

<b>Minutes of the Finance and Resources Committee: Part One</b>	
<b>Date of Meeting: Thursday 23 June 2016</b>	<b>Venue: Headteacher's Office</b>
<b>Present:</b>	
Governors	Mrs S Burns-Price, Lt Col T J Dyer (Chair initially), Mr M Goscomb, Mr M Marsh, Mr B Salter, Mr R Scott, Mrs F Wilkinson (Chair from arrival) and Mrs J Wainwright
Staff	Mr S Cook
Visitors	None
Secretary	Mrs A Robinson

**1. Disclosure of Interest**

There were no disclosures of interest.

**2. Apologies**

Apologies were received from Dr Bastin and Mr Davis

**3. Approval of Minutes of Meeting held on Thursday 28 April 2016**

These were approved and signed.

**4. Matters Arising**

**(a) Item 4(a): Colyford Play Area**

Mr Cook reported that East Devon District Council (EDDC) have approved the plans for the Colyford Play Area and reminded the Committee of the site's location. In response to a query from Mrs Wainwright, he confirmed that Colyton Parish Council have not responded to the school's concerns regarding security.

**(b) Item 4(b): Review of Insurance**

Mr Cook reminded the Committee that a decision between the RPA and Zurich schemes had been delayed from previous Governors' meetings, pending an outcome of the EFA review of the Risk Pooling Arrangement (RPA) and Zurich's own review of their Devon and Cornwall scheme. He also reminded the Committee of the key question raised during the last meeting: whether the significant cost savings over a 5 year period with the RPA outweighed the relevant policy, service and other advantages of the Zurich scheme.

Mr Cook drew the attention of the Committee to the paper circulated prior to the meeting which focused on:

- The key changes to the RPA as a result of the EFA's review of the Arrangement, including the reduction in cost per student from £25 to £20 per annum and the change in notice period for leaving the RPA, from 6 months to 3 months
- The outcome of the Zurich Devon and Cornwall Scheme internal review, including the reduction in cost per student from £28.46 to £24.65 on a 3 year agreement basis
- Cost comparisons – Including comparative costs for the covers required in addition to the RPA
- Detailed policy comparisons
- General issues to be considered when comparing the two schemes

- The School's claims history. Mr Cook highlighted that although the greatest number of claims relate to travel, the value paid is relatively low in comparison to property claims.

Lt Col Dyer thanked Mr Cook for such a comprehensive document.

The Committee discussed and considered the options.

Mr Goscomb expressed his support for the RPA scheme, reminding the Committee that a number of schools are successfully using this.

In response to a query from Mr Scott, Mr Cook reported that there had been a mixed response from other schools using the RPA scheme. Most are happy with the scheme, but it was noted that audit inspections from RPA can incur extra expense. Mr Cook confirmed that if the RPA scheme is adopted, he is confident that there would not be any major issues arising from a risk management inspection. Zurich's previous inspection had only resulted in the re-siting of some rubbish bins.

Mr Marsh expressed his support for the RPA scheme, particularly the decreased notice period. He added that this support was on the basis that the school is confident that Zurich will cover any important omissions in the RPA scheme.

Mr Salter queried the difference in cover for legal expenses highlighted on page 5 of the circulated paper. Mr Cook confirmed that previously any disputes had always been managed without legal recourse.

Proposed by Mr Goscomb and seconded by Mr Marsh that the school should purchase the scheme on the circulated paper shown as RPA plus Zurich.

(c) Item 4(c): Sports Centre and All Weather Pitch Working Party Update

Mr Cook reported that discussions have taken place with the solicitor regarding the best way to approach this. The draft agreement will be sent to East Devon District Council and LED during the next few weeks and further negotiations will take place over the summer.

There were no other matters arising.

