

## Portesbery School

Minutes of the Meeting of the Resources Committee of the governing body  
held at the school at 09.30 on Thursday 4 February 2013

Present: Mrs Susan Carpenter  
Mr Patrick Dawson  
Mr Chris Hamilton Committee Chair  
Matthew Sartin Headteacher  
Mr Jonathan Spink

In attendance: Ms Debbie Attard School Business Manager  
Mr Chris Thomas Clerk to the Governors

### 1. Apologies for Absence

None.

### 2. Declaration of Interest

No governor declared any interest in any agenda item.

### 3. Draft Budget Plan and three-year Plan

- a) The School Business Manager had circulated copies of the Draft Budget Plan and the three-year Plan, together with an explanatory note. She said that the submission was scheduled to be made on 31 January, but an extension of one week had been granted to take account of the difficulties in planning brought about by a change in the funding formula for Special Schools.
- b) The new funding system allocated a basic £10,000 per pupil per year, with an additional top-up amount per individual pupil, based on age and need. The school had previously been funded for 70 students but had only ever been able to admit 65, so the top-up amounts in respect of five students would not now be received. This amounted to a loss of funding of about £50,000. Governors noted that when the school moved to larger buildings on its new site, there was potential for the situation to change and for the school to be better placed.
- c) The SBM said that the school could make provisions for the reduced income for the 2013 – 2014 financial year, but for the years after that the school would not be financially sustainable. A deficit budget would not be acceptable and there would be a need to reduce expenditure. The Committee Chair asked whether there were ways of reducing the strain on the revenue budget by considering some costs as capital expenditure.
- d) The Headteacher said that the changed income had made the school reconsider what its core offer was, and what the school should offer in addition to its normal enrichment activities. Activities such as riding and skiing, involving small groups, were non-statutory activities, but it could be argued that they were an integral part of the school's activities. One idea for consideration was that these activities could be charged to the School Fund Account. Governors asked whether donations to the School Fund Account were made with conditions; the

Committee Chair said that the proposal was not to charge costs associated with the general running of the school to the fund, and the SBM confirmed that only the actual costs of the specific additional enrichment activities would be met from it. Governors observed that there was no guarantee that the School Fund would receive donations each year sufficient to meet the costs that it was proposed to charge to it. The SBM pointed out that the fund currently stood at £65,000; one local donor had in the previous year contributed £15,000, and the year before, £20,000. Governors were still concerned that the school should be run solely on public funding, and felt it would not be possible to guarantee the School Fund would continue to be in a position to support the school in future. The Committee Chair pointed out that at the end of the 2013 – 2014 financial year, there was still planned to be a positive carry-forward amount of £43,000, as the school would start the year with a carry-forward of £92,000.

- e) Governors noted that the plan foresaw a reduction in teaching staff costs. The SBM explained that, as staff retired, they were replaced by younger members of staff who had not progressed along the pay scale; furthermore, in the three-year plan, there was an apparent reduction in staff numbers because the staff costs of the After-School Club and the Summer scheme were now shown elsewhere, under the Community section of the plan. However the number of class-based staff would remain the same. Governors asked what assumptions on pay inflation were made in the three-year plan; the SBM said that overall there was an allowance of 2% for all staff costs. Teaching salary costs would increase by 1% from September 2013, while for support staff an individual pay cost increase dependent on grade had been calculated.
- f) The SBM said that the costs of supply staff for cover of temporary teaching vacancies were assumed to be the same as in the previous year. However the school would discontinue the insurance arrangement for supply costs of support staff; the year's trial had shown that school was about £10,000 worse off than if it had met the costs directly.
- g) Governors recalled that in the past the school had budgeted on a cautious basis, and had usually ended the year with a surplus to carry forward; they asked whether there was a case for a budget that was less pessimistic than previously. Governors asked if there were any unknowns in the plan; the SBM said that she was not aware of any other possible costs.
- h) Governors asked how aware the staff were about the situation; the SBM said that awareness was limited as the priority had been to inform governors first. Governors asked when the staff would be advised; the Headteacher said that when class budgets were finalised the staff would be made aware.
- i) The Committee Chair summed up the position as being that if the governors approved the 2013 – 2014 budget, they needed discuss and agree early in 2013 what they wished to do about the future. There would be higher pupil numbers at the new school, and possibly some transition funding, but governors needed to have a plan for the interim period. Governors agreed that there would be more students, but not necessarily straightaway, while there would be higher costs for cleaning, maintenance, and possibly for heating and lighting, so there would be an element of uncertainty when developing a budget for the new premises. In the meantime governors would need to be even more careful when looking at any proposal that had implications on staff costs.

- j) Governors voted unanimously to accept the budget plan for 2013 – 2014.
- k) Governors thanked the Headteacher and the School Business Manager for their work in preparing the budget in the challenging circumstances of the new funding arrangement.
- l) It was agreed to discuss the three-year budget plan in the first half of the 2013 – 2014 financial year. Governors noted that they would need to work closely on developing the 2014 – 2015 budget plan, and that it would be necessary to review the quarterly financial reports with even greater care. Governors agreed that it could be helpful to hear directly from the school’s Finance Consultant about the implications of the new funding system.

**4. A.O.B**

None

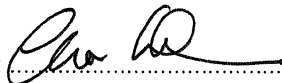
**5. Date of next Committee Meetings**

Spring: Wednesday 27 February 2013 at 09.30

Summer: Wednesday 26 June 2013 at 09.30

*The meeting closed at 10.25*

**Resources Committee**

Signed:  Chair...

Date: 27.2.13