

**Finance Committee**  
**Minutes of the Meeting held on Wednesday 24<sup>th</sup> May 2023**  
**at 6pm at the Sherwood Hill Campus and via Google Meet**

**Part A**



Robin Dear (RD)	Foundation Governor	Present	
Gemma Davies	Co-opted Governor	Present	
Matthew Grew (MG)	Co-opted Governor		Absent
Claire Hadcocks (CH)	Co-opted Governor	Present	
Brian Ikin (BI)	Co-opted Governor (Chair)		Absent
David Murden (DM)	Ex-Officio Governor / Headteacher	Present	
Chris Williams (CW)	Local Authority Governor	Present	
Debbie Sinclair (DS)	School Business Manager		Absent
Barry Walder (BW)	Finance Consultant; Schools Management Support Ltd	Present	
Beth Brookes (BB)	Head of School	Present	
Anna Richardson (AR)	Senior Leader	Present	
Rosemary Viggiani (RV)	Clerk	Present	

	Item		Action
1.	<p><b>Welcome; Apologies for absence and quorum (3)</b></p> <p>RD opened the meeting at 6pm</p> <p>Apologies were received and accepted from BI and MG for personal reasons.</p> <p>RV was later notified that DS had been unwell.</p> <p><b>Declarations of Interest</b></p> <p>There were no declarations of interest regarding items on the agenda.</p>		
2.	<p><b>Minutes of the previous meeting held on 10<sup>th</sup> May 2023</b></p> <p><b>DECISION:</b> Governors approved the minutes of the meetings held on 10<sup>th</sup> May 2023 as a true and complete record of the meeting.</p> <p><b>Matters arising</b> (see action list below)</p>		
3.	<p><b>Budget for 2023/24</b></p> <p><u>Draft Budget for 2023/24 and Out of Borough Charging Proposals</u></p> <p><i>Papers had been circulated prior to the meeting.</i></p> <p>Following the last meeting the figures have been reviewed and a considerable amount of work has been undertaken to validate and amend the draft budget. The figures are now correct as the school understands based on the minimum staff requirements.</p> <p>DM has been having further ongoing discussions with the LA and further funding has been forthcoming.</p> <p><i>Q: Governors asked if this included any allowance for contingency and deficit repayment?</i></p> <p><i>A: No; there is no allowance for any contingencies.</i></p> <p>BW has been looking at why the in-year deficit is forecast as being c£400k; TA salaries have increased by c11% due largely to incremental drift. The staffing budget now accounts for c91% of the funding received..</p> <p><i>Q: Why has there been this increase?</i></p> <p><i>A: The recently agreed support staff pay award is between 4% to 10% depending upon grade.</i></p>		

