

# MINUTES



Noadswood

**BOARD:** Finance, Audit & Risk Committee

**SCHOOL:** Noadswood School

**DATE:** 1<sup>st</sup> March 2021

**TIME:** 18:30hrs – 21:00hrs

**VENUE:** Remotely – via Teams

**ATTENDED:**

Tim Sunderland (TS)	Chair of the Audit Committee /Member
Kathryn Marshall (KM)	Headteacher
Neil Cotton (NC)	Trustee
Lisa Taylor (LT)	Trustee (joined the meeting at 18:44hrs)
Catherine Langdon (CL)	Chair of Governors
Helen Loveday	Assistant Headteacher (left the meeting at 20:00)
Matt Hewitt	Assistant Headteacher (left the meeting at 20:00)
Sarah Staley	SBM (left the meeting at 20:00)

**ATTENDING:** Louise Instone Clerk

The Code of Conduct for Governors requires governors to be honest and open with regard to conflicts of interest (either real or perceived). Governors must not use their position for personal gain in business, political or social relationships. Therefore, a governor who has, or may be perceived to have, such a personal interest in a particular matter under consideration should declare that interest, withdraw from all discussions relating to it and take no part in any vote on such matter.

Items marked \* are those in which a majority of Governors may have an interest because of some shared attribute. When considering these items, Governors should aim to achieve a balanced view, paying particular attention to the sources of information and advice, and remind themselves of their duties as governors and to act in the public interest.

Item	
1	<b>Welcome and Apologies:</b> Those present were welcomed by the Chair.
2	<b>Procedural items:</b> <b>2.1 Apologies for absence</b> Phil Trevett was absent from the meeting. <b>2.2 Confirmation of Quorum</b> (3 Trustees, one of which must be the Head Teacher or appointed representative) The meeting was confirmed as quorate. <b>2.3 Declarations of interest</b> No pecuniary or personal interests were advised for any agenda item for this meeting
3	<b>Any Other Business:</b> No other business was requested to be added.
4	<b>Minutes:</b> The minutes of the previous meeting 9 <sup>th</sup> November 2020 were approved as a true record of the meeting.
	<b>Matters Arising from the Minutes:</b> See update of matters arising at the end of the minutes.
5	<b>Correspondence:</b> To note any correspondence received by the Trust / Chair No correspondence was received by the Trust / Chair to be discussed.
6	<b>Replacement of the Vice-Chair of this Committee:</b>



	LT offered to be the new vice-chair. The committee unanimously voted her in.
7	<p><b>Internal Scrutineer's Report and subsequent visit</b></p> <p>This report was available on the GovernorHub for all to read.</p> <p>CL as whether the training the budget holders received has had impact and whether they still need more?</p> <p>KM explained this has had considerable impact, purchase requisitions are working correctly and there isn't a back log of invoices that haven't been processed in the right way. Much better element of forecasting and budget controls. In terms of the remit, this was a success.</p> <p>CL asked how we can keep track of what we are doing and compare it to similar schools? Regarding our benchmarking exercises and integrated financial planning how do we compare to other schools?</p> <p>KM explained during Sam's next visit she will support in completing the SRMSA documents. As part of that we will get information about our school and can compare with similar schools. This is the big focus of her next visit.</p> <p>TS was pleased the accounts are now on the website but was concerned that the school needs to forecast how we account for Covid expenses.</p> <p>CL expressed concern that not enough staff have the knowledge of payroll process and whether this expertise could be rolled out to other staff?</p> <p>KM agreed that staffing resources are a problem, with RJ not in school and SS on maternity leave this does cause problem. Angie has been doing payroll but this has now gone to AB, Head's PA who doesn't have the formal training for this. KM confirmed she now has a full understanding of payroll and could do it as CFO but doesn't have the time capacity. Moving forward it would be better if someone could deliver the work robustly.</p> <p>TS agreed there is an action about understanding how the finance team will be set up in the future, including the CFO role and how we are going to set up the reporting, we need to do this once we are more certain as to the composition of the team and roles over the next six weeks/ 2 months.</p> <p>KM is confident that the staff in the team still in school will 'hang in there' and continue to make the progress. She made trustees aware that they are managing to do that but it is quite challenging, there is so much to do in terms of compliance and then in terms of strategic finance improvements, and we are now without a senior business function in the school temporarily.</p> <p>TS confirmed what has being done is good but must make sure the budgeting and accurate forecasting doesn't drop off agendas.</p> <p>LT asked if there is an opportunity to borrow any staff from other schools?</p> <p>KM confirmed she is going to ask at the Head's network meeting if anyone can offer temporary administrative support going forward.</p>
8	<p><b>Action Plan from Internal Scrutineer's Report</b></p> <p>This report is on the GovernorHub for trustees to review.</p>
9	<p><b>Summary of monthly finance review</b></p> <p>TS explained there is nothing currently of concern in the finances. The progress made has been excellent and with the forecasts in place it is looking positive. There won't be a surplus this year, if we break even/slightly negative that will be great. With the team we currently have in place we will need to focus on the big stuff. Need to keep an eye that the spending is what is reflected in the forecast.</p>



