



Holy Family Catholic Primary School Governing Body

**Full Governing Body Meeting
Wednesday 27th November 2019**

Present

Foundation Governors

Dave Dawson (DD) Chair
Andrew Szeliga (AS)
Mark Donovan (MD)
3 Vacancies

Parent

1 Vacancy

Guests

Vanessa Edwards (Bursar)
Heather Weeks Monahans
item 1 -4

Staff

Louise Brown(LB) Head, Kelly Kordula (KK)
Linda Ostaszewska Clerk

Hand in hand in God's loving family we will dream and learn, growing into the best we can be.

DD opened the meeting with a prayer.

1 Apologies and welcome new Governors following parent/staff elections

- 1.1 Francis Mwangi, Roy Stephen and Sharon Lewies – work commitments. Mandie Thoburn (MT) – sick leave
- 1.2 Mark Donovan has been appointed as a Foundation Governor.

2 Presentation of the accounts by Monahans

- 2.1 Heather Weeks (HW) from Monahan's presented the accounts. There had been a "clean" audit report with no irregularities.
- 2.2 HW explained that there were two parts to the accounts. The first was the statutory Governors' statement and review of their activities. The second part was the accounts and determining if funds had been spent correctly.
- 2.3 Income was £1.61m, (£1.72m-2018) down on last year as in 2018 there was a grant for the Nursery and conversion of the Caretaker's House. The General Annual Grant (GAG) and Pupil Premium (PP) funding decreased due to the fall in pupil numbers. The Nursery has generated £90k but made a loss and is being subsidised by the school.
- 2.4 Expenditure was £1.83m (£1.68m-2018) up on last year, wages increased by £144k, the Nursery cost £96k, and there were extra admin hours. The increase in wages was queried by the Governors, but HW said this also included pension contributions.
- 2.5 The deficit on the Pension Fund was £445k (£155k – 2018) up from last year. HW said that there was little the school could do about this.

- 2.6 Cash is down from £586k last year to £244k as the rollover is depleted, partly due to the opening of the Nursery and purchase of IT equipment rather than lease.
- 2.7 Cash at £244k less creditors creates a remaining cash reserve of is £169k. HW said that the Reserve policy was to have one-month worth of expenses in the bank, which was £129k.
- 2.8 HW said that the school would fall into deficit and it was essential for the Governors to scrutinise and challenge the budget. Non-essential expenditure had to be examined. See item 3.1.

3 Management Letter

- 3.1 There were four points in the Management letter, all of which were medium or low risk.
- **Monthly management accounts are not produced as per the AFH. There is no detail of KPI's, no cashflow forecasts and no detailed balance sheet.** Going forward the Governors confirmed that this information would be circulated to the Chair and Full Governing Body. This would be documented in the minutes and subsequent discussions detailed.
 - **The member section of GIAS does not include D Dawson.** This was an oversight and has now been rectified.
 - **The old pre-school site on the academy's premises, is now empty following the closure of the charity running it. The site is owned by the Diocese.** The Governors said that they had written to the Diocese and were requesting a meeting.
 - **The 5-year budget has been revised in October 2019 and shows forecasted deficits for all years with funds expected to run out in 2021/22. The academy will also drop below its reserves policy in 2019/20.** HW said that there were large capital expenditures and pay rises. All discussions should be documented. The Governors said they were working on reducing the in-year deficit taking measures to maintain a £129k reserve this year. Savings for future years were also being challenged and discussed. This is ongoing.
- 3.2 HW asked if the school wanted a second audit by a Responsible Officer to ensure robust internal scrutiny which could focus on aspects of Management information, budgeting process, asset control, Purchases, Tendering process, Payroll, Financial and Governance requirements. See Item 5.2.

4 AOB- subsequent Events

- 4.1 It was confirmed that there were no other issues/liabilities that would impact the final accounts.
- 4.2 HW asked DD to respond to her letter re Governor oversight of fraud prevention. **DD**
- 4.3 HW was thanked for presenting the accounts. HW left the meeting.

