

## **CHELMSFORD COUNTY HIGH SCHOOL FOR GIRLS**

### **Minutes of a meeting of the FACILITIES & FINANCE COMMITTEE held at the School at 8.00am on Wednesday 27<sup>th</sup> November 2019**

Present:	Richard Vass Stephen Miles Stephen Lawlor Richard Brown Mark Rowell Mary Argent	Chair Chair of Governors Head  Associate Member
In Attendance:	Melissa Mulgrew Wendy Newton Fiona Gilmour	Business Manager Clerk to Governors Senior Finance Officer (8.00am to 8.30am)

1. The Business Manager advised the meeting that Tom York, auditor from Edmund Carr, was unfortunately and unexpectedly now unable to attend.

#### **ITEM 1 – APOLOGIES FOR ABSENCE**

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

#### **ITEM 2 - DECLARATION OF INTERESTS**

3. There were no declarations of business interest further to those already stated on the Register of Business Interests for 2019-20, or conflicts of interest or receipts of gifts or hospitality.

#### **ITEM 3 - MINUTES OF THE PREVIOUS MEETING**

4. The minutes of the Facilities & Finance Committee meeting held on 2<sup>nd</sup> October 2019 were approved as a true record.

#### **ITEM 4 - MATTERS ARISING**

5. Item 11, Para 17 – Safety Barriers. The meeting was informed that safety barriers had now been installed by the Science Block in order to discourage students descending down the steep grass slope outside the building.

6. Item 12, Para 20 – Chartwells Contract - Decision. The Business Manager advised that the catering proposals from Chartwells had only been received last week and that their costings were still awaited. As the catering contract was not up for renewal until May 2020 it was agreed that the Business Manager would present the information at the next meeting. Governors asked how the increase in pupil numbers would affect the contract cost and it was confirmed that the issue had been included in the contract discussions with Chartwells and would be covered in the new contract.

#### **ITEM 5 – CHAIR’S ACTION**

7. There was no Chair’s Action to report.

8.02am –Fiona Gilmour joined the meeting.

#### **ITEM 6 – ANNUAL COMPANY ACCOUNTS 2018 - 19**

8. Item 6.1 – Company Accounts. The Chair began by commending the excellent standard of the accounts which had been prepared by the School’s Senior Finance Officer, Fiona Gilmour, who confirmed that no issues had arisen during the external audit by Edmund Carr. The auditors had noted the enhancement in School processes which had been introduced following last year’s audit. All issues raised had been consistent with the findings of the ICE audits during the year. A query was

#### **ACTION**

M Mulgrew

raised on the roles of Responsible Officer and Accounting Officer and who could hold each role.

**ACTION**

9. **Decision.** The Business Manager agreed to ascertain the formal definitions of the Responsible Officer and Accounting Officer roles.

**M Mulgrew**

10. The meeting reviewed and discussed the CCHS Consolidated Company Accounts for the year ending 31<sup>st</sup> August 2019. The Finance Officer advised that whilst the income figure of £6.33million was significantly higher this year, £926,000 of the amount was from capital grants relating to the SSEF project. Expenditure of £6.02million was down slightly on the previous year. Governors queried aspects of the accounts and the Business Manager and Finance Officer gave additional clarification as required. Accounting-qualified members of the Committee confirmed that nothing stood out in the accounts to cause concern and suggested that everything was being well-run.

11. The level of School reserves was raised for discussion and the amounts noted. The sum of £200,000 had been set aside as a general reserve, along with designated reserves of: £150,000 for hockey pitch refurbishment, £300,000 for campus development and just under £320,000 for curriculum restructuring. The continuing need for the levels of the designated reserves was queried in light of the School's current financial situation. It was noted that the School had successfully managed to get through a period of restructuring and curriculum change by using their normal budget and without the need for redundancies, this had resulted in not needing to utilise the reserves to date. The meeting was reminded that £200,000 of the £300,000 capital development reserve had been allocated to the SSEF project and that it was also likely that funding would be needed to address the current problem with the School swimming pool. It was stated that the Committee needed to be aware of the School reserves and what they were for. The issue of broken classroom projectors in the Science Department was raised in relation to whether any of the reserve money could be used to buy new projectors. The meeting discussed the situation and questioned the Business Manager about the School's IT replacement programme. It was stressed that deficit budgets were still expected until after AY2020-21 and that Sixth Form income was lower than anticipated, so that cautious consideration was required before spending the reserve funds.

12. **Decision:** The Business Manager agreed to investigate the issue of projectors in Science.

**M Mulgrew**

13. **Item 6.2 – Auditor's Management Letter & Letters of Representation.** The auditor's Management Letter was received and it was noted that only one low priority finding had been reported. The situation behind the finding was explained and was considered by the Committee to be a very minor issue. The auditor's Letters of Representation for audit purposes and regularity were also received and noted by the Committee.