	<p>KM paid tribute to the Internal Scrutineer, we are working hard but it is down to the way in which Sam is working - she has helped the school immensely as well as provide robust checking and targets.</p>
10	<p><b>Update on progress on ESFA report actions</b></p> <p>KM explained she has created a document bringing all the current action points that are being addressed from any external or internal action plans into one document. This will be kept up to date and used at future meetings for trustees to monitor against.</p> <p>This will reduce the need for as many items to be on the agenda in the future.</p> <p style="text-align: right;"><b>Action: Add KM's report as an agenda item: LI</b></p>
11	<p><b>ESFA Financial Management and Governance Review:</b> Successes, mandatory actions, best practice actions and next steps presented by KM and discussed.</p> <p>There was a discussion between trustees about various points in the notes KM took at the feedback meeting. It was felt there was nothing too serious that needed to be addressed but will wait to read the full report once it is received. KM assured that each mandatory action will be addressed and all best practice actions likely also to be addressed, certainly to be discussed.</p>
12	<p><b>Risk Management</b></p> <p>The risks discussed today were 23, 25, 27, 29, 31, 34, 35 &amp; 39 – these were deemed relevant to this committee and had a high level of score after mitigation.</p> <p>Risks to be discussed, that are relevant to this meeting, may change in the future, discussion to be had at a later date.</p> <p><b>23 Inaccurate income and expenditure report resulting in poor decision making:</b> Due to the increased and improved monthly monitoring process, this risk is going in the right direction and the score will be reduced shortly. Management Accounts and Balance Sheet are currently being posted on time. Still working on cash flow report and KPIs piece of work. This should be complete by the end of March. TS explained the most important document is the forecasting.</p> <p><b>25 Financial Regulations &amp; Financial Procedures being up to date:</b> Academy's Financial Handbook is up to date, now working on Financial Regulations Manual. SS is currently working on an assets list and a fraud policy or we may just add a section about fraud and misuse of school funds. TS suggested the document be as simple as possible with no policies in it. KM confirmed they will get the revision finished to get it up to date then strip out the bits that don't need to be in the manual.</p> <p><b>27 Budget model for future periods shows deficit</b> Work has been carried out on budget controls with budget holders. We are doing a forecast for the end of the year. This is in much better shape now. We would want to see this closing shortly. TS explained the forecast for the rest of the year should be the budget plus the changes. Then the budget for the next year will be as accurate as you can get it. We may agree that it does have to show a deficit in some cases. This risk should be closed once the forecasting is right. SS to update the target date for action to end of March.</p> <p><b>29 Loss of reputation, leading to poor recruitment &amp; retention of pupils</b> It was agreed that SS should move this to the top as it is the same mitigation as not enough students.</p> <p><b>31 Lack of investment in financial systems</b> It was agreed this has been addressed and could be closed.</p> <p><b>34 Trustees not holding Headteacher/SL to account</b> KM thought the board has done a superb job at replacing trustees.</p>



