

## The Federation of Abbey Schools Academy Trust

### Finance Committee

#### Minutes

**Date & Time:** 5.00pm on Thursday 18<sup>th</sup> June 2015

**Present Governors:** Dr L Bryant, Mrs M Chew, Mr J Deane, Mr G E Ford, Miss A Gledhill, Mrs E McCue and Mr P M Willson.

**Also in Attendance:** Mrs E Mussell (Business Centre 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 for absence were received and accepted from:</p> <ul style="list-style-type: none"> <li>• Mr M J Fryer</li> <li>• Mrs D Leigh</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>Declaration of personal and pecuniary interests in any matters arising from the Agenda of the current meeting</b></p> <p>Miss A Gledhill declared a pecuniary interest and left the meeting during consideration of Item 8 below.</p>	
4.	<p><b>Approval of Minutes</b></p> <p>a) Approval of Minutes – Thursday 12<sup>th</sup> March 2015.</p> <p><b>RESOLVED:</b></p> <p>That the Minutes of the meeting of the Committee held on Thursday 12<sup>th</sup> March 2015 be approved as an accurate record subject to an amendment at Minute 20 being made in relation to the item 6 'Presentation by Margaret Richardson'. It was agreed by the Committee that in accordance with Article 125 a) and c) any supporting documents for this item should not be made available for public inspection as reference was made to named teachers and personal salary information.</p>	<i>Clerk</i>

