

## MINUTES OF THE FINANCE & RESOURCES COMMITTEE MEETING

**Held on Wednesday, 27 November 2024 at 18.00**

**Present:** Di Dean, Michael Smethers, Jane Walker-Smith, Niro Mendonca, Simon Walsh, Peter Tarry, Tim Moss, , Jez Farmer

**Apologies:** Annie Thomson, Richard Sullivan, Sharon Roberts

**In attendance:** Alex Bottom (Hillier Hopkins), Jo Wiles (Governance Professional)

<b>1. Apologies for absence</b>	Apologies were received for Annie Thomson, Richard Sullivan and Sharon Roberts.	<b>ALL</b>
<b>2. Declarations of interest</b>	Mr Walsh declared a conflict of interest.	
<b>3. Confidentiality</b>	Colleagues are reminded that minutes remain in draft until they are signed off at the next meeting and should therefore not be shared before signing off, nor the content discussed outside of the meeting.	<b>ALL</b>
<b>4. To receive any other business</b>	No items were declared.	
<b>5. To receive any correspondence</b>	No items were declared.	
<b>6. Minutes of the previous meeting</b>	The minutes of the meeting held on <b><u>Thursday, 17<sup>th</sup> October 2024</u></b> were unanimously approved as an accurate account of the meeting.	
<b>7. Matters arising from the minutes</b>	<p><b><u>Terms of Reference</u></b></p> <p>A discussion took place around the reports and interlinking with other committees. It was agreed that this should be included within all committees Terms of References. <b>Action: DDN and ATN</b></p> <p><b>Ms Thomson prepared the following to be recommended for approval at the next FGB meeting:</b></p>	

	<ul style="list-style-type: none"> <li>To work in synergy with the other governor committees to ensure due diligence is shown.</li> </ul> <p><b><u>Risk Register</u></b></p> <p>Mrs Dean proposed that an item should be included around site security, visitors coming onto site and how that risk is assessed. The committee agreed that its risk register should address this as it is a serious issue. Mrs Dean agreed to produce some draft wording that can be considered at the committee's next meeting.</p> <p><b>To be discussed in item 14.</b></p> <p><b><u>AOB</u></b></p> <p>Reminders to be sent for governors to confirm they have read Academies Trust Handbook and complete GDPR and Cyber Security Training.</p> <p><b>Governance Professional has sent reminders to Governors to complete the required training.</b></p> <p>The CCTV policy will remain in draft and will be reported back to a future meeting for review.</p> <p>Mrs Dean updated that this policy is still being updated and will be brought to a future meeting for review.</p>	
<p><b>8. Year End Accounts – presented by Alex Bottom from Hillier Hopkins</b></p>	<p>Alex Bottom presented the academy's draft statutory accounts and confirmed that the final, signed version, will be published on the school website as well as being filed at Companies House and submitted to the DfE.</p> <p>Mrs Dean invited all governors to review the Trustee's report and advise of any inaccuracies.</p> <p>The Statement of Trustees' responsibilities was presented along with the Independent Auditor's Report.</p> <p>Mr Bottom reported that the result of the audit gave a true and fair view of the state of the Academy's affairs for the year ending 31<sup>st</sup> August 2024 and, along with explaining the term, confirmed that the draft accounts were not qualified in any way.</p>	

Mr Bottom presented the Limited Assurance report and advised that there were no concerns of any substantial risk.

**Financial Statement**

Mr Bottom gave a detailed presentation of the income and expenditure based on a 12 month period and advised that the report shows a breakdown of income and spend from last year to this year.

Mr Bottom explained the difference between restricted and unrestricted funds and discussed why the restricted fixed assets funds differ significantly from last year (essentially because of limited CIF bid funds being received this year).

Mrs Dean reported that the £249,357 restricted fixed assets is in line with the forecast that had been presented and reviewed at previous finance committee meetings.

