

**MINUTES OF THE MEETING OF THE
 FEDERATED CHURCH HILL & LOW HALL NURSERY SCHOOLS GOVERNING BODY
 FINANCE, PAY & PERSONNEL COMMITTEE
 HELD ON TUESDAY 25 SEPTEMBER 2018 AT 17.00
 AT CHURCH HILL NURSERY**

Present: Mr Peter Dawe (elected Chair during meeting) Co-opted Governor

Co-Opted Governors

Mrs Gail Allaway
 Ms Pauline France
 Mrs Maxine Lafayette

Headteacher


Mrs Helen Currie

Clerk to the Governors: Ms Gill Hand

Also present: Mrs Hasina Rashid , Business Manager

Summary of agreements and actions:

Minute reference	Formal agreements and/or actions identified	Named person(s) for action(s) identified	Completion date
2.1	To note election of Mr Peter Dawe as Chair of the Finance, Pay & Personnel Committee.	Governor Services	1 week
2.2	To note election of Mrs Maxine Lafayette as Vice Chair of the Finance, Pay & Personnel Committee	Governor Services	1 week
2.3	To advise Governing Body that Terms of Reference have been adopted with no change	Chair	Next GB Mtg
3.2.1	To note that records should be amended to show Ms Pauline France	Governor Services/Clerk	Immediate
4.1	SLT training to be provided to all relevant staff on Financial Regulations	HR/HC	ASAP
4.1	Financial Regulations to be included in future induction process for relevant staff	HR/HC	Ongoing
4.5	To recommend to GB that Working Party is established to consider future sustainability of both nurseries	Chair	Next GB mtg
4.5	To identify date of first Working Party meeting	HC	ASAP
4.5	To request housing development information from LA to support Working Party discussions	HC	ASAP
4.5	To obtain overview on local nursery offers and potential for collaborative working	HC	Ongoing
4.6	Recruitment freeze at Low Hall to be discussed at Governing Body meeting	Chair	Next GB mtg
8.5	To circulate Teacher Appraisal Policy to governors	HR	1 week

Chair's Initials:


4. MID YEAR BUDGET MONITORS 2018/19

4.1 Budget Monitor to Month 6 – Church Hill Nursery

Mrs Rashid provided governors with an overview of the M6 Budget Monitoring Report with key reference to the following:

- The Month 6 income is on target for 2/3/4-year olds
- Annual variance at Month 6 is £24,578
- A balancing payment of £4.6k has been received
- 30-hour payments are awaited
- 15-hour payments have been paid
- Day care income to date is only 33% of capacity but this is often the case early in the academic year
- Outstanding rate rebate payments from the LA for approx. £4.5k still awaited
- Predicted loss of £82k but anticipating that receipt of 30-hour payments will address some of this
- Income overview
- Expenditure overview
- Teacher's pay uplift
- NJC pay ban uplifts and adverse variance
- Overview of areas where overspend/high portion of budget has already been used

Q – When will the nursery know that financially we are sustainable in year?

A – Within this financial year. Once 30-hour payments are received, and numbers rise, anticipated better overall in year financial overview

Q – What is happening about the outstanding rates rebate?

A – Liaison continues with the LA to ensure that the rebates are received, and governors will be updated ongoing

Q – Has the teacher's pay uplift been factored into the expenditure?

A – Yes and it is anticipated there may be a saving in this area due to staff changes

Q – Why is there an adverse approx. £20k variance in staffing?

A – Due to NJC uplifts. This was not factored into the ratified budget and includes pension costs as some staff have opted back into the pension

Q – Do they have choice to opt in/out of the pension?

A – Yes and if they opt in, this results in higher costs to the school due to pensions contributions it must make

Q – Why is the concern with the Learning Resources budget?

A – An order for £3k was completed over the summer which has raised costs in this area. It is anticipated there will be no further large orders this financial year. This order raised an issue in that it was raised and processed online paid for with the school debit card by an inexperienced member of staff. This meant it was not raised as an order for approval by the Executive Head so was not challenged. This is not the usual process followed and strategies have been put in place to prevent this in the future.

Q – Who can use this card?

A – Executive Head, Finance Officer, Assistant Head, Business Manager and Sylvie to order groceries with a £250 limit to meet out Financial Regulations

Chair's Initials:



Discussions were held on the unknown national decision on nursery funding and how the reserve would support the nursery whilst this funding is resolved.

