



**MINUTES OF THE FINANCE, AUDIT & PREMISES COMMITTEE**  
**Tuesday 1 March 2016 at 5pm**

Present: Dr M Richards                      Mrs S Wright                      Mr D Smith  
          Mr J Wilkinson                     Mrs Fielden                        Mr Rumary  
          Mr R Foster

Also present: Mr A Davis (Principal)  
                  Mrs A Eastwood (Company Secretary & Business Manager)  
                  Mr G Cole (Site Manager)

Apologies: Mrs K Chard (Clerk)      Mrs R Carne                      Mr R Clark

	<b>ACTION</b>
<p><b>1 APOLOGIES</b></p> <p>Mrs Chard, Mrs Carne and Mr Clark had given apologies.</p> <p><b>2 DECLARATION OF BUSINESS INTERESTS</b></p> <p>Mrs Wright reported Mr Foster had declared a business interest at the full board meeting as his wife was now an employee at the Academy. A new declaration of interest form had been completed.</p> <p><b>3 MINUTES AND MATTERS ARISING</b></p> <p><b>Minutes – 2 December 2015</b> Mrs Wright commented that on page 3 under Annual Report, ‘Mrs Eastwood reported that it should read ‘governance costs also included’.</p> <p>Mr Smith reported on page 9 ‘Mrs Smith’ should read ‘Mr Smith’.</p> <p>Mrs Fielden asked about items in the minutes that hadn’t flowed through to actions. As regards to the LED lighting evaluation before the next phase, had this come back to this meeting? Mr Cole clarified that the evaluation had been completed and on the walk about explained that the lighting replacement in the MFL block was now completed and LUX levels compliant. The English and Maths classrooms were to follow. Mr Davis suggested that it would be important to review the electricity charges to make sure energy savings were being made.</p> <p>Mrs Fielden asked if at some stage the five year plan and the efficiency plan would appear on the agenda. Mrs Eastwood replied that the efficiency plan was on the agenda and the five year plan would come to the next meeting along with the budget.</p> <p>Mrs Fielden enquired about the Football Development Officer post. Dr Richards replied that it was being actioned at the moment. Mr Davis reported that as well as the interviews that had taken place over half term, Arsenal Soccer Schools had also expressed an interest.</p> <p>Mrs Wright referenced page 2, Miss Gallagher (Baker Tilly) commented that it would be worth checking that Huish Leisure was paying the correct amount of expenditure costs. Are we doing that? Mrs Eastwood clarified that this was something Mr Smith could audit and it was agreed to put a date in the diary.</p>	<p>AE/GC</p> <p>AE</p> <p>AE/DS</p>

