

Finance Committee – Extraordinary Meeting
Minutes of the Meeting held on Wednesday 28th September 2022
at 6pm at the Sherwood Hill Campus and via Google Meet



Robin Dear (RD)	Foundation Governor	Absent
Gemma Davies	Co-opted Governor	Present
Matthew Grew (MG)	Co-opted Governor	Present
Claire Hadcocks (CH)	Co-opted Governor	Present
Brian Ikin (BI)	Co-opted Governor (Chair)	Present
David Murden (DM)	Ex-Officio Governor / Headteacher	Present
Chris Williams (CW)	Local Authority Governor	Present
Barry Walder (BW)	Finance Consultant; Schools Management Support (SMS) Ltd	Present
Rosemary Viggiani (RV)	Clerk	Present

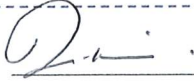
	Item	Action
1.	<p>Welcome; Apologies for absence and quorum (3)</p> <p>BI opened the meeting at 6pm and welcomed all to the Sherwood Hill Campus. Apologies were received and accepted from Robin Dear who is out of the country; it was noted that Eileen Bone has resigned from the committee.</p> <p>Declarations of Interest</p> <p>There were no declarations of interest regarding items on the agenda.</p>	
2.	<p>Minutes of the previous meeting held on 12th July 2022</p> <p>DECISION: Governors approved the minutes of the meetings held on 12th July 2022 (Part A and B) as a true and complete record of the meetings.</p> <p>Matters arising (see action list below)</p> <p>The following actions were agreed following a review of the action list:</p> <p>ACTION: CH/DM to liaise with support from BW/RV to ensure that all monies are transferred from FOSPS to the school for agreed purposes; to arrange an AGM to make any required returns, close FOSPS and agree next steps for a new Friends organization following the Coffee mornings on each campus.</p> <p>ACTION: DM to start the process of developing a Risk Management Policy / Risk Register with support from Carshalton Boys to ensure compliance as regards safeguarding, health & safety etc. To provide an update in the Spring Term.</p> <p>In reviewing the actions the Board discussed the current challenges facing the school in the light of continuing staff absence. There is potential for support and advice to be provided through the School Business Manager (SBM) at Carshalton Boys in the short term.</p> <p>Carshalton Boys could help with the upgrade of the entry systems and support with invoicing to ensure that the required separation of duties with regards to finance is in place. The school has the necessary software in place but requires interim support for invoicing and the development of our internal processes and staff training.</p> <p><i>Governors asked whether potential alternative options had been considered?</i></p> <p>BW confirmed that options considered included the use of temporary or agency staff or support from the SET, but the Carshalton Boys approach would provide greater expertise; they are able and willing to help at an affordable cost. They can provide expertise to process invoices in the short term and help the school to implement integrated systems and processes and develop internal capacity. The resources can also be deployed quite quickly.</p>	<p>22</p> <p>23</p>

