

Report of Chief Executive to the Board

November 2016

Introduction

The purpose of this report is to cover areas which are not covered in other reports. Hence I shall avoid repeating issues in detail which have been covered in sub committees or elsewhere.

Trust Development.

Currently the Development of the Trust has been placed into a hiatus by the need to improve Pinetree School. We had formerly bid for several other projects and been unsuccessful.

However we have recently written to Norfolk County Council regarding the possibility of a further Free School bid. Sadly we have yet to receive any response to this letter.

Developing the Trust Team

Directors will be aware that the Trust team has evolved and expanded over the year. The central team now includes

- CEO
- Business Director
- Operations Manager
- Facilities Manager
- Data Resources Assistant
- Finance Manager
- Finance Officer x 4
- Trust Administrator
- Network Manager

The Trust has now settled into its new offices at Drayton Old Lodge and this has facilitated much better collegiate working.

The arrival of the Network Manager, Ian Wooltorton has also seen a massive improvement in our capacity to deal with technical infrastructure issues.

Premises Development

The Trust premises continue to develop and expand over time.

Most recent premises projects are :

1. ICT Upgrade – successfully completed in Summer 2016
2. Earthsea expansion – This has proven somewhat challenging but has begun to settle. Some revision work was necessary after the initial work in Summer 2016 – and the project went over budget. However the end result is a much improved facility at Earthsea.
3. Pott Row Therapy Space - successfully completed in summer 2016
4. Belton Toilet refurbishment – completed summer 2016
5. Belton Boiler – on hold pending removal of asbestos from Boiler room.
6. Further development of Pinetree is on hold awaiting improved financial picture.

The major new piece of premises development will be tied with the curriculum review and staffing restructure. In order to cut costs from Alternative Provision and to enact the restructure, we will require further space for vocational learning. To achieve this we are currently working with Barker Associates to prepare a bid to the Condition Improvement Fund. Directors will recall that we have previously been successful with bids for roofing works and window replacements. This time we are seeking the creation of a modular building on the hardcourt area to the front of Locksley. The proposed floor plan is attached with this report.

Since we have no guarantee of success from the CIF bid, we are simultaneously exploring the costs of leasing a similar building, since the cost of leasing may be recouped from savings in Alternative Provision.

Finance

Issues around Trust finance have been comprehensively covered in the F&P committee, however for summary purposes :

Last financial year we went from a £240k Surplus to a £260k deficit

The deficit is potentially £430k larger if Norfolk fails to honour the large invoice we have sent them.

Plans to recover the deficit position are :

- Restructure of SSSFN to save £300k
- Increase of £500 per child in the NCC funding (equates to £175k per year)
- Redesign of Curriculum to reduce heavily the use of Alternative Provision

National and Local Developments

The National Funding formula has now been delayed until April 2018 – with further consultations pending before its implementation. This is relevant to us only in so far as it affects the funding or responsibility for permanently excluded children. There continues to be references to individual schools receiving either the funding or the responsibility for permanently excluded children. However there remains no sign of this actually happening.

Locally NCC has a significant overspend in the High Needs Block (HNB) this is the money which is used to pay for specialist services including all of our contracts. To remedy this NCC is currently consulting with schools about moving large amounts of money from schools funding into the HNB. I have previously circulated the Fair Funding Consultation which goes into this in more detail.

Currently neither of these issues is likely to directly impact us in the short term, but both could potentially have impact longer term. If the Government does move the financial or statutory responsibility for Permanently Excluded students to schools, this would mean that the SSSFN would be negotiating individually with each school for funding of places. The sheer complexity of this makes it unlikely in my view. However some form of change in the way

Permanent Exclusions operate seems likely as it continues to be mentioned repeatedly.

The probable local reduction in funding for schools is likely to lead to increased exclusion and further scrutiny on the costs associated with the HNB. It is highly likely that there will be an ongoing pressure to reduce costs in the HNB which will be driven by the schools which have seen their funding affected for the first time. This pressure is likely to lead to a downward pressure on our funding which we will need to resist.

Des Reynolds
November 2016