

Minutes of KEVICC Operations Committee Meeting Tuesday 22nd March 2022, 5.45pm



The meeting was held remotely via Microsoft Teams and recorded for the purpose of recording the minutes

Present: Michael Young (MY) (Chair), Alan Salt (AS – left 6.55pm), Jo Cooke (JCK) and Gillian Healey (GH).

In attendance: Stephen Corline, Business & Finance Director (SC)

| Ref. | FOCUS OF MEETING Overseeing the financial performance of the school and ensuring its money is well spent | Actions |
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| 1 | Welcome & Apologies Apologies, sanctioned by the Committee: Julian Carnell (JC), Jim Lodge (JL), Karen Sewell (KS). <ul style="list-style-type: none"> • Absent without apology: None. • Declarations of interest: None. | |
| 2 | Minutes of Previous Meetings (18th January 2022) Part 1 & Part 2 Minutes were approved by Governors and will be signed by MY as soon as possible. | MY |
| 3 | Matters Arising <ul style="list-style-type: none"> • <u>Share details of items in individual budget lines</u> – Done. Refer to budget agenda item (5). • <u>Updated catering spreadsheet to be shared with all</u> – Done. SC front page of monitoring spreadsheet. • <u>Speak to Kirsty Matthews to understand the main concerns around the school perimeter</u> – fencing site perimeter would be expensive – to be deferred until rebuild. • <u>Request an extension to our DCC Budget submission deadline</u> – SC has requested extension to submission (usually 31st March) until after budget is adopted at FGB 5/4/22. • <u>Undertake a self-evaluation exercise re: The Key questions</u> – SC to outline in conjunction with budget detail (5). • <u>YE to update, save and file ratified policies</u> – Done. | |
| 4 | Appoint Committee Vice-Chair MY reported that JL had offered to fill the post of Vice-Chair at the previous Operations meeting but that other offers would be gratefully received. JCK asked when there would be further information about what would happen to the governing board moving forward? AS confirmed that JL had stated that he would bring further information to FGB in April. JCK noted that making a decision on the Vice-Chair role would be easier once more information was available after the April FGB. | |
| 5 | Budget 2022-23 SC stated monthly finance report for end of January similar to that for December. End of December surplus predicted to be carried forward to 2023 was £105k; at the end of January, it was £101k (increased estimate for the cost of utilities). Overall this gives a c/f figure of £478k. GH asked whether schools were receiving any government assistance for utilities? SC confirmed that from April schools would be given a grant to help with the national insurance increase and some cost pressure funding - a figure of around £140k (national insurance increase will be about £35-40k). The picture over the past twelve months | |

has been favourable in that the school has been able to undertake repairs and maintenance using Covid grant money but this will end in April.
JCK asked whether the agreed overspend in the budget was from Covid funds? SC confirmed that it was (though not from that which was allocated for students).

SC confirmed that overall figures for next year's budget looked reasonable with a £90k surplus and a move into in-year deficit in 2025/26, with significant c/f at that point (£600k).

JCK asked whether the annual £50k savings target had been included in the budget? SC confirmed that the £50k saving would be found in 2023/24 (Year 2), and would come from staffing changes (not necessarily staff reductions but restructuring of posts).

MY clarified that KEVICC's imminent academisation had had no impact on the budget. SC confirmed this to be the case.

GH asked whether the budget was relevant in light of the transfer to ESW? SC confirmed that it was important to demonstrate to ESW that KEVICC's budget is in a sustainable position.

JCK noted that in previous discussions about joining a MAT, the focus had been on opportunity and staff development rather than costs savings.

SC stated that pupil numbers for Year 7 this year looked strong with a waiting list of 30 (150 students) from the first round of allocations, and that 6th form numbers were as expected.

JCK asked if the PAN (Planned Admission Numbers, currently at 150) would be increased in light of the number of students on the waiting list? AS stated that although the PAN number is high, it isn't representative of the numbers KEVICC will actually see in September. The 150 PAN breaks down into around 130 students listing KEVICC as their first choice and the remainder having listed KEVICC as their 'insurance' choice (if unsuccessful in securing first-choice school). A significant number of the 150 are unlikely to attend in September.

JCK asked whether there was a point at which it became KEVICC's best interest to increase the PAN? AS confirmed that while KEVICC would want to accommodate any local child for whom KEVICC was their first choice, it would not be in KEVICC's best interest to officially increase planned admission numbers to 180; there was a balance to be struck between an official PAN of 180 and being able to accommodate more than 150 at the school and the preference would be for the latter.

JCK asked why the increase in Year 7 cohort for next year? AST stated that he hadn't seen the waiting list but that the increased numbers probably comprise slightly more South Brent students, the whole of Year 6 at Harbertonford, and increased numbers from the Grove. Fewer students from outer catchment areas. The big difference this year is fewer from Torbay.