5 Governor review of Audit Visit

- 5.1 It was agreed that Monahans would be retained for the annual audit as it was considered good value for money and the relationship was trusted.
- 5.2 The Governors said that a second audit by Monahans would cost £630 should be put out to tender. It was essential that this did not take undue time for VE to complete. **VE**

5.3 VE was thanked for her hard work during the audit and in preparing the annual accounts.

6 Deficit Recovery

6.1 DD asked if there was any Declaration of pecuniary Interest . AS has a relative working ad hoc in the school., otherwise there were none.

6.2 As requested by the Governors at the meeting on 6th Nov, LB said that she and KB/VE had met to discuss the savings for the 2019/20 year to ensure the reserve of £129k was maintained.

6.3 VE said that since the last meeting, there had been extra funding into the teacher pension grant. Five children have not been accounted for in the Census and this is being chased up, this amounts to £18k. Capital spend has been moved to the following year.

6.4 LB said that the school could start to charge for the Walking Bus and increase After School Club charges.

6.5 It was proposed that parents should be charged £15 per child per term for the Walking Bus. Some parents would drop out, but this should reduce staffing costs.

6.6 After school club charges would increase from £10 to £15 per term. The Cookery Club would be the same price but run for a shorter time as it needs two members of staff to run.

6.7 LB said that the Walking Bus and Clubs were extra services provided by the school and appreciated by parents. Therefore, it was good to retain them. Parents had been warned that there would be a charge for the Walking Bus. The Governors approved the price increases. LB said that children on free school meals would be funded by the school.

6.8 VE said that there were tenders for the new heating system that had come in at £355k and the asbestos and fascias at £120k. Hookway had strongly recommended that a second bid for the heating and fascias would be successful if the school part funded both bids, the fascia's by £10k and the heating by £17k.

6.9 The Governors said that fixing the heating is critical as a failure would close the school and agreed to fund both bids. VE believed that there was a leak compounding the problem.

6.10 There was a discussion that staffing was 90% of costs and it was the area where large savings could be made. LB said that staff had been pared to the minimum and it was recognised that there had been a change to the staffing structure for the current year. There were less TAs in class, but Holy Family was in a better position than many schools.

6.11 The Governors said that previous discussions indicated that the recruitment of another member of staff for the Nursery would make it profitable, this was not the case. VE said that pupil numbers had not materialised, and January intake looked low. Also children had a free lunch and were supervised for free at this time. MD said the true costs of the Nursery must be known and agreed to meet with VE. **MD**

6.12 There was a discussion about staff pay rises. The Governors said that the pay rises were retrospective, and they had an obligation to pay for good performance.

6.13 The Governors said that any larger cost savings could not be made at the meeting. However, the Governors said that there would be more meetings with VE and the budget closely monitored to ensure a healthy surplus was maintained.

6.14 Following discussions about the heating, the contingency plan for the school was discussed should it close unexpectedly. Previously pupils would be transferred to Holy Cross, and there is an arrangement with St Josephs.

6.15 The Governors requested that LB/VE update the arrangements for transferring pupils to other sites should the school close unexpectedly. VE said that any costs should be covered under the insurance. **LB/VE**

6.16 **Confidential**

7 Review of last minutes 6th November

7.1 The minutes were approved.

8 Finance September and October accounts

8.1 The Budget, Cash Flow Forecast, Profit and Loss, Balance Sheet and Profit and Loss accounts had been circulated to all Governors for September and October.

8.2 VE said the training budget of £4.5k has been overspent. The Governors proposed that no further training should be considered. LB said that Ofsted would expect that teachers went on training especially as there is a new curriculum. The Governors said that all training **MUST** be for the benefit of the children.

8.3 Water services is also over budget and it is suspected that there is a water leak. As requested by the Water Company, the Caretaker will turn the water off over the week end to determine if this is correct.

