



Whinless Down Academy Trust

FSARC Meeting

Thursday 18th May 2023

Minutes of the Finance, Strategy, Risk and Audit Committee Meeting

Held on Thursday 18th May at 2pm in Trust Office

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

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

Governance Professional: Claudia Sawyers

1	<u>Welcome, Introduction, Resignations and Apologies</u>	<u>Actions</u>
	<p>Chair welcomed all to the meeting. There will be a resignation tendered from HS to the Trust Board which will impact this committee as she is the vice chair. At the next meeting, a new vice chair will need to be elected. A trustee asked whether there are any LGB members who could join the FSARC. This can be investigated, as the LGBs should be represented on the FSARC; which they currently are by AM and MA who both sit on a LGB each, but could be represented by another governor. It was also discussed whether recruitment amongst parents could be explored, this will be discussed further at the Trust Board meeting next week.</p> <p>Apologies Apologies have been received and accepted from Helen Seeley.</p>	
2	<p><u>Register of Business and Pecuniary Interest</u></p> <p>All committee members were given the opportunity to declare any new business interests. No new business interests were declared. There were no interests declared against this agenda.</p>	
3	<p><u>Minutes from 15th December 2022 Published on the Website</u></p> <p>The Governance Professional confirmed the minutes from the meeting held on 15th December 2022 have been published on the Whinless Down Academy Trust website.</p>	

<p>4</p> <p>4.1</p> <p>4.2</p>	<p><u>Minutes from the meeting held on Thursday 9th February 2023</u></p> <p>Approval of Minutes</p> <p>Minutes from the previous meeting held on 9th February 2023 were agreed and approved as a true and accurate record of the meeting.</p> <p>Actions/Matters Arising</p> <p>See confidential Minute</p>	
<p>5</p> <p>5.1</p> <p>5.2</p> <p>5.3</p> <p>5.4</p>	<p><u>Budget Monitoring</u></p> <p>All budget monitoring management accounts were sent to FSARC prior to the meeting.</p> <p><u>Priory Fields School</u></p> <p>The February rollover was £237,906, which is a variance in additional of £560 compared to January monitoring. This appears to be a small difference but there are some larger changes that offset each other. There has been an addition of Pupil Premium (PP) funding of £7,652 as well as PP+ of £1,200. There has been an additional expenditure of an Apprentice TA salary of £6,151. Another expenditure has been staff counselling session at £1,125 (as part of staff care services- individuals referred for counselling).</p> <p>It is expected that the additional expenditure in support staff pay from April will impact the budget by approx. £30,000.</p> <p><u>St Martin's School</u></p> <p>The February rollover was £62,999. which is a variance in additional of £13,231 compared to January monitoring. There has been some movement in budgeting, the toilet refurbishment which is happening in August had been programmed to repay £10,000 back to the loan from catering, but that has now been removed. The cost of the new carpets has been removed from Direct Revenue Contribution to Devolved Capital. PP has increased by £3,543 which is an addition to the 'per pupil' amount received in funding. High Needs Funding is now being received following the applications, so far there has been £3606 for 2 pupils and it is still hoped there should be more children eligible that have been applied for.</p> <p>The Efficiency Grant of £1000 has been used for works by David Adams for previously installed LED lighting.</p> <p>It is expected that the additional expenditure in support staff pay from April will impact the budget by approx. £10,000.</p> <p><u>Vale View School</u></p> <p>The February rollover was £200,681, which is a variance in additional of £7,794 compared to January monitoring.</p> <p>This is mainly contributed by an increase in PP of £6,650. There have been some expenditure adjustments, for Curriculum Professional Services of £839 for the safeguarding audit. There was a slight reduction in funding for milk for pupils of £500 and Teachers Pay expenditure was reduced by £505 due to strike actions days.</p> <p>A Trustee asked whether there has been an increase in the amount of children eligible for FSM.</p> <p>TBM commented that it is Census day today and at Vale View, there were approx. 119 free</p>	

	<p>school meals out of 240 children, which is higher than it has been previously. This will be reported on at the next meeting.</p> <p>A Trustee asked whether schools are still proactive in engaging with parents in obtaining free school meals (FSM)? TBM commented that new parents are asked as part of their induction to school. The process is now online and a lot easier to apply for. It is also felt that the stigma that may have previously been attached to FSM has gone since the pandemic, parents like that they get the supermarket vouchers for school holidays, which can act as an incentive.</p> <p>It is expected that the additional expenditure in support staff pay from April will impact the budget by approx. £20,000.</p>	FSM Update at each school - TBM
5.5	<p>A trustee asked how SIMS finance is working now that it has been in place for 9 months. CEO commented that it is not currently feeling that SIMS finance is providing good value for money and although due diligence was done; there is an additional amount of work generated for the Bursar. TBM is engaging with other Trust CFOs who have used it for longer to find out how they use it effectively, especially in regard to budget setting which will be taking place very soon.</p>	
5.6	<p>A trustee commented that in all schools, the remaining budget for IT Curriculum is high. Are there plans for this budget? CEO explained that PF are due a new curriculum server which is costly, and new laptops are being purchased at VV. StM has recently ordered a new projector and computer for the hall.</p>	
5.7	<p>A trustee asked what the in-year deficit is. It is £263,166 at PF, however that includes the transfer of £100,000 to reserves. It is £58,032 at StM and £33,735 at VV, which includes the £50,000 transferred to reserve.</p>	
5.8	<p><u>Catering</u></p> <p>The February rollover was £12,954, which is a variance in additional of £800. There is an In-year deficit £25,775 for catering, but this is after the £50,000 loan to St Martin's.</p> <p>A trustee asked whether the cost of food increasing will result in a loss at the year end. Bursar commented that she has looked at this and the budget is still on target for food cost. It will need to be discussed and decided whether the price of school meals will need to increase in September; it was acknowledged that there was no increase in school meal price this year.</p>	
5.9	<p><u>Key Performance Indicators</u></p> <p>There has been an almost 8% total increase in expenditure across the trust. This will go up further due to staff pay increases. There is a concern that there is still no public resolution to teachers pay and on basis of nation-wide public discussions and based on the recent unfunded pay offer, the government believe there is headroom in the currently budget of 4.5-5% pay rise. Disputes continue and although unions are calling for the pay increase to be funded, this additional may need to come from current budgets. This would be as well as a further increase</p>	