Income:

SC is assuming a 2% increase in per-pupil income from 2022/23 (not a guaranteed figure but highlighted by ASCL as a reasonable budget assumption). The main change in the budget is the supplementary grant to cover the NI increase (of £140k). The budget assumes that when this is rolled into the main school budget share it will be additional to the 2% increase in per-pupil income. All other income figures are based on income in previous years (and known/expected changes).

Expenditure:

SC has factored in the DfE's proposed minimum pay increase to teachers (of £30k by 2023) and future years' 2% ongoing salary increase into the budget, together with the expected 4% cost of living increase for non-teaching staff (this increase matches ESW's predictions).

Additional expenditure includes utilities (which may increase substantially once fixed term contract expires).

MY raised concerns that costs could be higher than predicted. SC stated that we are currently on a fixed price contract, but large price increases are being seen so we will continue to assess this.

JCK asked, if rates are fixed, why is there such a significant increase in prices? SC stated it's an increase in budgeted figures – heating costs have risen significantly. The challenge will be budgeting from January 2023 when we leave our fixed-rate contract and it's most expensive to heat the buildings.

JCK asked if there were any sources of funding for renewables from the government? SC stated that TRESOC started conversations with us prior to Covid so this needs revisiting. Our biomass boiler requires repair and this has not been cost effective previously, but may be again now.

GH asked if KEVICC receives any support from the Archimedes Screw turbine? SC stated that we have a 20% discount off the standard tariff rates on a fixed-term contract. When this comes up for renewal we should revisit this as their costs will not have risen significantly. AS added that as well as looking at sustainable energy use, we need to consider energy efficiency in our buildings as site development proceeds.

JCK asked why the marketing budget has reduced? SC stated that re-printing the prospectus and The Courier is not likely to be needed so much as we move more to online access.

Staffing Structure

Pastoral team changes needed to support this growth area. Staffing structure essentially not changing. Timetabling work now being undertaken, so several assumptions were used in the staffing budget, but it was conservative – this will be confirmed at the end of the summer term.

JCK noted that £11k was fixed for counselling services and that this has not increased? SC stated that this cost has not increased each year but if it does it may mean we can only afford fewer hours – we will keep this under review and Kirsty Matthews also seeks grants successfully to fund much of this work too.

Areas of Concern

£50k savings proposed from April 2023, but staff changes are being identified and personnel will be replaced carefully from now on (not necessarily like-for-like) in order to start making savings as soon as possible.

Energy and catering – increasing energy costs and catering still a fairly new service, needs to provide a service and be profitable.

JCK asked what the financial impact of not having our usual Year9/10 drop-off? SC stated that the impact is approximately £5k/student for Year 10 and Year 11.

JCK clarified that this Budget assumes we don't have the drop-off this year? SC confirmed this. There are usually some spaces in each year group too, which can help bring in extra income if they fill.

