

## The Federation of Abbey Schools Academy Trust

### Finance Committee

#### Minutes

**Date & Time:** 5.30 pm on Wednesday 26<sup>th</sup> June 2019.

**Present Governors:** Mr J Briggs, Mr M Fryer, Mrs R Hall, Mrs H Parkinson 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>
	<p><b><u>Note: Director Mr P M Willson (Vice Chair) in the Chair for this meeting.</u></b></p>	
1.	<p><b>Apologies for Absence</b></p> <p>Apologies for absence were submitted on behalf of:</p> <ul style="list-style-type: none"> <li>• Dr L Bryant (Chair)</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 – Thursday 14<sup>th</sup> March 2019</b></p> <p><b>RESOLVED:</b></p> <p>That the Minutes of the meetings of the Committee held on Thursday 14<sup>th</sup> March 2019 be approved as an accurate record.</p> <p><b>b) Matters Arising –</b></p> <p>Further to Minute 10, Mrs D Nielsen advised that details of the investments had been forwarded/delegated to the Chair of Finance for decision, and with his and the Finance Committee’s approval were now signed by the Vice Chair Mr PM Willson who was chair for this meeting.</p>	<p><i>Directors/ Head Teacher</i></p>
<p><b>STANDING ITEMS OF THE COMMITTEE: SUMMER TERM (Items 5 - 15)</b></p>		
<p><b>5.</b></p>	<p><b>Report of Internal Assurance (Clive Owen &amp; Co LLP)</b></p> <p>The School’s external auditors (Clive Owen &amp; Co LLP) had submitted their internal assurance report. It was noted that not all recommendations (amber) from their previous visit had yet been implemented, however the auditors noted a suitable time frame is in place for their completion.</p> <p>There was a single recommendation from the spring term visit, which related to annual salary statements being issued and retained for teaching staff following their pay review. It was noted the school had responded that the Head Teacher believed the annual review of all staff salaries as part of the budget monitoring process is sufficient.</p> <p><b>RESOLVED:</b></p> <p>That the report be noted.</p>	
<p><b>6.</b></p>	<p><b>Budget Update – 2018/19</b></p> <p>Mrs D. Nielsen (Business Team) provided an update of the 2018/19 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 £9,000. It was noted that this may change depending on the capital programme. With the</p>	

	<p>revenue rolled forward there would be an overspend of approximately £2,500.</p> <p>It was also noted that the catering and breakfast/after school clubs were in surplus.</p> <p><b>RESOLVED:</b></p> <p>That the report be noted.</p> <p><b>7. 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 with sufficient funds and in a slightly better position than at the beginning of the Academic Year. There were currently no aged debtors at the point of reporting to the Committee.</p> <p><b>RESOLVED:</b></p> <p>That the report be noted.</p> <p><b>8. Setting the next budget (including 3 year forecast)</b></p> <p>Mrs D Nielsen (Business Team) reported on the 2019/20 budget and three year plan.</p> <p>Mrs Nielsen advised the Committee that the next two years were a balanced budget, however there would be challenges in the budgets including the third year forecast.</p> <p>There was no clear picture yet of funding available and the budgets were therefore based on the worst case scenarios. Assumptions had been made such as a 1% pay award for all staff. It was also noted that there may be an increase in non-teaching staffs' Local Pension Scheme in line with the recent Teaching Staffs' increase, however no assumption has been reflected in the three year budget with regard to this yet.</p> <p><b>RESOLVED:</b></p> <p>That the report be noted and the 3 year forecast be forwarded to the EFA (Education Funding Agency).</p>	<p><i>Head Teacher/ Business Team (DN)</i></p>
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<p><b>9.</b></p> <p><b>Service Level Agreements</b></p> <p>Mrs D Nielsen (Business Team) provided a report on the current Service Level Agreements (SLA's) and the associated costs and period of agreements.</p> <p>It was noted that Avec were the new providers of the school's Human Resources and Health &amp; Safety advice provision.</p> <p><b>CQ</b> The Committee questioned how successful the new IT provision is? The Head Teacher advised that the service had been working well and effectively.</p> <p><b>RESOLVED:</b></p> <p>That the report be noted.</p>		
<p><b>10.</b></p> <p><b>Year End - review of last years' audit</b></p> <p>It was noted that last years' annual report and financial statements had been successful and there were no major issues to report for this Academic Years' report.</p>		
<p><b>11.</b></p> <p><b>Annual School Insurance Arrangements</b></p> <p>Consideration was given to the annual school insurance arrangements. A copy of a comparison between RPA (Risk Protection Arrangement) provided by the Department for Education and Zurich's provision was circulated at the meeting for consideration.</p> <p><b>RESOLVED:</b></p> <p>That Zurich remain as the school's insurance providers.</p>		<p><b>Head Teacher/ Business Team (DN)</b></p>
<p><b>12.</b></p> <p><b>Finance Manual</b></p> <p>Consideration was given by the Committee to the removal of paragraph 5.14 on page 17 of the Federation of Abbey Schools' Financial Procedures 2018/19 manual which states:</p> <p><i>'On an annual basis the Head teacher must check and evidence the check for each member of staff that the gross pay per the payroll system agrees to the contract of employment or pay notification held on the personnel file.'</i></p> <p>This was because the annual review of all staff salaries as part of the budget monitoring process was considered to be sufficient and appropriate in terms of monitoring.</p>		

