

## The Federation of Abbey Schools Academy Trust

### Finance Committee

#### Minutes

**Date & Time:** 5.50 pm on Wednesday 6<sup>th</sup> November 2019

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

**Also in Attendance:** Mrs C Hurworth (Avec) and Mrs L Hawksby (Clerk to the Governing Body).

<u>ITEM</u>	<u>DESCRIPTION OF DISCUSSION</u>	<u>ACTION BY</u>
1.	<p><b>Election of Chair for the ensuing Academic Year</b></p> <p>The Clerk to the Governing Body opened the meeting in the absence of a Chair. Nominations were sought for the position of Chair of the Finance Committee for the ensuing Academic Year.</p> <p><b>RESOLVED:</b></p> <p>That Dr L Bryant be appointed as Chair of the Finance Committee for the ensuing Academic Year.</p> <p><i>(Note: Dr L Bryant was in the Chair for the remainder of the meeting.)</i></p>	
2.	<p><b>Election of Vice-Chair for the ensuing Academic Year</b></p> <p>Nominations were sought and received for the position of Vice-Chair of the Finance Committee for the ensuing Academic Year.</p> <p><b>RESOLVED:</b></p> <p>That Mr P Willson be appointed as Vice-Chair of the Finance Committee for the ensuing Academic Year.</p>	

<p><b>3.</b></p>	<p><b>Apologies for Absence</b></p> <p>There were no apologies for absence.</p>	
<p><b>4.</b></p>	<p><b>Notification of Items of Other Business</b></p> <p>There were no items of other business.</p>	
<p><b>5.</b></p>	<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>STANDING ITEMS OF THE COMMITTEE: AUTUMN TERM (Items 6- 14)</b></p>		
<p><i>(Note: with the permission of the Chair items 5 and 6 below were brought forward on the Agenda.)</i></p>		
<p><b>6.</b></p>	<p><b>Budget update - 2019/20 and Management Accounts Cash Flow</b></p> <p>Mrs C. Hurworth (Avec) provided an update of the 2019/20 budget and advised on the monthly summary report which was appended to the Agenda. She also advised on the management accounts cash flow which was in a healthy position and was also appended to the Agenda.</p> <p>It was noted that there would need to be an updated projection due to an increase in the Teachers' pay award of £10,000.</p> <p><b>RESOLVED:</b></p> <p>That the report be noted.</p>	
<p><b>7.</b></p>	<p><b>Financial Manual Update</b></p> <p>Mrs C Hurworth (Avec) presented a report on the annual review of The Federation of Abbey Schools Academy Trust's Financial Procedures Manual. The financial procedures ensure that the Academy maintains and develops systems of good financial management to meet the requirements of the funding agreement with the Education Funding Agency.</p>	

8.	<p><b>RESOLVED :</b></p> <p>That the Federation of Abbey School's Academy Trust's Financial Procedures Manual be approved by the Committee.</p> <p><i>(Note: Mrs C Hurworth left the meeting after presenting her two items above.)</i></p> <p><b>Approval of Minutes</b></p> <p><b>a) Approval of Minutes – Wednesday 26<sup>th</sup> June 2019</b></p> <p><b>RESOLVED:</b></p> <p>That the Minutes of the meetings of the Committee held on Wednesday 26<sup>th</sup> June 2019 be approved as an accurate record.</p> <p><b>b) Matters Arising –</b></p> <p>CQ The Committee enquired whether there was a cost saving with regards to the new financial service provided by Avec The Head Teacher confirmed there was, but advised that members of the administration/business team had also taken on additional roles/hours and there was therefore also a slight increase in their salary costs. The cost effectiveness would be monitored throughout the academic year.</p> <p><b>c) Approval of Minutes – Pay Review Sub-Committee Monday 9<sup>th</sup> September 2019</b></p> <p><b>RESOLVED:</b></p> <p>That the Minutes of the meetings of the Pay Review Sub-Committee held on Monday 9<sup>th</sup> September 2019 be approved as an accurate record.</p> <p><b>d) Matters Arising –</b></p> <p>It was noted that both the Appraisal and Pay Polices had been to the Leadership &amp; Management on the 8<sup>th</sup> October 2019.</p> <p>It was noted that the Head Teacher's Performance Review was held on the 17<sup>th</sup> October 2019 by Doug Lowes (Swaledale Alliance) and members of the Pay Review Sub-Committee. Director Dr L Bryant advised the committee that the Head Teacher had met all his objectives and a point increase had therefore been approved. Challenging targets had been set for this 2019/20 academic year.</p>	
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9.	<p><b>Report of Internal Assurance (Clive Owen &amp; Co LLP) and Internal Audit options to Clients</b></p> <p>The School's external auditors (Clive Owen &amp; Co LLP) had submitted their summer term 2019 report providing an ongoing independent oversight of the Academy's financial affairs, in addition to internal procedures already carried out by the Academy's Business Team/Avec.</p> <p>There was one recommendation relating to Payroll, that the annual salary statements be issued and retained on file for teaching staff following their pay reviews. The Academy had responded that the teachers' performance managements were held in the week beginning the 7<sup>th</sup> October 2019 and that the teachers would receive their statements at their reviews, with a copy then being retained on file.</p> <p>The 2019/20 Internal Assurance work programme was also considered by the committee.</p> <p><b>RESOLVED:</b></p> <p>a) That the report be noted.</p> <p>b) That the following audit/internal assurance work programme be agreed for the 2019/20 Academic Year:-</p> <p><u>Spring Term</u></p> <ul style="list-style-type: none"> <li>• Risk Management and Insurance</li> <li>• I.T</li> <li>• GDPR and Data Collection Compliance</li> </ul> <p><u>Summer Term</u></p> <ul style="list-style-type: none"> <li>• Pupil Premium</li> <li>• HR/Staffing</li> </ul> <p><u>Autumn Term</u></p> <ul style="list-style-type: none"> <li>• Budgeting &amp; Financial Management</li> <li>• Regulatory and Compliance</li> </ul>	<p><i>Clive Owen/Head Teacher/Avec/Admin</i></p>
10.	<p><b>Service Level Agreements</b></p> <p>The Head Teacher reported on the Service Level Agreements for 2019/20 which now included services provided by Avec: Health &amp; Safety, Human Resources and Finance.</p> <p><b>RESOLVED:</b></p> <p>That a full list of SLA's and their costings be brought back to the Spring term meeting of the Finance Committee.</p>	<p><i>Head Teacher/Finance</i></p>

