

## The Federation of Abbey Schools Academy Trust

### Finance Committee

### Minutes

**Date & Time:** 5.00 pm on Thursday 16<sup>th</sup> March 2017

**Present Governors:** Dr L Bryant (Chair), Miss A Gledhill, Mrs D Leigh, Mrs E McCue and Mr P M Willson.

**Also in Attendance:** Mrs D Nielson (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>Election of Vice-Chair for the ensuing Academic Year</b></p> <p>Dr L Bryant had confirmed his willingness to be appointed as Chair for the Academic Year and therefore opened the meeting seeking nominations for the position of Vice-Chair which had been deferred from the last meeting of the Committee.</p> <p><b>RESOLVED:</b></p> <p>That Mr P Willson be appointed as Vice-Chair of the Finance Committee for the 2016/17 Academic Year.</p>	
2.	<p><b>Apologies for Absence</b></p> <p>Apologies of absence were received and accepted from:-</p> <ul style="list-style-type: none"><li>• Mr J Deane</li><li>• Mr M J Fryer</li></ul>	
3.	<p><b>Notification of Items of Other Business</b></p> <p>There were no Items of Other Business.</p>	

<p><b>4.</b></p>	<p><b>Declaration of personal and pecuniary interests in any matters arising from the Agenda of the current meeting</b></p> <p>Mrs D Nielson (Business Team) and Mrs L Hawksby (Clerk to the Governors) declared a pecuniary interest in relation to Minute 16 below and left the meeting during consideration of that item.</p>	
<p><b>5.</b></p>	<p><b>Approval of Minutes</b></p> <p><b>a) Approval of Minutes – Monday 7<sup>th</sup> November 2016</b></p> <p><b>RESOLVED:</b></p> <p>That the Minutes of the meetings of the Committee held on Monday 7<sup>th</sup> November be confirmed and signed as an accurate record.</p> <p>b) Matters Arising –</p> <p>It was noted in relation to Minute 7, of the meeting held on the 7<sup>th</sup> November 2017, that the Financial Procedures were on the School Website. It was also confirmed by the Head Teacher that in relation to Minute 19 the School was compliant with the Accounting Officer’s key responsibilities and important financial management and governance issues as set out in the Chief Executive of the Education Funding Agency’s letter.</p>	
<p><b>STANDING ITEMS OF THE COMMITTEE: SPRING TERM (Items 6 - 17)</b></p>		
<p><b>6.</b></p>	<p><b>Report of Internal Assurance (Clive Owen &amp; Co LLP)</b></p> <p>Further to Minute 9 (Finance Committee 7<sup>th</sup> November 2016) the School’s external auditors (Clive Owen &amp; Co LLP) provided 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 and petty cash</li> <li>• Financial Procedures Manual</li> <li>• Governors meeting minutes</li> </ul>	

	<p>It was noted all previous recommendations had been implemented. Recommendations from the Autumn Term report were:-</p> <ul style="list-style-type: none"> <li>• A salary costs reconciliation to agree payroll reports to the expenditure charge in the nominal ledger should be performed monthly.</li> <li>• Orders should be raised and authorised for all credit card purchases.</li> </ul> <p><b>RESOLVED:</b></p> <ol style="list-style-type: none"> <li>a) That the report be noted.</li> <li>b) That it be noted that the recommendations had all been implemented.</li> <li>c) That the Business Team be congratulated on behalf of the Governors for the work they had been undertaking and this successful report.</li> </ol> <p><i>(Note: Governor Mrs D Leigh arrived at the meeting at approximately 5.10 pm.)</i></p>	
<p>7.</p>	<p><b>Premises Report (Including maintenance &amp; planning issues.)</b></p> <p>The Head Teacher presented the premises report covering the period from October 2016 to March 2017. The report provided an update of work being undertaken in maintenance, management and health &amp; safety issues across the site. It also provided information regarding costs incurred.</p> <p>The Head Teacher advised two Fire Alarms had occurred since the last report submitted to Governors. One on the Junior building due to a leak in the toilets and one in the Infant building due to dust in the sensor. Both evacuations had been carried out successfully. Procedures had been updated in response to issues highlighted by the evacuations.</p> <p><b>RESOLVED:</b></p> <p>That the report be noted.</p>	
<p>8.</p>	<p><b>Building Works</b></p> <p>The Head Teacher provided a verbal report on works requiring attention in the School. She advised that classrooms in both schools required painting. It was agreed that this should go out to tender and should be based on a classroom by classroom basis as not all would require attention.</p>	

