

The Federation of Abbey Schools Academy Trust

Finance Committee

Minutes

Date & Time: 5.00pm on Thursday 7th November 2013

Present Governors: Dr L Bryant (Chair), Mrs M Chew, Mr J Deane, Mr G E Ford, Mr M Fryer, Mrs D Leigh, Mrs E McCue and Mr P M Willson.

Also in Attendance: Miss A Gledhill, Mrs M Chew and 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>Election of Chair for the ensuing Academic Year</p> <p>The Clerk to the Governing Body opened the meeting in the absence of a Chair. Nominations were sought and received for the position of Chair of the Finance Committee for the ensuing Academic Year.</p> <p>RESOLVED:</p> <p>That Dr L Bryant be appointed 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>Election of Vice-Chair for the ensuing Academic Year</p> <p>Nominations were sought and received for the position of Vice-Chair of the Finance Committee for the ensuing Academic Year.</p> <p>RESOLVED:</p> <p>That Councillor C Johnson be appointed as Vice-Chair of the Finance Committee for the ensuing Academic Year.</p>	
3.	<p>Apologies for Absence</p> <p>Apologies of absence were received and accepted from:-</p> <ul style="list-style-type: none"> • Councillor C Johnson 	

<p>4.</p> <p>Notification of Items of Other Business</p> <p>There were no Items of Other Business.</p> <p>5.</p> <p>Declaration of personal and pecuniary interests in any matters arising from the Agenda of the current meeting</p> <p>There were no declarations of personal or pecuniary interests.</p> <p>6.</p> <p>Approval of Minutes</p> <p>a) Approval of Minutes – Tuesday 18th June 2013</p> <p>RESOLVED:</p> <p>That the Minutes of the meetings of the Committee held on Tuesday 18th June 2013 be approved as an accurate record.</p> <p>b) Matters Arising –</p> <p>It was noted that there were no matters arising that had not already been addressed on the Agenda.</p>		
<p>STANDING ITEMS OF THE COMMITTEE: AUTUMN TERM (Items 7-13)</p>		
<p>7.</p>	<p>Review of Financial Procedure</p> <p>The Head Teacher (E.M) presented a report on the annual review of The Federation of Abbey School's Academy Trust's Financial Procedures. The financial procedures ensure that the School maintains and develops systems of good financial management to meet the requirements of the funding agreement with the Department for Education (DfE). The words highlighted in red within the financial procedures manual set out the changes made to the procedures since the last review. In addition the words highlighted in blue in the financial procedures manual related to amendments required with regard to the introduction of the new Agora on-line payment system.</p> <p>It was agreed that a further amendment at paragraph 7.1 be made to remove the wording 'and from our sponsors'. In addition at paragraphs 7.3 and 7.4 information regarding the catering company be removed and new information with regards to the SIMS Agora payment system be inserted.</p> <p>A copy of current information on a newsletter produced by Clive Owen & Co LLP, regarding the 2013 Financial Handbook, the role of the Accounting Officer and other financial information</p>	