<p>9</p> <p>9.1</p>	<p><u>Policies</u></p> <p><u>Investment and Reserves Policy</u></p> <p>This is an updated version of the investment policy, to now to include reserves. A model policy from TheSchoolBus has been used to model the current needs and practices of our Trust; however a section on managing reserves needs to include a minimum and maximum value. The model suggests a figure of 5% of the GAG, another idea discussed by the FSARC previously was for it to be approx. one month worth of salaries. This would be approx. £200,000 to £250,000. A trustee commented that a model observed elsewhere is a set value depending on one or two form entry (e.g. £25,000 for one form and £50,000 for two form) to a central reserve. Some further investigation in to feasibility will be done by CEO and brought to next meeting for agreement.</p>	
<p>10</p> <p>10.1</p> <p>10.2</p>	<p><u>Benchmarking</u></p> <p>Benchmarking from DfE and from Kreston Reeves has been obtained, for the year 2021-2022.</p> <p><u>DfE</u></p> <p>The characteristics chosen were Primary only, Trust of three schools with 800-900 children. In terms of total expenditure and staff total expenditure, WDAT was within the middle of the group against 7 other trusts. There appears to be a an error on the benchmarking data as the administrative/clerical staff total showed £824,000 cost. The budget was consulted prior to this meeting and admin/clerical staff totalled £375,000 last year. It is not clear how DfE could have such a drastically different figure and it was suggested that this could be incorrectly including other groups of staff.</p> <p>The occupation total (costs associated with occupying the buildings e.g. energy, water) expenditure for WDAT was at the low end in comparison to the other Trusts.</p> <p>WDAT was also at the low end in terms of total income, but only just under and comparative to 4 other trusts.</p> <p><u>Kreston Reeves</u></p> <p>TBM talked through the Kreston Reeves benchmarking, although there are some anomalies that have been questioned by TBM and a response has not yet been provided.</p> <p>Income per pupil. GAG income per pupil and GAG income ratio are all in line with the average. Capital income per pupil is low because it is based on capital income such as CIF bids, which the Trust has not received.</p> <p>Staff cost per pupil was in line with the average, however the figure for Average Teaching staff salary has been queried because the WDAT figure is £89,529 but it says that the highest in total is £68,288 so one of the figures is incorrect.</p> <p>Trustees commented that the benchmarking does not cause any concerns.</p>	<p>TBM to chase response from Kreston Reeves</p>
<p>11</p> <p>11.1</p>	<p><u>Internal Audit Report</u></p> <p>The internal audit was conducted by SBM Services in April. All but three areas received 'green' high or good assurance, with the three 'yellow' reasonable assurance priorities as follows:</p> <ul style="list-style-type: none"> -Contracts registers to include indemnities in place. TBM confirmed there are no indemnities in any contracts and this will be included going forward. -Purchase card payments authorised in accordance with Financial Regulations Policy. TBM explained that currently there should be a PO before every transaction is made, but this is not realistic in practice. The policy will be updated to reflect the current practice. -Inventory valued at £500 or over to be included in assets register. Currently the asset register records IT equipment and there may be non-IT equipment valued at £500 or more not 	

	included. The practice in place currently is that photographs are taken annually of classrooms to record all items within. The policy will be updated to reflect current practice. TBM is also going to find out whether photos of items are sufficient for Insurance purposes.	
12	<u>Date of Next meeting</u> Next meeting date rearranged to 13 th July at 9am to ensure all can attend.	
13	<u>AOB</u> None	
14	<u>Confidentiality of Proceeding</u> Support staff pay discussion	

<u>Action Points</u>	
5.4- Budget Monitoring Vale View	TBM to report on Free School Meal eligible children- July 2022 to July 2023.
10.2 – Kreston Reeves benchmarking	TBM to chase response from Kreston Reeves regarding Benchmarking errors

Minutes taken by Governance Professional, Claudia Sawyers

Signed by Chair of FSARC Committee: _____ Date: _____

Mike Ashley