

GOVERNING BODY OF EDMONTON ACADEMY TRUST

FINANCE, AUDIT AND PREMISES COMMITTEE

THURSDAY 3RD MAY 2018 AT 5.00PM TELECOM

MINUTES – PART ONE

Members: Salih Suavi, Justine McLennan, David Clarke, Owen Vallis

Trustees: Salih Suavi, Thia Kunaratnam, Peter Blane, Susan Tranter (ex officio), Konrad Halls

Committee: Peter Blane* (Chair)
Konrad Halls^
Susan Tranter (ST)*(EHT)
Clinton Page^
Neha Shah*
Christine Martin^
Rob Leak*

Also in attendance George Georgiou (GG)* - Business Manager
Salih Suavi*- Chair of Board of Trustees
Paul Miller* (PM) – Deputy Headteacher (item 5)

Clerk: Andreas Adamides*

^ denotes Absent
* denotes Present

PART ONE

1.0 COMMITTEE MANAGEMENT

1.1 Welcome

The Chair welcomed everyone to the meeting, including to Rob Leak, a new Trustee and member of this Committee.

1.2 Declaration of Interest

NOTED there were no declarations made regarding any item on the agenda.

1.3 Apologies for Absence

Apologies were received from Konrad Halls, Clinton Page and Christine Martin.

1.4 Minutes

The Committee **RECEIVED** and **ACCEPTED** the minutes of the meeting held on 29 November 2017. The minutes will be signed by the Chair.

1.5 Matters Arising: There were no matters arising.

2.0 REPORT OF THE SCHOOL BUSINESS MANAGER

2.1 The Committee **RECEIVED** the School Business Manager's report including the following:

- CIF report
- Health & safety updates
- Plans for summer works.

2.2 George Georgiou (GG) gave the following premises update, summarising the challenges this year, as follows:

- Cambridge Campus, issues about heating, plumbing and water have added additional costs
- New valves for the heating system in the main Cambridge and for the new block boilers
- The water supply stopped to the new block, exploratory works for the problem have affected the budget
- The Cambridge Campus has two main boiler rooms, Bury Campus has one large and three smaller boiler rooms, money may need to be put aside for the future. There are back up plans.

Q= How much money will we need to put away for the future?

A= GG- An example is the water cylinder in Bury which cost £8k. The others are over 5 years old. It is hard to give a precise figure it could be about £30/40k per year plus. But there are other priorities. We must ensure that the School remains open, to address the risks, we have a similar situation with IT equipment. If we put funds into infrastructure it will be for both IT and boilers. Susan Tranter (ST) added that if we spend a high amount on boilers, it could impact on funding needed for teaching and learning, there are many other needs in the budget.

Q= Can we apply for external funding?

A= GG- We won grants for building repairs, £160k for windows, drainage and foundations. We will bid for roof repairs. The DfE prioritises what could cause a school to close and health and safety, it is hard to argue this for the boilers. In general, we can keep the School going with contingencies. We may need to consider applying for the boilers in future.

Q= Given their age, are there any other grants?

Q= GG- It is only ESFA (DfE) CIF funding, but we will maybe look again. ST added that CIF is the main fund, **but the School will look at other grants. ACTION**

2.3 GG highlighted the following for Cambridge Campus:

- Permanent repair to the new block water supply - new supply piped from science block with a trench
- Reseal Concrete Guttering to the rear of new block due to leaks into corridor (with cherry picker)
- Installation of Reception Doors Access Card System.

Q= The kitchen doors were due to be changed by June 2016?

A= GG- The doors are old and wooden, but still works and has been painted, this is a nice to have item

Q= Are the smoke detectors a risk?

A= GG- We kept it on the list if spare funds are available

2.4 GG highlighted the following for Bury Campus:

- Replace failed hot water Chlorifier in main building, £8K for valves that needed replacing
- Installation of Reception doors electronic door locking and access card system
- Tree lopping was needed, because they were dangerous
- In general, due to finance anything not to urgent is on hold. This list shows we have a plan about the works needed.

2.5 GG highlighted the following about IT issues:

- In the next 2 years, the School will try to budget for IT maintenance, and infrastructure
- The IT team are spending time on keeping computers going, and about £60/70K is needed
- GG will look at how much is budgeted per year in future.

Q= Do we need to increase network infrastructure?