<p>13.</p> <p>14.</p>	<p><b>RESOLVED:</b></p> <p>That paragraph 5.14 be removed.</p> <p><i>(Note this item was moved forward in the Agenda as Mrs Nielsen was due to leave the meeting. Mrs Nielsen left the meeting after reporting on the item at approximately 6.20 pm)</i></p> <p><b>Risk Register</b></p> <p>Consideration was given to the Finance Committee’s delegated risks.</p> <p><b>RESOLVED:</b></p> <p>In the management control at 3.1 reference be made to the regular reporting of the accounts to the Chair as per the Academies Financial Handbook 2018.</p> <p><b>Premises Report (Including maintenance &amp; planning issues.)</b></p> <p>The premises report was presented to the Committee by the Head Teacher and covered the period from March 2019 to July 2019. The report provided an update of work being undertaken in maintenance, management and health &amp; safety issues across the site.</p> <p>It was noted that consideration was being given to whether there was a requirement to complete a full legionella RA bi-annually as Avec health &amp; safety had advised that where there has been no significant change to plumbing/ heating, and monitoring checks do not flag any issues, there is no requirement to re-do a full Legionella RA bi-annually.</p> <p>A review of the current PAT and fixed wire testing frequency was also being considered following advice from AVEC health &amp; safety who had advised that it was best practice to test high use, generally moveable items, annually.</p> <p>Priority was currently being given to providing adaptations for a child with complex needs. The school was In process of costing ramps/ changing facilities/ staff equipment to meet needs.</p> <p><b>RESOLVED:</b></p> <p>That the report be noted.</p>	<p><b>Head Teacher/ Business Team (DN)</b></p>
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<p><b>15.</b></p>	<p><b>Report from Human Resources</b></p> <p>The Head Teacher reported that there had been 2 casual lunchtime staff employed, a new SENCO and 2 new teachers employed to replace staff leaving and retiring.</p> <p><b>RESOLVED:</b></p> <p>That the report be noted.</p>	
<p><b>16.</b></p>	<p><b>School Improvement Plan – Financial Implications</b></p> <p>The Head Teacher reported on the financial implications of the 2018/19 SIP (School Improvement Plan). He advised that the £10,000 spend attached to supporting the SIP was on track, with the same amount of money committed for the SIP in the next Academic Year. Priorities for the new SIP would be considered at the Board meeting on the 8<sup>th</sup> July 2019.</p> <p><b>RESOLVED:</b></p> <p>That the report be noted.</p>	
<p><b>17.</b></p>	<p><b>Policy:</b></p> <p><b>Charging &amp; Remissions (Lettings of the premises)</b></p> <p>Consideration was given to the Charging &amp; Remissions (Lettings of Premises) document.</p> <p><b>RESOLVED:</b></p> <p>That the Charging &amp; Remissions (Lettings of Premises) document be approved</p>	<p><i>Head Teacher</i></p>
<p><b>18.</b></p>	<p><b>Scheme of Delegation</b></p> <p>Further to Minute 12, it was noted that the new Scheme of Delegation had been approved at the Board meeting held on the 1st April 2019.</p> <p>Each sub - committee this term was now tasked with reviewing the Scheme of Delegation in relation to their committee. It was noted the scheme would be reviewed on an annual basis.</p> <p><b>RESOLVED:</b></p> <p>That no changes were required from a Finance Committee perspective to the Scheme of Delegation.</p>	

<p><b>19.</b></p>	<p><b>Agenda Items for the Next Meeting :</b></p> <p><b>Standing Items:-</b></p> <ul style="list-style-type: none"> <li>• Review financial policy statements, long term planning and resourcing.</li> <li>• To undertake an annual review of the Individual School Range (ISR) of the Academy.</li> <li>• Reports: Internal Assurance, Premises and Human Resources.</li> <li>• School Improvement Plan (SIP) – Financial implications.</li> <li>• Financial monitoring.</li> <li>• Management Accounts/Cash flow</li> <li>• Service Level Agreements.</li> </ul> <p><b>Policies Scheduled for Review</b></p> <ul style="list-style-type: none"> <li>• Financial Procedures</li> </ul>	<p><i>Clerk</i></p>
<p><b>20.</b></p>	<p><b>Approval of Documents for Public Inspection</b></p> <p><b>RESOLVED:</b></p> <p>That the Agenda, supporting documents and approved Minutes be made available for public inspection with the exception of minute 7 above in accordance with Article 125 c.) as the report contains commercially sensitive financial information.</p>	<p><i>Clerk</i></p>
<p><b>21.</b></p>	<p><b>Date &amp; Time of Next Meeting</b></p> <p><b>RESOLVED:</b></p> <p>That the next meeting of the Committee be confirmed once the date had been approved at the Governing Body scheduled for the 8<sup>th</sup> July 2019.</p> <p><b>The Meeting concluded at 7.05 pm</b></p> <p>Approved by the Finance Committee:</p> <p>Date: _____</p> <p>Signature (Chair): _____</p> <p>Name: _____</p>	<p><i>Clerk</i></p>

(Note: CQ – Challenging Question)