

CIRENCESTER KINGSHILL SCHOOL

GOVERNORS' FINANCE, AUDIT & RISK COMMITTEE
Thursday 13th October 2022 @ 4:00P.M.MINUTES

P = Present. A = Apologies Received. X = Apologies Not Received.

Attendance:			
Sarah Gardiner (SGA)	P	Karen Fraser (KFR)	P
Christine Oates (COA)	P	Becky Bryant (RBT)	P
Rene Blamey (RBL)	P	Stephen Pritchard (SPR)	P
Adrian Thomas (ATH)	P		

Item No:		
1.	Apologies None	
2.	Declaration of Business Interests None	
3.	<p>Election of Chair and Vice Chair</p> <p><u>Election of Chair</u> It was proposed that RBL remained as Chair. RBL left the meeting, Proposed by ATH, seconded by KFR, unanimously agreed RBL rejoined the meeting and agreed to continue as Chair</p> <p><u>Election of Vice Chair</u> It was proposed that KFR remained as Vice Chair. KFR left the meeting. Proposed by ATH, seconded by RBL, unanimously agreed KFR rejoined the meeting and agreed to continue a Vice Chair</p>	
4.	<p>Approval of Minutes of Meeting dated 30th June 2022 The minutes for the meeting were approved RBL proposed COA seconded. Unanimously agreed</p>	
5.	<p>Matters Arising</p> <p>Item 9 –2022 Internal Assurance Visit Update and Report for Governors RBL still needs to speak to ATH and KFR regarding the checklist</p> <p>Item 13 - HR & Payroll Contract Tender Update SGA informed that Dataplan will be taking over the HR & Payroll contract from 01.11.22. A crossover with EPM is currently taking place.</p>	RBL

	<p>Item 14 - Y10/11 Toilet Refurbishment and Inclusion Toiler (New) Budgeted Costs The toilet refurbishment was completed over the summer holidays, there are just a few minor issues that need resolving.</p>	
6.	<p>Terms of Reference (attached) Points to be amended: AJO is to be removed from the committee Matt Jones (MJO) will be voted on at the next meeting</p> <p>Subject to amendments mentioned, the Terms of Reference were approved Proposed by ATH, seconded by KFR unanimously approved</p>	
7.	<p>Policies to Approve: <u>Anti-Fraud policy</u> Proposed by ATH, seconded by KFR, unanimously approved</p> <p><u>Reserves policy</u> Proposed by KFR, seconded by ATH, unanimously approved</p>	
8.	<p>Monthly Reports to Finance Governors, including Cash Flow, Summary Trial Balance, Balances and Reserves, Aged Debtor and Aged Creditor Reports at 31st August 2022 – June, July, August 2022 (attached) Points to highlight:</p> <ul style="list-style-type: none"> • The first of the supplementary grants has been received for £64k, which is for April – August 2022 • Supply is over budget due to ongoing long term absence • Support staff pay award has been applied for 2021, the 2022 pay awards are currently with the unions • Utilities are over budget by £15k • DEV has received 2 quotes for the CCTV, £10k currently sat in reserves to cover this • Premises costs have gone over budget, due to authorised spend for the toilet refurbishment and the automation of the gates • Water costs have gone over budget, due in part to a water leak. • Operating costs have come in under budget, due mainly to changes in leases. Photocopier rentals now have a better deal. • £1.5 million in reserves at year end. ESFA wanted justification as to why the reserves were so high when the draft budget was submitted in July 2022. • There is a debt with Aspens (Catering) of £8.2k at the end of July. Within the contract, there was a capital pot that was owed to the school, this was broken into £4.5k to the school and £3.7k on the ParentMail accounts for pupils. The ParentMail money was to be transferred to the new catering company, Harrisons, when Aspens contract finished. This money was actually paid to Harrisons this week. The auditors made an adjustment for this at year end. 	
9.	<p>Budget 2022/23 and 3-Year Plan Update Points to highlight:</p> <ul style="list-style-type: none"> • Adjustments have been made for the Support Staff and Teachers pay awards • Due to the pay award adjustments, this has gone from an in-year surplus to an approximate £31k deficit • Government have recently announced that they are withdrawing the supplementary grant, which is approximately £160k, SGA will relook at how this affects the budget over 	

