

Finance Audit & Risk Committee
Minutes of the Meeting held on Tuesday 27th February 2024
at 6pm at the Sherwood Hill Campus



Robin Dear (RD)	Foundation Governor (Chair)		Absent
Gemma Davies (GD)	Co-opted Governor (<i>Chair for this meeting</i>)	Present	
Penelope Fox (PF)	Parent Governor	Present	
David Murden (DM)	Ex-Officio Governor / Headteacher	Present	
Shauna Rubins (SR)	Associate to the Board	Present	
Lindsay Sedola (LS)	Observer / awaiting appointment as Governor	Present	
Barry Walder (BW)	Finance Consultant; Schools Management Support Ltd	Present (<i>to the end of Item 4</i>)	
Isabel Paulino (IP)	Interim Finance Manager	Present	
Rosemary Viggiani (RV)	Clerk	Present	

Item	Action
<p>1. Welcome; Apologies for absence and quorum (3)</p> <p>GD opened the meeting at 6:00pm and welcomed everyone to the meeting.</p> <p>Apologies were received and accepted from Robin Dear; GD chaired in his absence.</p> <p>It was noted that Chris Williams and Sue Smith have resigned from the Board for personal reasons. The Committee members wish them both all the best for the future.</p> <p>Lindsay Sedola was welcomed to the meeting as an observer; she is awaiting appointment as a co-opted governor</p> <p>Declarations of Interest</p> <p>There were no declarations of interest.</p>	
<p>2. Minutes of the previous meeting held on 12th December 2023</p> <p>DECISION: Governors approved the minutes of the meetings held on 12th December 2023 (Part A and B) as a true and complete record of the meeting.</p> <p>Matters arising (see action list below)</p> <p><u>Action 49: Support Staff Structure:</u></p> <p>DM noted that he has had approval from the LA to recruit to business critical support staff positions; Isabel (<i>Interim Finance</i>) Ciara (<i>Interim HR</i>) and Karen (<i>Interim Operations</i>) are in place with additional Admin support for Isabel who has not yet started. There is also extra admin for admissions and HR.</p> <p>There is now a good team in place based in DM's old office at the Park. Having all of them in one room has improved communications.</p> <p>BW noted that there is a significant amount of work to be done to bring Isabel up to speed. There is still the need for a second position. DM agreed and outlined the work being done to recruit to all substantive positions by the end of this year. There is a meeting with the LA on Thursday; they had set the expectation that the people would be in post by Easter but this has been hindered due to the delay in their confirmation of the funding. We will go to advert as soon as possible.</p> <p><u>Action 60 / 69: Out of Borough School fees</u></p> <p>DM and BW updated the Committee on progress.</p> <p>The Out-of-Borough Schools have been warned of the change but they have not yet been billed due to the delay in Sutton confirming the funding levels.</p>	