8.4 KPIs had been reviewed at the meeting on the 6th November and the Governors agreed that the KPIs to be reviewed should be in the same format covering staff costs, staff costs to income, FTE for staff groups, average teacher cost. Budget spent on the Leadership team. It was confirmed that staff costs to income was 86%.

8.5 .AS asked if VE could provide monthly year on year budget comparisons. This was agreed and will be created as a separate worksheet. **VE**

8.6 The Governors at the meeting confirmed that they had read the Academy Financial Handbook 2019.

9 Asset Management

9.1 The Office, Foyer and Reception will be painted over Xmas. There will be a new carpet put in the office and foyer. There was a grant for this work and the money has yet to be spent.

10 Health and safety

10.1 There has been a Fire Risk Assessment. There is a problem with the door entry system which could be a fault in the cabling. This is causing problems with exit and entering the building. The KS2 area needs to be re-wired as there is no lightning, it may be due to water ingress.

10.2 The doors to the KS1 corridor do not fit together. They would need to be a bespoke make and would be cost prohibitive.

- 10.3 VE said that Teachers were propping doors open but this was due to a move in the holidays.
- 10.4 PAT testing was one day out of date, but KG has a rolling programme to complete. It was also noted that staff had also brought in their own personal equipment that had not been tested.

11 Correspondence

- 11.1 The Governors were asked to write to the PFA to release the funds raised. They are holding £7640. **DD**
- 11.2 The Governors were asked to write to MGB Guttering – thanking them for a donation to the Christmas Bazaar of £500 **DD**

12 Policies

- 12.1 The Charging and Remissions policy will be emailed for agreement. **VE**
- 12.2 The Acceptable Use Policies (Staff/ Volunteers, Nursery, FS,KS1&2) were approved.

13 Risk Register

- 13.1 The Risk Register was an addition to the agenda and the highest risk areas were discussed.
- 13.2 **Risk that the Academy Trust fails to operate within its obligations and non-compliance with its Articles.** The Governors said that the appointment of a Responsible Officer would help to ensure compliance with the funding arrangements. This will be part of the second audit tender. LO confirmed that Mark Donovan had been appointed as the new Foundation Governor so there were 4 Governor vacancies in total.
- 13.3 It was expected that the Diocese would announce that the Articles of Association had changed making it easier to recruit new Governors.
- 13.4 **Risk of the impact an uncontrollable event will have on the Academy Trust's ability to provide education.** There is a Business Continuity policy and risk of failure caused by the heating was discussed in item 6.8.
- 13.5 **Risk that the budget does not sufficiently fund the strategic objectives and Priorities of the Academy.** The Governors said that there have been several meetings this year to discuss the budget and it will be under constant review.
- 13.6 **Risk of Data Protection Act breach.** Staff have been trained, a check that suppliers comply with EU regulations has been undertaken.
- 13.7 **Confidential**
- 13.8 **Risk that the Pension fund is underfunded.** There is sufficient Government funds available to pay into current schemes but this is to be kept under review. VE said that there will be an extra pension grant in March 2020 for teachers pension..
- 13.9 **Risk that budget is in deficit.** The new nursery is significantly reducing the rollover, and there is a need to ensure the viability of nursery. The SEN budget and other provisions are impacting heavily on budget

13.10 **Risks that debts are not recovered.** VE said that there is a Bad Debt policy. Once parents have been written to twice, they are requested to meet with the Head. 19 parents are behind with payment for the residential visit. The Governors asked how much money was being incurred by bad debt. VE said that it was relatively small, but it was the administrative time that was the real overhead.

14 AOB

14.1 None

15 Action Plans

15.1 School closure contingency plans to be updated	LB/VE
15.2 Month on month budget comparisons	VE
15.3 Write to PFA	DD
15.4 Write to MGB Guttering	DD
15.5 VE to email Charging and Remission policy	VE
15.6 MD to discuss Nursery finances with VE	MD/VE
15.7 DD to write to Auditors re oversight of fraud	DD
15.8 VE to put second audit out to tender	VE

Next FGB Meeting (non Finance)- 22nd January 2020. Finance FGB 26 Feb 2020