



OLCHFA SCHOOL GOVERNING BODY
Minutes of the Finance & Resources Committee meeting held in
the Conference Centre at the school at 5.15 pm on
Wednesday 13 March 2024

Present: Mrs Bev Jones (Chair) Mr Julian Kennedy
Cllr Jeff Jones Mrs Jennifer Raynor
Mr Matthew Jones Mr Ian Stewart

Apologies: Ms Ros Colasanto Mrs Jennifer Howells
Mrs Karen Holland

In attendance: Mr Simon Roberts, Business and Finance Director
Mrs Jan Platt, Clerk to the Governing Body

		ACTION
F&R23.18	Apologies	
1	Apologies were received and accepted from those named above.	
F&R23.10	Minutes of the last meeting (15 November 2023) and matters arising	
2	The minutes were agreed to be a true record when, in the attendance information, '(Chair)' had been removed after Mrs Holland's name and 'Cllr' Raynor had been changed to 'Mrs' Raynor. Governors agreed that the minutes could be published on the school website.	Clerk
F&R23.11	Budget Update	
3	Mr Roberts then ran Governors through the information that had been distributed.	
4	He said that the figure of £1.4m in red at the bottom of the document was the projected surplus at the end of the financial year (which was two weeks away). He would flag that as a real positive as an opening statement when you took into account what was happening at some schools in the local area and in other parts of Wales. This was, though, more than he had planned to close with at the start of the year - £962k. The difference was significant, but he would go into the reasons for this in due course.	
5	Under Salaries there was an underspend of £78k. This was largely due to maternity leave, staff who had left and not been replaced, staff on long-term sick etc. The consequence of that could be seen in the admin section: a projection of £209k for Supply Agency costs. The school had never been in this position before and the amount was alarming. The figures did not match perfectly: £78k against £124k – a	

£50k difference. Part of the reason for this was that agency staff were more expensive and the law around payment had changed and supply teachers now had to be paid a minimum of £157 per day. There was also considerable competition for staff so payments could go over and above that. Mr Kennedy said this was a complex issue: he wanted to bring down this amount because having supply staff meant that there was not the correct teacher in front of pupils. At the moment there were some long-term sickness absences and some circumstances the school would not normally have but these costs were rising for all schools. There was also the inability to recruit cover staff: currently the school was operating on one full-time member of staff and one part-time. These absences could previously have been absorbed but now it was necessary to default to agency staff.

6 Mr Roberts moved on to the underspend of £17k in **Premises** and said that this was part of a tactic employed whereby, if he believed money would be tight elsewhere, it could be withdrawn from this heading. Some of the projects Governors had approved had not been undertaken because of financial uncertainty.

7 **Utilities** was a bit of an unknown. The amount was already over what had been budget for and the actual projection was of £340k to year end. Last year a grant of £335k had been received for the cost of utilities which had, at the time, seemed excessive. As time had gone on, he was concerned that this might not be enough. The upshot was the cost was estimated at £340k which was offset by the grant of £335k. The danger was that the grant next year would not be as much as it had been this year. Mr Roberts said that, although utilities costs seemed to be stabilising, they were not going down and he would allocate more to this heading in the budget for next year.

8 The overspend in **Administration** was, as explained, largely due to the costs of supply.

9 In **Curriculum**, the small overspend was largely down to Contingency. As Governors were aware, Mr Roberts did not like including Contingency or Miscellaneous. If there was no natural budget line into which something could fit, he would normally prefer to create more lines. Something usually happened which had to be put into Contingency. If that was something which subsequently needed its own line, then one would be created the next academic year. He was more than happy to supply Governors with the detail of what the