Item	Action
<p>BW confirmed that they have been invoiced up to July but the sums after that have not yet been confirmed as Governors had instructed that they expected Out-of-Borough Schools to pay the same or more than Sutton Schools (potentially more to allow for the additional admin). There is about c£500k yet to be invoiced awaiting confirmation of the funding from Sutton.</p> <p>BW said that he expects the new funding to be around £45k - £50k; the schools have so far been notified of an increase to around c£38k.</p> <p>Governors expressed concern at the delay noting that they outstanding balance is currently being covered by a cash advance from Sutton. It was noted that it will be difficult to claim the full sum in arrears. The priority is to establish the funding from Sutton.</p> <p>Governors agreed that, if the schools have been informed of a sum of £38k then this should now be invoiced with notice of the intended increase. It was agreed that Out-of-Borough Schools should not be paying less than Sutton Schools when there is a waiting list for places from Sutton.</p> <p>The difficulties of the situation were discussed and it was agreed that there is a need for discussions with the Commissioning Authorities.</p> <p>It was agreed that the situation should be discussed with Sutton at the meeting on Thursday 29th February with a view to agreeing the approach for the interim with a view to charging parity or more from April.</p> <p><u>Action 62:</u></p> <p>A further ACTION was agreed for BW to circulate all monthly accounts to the Board when they are available.</p> <p><u>Action 72: Change made to Finance Policy:</u></p> <p>The Finance Policy is on the agenda and was circulated prior to the meeting.</p>	<p style="text-align: right;">77</p>
<p>3. Management Accounts and Budget for 2024/25</p> <p><u>Management Accounts to end of January 2024 (M10)</u></p> <p>BW shared the Income and Expenditure Statement and latest estimate to early February 2024. The summary and assumptions were shared.</p> <p><i>There was an open discussion led by BW who also responded to questions from Governors.</i></p> <p>BW noted that the financials have been compared against the forecast in-year deficit for the school of £620k. The school opened the year with a £747k brought forward deficit.</p> <p>It has been agreed with the officers in the LA that the deficit at the current year end (c£1.3m) will be wiped, with realistic in-year funding agreed moving forwards. This will be put to the Authority's People Committee on Thursday of this week for approval.</p> <p>The latest revised in-year deficit is showing £690k and includes the pay awards. The officers at the LA have indicated that this is acceptable. This was as reported to schools forum. It is unclear as to whether £690k will be cleared at year end if the final deficit is below this figure.</p> <p>BW outlined the uncertainties around the utilities figures; there is a £60k accrual provision which has currently been retained in the accounts pending further information.</p> <p>Settled on £5k. But need similar provision as not seen accounts since August. Therefore retained in the figures.</p> <p>BW outlined some of the other uncertainties in the accounts including the SEN allocation. Cognus are paid termly and a list of students was requested in January and a response is still awaited. Pending this information the assumption is that the school owes them £36k.</p> <p>The Lettings from Jan – March are still to be invoiced; this is around £26k although one significant Let pays monthly by DD.</p> <p>The funds in the School Fund bank account have yet to be transferred. (£22.5k)</p>	

Item**Action**

ACTION: DM to nudge Beth Brookes re the transfer from the School Fund bank account.

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The figures relating to the funding for Teachers and Support Staff remains a medium/high risk; the February pay figures were close to expectations but the final figure depends on agency use.

BW highlighted a number of other lines in the accounts including EO8 (other staff costs); EO9; Curriculum; administration; SLA's.

It was noted that the end of year deficit may be closer to £600k depending upon these uncertainties.

Contracts up for renewal were discussed including Cleaning which is currently up for renewal and is part-way through the tender process.

Energy is also due and the 5-year photocopier contract is due to finish soon with the tender due in late 2024. Notice must be given soon to avoid roll-over.

One of the larger risks is Capital Expenditure. Whilst the LA are funding this the money goes through the school accounts. There is c£500k still to reclaim from the Authority.

The January bank reconciliation was completed on 22nd Feb.

Cash owed to the LA currently stands at £1,402,500 and the school need to follow up on their debtors.

DM noted the difficulties faced re budget and the school's staffing capacity. That said, each of the last 4 or 5 months have shown greater stability as a result of the operational decision making being more secure despite not having the support staff in place. It has been a difficult period and DM thanked everyone for their support.

DM talked around the teaching staff vacancies and the challenges regarding the use of agency staff. The importance of teachers adhering to our values and ethos was noted and the difficulties that this can give rise to. There has been the need for STAs to act up as a teacher with other knock on effects. However, this has also provided good learning opportunities for staff allowing the school to grow our own staff which also works well.

The school is unrelenting with regards to the high standards expected of staff when it comes to how our pupils are treated.

End of Year Forecast / Matters arising

This was covered in the discussions in the item above.

Draft Budget for 2024/25

BW reported that the school is preparing a three-year budget but there are significant uncertainties at the current time regarding the funding.