Mr Bottom also explained the depreciation of tangible fixed assets.

Mr Bottom reported that the school is now in a surplus position with regards to pension contributions but advised that this any surplus is reported as zero on the report because the money in question is not available to the school.

***If the employer pension contribution go into deficit in the future, does it affect restricted funds?***

Mr Bottom responded that the pension liability will not affect restricted funds, if sustainable it should reduce contributions and improve cash flow. [Di – please can you look at this because I do not follow what’s being said here at all].

If the pension fund goes into deficit, then greater contributions may be required by employers, however the situation at the minute is that we have actually seen a decrease in contribution levels due to the scheme being in a much better, positive position.

	<p><i><b>What is the distinction between a member and a trustee?</b></i></p> <p>Mr Walsh and Mr Botton explained that a member is akin to a shareholder in a limited company and that in an academy context the members delegate to trustees but monitor their performance and the appropriateness of continuing delegation at the AGM. They also explained that the trustees are the academy's trust's directors.</p> <p><i><b>What is the financial position of Marlborough against other schools?</b></i></p> <p>Mr Bottom gave context around the difficult position of academy trusts generally and noted a trend of declining cash flow. Mrs Dean emphasised the need for her, and governors, monitor and scrutinise the income and expenditure report that come to F&amp;R meetings to ensure that the academy controls expenditure and over cash flow.</p> <p>Mr Bottom circulated his firm's Audit Findings report. Mr Bottom spoke to the advisories it flags and reminded the meeting that this document is submitted to the Department of Education and invited the academy's responses where they have been asked for.</p> <p>Mr Walsh referred to his conflict of interest when item 1 in the Regularities section was discussed.</p>	
<b>9. Policies</b>	<p>The following policies were considered after being circulated to members before the meeting.</p> <p><b><u>Procurement &amp; Tendering Policy</u></b></p> <p>The threshold amounts have been updated and authorisation of expenditure that anything over £150k needs to be approved and signed by the governing body.</p> <p>Mrs Dean asked all for comments and raised the question of whether the schedule of delegation needed to be update.</p>	

	<p><i>Does it have a material effect if the Finance Committee is allowed to approve contracts without reference to the full governing body?</i></p> <p>Mrs Dean explained that she raised the issue because of the need to deal with some contracts quickly and gave the example of electricity and gas supplies where pricing can change on a daily basis. As a result, she needs to be able to move quickly to be able to secure competitive rates and realistically cannot risk deferring a decision to the next FGB meeting, which might be weeks away.</p> <p>The committee discussed the issue and options for addressing it, for example by using email for affected contracts where a delay may prejudice the academy's position.</p> <p>The committee asked Mrs Dean to investigate how other schools deal with the issue and report back.</p> <p>Mrs Dean discussed the remaining recommended changes.</p> <p><i>Who sets the UK wide procurement thresholds?</i></p> <p>Mrs Dean advised that the government sets the limits for public bodies.</p> <p><b>Action: Mrs Dean to provide feedback in time for the next FGB meeting (if possible)</b></p> <p><b><u>CCTV policy</u></b></p> <p>Mrs Dean asked that this policy be deferred to enable further review and work around data retention and GDPR; she hopes to bring an amended draft to the first F&amp;R meeting in the new year.</p> <p><i>Does this mean that the policy has expired?</i></p> <p>No.</p>	DDN
10. Finance Update	Mrs Dean presented the financial report and advised that the academy's budget was agreed before the	