**5. Budget Plan for 2016/17 and Five Year Plan**

Mr Cook presented a powerpoint of the updated Budget Plan for 2016/17 and highlighted the changes that have been made since the last Finance and Resources meeting in April. He then continued by highlighting areas in the budget which are still provisional and why:

- The EFA National Funding Formula second consultation has not been issued. Mrs Wainwright commented that there was concern expressed at the recent Grammar School Head's Association meeting, that this will be issued very late in the academic year.
- Insurance figures are based on quotes from Zurich, pending the Finance and Resources Committee' decision (see item 4b)

Mr Cook pointed out the improved adjusted surplus since the April Budget Plan and, in response to a query from Lt Col Dyer, confirmed that this picture will be further improved once the insurance figures are updated following the earlier discussion.

In response to a query from Mr Cook the Committee agreed with the assumptions used in the plan.

Mrs Wilkinson arrived at this point and chaired the remainder of the meeting.

Mr Cook then asked the Committee to consider whether they agreed with budgeting on the basis of the SLT structure reverting to that of 2014/15, with no adjustment for Mrs Wainwright's retirement or any related restructuring.

The Committee agreed this, while noting Mrs Wainwright's comment that a number of SLT structures in other schools have changed quite significantly over recent years, as schools cannot afford to continue with current structures.

Lt Col Dyer took the opportunity to thank Mrs Wainwright for agreeing to remain until Christmas.

In response to a query from Mr Cook, Mrs Wilkinson queried whether higher increases to *Take Five* prices could be considered. Mr Cook agreed to review these figures.

Mr Cook then clarified that no IT development costs have been allowed for within the budget, apart from the replacement policy. This has been decided with the expectation that new developments will be funded by external sponsorship or underspend generated elsewhere in the main budget. He then drew the attention of the Committee to page 47 of the Budget Plan which identified potential development projects for any surplus.

Following discussion, it was agreed that Mr Cook will prioritise the IT development project list in the budget; allocation of surplus funds for this will be reviewed at the Spring 2017 Finance and Resources Committee meeting when a clearer picture of funds should have emerged; emergency IT problems will be funded from reserves; if any surplus emerges as the year progresses the first priority will be to IT development.

In response to a query from Mr Cook, the Committee unanimously agreed with the proposed funding of the General Annual Grant (GAG) shortfall by the use of the General Unrestricted Fund (GNG) as detailed. Concern was expressed that the school's main funding does not cover core spending.

Finally, in response to a query from Mr Cook, the Committee considered what approach should be taken to the predicted deficits:

1. Plan for further radical cuts, affecting the character of the school to produce a balanced budget from 2017/18 onwards. Or
2. Continue to identify rigorous cost savings and income generation opportunities, but fund the shortfall from reserves

After discussion, it was agreed that the Committee should continue to identify rigorous cost savings and income generation opportunities and fund the shortfall from reserves, but also to consider more radical cuts if the opportunity arises.

Proposed by Lt Col Dyer and seconded by Mr Salter that the Committee recommend to the Board to accept the proposed Budget Plan, subject to Mr Cook making the recommended changes and any further minor adjustments that arise.

Mrs Wilkinson thanked Mr Cook for his hard work

Action:

SC: Amend insurance figures, prioritise IT development and review Take Five pricing

AR: Add IT development to spring 2017 Finance and Resources agenda

## **5. Capital Projects**

### **(a) Condition Improvement Fund – Feoffees' Roof, Windows and Doors 2016**

Mr Cook drew the attention of the Committee to the paper circulated prior to the meeting and reminded them that, following the discussion at the last Finance and Resources meeting, two companies were asked to update their quotations with additional minor electrical work. As a result, Mr Cook recommended that the quotation from GMEC for £13,420, plus the cost of possible replacement PV panels, be accepted and this was agreed.

Mr Cook explained that this successful CIF bid was based upon quotations from a number of companies in December 2015 and now that costs have been confirmed, it is likely that there will be surplus funds from the bid, even allowing for a 5% contingency. In the light of this projected surplus, he asked the Committee to consider the options outlined in the paper, which included costs, net cost impacts, advantages and disadvantages.

Following discussion it was proposed by Mr Salter, seconded by Mr Scott and unanimously agreed:

1. To approve a total budget of £188,690 for this project, as outlined in the paper
2. To replace the Feoffees' Building boiler and cover those areas requiring scaffolding access with low maintenance material. The covering of other more easily accessible areas can be undertaken by the school's Site Team at a later date.

