



**Finance Committee**  
**Monday 19<sup>th</sup> November 2018, 5.15pm**

**Enc 1**

**Minutes**

<b>Present</b>	Warren Dix, Roy Williams, Ali Summers, Richard Lycett (Headteacher), Craig McKenzie and Carolyn Trowbridge.
<b>In Attendance</b>	Bron Powell (Clerk to Governors)
<b>Absent</b>	No absences.
<b>Also present</b>	Diane Pope (Director of Business and Finance). Martyn Rock, observers

All governor questions are identified thus:

- 🌀 **Questions in bold italic. Impact statements in bold. Actions are highlighted on electronic copies in yellow.**

Agenda item	
1.	<b>Welcome and Apologies</b> – WD welcomed all to the meeting. RW had advised he would be arriving late due to work commitments. Kieran Delaney would not be observing.
2.	<b>Pecuniary Interest</b> – CM re Baseline interest declared.
3.	<b>Agreed any other business</b> – Data Protection Policy, it was agreed to discuss this under agenda item number 12. Brexit – this was agreed.
4.	<b>Committee membership</b> – CM was now re-instated as a Governor and member of this committee.
5.	<b>Confidentiality</b> – Governors were reminded that all discussions that take place during a Governing Body meeting remain confidential to that meeting until the minutes are approved and then they become a public document with the exception of any Confidential Appendix. Governors will identify any items which it requires to be recorded as confidential.
6.	<b>Minutes and Confidential Appendix – to be agreed for accuracy – 17<sup>th</sup> September 2018.</b>  Copies of the Minutes and Confidential Appendix circulated within the call out papers were agreed as a true and accurate record of the meeting and were duly signed by WD for retention at the school subject to the following amendment to the Confidential Appendix:-  Page 2 agenda item 8 - 'So far this year £33K has been generated' to be amended to 'So far this calendar year £33K has been generated'.  <b>5.25pm MR joined the meeting, he was reminded of the confidential nature of the meeting.</b>

7. **Matters Arising– 17<sup>th</sup> September. 2018.**

Item no	Action	Outcome
8	<p>Lettings - % increase would be discussed at the next meeting of the Committee together with a list of all lettings and the hours each has.</p>	<p>Details of existing bookings had been distributed in the call out papers. SMHS charges are comparable with those of other local establishments. It was proposed that the charges for current lettings remain the same, a loyalty bonus in effect. A handout of charges was circulated to the committee. It was confirmed that the school continues to comfortably cover costs with regards to cleaning and caretaking.</p> <p><b>Governors asked if it would difficult to administer different changes</b> – MR confirmed that the booking system could accommodate this with ease.</p> <p>Netball groups, the greatest users, have booked until the end of the season (circa Easter 2019). Governors noted that current bookings are long term. Netball is the biggest growth area in the sector at the moment. SMHS needs to be commercial. The Borough Council have increased their charges in line with inflation. In light of the school budget the Board need to be increasing revenue where possible and this means an increase in charges. Local schools do not have lettings to the degree of SMHS. Weight Watchers use the Manor room, paying £25 per hour for 3 hours*. It was proposed that a <b>2% (below inflation) increase be implemented for all new lettings and a letter be sent to all current clients informing them that as a gesture of loyalty</b> this increase would not be applied until their current agreement was renewed. Bookings Plus records the end date of all bookings, it is not possible to book more than a year in advance. It was agreed that if financial matters change at SMHS charges can be revisited. It was therefore agreed that a 2% increase be introduced as of the 1<sup>st</sup> January 2019 and current lettings be informed of the Committees decision.</p>
8	<p><b>Baseline membership numbers</b> – this will be presented to the committee at the meeting to be held on the 19<sup>th</sup> November 2018.</p>	<p>Membership runs annually October to October. Membership is on the increase. £5755 has been received to date in fees, so the £6K target is achievable.</p> <p><b>Governors asked what Associate Members were</b> – the committee were told that these are client that don't pay membership but per session.</p> <p>Walton and Stone Tennis Clubs use Baseline on a regular basis. A handout showing a brief outline of the use of the outside courts was handed out. The space is used extensively by students before school (30-40 due to the increase in the number of Year 7's) and during break-times. 3 courts are kept for exclusive use by Baseline, 2 netball courts are hired out with the income being received by SMHS. The courts have been cleaned at a cost of £3K. Tiny faults have been uncovered which will be rectified during the additional work scheduled for April 2019. School will use 6 courts. MR proposed that Baseline pay 50% of the £12K cost for the refurbishment with SMHS paying the remainder but as and when it can be afforded (estimated to be over a period of 5 years).</p> <p><b>Governors asked what the income generated as a result would be</b> – this has not yet been ascertained, the extra lettings is not known. MR is still investigating any grants that may be</p>

