

St Cyprian's Greek Orthodox Primary Academy

Meeting of the Finance Committee

DRAFT Minutes of Meeting

Date of Meeting : 7.00 p.m., Wednesday 23 November 2022

Venue : Milan's Library, St Cyprian's Greek Orthodox Primary Academy

Mr Arthur Broadberry (AB)	Present
Mrs Aredi Christou (AC)	Present
Mrs Zoi Iliokaftou (ZI)	Present
Mr Andrew Mantilas (AM)	Present
Mr Adrian Prescod (AP)	Present
Mr Philip Prodromou (PP)	Present
Fr. Chris Christodoulou (FCC)	Absent
Mr Peter Tragoulis (PT)	Absent
Ms Nikoleta Tsiama (NT)	Present
Mr Christopher Vradis (CV)	Present

In attendance :

Jane Frisk (JF) : Financial Consultant

Mary Rider (MR) : Clerk

1.	PRAYER AND WELCOME AC welcomed everyone to the meeting which commenced at 7.04 p.m. The meeting opened with the Lord's Prayer.
2.	APOLOGIES FCC and PT were not present. The meeting was noted to be quorate .
3.	ELECT CHAIR As Chair of FGB, AC was elected to the position of Chair of the Finance Committee. AP was nominated for position of Chair of the Audit Committee. Governors cast their votes and AP was elected Chair of the Audit Committee by unanimous decision.

<p>4.</p>	<p>PECUNIARY INTEREST DECLARATION</p> <p>There were no declarations of interest in the agenda.</p> <p>There are some Declarations of Interest outstanding but all those present at this Committee have submitted their Declarations.</p>
<p>5.</p>	<p>MINUTES OF LAST MEETING AND MATTERS ARISING</p> <p>The Minutes of the previous meeting held on 7 July 2022, previously circulated, were considered by Governors.</p> <p>DECISION : It was AGREED that the Minutes were a true and accurate record of the meeting. The Minutes were signed by AB as Chair of the Finance Committee at the meeting in question.</p> <p>ACTIONS :</p> <p><i>AP to be provided with a copy of the school's redundancy policy.</i> AP has received the Croydon redundancy policy which the school uses.</p> <p><i>Governors to be provided with anonymised list of salaries.</i> CV has received advice from Octavo (governing services) that even if a list of salaries was anonymised, you could see who people were and therefore has been advised against providing this list. If governors were provided with a list of salaries and have a list of staff, this would reduce anonymity.</p> <p>AP requested that this be challenged. If we are looking at how schools spend their finances, given that salaries are the greatest cost this is an area that should be scrutinised.</p> <p>CV responded that if Governors were to decide to make cuts, they can instruct the Headteacher to make cuts which he would do based around the needs of the school as an operational decision.</p> <p>ZI commented that the NGA has a schools' benchmarking website to compare spending with other schools and asked if we have something like that in terms of salary?</p> <p>CV responded that in the EFSA report there was a lot of benchmarking.</p> <p>ZI asked if there is a recent EFSA report?</p> <p>CV advised that the most recent EFSA report is about a year old.</p> <p>ZI asked if there is an EFSA report for this academic year?</p> <p>JF responded that there would not be an EFSA report until after the year has finished. You need to have a complete year to compare.</p>

	<p>ZI asked when we will receive the report for the last year?</p> <p>JF responded that she did not know the timing on that.</p> <p>ZI commented that Governors are unable to make decisions to help improve the school without that and it would be useful to have that information to enable Governors to look at how to help improve the school.</p> <p>Information on salary costs is in the Budget Monitoring Report. The NGA has a useful assessment tool.</p> <p>ZI asked how do we have access for the school and how do I access data specifically for St Cyprian's?</p> <p>CV responded that log in information would show that you are from St Cyprian's.</p> <p>A benchmarking report is sent by the DfE, but it is not as detailed as the report from the EFSA which looks at schools in our local area.</p> <p>CV asked AP why he required an anonymised list of salaries?</p> <p>AP responded that given it would be private and confidential, there is no reason why it cannot be provided. The list would provide a breakdown of what staff salaries are and the cost to the school.</p> <p>JF commented that this is not normal practice and that she has not known anywhere else where Governors are asking for that information. Reports have categories of staff, what is spent where and there are details of published pay scales. With a report containing anonymised salaries, it is easy to work through to see who is who from the number of people you have in role and the total salaries.</p> <p>Matters Arising :</p> <p>There were no further matters arising.</p>
<p>6.</p>	<p>TERMS OF REFERENCE</p> <p>Governors reviewed the Terms of Reference for the Finance Committee and were asked for their comments.</p> <p>Governors unanimously AGREED the Terms of Reference for the Finance Committee.</p>
<p>7.</p>	<p>FINANCE REPORT</p> <p>CV provided Governors with the Budget Monitoring Report and Review of October BMR at the beginning of the meeting, apologising for the lateness of the report.</p>

CV also provided Governors with a document giving an update to the Headteacher's Report to the Finance Committee.