<p>Mrs Wright referenced page 3, that budgets and contingencies in other schools had a similar level of reserves of between £500,000 and £1,000,000. As ours is at £300,000 and has been for some years it was suggested that we should review this Mrs Eastwood confirmed that this should be reviewed annually as per our Reserves Policy but that the Academy would probably not be able to increase the figure. Mr Smith explained that he thought the other schools would be talking about total cash available, of which the Academy had a similar amount.</p>	<p>FAP Committee</p>
<p>Mr Davis thought that all schools are in a similar position using up their reserves year on year to balance their budgets. Mrs Wright stated that the advice from the DfE was that the Academy had to have a months' worth of total expenses available. Mr Davis thought that this was about choices that had to be made as a school and harsh choices would have to be made. Mrs Eastwood suggested this was discussed when the budget was set at the next meeting.</p>	
<p>Mrs Wright asked on page 8, why the number of teachers has increased from 78 to 90. Mrs Eastwood confirmed she had not yet had a chance to look at this, but would do so shortly.</p>	<p>AE</p>
<p><b>Directors agreed and approved the minutes from the December meeting as a true and accurate record.</b></p>	
<p><b>Action Sheet</b></p>	
<p>Item 1, Mr Cole clarified that RAMIS stood for Risk Assessment Management Information System. Mr Cole and Mrs Eastwood agreed to look at which members of staff have not yet completed the fire prevention training and possibly changing the review date.</p>	<p>AE/GC</p>
<p>Mrs Fielden asked about Item 13, Accessibility Policy, and whether it would be ready for the next meeting. Mrs Eastwood replied that we would do our best.</p>	<p>AE</p>
<p>Item 12, Car park signage, Mr Rumary confirmed that they were being made in house, and would be up before the next meeting.</p>	<p>GR</p>
<p>Mrs Eastwood mentioned that Items 14 and 21 were actually the same thing and would be covered at this meeting.</p>	
<p>Mrs Fielden asked about Item 20, funding for a disabled student in 2017. Mr Davis reported that if we are the named school for the student then there's not a lot the Academy can do. Mrs Eastwood commented that there was an impression given from Somerset County Council that there was no funding available.</p>	
<p>Mrs Wright asked if Item 19, Articles of Association, was ready to view. Mrs Eastwood agreed to supply them at the next meeting.</p>	<p>AE</p>
<p>Mr Wilkinson asked if a 'pod' (therapy room) needed building for the student that may start in 2017, and if it would be possible to add this building project on to the swimming pool build. Mrs Wright asked if it could go in the first aid room. Mrs Eastwood said that she did not think this would be the case, but this could be discussed as part of the design process.</p>	
<p><b>4 PREMISES AND HEALTH AND SAFETY</b></p>	
<p><b>Facilities Development Plan and Capital Project</b></p>	
<p>A summary sheet showing the progress of the approved capital projects had been circulated. Mrs Eastwood clarified that some of the projects were still at quotation stage. Mrs Wright and Mrs Eastwood discussed the bottom three items, the long jump, paths around PE sheds and drop kerbs were related to the AGP and would</p>	

be funded from the underspend of the grant funding.

Mrs Eastwood commented that the Academy was in receipt of the EFA booklet 'A Guide for Schools and Essential School Maintenance' if Directors wanted a copy.

#### **Swimming Pool Update**

Mrs Eastwood confirmed that there was nothing further to report following the full board meeting the previous week, other than all the paperwork was being compiled before the deadline of the 18 March. Mrs Fielden asked if the Huish Leisure Board were having an extra meeting before the deadline. Mrs Eastwood replied that it was being discussed at the meeting of the 21 March, after the deadline as no more information is currently available, and the Leisure Centre Manager was fully involved in all the discussions regarding the swimming pool program.

#### **Summary of work carried out during February half term**

Mr Cole reported that the LED lighting, tarmacking, and vision panels in the music practice room doors were all health and safety requirements that had been completed.

#### **Health and Safety Update**

Mrs Eastwood reported that the Health and Safety compliancy audit had taken place on the 27 January and the Academy scored 99.52%. The area that was not quite 100% was display screen equipment reviews, which should be carried out every two years. These are now being updated.

#### **Asbestos Management Report**

Mr Cole explained that the Asbestos Management Plan gives guidance to Directors with regard to asbestos management. Mr Cole went on to explain that a staff damage reporting template has been added on page 9 as a requirement by the DFE, as a means of reporting damage to any areas where they may be working. The site team will then complete a thorough asbestos analysis to the room to ensure there were no issues.

Dr Richards asked if any of the 'low' or 'medium' readings gave Mr Cole any sleepless nights. Mr Cole confirmed that all asbestos within the Academy was 'contained' appropriately, apart from a downpipe on the front elevation which was monitored regularly.

Mrs Wright asked if the report covered the Leisure Centre as well. Mr Cole replied that it did cover the whole site, and within the Leisure centre it was all encapsulated. Mrs Wright then asked about the staff toilet on page 5, what skylight cheeks were. Mr Cole responded that it was the surrounding boards to the skylight. Dr Richards asked if Mr Cole had had specific training on this area, and if there was any more training that was needed. Mr Cole replied that yes he had training and there were regular refresher courses provided by Somerset County Council.