Item	Action
<p>This has now been built into the base budget. The Unions have turned down the same deal for next year. The school operates a long spine range with each increment worth c£600 and there are a large number of support staff and the LA need to understand that we will face a similar problem each year. Funding has increased by over £1million but this is not enough.</p> <p><i>Q: What level of pay awards has been built into the budget?</i></p> <p>A: 5%. If the rise is more than 5% it is assumed that the government will fund the difference. The teachers pay rise is set at 4.5% plus £1000 and this is funded.</p> <p><i>Q: It there any risk that the pay award may come in at 10%?</i></p> <p>A: We have to assume that anything over 5% will be funded. It would be built into what the government give the Local Authority and it could be passed on through the High Needs Block. DM explained how the budget has been split in terms of the costs of education and support staff in the classrooms to allow for improved planning and greater accountability by the Heads of School; this shows that the Hill is in surplus but not the Park. However it is noted that the additional funding provided through the agreements with the LA were targeted at the Hill. Taking this funding out, both schools would be in deficit.</p> <p>With regards to staffing, DM was clear that the budget only reflected staff in post. This was lower than Barry's original estimate but this is the establishment that the school needs. It has been reduced to be doable but challenging and it is not without risk. A couple of posts have been included – one family liaison and one well-being and two TAs have been removed.</p> <p><i>Q: What are the primary risks?</i></p> <p>A: It is tight in the classroom; the budget allowed for sickness has been reduced from £500k to £300k and the school will need to control and manage that very tightly. There is very little buffer. There is some concern about the quality of education that the school can provide but we have been at this level for several years.</p> <p>CPD should ideally be higher and the different phases / curricular cannot be resourced as we would wish. The curriculum more expensive in upper years – but we cannot accommodate that without an impact on student wellbeing, education and behaviour. We are asking for a lot of staff goodwill.</p> <p>BB stated that the main risks lie in the management. Extra students bring extra pressure on leadership, staff, premises and safeguarding.</p> <p>DM: We just want governors and the LA know that we are just scraping through each year. That said, the LA have been absolutely fantastic. We had the High Needs Block Moderation with Jack Cutler (Pupil Commissioning Role). He was asking insightful questions.</p> <p>AR: Prior to that he was doing the SEN / Premises work and knows more than anyone else who has been on site; he has visited on numerous occasions and has seen the provision first hand.</p> <p>DM: They are real allies – but the risk is that we are safe because of relationships with key people, not because of written frameworks. However, they are currently looking to support us and we are really confident that we will do even better out of the High Needs Block Moderation. That said, the difficulty is that we have given them different bottom lines. £1million additional funding is impossible but £200k may be achieved by additional lets etc.</p> <p>All the papers have been sent through and questions have been asked around other special school positions.</p> <p>AR: Green Wrythe school is also struggling.</p> <p><i>Q: If you put the budget together that met all the needs, is that the £1million or more?</i></p> <p>DM: That is the ball-park figure. We have agreed to take additional students to bring in more key staff. Roughly – optimistically – we are looking at £250 - £300k; slightly more with on-costs. We have paused the recruitment of the additional Assistant Head. We are currently running with one Head of School and one Assistant Head of School.</p>	

Item	Action
<p>Looking at the breakdown of the budget – in class and other – there is a ridiculously small number for two schools. With what we really need the in-year deficit would be £1million.</p> <p><i>Governors stated that it is really important to know what “good” looks like. The worst thing would be to re-base this too low with the LA.</i></p> <p>AR: The roles are in the commissioning document but have not been filled to date.</p> <p><i>Q: Have you costed according to the commissioning document?</i></p> <p>Yes – we have calculated the cost of a place but that was then superseded as we need to adjust for pay rises.</p> <p>BW: That was also about £1million over.</p> <p><i>Governors emphasised that it is important that we have a response to the question “what do we really need”?</i></p> <p>AR: The costs were all in previously then we looked at a number of scenarios.</p> <p>DM: We did do the work and showed the LA – they were taken aback by the figure. It will be interesting to see how that marries up with the current forecast.</p> <p>BW: The Place funding at £10k never changes. The High Needs portion is the only proportion of income increasing by the forecast figure.</p> <p>Governors agreed that it has been an honest dialogue and that it would be helpful to contrast the different forecasts.</p> <p>BW also referenced the potential re increase in Utility Costs. DS is looking at the contracts again.</p> <p><i>Governors summarised noting the incremental drift; unfunded pay rises and the five additional staff for the new class. This has resulted in increased costs of 22%. They asked - to what extent it this funded by the LA?</i></p> <p>The additional funding was confirmed but there is only 7/12 in this year.</p> <p><i>Governors noted that, at the last meeting it had been determined that more children actually increase costs more than income. Is that still the case?</i></p> <p>DM confirmed that the classrooms have now been costed. However, that does not take account of additional deals.</p> <p>The school expect to hear the outcome of the High Needs Block review in the first week back after half-term.</p> <p>AR explained that the problems had been talked about in the High Needs Block review.</p> <p>It was explained that the children at the Hill are funded at much higher level than the Park. The PMLD cohort need additional support and there is concern that the baseline for the Park is wrong.</p> <p><i>Q: Does the LA look at that differentiation?</i></p> <p>This is the first year that we have had split funding and it was questioned why funding for the Park was so low.</p> <p>The funding for a child at the Park is £34k whereas it is £41k at the Hill. Overall we have a £827k shortfall.</p> <p><i>Governors noted that, with rising costs that would equate to £1m by now so the numbers are the right shape and this is a good anchor point.</i></p> <p>BW: They want to fund us additionally per student but we believe that will not close the gap. We should show what we believe is needed. That is better than having to agree top ups each year. We are then reliant on people understanding what has been provided previously.</p> <p>Governors agreed that top-ups should not be repetitive; the baseline needs to be correct.</p> <p><i>Governors asked about the current average costs and what that means in terms of future funding?</i></p>	