A= GG- It depends on services in School, e.g. for new CCTV we would need more infrastructure, iPads will need better wireless. This is on hold depending on the future, but PCs are getting old, some are 7/8 years old and are getting slower. ST added that when budgets were tight, we prioritise spending for teaching, and reduce facilities, IT etc. Now that the staffing budget is settled, we need to invest in IT in a measured way, for best value. IT will be a priority next year, including investigating cloud-based systems.

Q= Have we tried using solid state disks?

A= GG- Yes on Windows 10, there are some issues, with class rooms needing multiple users keeping software open during the day; PCs are under pressure. ST added that we want to avoid piecemeal changes. GG has a working party looking into this, with representatives from Primary and Secondary. To look at what is needed short and long term for maximum value for staff and students.

Q= Phone system replacement, should it be IT based?

A= ST- **At the next FAP meeting we will propose an improvement plan for the IT system including changes to the phone system.** **ACTION**

GG added that, an issue is that the Virgin Media back up link between campuses is only 1 GIGA, we are looking at a second link, but costs are high from Virgin media

2.6 GG reported the following about the Capital Improvement Fund (CIF):

- £150k was spent on the replaced windows in Cambridge already

- Also finished the Cambridge gym including drainage which will be finished for half term for £155k
- A new bid for the Cambridge science block was unsuccessful due to the high cost
- Successful bid for £100k for the new flat roof for Cambridge Campus over the summer
- The School will consider looking at next year's bids.

Q= If a bid is unsuccessful will they give a proportion of the funding?

A= GG- It is unlikely, but we were told that when you bid you say what percentage schools contribute, it is difficult to know the cost at that stage, so to know the School contribution, we may do this in future

Q= Cambridge windows?

A= ST- It will not go ahead, we will bid again and look at the feedback, and take a view on contributing a greater percentage towards it to see if this helps to secure funding

2.7 The move to new payroll/HR provider was noted. SPS have experience of providing this service to many academies nationwide, Initially, the School intends to take the silver HR package which would provide a small saving and allow us to continue to also use our solicitors for HR advice where required. We plan to migrate to the new provider for September 2018.

Q= Was this previously agreed?

A= ST- It was agreed by the Trustees and at the FGB

2.8 The SLAs for 2018/19 were listed and **AGREED** by the Committee.

2.9 It was noted that plan to convert the site managers house to rental quarters for staff were presented. The Plan is for 4 bedrooms, with on suite bathrooms and a shared kitchen and living area. The School will charge a small rent and recover costs over 5/6 years. It is a way of increasing the recruitment offer for NQTs to incentivise recruitment. The architects have been successfully used before for various projects. The planning permission was submitted last week, if permission is received It will go out to tender. The committee **AGREED** that it was an excellent idea.

2.10 The register of contracts update was presented and **AGREED**.

2.11 The Health and safety log since September 2017, listing serious incidents was presented and **NOTED**.

3. REVIEW CURRENT BUDGET STATUS

3.1 The Committee **REVIEWED** the current budget (Q2) and noted the following about EAT income:

- It includes a column for expenditure from last year for comparison with this year's plan
- The income from FSM comes in as a lump sum

- Overall, the income is about £80K above predicted, due to an added grant for leadership and diversity (which ST applied to the DfE for) and £63K income from last year was carried forward.
- DfE figures are estimated, and often actuals are higher than estimates, as it gets closer to the year-end, the prediction gets more accurate.

3.2 The Committee **NOTED** the following about EAT Expenditure:

- Building improvements, £20k will be needed for the main School, but will save £10k against the budget
- The apprentice salaries difference in figures is about budget lines
- Graduate TAs are not being replaced
- IAG, a member of staff should not be in this budget line, it will be attributed to TAs
- Technicians have dual admin roles, some of the spend to be split with admin costs
- TA underspend is because there are agency TAs, under the school account overall it is overspent
- Premises staff spend is higher due to more lettings, plus more curriculum evenings, with more overtime costs. The School will recruit a p/t site person for evenings
- There is a total of £56K savings in salaries, but this will vary
- The School will save on maternity leave, with staff not being replaced
- Increased staff increments are to be paid
- There is a 2% pay award for the wider work force, previously budgeted 1%.

Q= Will there be much change in the report run next month?

A= ST- There is not much variation with teachers' salaries monthly

3.3 The Committee **NOTED** the following about ECS Income:

- Lettings have increased with new clients, plus a film crew
- School meals are about £5k income. However, we were getting £7K PA via Enfield. But the provider will pay us directly £15k PA, which must be attributed to last year, plus will add £22k this year
- Miscellaneous income of £45k, is for staff seconded elsewhere, one to the LA (NEU) and 1 to another school
- Parents contribution to trips is about a £30k spend
- Overall the income is £80,752 more than expected.

