

The Swanage School

MINUTES OF A MEETING OF THE FINANCE & PREMISES COMMITTEE

Held on Wednesday 26th June 2019, 5.30pm

Present: William Knight (Chair), Jenny Maraspin (Acting Headteacher), Tim Marcus, Nicola Newman, Jessica Starmer, Isobel Tooley

In attendance: Anna Carvisiglia (Business Manager), Sue Fletcher (Clerk), Carl Styants (Chair of the Staffing Committee)

Item		Action	Lead	By
FP 6.1	Apologies for Absence None.			
FP 6.2	Declarations of Interest None.			
FP 6.3	Minutes of the Last Meeting The minutes and confidential minutes of the meeting held on 15 th May 2019 were agreed as an accurate record and signed.			
FP 6.4	Matters Arising Where not elsewhere on the agenda: <u>FP 4.9 Risk register annual review</u> The Chair apologised for not having yet had an opportunity to meet with the Business Manager to discuss the risk register. This would be carried forward to the Autumn Term. <u>FP 4.10.3 Home-School transport</u> AC reported that she had contacted Dorset Council on several occasions regarding the potential money owed in relation to home-school transport funded students using the School's minibus, but had received no response.			

	<p>AC reported that the mini-bus driver is retiring and that the couple who run Linkrider coaches are interested in taking over the route, using the School's mini-bus, and would be happy to do so at the rate paid to the outgoing driver. Governors agreed that this sounded a positive solution.</p> <p>Transport for pupils in the new catchment area would need clarification, and agreed this should be followed up in the Autumn Term. It was suggested that local councillors be brought up to speed with the agreed change to catchment and the current situation in relation to transport provision.</p> <p><u>FP 5.5.3 Solar panels – cost of replacement parts</u> It had been confirmed to governors after the last meeting that solar panel parts remain under guarantee.</p> <p><u>FP 5.5.3 Exams Cupboard certification</u> Confirmation had been received from the Exams Board that the re-sited exams cupboard was compliant with the regulations and this had been circulated to governors.</p> <p><u>FP 5.7 Unqualified teacher pay-scale</u> The Swanage School pay-scale for unqualified teachers had been adopted after its agreement by the full board.</p> <p><u>FP 5.9 Policies</u> The Related Party Transactions Policy had been re-published.</p>	Clarity on transport	SLT	Sept '19
FP 6.5	<p>Reports</p> <p>1. <u>Business Manager</u></p> <p>i) <u>Budget monitor</u> AC highlighted a number of points in her report, noting that pupil premium funding had been received late and additional devolved capital income received. Rates would be lower cost this year than last, which related to a 2016/17 audit adjustment. This will be normalised for the 2019/20 budget.</p>			

	<p>Variances to budget were discussed and explained.</p> <p>ii) <u>Balance sheet</u> AC presented the balance sheet as at 31 May 2019. She noted that in future the section on funds would be split between restricted and unrestricted funds, pension deficit and restricted capital.</p> <p>In response to questions, AC confirmed that aged debtors and aged creditors are reviewed every four weeks and that bills are generally paid on 30 days.</p> <p>iii) <u>Key performance indicators</u> Governors reviewed the KPI's, noting that GAG income per student had been added as requested. These were shown to May 2019 and to year end out-turn.</p> <p>iv) <u>Cashflow monitor</u> Governors reviewed the cashflow forecast to August 2020 and queried the composition of the reserves balance. The Chair requested that in future the closing position be shown for year-end August 2020 in addition to the monthly opening balance, for ease.</p> <p>2. <u>Data Protection</u> There had been no reported breaches.</p> <p>3. <u>Health & Safety Governor Report</u> JS reported that she had attended training for health & safety link governors provided by Dorset Governor Services. She would arrange to meet with the Site Manager prior to the end of term.</p>			
FP 6.6	<p>Catering Governors considered a written report on catering provision. AC outlined the revised offer for snacks and lunches that had been in place since January 2019, and a breakdown of item sales for an average week was considered. Income had increased by at least 50% in most weeks, and as much as 70% in others. Drinks,</p>			