	<p>b) Matters Arising –</p> <p>It was noted that with reference to Minute 13, new regulations in relation to ‘Childcare Disqualification by Association’ would be reported on further on this Agenda (Minute 13 below refers).</p> <div style="border: 1px solid black; padding: 5px; margin: 10px 0;"> <p><b>STANDING ITEMS OF THE COMMITTEE: SUMMER TERM (Items 5 - 13)</b></p> </div> <p><b>5. Financial Monitoring – Budget Report</b></p> <p>Further to Minute 14 (Finance Committee 12<sup>th</sup> March 2015) the Head Teachers (E.M and G.F) and the Business Team (E.M) provided an update of the current position of the 2014/15 Budget, a copy of which is at Appendix A of these Minutes. It was advised by the Head Teachers that expenditure this Academic Year in relation to ‘Supply &amp; Agency Costs’ was greater than budgeted for due to unforeseen long term illness and other staffing issues requiring absence. It was noted that some of this extra cost would be off-set by insurance which starts after the first 15 days of absence.</p> <p>A copy of the School’s Management Accounts cash-flow forecast was also considered by the Committee. This was a new item that had been brought to the Finance Committee and had been a recommendation made in the School’s Internal Assurance Report (Minute 9 below refers). The Committee agreed the cash-flow management accounts would be presented at all future meetings of the Finance Committees.</p> <p>It was noted that there was a surplus for Catering which had been put back into purchasing new food trays for the school meals and staff salaries. It was also reported that the P.E Funding allocation money was on track and would be reviewed further at the P.E Strategy meetings, an impact statement would be published on the school web-site.</p> <p><b>RESOLVED:</b></p> <ul style="list-style-type: none"> <li>a) That the report be noted.</li> <li>b) That a copy of the School’s Management Accounts Cash-Flow be included as a Standing Item for future Finance Committee meetings.</li> </ul> <p><b>6. Setting the Next Budget</b></p> <p>The Head Teachers (E.M and G.F) and the Business Team (E.M) reported on the draft budget for the 2015/2016 Academic Year, a copy of which is at Appendix B of these Minutes. Challenges for the next budget’s income included a reduction in the GAG</p>	<p><i>Head Teachers/ Business Team/Clerk</i></p>
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7.	<p>(General Annual Grant), however it was noted that there was a slight increase in pupil numbers for pupil premium funding. With regards to expenditure Teacher's Pensions were due to increase from September 2015 from 14.1% to 16.48 %. National Insurance was also due to increase from April 2016.</p> <p>It was noted that there was a slight deficit of £20,506 predicted for the 2015/16 Budget but that this could be offset by the carryover from the 2014/15 budget.</p> <p><b>RESOLVED:</b></p> <p>That the report be noted.</p> <p><b>Buildings – Summer Works</b></p> <p>The Chair of Finance, Dr L Bryant, provided a verbal report on various proposed works which had been put out to tender in strict compliance with the School's tendering procedures:-</p> <p><b><u>External Decoration</u></b></p> <p>A full specification had been prepared for external decoration on both the infants and Junior sites on all previously painted external area, with a total of four companies invited to tender. Three quotes from companies had been received as follows:-</p> <p>£2,855 (Note: This company had not complied with the specification.)</p> <p>£7,565</p> <p>£13,720</p> <p><b>RESOLVED:</b></p> <p>That Q-Dec be awarded the external decoration contract with a total allocated cost of £8,565 (£7,565 plus £1,000 contingency for external railings around the site that had never been previously painted).</p> <p><b><u>Internal EYFS (Early Years Foundation Stage) Re-modelling of Reception Cloakroom/Corridor Area</u></b></p> <p>Further to Minute 17 (Finance Committee 12<sup>th</sup> March 2015) a full specification had been prepared for internal re-modelling in the EYFS, with a total of three companies invited to tender. Two compliant quotes from companies had been received as follows :-</p> <p>£8,359.66</p> <p>£12,537.97</p>	<i>Head Teachers</i>
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	<p>would not impinge on the Sports Field area. It would also be no higher than the bike shed. The green metallic storage box in that vicinity would also be replaced with a storage shed. An example of the form the building could take was circulated at the meeting.</p> <p><b>RESOLVED:</b></p> <p>That a proposed maximum budget of £150,000 be set for the multi-purpose building and companies be invited to tender on the best possible design and cost based upon this budget.</p> <p><b>8. Review – Deputy Head Teachers’ Leadership Range</b></p> <p>The Head Teachers reported that at the last meeting of the Finance Committee held on the 12<sup>th</sup> May 2015 (Minute 6 refers) the ISR (Individual School Range) had been set at L24 to L28. The Head Teachers’ pay ranges had been moved to reflect this. Consideration was now given to the range for the Deputy Head Teachers in the Academy, to reflect their additional responsibilities associated with the Academy Trust and maintain differentials across the pay scales. It was noted that there were no extra budget implications as provisional allocation had been made to allow for any change in the 2015-16 budget. A copy of the pay spine for the Leadership Group 2014 was circulated at the meeting.</p> <p><b>RESOLVED:</b></p> <p>That the Leadership Range of 10 to 14 be approved for the posts of Deputy Head Teachers, with movement up the scale subject to the required success criteria.</p> <p><i>(Note: Miss A.Gledhill returned to the meeting after consideration was given and the resolution was approved for the above item.)</i></p> <p><b>9. Report of Internal Assurance Clive Owen &amp; Co LLP</b></p> <p>Further to Minute 11 (Finance Committee 12<sup>th</sup> March 2015) the School’s external auditors (Clive Owen &amp; Co LLP) provided a report on their on-going 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>• Purchases</li> <li>• Income</li> <li>• Accounting System</li> <li>• VAT</li> <li>• Corporation Tax</li> <li>• Finance Regulations Manual and Governors Meeting</li> </ul>	<p><i>Governors/ Head Teachers</i></p> <p><i>Head Teachers/ Human Resources</i></p>