14. **Item 6.3 – Systems Report.** The auditors' systems report on accounting and internal controls was reviewed, it was stated that the School had very strong controls overall and that there were no points for concern. All findings or comments had been in line with the ICE reports undertaken during the year.

15. **McCloud Judgement.** The Senior Finance Officer informed the Committee of the situation which could affect the Local Government Pension Scheme deficit valuation in the future following on from the recent McCloud Judgement on age discrimination after the 2014 change in public sector pension schemes. The ESFA had instructed schools to account for the McCloud Judgement, it would only affect the School in relation to the Local Government Pension Scheme with an estimated impact on service cost of 2.4%.

16. **Item 6.4 – CCHS Capital Development Ltd.** The Annual Report and Financial Statements for CCHS Capital Development for the year ending 31<sup>st</sup> August 2019 were reviewed. It was confirmed that the School had applied the statutory guarantee provision which had been filed. The statutory guarantee meant that the CCHS Capital Development accounts did not need to be formally audited and that the School guaranteed to cover any liabilities resulting from the subsidiary company. It was noted that annual donations were down but this was already known.

17. **Decision.** The CCHS Consolidated Accounts for 2018-19 and CCHS Capital Development Ltd Accounts for 2018-19 were recommended for approval by the Management Committee.

**Clerk**

**ITEM 7 – FINANCIAL REPORTS**

18. Item 7.1 – Income and Expenditure Report. The 2019-20 year-to-date Income and Expenditure Report for Month 2 was received. It was noted that there were a lot of timing issues in the figures mainly resulting from early trip income. The Business Manager reported that there were no significant variances to report at this point in the financial year. The Committee was informed that the School had not produced a Month 1 Financial Report as there had been little to report and there was little variance from the year end accounts, as a result the Chair of Governor had not received the required monthly financial report for September, the Committee noted and agreed the situation. The meeting reviewed the report figures, which were in line with the budget, and noted the KPIs presented. Governors queried the reason for the low staff cost KPI figure of 75.3% against the full-year figure of 83.7%. It was suggested that a system of colour coding of KPIs would be beneficial for instant understanding. The Business Manager advised that schools were now required to produce a monthly balance sheet, it was currently being designed and would be produced for future meetings.

19. Decision. The Business Manager agreed to double check the value or reason for the low staff cost KPI and email findings to the Committee.

**M Mulgrew**

20. Item 7.2 – Cash Flow Forecast Report. The Cashflow Forecast Report for November 2019 to August 2020 was received and noted.

**ITEM 8 – SSEF PROJECT & CAMPUS DEVELOPMENT**

21. The Business Manager presented the SSEF Project Status Dashboard as at 20<sup>th</sup> November 2019 and summarised the progress to date. Apart from some minor snagging the enabling work had finished and the bid process for the main build project had been completed. Horizon Building Consultants had been appointed as the main build contractors. Following the letting of the main build contract the sum of nearly £546,000 remained for the re-purposing of the Library and Art Rooms. With a very robust set of employer requirements, it was hoped that minimal variations would arise to the planned main build expenditure figures during the build process. The Business Manager advised that approved planning permission had been received the previous day, it contained 17 planning conditions, of which 6 were pre-commencement requirements, all of which were reasonable and expected with no extra costs involved.

22. Governors questioned the requirements of the Government funding and it was confirmed that money would have to be returned if not used in full. The project funding figures were reviewed and the Business Manager gave additional clarification to Governors' questions. It was confirmed that photovoltaic energy systems had been considered within the project along with other alternative heat and energy sources. Meetings with the new contractor were about to begin and it was confirmed that the project was on target for the expected completion date. The Chair of Governors thanked the Business Manager, PCH Consultants and the SSEF Project Team for their work in getting the project to the current point.

23. Swimming Pool. The Committee received a PCH cost benefit analysis report for the School swimming pool and the Business Manager summarised the situation to date. Information from a Sports England survey of swimming facilities in Chelmsford stated that the CCHS swimming pool had the second highest usage in the city with 95% capacity, however nobody in the School had knowledge of this survey. It was hoped that this information might benefit the School when in discussion with ECC about possible funding and the reported importance of the CCHS pool within the local area was noted. It was suggested that Sports England may offer matched funding for repair costs. The options available for the pool were as follows: (1) do nothing and remove the pool, with demolition costs of around £100,000 plus the associated loss of income, (2) rebuild a new pool and building, new estimates suggested this would cost £1.5million, (3) stabilise the whole building costing £150,000 in total, investigations were in hand for a possible insurance claim for ground heave which could cover the main costs apart from the plant room and the damage to the changing rooms, this would allow the pool to remain functional and defer refurbishment, and (4) full stabilisation plus plant room replacement and refurbishment of the changing rooms, costing £750,000 in total.