- £70k included. Miscellaneous under Income was a similar situation.
- 10 Mr Roberts said that the budget allocated under **Music Peripatetic** was the value of the LA SLA if the school bought into it. As the school ran this itself, it was not costed in the same way. If it was, it would be more than £52k. The costs were met in totality by the pupils, with the school charging £60 per term. This was quite a lot of money, but extremely good value compared with private music tuition. Mrs Raynor asked if there was any data on the financial status of those taking music lessons, as that would be useful for Governors. She would ideally like the provision widened by encouraging and assisting more families to become engaged.
- 11 In answer to a question from Mr Stewart regarding whether the school offered subsidies to economically less advantaged pupils in terms of trips, music, uniform etc, Mr Kennedy explained that this was not as straightforward as it might appear. Governors asked if it would be possible to try to draw together some data on pupils possibly growing up in poverty to inform further discussion in the relevant Committee. Mr Kennedy agreed to look at this.
- 12 Under **Recharges and Resources**, there was a £33k underspend. There was a £13k overspend on **Home Tuition**. In previous years, the cost had settled at about that level but it would not be the case this year. Costs had increased slightly but there were more pupils on home tuition than in previous years. This would need to be reflected in future years. The underspend on **Staff and Student meals** was a result of Covid. He had included the cost of FSM vouchers - £75k - but not long after that WG had announced there would be no more funding for meals in the school holidays. This had resulted in the £68k underspend. The overspend of £48k in **Contracts, Licences and Stationery**, was a legitimate increase in costs - mostly on licences. He could separate this out or leave it as one heading. Mr Roberts said he would have expected the £14k overspend in Catering to be higher but he had managed to control it.
- 13 Catering also appeared under Income and, as Governors could see, stood at an underspend of £44k. This was because the amount received had been more than that budgeted for. When you had added up monies received and taken out costs, salaries etc, there was a 'profit' of £115k. Mr Roberts said that, when he had first pitched the idea of bringing catering in-house, he believed that a profit would

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be seen in the third year and then continue to improve. He did not think they would have got to this stage so quickly: it was a result of the quality of the food and hard work and was a real success story. Catering was a business within the school generating nearly three quarters of a million pounds. Cllr Jones said that was excellent and asked about comparisons with other schools. Mr Roberts said that Morrision was the only other school who had taken catering in-house and, when he had left (having set it up), their profits were not as large as this. Other schools were tied in to LA SLAs. Mr Kennedy said that pupils got a good meal and value for money. Olchfa ran FSM at a loss. Of £85k received for FSM, £90k had been sold to FSM pupils. The daily FSM amount was £2.40. Analysis of catering average spend was less than that. In answer to a question from Mrs Raynor, Mr Roberts said he would be delighted if Governors came in to see the provision in operation.

- 14 Moving to **Income**, Mr Roberts said he was projecting receiving £2m. This was the reason for the difference in reserve amount and he would see this as a positive. The school spent more than it was given in its delegated funding but worked hard on generating money from, for example, lettings, catering and advisory and other work which senior leaders undertook. Receiving grants at the last minute also contributed to this difference.
- 15 Mr Roberts then drew Governors' attention to the budget tracking information. He said he did not allocate funds to headings based solely on what had happened the previous year. He took into account trends and patterns in order to ensure that budget setting was as accurate as possible. As they could see, even considering receipt of unexpected grants etc, expenditure was extremely accurate and a huge amount of work went into ensuring this. The level of accuracy achieved generally in budget terms was something which gave him confidence and which should be celebrated. Governors agreed and thanked Mr Roberts for his efforts.
- 16 Going forward, Governors could see the projections for the next few years. He said that the school would have real financial security this year and for the next three years. After that, he was projecting things would get tighter and Governors would need to be mindful of this fact. Tweaks could be made now while the financial position was good. It would be a huge amount of work going forward but the school had built its reserve carefully for the very reason that things were likely to be more difficult in future years.

ACTION

- 17 In terms of the school's financial journey, Mr Roberts said that the year end figure was slightly less than the projections made in September but was within tolerance levels. Last year the school had closed with a reserve of 12.8% of the delegated budget. At the start of the current year, he had projected the percentage to be 10.3%. Now, at year end, it was 15% for all the reasons described.
- 18 The Chair thanked Mr Roberts for the comprehensive information he had provided and for the robust way in which he managed the school's budget. It was much appreciated by Governors.
- F&R23.12 To note the date of next meeting – Wednesday 15 May 2024**
- 19 Governors noted the date of the next meeting. If the Chair was unable to attend, then Cllr Jones would take the meeting in her place.
- 20 There being no further business, the meeting concluded at 7 pm.