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	<p>Minutes</p> <ul style="list-style-type: none"> <li>• Governors' Declarations of Interest</li> <li>• Regularity</li> </ul> <p>The Business Team (E.M) advised that four recommendations had been made by the external auditors. The first being that a 'Gifts and Hospitality Policy' be drafted for Governors approval. This had been completed (Minute 10 below refers).</p> <p>It had also been recommended that the most recent Management Accounts should be presented at Governors meetings. The Management Accounts had been taken to this meeting of the Committee and agreed to be brought back to future meetings (Minute 5 above refers).</p> <p>The other two recommendations that the Academy should look to use a credit card rather than a debit card to provide added security had been implemented. The STA (Sustainable Travel Award) income included in nominal code 9111 had been relocated to nominal code 9113 as per the auditors' recommendations.</p> <p><b>RESOLVED:</b></p> <ul style="list-style-type: none"> <li>a) That the report be noted.</li> <li>b) It was noted that all four recommendations made by the Schools' external auditors, as detailed above had been implemented.</li> </ul> <p><b>10. Gifts and Hospitality Policy</b></p> <p>Further to Minute 9 above, the Business Team (E.M) reported that a 'Gifts, Hospitality, Prizes and Awards Policy' had been drawn up. This policy had been drawn up to avoid any suggestion of improper influence to Directors, Governors and Employees in connection with their official duties.</p> <p><b>RESOLVED:</b></p> <p>That the Gifts and Hospitality Policy be approved and a relevant register be kept in the School by the Clerk to the Governors.</p> <p><b>11. School Improvement Plan (SIP) – Financial Implications</b></p> <p>Further to Minute 8 (Finance Committee 12<sup>th</sup> March 2015) the Head Teacher (E.M) reported on the financial implications of the School Improvement Plan (SIP). She advised that there was ongoing expenditure with regards to the School's 'Target Tracker' software and the cost of the training consultant, John Brace. It was noted that the 'Target Tracker' software had proved invaluable in providing assessment of pupil progress using the</p>	<p><i>Clerk</i></p>
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	<p>'without levels' criteria under the new 2014 Abbey National Curriculum.</p> <p>It was noted that in the new 2015/16 budget there would be a reduction in income associated with SEN (Special Educational Needs) pupils as there would be fewer pupils requiring support. There would, however, be an increase in Pupil Premium pupils in both the Infants and Juniors.</p> <p>It was further reported that links with Nepal through the 'Connecting Classrooms' initiative, funded via the British Council Grant, had only been slightly delayed due to the recent earthquake but would soon be back on track. It was lastly noted that the P.E (Physical Education) allocation in the budget for 2014/15 was on track and was reviewed by the P.E Strategy Group to assess the effectiveness.</p> <p><b>RESOLVED:</b></p> <p>That the report be noted.</p> <p><b>12. Premises Report (Including Maintenance &amp; Planning Issues.)</b></p> <p>The Head Teacher (E.M) presented the premises report which provided an update on work being undertaken in maintenance, management and health &amp; safety issues across the Academy site.</p> <p><b>RESOLVED:</b></p> <p>That the report be noted.</p> <p><b>13. Report from Human Resources</b></p> <p>Further to Minute 13 (Finance Committee 12<sup>th</sup> March 2015) the Head Teacher (E.M) verbally updated the Committee on the latest guidance regarding the national regulations of 'Childcare Disqualification by Association'. She advised that under the regulations a disqualification criteria of an identified association with a family member who is an offender, applied to staff working with children in early years provision and before and after school clubs working with 5 to 8 year olds.</p> <p>She advised that a meeting had been arranged and a letter been issued to all relevant staff working with these age ranges and in the Breakfast Club and Early Years setting, explaining the implications of the new regulations.</p> <p><b>RESOLVED:</b></p> <p>That the report be noted.</p>	
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<p><b>14.</b></p>	<p><b>Policies/procedures for review:</b></p> <p><b>Charging &amp; Remissions Policy</b></p> <p>Further to Minute 13 (Finance Committee 19<sup>th</sup> June 2014) the Head Teacher (E.M) reported that there were no amendments to the Charging &amp; Remissions Policy at the present time. However should any amendments be required before the end of the 2014/15 Academic Year then they would be reported back to Governors for approval.</p> <p><b>RESOLVED:</b></p> <p>That it be noted that there were no changes to the policy at the current time, however should any amendments be required before the end of the 2014/15 Academic Year then they would be reported back to Governors for approval.</p>	<p><i>Clerk</i></p>
<p><b>15.</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>• Management Accounts Cash Flow Report.</li> <li>• Review Financial Policy Statements, Long Term Planning and Resourcing.</li> <li>• Annual Review of ISR (Individual School Range).</li> <li>• Reports: Internal Assurance, Premises and Human Resources.</li> <li>• Annual Report of Insurance Arrangements.</li> <li>• School Improvement Plan (SIP) – Financial Implications.</li> <li>• Financial Monitoring.</li> </ul>	<p><i>Clerk</i></p>
<p><b>16.</b></p>	<p><b>Policies Scheduled for Review:</b></p> <p>(Note: There are no policies scheduled for review at the next meeting of the Finance Committee.)</p>	
<p><b>17.</b></p>	<p><b>Approval of Documents for Public Inspection</b></p> <p><b>RESOLVED:</b></p> <p>That supporting documents in relation to Item 8 on this Agenda ‘Review – Deputy Head Teachers’ Leadership Range’ (Minute 8 above refers) be not available for public inspection in accordance with Articles 125 a) and b) due to the personal salary information and identifiable teachers.</p>	<p><i>Clerk</i></p>