24. The Committee discussed the options along with the related loss of income due to down-time estimated at £50,000 per year. The possibility of having alternative energy sources to run the pool was queried in relation to accessing additional funds by using green energy and the options were discussed. The Business Manager advised that having a pool cover, at the cost of £30,000, would save a significant amount of energy with a payback of approximately 18 months.

**ACTION**

**9.00am The Headteacher left the meeting to attend Assembly.**

25. **Decision**. The Business Manager agreed to ask PCH to clarify what their report costing included in relation to environmentally efficient energy systems and what such systems would cost.

**M Mulgrew**

26. The meeting reviewed the layout for a refurbished swimming pool building. Possible funding sources for the swimming pool complex included the insurance claim, Sports England, ECC and the potential use of School reserves, although a shortfall of at least £400,000 would remain. It was suggested that if insurance funding was received, keeping the pool was more beneficial for the School and the local community and the remaining cost could be covered by School reserves. The possibility of obtaining funds from ECC to assist in the swimming pool refurbishment was discussed.

27. **Decision**. It was agreed that, subject to obtaining insurance funding, the Committee-preferred option of stabilising and refurbishing the swimming pool would be taken to the Management Committee for their consideration. The Business Manager agreed to open discussions with ECC on possible swimming pool repair funding.

**M Mulgrew**

### **ITEM 9 – SITE TEAM REPORT**

28. The Site Team Report on in-house projects was received and discussed. Governors were concerned by the need for graffiti repairs to desks in the Science Department and were advised that some students had been caught and had been charged for the cost of repair. The ongoing problems of the security gates were noted. The Site Team Manager and his team were commended for their continued hard work and the associated savings for the School. It was noted that the Chair of the Committee had recently written a letter of thanks to the Site Team along with a small gift.

### **ITEM 10 – HEALTH & SAFETY**

29. The minutes of the School Health & Safety Committee meeting held on 1<sup>st</sup> October 2019 were received and noted by Governors. The Business Manager advised that a 'Lone Working' App had been trialled but had not been effective due to problems with the Site Team mobile phone, alternative options were currently being investigated.

### **ITEM 11 – GDPR**

30. There was nothing major to report in relation to GDPR. The Business Manager advised that there had been one breach and gave details of the event and how the issue had been addressed, the incident was now closed. Auto-forwarding rules had now been disabled in the School email system.

### **ITEM 12 – TRIPS ADMINISTRATION CHARGE**

31. The Business Manager put forward a proposal to revise the 10% trips and visits administration charge which had been first introduced in 2016 to cover the additional administration required for organising trips. It was reported that administration systems had now improved and tended to require less administration time by support staff or that trips were organised by external tour companies. The new charges scheme was categorised by type of trip with differential charges relating to the amount of administrative work involved. Governors asked questions about the information presented and how the charges would affect parents. It was stressed that the charge was not introduced to make a profit, hence the proposal to reduce charges.

32. **Decision**. The revised Trips & Visits Administration Charges were approved as presented.

**M Mulgrew**

### **ITEM 13 – CIF BID CONTRIBUTION**

### **ACTION**

33. The Business Manager tabled a document explaining the scoring criteria used for School contributions towards CIF bids and summarised the system. Scoring points related to the cost of the project and a school's contribution. It was reported that more roofing work and window replacement was required and that Governors needed to agree how much the School was prepared to contribute towards the CIF bids. Contractors were due to make tenders for the required work in the near future after which the School's contribution could be assessed. It was noted that the School had to maximise the opportunities for a successful CIF bid and would aim for a target of 4 or 5 points.

34. **Decision.** The Business Manager agreed to pass the views of the Committee to PCH and, once the tenders had been received, would circulate the CIF bid information to Governors by email.

**M Mulgrew**

**9.27am – Richard Brown left the meeting.**

### **ITEM 14 – FIXED TERM DEPOSITS**

35. The issue of fixed term deposit accounts had previously been deferred until after Brexit but two of the School's current deposit accounts had come up for renewal. The Senior Finance Officer had investigated other alternative deposit accounts and her findings were summarised. The best option found was at 1.75% with Clydesdale Bank with whom the School already had an account.

36. **Decision.** It was agreed that the Business Manager was to transfer all the funds in the School's current deposit accounts to Clydesdale Bank.

**M Mulgrew**

### **ITEM 15 – ANY OTHER BUSINESS**

37. No other items of business were raised.

### **ITEM 16 – DATE OF NEXT MEETING**

38. **Decision.** The date of the next meeting agreed as 7.45am on Wednesday 12<sup>th</sup> February 2020.

**All**

The meeting closed at 9.31am.

Agreed as a true record.

R Vass  
Chair

12<sup>th</sup> February 2020