

## The Federation of Abbey Schools Academy Trust

### Finance Committee

#### Minutes

**Date & Time:** 5.30 pm on Thursday 15<sup>th</sup> March 2018.

**Present Governors:** Mr J Briggs, Dr L Bryant, Mr M Fryer, Mrs V Folkes and Mr P M Willson.

**Also in Attendance:** Mrs D Nielsen (Business Team) and Mrs L Hawksby (Clerk to the Governing Body).

<u>ITEM</u>	<u>DESCRIPTION OF DISCUSSION</u>	<u>ACTION BY</u>
1.	<p><b>Apologies for Absence</b></p> <p>Apologies of absence were received and accepted from:-</p> <ul style="list-style-type: none"> <li>• Mrs D. Leigh</li> <li>• Mrs H. Parkinson</li> </ul>	
2.	<p><b>Notification of Items of Other Business</b></p> <p>There were no Items of Other Business.</p>	
3.	<p><b>Declarations of Interests:</b></p> <p><b>Declaration of personal or pecuniary interests in any matters arising from the Agenda of the current meeting.</b></p> <p>There were no declarations of personal or pecuniary interests declared.</p> <p><b>Declaration of any updates for the Register of Business Interests.</b></p> <p>There were no updates for the Register of Business Interests.</p>	

<p><b>4.</b></p>	<p><b>Approval of Minutes</b></p> <p><b>a) Approval of Minutes – Monday 9<sup>th</sup> November 2017</b></p> <p><b>RESOLVED:</b></p> <p>That the Minutes of the meetings of the Committee held on Monday 9<sup>th</sup> November 2017 be approved as an accurate record.</p> <p><b>b) Matters Arising –</b></p> <p>There were no matters arising.</p>	
<p><b>STANDING ITEMS OF THE COMMITTEE: AUTUMN TERM (Items 5 - 13)</b></p>		
<p><b>5.</b></p>	<p><b>Report of Internal Assurance (Clive Owen &amp; Co LLP)</b></p> <p>Further to Minute 9 (Finance Committee 9<sup>th</sup> November 2017) the School's external auditors (Clive Owen &amp; Co LLP) had submitted a report on their ongoing independent oversight of the Academy's financial affairs, in addition to internal procedures already carried out by the Academy's Business Team. The following areas were looked at in accordance with the agreed Schedule of Work:-</p> <ul style="list-style-type: none"> <li>• Regularity</li> <li>• Payroll</li> <li>• Purchases</li> <li>• Accounting system</li> <li>• Expenses</li> <li>• Petty cash</li> <li>• Financial Regulations Manual</li> <li>• Governors meeting minutes</li> </ul> <p>There was one recommendation from this visit, which related to the use of official orders for kitchen purchases. Mrs D Nielsen (Business Team) advised that purchases, other than food, are raised through the official order process as per the School's finance manual procedures. Due to the volume of purchases which are attributed to the size of the school, the manpower that would be involved in raising purchase orders for food on a daily basis would be very time consuming and costly for the Cook and the Business Team. Therefore it was proposed that the Finance Manual will be updated to reflect the current kitchen, food purchase process.</p>	

