken into account, and noted that the figures to date reflected prudent management of funds this year by the Headteacher.</p> <p>AC noted that she will be working only part-time until the start of September, so the temporary staff member (a qualified accountant) will continue in post over the summer to ensure a full set of accounts by year-end.</p>			
FP 7.6	<p>Draft Budget 2018-19 and 5-year Forecast 2018-2023</p> <p>A draft budget and 5-year forecast, including projected student numbers, had been circulated.</p> <p>In relation to income:</p> <p><u>General Annual Grant (GAG):</u> AC recorded thanks to Malcom Sevenoaks from the Saturn Education Trust, who had provided advice in relation to the GAG funding. Over the 5-year forecast, a 1% per annum increase in GAG funding was assumed, on a per pupil basis, based on projected student numbers.</p> <p><u>Lettings:</u> AC believed the forecast lettings income should easily be achieved once the School directly manages the lettings, as planned from September 2018, and no longer pays a percentage of the income to a management company. She noted that the forecast is projected profit taking into account the need to employ casual staff for lock-up, and that an allowance for permanent staff had not been made in the staffing budget. It was noted that whilst there will be a staffing transfer if the current SchoolsPlus staff come to work directly for the School, there will be no legal implications in respect of TUPE given the nature of their current contracts (zero-hours). The need to uphold duty of care to casual staff was noted.</p> <p><u>High needs funding:</u> Prior to the meeting information on the School's special educational needs funding had been circulated for information. TH reported that the Secretary of State had rejected the representation made by Dorset County Council over high needs funding. In terms of allocation to schools, high needs funding will be based on a formula set by Dorset CC and will come to academies directly. Funding cuts in relation to funding for students with an Educational Health Care Plan (EHCP), allocated on a banding system, would have a real impact, with EHCP's attracting only c£3k - £5k additional funds to support the student's needs. Headteachers in Dorset have written to Dorset CC's Cabinet Member for Education to raise the issue although recognised the cuts were not restricted to Dorset.</p> <p>In relation to costs, it was noted:</p>			

	<p><u>Staffing</u>: the single largest cost. AC noted that she was confident in the staffing budget, having calculated the cost of each staff member individually, allowing for pay-rises and taking into account cost changes relating to current starters and leavers. It was noted that the Teacher's Pay Review Board recommended a 1% increase last year with the caveat that an increase of greater than 1% would be required for 2018/19 but the final recommendation has not yet been made and it is therefore not known how the government and other education authorities will respond. A prudent 2% cost of living rise had therefore been assumed for the budget.</p> <p><u>Other costs</u>: AC noted that some cost lines are informed by detailed cost schedules, e.g. maintenance. Inflation of 2% has been allowed for, likely to be over-estimated and therefore creating a prudent budget. She would expect some cost estimates to reduce once she has had a chance to review cost-effectiveness, for example noting that there may be savings through better negotiations and contract terms, e.g. in relation to recruitment costs and maintenance.</p> <p>AC drew governors' attention to the impact of the large student cohort (currently Year 9) leaving in 2020/21 and the detrimental effect on the bottom line.</p> <p>Once governors questions on the budget had been satisfied, the committee AGREED to recommend to the full governing body the proposed budget for submission to the ESFA, but to review it once additional details become clearer, and if necessary re-budget based on new information that emerges.</p>			
FP 7.7	<p>Any Other Business</p> <p>None</p>			
FP 7.8	<p>Confidentiality</p> <p>Two items discussed in relation to the budget would require confidential minutes.</p>			
	<p>The meeting closed at 5.40pm</p>			