4.3 Budget Monitor to Month 6 – Low Hall Nursery

Mrs Rashid provided governors with an overview of the M6 Budget Monitoring Report with key reference to the following:

Annual variance at Month 6 is -£25,455

30-hour payments are awaited

15-hour payments have been paid

Outstanding rate rebate payments from the LA for approx. £4.5k still awaited

Quarterly variance deficit - -£39,076

Income overview

Expenditure overview

Teacher's pay uplift

NJC pay ban uplifts and adverse variance

Overview of areas where overspend/high portion of budget has already been used

Discussions were held on the ongoing low numbers at Low Hall Nursery (currently 45-47 children), the impact this is having on finance and the need to increase these to promote financial sustainability for the future.

Q – Why are there low numbers? Is it due to the nursery or due to local competition?

A – Low Hall has a historically transient population and sadly had a negative reputation. The feasibility study indicated that the nursery had limited street presence and is not noticeable so this needs to be addressed. We are utilising marketing and advertising opportunities to raise a positive profile in the area including use of social media

Q – Staff/Student ratios – are these high?

A – They could be considered high and this is being reviewed but the ratios do add quality and are beneficial to the children

Q – Have there been any discussions with the LA to identify specific area of need that Low Hall might be able to address?

A – Yes -we are looking at different models but need to consider this against the need for a separate OFSTED registration

4.4 School Budget Plan Letter

Governors discussed the above letter which had been received from the LA dated 12 16 August 2018 which had informed the nursery that the LA was unable to approve the ratified budget and requesting a 3-year plan

Mrs Rashid advised that she had responded to the letter and was awaiting a response.

4.5 Overall Nursery Sustainability

Discussions were held on the need for the future financial sustainability of the nurseries to be considered. It was agreed that it would be beneficial for this to be considered via a Working Party which would consider amongst other things recruitment, SLA pooling, sharing of services, staffing and flexibility of offer to meet local need.

ACTION: To recommend to GB that Working Party is established to consider future sustainability of both nurseries

ACTION: To identify date of first Working Party meeting

8. TEACHER APPRAISAL POLICY

8.1 It was agreed that this LA model policy needed to be circulated to governors with expectation that it would be considered for approval at the next Governing Body meeting.

ACTION: To circulate Teacher Appraisal Policy to governors

ACTION: To consider Teacher Appraisal Policy for approval at next GB mtg

9. PAY POLICY

9.1 Governors approved the adoption of the above LA Model policy which had been circulated for information prior to the meeting. The policy was signed by the Chair and retained by the nursery.

10. DATE AND AGENDA ITEMS FOR THE NEXT MEETING

10.1 The date of the next meeting was confirmed as Tuesday 15 January 2019 at 5pm at Church Hill Nursery.

10.2 Agenda Items
Budget Report

11. ANY OTHER BUSINESS

11.1 London Living Wage Accreditation

It was noted that the Federation had been asked to apply for the above accreditation and the application had been submitted by Mrs Rashid. Further information on agency staff had been requested and supplied. It was anticipated that the accreditation would be awarded, and governors would be updated in due course.

11.2 Statement of Internal Control – Church Hill Nursery

Mrs Rashid provided an overview of the above and following an internal audit based on this document, the following areas had been identified to be addressed:

1. Ensure school fund Bank Reconciliations are carried monthly and countersigned by the 15th of the following month...
2. To ensure the new asset labelling system is fully operational by February 18 – also to identify all assets of value by running a termly system report to identify those which are of recommended value for recording are captured.
3. To action a weekly cheque run
4. To ensure all daycare form requests are processed by the Finance Assistant and Business Manager only. To ensure a working schedule is drawn up highlighting priority tasks

Governors approved the Statement of Internal Control which was signed by the Chair and retained by the nursery.

11.3 Statement of Internal Control – Low Hall Nursery

Mrs Rashid provided an overview of the above and following an internal audit based on this document, the following areas had been identified to be addressed:

1. Ensure school fund Bank Reconciliations are carried monthly and countersigned by the 15th of the following month.
2. To ensure the new asset labelling system is fully operational by February 18 – also to identify all assets of value by running a termly system report to identify those which are of recommended value for recording are captured.