	<p><b>RESOLVED:</b></p> <p>a) That the report be noted.</p> <p>b) That the Financial Procedures manual be updated to reflect the current kitchen food order process.</p> <p><b>6. Premises Report (Including maintenance &amp; planning issues.)</b></p> <p>The premises report was presented to the Committee covering the period from November 2017 to March 2018. The report provided an update of work being undertaken in maintenance, management and health &amp; safety issues across the site.</p> <p>It was reported that current issues with low water temperature have been raised on three successive reports. This issue was under investigation and the school are awaiting costs for works to the boiler from Darlington Borough Council under their Service Level Agreement.</p> <p>The planned fire evacuation in January had been successful, with small changes to the accounting for all adults in school identified. There would be a further planned fire evacuation and an unannounced fire evacuation sometime in the Summer Term.</p> <p>Roche AV had completed installation of all audio visual equipment in the week commencing 26 February 2018 including all cabling.</p> <p>Three quotes had been received for finger guards and the school was awaiting detail of warranty and installation guarantees before selecting the contractor. These would be phased across two financial periods.</p> <p>Funding streams were currently being investigated along with the development of a school buildings strategy funding /maintenance plan.</p> <p><b>RESOLVED:</b></p> <p>That the report be noted.</p> <p><b>7. Report from Human Resources</b></p> <p>The Head Teacher updated the Committee that the Academy had employed 7 new staff since the Autumn half term:</p> <ul style="list-style-type: none"> <li>• 3 x Lunchtime Supervisors.</li> <li>• 1 x Level 3 Teaching Assistant (SEN)</li> </ul>	<p><b>Business Team</b></p>
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<p>8.</p> <p>CQs</p>	<ul style="list-style-type: none"> <li>• 2 x Level 2 Teaching Assistants</li> <li>• 1 x Level 5 School Business Administrator - term time only</li> </ul> <p>Increase in hours due to extended services:</p> <ul style="list-style-type: none"> <li>• 11 x Lunchtime Supervisors/Classroom Support Assistants hours increased due to before and after school clubs</li> </ul> <p>All staff on long term sickness absence had now returned to work.</p> <p><b>RESOLVED:</b></p> <p>That the report be noted.</p> <p><b>School Improvement Plan – Financial Implications</b></p> <p>The Head Teacher reported on the financial implications of the 2017/18 SIP (School Improvement Plan). He advised that the £10,000 spend attached to supporting the SIP was on track. The termly summative assessments (Puma maths and Pira reading) to support Teacher assessments are purchased from this budget. Improvements continued to be observed in writing and work with Chris Keeler, HMI, with regards to developing the School Self Evaluation Plan (SEF) had been very successful. The Committee asked for further information to be provided to Governors on the use of Puma and Pira in the classroom, which the Head Teacher would provide. The Committee also suggested that it would be useful to also complete focused monitoring, for example looking at books, rather than solely Governor Learning Walks.</p> <p><b>RESOLVED:</b></p> <p>That the report be noted.</p>	<p><i>Head Teacher</i></p> <p><i>Governors</i></p>
<p>9.</p>	<p><b>Budget Update – 2017/18</b></p> <p>Mrs D. Nielsen (Business Team) provided an update of the 2017/18 Budget and advised on the monthly summary report. Catering income/expenditure and After School income/expenditure were also included in her report.</p> <p>The Committee were advised that there was currently a projected overspend of approximately £18,000 (which included the installation and purchase of the Whiteboards.) Staffing costs had increased, however it was noted more income was coming in from the After School Club.</p>	

<p>10.</p>	<p>Mrs D Nielsen advised that the catering budget remained on track, with any surplus helping fund other parts of the school.</p> <p><b>RESOLVED:</b></p> <p>That the report be noted.</p> <p><b>Management Accounts Cash Flow</b></p> <p>Mrs D. Nielsen (Business Team) provided an update on the Management Accounts Cash Flow, details of which were contained within her report. She advised that the cash flow was in a positive position. The aged debtors position was noted by the Committee, with some cleared since the report had been produced or due to be paid shortly.</p> <p>Mrs D Nielsen advised that the school's investments had not changed and that she would bring back a report to the next meeting of the Finance Committee.</p> <p><b>RESOLVED:</b></p> <p>That the report be noted and a report on Investments be brought back to the next meeting of the Finance Committee.</p>	<p><i>Business Team</i></p>
<p>11.</p> <p>CQ</p> <p>CQ</p>	<p><b>2018-19 Budget</b></p> <p>Mrs D Nielsen (Business Team) reported on the budget shortfall for the 2018/19 budget. This shortfall was due to pay awards higher than originally budgeted, assumed 3%-3.5% increase on other costs. ILS (Individual Learning Support) income anticipated to be lower than expected and the lower intake in September 2017. There was also the potential of a returning member of staff and associated costs.</p> <p>The Committee enquired whether the numbers on roll for September 2018 had improved? The Head Teacher advised that the intake was projected to be full in September 2018 and that all schools had a smaller intake in the last September 2017 intake.</p> <p>The Head Teacher and Business Team had therefore completed a review and challenged everything the school currently does and identified potential savings which would produce a total reduced shortfall of £25,000. The largest costs involved staffing issues and therefore potential savings had been identified, for example whether to continue with the Staff Absence Insurance Scheme (please refer to Minute 16 below.) Increase in income had also been considered, such as increased take up of the After School Club and advertising on the school web-site/prospective. Income would also continue to come in from the good work of the PFA.</p> <p>The Committee enquired whether thought had been given to the setting up of a School Development Fund to help fund</p>	