	<p>cookies and the break special were the highest selling items, with main meal the fourth highest. Salad pots, pasta pots and desserts were least popular. AC noted that information gathered since the introduction of the new offer had provided a good understanding of what sells and which main meals are popular.</p> <p>It was agreed that freshly cooked meals made on-site is of benefit to students and a unique selling point for the school, however some governors felt that continuing to offer the service at a loss is unsustainable in the long-term. Costs, including staffing but not including premises-related overheads, had been budgeted at £91k. It was noted that if the increase in sales is sustained, at current prices income would be c£80k pa; with a 10p increase across the board this would rise to £88.7k, and a 15p increase would generate c£93k. Income had been budgeted lower, at 65k, as it was not clear that the increase can be sustained throughout the year. The impact of the free school meal subsidy was discussed, it being noted that FSM income is included in the general annual grant (GAG) funding but £2.50 per day per FSM student is re-allocated to catering costs.</p> <p>Differential pricing was discussed, it being suggested that unhealthy options might be priced higher than healthy ones and/or drinks and other items in plastic bottles/pots having a premium placed upon them.</p> <p>AGREED that with effect from September 2019 an overall average increase of 12% in prices should be implemented, but with a degree of flexibility in relation to individual items (rather than an across-the-board increase) to take on board the comments regarding a "sugar tax" and "plastic tax" and that the details would be left to the Business Manager.</p> <p>AGREED that consideration needs to be given to reducing single-use plastics, regardless of a potential drop in income. This would involve changing the drinks offer (currently generating a high level of plastic waste) and potentially incurring higher costs by using alternatives to plastic pots and spoons. Research on alternatives was required. JM explained that she was extremely keen to see the school reduce its single use plastic waste and that the student leaders were involved in a project on this.</p>	<p>Price increase</p> <p>Research</p>	<p>AC</p> <p>AC</p>	<p>Sept '19</p> <p>Sept '19</p>
<p>FP 6.7</p>	<p>Lettings Proposals for an increase in pricing for regular hirers of the Sports Hall and Main Hall were considered, along with a revised pricing structure and packages for functions and other one-off hire. Prices had been considered</p>			

	<p>with reference to charges levied by other schools, local community halls and several hotels. Costings for function hire had shown the significant costs associated with staff time in relation to administration and presence on the day and would be a point of reference when pricing an event. Some scope for negotiation on published prices would exist where the buildings are in use for other bookings simultaneously or where a permanent member of staff is on-site for normal working, preventing the need for a Community Assistant to be on-site especially.</p> <p>APPROVED the proposals.</p>			
FP 6.8	<p>Budget</p> <ol style="list-style-type: none"> 1. <u>Restructuring plan</u> [Confidential minute] 2. <u>Budget (2019-22)</u> AC updated the committee on amendments to the draft budget since the previous iteration was considered. These included: <ul style="list-style-type: none"> - Increased bank interest. - On call cash reserves at 1% (noted that achieving this in practice needed further exploration given the cashflow risk and risk of loss of money (which could be mitigated by limiting the scheme to 88k, the level at which UK banks protect deposits)). - Income from the provision of site manager services to St Mark's Primary School, although the final agreement was still to be agreed. This work was being achieved with an extra 1.5 hours per week for the Facilities Manager on a fixed term basis at present. Governors agreed that it would need to be written into the agreement that cover could not be provided in the event of the Facilities Manager being off work. <p>AC also noted that:</p> 			

	<ul style="list-style-type: none"> - Significant school trip costs are incurred, primarily due to Challenge Week, but are offset by income for the trips. Trips are carefully assessed to ensure costs were covered. - Costs for telephone and broadband connection have increased but a better connection achieved. - Intake for 2019 currently stands at 73, which is the highest recorded at this point in the admissions process. <p>The updated in-year budget result was discussed (-£3.6k in 2019/20, +£42.3k in 2020/21 and -£54.5k in 2021/22). The projected surplus in 2020/21 was largely attributable to the lagged funding that will be received given the rise in overall student numbers in 2019/20. A fall in Key Stage 4 students (funded at £523 per student more than KS3) negatively affects the 2021/22 forecast. It was noted that the budget does not represent a balanced operating model, however the presence of reserves at a level that could cover forecast losses would satisfy the definition of a balanced budget in terms of submission to the DfE.</p> <p>The Chair noted that Years 4 and 5 of the cycle could prudently be assumed to be similar to Year 3, and that sufficient funds existed to cover this if absolutely necessary. However, unknowns included the funding of teacher pay-rises and pensions from central government, and these could significantly change the outlook.</p> <p>[Confidential minute]</p> <p>[See also item FP 6.12 Utilities Service Level Agreement].</p> <p>AGREED to commend the budget as currently presented, or with improvements based on savings attributable to the utilities SLA or other points discussed, to the full governing body.</p>	FGB Agenda	Clerk	Jul '19
FP 6.9	<p>Bank Account</p> <p>AC outlined difficulties experienced with CAF bank in relation to:</p> <ul style="list-style-type: none"> - BACS payments, which have a limit of 80k. If net payroll exceeds this, a charge of £100 is levied and a meeting required. 			

