

Finance Committee
the Meeting held on Wednesday 8th March 2023
at the Sherwood Hill Campus and via Google Meet



Ben Bone (EB)	Foundation Governor	Present	
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)		Absent
David Murden (DM)	Ex-Officio Governor / Headteacher	Present	
Chris Williams (CW)	Local Authority Governor	Present	
Beth Brooks (BB)	Acting Deputy Headteacher SENCO	Present	
Barry Walder (BW)	Finance Consultant; Schools Management Support Ltd	Present	
Rosemary Viggiani (RV)	Clerk	Present	

Item	Action
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1. **Welcome; Apologies for absence and quorum (3)**
 MG opened the meeting at 6pm and welcomed all to the Sherwood Hill Campus.
 Apologies were received and accepted from RD and CH who were both out of the country and BI for personal reasons.
Declarations of Interest
 There were no declarations of interest regarding items on the agenda.

2. **Minutes of the previous meeting held on 18th January 2022 and 25th January 2023**
DECISION: Governors approved the minutes of the meetings held on 18th January 2023 and 25th January 2023 as a true and complete record of the meetings.
Matters arising (see action list below)

Action 39: assumptions and costings in support of the Commissioning agreement.
 DM reported that he is in the process of creating this document for discussion with the LA. This involves a review of the high needs block which is due to be moderated and the LA are very supportive of this approach. DM and Anna are summarizing the issues for costing by BW; this will be ready early in the summer term.

DM has already held discussions with the LA re the High Needs Block Model and it would appear that the problems do not lie with the costing of the TA's as previously thought; the shortfall is therefore being further investigated. It may be that the Model does not adequately allow for leadership over the two campuses. Also, all therapy is assumed to come under the Cognus umbrella which is not the case as the school are funding additional therapies.
 Governors asked whether the LA or Cognus would pay those costs? Also, how this is addressed in other schools?

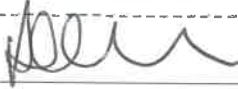
DM responded that, if the activities are within the commissioning agreement then they should be included in the spreadsheet and the LA will fund it; it could be a significant sum. The LA are supportive and trying to find a way to use the Model to fund the school; the school are unpicking the activities and costs to see what has been missed.
 With regards to other local schools, the cohort is not comparable and therapies are not provided.

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	Item	Action
3.	<p>Management Accounts and future budget scenarios</p> <p><u>Management Accounts to end of January 2023 (M10)</u></p> <p><i>The BMR to the end of February 2023 was provided prior to the meeting.</i></p> <p>BW shared the spreadsheet on the screen.</p> <p><i>Governors asked how the current financial position compared to the forecast as discussed at the last meeting?</i></p> <p>It was noted that the BMR was sent to the LA when the school had finished the bank reconciliation.</p> <p>Since this report the school have done more work on forecasting as more information has become available and the current forecast is £32k worse than that circulated.</p> <p>BW talked through the figures noting the income including some sums that are still expected in but are potentially 'at risk'; these include sums due from other local authorities that have been billed and are being chased and could give a cash flow problem later this month.</p> <p>As regards expenditure, the staffing costs should now be accurate although the agency costs may be slightly over-estimated. The change in the forecast is largely due to agency placement fees as agency staff have been taken onto payroll – effectively a recruitment fee.</p> <p>The utility bills have some uncertainty around them. The gas represents a significant change but the sums owed have been agreed and the additional costs of the new contract need to be factored in for the future. The electricity is still on the old contracts and the outstanding query with Bandon Hill is yet to be resolved.</p> <p>Overall BW stated that there is more risk to the income than the expenditure.</p> <p>The in-year deficit is now forecast to be £389k of which £350k is known to the LA. There are claims yet to be made from the LA and BW is awaiting information as to how to manage this process.</p> <p>With regards to cashflow, if all sums owed were paid there would be no cashflow problem. However, with significant sums outstanding and £150k in the bank the school is facing potential problems with two BACS runs due as well as the payroll for March. The school is in discussion with the LA with regards to an advance that would be repaid once the sums due are received.</p> <p><i>Governors thanked BW for the update and asked about the outstanding monies from the other Local Authorities? Is it the school's experience that payment is this delayed?</i></p> <p>BW confirmed that the invoices for other LA's have been delayed due to staffing / resource issues. BW's company, Schools Management Support Ltd (SMS) had agreed to support the school for an initial three month period but have now been in place for over a year. As they have worked with the school more issues have come to light which have been time consuming to resolve.</p> <p>The fees charged to other LAs are being reviewed and BW is recommending that they are raised, having been set at £32k for the past five years. The recommendation is to increase the fees for a place at the Park campus to £36k and for the Hill to £40k. It was noted that fees in the private sector would be double that cost.</p> <p>It was also noted that the school has no formal agreements and that there is a need to agree Service Level Agreements (SLAs) with the other LAs.</p> <p><i>Governors asked a range of questions around the services provided and how these might impact on the costs / fees noting that fees could be raised from the start of the new financial year in April. The importance of raising invoices in a timely manner was noted as was the need for additional support in the absence of the School Business Manager.</i></p> <p><i>Governors also asked about the services provided by Cognus as well as the additional therapy / wellbeing services provided directly by the school.</i></p> <p>The potential to opt out of the Cognus service was discussed and whether the school could bid for the LA to fund the school directly for the provision of these services.</p>	

