



Whinless Down Academy Trust

FSAC Meeting

Tuesday 11th October 2022

Minutes of the Finance, Strategy and Audit Committee Meeting

Held on Tuesday 11th October 2022 via Teams at 10am

Committee Members Present: Mike Ashley (chair), Helen Seeley (Vice Chair), Anne Siggins (CEO), Tricia Sherling, Alison Mackintosh

Others Present: Michelle Hards (Bursar), Michelle Noden (Trust Business Manager)

Governance Professional: Claudia Sawyers

1	<u>Welcome, Introduction, Resignations and Apologies</u> Welcome back to Governance Professional, Claudia Sawyers, who has been on maternity leave for the last year. Apologies No apologies – all members of the committee present.	<u>Actions</u>
2	<u>Register of Business and Pecuniary Interest</u> All committee members were given the opportunity to declare any new business interests. No new business interests were declared. Business interest forms will be re-signed at the Trust Board meeting on 18 th October 2022.	
3	<u>Minutes from the meeting held on Thursday 7th July 2022</u> 3.1 Approval of Minutes Minutes from the previous meeting held on Thursday 7 th July 2022 were agreed and approved as a true and accurate record of the meeting. The Chair of FSAC will sign the minutes at the next available opportunity in person. 3.2 Publication of Minutes The Governance Professional confirmed that the minutes from the meeting on 6 th May 2022 have been published on the Trust website.	

3.3	<p>Actions/Matters Arising</p> <p><i>Ensure Debt Management Policy is signed by the appropriate personnel. It was confirmed by Trust Business Manager that this has been done.</i></p>	
4	<p>Terms of Reference</p> <p>There are two proposed changes to the Terms of Reference. The first being that there are now five meetings in the year (previously the Terms stated there were four), in order to conduct monitoring of the management accounts at the required six times as per the Academy Trust Handbook.</p> <p>The Terms also now state that the meetings can also take place virtually or in person.</p> <p>The committee recommend agreement of the Terms of Reference to the Trust Board.</p>	ToR to be agreed at Trust Meeting
5 5.1	<p>Budget Monitoring – July 2022</p> <p>Management Accounts for July 2022 were sent to the committee to review prior to the meeting.</p> <p><u>Priory Fields School</u></p> <p>A committee member highlighted K08- ‘Income from lettings’ at £20,293 and asked whether Lettings have recommenced at the schools following their hiatus during the pandemic. TBM confirmed that lettings do take place at Vale View as before, but this figure in K08 does not refer to such lettings. The figure £20,293 is actually where the cost centre K08 needed to be used for the budget for the recharge of the Bursar’s time to Priory Fields from St Martin’s and Vale View as there were no other suitable cost centres; this has been rectified which can now be observed in K12 ‘Other Income’.</p> <p>A committee member asked whether the problems with the ceiling (where there had been water damage) had been settled in terms of building costs. TBM confirmed that there are two bills still outstanding money to come back from the RPA of approx. £800. These bills have been submitted by Davies group and they are still waiting. This has been accounted for in August monitoring figures.</p> <p>It was identified that the rollover has gone from £478,476 in June to £470,747 In July. There were a small number of budgets overspent, such as curriculum stationery.</p> <p><u>St Martin’s School</u></p> <p>In June the rollover was £113,323 and in July there was an increase to £118,093.</p> <p>A committee member commented that the core curriculum budget expenditure was significantly increased due to the implementation of ‘Little Wandle’, a DfE approved scheme for phonics and reading across the school. For Priory Fields and Vale View there was a contribution of £6000 from the English Hubs, due to their disadvantage factor which unfortunately St Martin’s did not benefit from, this has been discussed previously in meetings.</p>	

	<p>A committee member asked whether the purchase has been completed. EHT explained that there are some new resources available to support an accelerated catch up programme and other resources which would be beneficial to purchase. Vale View's Ofsted highlighted the work that had gone in to outcomes for reading and it has been identified as an approach across the Trust.</p> <p>There have been other challenges faced by St Martin's regarding behaviour, with a small number of a few children and this has put pressure on the budget to afford additional support without additional funding. This has been exacerbated by supporting the ECT programme and staff sickness which has reduced capacity in the school.</p> <p><u>Vale View School</u></p> <p>In June the rollover was £219,573 and in July there was an increase to £222,092.</p> <p>A committee member commented that there is a stark difference between Vale View and St Martin's in the income receive in 'Other Government Grants and Income' K04 to K23. Vale View receive over £50,000 more in additional funding due to the deprivation factor, but with a very similar number of children and close proximity geographically.</p>	
<p>6</p> <p>6.1</p>	<p><u>Budget Monitoring – August 2022</u></p> <p>Exec. HT apologised for the delay in issuing the Management account and variance report, this was unavoidable on this occasion due to timescales of being able to prepare the documents following in-school monthly monitoring and the implementation of a new finance system which is still in the early stages. Exec HT thanked the finance staff for their hard work and time spent in implementing the new system. A committee member asked whether the new system is working well. TBM commented that the training is still ongoing but generally the system appears to be straightforward and should allow a more succinct way of working once fully established.</p> <p>A committee member asked whether the Vale View and St Martin's bank accounts have now been closed in order to allow for the transfer to one Trust account. TBM confirmed that there has been a delay in closing the two accounts as there is some funding to be received from DfE before the accounts can be closed, but this should be complete very soon.</p> <p>Some final adjustments will be made to the closing budgets once the accountants have been in to close the year, but generally this monitoring for August can be considered close to the year end figures. In previous years, there have been big adjustments between the last monitoring of the school year and the closing budget; however the Bursar has worked hard to add all adjustments possible so there should not be much of a difference.</p> <p><u>Priory Fields</u></p> <p>The expected rollover in August is £501,073, compared to July's figure of £470,747 this is a £30,329 difference.</p> <p>The increase in the rollover is mainly due to staff changes, unspent tutoring funding and an underspend in water and gas. Tutoring funding was underspent by £10,287. However, this may</p>	

