

CHELMSFORD COUNTY HIGH SCHOOL FOR GIRLS

Minutes of a meeting of the FACILITIES & FINANCE COMMITTEE held at the School at 7.45am on Wednesday 16th November 2022

Present:	Richard Vass Stephen Miles Stephen Lawlor Richard Brown Chris Lamberti Mary Argent	Chair Chair of Governors Headteacher (via Teams) Associate Member (via Teams)
In Attendance:	Melissa Mulgrew Wendy Newton Fiona Gilmour Jonathan Gorridge Anna Bakonyvari	Business Manager Clerk to Governors Senior Finance Officer (7.48am to 8.00am) Auditor, MWS (7.48am to 8.00am) Auditor, MWS (7.48am to 8.00am)

ITEM 1 – APOLOGIES FOR ABSENCE

1. There were no apologies for absence to receive, all members were present.

ITEM 2 - DECLARATION OF INTERESTS

2. There were no declarations of business interest further to those already stated on the Register of Business Interests for 2022-23, or conflicts of interest or receipts of gifts or hospitality.

ITEM 5 – CHAIR’S ACTION

3. There was no Chair’s Action to report, only routine financial approvals had been made.

7.48am –Fiona Gilmour, Jonathan Gorridge & Anna Bakonyvari joined the meeting.

ITEM 6 – ANNUAL COMPANY ACCOUNTS 2021-2022 (Taken out of agenda order)

4. Item 6.1 – Company Accounts. Jonathan Gorridge, MWS auditor, reported on their audit of the CCHS Consolidated Company Accounts for the year ending 31st August 2022. The audit had gone very well, and the Finance Team were commended for their work. As required, two audit reports had been produced. There had been no findings in the Audit & Regularity Findings Report as everything was very sound with no control weaknesses, this report would now be sent to the ESFA. The Report to Management had no significant findings but did contain two very minor issues, one related to the ESFA-preference for company members to have a degree of separation from trustees, and the second was that there had been a couple of incidences when bank reconciliation had not been undertaken within an appropriate timescale, this had been deemed acceptable in light of Covid during the previous year. The Chair advised that the Member situation was being addressed by the Governing Body. Both items were deemed very minor and had just recorded for the School’s information.

5. It was stated that Governor minutes showed that the School was on top of its finances, the accounts were good and as expected. It was noted that expenses were likely to creep up and reserves fall over the next financial year. The auditor brought to the attention of the Committee the change in the LGPS valuation figure which had changed from being a very large to a very small deficit, and the reason behind the figure was explained. Governors recognised that the LGPS valuation figure in the accounts reflected a single point in time and could change again in the future. It was also recognised that the LGPS deficit figure could give an erroneous view of School’s financial performance to a non-accountant. The current financial difficulties of all schools and the MAT situation were discussed. The stability the School gained from having fixed rate utility expenditure was noted. The Chair thanked the auditors for their work and for attending the meeting.

ACTION

ITEM 3 - MINUTES OF THE PREVIOUS MEETING

6. The minutes of the Facilities & Finance Committee meeting held on 5th October 2022 were approved as a true record.

ITEM 4 - MATTERS ARISING

7. Item 8, Para 9 – Financial Update. The Business Manager advised that an error had been found in the financial figures received at the last meeting - the School's Supplementary Grant figure had been included in two places. The result of this was that the 2023-24 end-of-year forecast figure, instead of being the very small surplus, was in fact a deficit of around £120,000. The Business Manager advised that the School would work to reduce this deficit figure and that future Government funding figures were not yet known. The Committee noted the issue and agreed that it did not affect the School as a going concern. The benefit of the School having cash reserves and increasing student numbers was debated. The Chair proposed that a revised budget document should be prepared for the Full GB.

8. Decision. The Business Manager **agreed** to send a corrected budget document to the Full GB by email.

M Mulgrew

ITEM 6 – ANNUAL COMPANY ACCOUNTS 2021-2022 (Continued)

9. Item 6.1 – Company Accounts. The Committee commended the clean bill of health from the auditors and noted the minor findings of the Report to Management, neither of which gave cause for concern. The issue of the School's Reserves was raised for debate in relation to the unrestricted funds. The explanatory commentary concerning the designated funds was now considered incorrect and required amendment. The Committee discussed if the current general reserve of £200,000 was still suitable and asked whether it had been used during the year. The Business Manager confirmed that £200,000 had been drawn down for the SSEF building project and £97,000 had been committed towards the current CIF bid. It was stated that the more money a school can put in towards a CIF bid, the more likely the bid was to be successful. The Committee discussed the options available to the School for providing funding towards CIF bids and suggested that funding from CCHS Capital Development Ltd would most likely be used first. The breakdown of the unrestricted designated funds was discussed, and it was agreed that the now empty designated curriculum enhancement fund was no longer required. The Business Manager confirmed that no specific money was set aside for the swimming pool and that its current boiler had obsolete parts and was at immediate risk of failing which would affect lettings income. Whilst the overall level of reserves was lower than previous years, there were still funds available if required. The effect of future financial changes was noted. It was suggested that the explanatory wording relating to the unrestricted designated funds should be revised and that reference to the fair access plan and curriculum should be reworded as it was now funded from restricted funds. The meeting debated the future development needs for the School in relation to increasing student numbers.