Item	Action
<p>The options around the fees to charge other LAs were discussed and whether there was scope for testing the market and / or negotiating different levels of service.</p> <p>Following the discussion the governors agreed that the school should cost the service that they felt was appropriate given the school's level of provision for the children at each campus. This should be consistent across the different Authorities and should be clearly set out in an SLA and therefore justifiable if challenged.</p> <p>It was also noted that Sutton are offering to fund some additional HR support and the school will also broach the potential for them funding a finance officer in the school. They could then take back work from BW and train up the team.</p> <p>The shortfall in therapy will also be set out and discussed with Sutton. These are the additional therapies our children need which are in the provision document but not currently funded.</p> <p>The committee agreed, subject to the approval of FGB, that out-borough pupils' fees should be raised to cover the cost of the school's provision. SLA's should allow LAs to opt-out of some elements, with a corresponding fee reduction (mindful of the impact of opt-outs on the viability of each element of the offer).</p> <p>ACTION: DM / BW to work up proposals for approval by Governors at FGB on 29th March; these will include costed agreements for other Local Authorities; proposals for Sutton funding additional therapies and the potential to take the Cognus therapies in house, funded by Sutton.</p> <p><u>End of year forecast / matters arising</u></p> <p>The forecast was not yet available.</p> <p><u>SLT Capacity</u></p> <p>DM outlined recent changes in the senior team; one member of the team has stepped down to be a wider leader, starting after Easter at the Park campus; they will bring so much to that campus but this now leaves a vacancy on the leadership team and the school will be recruiting for a substantive Deputy Head which will need governor support. In the interim Beth Brooks is acting Deputy Head meaning that her substantive role needs to be covered. Sylvia is currently working at the Park with Luka whilst DM is spending more time at the Hill supporting Beth.</p> <p><i>Governors asked whether this was forecast? Was the wider leader role a vacant position? How will this be addressed after the May half-term?</i></p> <p>DM confirmed that the school was recruiting to two vacant positions - a wider leader position at the Park and one at the Hill; it was already in the forecast. Consideration will be given to the position after half-term once the roles have been filled.</p> <p>DECISION: Given the balance of risks, the Committee agreed to retain the services of Sylvia until the May Half-Term at a cost of £30k.</p>	44
<p>4. Budget for 2023/24</p> <p><u>Draft Budget for 2023/24</u></p> <p>The budget needs to be submitted by 31st May; it needs input from the LA and a meeting is scheduled. It will be prepared and submitted to Finance Committee on 26th April and FGB on 24th May.</p> <p>The criteria around the budget were discussed and it was noted that one clear requirement is that the three year plan must not increase the deficit.</p> <p>DM outlined some potential opportunities that may help to resolve the deficit position.</p> <p>The Discovery Forest area at the Park Campus needs renovation; it is being under used due to a number of injuries over the past five years. There is a large mound in this area covered by astroturf; there is no fencing and it is slippery. To make it fit for purpose would require investment that is not currently available. Alternatively, other uses for the land could be explored that may help to generate funds for the school.</p>	

	Item	Action
6.	<p>Any other business / Dates of future meetings</p> <p>DM reported on the situation with regards to parental debt on Parent Pay re school dinners. It has recently come to light that a few parents owe the school a significant amount of money for school dinners. It is not clear how this has come about without the parent being followed up at an earlier stage.</p> <p>Governors asked whether the school are supporting parents to register for free school meals where eligible? This could include where families are on benefits or children have been looked after at some point. Also, whether parents are signposted to support to help them apply for Disability Living Allowance and other benefits where appropriate?</p> <p>ACTION: DM to follow up regarding the outstanding parent debt for school dinners and report back to Governors at the next Finance Committee. Management to ensure that the school follows its published process for managing payment/non-payment for school meals. Also to explore support for families to claim free school meals and to signpost to support to enable them to access wider benefits as appropriate.</p>	48
7.	<p>Confidential items</p> <p>Governors agreed that there were no confidential items.</p>	
8.	<p>Forthcoming Meetings:</p> <p>FGB: 29th March 2023; 24th May 2023</p> <p>Finance: 26th April 2023; 7th June 2023</p> <p>Premises: 3rd May 2023</p> <p>Curriculum and Staffing : 14th June 2023</p>	
	<p>The meeting closed at 8:30pm</p>	