	Item	Action
	<p><i>Governors asked a number of questions, probing other options and exploring whether there were any reasons why the Carshalton Boys approach should not be adopted.</i></p> <p>It was agreed that using the resources and expertise available from Carshalton Boys for a relatively short period will also help to ensure compliance and release SMS staff time to be used in a more cost-effective and appropriate way; it will help to ensure that all invoicing is up to date and all funds owed to the school are paid.</p> <p>Carshalton Boys can also support the development of a Risk Register, the identification and prioritisation of actions and the development and oversight of a pragmatic action plan moving forwards. This would also provide support for the return of staff who are currently absent.</p> <p><i>Governors asked what the next steps are and whether Carshalton Boys have the capacity in the required timescales?</i></p> <p>BW confirmed that, in terms of cost, there is no need to tender. Whilst this is Carshalton Boys busy time of year, they do have some capacity and could help to clear the backlog by the October half-term. BW stated that they are committed to helping the school and have some laptops that they can configure to use. Once the backlog is cleared we can then review how we move forwards. The approach is therefore to deploy Carshalton Boys to:</p> <ol style="list-style-type: none"> 1) Clear the backlog 2) Support DM and KC to plan what needs to change to get operations working effectively in the school moving forwards. <p>The need for a review of the support staff structure was discussed. The systems and processes are now very different from when the current structure was agreed and the staffing structure therefore needs to be reviewed to ensure that the operations run smoothly. Whilst key staff are currently absent, the work to identify the best structure should not be delayed and will make their return and re-integration into the school easier. If they were in school they would clearly be helping with the restructure but there is a critical need for this and it would not be right to delay it further in the light of the emerging information / developments. It is important to clarify that this is not related to the individuals and their absence but is about identifying the required skills, capabilities and structure that the school needs moving forwards.</p> <p>It was noted that the costs to cover the current needs will lie within the Head's delegated authority. The following actions were agreed:</p> <p>ACTION: BW/DM to develop and implement a service level agreement (SLA) with Carshalton Boys to eliminate the current backlog of work in the finance department and support the school to develop a pragmatic risk register and related action plan moving forwards. To report back to the next FGB and update the Finance Committee with regards to recommended next steps moving forwards.</p>	24
3.	<p>Management Accounts</p> <p><u>Management Accounts to end of August 2022 (M5) (if available; otherwise for M4 – end of July)</u> <u>End of year forecast.</u></p> <p><i>The BMR to the end of August 2022 (M5) was circulated prior to the meeting along with a paper regarding the Pay Awards for Teachers and Support Staff.</i></p> <p>BW had briefed governors before the meeting with regards to the significant impact that the pay awards will have on the school finances.</p> <p>On advice from the LA the Board reduced the budget provision for Support Staff pay from 3% to 2% but the proposed pay award is from 4% - 10% depending on what pay spine the staff are on. Based on a like for like basis of staff in original budget this will add £202k of costs for the Financial Year 22/23.</p> <p>In setting the budget the Board accepted the recommendation of the school teacher review body of 3% plus extra for M1-M6. At end of July this was increased to 5% for extra for M1- M6.</p>	

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<p>Based on a like for like basis of staff in original budget this will add £21k of costs for the Financial Year 22/23 as the award starts in Sept 22.</p> <p>At the moment there is no announcement that the Govt will fund all or part of these increased costs. The picture is bleak for all schools, however, the support staff pay award hits Special Schools even harder as the support staff costs are higher already due to greater numbers of staff required.</p> <p>The BMR submitted for August does not factor these costs in.</p> <p>Work has begun on the September forecast and will include these and discussions will need to be had on how feasible it will be for the school to stick to the deficit recovery plan.</p> <p>BW reported that the school had submitted the return to the LA for the August figures. The Deficit Recovery Plan (DRP) to the end of August was on track. The LA are aware of the new challenges regarding pay awards and energy costs.</p> <p>BW said that he will be re-costing the forecast on the basis of the changes in the staffing structure and the pay awards. However, the challenge remains as to how this can be managed moving forwards unless the government provide additional support. It was noted that all schools are facing these challenges.</p> <p>BW confirmed that the support staff pay award will not be agreed until October and may be even higher than currently indicated.</p> <p><i>Governors discussed how the school could save a further £200k?</i> It was agreed that this would not be possible without changes to staffing.</p> <p>DM has written to, and spoken with, the Local Authority (LA). They have confirmed that all schools are asking the same questions but the LA cannot give any guidance yet.</p> <p>The Pupil Commissioning Meeting met this week and the matter was raised then. It is apparent that the only way we can reduce costs is by changing the provision dramatically – and this is not a desirable outcome for anyone.</p> <p>It was agreed that it is important that the school remains to abide by the DRP with regards to matters that are within its control. In this regards the school is at, or ahead of, the plan as it stood. The other matters are not within the school's control.</p> <p>Energy was discussed. BW confirmed that increasing energy costs have also not yet been factored in. Our existing contracts expire imminently; from 1st October the school is protected under the government scheme for six months but are still likely to be four times higher than the current costs. The bills will therefore increase substantially but it is not yet possible to say by how much.</p> <p><i>Governors asked about cashflow.</i></p> <p>The school as c£850k in the bank and therefore there are no immediate concerns regarding cashflow unless the LA ask for earlier advances to be returned.</p> <p><i>Governors asked about the invoicing for out of borough children and other income. Also whether there is the potential to raise fees to reflect increasing costs? Can we benchmark fees?</i></p> <p>It was noted that this is one of the matters to be brought up to day through the SLA with Carshalton Boys.</p> <p>It was confirmed that fees are being reviewed to ensure that the school is covering its costs.</p> <p><i>Governors asked again whether the DfE are considering covering these additional staffing and energy costs?</i></p> <p>At the current time there is no move to do so. The expectation appears to be that schools restructure to cover costs.</p>	