	<p>The Head Teacher explored the possibility with the Finance Committee of a new frontage to the Infant building entrance in order to provide a foyer in that area. This would provide a more professional entrance and help with the safeguarding of the Infant children. It was noted there had been no safeguarding issues which had occurred due to the current Infant door arrangement. The cost of a new foyer area would be approximately £50,000 and a schedule of works and costings was circulated at the meeting for consideration.</p> <p><b>RESOLVED:</b></p> <ul style="list-style-type: none"> <li>a) That it be agreed in principle that the Infant Foyer scheme was a good idea, however further consideration would have to be given in the light of budgetary constraints.</li> <li>b) That a report be brought back for Governors consideration to ascertain if the Infant Foyer project could be brought in at a reduced cost.</li> <li>c) That the painting of classrooms be put out to tender (On a classroom by Classroom basis).</li> </ul> <p><b>9. Report from Human Resources</b></p> <p>The Head Teacher (E.M) verbally advised the Committee that the Human Resources Service Level Agreement (SLA) was now being provided by Stockton Borough Council's Human Resources Team, at a reduced cost of that provided under the previous SLA. A copy of the new HR provision is available on the Governors' Learning Platform.</p> <p>She also advised that there were currently three long term staff absences which were being managed by the School and HR.</p> <p><b>RESOLVED:</b></p> <p>That the report be noted.</p> <p><b>10. School Improvement Plan</b></p> <p>The Head Teacher reported on the 2016/17 School Improvement Plan (SIP) and the associated costs. She advised with regard to 'writing' there were small associated costs including when staff were working on this area of the curriculum. The biggest outlay had been the purchase of new books with a £12,000 spend from Reserves. It was noted that approximately £4,000 had been put towards this spend from donations from the PFA and commission from the recent Book Fair in school (which resulted in £1,500 of books being donated.) The funding to help in the progress of</p>	<p><i>Governors</i></p> <p><i>Head Teacher</i></p> <p><i>Head Teacher/Business Team</i></p>
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	<p>disadvantaged pupils/SEN/EAL was provided by Pupil Premium Fund and a copy of this was published on the School web-site.</p> <p><b>RESOLVED:</b></p> <p>That the report be noted.</p> <p><b>11. Budget Update – 2016/17</b></p> <p>The Head Teacher and Mrs D. Nielson (Business Team) provided an update of the 2016/17 Budget and provided a summary report which was attached to the Agenda. It was noted that there had been an increase in employee’s costs of £26,000 due to fixed contracts and apprenticeships. There had also been a slight increase in supply teaching costs. With regard to premises there had been an underspend of approximately £10,000 pro rata of current spend. With regards to the Curriculum there was a £7,000 additional spend. There was an overspend of £11,000 with regard to the establishment due to an increase in supply costs. There had also been a slight increase in business rates. The current drawdown was £33,000.</p> <p><b>RESOLVED:</b></p> <p>That the report be noted.</p> <p><b>12. Management Accounts Cash Flow</b></p> <p>The Head Teacher and Mrs D. Nielson (Business Team) provided an update on the Management Accounts Cash Flow. They advised that the income was largely as anticipated and in a positive position.</p> <p>Governors suggested that an estimate of gas and electricity costs for the kitchens should be made in proportion to the amount they use and separated from the whole school utility costs.</p> <p><b>RESOLVED:</b></p> <p>That the report be noted</p> <p><b>13. Investments</b></p> <p>The Head Teacher and Mrs D. Nielson (Business Team) reported on the School’s current investments. They advised that the Nationwide investment had reached maturity a month ago and with the permission of the Chair of the Finance Committee this had been put into a holding account. The other</p>	<p><i>Business Team</i></p>
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	<p>investment with Santander was due to reach maturity this week.</p> <p>A list of options for future investment of the above was listed in the report attached to the Agenda.</p> <p><b>RESOLVED:</b></p> <p>a) That out of the total £400,000 investment, £350,000 be invested as follow:-</p> <ul style="list-style-type: none"> <li>• £180,000 Lloyds Bank</li> <li>• £85,000 Cambridge &amp; Counties Bank</li> <li>• £85,000 Hampshire Trust Bank</li> </ul> <p>b) That £50,000 be placed in the current account, with the potential to be used for the Infant Building entrance project (Minute 8 above refers).</p>	<p><i>Business Team</i></p> <p><i>Business Team</i></p>
<p><b>14.</b></p>	<p><b>PE and Sports Fund</b></p> <p>The Head Teacher and Mrs D. Nielson (Business Team) reported on investigations that had been made into the possibility of leasing a school mini bus which would be used for transport and to help enrich the curriculum on school visits.</p> <p>A copy of the associated costs was set out in the report appended to the Agenda.</p> <p><b>RESOLVED:</b></p> <p>a) That staff be approached before the next meeting of the Governing Body on the 27<sup>th</sup> March 2017 to ascertain their level of interest in the provision of a minibus.</p> <p>b) That an insurance profiles of those who would potentially drive the mini bus be obtained and also an indication of the cost of the time of staff training in learning to drive the minibus.</p>	<p><i>Head Teacher</i></p> <p><i>Head Teacher</i></p>
<p><b>15.</b></p>	<p><b>Service Level Agreements</b></p> <p>The Head Teacher and Mrs D. Nielson (Business Team) reported on the 2016/17 Service Level Agreements (SLAs) which were set out in the report attached to the Agenda.</p> <p><b>RESOLVED:</b></p> <p>a) That the Service Level Agreements be reported as a Standing Item on the Finance Committee</p> <p>b) That the Governor Body Training SLA be considered at the Full Governing Body scheduled for the 27<sup>th</sup> March 2017.</p>	<p><i>Clerk</i></p> <p><i>Governors</i></p>

