

AYLESBURY GRAMMAR SCHOOL

RESOURCES INCLUDING FINANCE COMMITTEE MINUTES OF THE MEETING HELD ON THURSDAY 21ST JUNE 2018, 8.00AM



PRESENT:	Mr R Williams (Chairman) Mr M Brock Mr J Collins Mrs J Dennis	Mr K Hardern Mr D Kennedy Mr M Pilkington Mr M Sturgeon (Headmaster) (part only)
IN ATTENDANCE:	Mrs C Cobb Mr I Digby Mr D Shiels Mrs S Skeggs	Clerk Resources Director Premises Manager Finance Manager
APOLOGIES:	Mr P Bown Mrs A Ward	Apologies received and accepted Apologies received and accepted

1 ANY OTHER BUSINESS

The following item was tabled under Any Other Business.

- Early Retirement

2 DECLARATIONS OF INTEREST

Mr Kennedy declared he was married to the Headmaster's PA.

3 MINUTES AND MATTERS ARISING

3.1 MINUTES OF MEETING HELD ON 21ST JUNE 2018

The minutes of the meeting held on 21st June 2018 had been previously circulated and were agreed to be an accurate reflection of the meeting.

3.2 MATTERS ARISING

- Governors noted the actions from the last meeting which had been previously circulated
- **High Level Report on the Schedule of software** – A report had been previously circulated and included the regularity of updates to software and firmware.
- **Contracts and Leases** – The list of all contracts and leases had been previously circulated. The Resources Director reported this is the list as currently known but he wasn't 100% sure everything was included in view of the short time he had been in office and would be reviewing the list and bringing it back to the next meeting if necessary. **Mr Brock asked what the process was for reviewing contracts?** The Headmaster responded it depends on the value of the contract and all are reviewed in accordance with the Financial Procedures Manual. **Mr Kennedy suggested the contracts were listed in order of value.** It was suggested that a review of compliance under the Financial Procures Manual should be carried out. **The Chairman suggested given the size of the task to**

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<p>review all the contracts that Landau Baker were asked to review this when they carried out their next internal audit.</p> <ul style="list-style-type: none"> • Payroll – The Headmaster reported the new Finance Manager has carried out training on the payroll software and will be attending another course soon. The Resources Director reported it was his intention to carry out training too so that he was familiar with the system. Mr Collins asked if any payroll concerns had been identified? The Finance Manager responded nothing currently. The Headmaster felt the software was efficient, risks had been identified and these had been addressed with training. Mr Hardern suggested maybe once or twice a year the Finance Manager ran the payroll to satisfy herself everything was correct. • Report from Landau Baker on CIF works undertaken – Point 3 of the report from Landau Baker dated 23 March, Governors agreed in future if a matter was delegated to the RiF sub-committee then the minutes of the sub-committee and any corresponding emails should be brought to the full RiF meeting. The Chairman asked for clarification on what was meant in the last paragraph under Observations in point 3. • Installation of Container – This item (a report from Mr Bown on his discussion) was deferred to the next meeting 	<p>ACTION Resources Director</p> <p>Finance Manager</p> <p>Resources Director</p> <p>Mr Bown Agenda</p>
<p>4 HEALTH AND SAFETY REPORT</p> <p>The minutes of the Health and Safety Committee meeting on 23 April 2018 had been previously circulated. The Chairman asked on behalf of Mrs Ward for an update on the comment that the ESFA had stated that the current planned route to handle the funding of the swimming pool project was non-compliant with their guidelines. The Headmaster confirmed this has been corrected and the proposed funding was compliant.</p>	
<p>5 BENCHMARKING INFORMATION</p> <p>This item was deferred to the next meeting.</p>	<p>Resources Director Agenda</p>
<p>6 FINANCE REPORT</p>	
<p>6.1 BUDGET MONITORING REPORT</p> <p>The budget monitoring report for May was previously circulated. Arising from the report Governors noted the budget is anticipated to come in slightly under budget. Capital and revenue expenditure items are being reviewed by the new finance manager to ensure that they have been correctly allocated. The Finance Manager agreed to circulate an interim report once the capital and expenditure has been reviewed. The Chairman encouraged any comments around reporting Governors would like to see in future. Mr Brock requested in future to see a report which included the budget against the forecast as this would assist Governors in being able to identify any variances. Mr Hardern asked for the previous year's outcome to be included in the report.</p> <p>(The Headmaster left the meeting as previously notified due to other urgent School business)</p>	<p>Finance Manager</p>
<p>6.2 2018/19 DRAFT BUDGET</p> <p>The draft budget was previously circulated. Arising from the budget:</p> <ul style="list-style-type: none"> • Income from the ESFA is known • A 2% increase to staff salaries has been allowed for as a precautionary measure owing to the pay cap being lifted 	

