

Finance Committee
Minutes of the Meeting held on Wednesday 23rd November 2022
at 6pm at the Sherwood Hill Campus and via Google Meet



Robin Dear (RD)	Foundation Governor		Absent
Gemma Davies	Co-opted Governor	Present	
Matthew Grew (MG)	Co-opted Governor	Present	
Claire Hadcocks (CH)	Co-opted Governor		Absent
Brian Ikin (BI)	Co-opted Governor (Chair)	Present	
David Murden (DM)	Ex-Officio Governor / Headteacher	Present	
Chris Williams (CW)	Local Authority Governor	Present	
Barry Walder (BW)	Finance Consultant; Schools Management Support Ltd	Present (to 7pm)	
Rosemary Viggiani (RV)	Clerk	Present	

	Item	Action
1.	<p>Welcome; Apologies for absence and quorum (3)</p> <p>BI opened the meeting at 6pm and welcomed all to the Sherwood Hill Campus. Apologies were received and accepted from CH and RD for personal reasons.</p> <p>Declarations of Interest</p> <p>There were no declarations of interest regarding items on the agenda.</p>	
2.	<p>Minutes of the previous meeting held on 28th September 2022</p> <p>DECISION: Governors approved the minutes of the meetings held on 28th September 2022 as a true and complete record of the meetings.</p> <p>Matters arising (see action list below)</p> <p><u>Action 25: Meeting with the LA</u></p> <p>A meeting has been held with the LA on 10th November.</p> <p>Overall the outcome appears to be that the LA wish to help but need the school to put forward a number of options for further cost savings in order to be able to make the most appropriate decisions moving forwards. The savings being sought are of the order of £200k which will not be easy to find. The Government's Autumn Statement has since come out indicating that some additional funding may be available but the implications for the school are not yet clear.</p> <p>DM / BW have met and a further meeting is planned to explore different scenarios. Some of these ideas were outlined; all would impact either on our children and their families or on the Local Authority; there are no palatable solutions.</p> <p><i>Governors asked if the Local Authority had any suggestions?</i></p> <p>It was noted that many maintained schools in the same position but, other than some energy saving ideas there were no substantive ideas. DM and BW will outline the pros and cons of the potential options and bring these back to the Board in due course.</p> <p>It was noted that the impact of the options needs to be considered in the light of the Equalities Act. It is encouraging that the LA are prepared to listen to us; they want to help but don't know how to do so.</p> <p><u>Action 28: Support Staff Pay</u></p> <p>BW confirmed that support staff pay is incremented for everyone unless they are at the top of their scale. Back pay has been calculated and is being paid this month. Payroll is therefore significantly higher this month which has put the pressure on the cashflow.</p>	