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	<p><i>Concern was raised about the stress being put on the leadership in schools in these circumstances.</i></p> <p>A range of potential options were considered. The viability of finding and joining an appropriate MAT was discussed. The challenge is finding a MAT that could provide support, add value and consider taking on a school with a deficit of £500k. At the current time there would appear to be no viable options in this area. The options regarding Special School MATS or becoming a member of an otherwise mainstream MAT were considered.</p> <p>In terms of the immediate priorities it was agreed that the September costs need to be worked through to ensure that the funding is correct. At the end of August everything was on track except for the impact of the changed planning assumptions regarding staffing and energy.</p> <p>The need to sit down to discuss the situation with the LA was agreed. In the meantime BW will update the forecast. The importance of bringing all invoicing up to date to bring in all funds owing was emphasised and will be addressed through the arrangement with Carshalton Boys.</p> <p>ACTION: DM, BI, BW, CH and CW to have an initial conversation with the LA as to how the school and LA can work through this together.</p> <p><i>Governors thanked BW, DM and others at the school for their efforts and achievements to date with regards to financial management.</i></p>	25
4.	<p>Internal Scrutiny: Update (see also action 12)</p> <p><u>SFVS: update re the action plan and development of plan for completion of 2023 SFVS for submission by 31st March 2023</u></p> <p>It was agreed that a working party would be established to prepare the SFVS for 2023 and would use feedback from the work being undertaken by Carshalton Boys.</p> <p>ACTION: BW, RD, BI and CH to meet as a working group in December to develop the 2023 SFVS.</p>	26
5	<p>Risk Management</p> <p><u>Risk Register and Business Continuity Plan</u></p> <p><u>Internal scrutiny re wider risks e.g. safeguarding</u></p> <p>These items had been covered in the discussions above.</p> <p><u>Standing item: reporting of any GDPR Breaches</u></p> <p>None to report as regards GDPR.</p> <p>With regards to Safeguarding it was noted that one member of staff has been referred to the LADO and there is an ongoing disciplinary fact finding process.</p>	
6.	<p>Policies for approval</p> <p><u>Finance Policy and Procedures</u></p> <p>This policy was not yet ready for approval.</p> <p>BW had informed Governors prior to the meeting that he is looking at introducing a system that will reduce the amount of time it takes processing Agency payments and the paper used printing large quantity of invoices; he will be visiting another Sutton school with Sarah to see how they have done this which has been given green light by two external audit providers which means that if we can implement this then the finance policy and procedures will change.</p> <p><u>Data Protection / GDPR suite of policies (requires Full Board ratification)</u></p> <p><i>Data Protection Policy</i></p> <p><i>Data Breach Policy</i></p> <p><i>Protecting biometric data for children</i></p> <p><i>Other related GDPR policies / data privacy statements</i></p> <p>These policies are not yet ready for approval.</p>	

	Item	Action
	<p>ACTION: BW and DM to finalise the Finance Policy for presentation to a meeting in the Autumn Term and to schedule the review of the GDPR / Data Protection Policies <u>Pay Policy (for Full Board ratification)</u> <i>This was circulated prior to the meeting.</i></p> <p>The pay policy as circulated in advance was discussed. It was noted that the role of the Pay Committee is to moderate the process – not to review each individual’s pay award.</p> <p>The pay scales and pay awards for support staff from April also needs to be agreed.</p> <p>The breadth of the pay scales was discussed. The rationale for the pay scales needs to be clearly understood and implemented correctly.</p> <p>ACTION: To ensure that support staff are being paid accurately in line with contract and in line with the pay policy – that pay is fair, equitable and legally compliant.</p> <p>A number of questions were raised regarding the pay policy as presented including the currency of the references to the STPCD.</p> <p>ACTION: DM to liaise with SL regarding the Pay Policy to bring a recommendation to FGB.</p>	<p>27</p> <p>28</p> <p>29</p>
7.	<p>Update re relevant Governor visits and training</p> <p>RV reported that she is recording all training on a spreadsheet and keeping copies of all certificates. An update of the current records has been circulated to all.</p> <p>All Governors have now completed Safeguarding training. Three governors are being reminded to complete the PREVENT training.</p> <p>NT, Associate Member, has also been invited to complete the modules but has not yet done so.</p> <p>RV will continue to follow up as appropriate regarding training.</p>	
8.	<p>Friends of Sherwood Park School (FOSPS)</p> <p>See Action 22 above.</p>	
9.	<p>Confidential items</p> <p>There were no confidential items.</p>	
10.	<p>Any other business / Dates of future meetings</p> <p>There was no other business.</p> <p><u>Forthcoming Meetings:</u></p> <p>FGB: 5th October 2022</p> <p>Pay: 18th October 2022</p> <p>Finance: 19th October 2022 (Accounts to Q2: end of September 2022)</p>	
	<p>The meeting closed at 8:43pm</p>	