- There is going to be a review of Teachers pensions in April 2019, it is currently 16.48% and is likely to increase to 20% and this has been included in the budget. **Mr Hardern asked who determines the contribution?** The Finance Manager responded the Government
- **Mr Brock expressed his concern that with an overall annual increase to salaries and pensions of 4%, there will not be sufficient income in future to sustain this?** Governors discussed and agreed with Mr Brock but noted there will be a full Government review on funding to schools in 2020 and that these additional costs were an issue that all schools had. **The Chairman said that that future projections would need to be kept under regular review.**
- **Mr Collins requested the equivalent figures for 2017/18 were included in the three-year forecast**
- **Mr Kennedy asked about catering income and if any assumptions had been made to increase the income?** The Resources Director responded this was being looked into with a view to increasing costs from September, to ensure the facility is breaking even and includes utility costs
- **Mr Brock asked where parental contributions were included?** The Resources Director responded parental contributions are not part of the school income they are therefore not included in the budget. They are noted when transferred into the budget to pay for a specific item.
- **Mr Brock asked why the cash in the AGS Needs Fund is not being released?** The Resources Director agreed to investigate this further. **Mr Pilkington also felt there were some areas of the science block which were incomplete.**
- **The Chairman suggested, and Governors agreed a short meeting would be held before the FGB meeting on 6th July and requested a report on exactly what the money in the School Needs Fund is, why the money is still in the School Needs Fund and how it is being accounted for. The Chairman also requested before the RIF meeting for a meeting to take place between the Resources Director, Finance Manager, Premises Manager and Mr Pilkington to discuss any perceived outstanding matters to the science block.**
- **Mr Kennedy felt coach hire was expensive, particularly given that the school has 3 mini-buses and is there any way of reducing costs?** The Resources Director agreed to further investigate this
- Governors agreed the budget, with a £135,000 deficit and the three-year forecast should be recommended to the FGB for approval

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6.7.18**Resources
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6.3 RESPONSIBLE OFFICER REPORT

The report from Landau Baker dated 23 March had been previously circulated. Arising from the report **the Chairman was concerned that Landau Baker had raised the issue of purchase orders again and that staff are still not adhering to the process around raising purchase orders before any orders are placed. He suggested making a recommendation to the Headmaster that staff are not reimbursed if they do not raise a purchase order in advance of ordering anything. Mr Kennedy suggested, and Governors agreed, that the Headmaster be asked to ensure that a note was sent to all suppliers telling them they will not be paid for any order received without a purchase order.**

Governors also agreed as part of the recommendation in the report from Landau Baker that long term debtor balances under £1,000 should be written off.

6.4 INSURANCE 2018/19

Governors noted it is the end of a three-year cycle with AON. Quotes have been received for the forthcoming year from AON £48,000, Zurich £33,000 and the RPA, where the cost is £20 per student, which totals £35,000 and additional policies would need to be taken out for motor, overseas and engineering. Zurich have offered an additional 5% reduction for a three-year contract and 10% reduction for 5 years. Governors discussed and agreed a five-year contract should be taken out and Zurich should be asked if they would consider any further reductions.

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6.5 APPOINTMENT OF AUDITORS 2019/20

Governors discussed and agreed a recommendation should be made to the Members of the Academy Trust to appoint Landau Baker as Auditors for 2019/20.

7 PREMISES REPORT

The Premises Manager had previously circulated his report. Arising from the report:

- **Seriously Fun Swimming – Mr Brock asked if the costs of the footings for the containers has been included in the works?**
The Premises Manager confirmed the costs of £2,500 were included and Seriously Fun Swimming were aware of all the costs involved.
- **Condition Survey –** Governors noted the long-awaited survey had been received and that it had bizarrely found no areas of concern whatsoever. The Premises Manager reported that the inspection had been very superficially carried out. **Mr Kennedy felt given the level of concerns Governors were aware of regarding the condition of the school buildings this should be challenged and the ESFA should be asked for demonstrable evidence to support their report and the letter should include a statement that this is a direct request from the RiF Committee.** The Resources Director and Premises Manager agreed to pursue this.
- **Electrical Infrastructure Works –** Five companies were asked to tender for the works and only one has given a price, the remaining four chose not to for different reasons. The Premises Manager had spoken with Landau Baker to seek their advice and they felt there was nothing more the school could do, particularly in the time frame to meet the terms and conditions of the CIF bid. Brooks are the school's preferred bidder and they can do the work over the summer holidays. **The Chairman said that he had discussed this with the Headmaster and felt that the School should proceed. In addition, Brooks are an approved supplier and the quotation was for less than the CIF award which had been vetted and approved. Further there was a need to shut down the electricity supply for at least a week when the work was carried out and it was difficult to see if there was a delay when that could occur before the time limits on funding ran out.** Governors discussed and agreed everything had been progressed as far as reasonably possible in accordance with the Financial Procedures Manual and there is a significant risk to the school of there being power failure and therefore closure of the school if the work is not undertaken. Governors noted on page 12, under 9. Purchasing e. Tendering in the Financial Procedures Manual that "in exceptional circumstances

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where time is of the essence or tenderers have failed to deliver tenders and time has become of the essence the Finance Committee/sub-committee may with the approval of the Chair of Governors proceed to approve a quotation without the requisite number of quotations”.

