

CHELMSFORD COUNTY HIGH SCHOOL FOR GIRLS

Minutes of a meeting of the FACILITIES & FINANCE COMMITTEE **held at the School at 7.45am on Wednesday 10th October 2018**

Present:	Richard Vass Peter Cook Nicole Chapman Duncan Stevens Mary Argent	Chair Vice Chair Head Associate Member
In Attendance:	Susan Hoefling Wendy Newton	Business Manager Clerk to Governors
Apologies:	Richard Brown, Mark Rowell	

1. Before the meeting formally commenced the Head gave an update on a recent swimming pool incident at the School. It was reported that the small number of students involved were now fine.

ITEM 1 – APOLOGIES FOR ABSENCE

2. Apologies for absence were received and accepted from Richard Brown and Mark Rowell.

ITEM 2 - DECLARATION OF INTERESTS

3. There were no declarations of interest further to those already stated on the Register of Business Interests for 2018 – 19.

ITEM 3 – ELECTION OF VICE CHAIR

4. Nominations were sought for the role of Vice Chair of the Committee for AY 2018-19. Peter Cook volunteered to re-stand in the role and there were no other nominations.

5. **Decision**. Peter Cook was unanimously elected as Vice Chair of the Facilities & Finance Committee for AY 2018-19.

ITEM 4 - MINUTES OF THE PREVIOUS MEETING

6. With the decision to amend one deficit-related sentence, the minutes of the Facilities & Finance Committee meeting held on 20th June 2018 were approved. The Clerk agreed to amend the minutes as agreed by the Committee for the Chair to sign at a later date.

ITEM 5 - MATTERS ARISING

7. **Item 6, Para 11a – Examinations Fees**. The Business Manager confirmed that the figure for examination fees quoted in the School Budget 2018-19 was correct.

8. **Item 8, Para 15a – GDPR**. It had been confirmed by ECC that it was acceptable to retain School archive material in relation to the GDPR. Since the last meeting, the Management Committee had suggested delegation of GDPR overview to the Facilities & Finance Committee, this proposal would be formally received by the Full GB on 18th October 2108.

9. **Item 9, Para 17 – SSEF Bid**. The outcome of the SSEF bid had not yet been received, it was expected by the end of November. It was believed that 35 schools had applied for funding from the £50 million fund.

10. **Item 9, Para 19 – Lighting**. The Business Manager confirmed that our existing lighting company had provided a cheaper quote for the lighting requirements of the Technology remodelling project and that the work had been completed during the Summer holiday.

ACTION

Clerk

11. Item 10, Para 22 – Chartwells - Decision. No contact with the Business Manager had been made by the School Catering Association and the Chair agreed to chase the matter.

ACTION
Chair

12. Utilities Contracts. A query was raised on the School's utility contracts and the Business Manager confirmed that, following e-mail approval by the Committee, the gas and electricity contracts had been renewed over the Summer on a 2-year contract.

ITEM 6 – TERMS OF REFERENCE

13. The Terms of Reference (TOR) for the Facilities & Finance Committee were presented for annual review. Two corrections were put forward in addition to the need to include GDPR overview if agreed by the Full GB the following week. The meeting discussed whether the Facilities & Finance Committee was the most appropriate committee for the delegation of GDPR overview.

14. Decision. The Business Manager agreed to add an additional duty relating to GDPR overview to the TOR for Full GB consideration at their next meeting. With the amendments discussed, the proposed TOR for the Facilities & Finance Committee were approved.

S Hoefling

ITEM 7 – POLICIES

15. A number of policies/regulations/procedures were presented for Committee review and approval, and decisions were as follows:

- a. Financial Regulations & Scheme of Delegation 2018-19. Updated in line with current needs and practices. Approved as presented with an annual review.
- b. Whistleblowing Policy. A new stand-alone ECC model policy formerly contained within the Financial Regulations. It was agreed that the policy should be under Management Committee control and that the Clerk would present the policy at their next meeting.
- c. Health & Safety Policy. No changes. Approved as presented with an annual review.
- d. Asbestos Management Plan. Minor changes, a separate monitoring spreadsheet is maintained by the Site Manager and has been reviewed by the Southend H&S Service. Approved as presented with an annual review.
- e. Security Procedure. A school-produced document updated in light of GDPR. Approved as presented with a 2-year review.
- f. CCTV Policy. A new school-produced policy required by GDPR. The need for definitions within the policy was queried. The School needed to update its own procedures to reflect the statements in the Administration, Disclosure and Subject Access Request sections. Approved in principle as presented with a 2-year review.
- g. GDPR Policies. Eight new ECC-model policies required by GDPR were reviewed and discussed. It was reported that as the School had signed up to the ECC Data Protection Officer (DPO) Service the School was obliged to adopt the new policies. The actual likely use and knowledge of the policies by School staff was queried and the meeting was informed that with the DPO Service, the staff were obliged to undertake online training which would bring the new policies to their attention; this training would commence as soon as it became available. It was suggested that the overall responsibility of having these policies in place lay with the Business Manager. The following policies were approved as presented with an annual review: Acceptable Use Policy, Data Handling Security Policy, Data Protection Policy, Information Governance Framework Policy, Non-Disclosure Agreement, Records Management Policy and Security Incidents Policy.