Mr Smith asked when the next Type 3 survey was due. Mr Cole stated that it was last completed 28 May 2014, so it will be completed next year and costs around £7,500.

Mr Cole left the meeting.

## **5 FINANCIAL INFORMATION**

### **a) Academy Management Report 2015**

Mrs Eastwood explained that the final balance at the bottom of the first page showed £646,795 was actually higher than the figure reported, as Mrs Eastwood had transferred the whole cost of the lighting projects, which was £90,000, instead of £30,000 which was the current allocation. So the actual reserves at the bottom of the page should read £706,795.

Mrs Eastwood explained that up until Christmas it was generally assumed that all budgets would be spent. It was only at this point in the financial year that a closer analysis could be completed. Mrs Eastwood went on to explain that all the department capitation codes that began with an 'F' were being carefully monitored to ensure that despite the significant budget cuts made last year, they were still able to deliver the curriculum. A curriculum contingency pot was held in case of additional requests.

Mrs Fielden asked if there was a bidding process where departments could apply for additional money. Mrs Eastwood confirmed that there was not, but that the calculation formula was dependent on the number of students and the number of lessons, whether it was key stage three, four or five, which all had different weightings. Then an additional premium is added around practical or non-practical subjects. Mr Davis reported that he would like to run a needs led budget, which would be around a department's core provision, their developmental aims and targets any maintenance projects they may run in addition.

Mrs Wright asked as Klim Deeley was still listed under the 'G's', could lines not be got rid of. Mrs Eastwood confirmed that yes it could be updated.

AE

A Director asked what the HR fund was. Mrs Eastwood stated that it covered any re-structuring costs, maternity costs, severance payments. The pot runs on year by year building up a balance when possible.

Catering duty meals. Mrs Eastwood explained that if staff did one lunchtime duty a week, they were allocated a £2.40 lunch allowance per day. This budget will be overspent as we originally planned on having seven lunchtime supervisors, but we only have six and the ratio needed to be upheld so that the Academy had more staff on lunchtime duty.

Mrs Wright asked whether the Banking cost centre on page 10 covered bank charges. Mrs Eastwood confirmed that it did. The Year 7 catch up funding of £2,152 had been rolled over from the previous year but it is being continued.

Mrs Fielden commented that there appeared to be a considerable draw on reserves looking at these figures in this financial year. Mrs Eastwood replied that we had a set a budget with a £102,000 in year deficit, but by the end of the year most of this should be eroded, and we should be living within our means.

A director asked about pupil premium and what this included. Mrs Eastwood replied that this figure had gone up from £188,000 to £192,000 and included students entitled to free school meals (currently or within the last six years), looked after children and service children.

**b) Leisure Centre Financial Information (including AGP)**

Mrs Eastwood verbally reported that a £26,000 profit was currently showing for the Leisure Centre, and £13,500 for the AGP. This was due partly to a decrease in expenditure associated with the vacant post of Football Development Officer.

Mrs Wright asked if all the expenditure had been allocated against the AGP. Mrs Eastwood confirmed that it had, apart from the floodlighting which was still to be done.

**c) Budget Preparation 2016/17**

Student numbers. Mr Davis explained that there looks to be 150 applications for the sixth form for September which is double what it was a couple of years ago, and the effects it has on staffing, and therefore funding. The upper limit of students within the main school in design technology classrooms is set at 24, therefore limiting how

many students that can be taken from schools like Chilton Cantelo. Mr Davis confirmed that he thought very carefully about student admission numbers, and 268 (11-16) was a very financially efficient number, but resulted in large class sizes.

Mrs Eastwood confirmed that actual budget allocations have now been received, and this year we will be funded on 42 more students than last year, which will have a positive impact on the figures.

Mrs Fielden asked about pay rises for staff. Mrs Eastwood confirmed it was 1% for teaching staff and possibly 1% for support staff, to be agreed at Pay and Personnel, following union negotiations. We currently receive a 3.4% reduction in the rate we pay for National Insurance as we pay into pension schemes, but that is removed this year. This would be an additional cost to the budget.