Pending the final decision from the People Committee at the LA and confirmation of the funding, the school is working on the assumption that the deficit will be eradicated and the school will start the 2024/25 financial year with enough funding to cover planned expenditure.

That said, costs are increasing and it is not yet clear as to how the authority will be allowing for that incremental drift. There is a possibility that the school will start next year c£88k short; however that is a relatively small amount in an £8m budget and there may need to be adjustments made as the school will need to work it through and take responsibility. The challenge will be working this through years 2 and 3 when all staff will be more expensive.

One challenge is that the £10k per student fee has not changed in the last 20 years.


There is a 1.9% increase on school budgets next year and it is not clear what will happen re any pay awards above this figure. Last year the government made up the difference for teaching staff but the support staff increase was not funded and Sherwood Park have a disproportionate number of support staff when compared with mainstream schools.

There may be a knock on effect as regards Out-of-Borough fees. Once we know the fees from Sutton we can plan better.

Item	Action
<p>The implications of the school's TA pay scale may also need review; at the current time TA's progress from scale point 7 to 15 and there may be a need to review this, limiting progression for TA's who do not progress to become more advanced TA's.</p> <p>There is a risk that the school may find costs increasing by 4% with the increase in income limited to 1%. This may need further consideration if the school has to manage within this incremental drift.</p> <p>Sickness also needs better management, particularly with regards to long term sickness.</p> <p>There is the potential for savings of c£150k.</p> <p>Agencies are also expensive and there is the need to negotiate a more competitive price.</p> <p>The costs of meal supervisors also needs review with current costs being £30 per hour leading to an overall expenditure of £9k; with people on payroll this could be reduced to £6k.</p> <p>DM noted how the costs of sickness cover is already showing the benefits of better management where the costs of agency staff / staff sickness are being better balanced against children who are also off sick.</p> <p>The introduction of the new Assistant Heads role should also help by creating more capacity and freeing up more senior time currently taken in a daily fire-fighting role.</p> <p><i>Governors asked about the impact of any reduction in the number of TA's where driven by financial need?</i></p> <p>DM confirmed that any significant reduction in TA's would mean that the school would need to change its cohort. The school always look to take the most complex pupils but if the number of TAs were to reduce by five then there would be the need to adjust the cohort.</p> <p>It was agreed that, once the funding situation was clearer the school would be in a better position to return with a balanced budget and accompanying narrative / assumptions.</p>	
<p>4. SFVS</p> <p><u>Approval of the SFVS for 2024</u></p> <p>The SFVS has been reviewed and updated. The document was talked through in details and a number of suggested changes were made and agreed for the final submission to FGB.</p> <p>ACTION: All to review the final SFVS document prior to submission to FGB in March 2024.</p> <p><i>BW left the meeting.</i></p>	79
<p>5. Risk Management</p> <p><u>Review of the Risk Register - update re key risks including business support staffing</u></p> <p>DM had updated the Risk Register and shared this with the Committee prior to the meeting. It was noted that this is a work in progress but gives a good overview of the current risks. DM noted that the new support staff in place now put the school in a good position to develop this further.</p> <p>Governors thanked the Head for his work on this document.</p> <p>The updated document was discussed.</p> <p><i>A Governor asked about the problems with neighbours at the Park Campus noting that some parents and staff have been threatened and fear an ongoing risk to their safety and that of their cars / property.</i></p> <p>DM stated that he was aware of some parking issues and had been talking to the Council and Police but was not aware of any threats of violence. He asked if the school had been made aware of these threats?</p> <p>The Governor said that Karen Cunningham had been notified. Parents are scared to park in that area.</p>	