3.4 The Committee **NOTED** the following about ECS Expenditure:

- Areas were highlighted where there is currently an under spend and there could be savings, e.g. the Headship Fund. If the planned spend continued, there would be a £30k deficit. However, the School is being prudent and there should be a surplus, because many cost centres will underspend.

3.5 It was noted that a teacher agency is being used for some long-term staff vacancies covering positions. A French teacher left at Easter, this salary was under teacher salaries. We have managed with a supply teacher for the term.

- 3.6 It was noted that there is a saving of £34k for agency staff. Plus, there are long term TA supply staff.

Q= Is £30K the best estimate?

A= ST- This assumes that all cost centres spend all their budgets, this is the worst-case scenario. GG added that it is cautious, and figures will get more accurate each month. ST added that there are vulnerabilities in future. May is when teacher resignations happen, and recruitment is difficult, we may need to pay for more senior teachers in future to recruit. It is better to remain cautious in case of new teacher costs.

4. AUDIT PLAN

4.1 The Committee **RECEIVED** an oral update on the audit plan, highlighting the following:

- The School had a visit a few weeks ago from the auditors
- Awaiting the draft report which was due this week.
- There are no major issues
- The report will be circulated separately when available.

5. REPORT FROM PUPIL PREMIUM GOVERNOR & PRIMARY SPORT GRANT

5.1 The Committee **RECEIVED** a report and the two statements which are required to be posted on the School's website.

5.2 Paul Miller (PM) presented the financial statement 2017/18, which included the Primary Phase expenditure in the whole School statement. The Primary income is listed clearly, based on Ever 6, which is £96,500 income, mostly spent on TAs. Every class has a TA, plus 3 TAs with a SEN focus. The TAs enable the interventions in the document.

Q= What alternatives could it be spent on?

A= PM- It could be on resources, school trips for PP, we could look at this in future. ST added that about £96k could have employed another 2 teachers, which would have meant no TAs in class. Lessons observations show that TAs work well with small groups, with 2 adults in each class, which has beneficial affects

5.3 The Primary PE and Sports Premium 2017-2018 was presented outlining the sport premium, the following was noted:

- To date the School has received 7/12ths of the allocation
- The grant is about increasing participation in sports for 5 key outcomes.
- Mostly spent is on employing 2 members of staff for Fit for Sport for lunchtime sports activities, running, games and sports acts, a cost of £10,500
- Plus, the refurbishment of PE equipment
- Cover for teachers training
- National sports week, for children to access sports they cannot, including tennis and bowls, to try them out.
- Football and netball team costs
- Overall costs are £17, 911

- The School must display the document on the website, it was meant to be by April, but was waiting until after the Committee meeting.

Q= Point 1, Fit for Sport is it on going?

A= PM= Yes since September

Q= Can you give us an update?

A= PM- Activities are over the week most people do activities in lunchtime

5.4 The Committee **APPROVED** the spend for the Pupil Premium and Primary PE and Sports Premium 2017-2018.

Q= The PP is £765K, but the cost in the report is £722K why the difference?

A= GG- The budget is based on the DfE estimate at the start of the year. It is reported against the budget set at the start of the year. PM added we have included the Year 7 catch up grant

Q= Is it reconciling?

A= PM- Yes

Q= When will we know the potential budget next year?

A= GG- The PP is fairly constant, the SP doubled last year, and we expect both to be at the same level next year. ST added that DfE funding will transition towards NFF, and we are likely to get the new budget in June.

At the next meeting we can present the draft budget. ACTION.

PP is unlikely to go down, NFF will increase overall funding in the future, but is at the transitional stage, there will be a modest increase, before NFF is fully implemented by 2020.

Q= Are there any risks in future?

A= ST- We have managed costs well in the last 2 years, been judicious with staffing costs, it is a prudent budget, so the risks are being managed.

6.0 NEXT MEETING

6.1 Items for the Next Agenda

- Standard items
- 'Deep Dive' on the Risk Register

6.2 Date and Time of the Next Meeting

- 10 July 2018 at 5 pm

7.0 ANY OTHER BUSINESS

None.

Clerk's Note: Meeting ended at 6.35 pm

Signed: _____

Chair of Finance

Date: _____

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