		<p>available. The courts need to be repainted to maintain the condition.</p> <p>It is not possible to use the field during the winter months due to the mud that would be brought into school. It is useful for the school to have this space to use.</p> <p><b>5.59pm RW arrived – interest declared in Baseline matters.</b></p> <p>MR has applied for various grants and has signed up for notifications of grants becoming available. MR was asked to provide figures of potential income to enable the Committee to make an informed decision. MR does not have the capacity to market the courts at the current time. It was noted that Baseline has subsidised SMHS by £20K in the past. The courts belong to the school. If the courts are repaired any additional income could be paid to Baseline towards the 50% school contribution. There is a concern that if the indoor courts require refurbishing there is not enough in the sinking fund to pay for this. SMHS have assured Baseline of their continued support. CT will mention the facility on a 8k leaflet handout that she is preparing for the local area. MR felt sure that bookings are likely to rise. CT will approach the StaffsFoundationOrg for a contribution. Tennis Staffordshire may contribute £2K towards the work.</p> <p>WD will meet with MR in two weeks' time.</p> <p><b>6.10pm MR left the meeting.</b></p>
8.	<b>Business Continuity Plan</b>	<p>This document was reviewed by the committee during the meeting held on the 12<sup>th</sup> March 2018. It was agreed that a desktop exercise be carried out. RL and DP to agree a date in the New Year and liaise with WD and AS.</p>
9.	<b>Performance Management Reviews – please see confidential appendix item 1.</b>	
10	<b>Budget 2018 – 2019 School Budget report to Governors.</b>	<p>Circulated within the call out papers. DP updated the committee on the following:</p> <p>The predicted overspend is £280K which is more than was originally planned. This is due to a shortfall in lettings income, a long term absence and an underestimation on the cost of admin supplies.</p> <p>DP has met with Davina from Entrust and she is comfortable with the predictions based on the 4 year outcome. She is of the opinion that Tim Moss will not be concerned.</p> <p>There has been an increase in Teachers pension contributions to 23.6% which will be implemented from 1 September 2019. The impact will be £37K in 2019/20 budget and £68K on 2020/21 budget. These changes are not reflected in the current budget projections. Davina is aware of this.</p> <p> <b>Governors asked when this was announced</b> – the committee were informed that this was only released a month ago and was dictated by Central Government.</p>

The grant for the pay award was £8281 with the cost to the school being £8188, it had been anticipated that £8997 would be received but the figure was based on the student numbers for 2017 rather than this year.

The award from the Autumn Budget for 'little extras' is unknown but will be based on student numbers, so will not be the £50K alluded to. The funding will be capitalised and spent within the guidelines for DFC. DP will look at what expenditure can be transferred to this income stream.

There was a flood in the staff room. The carpet has been replaced with a £500 excess on the insurance claim. A new kitchen was fitted in-house at a cost of £1500.

Student intake for September 2019 is currently 75 1<sup>st</sup> choices which is comparable to this time last year. SMHS has informed the Local Authority that it could accommodate up to 100. Some 2<sup>nd</sup> choices may come to SMHS as the capacity across the town has reduced compared to the numbers coming through. 6<sup>th</sup> form numbers have dropped. The Partnership is not hiring as many rooms as previously as a result of this.

- 🔴 **Governors asked why there was a £14K disparity on the Admin Supplies line** – this was due to some credits allocated to this line during 2017/18 but no adjustment was made for the planning 2018/19 financial year allocation.
- 🔴 **Governors asked what the Exclusion claw back was** – the committee was told that when a student is excluded monies are clawed back proportionally. If the student was on roll on October census day the whole of the funding will be clawed back from the following financial year, even if the student has already left before April. It was noted that when SMHS takes a student that has been excluded from another setting no monies are received. If SMHS does find alternative provision for a student no claw back is incurred but costs would be. The recent addition of a student in Year 11 has attracted no funding.
- 🔴 **Governors asked when the next meeting was scheduled with Davina** – this will take place prior to the next Finance Committee meeting to be held on the 18<sup>th</sup> March 2019.
- 🔴 **Governors asked if the budget is likely to change before this meeting** – this is not foreseen at the current time. The worst case scenario is that the school budget would be de-delegated and control taken over by the Local Authority.

There is a new finance system that is capable of producing Key Performance Indicators and these could be generated for Governors. The accepted spend on staffing within a school is 80%. Governors said it would be useful to have this information, particularly as a monthly printout.