	<p>government's announcements on staff pay awards and increase in employer NI contributions.</p> <p>The current budget now includes the additional income received from the funding announced by Rachel Reeves in August to support with the agreed staff pay awards. This now shows a variance of £316,464 of additional funds against the original income forecasted for the year. .</p> <p>Mrs Dean also explained that the previously agreed budget accounted for a 3% cost of living increase for all staff. A 5.5% increase for teachers has now been agreed, whilst for support staff it was agreed that they would receive a flat increase of £1,290 per pay scale point (on a contractual pro rata basis), with any support staff on point 44 or above on the pay scale to receive 2.5% increase.</p> <p>Mrs Dean took the meeting through the report and explained how it arrives at an overall deficit of £69k based on the current information.</p> <p>Mrs Dean reported that the report and budget do not show any increases in employers' NI contributions because while precise details are still awaited, the government has advised that public organisations will receive funding to cover the increase.</p> <p>Mrs Dean closed this section by reviewing the forecasted budget outcomes for the next two years.</p> <p><i>Is it expected that funding to support the increasing employer NI contributions will be received beyond 2024-2025?</i></p> <p>Mrs Dean responded that the funding formula for schools is yet to be agreed which makes it incredible difficult to forecast for future years.</p> <p><i>Is there any impact from the unspent sums shown against departments, and what plans are there for spending the money in question?</i></p> <p>Mrs Dean explained that there are plans for any departmental underspends to be used in the upcoming</p>	
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	<p>year, and gave the example of the school production using unspent funds to purchase props, costumes, lighting, etc.</p>	
<b>11. Internal Audit</b>	<p>Mrs Dean advised that the first audit has been deferred until January where a meeting will take place to confirm the action plan for this academic year. The agreed areas of focus for this year are:</p> <ul style="list-style-type: none"> <li>• Building and maintenance</li> <li>• Procurement</li> <li>• Website</li> </ul> <p>The revised list of topics was agreed prior to the meeting on email by committee members.</p>	
<b>12. New Build Update</b>	<p>Mrs Dean provided an update on the progress of the new build and confirmed that the outcome of the planning application is still outstanding.</p> <p>A tender process to appoint the main contractor will take place once consent has been granted; the meeting agreed that Mr Tarry would participate in the process as Health and Safety link governor.</p>	
<b>13. Premises and Health and Safety Report</b>	<p><b><u>Premises</u></b></p> <p>Works for the catering kiosk are underway and planning for this to open in the new year.</p> <p><b>Computerised heating system</b></p> <p>Initial meetings have taken place and works will start in the new year.</p> <p>All thanked Mrs Dean and Chris Paice for the successful confirmation of receiving the CIF bid for the computerised heating system.</p> <p><b><u>Health and safety</u></b></p> <p><b>Governor Review</b></p> <p>Mr Tarry confirmed that he had completed his review. He reported on his visit there were a few minor recommendations outstanding from his last visit</p>	

	<p>(including lift servicing) which will be dealt with in January.</p> <p>The revised Health and Safety Policy will be tabled at the meeting in January.</p> <p><b>Site Security</b></p> <p>A full review of site security is taking place; Mrs Dean confirmed that it includes getting advice on issues around the current arrangements for the school's main gate.</p> <p>An HCC health and Safety officer has also been invited to visit to see if there is more that can be done to improve security of the premises.</p> <p><b>CCTV Review</b></p> <p>The review ascertained that a number of areas could benefit from additional cameras, quotes are being obtained.</p> <p><i>Why would more CCTV be useful?</i></p> <p>A review of current locations has identified some blind spots which could benefit from having cameras.</p>	
<b>14. Risk Register</b>	<p>Mrs Dean has reviewed the risk register and circulated suggested amends prior to the meeting.</p> <p>She proposed increasing health and safety security risk by having a two for likelihood and changing impact to a five so that the overall risk is a ten (amber) risk.</p>	
<b>15. AOB Items</b>	<p>Mrs Walker-Smith informed that the school production is taking place week commencing 9<sup>th</sup> December and invited all to attend.</p> <p>Christmas lunch is due to take place on Thursday, 19<sup>th</sup> December and advised that an invitation will be circulated.</p>	
<b>16. Date and time of next meeting</b>	<b>Thursday 30<sup>th</sup> January 2025</b>	



17. Close of meeting	The meeting ended at 8pm.	
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