10. Item 6.2 – Auditor's Management Letter & Letters of Representation. The MWS Report to Management Letter was noted and had been discussed earlier in the meeting. The auditor's Letters of Representation for audit and regularity assurance were reviewed by the Committee and would be signed off after the formal approval of the accounts by the Management Committee in December.

11. Item 6.3 – Audit & Regularity Findings Report. The auditors' Audit & Regularity Findings Report had been discussed earlier in the meeting. No findings were to be reported to the ESFA.

12. Item 6.4 – CCHS Capital Development Ltd. The Annual Report and Financial Statements for CCHS Capital Development for the year ending 31st August 2022 were received and noted. The accounts would be formally presented for approval at the CCHS Capital Development meeting on 2nd December 2022. It was noted that the Governing Body had given the statutory guarantee

provision which would be filed with Companies House in due course.

ACTION

13. Item 6.5 – Reserves Policy. The School's Reserve Policy was to remain unchanged and as stated in the Company accounts.

14. **Decisions**.

- a. The Business Manager **agreed** to revise the company accounts wording relating to unrestricted designated funds and send them to Committee members for approval by email.
- b. The Committee **recommended** approval of the 2022-23 Company Accounts by the Management Committee on 2nd December 2022, subject to the approved revisions of Para 14a.

M Mulgrew

ITEM 7 – FINANCIAL UPDATE

15. The Management Accounts for Month 12 (August 2022) full year outturn were received, and its content noted. The Business Manager advised that the end of year actual operating surplus was £92,371, significantly ahead of prediction partly because of under-accruing lettings income and utility savings. This was the biggest surplus for a number of years. A possible numerical error was raised in the report and the Business Manager **agreed** to correct the document. The Chair stressed the difference between the management accounts and company accounts. Governors queried the situation of supplementary grants for the School and were advised that there wouldn't be any. All future funding was to be collated into the new DfE Funding Formula starting in September 2023, no exact income figures would be known until February 2023.

M Mulgrew

ITEM 8 – CAMPUS DEVELOPMENT & SSEF PROJECT

16. The Business Manager reiterated the issue of the obsolete swimming pool boiler and advised that the boiler was unlikely to survive through to the next round of CIF bids, a quote for a replacement boiler was awaited. Replacement of the School's perimeter fencing and the replacement of one of the three Main School boilers were also under consideration. The School roofing work was progressing well and due to finish by Christmas. A small excess from the roofing project of around £30,000 may be used towards window replacement. The final accounts for the SSEF project were still not closed but a final figure had been agreed between the project managers and the construction company. One final defect remained and after completion a final valuation would be done, and the accounts closed. It was suggested that the final project figure would be £65,000 over the full amount and the Committee commended the Business Manager on her handling of the whole SSEF project. The meeting discussed the options available for the boiler replacement and it was suggested that funding of replacement boilers may have to come from CCHS Cap Dev Ltd or specific fundraising opportunities.

ITEM 9 – POLICIES

17. Item 9.1 – School Lockdown Policy - Decision. The School Lockdown Policy was presented for review unamended and was **approved** as presented with an annual review period.

18. Item 9.2 – CCTV Policy - Decision. The School CCTV Policy was received with updated CCTV camera locations and **approved** as presented with an annual review period. Governors queried if the CCTV images remained within the school or were passed to an external server, as many CCTV systems had a link via China. The Business Manager believed that the images remained on the School CCTV equipment but **agreed** to check.

M Mulgrew

ITEM 10 – HEALTH & SAFETY

19. The Business Manager reported that there were no material Health & Safety issues to report.

ITEM 11 – GDPR

20. The Business Manager reported that there had been a few Freedom of Information queries after the issue of entrance test results and that there had been no significant GDPR breaches.

ITEM 12 – IT & CYBER SECURITY UPDATE

21. The additional WiFi equipment had been installed just before Half Term and was nearly fully operational. The WiFi coverage was now significantly better across the School site. The findings of the cyber security audit report continued to be addressed and a full update would be presented at the next meeting.

ITEM 13 – ANY OTHER BUSINESS

22. No other items of business were raised for discussion.

ITEM 14 – DATE OF NEXT MEETING

23. **Decision.** It was agreed that the next meeting would be held at 7.45am on Wednesday 8th February 2023.

The meeting closed at 8.45am.

ACTION

All

R Vass, Chair

8th February 2023