	<ul style="list-style-type: none"> - Paying-in and withdrawal of cash: no local options mean this has to be done in Weymouth or Poole. - Payments have to be individually input to a spreadsheet rather than uploaded automatically and a personal mobile number is required to receive a code when each individual payment transaction is checked, creating inefficiencies. <p>Advantages of banking with Lloyds (which has a branch in Swanage), or with a bank on whose behalf the Post Office handles transactions, were clear. Protection of funds should be considered by not keeping above protected limits in a single account, although noted that this is difficult to manage on a day-to-day basis, particularly with large monthly outgoings such as payroll.</p> <p>AGREED AC would investigate the best banking options and report back.</p>	Research bank accounts	AC	Sept '19
FP 6.10	<p>Reserves Position</p> <p>It was agreed to continue to hold reserves for staff absence self-insurance and maintenance. It was agreed that, having previously given careful thought to staff self-insurance (as opposed to insuring for this risk), it remained the case that the reserves could not be permitted to fall below 50k and that the designated fund remained a useful way of ensuring this whilst also protecting against the risk of clawback from the government. It was noted that the auditors had last year asked the committee if it wanted to convert the unrestricted reserves that had built up from catering and lettings income into restricted reserves, but that this had not been fully understood at the time and should be given greater consideration this year.</p>			
FP 6.11	<p>Insurance Cover</p> <p>AC had circulated a paper showing current insurances and associated annual fees. The Risk Pool Arrangement (RPA) was the School's main insurance; in addition other smaller insurances cover the lift, occasional business use of cars, overseas travel and the motor fleet. In response to questions from governors, AC confirmed that the insurance broker (Marsh) recommended that the school take out separate travel insurance in addition to the cover provided by the RPA.</p> <p>Governors were satisfied with the insurance arrangements.</p>			

FP 6.12	<p>Utilities Service Level Agreement</p> <p>AC reported that the gas and electricity contracts expire in September and that she had received quotations via a broker for a new Service Level Agreement (SLA). The quotes were live for 24 hours only. She informed governors that the DfE have appointed Crown Commercial Services to negotiate deals for schools and that they have significant buying power. A saving of £3,300 per annum would be possible on the gas contract with Corona via Crown (3-year deal); an electricity price from Crown was awaited, but the broker had found an £800 saving on a 2-year deal.</p> <p>AGREED that the go-ahead should be given to Corona via Crown Commercial Services for the gas supply. For electricity, if a better deal could be achieved on either a 2 or 3-year deal this should be secured, or the current offer taken, based on which would offer the best saving.</p>	Take up SLA	AC	Aug '19
FP 6.13	<p>Policies</p> <p>A revised Health & Safety Policy had been circulated. This had been taken from a Dorset Local Authority model. The policy needed to be further reviewed and references to local government services needed removing.</p> <p>AGREED the chair would discuss the policy with the link governor for health & safety and that further revisions would be requested prior to bringing it back to the next meeting for approval.</p>	Update policy	AC/JD WK/JS review	Sept '19
FP 6.14	<p>External Auditors</p> <p>Agreed to recommend Griffin Chartered Accountants as auditors to the full governing body (for Education Swanage to approve at the annual AGM).</p>			
FP 6.15	<p>School Development Plan End of Year Review</p> <p>Considered the actions of the School Development Plan for which the committee has oversight:</p> <ul style="list-style-type: none"> - <u>Develop procedures for middle leaders to become more fiscally accountable</u>: JM noted that the fiscal accountability of middle leaders has developed over the year. In collectively signing off purchase orders at weekly meetings, awareness has been raised in relation to the cost of resources being ordered. In the 			

	<p>coming year, it is intended that the Curriculum Area Leaders will be budget-holders and thereby will increasingly appreciate the finite pot and be accountable for spending. In response to questions, JM reported that it was yet to be decided if a portion of the teaching and learning budgets would be held back in central control. Controls would be put in place for budget holders, who would still be required to report weekly at leadership meetings and collaboratively consider spend.</p> <ul style="list-style-type: none"> - <u><i>Increase revenue generated for the school (research alternative revenue sources)</i></u>: JM reported that the Headteacher is currently researching alternative revenue sources. Discussions were underway in relation to installation of a climbing wall, apprenticeships and grant applications (e.g. for equipment). Increased income was being achieved by schemes such as the undertaking of site management work for St Mark's Primary School and the profile of the school (and therefore potentially additional applications) was expanding with increased outreach to primary schools from initiatives being led by the Director for Performing Arts. - <u><i>Evaluate and improve financial effectiveness of human resource</i></u>: JM noted that reductions in PPA time (planning, preparation and assessment) had been made, bringing the school in-line with schools elsewhere. The Recruitment & Retention Grant received was benefitting three members of teaching staff who met the criteria (being within two years following their newly-qualified year). Additional automation and efficiency in dealing with routine tasks, timetabling and data analysis should be achievable given the time and skills of the Data Manager. Governors raised the need to ideally provide a route for staff, particularly middle leadership, to exit the upper pay-scale on a suitable career development path, for example through training for leadership, however it was also recognised that stability and retention of staff at the school boosts the confidence of current and prospective parents. - <u><i>Improve efficiency and effectiveness of all back office and finance functions</i></u>: AC reported that significant progress had been made, with all roles reviewed and training throughout the year in relation to making better use of technology and to develop management skills where appropriate. 			
FP 6.16	<p>Any Other Business [Confidential minute]</p>			

FP 6.17	Confidentiality As noted above.			
	Next Meeting Autumn Term			
	The meeting closed at 7.45pm.			