Clerk

S Hoefling

8.35am (Post Para 15b above) to 8.50am – The Head left the meeting.

ITEM 8 – GDPR AUDIT

16. As part of the DPO Service, the School received an annual audit. The initial audit in August 2017 had raised a number of concerns but the second audit, undertaken in August 2018, had shown great improvement and the School was deemed to have 'adequate assurance' and considered to be in a good position in relation to other schools. The Business Manager summarised the audit findings and highlighted the items listed in the Action Plan. The School has a year to ensure that the Action Plan items are addressed. It was noted that additional GDPR requirements were likely to emerge as the

new Regulations are embedded.

ACTION

17. **Decision.** It was agreed that the Business Manager, in conjunction with SLT, was required to address the points raised in the Action Plan and that progress on the Action Plan was to be reported to the Committee in February and June 2019.

**Head
S Hoefling**

ITEM 9 – GOVERNORS’ REPORT 2017-18

18. The draft Governors’ Report for inclusion in the School’s Financial Statements for the year ending 31st August 2018 was received for comment. The Chair raised a number of suggestions which were noted by the Committee. It was stated that any changes in Governors before the accounts were signed by the Management Committee in December would also need to be reported. The School’s Key Performance Indicators (KPIs) listed in the report were queried as there were no indicators relating to working within the School’s financial constraints or budget and the meeting discussed the issue. It was stated that the KPIs currently listed were those suggested by DfE.

19. The Chair raised the issue of the level of the School’s designated curriculum and restructuring reserve which had not changed in recent years. The reserve had been designed to cover in-year deficits while the School was implementing cost savings and therefore an amount should be released back into the School’s general reserve to cover the in-year deficit from 2017-18. The meeting debated the proposal against the School’s current financial situation. The issue of the current pension deficit was raised as being necessary to be included in the Principle Risks and Uncertainties section of the Report.

20. **Decisions.**

- a. The Business Manager agreed to revise the Governors’ Report in line with the Chair’s revisions and comments made by the Committee.
- b. An additional KPI – Operating to within agreed annual budget – would be added to the Report.
- c. The Business Manager agreed to revise the Reserves section of the Report and send it to the Chair by email for approval.
- d. The Committee agreed to recommend the re-allocation of enough money from the School’s designated reserves to bring the School’s free reserves up to £200,000 as stated in the Reserves Policy within the financial statements.

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ITEM 10 – SCHOOLS BENCHMARKING DATA

21. Two sets of DfE benchmarking data based on 2016-17 figures were received for information. One set prepared by the Business Manager compared CCHS against KEGS, Colchester Royal Grammar and Colchester High School, the second set was the School’s official DfE/ESFA Benchmarking Report Card for Autumn 2018 which compared CCHS to the same three schools plus the Lawrence Sheriff School and Altrincham Grammar School. The meeting reviewed the information presented and discussed how CCHS compared to the other schools in key areas. The Business Manager explained that exact comparison was difficult as schools classified their data in different ways. Governors questioned items within the data and why CCHS presented as it did for some items, the Head and Business Manager gave further explanations.

22. It was noted that teaching staff costs were critical for all schools and that CCHS seemed to be on the higher side (2nd out of 6) when compared to the other schools. It was also noted that CCHS self-generated significantly more income than the other schools, mainly through lettings. The Business Manager suggested that overall the data did not suggest any new areas which the School should be looking into or which it was not aware of. The Chair stated that the information suggested that administratively the School had good control over its general costs but queried pupil ratios. The Head explained that the pupil ratios would be affected by the current Sixth Form numbers as the figures were an average over the whole school. No major deviations from the other schools were noted.