	Item	Action
	<p>ACTION: DM to liaise with Karen about the situation with residents, parents and parking at the Park.</p> <p>It was agreed that one potential gap in the Risk Register is with regards to community relationships and the need to recognise the potential for damage to reputational risk through social media.</p> <p>DM agreed to add this and suggested that the next step would be for RD to liaise with Karen Cunningham to move this forwards for further consideration by the Committee in the Summer Term. It was agreed to table the current version to FGB in March with these caveats.</p> <p>ACTION: DM to table the Risk Register to FGB in March 2024</p> <p>ACTION: RD to liaise with Karen Cunningham to review the Risk Register for re-submission to the Committee in the Summer Term. This should include the inclusion of risks around community relationships and the potential for damage to reputational risk through social media.</p> <p><u>Standing item: reporting re any GDPR Breaches</u></p> <p>There were no GDPR Breaches to report.</p> <p>It was noted that Ciara has raised concerns re the security of the Google Drive and the school will be reviewing this.</p>	<p>80</p> <p>81</p> <p>82</p>
6.	<p>Policies</p> <p><u>Finance Policy</u></p> <p>SC had produced an updated draft which was circulated for information prior to the meeting; it was noted that the requested change had been made and the policy approved at the last FGB subject to these changes.</p> <p><u>Governors Allowances and Expenses Policy</u></p> <p>This policy was discussed at the previous meeting; changes had been made and the policy was re-submitted for approval.</p> <p>DECISION: The Committee approved the Governors Allowances and Expenses Policy.</p> <p><u>Sustainability through Procurement Policy</u></p> <p>It was noted that this had been deferred to 2025.</p> <p><u>Data Protection / GDPR suite of policies including:</u></p> <p>The following policies have had the contacts updated and are submitted for information:</p> <ul style="list-style-type: none"> - <i>Data Protection Policy</i> - <i>Data Breach Policy</i> - <i>Freedom of Information and Publication Scheme</i> <p>It was noted that these policies had been approved by FGB subject to the contacts being confirmed.</p> <ul style="list-style-type: none"> - <i>Protecting biometric data for children</i> <p>It was noted that the school does not collect biometric data for children and therefore there is no need for a policy.</p> <p>DECISION: It was agreed that the school should make a statement on the website to confirm that it does not use children's biometric data and take this policy out of the policy schedule.</p> <ul style="list-style-type: none"> - <i>Other related GDPR policies / data privacy statements</i> <p>The Privacy Notice for the school workforce was approved in June 2023.</p> <p>ACTION: DM to speak to Ciara and Karen re the CCTV Policy and Privacy Statements and to bring them to Finance / FGB before the end of the Summer Term.</p>	<p>83</p>

	Item	Action								
7.	Confidential items There were no confidential items.									
8.	Any other business / Dates of future meetings There was no other business. <u>Forthcoming Meetings:</u> <table style="margin-left: 20px;"> <tr> <td>FGB:</td> <td>26th March 2024</td> </tr> <tr> <td>Finance, Audit & Risk:</td> <td>30th April 2024</td> </tr> <tr> <td>Premises:</td> <td>7th May 2024</td> </tr> <tr> <td>Staffing & Curriculum:</td> <td>12th March 2024</td> </tr> </table>	FGB:	26 th March 2024	Finance, Audit & Risk:	30 th April 2024	Premises:	7 th May 2024	Staffing & Curriculum:	12 th March 2024	
FGB:	26 th March 2024									
Finance, Audit & Risk:	30 th April 2024									
Premises:	7 th May 2024									
Staffing & Curriculum:	12 th March 2024									
	The meeting closed at 8:25pm									