	<p>relevant to Academies was appended to the report and aided in a checklist for Governors when considering the School's financial procedures.</p> <p>RESOLVED :</p> <p>a) That the Federation of Abbey School's Academy Trust's Financial Procedures Manual be approved by the Committee along with the highlighted additions within the manual.</p> <p>b) That at paragraph 7.1 the wording 'and from our sponsors' be removed.</p> <p>c) That paragraphs 7.3 and 7.4 be removed at the following wording be inserted:-</p> <p>'SIMS dinner money report is produced and balanced each week. Payment for School Meals is made using the SIMS Agora or cash. Any concerns should be raised with the Head Teacher.'</p> <p>8. Annual Review of the Individual School Range (ISR) of the Academy</p> <p>The Head Teacher (E.M) provided an annual update of the Individual School Range of the Academy. A copy of an extract from the School Teachers Pay & Conditions Document 2013 was attached to aid Governors in their considerations.</p> <p>RESOLVED:</p> <p>That the School's Individual School Range (ISR) remain the same and be reviewed again in the 2014/15 Academic Year.</p> <p>9. Report of Responsible Officer</p> <p>Further to Minute 11 (Finance Committee 18th June 2013) Mrs D Leigh reported on the work she had undertaken with the Business Team as the School had been selected by the Education Funding Agency (EFA) to be one of a hundred pilot Academies to undertake a special audit of the financial year April 2012 – March 2013. This was in order for the EFA to ascertain if systems could be improved for all Academies. There was a special grant to cover the accounting costs of the project.</p> <p>Mrs D Leigh advised that as she had now been elected as Chair of Governors, with effect from the 1st October 2013, she could no longer act as Responsible Officer for the school. A number of options were considered by Governors with regards to the whether the role of Responsible Officer should remain in-house</p>	<p><i>Head Teachers/Business Team</i></p> <p><i>Governors/Head Teachers</i></p>
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	<p>or whether an external auditor could be used. It was agreed that although there were skills in-house, the use of an external auditor could help provide a degree of independence to the work undertaken.</p> <p>RESOLVED:</p> <ul style="list-style-type: none"> a) That the report be noted. b) That the School's chartered accountants Clive Owen & Co LLP be invited to act as Responsible Officer for the Academy. c) That Clive Owen & Co LLP be invited to the next meeting of the Finance Committee to discuss further the role of Responsible Officer. d) That Mrs D Leigh be thanked for all the excellent work she had undertaken in the role of Responsible Officer. <p>10. Report of Premises Manager</p> <p>The Head Teacher (E.M) presented a report, on behalf of the Premises Manager, covering the period of the 12th June to the 23rd of October 2013. A copy of the report is held on file. It provided an update of work being undertaken in maintenance, management and health & safety issues across the site. It was noted that the current Service Level Agreement (SLA) for the Premises Manager's services would require renewal after the 31st August 2014 and a further review would be needed by Governors before this time.</p> <p>Confirmation was sought in relation to the work undertaken on the gutters to ascertain whether they had been flushed through completely.</p> <p>RESOLVED:</p> <p>That the report be noted and that a review of the SLA be made before its expiration.</p> <p>11. Report from Human Resources</p> <p>The Head Teacher (E.M) verbally updated the Committee with regards to joint work undertaken between the school and Margaret Richardson in relation to Human Resources (HR) issues. These included, for example, Teacher's Pay & Performance Management policies and the merging of the Teacher's Pay & Conditions document and 'burgundy book.'</p> <p>RESOLVED:</p> <p>That the report be noted.</p>	<p><i>Head Teachers</i></p> <p><i>Head Teachers / Clerk</i></p> <p><i>Governors/Head Teachers</i></p>
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12.	<p>Annual Report of Insurance Arrangements</p> <p>The Head Teacher (E.M) provided a verbal update of the Insurance Arrangements for the School. She advised that the School's Insurance broker was 'Blue Fin' and the insurers were Zurich Insurance.</p> <p>RESOLVED:</p> <p>That the report be noted.</p>	
13.	<p>School Improvement Plan</p> <p>The Head Teacher (E.M) provided an evaluation of the 2012/2013 School Improvement Plan (SIP) and the resulting positive outcomes which were set out in the summary report. The Head Teacher's report (E.M) also contained a summary of the SIP 2013/14 which, in keeping with Ofsted's recommendations, focused on improving the rate of progress of lower attaining pupils to ensure all Special Educational Needs (SEN) and vulnerable groups of children made the best possible progress in core subjects.</p> <p>The financial implications of the SIP were reported to the Committee and it was noted that all associated objectives and targets were within budget. An update was provided in relation to additional funding provided by the Government to improve the provision of P.E. and sport in primary schools from 2013 to 2015. The Federation of Abbey Schools Academy Trust had received an allocation in the region of £18,000. A strategy group had been formed with the aim of ascertaining the most effective means of using this funding to maintain a good level of P.E. and sport for all within the School's curriculum.</p> <p>An update was also provided by the Head Teachers (E.M and G.E.F) with regard to the two additional classes provided in Years 3 and 4 within the School and the ongoing investment which would be required in future years if these extra classes were to be kept. They advised that a report would be produced in the Summer Term which outlined the effect of smaller class sizes on pupil progress, which would be published and contribute to the national debate on this issue. It was noted that this report would also be shared with the parents of the school.</p> <p>RESOLVED:</p> <p>That the report be noted.</p>	

14.	<p>Annual Review of Terms of Reference and Standing Items for the Finance Committee and Pay Review Sub Committee</p> <p>The Committee considered the current Terms of Reference and Standing Items for the Finance Committee and Pay Review Sub Committee.</p> <p>It was noted that at the Leadership & Management Committee held on 17th October 2013 (Minute 9 refers) it had been agreed that all policies should come through the Leadership and Management Committee, unless it was appropriate to delegate to another Committee, for example any financial policies would be delegated to the Finance Committee. A full table of the respective delegations of these policies would be brought back to the next meeting of the Leadership & Management Committee which was scheduled for Thursday 13th February 2014.</p> <p>RESOLVED:</p> <p>That the current Terms of Reference and Standing Items of the Finance Committee and Pay Review Sub Committee remain the same and be reviewed again at the start of the 2014/15 Academic Year.</p>	<i>Clerk</i>
15.	<p>Budget Report – Year End 2012/13</p> <p>The Head Teachers (E.M and G.E.F) and the Business Team (E.M and M.C) provided a 2012/13 budget report for the Year End. It was agreed by Governors that there had been a good outturn for the 2012/13 budget.</p> <p>It was noted that the surplus generated in school meals had been invested directly back into the catering service. Governors were invited to come in and try the school meals which were of a high quality. The Committee were advised that the Government had announced that every child in Infants, in state-funded schools, would receive a free school lunch from the next Academic Year in September 2014.</p> <p>RESOLVED:</p> <p>That the report be noted.</p>	
16.	<p>Budget Update – 2013/14</p> <p>The Head Teachers (E.M and G.E.F) and the Business Team (E.M and M.C) provided an update of the 2013/14 Budget. It was noted by the Committee that the budget was on track.</p>	