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Item	Action
<p>Overall the costs are £40k more than was allowed for and BW is double checking that new staff are not included. Any knock on effects on future costs and the three year plan also needs to be reviewed.</p> <p><i>Governors asked about other matters that might impact on the finances?</i></p> <p>BW confirmed that he is still in the process of reviewing other matters and will report back to the Board shortly.</p> <p>Interim support arrangements are due to end at Christmas; they were extended from July 22 but there is likely to be the need to extend these to March 23 at a cost of £9k per month – so an additional cost of £27k.</p> <p>Other unexpected costs include a £9k bill from Sutton relating to catering charges from last year when they managed and procured the Harrisons contract.</p> <p>Some of the increments were also not planned for within the budget and the premises person was budgeted to end but the team is struggling due to the additional works and this will need to be reviewed. Likewise the lettings need to be reviewed; the income from the swimming pool is not covering the costs of the site staff and utility costs; this is unsustainable at present rates.</p> <p>Other matters discussed included the covering of the financial admin work, currently being undertaken by Carshalton Boys; again this needs to be reviewed. This links with the planned support staff restructure which would enable the school to save money and work more effectively – but it will be difficult to do this in the next 3 months.</p> <p>With these additional costs not being in the three-year plan, the year end position will be worse this year but it should not impact next year. But there is still the challenge of repaying the deficit alongside the additional energy costs and unfunded pay rises. It is increasingly hard to find the savings.</p> <p><i>Governors asked about the financial model used and whether different financial modeling might be possible?</i></p> <p>The financial model used is set out in our provision document; this sets out what capability we have in terms of the complexity of our cohorts. All cohorts are now costing more. Our quick growth has not helped and the greater complexity has an impact on staff stress, sickness and absence. This is greatly impacted by the fact that it will be another two years before the extension to the building is completed. All of these different factors can be considered when looking at managing the risks and the options available to the school and the local authority.</p>	
<p>3. Management Accounts</p> <p><u>Management Accounts to end of October 2022 (Q2)</u></p> <p><i>The BMR to the end of September 2022 (Q2) was circulated prior to the meeting.</i></p> <p>BW shared the accounts on screen.</p> <p>He noted the income and the challenges presented by the incremental drift in income as a result of the £10k high needs income per student remaining static in a period of high inflation. This results in £1.8m of the school's income remaining static. This has a disproportionate effect on Special Schools.</p> <p>Other points raised included:</p> <p>The impact on the income where the LA have funded the school on the basis that TA's are paid at spine point 9 before the pay award; the award will be an extra £2k per person and will apply to 70 staff. This represents a massive, unfunded increase in costs – plus we are paying spine point 15 which exacerbates the problems.</p> <p>In the three year plan we are assuming a further pay award next year of 2% but if it is above this - potentially at 5% - then we will we have problems next year as well.</p> <p>The October accounts have been completed but not yet shared as they are not yet checked.</p>	

	Item	Action
	<p>BW is proposing to meet with DM next week and the October accounts can be released at that point. The figures will not be released to the LA until they have been discussed with DM and brought back to the Board if the figures require it.</p> <p>ACTION: BW to circulate the October accounts to BI after speaking with DM; BW, DM, BI to meet shortly after that.</p> <p><u>End of Year forecast / matters arising</u></p> <p>The uncertainties regarding the end of year forecast were discussed in Item 2 above.</p> <p><i>BW left the meeting at 7pm.</i></p>	30
4.	<p>Update from the Pay Committee</p> <p>MG gave an update on the Pay Committee noting that the Committee had used a number of anonymised case studies to quality assure the process. On that basis the Committee had approved the Headteacher's recommendations.</p> <p>DM noted that in transcribing his decisions to the anonymised summary spreadsheet for the Committee he had made two errors. Two members of the leadership team had exceeded their targets and he had recommended them for a two point progression but this had been wrongly transcribed in the anonymised paperwork being recorded as a single step progression for both. It was noted that most members of the Pay Committee were present and that the Pay Committee is a sub-Committee of the Finance Committee.</p> <p>In this light, the Committee discussed the nature of the error and whether this affected the decisions made.</p> <p>It was agreed that this did not affect the decision with regards to the moderation of the process as all case studies scrutinised followed the process. In addition the two errors were not an error in the process but an error in the transcription of the outcomes for the Committee. Therefore the decisions reached by the Committee were not affected by this error.</p> <p>However, it was noted that the impact on the budget as reported to the Committee was incorrect and would be raised from £8,000 to around £12,000 having an impact of £2,000 for each of the individuals whose increments were wrongly transcribed.</p> <p>Governors noted this change – also noting that the Pay Committee do not approve the total sum; they approve the moderation of the process and thereby accept the rises recommended by the Headteacher; they note the total impact on the budget and report this back to the Finance Committee.</p> <p>ACTION: DM to confirm the final impact of the pay increments on the budget; RV to convene a short Pay Committee meeting immediately prior to FGB to formally note this in the Minutes of the Pay Committee.</p> <p>MG reported that the Pay Committee had also scrutinised the information relating to equality characteristics so far as they are available and found no matters of concern with regards to pay. However, the lack of diversity in the Teaching Grades, Leadership Team and Governing Board had been noted and is something that needs to be addressed over time. A number of potential actions can potentially help to address this, for example by internally encouraging TAs to train as teachers.</p>	31
5.	<p>Update re Friends of Sherwood Park School (FOSPS)</p> <p>RV provided an update on FOSPS.</p> <p>The nature of FOSPS as a registered Charity was noted and the need for the Charity to hold an AGM and make the appropriate submissions to Companies House.</p> <p>The current Trustees wish to step down and whether the organisation then remains as a registered charity or less formal PTA will need to be decided depending upon their being parents or friends willing to take on the formal roles as Trustees. A further update will be provided after the AGM in December.</p>	