<p>Signed: </p> <p>Chair</p>	<p>Print Name: <u>BRIAN IKIN</u></p> <p>Date: <u>23/11/2022</u></p>
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Action list

Item	Action point	Who	By when	Update
Actions arising from the meeting of 16 th March 2022				
12	CH, DM, BW, BI and RV to review the process for internal scrutiny of the financial processes. To check Sutton Education Trust can advise or support the school.	CH, DM. BW, BI	May 22	This is not an essential role for maintained schools. Action closed
Actions arising from the meeting of 12 th July 2022				
16	BW to research an automated system for invoicing, to support the SBM on her return to work.	BW	Sept 22	See main minutes; action closed.
17	RV to contact Kirstie at FOSPS to find out what documents she holds. To develop a plan for the charity moving forwards at the September meeting.	RV	Sept 22	RV obtained folder from Kirstie and a pdf of the Constitution has been passed to DM and is on file electronically in the Governors files. Action closed – see follow up Action 22.
18	MG to research what the DfE can offer in terms of templates and support. BW to provide a risk management framework used in other schools. RD to meet with David and the SLT to discuss how to pull a simple and effective risk management framework together and to agree how the monitoring and management of risk should be accomplished and scrutinised. Risk Management to be on the Agenda for the Committee in the Autumn Term.	MG; BW; RD	Autumn 2022	MG reported that there is guidance and examples available on The Key but there is no obligation as there is for an Academy. However it is good practice and it was agreed that the school does need an agreed process / policy on Risk Management. Action closed – see Action 23.
19	DM to send CH a non-PDF version of the Pay policy for mark-up.	DM	July 22	Done; on the agenda action closed
20	RV to diarise the Finance and Data Protection Policies for the September Finance Committee Meeting.	RV	Sept 22	On the agenda – action closed (see Action 27)
21	<i>Action transferred from FGB</i> to explore how the school can have ownership of the land returned to it. DM to approach Browne Jacobsen for advice.	DM		Ongoing
Actions arising from the meeting of 28 th September 2022				
22	CH/DM to liaise with support from BW/RV to ensure that all monies are transferred from FOSPS to the school for agreed purposes; to arrange an AGM to make any required returns, close FOSPS and agree next steps for a new Friends organization following the Coffee mornings on each campus.	CH/DM		

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23	DM to start the process of developing a Risk Management Policy / Risk Register with support from Carshalton Boys to ensure compliance as regards safeguarding, health & safety etc. To provide an update in the Spring Term.	DM	Spring 2023	
24	BW/DM to develop and implement a service level agreement (SLA) with Carshalton Boys to eliminate the current backlog of work in the finance department and support the school to develop a pragmatic risk register and related action plan moving forwards. To report back to the next FGB and update the Finance Committee with regards to recommended next steps moving forwards.	BW/DM	FGB/ Finance Autumn Term 2022	
25	DM, BI, BW, CH and CW to have an initial conversation with the LA as to how the school and LA can work through this together.	DM, BI, BW, CH, CW	Autumn Term 2022	
26	BW, RD, BI and CH to meet as a working group in December to develop the 2023 SFVS.	BW, RD, BI, CH	Dec 2022	
27	BW and DM to finalise the Finance Policy for presentation to a meeting in the Autumn Term and to schedule the review of the GDPR / Data Protection Policies.	BW, DM	Dec 2022	
28	To ensure that support staff are being paid accurately in line with contract and in line with the pay policy – that pay is fair, equitable and legally compliant.	BW	Pay Ctte	
29	DM to liaise with SL regarding the Pay Policy to bring a recommendation to FGB.	DM	FGB Oct	