A director asked where the 42 more students funding figure came from. Mrs Eastwood commented that it was based on the October census figures. When we became an Academy in 2010, we had 1325 students, and we are now funded on 1429. Mr Davis was fairly confident that by September we would reach 1500.

Mrs Eastwood reported that there was an approximately £97,000 increase on the previous year's allocation of EFA funding. Mrs Eastwood had run an analysis on the make-up of teaching staff, and we have over 55% on the upper pay scale.

More detailed budget information would be brought to the next meeting.

#### **d) AGP Construction – Financial Summary**

Mrs Eastwood clarified that we are essentially £122,599 under budget, but this was because we had put in a lot of money from the Academy. £57,281 was from South Somerset County Council and the Football Foundation grant funding that had not been spent. Mrs Eastwood clarified that she has had confirmation from the Football Foundation that it is ok to use the money towards the drop kerb into the sixth form, toilet development, to close the fencing and a path around the PE sheds.

Mrs Eastwood explained that the unbanked section S106 was £91,381.

### **6 FINANCIAL MANAGEMENT**

#### **a) Risk Register**

Mrs Eastwood confirmed that no work had been done on this as it was being reviewed. Mr Smith suggested that before the next meeting it needed to be decided if Mrs Eastwood was to continue using the current format, or if it was to be updated.

Mrs Fielden asked that when this was decided, would it be possible to add an item around the risks of the Academy going into a deficit position, as is already mentioned for Huish Leisure.

#### **b) Bank Account Summary**

The grammar school account figure was missing, and should read £5,080.24 Directors noted, for information.

#### **c) Efficiency Plan**

Mrs Eastwood commented that, based on 2013/2014 data entered into the Schools Efficiency Metric Tool, the Academy had an efficiency decile of '7' compared to its efficiency neighbours set.

The DfE produced a list of schools financial efficiency top ten planning checks for Directors, but Mr Davis explained that we had worked through all of these and there was actually nothing that we were not doing. Most were based around staffing. Mr Davis explained that a recent example of staff not being immediately replaced was the school nurse. This was an annual saving of approximately £15,000 after paying

additional hours etc. First Aid at work training was being rolled out to four more members of staff. Mrs Fielden asked if the changes were still in line with our medical needs policy, and Mr Wilkinson asked if there was likely to be a problem with the student starting in 2017 with additional needs. Mr Davis mentioned that we may need to recruit an additional LSA depending on the requirements.

Directors discussed benchmarking and how it was difficult to get like for like figures.

**7 AUDIT COMMITTEE**

**a) Responsible Officer Report – Action Plan**

Mr Smith commented that following this meeting he would arrange to look at the cost split between Huish Leisure and the Academy, to arrange to progress the risk register and to look at the possibility of further benchmarking.

Mr Smith explained that the responsible officer action plan was made as a result of the Somerset County Council Responsible officer visits, and the three outstanding items would be actioned.

**b) Draft Audit Timeline**

Mr Smith confirmed that the only significant change would be that he would attend the pre-planning meeting with RSM in the Summer.

Mrs Fielden asked if it was possible to ensure related party transactions were correct before the accounts were closed. Mrs Eastwood confirmed that this would be the case.

**8 ACADEMY IMPROVEMENT PLAN**

Mr Davis explained that other than items discussed tonight there are no financial implications.

Mrs Eastwood discussed moving forward with the campus development plan. Mr Davis thought it would be a good strategic thing to do to help with school expansion. Mr Smith expressed his enthusiasm to follow this plan through.

**9 REVIEW OF DECISIONS MADE**

Mrs Fielden reported that she would feel happier if we were to remove a few things off the action sheet. Directors agreed.

**10 ANY OTHER URGENT BUSINESS**

None

**11 DATE OF NEXT MEETING - Monday 25 April 2016**