	<p>the 3 year plan. This could potentially change the in-year deficit to £91k. By 2025, the deficit could potentially be £300k</p> <ul style="list-style-type: none"> • The ESFA will not help towards the increase in staffing costs • There is an income assumption of 1.5% each year, with the staff pay awards of approximately 3%. • SGA will start the budget again in April 2023 • There is a surplus in staffing, 83% of the budget is staffing • Energy costs are still to be looked at 	
10.	<p>Energy Update Points highlighted:</p> <ul style="list-style-type: none"> • From July 2021 to July 2022, gas has increased by 65.9%, with the surcharge increased by 83%. Similarly, electric has increased by 27%, with the standing charge increase of 465%. • The school is in a fixed term contract with GCC until April 2023. GCC have access to bulk buying which is not available to independent schools • SGA has looked at the price cap information regarding the energy relief scheme. The price for electricity should not be affected too much over the next 6 months but the gas price is a concern • SGA will make adjustments to the budget to allow for the increases • All portable heaters have been taken away from rooms • Staff are to be reminded to turn off lights and equipment • The boiler is serviced annually to make it efficient • Insulation has been put into rooms • Solar panels have previously been looked into - it can take a few years to claw the money back spent on installing them and there is currently no funding • The school would need to double it's reserves to implement the decarbonisation scheme 	
11.	<p>Key Performance Indicators Committee looked at the budget KPI report. SGA suggested that what is currently in the accounts should be taken out at it is looking at benchmark data that is sometimes 2 years out of date. Data could be sent out quarterly to look at actuals compared to budget. SGA to send out for committee meetings.</p>	SGA
12.	<p>Risk Register Review (previously distributed)</p> <ul style="list-style-type: none"> • The risk register will be kept under review. • Energy and grammar schools have previously been identified on the register. • The hike in this years' pay awards has caused issues, going forward the risk of unreliable assumptions could be an issue • Withdrawal of funding is also a risk, this could get worse over the next few years • RBL will feedback to full Governors 	RBL
13.	<p>FRS 102 Report (attached) Net liability published in the accounts last year was £2.8million. This year it will be £197k, a reduction of £2.6million. This is due to the change in the financial assumptions made, last year the liability was put at £1.05 million, this year there is an asset of £3.2million.</p>	
14.	<p>Trade Union Facilities Traded Service 2022-23 (attached) The school is in the process of buying traded services from the Local Authority. The school currently do not purchase the trade union facilities. In terms of the statutory accounts, the member of staff who was previously the union representative has since left the school and has</p>	

	not yet been replaced. If someone came forward to be the union representative, the school would have to accommodate their training needs. It was proposed not to buy into the facility at this point.	
15.	Internal Assurance Arrangements 2022-23 After discussions, it was agreed that budget, income and expenditure and payroll would be the internal assurance arrangements with Farmor's.	
16.	Interim Audit Report 2022 (report previously distributed by email) It is noted for the minutes that the Interim Audit Report had previously been distributed and approved.	
17.	CIF 2022 Appeal It is noted for the minutes that the bid had been unsuccessful at appeal and this information had previously been emailed to the committee. Another bid will be resubmitted in 2023.	
18.	Catering Contract update The first monitoring meeting has taken place with Harrisons, the new catering company. SGA has been told by the company that sales have increased, although she is yet to see the data on this. There have been some staffing issues. There could be an impact on school figures due to the change in holiday pay entitlement, increased from 4 to 5.6 weeks, the return the school is expecting will be reduced. There also appears to be an issue with the Kitchen Manager's contract from the previous catering company to the new one. SGA will make the necessary adjustments.	
19.	Academies Trust Handbook 2022 It is noted for the minutes that the committee have received the handbook.	
20.	Support Staff Holiday Entitlement / Supreme Court Ruling It is noted for the minutes that details on the ruling had been previously distributed. Committee approved the details of the ruling for support staff. This is now with EPM to make the necessary adjustments ready for the October 2022 pay run.	
21.	Section 106 Update There has been no update.	
22.	AOB SGA – Lloyds Bank interest rates are increasing at the moment. The 95 day account is currently giving a good return but there has been a significant rise in interest in the 3, 6 and 9 months fixed term deposits and these may need to be looked at in the future. SGA has had the first initial meeting with Litmus regarding the cleaning contract. They are going to hold a presentation on 06.06.23, COA & ATH will attend.	
23.	Date of Next Meeting – Thursday 2nd February 2023 via MS Teams. The meeting closed at 5:20p.m.	

CIRENCESTER KINGSHILL SCHOOL
GOVERNORS' FINANCE, AUDIT & RISK COMMITTEE
Thursday 13th October 2022 @ 4:00P.M.

MINUTES

Name -----

Signature -----

Date -----