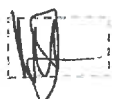


	Item	Action
6.	<p>Risk Management</p> <p><u>Update re key risks</u></p> <p>The key risks facing the school were discussed. <i>Governors asked questions about the risks including the potential for industrial action.</i></p> <p>The key risks were noted as being around finance, recruitment and retention, provision, H&S and Safeguarding interlinked with the provision.</p> <p>The persistent lack of funds and fatigue on the staff – particularly on the senior leaders is a continuing concern. The interim Deputy Head is a great help and the team will struggle without this in new term even with the incumbent Deputy Head starting to take back more responsibilities.</p> <p>As discussed under the earlier finance item, there will be decisions to be made next week. It was agreed that industrial action is a risk that also needs to be factored in.</p> <p>ACTION: DM to liaise with RD to report back in the Spring Term with a Risk Management Strategy and an updated risk register to include the strategic risks, rag-rated and given in context to other local schools where possible.</p> <p>Governors discussed the risks around recruitment and retention noting two recent resignations – one teacher and one TA. These positions will be hard to fill. It was noted that this is in line with national experience.</p> <p><i>Governors asked what the risks are that are unique to the school?</i></p> <p>DM responded that these are largely around our finances and our families – the impact on families with the potential for them going into crisis if funding and support decreases; this in turn impacts on children and their behaviour with a consequent impact back on the school.</p> <p>Lack of space is also an issue impacting on health and safety.</p> <p>The school are having to adapt and adjust their planning to take account of staff absence. It is a challenging situation with an impact on the children as more group activities are having to be planned to take account of absences and reduced staffing. It reduces the quality of our teaching – it is less rigorous although the children often find it more fun! But it will impact on outcomes in the long term and Ofsted are not reducing their expectations.</p> <p>The challenge is to bring realism into planning and the timetable, to do everything we can to give the children the best education and take colleagues with us.</p> <p>The ambition is there but the resources aren't. We need to adjust both.</p> <p>Governors thanked DM and all the staff for their efforts.</p> <p><u>Standing item: reporting of any GDPR Breaches</u></p> <p>There were no GDPR breaches to report.</p>	32
7.	<p>Update re Policies</p> <p><u>Finance Policy and Procedures</u></p> <p>This policy was not yet ready for approval. It was noted that the planned changes in staffing and process / procedure will knock onto the finance policy and procedures.</p> <p><u>Pay Policy and Appraisal (for Full Board ratification)</u></p> <p><i>This was circulated prior to the meeting.</i></p> <p>The discussions held at the Staffing and Curriculum Committee were fed back.</p> <p>It was agreed that it was wise to keep the three stage process for appeals and to move back towards having three governors on all panels as policies get updated.</p> <p>The need for consultation was discussed.</p> <p>DECISION: Governors agreed to recommend the Pay and Appraisal Policies to FGB for approval.</p> <p>ACTION: DM to liaise with SL to take advice about the need for and appropriate process re consultation.</p>	33