	<p>infrastructure within the School? The Head Teacher advised that he would investigate this further and it was agreed that this proposal would be best led by Governors.</p> <p><b>RESOLVED:</b></p> <p>That the report be noted and further investigations be made into the setting up of a School Development Fund.</p> <p><b>12. Service Level Agreements</b></p> <p>Mrs D Nielsen (Business Team) reported that the Service Level Agreements (SLA's) for 2017/18 remained the same, with no new SLA's.</p> <p><b>CQ</b> The Committee enquired with regards to the School Performance Data Analysis SLA and requested further details of the service provided.</p> <p><b>RESOLVED:</b></p> <p>a) That the report be noted.</p> <p>b) That further details be provided on the Performance Data Analysis SLA.</p> <p><b>13. To review the school staffing structure</b></p> <p>The Head Teacher provided a verbal update on the current school structure and, with reference to Minute 11 above, proposals for any potential changes in 2018/19.</p> <p><b>RESOLVED:</b></p> <p>That the report be noted.</p> <p><b>14. Financial Procedures 2017-18 – Amended</b></p> <p>Mrs D Nielsen (Business Team) reported on the following two proposed changes to the Financial Procedures :</p> <p><u>Catering Consumables Purchases</u></p> <p>The Academy operates a non-order purchasing system. The Cook is responsible for the ordering of food on a daily/weekly basis. The Cook provides signed delivery notes or signed invoices where a delivery note has not been issued, showing that stock has been received. The normal payment process follows.</p>	<p><i>Head Teacher/ Business Team/ Governors</i></p> <p><i>Head Teacher</i></p>
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	<p><u>Training</u></p> <p>The member of staff will complete a CPD request form which will detail training provider, course, member of staff, costs and course date. The completed form will be forwarded to the Business Centre Office for approval by the Head Teacher. The signed form will act as the requisition and from this a purchase order will be raised on Agresso. Points 6.10 to 6.13 will then be followed.</p> <p><b>RESOLVED:</b></p> <p>That the two amendments to the Financial Procedures be approved, as detailed above.</p> <p><b>15. Investment Policy and Procedure</b></p> <p>The Committee gave consideration to the school's new Investment and Policy Procedure.</p> <p><b>RESOLVED:</b></p> <p>That the Investment Policy and Procedure be approved.</p> <p><b>16. Staff Absence Premiums</b></p> <p>Further to Minute 11 above, consideration was given to whether to continue with the staff absence insurance. It was noted that over the period the insurance premiums had been paid a relatively small amount had actually been claimed back by the Academy.</p> <p><b>RESOLVED:</b></p> <p>That the Staff Absence Insurance Policy no longer be continued.</p> <p><b>17. Bespoke Internal Assurance Package (Clive Owen &amp;Co)</b></p> <p>Consideration was given by the Committee to a bespoke internal assurance package which was being offered by Clive Owen and Co LLP. Various potential work programmes were set out in the information provided by Clive Owen &amp; Co LLP, which would allow the Academy to direct the testing to those areas they believed to be of highest risk. It was noted that there was no difference in cost than from the current service provided.</p> <p><b>RESOLVED:</b></p> <p>That the Academy follow a rolling programme of internal assurance with the following to be reviewed from the Autumn Term :-</p>	<p><i>Business Team</i></p> <p><i>Business Team</i></p>
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<b>20.</b>	<b>Date &amp; Time of Next Meeting</b> <b>RESOLVED:</b> That the next meeting of the Committee be confirmed once the date had been approved at the Governing Body scheduled for the 26 <sup>th</sup> March 2018.  <b>The Meeting concluded at 6.35 pm</b>           Approved by the Finance Committee Date: _____  Signature (Chair): _____  Name: _____	<i>Clerk</i>
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(Note: CQ – Challenging Question)