Item	Action
<p>It was noted that this translates into around £3000 more per pupil more than currently received. Overall it was noted that all points relate to the school needing something around £800k to £1million additional funding for 2023-24.</p> <p><i>Governors asked about the 3-year plan?</i></p> <p>BW confirmed that future years are not going to look any better. It was noted that the agency staff situation needs to be reviewed. The agency costs are so high the school are looking for staff to fill these roles. £390k is currently spent covering lunch times and it was confirmed that the school are currently advertising these roles.</p> <p>It was also noted that there is the potential to increase income from Lets.</p> <p><i>Governors asked about contingency and plans to repay the deficit?</i></p> <p>BW confirmed that there is neither contingency built in nor any payments to address the paydown of the existing deficit. The school will not be in a position to repay the deficit over three years.</p> <p><i>Governors agreed that it is important for them to speak with the LA and be able to identify the full costing needed including support staff. Are these adequately built in?</i></p> <p>DM confirmed that there is the need for a review of support staff and a new structure. Currently it is hard to predict although he has had a first look at potential restructures and now has a better idea of what is needed.</p> <p>BW confirmed that splitting the schools will help as they become accountable for the figures.</p> <p>DM reiterated some of the recent challenges including staff turnover and the absence of a SBM. There have been high levels of vigilance with Anna and Beth both working long hours this week. The current scrutiny is important work as it is helping to provide ownership and understanding. Jess is also involved. But Heads of School can only do this if it is effectively supported and they will meet with Debbie each month to review finances. It has not been possible to meet like that previously.</p> <p>DM also raised the matter of the vacancy for an Assistant Head at the Hill noting that this is a red line that management can't cross. This is filling an existing vacancy and the interviews are planned for tomorrow.</p> <p><i>Governors asked for a summary to allow a decision to be reached with regards to next steps.</i></p> <p>It was noted that the best case budget gives a deficit of around £500k – with additional risk, turnover and good will / relationships of the existing LA people; there is no contingency.</p> <p>A more realistic budget has an in-year deficit of around £1m or more – an average of around £45k funding per pupil.</p> <p><i>Governors also noted that the Sutton Scheme for Financing Schools also requires the school to have a deficit recovery plan. The plans need to be definitive re what we want as it was acknowledged that we can realistically only re-base the budget once. It is important to pitch it at level that we think we need rather than the level that we think the LA will fund. The budget needs to go alongside a statement of "This is what we need to run the school" then governors can stand alongside the school and go to the LA with this information</i></p> <p><i>Governors asked about the number of support staff and incremental drift? Can the school cap the payscale to reduce the incremental shift – for the new staff at least?</i></p> <p>BB suggested that it may be sensible to consider capping the scale for existing staff at the highest current step for staff in post and set a cap for new staff at a lower rate.</p> <p>BW confirmed that the school currently works to two scales for TAs and STAs - TAs at 10, STAs run through from 10 to 15. It was noted that the LA fund the school for step 9.</p> <p><b>ACTION:</b> DM to bring forward a paper with a recommendation for capping the scales for TAs and STAs. This should include advice re any requirements for new contracts or consultation.</p> <p><i>Governors asked about Out of Borough children again noting that the school must charge accordingly.</i></p>	52