	<p>RESOLVED:</p> <p>That the report be noted.</p> <p>17. Budget Setting 2013/14 – Contingencies</p> <p>Further to Minute 10 (18th June 2013 Finance Committee) the Head Teacher (E.M) provided an update of contingencies provided for in the 2013/14 budget in order that the ‘real terms’ financial position could be identified.</p> <p>RESOLVED:</p> <p>That the following contingencies contained within the 2013/14 budget be noted:-</p> <ul style="list-style-type: none"> a) Curriculum – Learning Resources (to help integrate the needs of the National Curriculum) - £ 25,000 b) Premises (for the proposed expenditure for the two canopies) - £95,000 <p>18. Long Term Planning & Resourcing</p> <p>Further to minutes 16 and 17 above, the Head Teacher (E.M) advised that consideration had gone into long term planning and resourcing issues for the school. In connection with this future levels of surplus and potential investments were considered at Minutes 19 and 20 below.</p> <p>RESOLVED:</p> <p>That the report be noted</p> <p>19. Levels of Surplus – The Federation of Abbey Schools Academy Trust</p> <p>Further to Minute 11 (Finance Committee 18th June 2013) the Head Teacher (E.M) reported on the levels of surplus carried by the School. It was agreed that by the end of the 2013/14 budget there should be less surplus than the previous budget due to experience gained from the 2012/13 budget. It was further noted that the School was still pursuing confirmation of an amendment to the funding agreement to get rid of the 12% cap. A deed of variation application had been submitted to the Department for Education (DfE), but unfortunately they had misplaced it during the move at Mowden Hall and were therefore now fast tracking it through their systems.</p> <p>RESOLVED:</p> <p>That the report be noted.</p>	
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<p>20.</p>	<p>Investment</p> <p>Further to Minute 11 (Finance Committee 18th June 2013) the Committee considered the possibility of investing some of the School's 'Unrestricted Funds' into safe investments with Government guarantees. In the report were listed for Governors consideration a number Saving/Deposit accounts and their respective interest rates based on an investment of £200,000 for 1 year fixed term.</p> <p>It was agreed by the Committee that more than one investment should be made in order to spread the risk with the aim of generating interest, which could then be re-invested in the school. It was agreed that the school's cash flow throughout the year and items of expenditure needed to be examined in greater depth in order to ascertain the optimum time periods the investments should be tied up and the total amount invested at any given time, which could be more than the original suggested amount.</p> <p>RESOLVED:</p> <ul style="list-style-type: none"> a) That further investigations be made by the Head Teachers and Business Team with regards to the appropriate amounts of safe investment of the School's surplus into savings /deposit, taking into account the spreading of risk and the school's cash flow throughout the year. b) That this information be e-mailed to Governors of the Finance Committee for consideration. <p>(Note: Miss A Gledhill left the meeting at approximately 6.15 pm)</p>	<p><i>Governors/Head Teachers/Business Team</i></p>
<p>21.</p>	<p>Reception Canopy</p> <p>Further to Minute 13 (Finance Committee 18th June 2013) the Head Teacher (E.M) provided a verbal update with regards to progress on the installation of two Canopies for the Reception outdoor play area. Fab Tech had won the tender for the work, with the cost of the scheme being approximately £32,000. The work was due to commence shortly and Governors were invited to take a look at the work being undertaken.</p> <p>RESOLVED:</p> <p>That the report be noted.</p>	

22.	<p>Local Government Pensions Consultation</p> <p>The Head Teacher (E.M) advised that a consultation from the Department for Communities and Local Government regarding 'Pooling Arrangements for Academies within the Local Government Pension Scheme' had been received.</p> <p>RESOLVED:</p> <p>That receipt of the consultation for 'Pooling Arrangements for Academies within the Local Government Pension Scheme' be noted.</p>	
23.	<p>Agenda Items for the Next Meeting</p> <ul style="list-style-type: none"> • Solar Panels • Clive Owen & Co LLP Responsible Officer Role (Minute 9 refers) <p>Plus the following Standing Items:-</p> <ul style="list-style-type: none"> • School Improvement Plan • Service Level Agreements – Darlington Borough Council • Staffing Structure Review • Reports from the Responsible Officer, Human Resources and Premises Manager • Financial Monitoring 	<p><i>Clerk</i></p> <p><i>Clerk</i></p>
24.	<p>Approval of Documents for Public Inspection</p> <p>RESOLVED:</p> <p>That the Agenda, supporting documents and approved Minutes be made available for public inspection with the exception of personal data contained in any documentation.</p>	<p><i>Clerk</i></p>
25.	<p>Date & Time of Next Meeting</p> <p>RESOLVED:</p> <p>That the next meeting of the Committee be held on Thursday 6th March 2014 at 5.00pm.</p>	<p><i>Clerk</i></p>

The Meeting concluded at 6.20pm

Approved by the Finance Committee

Date: _____

Signature (Chair): _____

Name: _____