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| | <p><i>JCK asked how the college is monitoring the risk of reducing availability, quality or quantity of food provided, if a surplus from catering provision is required strategically? AS reassured that schools do not try to make a profit from this; it needs to be break-even. Some items disappear quickly, but there are always hot and cold meals available for all. There is a self-interest in getting the quantities right. SC reviews service quality and cost – food process are likely to increase which will result in us putting prices up and customer satisfaction surveys are planned for the summer term, to roll out necessary changes in September.</i></p> <p><u>Next steps</u> <i>Timetabling – 80% of Budget is on staffing. 6th Form teaching increase required from September, so details need to be ascertained. Faculty budgets need sharing with faculty leaders. This Budget will only run for 6-9 months as we transfer to ESW in September, so changes will occur then.</i> <i>JCK asked when Governors will see the ESW Budget? SC stated that is usually recommended to LGBs in June for introduction in September. We would expect more conversations earlier as a new school so they can understand how we operate.</i></p> <p>The Key monitoring Questions <i>How has this Budget been affected by the impact of Covid-19? All applications made and money spent, but most operating costs are back to normal now so limited impact on current Budget.</i></p> <p><i>How is KEVICC using the Catch-up premium? Anne Law reports on this so Standards Committee is the best place to report.</i></p> <p><i>How reasonable are our Budget assumptions? Conservative estimate and historic trends used for staffing costs. We do not incorporate inflation, but this is managed by re-tendering processes. Contingencies are built into the Budget.</i></p> <p><i>How do we account for risks? Review and monitor budget every month and this is reported to Governors.</i></p> <p><i>Does this Budget comply with DCC's requirements? Budget is submitted using DCC software and we also take advice from them on salary assumptions.</i></p> <p><i>What is KEVICC's strategy for income generation? SC has started looking at this, including AWP bookings/prices and gym / sports hall hire options which will be better promoted over next 6months.</i></p> <p><i>JCK asked if the Budget accounts for the potential for income generated to be handed over to ESW in the future? SC stated that it does not, but income from AWP sits in a separate account to cover its maintenance costs.</i> <i>JCK asked if KEVICC will have to pay for AWP pitch hire after academisation? SC stated that we will not and an agreement will be drawn up around school use until we have our own AWP on the Redworth site.</i></p> | <p>Standards</p> |
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| | <p><i>Are there any school improvement initiatives that will support and be supported by the budget?</i> Built in initiatives and developments such as increasing pastoral team staffing. Extra budget line for school improvement priorities that come up throughout the year.</p> <p><i>Has KEVICC reviewed or re-tendered contracts to ensure value for money?</i> Report every Operations Committee about contracts due for renewal and retendering opportunities are monitored.</p> <p><i>Does KEVICC monitor staffing-cost benchmarking?</i> 80% considered standard for schools.</p> <p><i>What is the teacher contact ratio?</i> Always keep an eye on this (currently 0.75 and the aim is 0.78 – however, SFVS shows us to be comparable to other schools) and the impact of time in front of pupils to be optimal for cost effectiveness of staff.</p> <p><i>Are pupil mobility projections realistic?</i> Do not see large increases or drop-offs and changes tend to balance out.</p> <p><i>Variations in Budget from last year for consideration?</i> Reports to Governors shared regularly with a narrative report of under/over-spending at each Operations Committee meeting.</p> <p>Governors voted unanimously to recommend the Budget to the FGB for approval</p> <p><i>AS left the meeting</i></p> | <p>FGB</p> |
| <p>6</p> | <p>Overview of College communication / complaints procedure</p> <p>Following a query from GH, SC ran through the procedure so that Governors were clear about what to do if issues are raised directly with them. Complaints are about things that either the College has not done or has done in the wrong way and must be dealt with formally. Informal concerns should be dealt with internally prior to moving to the Complaints Policy if required.</p> <p>Any complaints should be directed to the Principal through the school office, although any student-related issues should be directed to class teachers initially in the hope they can be dealt with prior to it moving to formal complaint. Governors do not have the power to deal with concerns or complaints directly, until a Governor Panel is convened, as required. The College would always aim to resolve any concerns informally without the need for a formal process.</p> <p>SC to share College Complaints Policy with all.</p> | <p>SC</p> |
| <p>7</p> | <p>Teacher's Pay & Index Linked Pension</p> <p>SC reported that DCC have contacted the College to inform us that if teachers don't get a pay rise this year it will not trigger the indexation of their pensions (because of the pay freeze last year). Suggested options are:</p> <ol style="list-style-type: none"> 1) all Pay Scales have a pay rise of £1, backdated, which has minimal impact on our Budget. 2) Only those who are affected by this receive the pay increase of £1, backdated. <p>College recommendation is Option 1.</p> <p>Governors voted unanimously to approve the college recommendation.</p> | |
| <p>8</p> | <p>Gender Pay Gap publishing</p> <p>Deadline 30th March for publishing online – this is only relevant for employers of over 250 employees. We are not at this point so it is not a requirement for us until we join ESW.</p> | |

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| 9 | <p>SFVS Deadline 30th March for submitting – this has been prepared by SC and reviewed by MY. This document must satisfy Governors that the finances are being properly managed and ensure that the proper resources are available for the College. All questions answered ‘Yes’ with one exception that is ‘In part’ where we do not currently have an integrated curriculum and financial planning method for our financial strategy. We will look at this with ESW in due course, rather than developing our own system in advance of September. The figures in the SFVS Return need to be updated when current financial year figures are available to us. Staffing & Progress 8 scores were areas for focus last year. <i>MY noted that contact ratios are improved this year. SC confirmed this.</i></p> <p>Governors voted unanimously to recommend the SFVS Return to the FGB for approval</p> | FGB |
| 10 | <p>Marketing GH reported a positivity around the marketing and social media of KEVICC – thanks given to Ben Cotton for the Instagram account. The KEVICC parent’s page is now much more celebratory than it has historically been. GH met with Denise Wilson about marketing and the potential to use the Totnes Times. Jimmy Cauty, KLF, is an ex-KEVICC student and there is a touring art installation of his that will be based at KEVICC before Easter and interviews can be arranged with Jimmy. SC will manage the logistics of this for the school site and GH can support with communication and PR.</p> | SC/GH |
| 11 | <p>Policies for review</p> <ul style="list-style-type: none"> • Emergency Time Off Policy – Ratified. • Secondment Policy – Ratified. <p>YE to update, save and file ratified policies</p> | YE |
| 12 | <p>Policies to be reviewed at next meeting</p> <ul style="list-style-type: none"> • Health & Safety Policy • Maternity & Adoption Support Leave Policy • Maternity Policy • Recruitment & Selection Policy • Secondment Policy • Shared Parental Leave Policy | GH MY GH JCK JCK MY |
| 13 | <p>Meeting closed at 7.15pm. The next scheduled meeting will take place on Tuesday 28th June 2022, 5.45pm via Microsoft Teams.</p> | |

Signed.....

Date:.....

Michael Young

Chair of Operations Committee