be clawed back by DfE. If this is the case, it is likely that funding for the forthcoming year will be reduced by the underspent amount.

Exec. HT explained that there were also some outstanding accruals for water and gas of approximately £20,000. This is where Priory Fields moved in to the new building, Finance staff have chased the invoices to make payment but have been unsuccessful. The budget has still been accounted for in anticipation for the invoices to arrive.

With regard to utilities and the rising cost of energy, a committee member asked how the schools have been impacted. The budget for electricity was close to the budgeted amount; water and gas were not fully spent. TBM explained that the rates are fixed at Priory Fields in to mid next year. It is not possible to predict how much the costs will be for next year, however the budgets have been doubled and there have been no announcements as to whether there will be any additional funding.

6.2 St Martin's

The expected rollover in August is £121,031, compared to July's figure of £118,093.

The two biggest contributing factors to the increase in rollover throughout the year is that there has been no site manager from October to June and the Personnel and Finance Administrator has been on maternity leave, so these were significant wage savings. Some of the expenditure has been transferred to PF as there were members of staff who did cover some duties for both roles and these were recharged.

Since the beginning of term there has been significant pressure put on staff at St Martin's due to additional support and provision needed for a small amount of children (who do not attract any additional funding). Staff sickness has also strained the school and there has been no choice but to use supply cover.

As at Priory Fields, funding for Tutoring is also underspent and may be clawed back. The idea of using a National Tutoring Programme may be explored.

6.3 Vale View

The expected rollover in August is £234,406, compared to July's figure of £222,092.

It was noted that the rollovers at each school are a lot higher than originally budgeted and this is because of how far in advance the budget must be set, it is based on monitoring from April 2021 so it is not possible to be accurate in predictions. The committee agreed that the approach of underestimating income and being cautious with budgets is a more prudent way of budget setting so throughout the year the position of Trust is better off.

A committee member commented that bank balances overall look in line with this time last year, which is a sign that overall the rollover has been in a good position. The 'actuals' are indicating approximately £68,000 to be added to reserves/rollover, which would bring reserves/rollover to approximately £895,000, a percentage of turnover of 19.2%- close to the 20% threshold reserve set by DfE.

The committee would like to thank the finance team for their hard work at the end of the year.

6.4	<p><u>Balance sheets</u></p> <p>A committee member asked why debtors at Priory Fields have gone from £59,192 last year to £164,814 this year? This is mainly due to catering transfers between schools, CIF funding and National Tutoring funding. A spreadsheet will be provided at the next FSAC meeting to provide additional clarity.</p>	Bursar to provide spreadsheet analysis
	<p><u>Policies</u></p> <p><u>Financial Regulations Policy</u></p> <p>The policy was sent to the committee prior to the meeting to review and changes are highlighted. The adjustments to policy are largely due to the new finance system and reflect the updates to the Academy Trust Handbook.</p> <p>The committee recommended the policy to be agreed at the Trust Board meeting next week.</p>	
	<p><u>Bank Signatories</u></p> <p>There are some changes for the interim time where the three banks are still open which cater for the new Personnel and Finance Administrator at Vale View to be a signatory whilst this account is still open.</p> <p>The new signatories for the one WDAT bank account will be in place once old accounts close. The signatories are Executive Headteacher, Trust Business Manager, the three Headteachers, Bursar and School Business Manager at Priory Fields.</p> <p>The FSAC agree the signatories.</p>	
Audit committee		
	<p><u>AOB</u></p> <p>A committee member asked whether the audit is on schedule for term 2. TBM confirmed that Internal Scrutiny is due in the second part of the Autumn term and the focus will be looking at assets register, as per the plan devised by the FSAC last year. The external audit will take place at the beginning of November, after this year the recruitment process for external auditors will need to take place and FSAC chair is going to assist in this.</p>	
	<p><u>Confidentiality of Proceedings</u></p> <p>There were no items considered confidential in this meeting.</p>	

Action Points	
4	Terms of Reference to be agreed at Trust Board Meeting
6.4	Bursar to prepare balance sheet analysis

Minutes taken by Governance Professional, Claudia Sawyers

Signed by Chair of FSAC Committee: _____ Date: _____

Mike Ashley