Signed: 	Print Name: <u>Robin Sear</u>
Chair	Date: <u>10/5/2023</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		DM had an email discussion with Browne Jacobsen. Spoken with Havard, the Secretary at the SET, who has stated that they will not stand in the way of proposals re the use of the land. DM is following up to get written assurance. Action remains open.
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		Action completed; AGM held; new Trustees appointed – action closed
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	A Risk Register Policy and a Risk Register have been developed and approved. Maintenance of the Risk Register will be ongoing. Action closed.
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 and is in operation; 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	Draft created and on the agenda; action closed.
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	Replaced by Action 43; action closed.
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	Action completed and closed.



item	Action point	Who	By when	Update
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	Short Pay meeting held prior to FGB; action closed
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	A Risk Register Policy and a Risk Register have been developed and approved. Maintenance of the Risk Register will be ongoing. Action closed.
33	DM to liaise with SL to take advice about the need for and appropriate process re consultation re the Pay and Appraisal Policies.	DM / SL	Dec FGB	DM reported back that the changes are not materially different meaning that no formal consultation is required; action closed.
34	DM to check with Judicium with regards to the need for a Biometric Policy.	DM	Dec FGB	We hold no biometric information; action closed
Actions arising from the meeting of 18 th January 2023				
35	BW to produce an updated plan including a summary of the key points for discussion with the LA that shows what the budget looks like rolling forwards.	BW	24 Jan 23	On the agenda; action closed
Actions arising from the meeting of 25 th January 2023				
36	RV to check re the transfer of monies from FOSPS.	RV	Jan 23	RV checked with BW – the monies referenced were relating to the School Fund; not FOSPS; action closed.
37	BW and DM to compare the spine points for TA's with staff at other special schools with a similar provision. Also to compare the ratio of teaching and support staff and its impact on costs.	BW / DM	Summer 23	Action remains open
38	Consider options for capping the pay scale for TA's moving forwards.	DM	Summer 23	Action remains open
39	DM and BW to develop a document setting out assumptions and costings in support of the Commissioning agreement for discussion with the LA.	DM/BW	Mar 23	See notes in Section 2 above; action remains open.
40	DM to seek an urgent meeting with the LA for immediate help to try to avoid closing a class.	DM	Feb 23	DM spoke with the LA who are open to supporting us; we are currently owed top ups for 4 – 6 pupils and have agreed to additional HR support that will take some of the pressure off the senior leaders. Action closed.



Item	Action point	Who	By when	Update
41	RV to circulate the Risk Register as previously emailed to RV and CH.	RV	Feb 23	Sent to the Board on 11 th February 2023; action closed.
42	All to comment on the version of the SFVS circulated and return to RV by half-term with a view to approval at FGB in March.	All	Feb 23	Sent to the Board on 11 th February 2023. On the agenda. action closed
43	RV to liaise with BW and DM to reschedule approval of the Finance and GDPR policies.	RV	Sept 23	Replaced by Action 47 below; action closed
Actions arising from the meeting of 8 th March 2023				
44	DM / BW to work up proposals for approval by Governors at FGB on 29 th March; these will include costed agreements for other Local Authorities; proposals for Sutton funding additional therapies and the potential to take the Cognus therapies in house, funded by Sutton.	DM/BW	FGB March 23	
45	To update the Risk Register to expand the entry around fraud to include wider risks beyond reputational.	DM	FGB March 23	
46	Barry and David to complete the draft of the SFVS by Wed 15 th March.	BW/DM	FGB March 23	
47	RV to schedule in review and re-approval of the Finance and GDPR Policies for the Autumn Term.	RV	Sept 23	
48	DM to follow up regarding the outstanding parent debt for school dinners and report back to Governors at the next Finance Committee. Management to ensure that the school follows its published process for managing payment/non-payment for school meals. Also to explore support for families to claim free school meals and to signpost to support to enable them to access wider benefits as appropriate.	DM	Fin. Ctte April 23	

RV