	Item	Action
	<p><u>Data Protection / GDPR suite of policies</u> (requires Full Board ratification)</p> <p>Data Protection Policy</p> <p>Data Breach Policy</p> <p>Protecting biometric data for children</p> <p>Other related GDPR policies / data privacy statements</p> <p>These policies were not yet ready for approval.</p> <p>It was noted that the school do not use student's biometric data.</p> <p>ACTION: DM to check with Judicium with regards to the need for a Biometric Policy.</p>	34
8.	<p>Confidential items</p> <p>There were no confidential items.</p>	
9.	<p>Any other business / Dates of future meetings</p> <p>There was no other business.</p> <p><u>Forthcoming Meetings:</u></p> <p>FGB: 14th Dec 2022</p> <p>Finance: 25th January 2023 (Accounts to M9: end of December 2022)</p> <p>Premises, Health & Safety: 8th February 2023</p> <p>Curriculum & Staffing: 22nd February 2023</p>	
	<p>The meeting closed at 8:40pm</p>	

Signed: 	Print Name: <u>W. GREW</u>
Chair	Date: <u>10 May 2023</u>



Action list

Item	Action point	Who	By when	Update
Actions arising from the meeting of 12 th July 2022				
21	Action transferred from FGB to explore how the school can have ownership of the land returned to it. DM to approach Browne Jacobson for advice.	DM		Ongoing
Actions arising from the meeting of 28 th September 2022				
22	CH/DM to liaise with support from BW/RV to ensure that all monies are transferred from FOSPS to the school for agreed purposes; to arrange an AGM to make any required returns, close FOSPS and agree next steps for a new Friends organization following the Coffee mornings on each campus.	CH/DM		On the agenda; Action ongoing
23	DM to start the process of developing a Risk Management Policy / Risk Register with support from Carshalton Boys to ensure compliance as regards safeguarding, health & safety etc. To provide an update in the Spring Term.	DM	Spring 2023	Action ongoing
24	BW/DM to develop and implement a service level agreement (SLA) with Carshalton Boys to eliminate the current backlog of work in the finance department and support the school to develop a pragmatic risk register and related action plan moving forwards. To report back to the next FGB and update the Finance Committee with regards to recommended next steps moving forwards.	BW/DM	FGB/ Finance Autumn Term 2022	An agreement has been reached. Next steps yet to be confirmed. Action ongoing
25	DM, BI, BW, CH and CW to have an initial conversation with the LA as to how the school and LA can work through this together.	DM, BI, BW, CH, CW	Autumn Term 2022	See update in the Minutes Item 2 above. Action closed
26	BW, RD, BI and CH to meet as a working group in December to develop the 2023 SFVS.	BW, RD, BI, CH	Dec 2022	RV to get dates. Action ongoing
27	BW and DM to finalise the Finance Policy for presentation to a meeting in the Autumn Term and to schedule the review of the GDPR / Data Protection Policies.	BW, DM	Dec 2022	Ongoing
28	To ensure that support staff are being paid accurately in line with contract and in line with the pay policy – that pay is fair, equitable and legally compliant.	BW	Pay Ctte	See update in the Minutes Item 2 above. Action closed
29	DM to liaise with SL regarding the Pay Policy to bring a recommendation to FGB.	DM	FGB Oct	On the agenda; action closed



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Actions arising from the meeting of 23 rd November 2022				
30	BW to circulate the October accounts to BI after speaking with DM; BW, DM, BI to meet shortly after that.	BW / DM	Dec FGB	
31	DM to confirm the final impact of the pay increments on the budget; RV to convene a short Pay Committee meeting immediately prior to FGB to formally note this in the Minutes of the Pay Committee.	DM / RV	Dec FGB	
32	DM to liaise with RD to report back in the Spring Term with a Risk Management Strategy and an updated risk register to include the strategic risks, rag-rated and given in context to other local schools where possible.	DM / RD	Spring 22	
33	DM to liaise with SL to take advice about the need for and appropriate process re consultation.	DM / SL	Dec FGB	
34	DM to check with Judicium with regards to the need for a Biometric Policy.	DM	Dec FGB	

