

**Meeting of the Board of Governors Finance & Audit Committee**  
**Minutes**

Date: 23.11.23

Time: 14.00 pm.

In attendance:

Nicola Shaw - Chair of Governors

Tamara Fox - Governor/Chair of Finance and Audit Committee

Damien Keogh - Principal/Accounting Officer

Sophie Leggott - Business Leader/Company Secretary

Caprice Lamberti - Forrester Boyd

Claire Foster - Governor

Nicole Fairey - Governor

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**1. Apologies for absence - none.**

**2. Minutes of the previous Meeting and matters arising.** Completed.

**3. Accounts presented by Forrester Boyd**

Caprice Lamberti summarised the Management letter prepared by Forrester Boyd on completion of the accounts for 2022/23. Return needs to be submitted to the EFSA by 30.01.24. Forrester Boyd to prepare and submit to SL. CL confirmed there were no changes to the Key Audit Areas.

CL summarised key points from the audited accounts.

- Income verified. Income increased by 15%. Includes GAG, Supp Grants and PP. Noted were extra funding per pupil and increase in expensive trips. CIF funding received for replacement of fire doors.
- Payroll checked.
- Changes in expenditure accounted for (Salaries below the max guidance of 80%, in line with expectations, Increase in rents and rates (energy prices), catering costs reduced).
- Balance sheet - Pension Liability/Assets now NIL. Asset Ceiling Report produced by Hymans. Noted if there was a liability this would be underwritten by the DfE and would never become payable. Liability position expected next year.
- Recommendations - maybe put another paragraph in the Finance Procedures changing wording to say we are happy to have less than 3 quotes for trips.
- Last year there were two recommendations and these have both been fully resolved.
- New Academy Trust Handbook has been released - Safety & Management. Suggested potential internal audit on Safety & Management next year?
- CL asked if the Academy was struggling with staff retention. DK replied it was recruitment where the challenge is currently.
- Discussion around electric vehicle charging points for staff - possibility of installation at no cost to the Academy. NS pointed out potential issue of insurance risk with charging points situated too close to buildings.

- CL advised of forthcoming free academy Staff Wellbeing event on 13.1.24. Will send details.
- CL asked if the Academy had any plans to join a MAT. DK responded, not if we can help it. Any plans would be to grow, not join. NS stated no evidence to suggest they benefit the students
- No instances of fraud found.
- All systems and controls operating well.
- Deficit of £14k. Benchmarking report to be available Jan/Feb 2024.
- Copies of the accounts were signed by Governors at the meeting.

#### **4. 2023/2024 budget update by SL**

Census was completed in October. This determines next year's funding. The Academy has had some pupils leave to UTC.

Teachers' Pay Award - the Academy has implemented the 6.5% increase .

Support Staff Pay Award - NJC pay award of £1925 increase on each scale point has been agreed. This is completely unfunded by the DfE. If we didn't implement it we would need to leave the NJC scale and create our own. NS asked if the Academy wants to implement the pay award. DK replied, Yes. NS confirmed Governors were happy to approve.

SL reported on increase in Teachers' Pension employer contribution rate. Funding committed for one financial year. Budget has been changed - one year funded, the rest not. The Academy could move away from the Teachers' Pension but may not be a good idea for staff retention reasons.

SL reported on increasing staff costs. The spending is more than the pupil funding received. Not staff numbers increasing, it is the cost of staff which is increasing.

SL explained staff analysis and KPIs. GAG income increase of 0.5% but costs are increasing by much more.

DK advised they had had a face to face meeting with the EFA following on from the Budget Forecast return we submitted in July. They want to send a School Resource Manager to come in and look if any savings can be made. They said everything looked like it was being well planned for.

SL noted nearly all teaching staff are on UPS3.

DK noted SEND funding, pressures, number of EHCPs etc. SEN numbers have increased but the funding hasn't.

SL advised the Alternative Provision budget has had to be increased massively.

DK advised the Academy is going to do a deep review. Post covid has seen an increase in the need to give students alternative provision placements. It is increasing rapidly. This is taking money away from other students. The social and emotional challenges of students post covid has ramped up recently. There is currently no cap on what alternative provision providers can charge. Some are charging £250 per day with transport on top of this. The Academy is paying out more than the funding received per pupil and can't be sustained.

SL noted supply as another cost - will monitor to Christmas. Currently no long term absence.

NS asked questions regarding staff absence. Are staff having more time off? Do staff take advantage of the paid sickness days etc? SL advised she holds stage one meetings and have only one reached stage two.

SL reported that Kate Causier has requested an inclusion budget to support non PP/LAC students. The rewards budget has also been increased to £5,000. It sounds a good amount but in reality is only £10 per student. Liane Kinroy is leading on staff and student wellbeing and has been given a £1,000 budget.

SL reported on staffing changes - Food technology teacher staying at FTE 0.8. DT Teacher - we struggled to appoint part-time. This has been increased from 0.6 to FT. Kate Causier was to start in January 2024 but started 01.11.23.

SL reported on Reserves of £600,000. Won't last forever. Concerned about next year. Income going down slightly. Need to make efficiencies. Funding we get but aren't told about has been included in the budget forecast this time. Areas to look at are:

- Alternative Provision
- Period 6 Transport (impact vs £110k cost)
- Staffing

NS noted the position the Academy is in with more UPS3 staff and few on mainscale. DK noted new teacher recruitment is well down and also retention while on mainscale. NS noted we must be in same position as everyone else. There will be similar schools in similar positions.

SL noted the position was not a positive one but we would do what we can to make the change.

## **5. Internal Audit Schedule**

SL asked if Governors were happy for David McVean to continue?

NS - Yes.

SL suggested looking at a February visit. Suggestions were: Half Yearly transaction checking, Compliance testing, Review of the 'Musts' list from the Academy Handbook and an Alternative Provision review.

NS confirmed happy with that.

## **6. Risk Register Review**

Top 5 Risks confirmed as: Funding, Special Needs, Outcomes, Recruitment, Provision for SEN/PP/Most Able Students.

Discussion around the risk of loss of key personnel and how that would impact the Academy. NS suggested every department should have someone who could step in and fill the gap if someone was absent long term.

NS confirmed Governors happy to approve.

## **6. Financial Procedures**

SL confirmed they get updated every year in September. Agenda point - add to full Board policies to be discussed and approved.

Governors confirmed they were happy to approve changes.

## **7. Policies**

Behaviour Policy - Approved

Acceptable Use & e-Safety Policy - Approved

ICT User Policy - Approved

Exams Contingency Plan - Approved

Risk Assessment Policy - Approved

Finance Procedures 2023 - Approved

Action: Tracking Sheets to be shared.

## **8. Pay Review**

## **9. Dates of Future Meetings**

Next meeting will be held on 2nd March 2023.

Possible topics for next meeting: Curriculum led financial planning, Transport, indicative budget for next year, deeper look at budget lines, H&S Audit, Estates, Risk Register.