### **(b) Science Lab and Staff House Development**

Mr Cook reminded the Committee of the discussion at the April Finance and Resources Meeting including:

- the importance of a new Science Laboratory
- the three unsuccessful CIF bids and the reduced chance of a future successful bid for the Staff House development
- the timing constraints due to funding from the Wolfson Trust and the Parents' Association.

Mr Cook explained that, after discussions with the architect, costs for phases 1 and 2 are still extremely high. He proposed that, due to the highly complex nature of the project, a small working group be formed to look at the proposed phasing, consider alternatives and report back at the autumn meeting.

In response to a request from Mrs Wilkinson, Mr Salter, Lt Col Dyer, Mr Goscomb and Mr Scott agreed to form the working party, with Mr Salter as Chair. Mr Cook and Mrs Wainwright will also attend the meetings.

Mr Scott proposed that the new building should be named Bradbeer House in recognition of Mr Bradbeer's significant contribution to the school. The Committee unanimously agreed.

Action:

Working party of BS, TD, MG and RS to meet with SC and JW.

(c) **Five Forms of Entry Development**

Mr Cook reported that the architect has provided updated plans for the new building on Feoffees Lawn and above IT1 and IT2. He projected a picture of the proposed building and explained that its design is intended to mirror the appearance of the Marsh Wing.

In response to a query from Mrs Wilkinson, Mr Salter reported that the proposed flat roof should not present ongoing maintenance problems as the building techniques for flat roofs have improved considerably.

The Committee agreed that work should continue on this project with a view to submitting a CIF bid in December.

Action:

Mr Cook to continue work on this project with a view to submitting a CIF bid in December

**6. Five Year Capital Plan**

Mr Cook drew the attention of the Committee to the paper circulated prior to the meeting and explained that the document, identifies capital projects and needs over the next 5 years. It is intended as a planning tool to assist senior leaders and governors to identify potential projects, as funding becomes available. This document existed previously and has undergone a major revision and update.

Mrs Wilkinson thanked Mr Cook for a very useful document and, in response to a query from him, agreed that this list should be prioritised. Lt Col Dyer queried why IT needs are not included and, after clarification from Mr Cook, it was agreed that this should be added, along with an indication of which elements are likely to succeed on a CIF bid.

Action:

SC to make amendments as detailed above

**7. Finance Working Party Report**

Mr Scott reported that Dr Emma Styles PhD, a former student of Colyton, has accepted the post of Development Officer. She has previous experience of fund raising for Exeter University and Diabetes UK. Dr Styles will take up her post in August, working two days a week. The Finance Working Party have delayed their summer term meeting until after her arrival.

In response to a query from Lt Col Dyer, Mr Scott reported that the school had received 8 applications for the post.

**8. Financial Statements May 2016**

Mrs Wilkinson drew the attention of the committee to the paper circulated prior to the meeting and invited questions. Mr Cook highlighted and clarified three points:

- The staff development overspend, point 22, page 2. This was largely due to timing as a large number of first aid renewals arose at the same time. This has been reassessed for the future. The staff development budget will remain at the same level this year. Mrs Wainwright added that more training than usual has been required, due to the curriculum changes.
- The small overspend on the Cottrill Hall which is more than covered by the underspends on the Take Five and Site Workshop projects
- The Take Five income from student meals is up and the trading margin is improving. The trading margin is however, likely to be lower during the exam period, as throughput is more difficult to judge

Mrs Wilkinson thanked Mr Cook for his report

#### **9. Health and Safety Report**

Mr Cook drew the attention of the Committee to the Health and Safety Report and Committee Meeting Minutes circulated prior to the meeting. He reported that a Devon whole school Health and Safety audit will be taking place in July.

In response to a query from Mr Goscomb, Mr Cook confirmed that discussions concerning the Lockdown Procedure will continue later this term and will be presented to the Governors in the autumn.

#### **10. Colyton Leisure Partnership Forum Report**

This Forum will meet on 28 June.