Signed: 	Print Name: <u>Robin Secor</u>
Chair	Date: <u>30/4/2024</u>

Action list

Item #	Action point	Who	By when	Update
Actions arising from the meeting of 8th March 2023				
48	DM to follow up regarding the outstanding parent debt for school dinners and report back to Governors at the next Finance Committee. Management to ensure that the school follows its published process for managing payment/non-payment for school meals. Also to explore support for families to claim free school meals and to signpost to support to enable them to access wider benefits as appropriate.	DS / DM	Fin. Cttee April 23	Systems in place. Action remains open pending appointment of the new School Business Manager.
Actions arising from the meeting of 10th May 2023				
49	DM to initiate a review of the non-classroom based support staff structure at the earliest opportunity.	DM	Autumn 2023	See note on p1, Item 2. Action remains open
Actions arising from the meeting of 12th July 2023				
55	DM to formalise the rationale re the TA pay scale for approval by the Committee/GB	DM	Summer Term 2024	This is on the list of actions for Ciara and will be addressed in the summer term; action remains open.
59	RD and DS to meet to re-structure the Risk Register into a more usable format.	RD / DM	Aut Term 2023	DM has updated the Risk Register to make it more accessible. RD and DM to liaise with KC and Ciara to review the format, scoring & mitigation. Action remains open
Actions arising from the meeting of 1st November 2023				
60	DM to write to the Committee to confirm what is being requested of the Out of Borough Schools noting what the fees are now, what they will increase to and will include a facility to increase this in future and add a premium for the additional admin costs.	DM	Dec 2023	See discussion in Item 2; page 1 above. It was agreed that the situation should be discussed with Sutton at the meeting on 29/2/24 with a view to agreeing the approach for the interim with a view to charging parity or more from April. Action remains open
62	BW / SC to provide a written summary of key points for governors to note and discuss in future finance reports. To be available prior to the meeting.	BW / SC	Dec 2023	A summary has been provided for this meeting but the format needs further development; action remains open.

Item #	Action point	Who	By when	Update
68	DM to draft a letter to Claire Hadcocks to thank her for her support and work on the budget.	DM	Dec 2023	Action closed
Actions arising from the meeting of 12 th December 2023				
69	DM to confirm the assumptions being used in the budget figures for both the current year and the three-year budget with regards to the fees for Out-of-Borough students.	DM	Jan 24	Action closed – covered by Action 60 above.
70	DM to update Governors regularly following the meetings with the LA.	DM	Jan 24	ongoing
71	Clerk and Chair to agree a small panel of two or three governors with a member of the SLT to review and update the SFVS.	RV / GD	Jan 24	SFVS has been drafted and is on the agenda. Action closed
72	RD and RV to liaise re minor modification to the Finance Policy	RD/RV	Dec 24	Action completed and closed.
73	Clerk to update the schedule of Policies to re-schedule consideration of the Sustainability through Procurement Policy for the Spring Term 2025.	RV	Jan 24	Updated on the Master Policies list; action closed.
74	The Clerk to draw together a re-worded draft of the Governor Expenses Policy to reflect the discussions in the Committee and re-present to the Committee at the next meeting.	RV	Jan 24	On the agenda. Action closed
75	The Headteacher to review the responsibilities within the GDPR Policies to be able to confirm these with FGB next week.	DM	Dec 23	On the agenda; action closed
76	Part B: Headteacher to seek advice from Alex at Greenshaw and the School's lawyers.	DM	Jan 24	Action completed and closed
Actions arising from the meeting of 27 th February 2024				
77	BW to circulate all monthly accounts to the Board when they are available.	BW / IP	Ongoing	
78	DM to nudge Beth Brookes re the transfer from the School Fund bank account.	DM	Easter	
79	All to review the final SFVS document prior to submission to FGB in March 2024.	All	March 2024	

Item #	Action point	Who	By when	Update
80	DM to liaise with Karen about the situation with residents, parents and parking at the Park.	DM / KC	March 2024	
81	DM to table the Risk Register to FGB in March 2024	DM	March 2024	
82	RD to liaise with Karen Cunningham to review the Risk Register for re-submission to the Committee in the Summer Term. This should include the inclusion of risks around community relationships and the potential for damage to reputational risk through social media.	RD/KC	Summer 2024	
83	DM to speak to Ciara and Karen re the CCTV Policy and Privacy Statements and to bring them to Finance / FGB before the end of the Summer Term.	DM / KC	Summer 2024	