DP was thanked for her detailed report and for her continued hard work.

DP confirmed to the committee that her reduction to a 2 day week was getting easier as the Autumn term progressed. The team have grown into their increased responsibilities since September. MR is very busy and has faced a steep learning curve. Operationally the school is working well.

11 **Health & Safety Annual update – verbal.**

The Fire Risk Assessment and the Outcomes identified by Risk Assessments were emailed to the committee 19th November 2018, hard copies were available.

	<p>Governors noted that the Fire Risk Assessment looked good. The Health and Safety Audit will take place in the spring term.</p> <p>Student accident statistics since September are 0.22%, a slight reduction on last year.</p> <ul style="list-style-type: none"> <li>🔴 <b>Governors asked how the new heating system is performing</b> – they were told that A Block is now warm and the feedback from lettings is positive. The control of the system is still to be fully implemented. It is now possible to heat half of the sports hall. Exposed Pipes are hot and this needs to be addressed as a risk. We have requested that they are covered by caging if they can be reached.</li> <li>🔴 <b>Governors asked if the system can be set to anti-frost</b> – it was confirmed that it could be.</li> <li>🔴 <b>Governors asked if the installation had run over and if there was a penalty clause</b> it did run over but it is not believed that there was a penalty clause</li> <li>🔴 <b>Governors asked if the installation of the ventilation in the science rooms had been completed</b> – it was confirmed that it had been.</li> </ul>
12	<p><b>Data Protection</b></p> <p>A policy template approved by County had been used to produce the new Date Protection Policy, CN had drafted the document in her capacity as the lead in school on GDPR. <b>Governors were happy that the policy was fit for purpose and should be presented to the FGB meeting on the 3<sup>rd</sup> December 2019.</b></p> <p>It was confirmed that the school is complying with Data Protection obligations.</p>
13	<p><b>Pupil Premium – review of spend and impact</b></p> <p><b>RL told the Committee that this is currently being finalised and will be presented to the Committee at the next meeting 18<sup>th</sup> March 2019.</b></p>
14	<p><b>Policies</b> - There were no additional policies to review.</p>
15	<p><b>Cleaning, Grounds Maintenance &amp; Catering Contracts – verbal update</b></p> <p>WD and DP have met with Chartwells on 2 occasions. They reported to the committee that a further meeting has been arranged where it is expected that Chartwells will present an improved proposed contract.</p>
16	<p><b>Any Other Business –</b></p> <p>Brexit –</p> <ul style="list-style-type: none"> <li>🔴 <b>Governors asked if there were any staff who may be obligated to leave as a result</b> – it is not believed that there is.</li> <li>🔴 <b>Governors asked if there were any students who might be affected</b> – they were told that although there are some student who are from within the European Union, whether they will leave is unknown.</li> <li>🔴 <b>Governors asked where data is stored</b> – it is on the server and this was raised a couple of years ago and it is thought that it is stored within the UK. Governors noted that if data was exported to a Cloud outside the UK you need to have an export licence and it would mean this would have to cease, Governors noted this information.</li> </ul>

17	<b>Confidential items</b> – 1 item was identified, agenda item 9 that required to be placed on a confidential appendix.
18	<b>Date and Time of Next Meeting</b> – 18 <sup>th</sup> March 2019.

The meeting ended at 7.16pm.

Signed  
Chair of Finance Committee

Date- 18<sup>th</sup> March 2019

**Actions required**

Item no	Action	Responsibility of/deadline	Outcome
7	2% (below inflation) increase be implemented for all new lettings and a letter be sent to all current clients informing them that as a gesture of loyalty	MR	
7	MR was asked to provide figures of potential income to enable the Committee to make an informed decision	MR 04/03/19	
7	WD will meet with MR in two weeks' time.	WD & MR	
8	Business Continuity Plan - a desktop exercise be carried out. RL and DP to agree a date in the New Year and liaise with WD and AS.	RL, DP, WD, & AS.	
10	There is a new finance system that is capable of producing Key Performance Indicators and these could be generated for Governors. The accepted spend on staffing within a school is 80%. Governors said it would be useful to have this information, particularly as a monthly printout.	DP	
12	Governors were happy that the policy was fit for purpose and should be presented to the FGB meeting on the 3 <sup>rd</sup> December 2019.	FGB 03/12/18	
13	<b>Pupil Premium – review of spend and impact</b> - RL told the Committee that this is currently being finalised and will be presented to the Committee at the next meeting 18 <sup>th</sup> March 2019.	RL	

\*upon checking Weight Watchers pay £25 per 2 hour session, they have 2 each week, therefore, they pay £50 per week for 4 hours.