



Minutes of a finance meeting held on Tuesday 12th June 2024 at 5pm at Mullion School

Present: Jill Ludbrook **JL**
Robbie McDonald **RMc**
Jenny Green **JG**
James Taylor **JT**
Juliet Mitchell **JM**
Amanda Spencer **AS**

Apologies: Alison Newman **AN**

In attendance Julia Stoneman (Clerk to the Governors) **JS**
Paul Guttridge (Management Accountant) **PG**

Key:
SoDA – Scheme of Delegated Authority
AP – Alternative Provision

		Action Point
1. Apologies for absence	Apologies were received and accepted from Alison Newman.	
2. Opportunity to declare an additional conflict of interests	There were none.	
3. Finance update	<p>Governors confirmed that they had received the management accounts for April and an update on school funding. PG went through these with governors. From this:</p> <ul style="list-style-type: none"> a. Governors discussed the changes in the finance responsibility for local governors. A change was made to the SoDA and budget approval now sits with the headteacher rather than the governors. Governors felt that if they are to have a role in accountability, they need an opportunity to look at the figures going forward, although they will not have the same scrutiny. Once the budget is finalised it will be given to the governors for information. <p><i>JT joined the meeting.</i></p> <ul style="list-style-type: none"> b. PG explained that a budget was set on 26th May, but in June the pay awards and pension grant were announced and the budget that went to the trustees was different to the one agreed by the LGB. This plays a part in why the changes have been made to the SoDA. It is hoped that the finalised budget will go to trustees for approval in two weeks. c. In real terms funding for schools has been down every year and it is not keeping up with inflation. d. The school set a £70k deficit budget last year. This was set in good faith with the information that was available at the time. e. MD and PG met in January when PG became the management accountant for the school. They went through the budget line by line and found that the outturn was a deficit of £180k. They went through savings that could be made. Once the funding was announced it became clear that there was still £80k to find. f. Support staff pay has been announced but not teacher pay. Support staff pay was lower than anticipated and this has helped reduce the deficit. The school is currently on a £29k deficit for next year. g. The big uncertainty is teacher pay. The assumption is a 4% unfunded rise. The trust is running an alternative scenario of 3% funding, and this would mean a £5k deficit. h. PG explained that the school has done all it can but is still in deficit. However, he is hopeful that it will be covered by TPAT. All central services are covered by the top slice. When the trust formed, this was low at 4.5%. It is now 5.2%. Since the trust expanded a few services have been charged to the school on an ad hoc basis. The plan is that these services will be covered by the top slice, and this should be enough to bring Mullion into a surplus position. i. A governor asked why the exam invigilation costs are so high. PG explained that this is an indirect cost of SEN. One of the biggest challenges of the school is the high level of SEND. 	

- j. A governor asked why additional needs are so expensive. PG explained that the challenge is that there is an amount that is not covered by the LA. Schools must pay the first £6k. However, the school is well over the threshold of 2.5% for a high needs grant and receives this. But the school has still had to find £85k out of its budget.
- k. A governor asked for an explanation on the additional cost in invigilators. MD explained that the school spends double on the reintegration team, as some students need scribes for example. PG explained that the SEND spend sits in support staff and alternative provision. The school is spending the correct amount but is being hit in other areas.
- l. A governor noted that admin costs seem to be high. PG explained that an issue has been the way things were coded. A lot has had to be moved around. One reason for this was that the admin budget included the exams officer and some other roles. This is where it got complicated and not all the information was there. Overall, support staff have increased as there was an additional SEN TA.
- m. PG told governors that there had been £20k in the budget that was listed as LA money. It was not clear what this related to, and they have since found out that this was 'Homes for Ukraine' money. This was a one-off payment that should not have been included. There have been lots of little issues like this with the budget.
- n. A governor asked about the £15k overspend in buildings compliance and whether this would continue to be overspent. PG explained that sometimes inspections can open up a can of worms, for example, fire inspections. There will be ongoing costs but there should be an improvement. MD explained that it has been RAG rated and most of it is now green.
- o. A governor asked why the outturn was so far adrift at year end. MD explained that this time last year the surplus was looking very positive. There were savings made on lots of items and it was not about anyone being frivolous. It appears to be combination of little bits and pieces, for example staffing and skip hire. PG pointed out that some of the savings will be implemented next year and some this year. Some support staff have not been replaced and other savings have been made, for example, the site team has been reduced and PE has been remodelled. There was a lack of detail and a lot of things that should have had their own lines. For example, AP was under SEN.
- p. A governor asked whether the budget for next year will take into account the unexpected costs. PG explained that it should do. One issue was the curriculum budget, and the way licenses were coded. Sometimes they were not factored in as spent, which was frustrating. The new software will be used from September. Everything will be on a purchase order, so this will be an improvement.
- q. The central team have taken on a procurement lead to look at the detail and make savings.
- r. PG told governors that if they have any questions to email them to the clerk.

In order to evidence that governors are providing challenge to leaders in the school, these questions are highlighted in the minutes

The meeting was closed at 5.10pm