11.	<p><b>Annual Review of the Individual School Range (ISR) of the Academy</b></p> <p>It was noted that there were no changes to the Individual School Range of the Academy.</p> <p><b>RESOLVED:</b></p> <p>That the School's Individual School Range (ISR) remain the same and be reviewed again at the beginning of the 2020/2021 Academic Year.</p>	<p><i>Head Teacher/ Directors</i></p>	
12.	<p><b>Premises Report (Including maintenance &amp; planning issues.)</b></p> <p>The Head Teacher presented the premises report covering the period from September 2019 to November 2019. The report provided an update of work being undertaken in maintenance, management and health &amp; safety issues across the site.</p> <p>The Head Teacher reported that Avec had advised that <i>'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 Risk Assessment bi-annually'</i>. Consideration would therefore now be given as to whether the full bi annual risk assessment was necessary and could be removed from the Risk Register.</p> <p>He also reported that consideration was being given to PAT and fixed wire testing frequency. It was agreed that following advice from Avec best practice is to test high use, generally moveable items, annually. A full inspection could then be carried out every 3 years.</p> <p><b>RESOLVED:</b></p> <p>That the report be noted</p>		
13.	<p><b>Report from Human Resources</b></p> <p>The Head Teacher updated the Committee with regards to:</p> <ul style="list-style-type: none"> <li>• Leavers July 2019</li> <li>• New appointments September 2019 – November 2019</li> <li>• Maternity Leave September 2019 - November 2019</li> <li>• Changes to contract September 2019 – November 2019</li> <li>• Long term sick</li> </ul> <p><b>RESOLVED:</b></p> <p>That the report be noted.</p>		

14.	<p><b>School Improvement Plan – Financial Implications</b></p> <p>The Head Teacher advised that £10,000 had been committed towards the provision of the current 2019/20 School Improvement Plan (SIP).</p> <p><b>RESOLVED:</b></p> <p>That the report be noted.</p>	
15.	<p><b>Review of Terms of Reference and Standing Items for the Audit &amp; Finance Committee and Pay Review Sub Committee</b></p> <p>The Clerk advised that in accordance with the Academies Financial Handbook the trust must establish an audit committee or combine it with another committee, appointed by the Board.</p> <p>Employees of the trust should not be audit committee members, but the accounting officer and chief financial officer should attend to provide information and participate in discussions. The chair of trustees should not be chair of the audit committee. Where the audit committee is combined with another committee, employees should not participate as members when audit matters are discussed.</p> <p>The committee must:</p> <ul style="list-style-type: none"> <li>• have written terms of reference describing its remit</li> <li>• agree a programme of work annually to deliver internal scrutiny that provides coverage across the year</li> </ul> <p>The Finance Committee agreed that it would be best to combine the audit Committee with the finance Committee as a lot of the audit requirements were already undertaken by the finance committee. The terms of reference and standing items for the audit &amp; finance committee and pay review sub committee were therefore considered and were appended to the agenda.</p> <p><b>RESOLVED:</b></p> <ol style="list-style-type: none"> <li>a) That the audit committee be combined with the finance committee.</li> <li>b) That the terms of reference and standing items (work programme) be approved by the finance committee, with the exception of the SIP being taken off the standing items.</li> <li>c) It was noted that the internal assurance work programme for this academic year had also been approved by this Committee at Minute 8 above.</li> </ol>	

	<p>d) That the terms of reference and standing items for the audit &amp; finance committee and pay review sub-committee be now referred to the Board on the 9<sup>th</sup> December 2019 for approval.</p>	<i>Clerk</i>
16.	<p><b>Agenda Items for the Next Meeting :</b></p> <p><b>Standing Items:-</b></p> <ul style="list-style-type: none"> <li>• Financial monitoring: Budget /Management Accounts/Cash flow</li> <li>• Discuss the recommendations and outputs of any assurance activities by third parties, including ESFA financial management and governance reviews, funding audits and investigations.</li> <li>• Review and consider the annual audited accounts and discuss the result of the accounting officer's statement of regularity.</li> <li>• Review the trust's Autumn Census returns to ensure they are accurate and compliant with the funding criteria.</li> <li>• Review the trust's land and building collection tool (LBCT) to ensure it is compliant with funding criteria.</li> <li>• Reports: Internal Assurance (consider the internal scrutiny report and discuss progress made against the recommendations made regarding enhancing financial and other controls and risk management procedures), Premises and Human Resources.</li> <li>• Service Level Agreements</li> <li>• Risk Register</li> <li>• To review the School staffing structure</li> </ul> <p><b>Policies Scheduled for Review</b></p> <ul style="list-style-type: none"> <li>• Investment Policy and Procedure.</li> </ul>	<i>Clerk</i>
17.	<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 minute 6 above in accordance with Article 125 c.) as the report contains commercially sensitive financial information.</p>	<i>Clerk</i>