<p><b>18.</b></p>	<p><b>Date &amp; Time of Next Meeting</b></p> <p>Further to Minute 9 (12<sup>th</sup> May 2015 Governing Body) consideration was given to the preferred day for the Finance Committee to be held. It was agreed that Thursday were still the preferred day and that the dates for the next Academic Year would be drawn up upon this basis.</p> <p><b>RESOLVED:</b></p> <p>That the Finance Committee continue to be held on Thursdays and that the dates for the next Academic year be drawn up upon this basis and be taken to the next meeting of the Governing Body on the 30<sup>th</sup> June 2015 for approval.</p> <p>.</p> <p><b>The Meeting concluded at 6.20 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>
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**Budget Report 2014/15  
May 2015**

**Income**

<b>FEDERATION OF ABBEY SCHOOLS MAY 2015</b>		<b>Full Year 14/15 Budget</b>	<b>Actual To May 15</b>	<b>Variance from Budget</b>
<b>INCOME</b>				
<b>GAG</b>	<b>Infants:</b>			
	School Budget Share	986,294	739,719	(246,575)
	Pupil Premium	10,400	16,222	5,822
	<b>Juniors:</b>			
	School Budget Share	1,221,258	915,939	(305,319)
	Pupil Premium	18,800	22,518	3,718
	EFA Devolved Formula Capital	0	8,808	8,808
	Other EFA Income	18,000	6,796	(11,204)
	UIFSM	94,000	57,884	(36,116)
	EFA Sports Funding	18,705	18,705	0
		2,367,457	1,786,591	(580,866)
<b>Other</b>	SCITT	12,000	8,582	(3,418)
<b>Income</b>	SEN Funding	38,260	43,932	5,672
	Moderation Fees	5,000	5,650	650
	School Meals	70,050	61,021	(9,029)
	Mid Morning Breaks (Milk)	3,000	1,615	(1,385)
	Breakfast Club	20,500	18,574	(1,926)
	Lettings	6,000	5,893	(107)
	Training	2,500	2,500	0
	Visits	30,000	28,002	(1,998)
	Supply Teachers Insurance Claims	3,000	2,845	(155)
	Insurance	-	-	-
	Donations	-	-	-
	Other income	-	23,149	23,149
	Interest received	2,000	703	(1,297)
	<b>Total Other Income</b>	<b>192,310</b>	<b>202,466</b>	<b>10,156</b>
<b>Total income</b>		<b>2,559,767</b>	<b>1,989,057</b>	<b>(570,710)</b>