23. The meeting received a Budget Deficit Reduction/Expansion to 6FE Financial Analysis which had been previously reviewed by the Management Committee on 25th September 2018. The Business Manager reminded the Committee of the previous budget deficit discussions and that it had been agreed that the School would produce a number of forecast scenarios for Governor consideration. The analysis presented covered 4 scenarios along with their underlying assumptions:

1. The agreed School budget for 2018-19 with assumed 135 Year 12 students in Sep 18 and increasing to 160 Year 12 students by Sep 20. (as planned in Jun 18)
2. The agreed School budget for 2018-19 with the actual 117 Year 12 students in Sep 18 and increasing to 150 Year 12 students by Sep 20.
3. Option 2 above (ie actual student figures) but with some new SLT proposals.
4. Expansion to 6FE in Sep 20 which assumed a successful SSEF bid in order to build a sports hall and new teaching block.

It also summarised four possible cost reduction ideas for Governor debate: (1) Reduction of subject offers at KS5 (A level); (2) Restricting KS5 students to 3 A levels; (3) Increasing teacher contact time, and (4) Restructuring at SLT level.

24. A query was raised as to whether the information being presented was the same as had been requested by the Full GB in July 2018 and the issue was debated. Clarification of the data being presented was given and the School suggested that the information being presented did cover what had been requested but in a slightly different order. It was confirmed that one item, the historic information on the financial impact of 5FE on the School, had not yet been produced due to the current financial workload but would be prepared in due course.

25. The meeting reviewed the cost reduction initiatives and were advised that the School would be receiving some additional money from the DfE in the form of a Teachers' Pay Grant. The new grant was to help cover the unexpectedly high teachers' cost of living pay increase and was expected to be around £25,000; this would reduce the expected 2018-19 deficit to £105,000. A possible pay grant of £45,000 was expected for 2019-20 but it was believed would not continue after that. The details of the teachers' pay award were explained and it was stated that the School had included a 2% teacher pay rise for all teaching staff in the budget figures which would largely balance out the variable percentage rates actually awarded. Another area which affected future School expenditure figures was the increase in the rate of the employer's contribution rate the Teachers' Pension Scheme which had been announced as increasing from 16.48% to over 23% from September 2019; it was anticipated another DfE fund would be made available to assist schools with this second additional unplanned cost. It was noted that previous income estimates had been relatively accurate over recent years. Governors recognised that the School was in an increasing deficit situation and that steps needed to be made to address it.

26. The meeting received additional verbal information on the four cost reduction options put forward by the School and questioned the impact on both staff and students. An increase in teacher teaching time by one hour from the current 42 to 43 hour per fortnight would save the School approximately £70,000 per year. It was stated that the national average was 43-44 hours. The meeting was advised that the Management Committee had agreed to this option in principle but had requested a more detailed financial analysis to include follow-on costs. The meeting discussed the possible effect of increasing teaching time in relation to its effect on staff, their workload and well-being, and staff recruitment and retention.

10.10am – The Head left the meeting to hold the Staff Briefing.

27. Concern was raised that a near decision to introduce the increased teaching hours change had been made before the other cost reduction options and the related implications of introducing an additional teaching hour had been investigated. It was suggested that full detailed information on all the cost reduction options was required and that a final decision should not be made until it had been received. The Business Manager advised that earlier discussions had agreed that the four cost reduction savings being presented at this point were likely to be the most effective for saving money which was why they had been explored first. It had been agreed that it would take 6-9 months for the

School to be able to develop the options fully. The Committee was advised that a further £20-£27,000 had already been saved this year through staff changes and the re-structuring of some staff roles and that the School was continually trying to save money.

28. Governors noted that income loss directly related to student numbers in the Sixth Form and that student numbers for Year 12 in September had not been as hoped resulting in a £70,000 loss of income. It was suggested that even with the current Lower School expansion, the planned Sixth Form figures in the report showing 150 students in Year 12 may not be realistic as only 74% of Year 11 students had chosen to stay for the Sixth Form. The meeting discussed the comment along with such issues as lowering the entry requirements, advertising more widely and the effect on final grades achieved. It was suggested that a summary of Sixth Form options was required in order for Governors to be able to consider all the options along with the related problems and trade-offs in order to achieve a balanced budget and ideally a balanced restricted income. The Committee agreed that increased Sixth Form pupil numbers were essential, along with group sizes which affected staff costs, as each student represented £4,500 income for the School. It was suggested that the School could not yet state that the departure of Year 11 students had been stemmed and that it may still continue in future years.

29. It was suggested that there was a need to ascertain what a financially viable Sixth Form looks like, ie number of A levels, number of courses, and number of loss-making courses to attract students and historic information on the sizes of KS5 subjects was reviewed. The meeting discussed the general issue and noted that Sixth Form subjects needed to be attractive in order to get pupils to stay, or attract external students, else numbers would continue to fall. It was recognised that there may need to be a trade-off between subject quality, subject numbers, subject results or teacher hours in order to balance Sixth Form finances. It was noted that there had not been a full Sixth Form for a number of years and that it had a massive effect on finances. The meeting discussed what was needed from the School in order to be able to make proper informed recommendations to the Full GB and suggested that additional information was required from SLT on subject choices and student numbers as they had the professional expertise to advise Governors on the impact of dropping subjects. It was noted that dropping smaller A level subjects already taught in the Lower School would not provide the same savings as a subject taught newly in the Sixth Form.