Action:

AR to raise on agenda for autumn meeting.

#### **11. Site Management Report**

Mr Cook drew the attention of the Committee to the Site Management Report circulated prior to the meeting. In particular, he explained the benefits of *Sharepoint*. This software, which is currently being installed, can host the school's learning gateway in-house, providing an excellent means of communicating with parents and a more efficient and effective way of managing electronic document retention.

#### **12. Catering Report**

Mr Cook drew the attention of the Committee to the paper circulated prior to the meeting. This was considered as part of Item 5.

#### **13. Responsible Officer's Report**

The Committee considered the Report circulated prior to the meeting and Mr Cook confirmed that no issues had been identified. In response to a query from Mr Goscomb, Mr Wainwright reported that, although she had not used the provided Headteacher's charge card, it had been used for minimal expenditure by the previous Headteacher.

#### **14. Succession Planning Statement**

Mrs Wilkinson indicated that when she stands down as a governor, the Committee is in a good position with 2 capable Vice Chairs and the expected appointment of Mrs Nickells, a chartered accountant.

## **15. Municipal Mutual Insurance**

Mr Cook reported that no further levy has been notified.

## **16. Bradbeer Fund**

Mr Cook reported that the Bursary Panel met in early June to decide upon 16-19 Bursary allocations and grants from the Bradbeer Fund.

Mr Cook explained that the 16-19 Bursary scheme, which is government funded, has proved difficult to allocate. In response to a query from Mrs Wilkinson, Mr Cook explained that there is limited flexibility in how funds are awarded beyond the priorities of children in care and those on free school meals, and reported that when the 16-19 and Bradbeer bursary policies are reviewed in the autumn, the Bursary Panel have suggested that the threshold of household income for discretionary grants should be raised to £25,000. He also confirmed that if a need is identified under the remission policy, the 16-19 Bursary fund can be used if appropriate.

Mr Cook also reported that the Bradbeer Fund has a balance of £4,500 with £4,740 departmental subsidies agreed, but deferred to 2016/17 when activities take place.

## **17. Risk Register.**

The Committee considered the colour coded Risk Register circulated prior to the meeting. In response to a query from Mrs Wilkinson, Mr Goscomb expressed the opinion that it is very difficult for governors, who have not been trained in risk techniques, to judge whether the risk factors are correct. He confirmed that the governance review due in September will contain some thoughts pertinent to this. Mr Goscomb added that a risk management culture should be activated throughout the school, with training for team leaders amongst the staff as well as for governors.

After further discussion it was agreed that:

- Mr Cook will order the register with the highest risks, red / orange, at the start and identify 5 key risks for discussion at each meeting
- The Risk Register will be a standing item on the Committee's agenda
- Any risks identified between meetings should be fed to Mr Cook

## **18. Policies for Review**

### **(a) Remissions Policy**

In response to a query from Mr Goscomb, Mr Cook confirmed that the Remissions Policy and Charges for School Activities can be combined into one policy.

### **(b) Charges for School Activities**

### **(c) Income and Lettings**

### **(d) School Vehicles Policy**

Proposed by Lt Col Dyer, seconded by Mr Marsh and unanimously agreed that the Income and Lettings and School Vehicles policies be approved.

Action:

Mr Cook to combine the Remissions, and Charges of School Activities policies.

**19. Any Other Business**

(a) Length of Agendas

Mrs Wilkinson expressed her concern at the length of the agendas for the Finance and Resources Committee. She reported that she had considered suggesting that policies are reviewed outside of the meeting, but on reflection, this would not save much time.

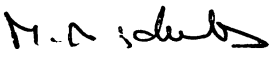
The Committee reflected that there is an enormous amount to cover, in particular, the current challenges of a planned funding deficit and ongoing building works. However, the Committee agreed that funding and building are intricately linked and should therefore continue to be considered by one Committee.

(b) Fundraising Event

Mr Scott reminded the Committee of the Bob Champion evening on 1 October 2016.

**20. Next Meeting**

To be confirmed.

Signed:		(Chairman of Committee)
Date:	05/10/16.	