	<p>CL confirmed there are some good new people that have come on board and the new wave coming through hopefully at the next EFGB meeting. This will include financial experience that will able support this committee. They have a broad range of skills and experience.</p> <p>LT asked if there was anything else you think we should be doing as governors?</p> <p>TS explained we need to look at this from an external view, if there was an audit of the minutes, is there evidence that trustees have challenged the leadership team?</p> <p>KM agreed that's why the recent review was good, as strengths and weakness were looked at. KM thought this was being done.</p> <p><b>35 Trustees not effectively overseeing &amp; understanding financial performance of the school and ensuring value for money:</b></p> <p>TS suggested that 34 and 35 should be put together as they are the same thing.</p> <p>It was agreed there is increased and increasing experience in financial terms of trustees. There is also training coming up to further strength the knowledge. It was agreed this is going in the right direction.</p> <p><b>39 Financial risk due to additional measures having to be put in place:</b></p> <p>It was agreed that with Covid and the additional expenditure and measures it was important to keep a good sense of control and monitoring.</p> <p>LT asked SS if there had been saving as not so many students have been in school?</p> <p>SS agreed there had definitely been saving but unexpected expenditure has been, gas has windows have had to be open, hire of extra cleaners and security.</p> <p>KM confirmed there have been saving on invigilators, however, quite a number of colleagues went on maternity leave during lockdown and we couldn't recruit so supply costs have increased. KM confirmed the current Scheme of Delegation is not written correctly.</p> <p>TS explained there needs to be 2 things in place for this to be correct – budget controls and the correct person to authorize it, financial delegations need to be in place.</p> <p>KM confirmed there is a purchasing template but it wasn't in the regulations manual which was the problem, it wasn't being captured in the correct document in terms of ESFA expectations.</p>
13	<p><b>External Audit debrief – additions / comments from FGB</b></p> <p>This was covered in item 7</p>
14	<p><b>Review Pupil Premium Funding</b></p> <p>This was covered by HLo in item 15</p>
15	<p><b>Review of budget priorities for the annual and 5 year budget process for the school:</b></p> <p>There was a discussion as to whether a 5 year budget was the right amount of time. It was considered that 5 years for minibuses, buildings etc was OK but for the general budget process 3 years would be better.</p> <p>MH shared his spreadsheets of his staffing forecasts and this included the expected staffing needs for the next 3 years.</p> <p>He explained the KS3 curriculum is stable and they experience the whole of the curriculum with around half of the time based on English, Maths and Science.</p> <p>KS4 is different as Geography includes Travel &amp; Tourism and PE is heavier on staff as this is also a KS4 option. History staffing also increases as there are 4 option groups.</p> <p>When students start their options in Year 9 and spend 3 years at KS4 this is more costly. An example of this is MFL at KS3 year 9 would all be doing languages but if KS4 starts in year 9 then a large number will stop doing languages.</p> <p>There are cost saving when staff want to move to part-time for example after maternity leave.</p>



Staff have management periods on top of PPAs that staff are given to carry out their management responsibilities. We have got large numbers of people of staff given extra time and some are TLR holders.

Looking at our current situation: the number of periods required and the number of periods we currently have with staff, there is a deficit.

Strategy: this is constantly on SLTs agenda, depending on the schools financial situation it depends if the cost dictates the curriculum. Staffing costs need to match budget.

There is an urgent requirement of staff in Maths and English. In terms of when you have a surplus, because of the accuracy of the figures, it is rare that you get a surplus that equates to a whole or half person. There are ongoing discussions with staff on their career plans, retirement plans, and staff on maternity leave often request to come back part time.

LT asked how many hours do you have spare given all those staff at the end because that is the key.

MH confirm at the moment we don't have any spare because we have got agency staff in covering posts.

LT asked how much PPA do teachers get and is it over and above what is allowed? If it is, should it be?

MH confirmed staff get 10% PPA. In times when we are in surplus a lot will experience more than that. Colleagues will support in other classes and staff with extra time are used for cover / citizenship.

LT asked if there were opportunities to even the spare time out or what that too difficult?

MH explained you can end up asking a history teacher to support in say a Maths classroom and this is ineffective, unless they are supporting colleagues with behavior management.