- **The Chairman of Governors confirmed he had been given sufficient information to act in accordance with the Financial Procedures Manual and agreed the work should go ahead with one quotation.**

8 SUMMER PROJECTS – APPROVAL OF SUB-COMMITTEE APPOINTMENT

- **Window Replacement** – Governors noted the works would start in the summer holidays but would now continue into the autumn term, this will mean staff will need to utilise other classrooms whilst the work goes on. Governors further reiterated that if any decisions needed to be made between RiF meetings they could be agreed via email or telephone calls, but it was very important the a log was kept of how and when any decisions were made. Governors agreed the contract should be awarded to Wessex Commercial for £120,104, which included £15,000 of contingency, and the contract for the servicing works to the existing windows should be awarded to Simply Sash for £70,000, which included £10,000 of contingency.
- **Future CIF Bid Grant Applications** – This item was deferred to the next meeting
- **IT1 and IT2** – Governors agreed the awarding of the contract for the works to IT1 and IT2 should be delegated to the RiF sub-committee and noted it was fully funded from the school support fund and PTA.
- **School Site** – The Premises Manager reported that he had looked at the school site as a whole and a number of areas were identified as needing consideration. A lot of the classrooms are too small, there is damp in the history block and the dining room facilities need to be bigger. The Premises Manager would like to put together a detailed proposal to knock down the Tower block, dining area and history block and replace them with one large building to include 15 classrooms and bigger dining facilities. The Resources Director agreed that this was a very worthwhile project. Governors agreed a steering group should be created to consider plans, costings, different options for funding, a curriculum plan and temporary accommodation, whilst the demolition and building works were carried out. Governors further agreed Mr Collins and Mr Kennedy would join the Steering Group to include the Headmaster, Resources Director and Premises Manager and they would report to RiF on progress being made. **Mr Kennedy suggested the Resources Director contacted the ESFA to talk them about not replacing the windows in the areas it was proposed to demolish, in favour of making a bid the following year for a new building.**
- **Lease Agreement with Seriously Fun Swimming – The Chairman asked what SFS’s stance currently was?** The Resources Director responded they understand the situation and have been very patient. The ESFA had previously said a nine-year lease would not need Ministerial approval, but they have now stated it does require this approval. In addition, the ESFA require proof that value for money is being achieved. **Mr Kennedy suggested asking Landau Baker for a statement on how value for money can be demonstrated and the Resources Director agreed to do this.** The Chairman recommended, and Governors approved the lease as circulated (subject only to report back from Landau Baker on value for money) and it was also noted permission to issue the lease

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Mr Collins &
Mr Kennedy

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	<p>would need to be gained from the AGS Foundation, who were meeting on 29th June.</p> <ul style="list-style-type: none"> • Appointment of RiF Sub-Committee – Governors appointed a sub-committee to include the Chairman, Mr Kennedy and Mr Brock and gave them delegated power to: <ol style="list-style-type: none"> 1. Agree the costs for the refurbishment of IT1 and IT2 2. To oversee any necessary matters regarding replacement of the tennis courts surface 3. To have authority to make any necessary changes to what has been agreed in these minutes to and oversee the window replacement project 4. To have authority to make any necessary changes to what has been agreed in these minutes to and oversee the electrical infrastructure project 5. Finally approve the swimming pool lease and proceed to place orders for the related works 	<p>Chairman, Mr Brock & Mr Kennedy</p>
9	<p>REVIEW TERMS OF REFERENCE</p> <p>Governors agreed the terms of reference as circulated and agreed they should be recommended to the FGB for approval.</p>	<p>FGB Agenda</p>
10	<p>POLICIES FOR REVIEW</p> <ul style="list-style-type: none"> • Lettings Policy – The Headmaster reported the policy has been reviewed by the lawyers. Mr Hardern asked for clarification on whether it was a legal requirement to have removed the clause from the previous policy around being able to refuse a letting. The Resources Director agreed to further investigate this. Governors agreed the policy should be recommended to the FGB for approval, when by which time the clarification will have been given. 	<p>Resources Director FGB Agenda</p>
11	<p>FUTURE AGENDA ITEMS</p> <ul style="list-style-type: none"> • Financial Procedures Manual – The Finance Manager reported the FPM will be reviewed over the summer holidays and would be taken to the first meeting of the autumn term for Governors approval. 	<p>Agenda 27.9.18</p>
12	<p>DATES OF FUTURE MEETINGS (all to take place at 8am)</p> <p>27 September 2018 (premises) 23 November 2018 (finance) 28 February 2019 20 June 2019</p>	
13	<p>ANY OTHER BUSINESS</p>	
13.1	<p>EARLY RETIREMENT</p> <p>The Resources Director reported BucksCC have said the liability for the unpaid TPS sits with the school and the lawyers say it is with Bucks CC. Governors discussed and agreed further advice should be taken from VWV on how to move forward and their recommendations should come back to the autumn term finance meeting.</p>	<p>Resources Director Agenda 23.11.18</p>

The meeting closed at 10.15am

Signed Date

CHAIRMAN