10.35am – The Head re-joined the meeting.

30. Governors summarised their concerns on subject offerings and subject numbers in the Sixth Form and the Head gave clarification on the issues. It was suggested that if other grammar schools offered subjects that CCHS did not it could encourage students to leave. Smaller A level subjects had already been reviewed by SLT and it had been decided that A level Russian, Mandarin and Classics would not be offered in September 2019. A level Music would continue to be offered as Year 12 and 13 classes could be combined in places which would save money. It was noted that dropping A level subjects taught in the Lower School could affect GCSE group numbers. The meeting was reminded that some hard decisions had already been made, ie dropping Technology, in order to save the School money and that redundancies had been avoided. The Chair summarised that it was necessary for the School to have a blend of A level subjects that would be attractive to both internal and external students and that it was essential to have a full Sixth Form at an appropriate size; this could be through subject offering, entry requirements or increased numbers coming up through the Lower School.

31. There was prolonged discussion about A level subjects and the effect cutting subjects could have on student numbers. The Head suggested that it would be prudent to wait until the first Lower School cohort of 150 girls reached the Sixth Form (September 2020) before any major curriculum changes were made and that a proposal had already been made to the Management Committee which would facilitate this course of action. A statement was made that the concept of waiting was not acceptable and that options were needed to be prepared and considered now in order to get back to a balanced budget. Concern was also raised that the information which had been presented did not fulfil what Governors had asked and that additional cost saving information and impact statements were required in order for the GB to make any decisions. The Chair advised that a framework was needed for reviewing the deficit reduction strategy and that all possible options needed to be listed out along with the SLT views of their impact of such changes and the financial impact. The information which had already been received was a good starting point but that it needed more information and structure.

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| <p>32. Decisions. It was agreed that:</p> <ul style="list-style-type: none"> a. The budget deficit information would be restructured by the School for receipt at the next Facilities & Finance Committee meeting. The information would include: expanded cost reduction information with SLT impacts and financial implication. b. The Business Manager would give a verbal report on the budget deficit situation at the Full GB meeting based on the discussions of the previous GB meeting. c. The Full GB meeting would receive the Committee's budget deficit recommendations at the Full GB meeting in March 2019. | <p><u>ACTION</u>
Head</p> |
| | <p>S Hoefling
Chair</p> |

ITEM 12 – HEALTH & SAFETY

33. The Health & Safety (H&S) Review for the year 2017-18 and the minutes of the H&S Committee meeting held on 12th July 2018 were received for information and noted.

ITEM 13 – IT UPDATE

34. An IT Update dated October 2018 was received for information and noted.

ITEM 14 – REVIEW OF FACILITIES PROJECTS

35. The Committee received a report of in house projects undertaken by the Site Team since June 2018 and commended the Site Team for their hard work during the School Summer holidays. The Business Manager advised that the conversion of former Technology rooms T2 and T3 was now complete but that there were a significant number of snagging issues due to be completed during the October Half Term. Full payment to the builders had been temporarily withheld. The Head advised that the new lecture room was to be called 'The Mary Kenyon Lecture Theatre'.

ITEM 15 – CAMPUS DEVELOPMENT

36. As advised previously in Matters Arising, the outcome of the SSEF bid was expected in November 2018 and future capital development plans were dependent on the outcome of the bid.

ITEM 16 – RISK REGISTER

37. The Facilities & Finance section of the CCHS Risk Register was presented for termly review. It was noted that Risk F51 needed review in light of the future increase of employer's contribution rate to the Teachers' Pension scheme. It was also stated that a new risk covering GDPR was now required.

38. **Decisions.** It was agreed that the impact score for Finance Risk F51 should be increased to four and the Business Manager agreed to formulate an additional risk to cover GDPR.

ITEM 17 – ANY OTHER BUSINESS

39. **Peripatetic Music Teachers.** The Business Manager advised that with effect from 1st September 2018 all of the peripatetic Music teachers were employed on a School contract. Only one of the formerly self-employed music teachers had chosen not to accept the change.

ITEM 18 – DATE OF NEXT MEETING

40. **Decision.** The date of the next meeting was agreed as 7.45am on Wednesday 21st November 2018.

The meeting closed at 11.27am.

Agreed as a true record.

Clerk
S Hoefling

All