TS asked:

- Where is the strategy, what are the focus areas from an education point of view?
- Is it acceptable to have so many short term teachers who come in a back fill?

Should be increasing base level teachers in key areas English, Maths, Science – make some investments to give the best educational outcomes. Where is the leadership development, growth of leadership structure internally, how are you giving enough time for people to build in those ways. The budget for the teachers should be based on driving outcomes. Investing in the areas that are a problem.

KM agreed that curriculum areas are at the core in terms of strategic focus.

MH explained up until recently we have had a strong set of teachers in the core subjects. The leadership of the school has grown from staff being promoted internally, we have experience of bringing people through. In lots of areas should subject leaders, department heads move on they would make strong internal candidates. Maths, Science & English, those periods and deficits tip quickly when one or two people leave and we have advertised but there have been no applications which is a great concern. None of the temporary staff are with us by design. Core subjects at the moment is very difficult to recruit for. We are involved in all of the training alliances and have had success in recruiting trainees, that is one of our main sources of recruitment bringing on new teachers. From a budget point of view you save a lot of money. In terms of the core we are anxious about the number of people applying for the posts.

TS explained there is a need to plan to invest. If you get trainees you need to keep them you are never going to over shoot your budget you can back out the short term staff and get some continuity. If your budget is based on having 1 or 2 extra in the area you need you can then grab them when they arrive.



MH explained in the past we have done this and have over recruited if excellent staff come our way, however, we are currently experiencing a baron patch in terms of applicants. If we interview for a core subject and 2 of the candidates are what we are looking for we will recruit both of them and find a way for it work.

KM agreed that looking ahead and planning to get additional depth in terms of core teachers was a good plan. She confirmed the majority of the back fill are genuinely because of maternity covers. It is Maths where we are vulnerable other than that.

LT asked whether there is capacity to support staff who need coaching, mentoring etc and are there staff in place to do this?

MH confirmed there are staff able to support staff with coaching and mentoring.

KM asked SS if there was anything she would like to bring to the governors' attention?

SS explained the support staff side is more budget led, we run a lean team. If a member of the team leaves we do look at whether we need to replace them or not. We look at departments and make sure that all the roles are covered and if there is excess what we can do about it. We don't have huge amounts of money going forward and we can't have spare capacity.

TS recommended the least spend as you can on support staff so more money can be spent on education.

LT explained that funding needs to be planned for those children with EHCPs

KT confirmed there is a lot of planning and forecasting for money spent on EHCP students.

HL agreed there is planning around our vulnerable students to ensure the best outcome we can for them. Regarding Pupil Premium – we had quite a bit of work to do around strategy and statement. Statement is correct now and on the website. Due to Covid we have had unspent funds but this is now identified. Current spend is underway, uniform, transport for students, 7/8 students accessing a course in Totten, stationery to support the families etc.

HL is in the very early stages of planning summer activities for vulnerable and PP students – summer provision we need to decide how we can use pupil premium funding to support that.

Planning over the next few years for vulnerable students will involve early identification. We know all the students who have been offered a place September 2021 and can now get in contact with the primary schools to identify the students and tie it in with the provisions. Operational stuff is where it needs to be, need to work on an educational strategy about raising attainment. Closing the gap. Next actions to have in a plan is for whole school strategy based on outcomes. Strategy for the students who fall into the gap and wouldn't attend anyway in the summer. Nicky Dossett has been working with UPR holders and perf managements to create a working party linked to disadvantaged. We have come a step forward having all the black and white bits tied up and we are now at an exciting time to get into how we use it more so in raising outcomes and attainment.

KM agreed with HL

KM explained we were very successful in 3 year whole school strategy planning, closing the gap project and it has had impact on attainment. We have got ourselves compliant and we need to renew and refresh the plan.

HL advised that due to Covid there is a lot more research on disadvantages students it is easier to find as there is so much newer thinking around it.

TS advised you need to decide what do you need to put in the budget and what do you need to put in place. It maybe that more money is needed to support this.



HL explained when we have a clear idea of what we have in the pot, we can decide how we spend the PP budget.