## Budget Report 2014/15 May 2015

### Expenditure

FEDERATION OF ABBEY SCHOOLS MAY 2015		Full Year 14/15 Budget	Actual to May 15	Variance from Budget
<b>INCOME brought forward</b>		<b>2,559,767</b>	<b>1,989,057</b>	<b>(570,710)</b>
<b>EXPENDITURE</b>				
<b>PAY</b>	Salaries inc on cost	1,940,277	1,455,301	484,976
	Supply costs & Agency	65,000	83,710	(18,710)
	Other staff costs	21,000	22,023	(1,023)
		<b>2,026,277</b>	<b>1,561,034</b>	<b>465,243</b>
<b>NON PAY</b>	Curriculum - Learning Resources	54,000	36,610	17,390
	Curriculum - Learning Resources ICT	46,000	37,856	8,144
	Staff Training	12,000	13,148	(1,148)
	Premises	160,760	102,377	58,383
	Administrative Supplies/ Insurance	18,000	16,870	1,130
	Other Insurance Premiums	18,000	18,191	(191)
	Special Facilities	6,000	1,395	4,605
	Catering Supplies	70,000	56,498	13,502
	Sports Funding	18,705	12,412	6,293
	Visits	30,000	30,631	(631)
	SLA's - Curr	9,500	6,080	3,420
	SLA's - Other	75,500	68,255	7,245
		<b>518,465</b>	<b>400,323</b>	<b>118,142</b>
<b>Total expenditure</b>		<b>2,544,742</b>	<b>1,961,357</b>	<b>583,385</b>
<b>Surplus / (deficit)</b>		<b>15,025</b>	<b>27,700</b>	

**Budget 2015/16****Income****FEDERATION OF ABBEY SCHOOLS**

<b>INCOME</b>	<b>BUDGET 14/15</b>	<b>BUDGET 15/16</b>
EFA Funding Infants (GAG)	986,294	971,155
EFA Funding Juniors (GAG)	1,221,258	1,184,156
EFA Pupil Premium Infants	10,400	19,000
EFA Pupil Premium Juniors	16,900	34,500
EFA LAC	1,900	1,900
EFA Sports Funding	18,705	18,705
EFA UIFSM	94,000	98,325
EFA Other Income	18,000	22,050
SEN Funding	38,260	18,004
SCITT	12,000	12,000
Moderation Fees	5,000	5,000
Training Income	2,500	2,500
School Meals	70,050	75,000
Mid Morning Breaks	3,000	2,000
Breakfast Club	20,500	21,000
Lettings	6,000	7,000
Visits	30,000	30,000
Supply Teachers Insurance Claims	3,000	10,500
Other Income	0	10,000
Bank Interest	2,000	2,000
<b>Total Income</b>	<b>2,559,767</b>	<b>2,544,795</b>

**Budget 2015/16****Expenditure****FEDERATION OF ABBEY SCHOOLS**

	<b>BUDGET 14/15</b>	<b>BUDGET 15/16</b>
<b>INCOME b/f</b>	<b>2,559,767</b>	<b>2,544,795</b>
<b>EXPENDITURE</b>		
<b>Employees</b>		
Teaching Staff	1,252,500	1,370,000
Supply Staff	60,000	50,000
Education Support Staff	434,000	378,500
Premises/ Cleaning Staff	57,400	58,200
Administrative & Clerical Staff	109,500	113,000
Catering Staff	60,800	62,800
Cost of Other Staff	16,500	24,000
Indirect Employee Expenses	2,000	1,000
Staff Development Expenses	12,000	12,000
LGS Clawback ers	6,577	6,821
Supply Teacher Insurance	19,000	23,000
Supply Non Teaching	3,000	3,000
Agency Supply Costs	5,000	5,000
<b>Total Employees</b>	<b>2,038,277</b>	<b>2,107,321</b>
<b>Premises</b>		
Special Projects	49,000	30,000
Building Maintenance & Improvement	20,000	20,000
Grounds Maintenance & Improvement	8,000	6,000
Cleaning & Caretaking	19,260	19,300
Water & Sewerage	12,000	12,000
Energy	30,000	28,000
Rates	7,000	7,500
Other Occupation Costs	15,500	15,500
<b>Total Premises</b>	<b>160,760</b>	<b>138,300</b>

SUMMER TERM

Learning Resources (Not ICT)	54,000	41,000
ICT Learning Resources	46,000	22,500
<b>Sports Funding</b>	18,705	18,705
Admin & Insurance	34,500	35,500
Special Facilities	6,000	8,000
Catering Supplies	70,000	78,000
SLA's	86,500	85,975
<b>School Visits</b>	30,000	30,000
<b>TOTAL EXPENDITURE</b>	<b>2,544,742</b>	<b>2,565,301</b>
<b>Surplus/ (Deficit)</b>	15,025	(20,506)