<p><b>16.</b></p>	<p><b>School Staffing Structure</b></p> <p>The Head Teacher provided a verbal update of the School staffing structure. Consideration was given to the role of School Business Team Leader and extension of hours for the Clerk to the Governing Body.</p> <p><b>RESOLVED:</b></p> <p>a) That the report be noted.</p> <p>b) That an advertisement be displayed for a fixed one year appointment of School Business Team Leader (April 2017 – March 2018)</p> <p>c) That, to gain an accurate understanding of the scope of work of the Clerk to the Governors, further information would be sought.</p> <p><i>(Note: Mrs D Nielson (Business Team) and Mrs L Hawksby (Clerk to the Governors) declared a pecuniary interest in relation to the above and left the meeting during consideration of this item.)</i></p>	<p><i>Head Teacher</i></p> <p><i>Head Teacher/ Clerk</i></p>
<p><b>17.</b></p>	<p><b>Strategic Benchmarking Report</b></p> <p>Further to Minute 16 (Finance Committee 7<sup>th</sup> November 2016) consideration was given Clive Owen Accountants &amp; Co LLP strategic benchmarking report. It was noted that the Academy was efficient and had staff costs broadly in line with other schools.</p> <p><b>RESOLVED:</b></p> <p>That a summary report be brought back to the next meeting of the Governing Body, scheduled for the 27<sup>th</sup> March 2017, on the findings from the benchmarking report and recommendations for the future structure of the School.</p>	<p><i>Head Teacher/ Chair of Finance</i></p>
<p><b>18.</b></p>	<p><b>Risk Register</b></p> <p>Consideration was given when to review the delegated risks of the Finance Committee.</p> <p><b>RESOLVED:</b></p> <p>That the Finance Committee’s delegated risks be all reviewed in the Summer Term.</p>	<p><i>Clerk</i></p>

<p>19.</p>	<p><b>Annual Review of Terms of Reference and Standing Items for the Finance and Pay Review Sub Committee</b></p> <p>Consideration was given to the annual review of the terms of reference and standing items for the Finance and Pay Review Sub Committee.</p> <p><b>RESOLVED:</b></p> <p>a) That the terms of reference for the Finance Committee and Pay Review Sub-Committee remain the same.</p> <p>b) That the standing items remain the same with the addition in all three terms of the consideration of Service Level Agreements,</p>	<p><i>Clerk</i></p>
<p>20.</p>	<p><b>Agenda Items for the Next Meeting</b></p> <p><b>Standing Items:-</b></p> <ul style="list-style-type: none"> <li>• Risk Register delegated risks</li> <li>• Risk Register</li> <li>• Service Level Agreements</li> <li>• SIP – Financial Implications</li> <li>• Reports – Internal Assurance, Premises and HR</li> <li>• Setting the next budget (including 3 year forecast)</li> <li>• Financial Monitoring</li> <li>• Management Accounts</li> <li>• Year End – Review of last Year’s audit</li> </ul> <p><b>Policies Scheduled for Review</b></p> <ul style="list-style-type: none"> <li>• Charging &amp; Remissions Policy</li> </ul>	<p><i>Clerk</i></p>
<p>21.</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 the Strategic Benchmarking Report at Minute 17 above, in accordance with Article 125 (c) as it contained confidential school data not available to public inspection.</p>	<p><i>Clerk</i></p>
<p>22.</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 held on Thursday 29<sup>th</sup> June 2017 at 5.00pm.</p>	<p><i>Clerk</i></p>

**The Meeting concluded at 6.45 pm**

Approved by the Finance Committee

Date: \_\_\_\_\_

Signature (Chair): \_\_\_\_\_

Name: \_\_\_\_\_