KM explained there is a need to do a significant amount of work around attendance and I don't know that the level of investment will be covered to engage those families, once this is complete, we can then do a budget exercise.

TS advised that once the students are back in school we need to get the children to achieve the best levels they can. How are we going to catch them up and what investment will be needed? This may include IT facilities and this will be in the 3 year budget.

SS has prepared some work 'Improvement to property 10 year plan', this document was placed on the GovernorHub. The plan is to create a small working party with governors and a cross section of staff to decide what to spend the money on.

There will be £25,000 a year from the Capital budget for improvements to property. Jobs we will be looking at will be between £5-10,000. Priorities 1-3 are accurate, doing work on that. This will then feed into budget, additional projects can be added and this will all be kept in one place. Caris and SS will keep an eye on this £25,000 budget and also ideas for CIF applications. Meet with KT every half term and make sure it feeds into the capital.

TS explained this seemed to be a maintenance program.

SS explained the document is what have we got that is going to need replacing or repairs in terms of a strategy, these are our priorities, our priority would link into the school improvement plan.

KM explained we have a strategy for those planned activities because they have specific outcomes.

TS explained the IT links to outcomes to children, laptops/IT suite then it also feeds back to classrooms, white boards, in science have you got the equipment, is there any strategy behind that?

SS advised there is an IT strategy, this has just been updated, but other depts use their budgets unless there is something more than their budget then they come to SLT – there isn't a written strategy.

MH confirmed the IT strategy is up to date. The remote learning has thrown up opportunities and questions as to how useful are tablets, children can't use them very effectively for learning. There is a big focus on server infrastructure, in class technology review and where this will go in the next few years.

TS asked if this be an agenda item?

MH suggested a special meeting just about the strategy document and look at the tender to move that forwards for IT.

LT recommended that when departments require extra money it should be balanced against the impact it will have on the outcomes of the school, that is what money should be spent on.

KM agreed budget holders wrote a document of what they needed, against objectives. Monies given to departments didn't link to fairness. If we do extend a department's budget, we haven't looked at fairness in the past.

LT asked what more could be achieved, could we achieve higher results if we linked the budget?

CL asked whether it would be worth asking departments where they would like their dept to be and what they require to get there, give them that aspiration. Imbed a culture that they may get the money if they ask.

It was agreed that would be a good exercise.



# MINUTES



16	<p><b>AOB – Any other agreed urgent business:</b></p> <p><b>Reserves Policy</b> KM asked whether the trustees were happy to approve the Reserves Policy or whether there was work that needed doing before it could be approved?</p> <p><b>This policy was unanimously approved by the trustees.</b></p>
17	<p><b>Meeting Dates</b> It was agreed that the next meeting will be on 17<sup>th</sup> June 2021</p>
18	To identify any matters to be recorded in the confidential Part B minutes – nothing was deemed confidential
	<b>The meeting was adjourned by the Chair 20:17hrs</b>

## Matters arising from the minutes of the Finance, Audit & Risk Committee meeting held on 1<sup>st</sup> March 2021

Item	Action	Actionee	Status
10	Add KM's report as an agenda item	LI	

## Matters arising from the minutes of the Audit Committee Meeting held on 9<sup>th</sup> November 2020.

Item	Action	Actionee	Status
6	Add ToR's to the FGB agenda for approval	LI	Complete
6	Check the scheme of delegation to see if it includes approving contracts.	TS	Ongoing
7	Organise for SLo to return to school in the New Year	KM	Complete
8	Arrange for salary bands of staff governors to be added to the website.	KM	Complete
11	Update on progress on ESFA report actions and close out of any other Internal Audit report actions at the next meeting	KM	Complete
12	Academies Handbook Update at the next meeting	KM	Complete
13	Invite the Senior Leader involved in the High Risks to attend the meeting to talk about it.	KM	Ongoing but Complete
14	Trial balance & P1 to be forwarded to TS & CL	KM	Complete

## Outstanding items:

Item	Responsible	Status

<b>SIGNED BY:</b>	
<b>DATED:</b>	