	Item	Action
	<p><b>DECISION:</b> Governors agreed that the school should progress with the advertising for the mid-day supervisors on the basis that this provides a saving for the school. It was further agreed to advertise for a teacher for the new class. However, appointment should be delayed for these posts until the budget is agreed.</p>	
4.	<p><b>Confidential items</b></p> <p>There was one item for confidential business as recorded in the Part B Minutes.</p> <p>BB and AR left prior to this item.</p>	
5.	<p><b>Any other business / Dates of future meetings</b></p> <p><u>Term Dates:</u></p> <p>It was noted that these need to go to FGB.</p> <p><b>DECISION:</b> DM should publish the term dates for 2023/4 in line with the LA dates and bring to FGB for noting.</p> <p>Governors thanked the Head and his staff for their work in the preparation for this meeting.</p> <p>The Head likewise thanked the Governors for their approach that, whilst challenging felt very supportive.</p> <p><u>Forthcoming Meetings:</u></p> <p>FGB: 7<sup>th</sup> June 2023  Finance: 12<sup>th</sup> July 2023  Premises: tbc  Curriculum and Staffing : 14<sup>th</sup> June 2023  Strategy Day: 21<sup>st</sup> June 2023</p>	
	<p>The meeting closed at 7:55pm</p>	

Signed: 	Print Name: <u>Robin Dear</u>
Chair	Date: <u>12/7/2023</u>



## Action list

Item	Action point	Who	By when	Update
Actions arising from the meeting of 12 <sup>th</sup> 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	The Land Registry has contacted DM to confirm that the transfer of the land to the SET has been completed. Action remains open.
Actions arising from the meeting of 8 <sup>th</sup> March 2023				
47	RV to schedule in review and re-approval of the Finance and GDPR Policies for the Autumn Term.	RV	Sept 23	BW reported that the Finance Policies should be completed this week with ref to the 2023/24 Sutton scheme and procedures re the new SBM. RV is chasing up Governor Services re delegated authorities and VAT. Action remains open.
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.	DS / DM	Fin. Ctte April 23	The intention to recover the debt from the families and to work with the families to claim free meals / PP where appropriate in the future. DS is working with KC and BB on this. The levels of delegation re write-off of debt as set out in the Sutton Scheme were noted (LA approval required above £1000). Action remains open.
Actions arising from the meeting of 10 <sup>th</sup> May 2023				
49	DM to initiate a review of the support staff structure at the earliest opportunity to include the potential for capping the TA scale and linking progression to performance.	DM	Autumn 2023	Action ongoing
50	RV to confirm that the meeting on 24 <sup>th</sup> May can be replanned as a Finance Committee with FGB can meet and be quorate on 7 <sup>th</sup> June.	RV	May 23	Action completed; action closed
51	DM to report to the Curriculum and Staffing Committee with regards to the data, trends and patterns with regards to long term sickness, suspensions and maternity cover.	DM	S&C Ctte.	Action passed to S&C Committee; action closed



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Actions arising from the meeting of 24 <sup>th</sup> May 2023				
52	DM to bring forward a paper with a recommendation for capping the scales for TAs and STAs. This should include advice re any requirements for new contracts or consultation.	DM	FGB 7 <sup>th</sup> June	
53	DM and BW to bring a revised budget to the FGB on 7 <sup>th</sup> June; this needs to be realistic, allowing the school to deliver on the Commissioning Agreement. It needs to be succinct and include benchmark comparisons with a figure for the cost per pupil and including out of borough charging proposals.	DM/BW	FGB 7 <sup>th</sup> June	
54	DM to reach out to Kieran and arrange a meeting with the LA no later than 9 <sup>th</sup> June.	DM	FGB 7 <sup>th</sup> June	