CV informed Governors that he met with JF and Victoria Yeats (VY) for two and a half hours that afternoon giving close scrutiny of the budget. This identified an additional £97k in-year savings, as follows:

Following a lot of hard work, Angelina Adrien (AA) has received an additional £15k of SEN funding from the local authority.

His Eminence has given £10k in donations.

There is a saving in Admin of £38k by utilising JF a little less and VY a little more. There was a vacancy for 3-4 weeks which resulted in a saving. Two receptionists have been employed at a lower rate.

Both Assistant Heads are in class, resulting in a salary reduction of £35k.

This gives a total saving this year of £97k.

There will be some deductions from the figures with new SBM uplift and new Nursery leader uplift.

The expected total in-year savings is approximately £90k.

AC commented that she is bewildered by the figure of £97k that has been found today.

CV responded that as soon as he was aware of the financial issues, he looked at the numbers to bring some options to Governors for making savings within the school due to the deficit in the budget, saying that he would rather be conservative with his figures.

AC asked if CV knew that there was money in the background?

CV responded that no, he was saying the opposite.

In mid-September when the wages were uplifted there was no extra gap. Work has been taking place to make cuts and find savings. CV brought this to the Full Governing Board.

AC asked CV that when you said you weren't tallying these figures up and you were making savings, what were you doing with the results of these savings?

CV responded that he was working with JF and working on figures in the background. He was unable to put figures forward without doing full background work. By putting

the two Assistant Heads into class, we knew we would be saving money. Salaries were only agreed last week.

AP commented that there is still possible strike action by supply support and teachers. What salaries were agreed?

CV responded that 8% was agreed for M1 and 5% for Leadership. Government has only just confirmed the pay rises and CV would rather be conservative. If he had not done so and not identified this money, the school would now be in financial difficulty.

AC commented that at the meetings she has attended, CV has said that there has been no money.

AP commented that this didn't make sense; when CV came to the FGB he gave three options, one of which was to make drastic cuts urgently and that if we didn't the school would not be able to survive, and yet following a two and a half hour meeting this afternoon where AA has found SEN funding and VY doing someone else's job, you have now managed to find £97k.

CV commented that in the last week of September when the Government announced unfunded pay rises, he knew he had to do his part to save money and make cuts. He immediately met with the Leadership team. A member of staff was not taken on due to visa issues which resulted in the two Assistant Heads going into class. A member of the Admin team resigned and a suitable replacement could not be found and there has been a significant saving from not employing someone in that role. Additional SEN funding has come through from the local authority which had not been budgeted. The Archbishop has made a donation of £10k.

At the end of October when wages came in, we could see how much we have saved and multiply that by the year.

AP commented that as Governors, we hold the Head and school accountable. Three weeks ago we were under duress to make a decision, being told we did not have any money. We are now presented with a saving of £97k.

AB expressed his concern to the Chair that AP was barracking the Headteacher.

CV commented that he and his team have been working really hard to save money. CV is willing to go through everything that is being done to save money with AC.

AC asked if the Headteacher had information that he had not brought to the Governors?

JF responded that Governors were working on a budget signed off in July produced by the previously SBM. After taking on the finances, JF has been looking at what was in that budget and it was that work that we went through today.

AC asked are you saying that the previous SBMs budget was incorrect?

JF responded that PP is a prediction. When the previous budget was done, the information was not available to the SBM. JF has used software for calculating salaries but there were inaccuracies that could be worked out.

AC asked where has this money been found? Was there a software issue?

JF responded that the previous SBM used a system of spreadsheets. We can go through the spreadsheets to look at where the differences are. The EFSA report commented on the accounting system used.

JF advised that the reports for the Trust are a different category to the report for the school.

ZI commented that at the last meeting we had taken the decision for a 1.5 form entry for school. Will the two Assistant Heads continue in class?

CV responded that yes, the two Assistant Heads will continue 2.5 days each in Year 3 class. The proposal for the Assistant Heads going into class was discussed at the FGB. If you are in a troubled situation and the funding authority has already told you what you need to do and you do something different that puts you into deficit, that would be looked at. CV remains profusely against a 1.5 form entry. With this saving, we can continue as we are, push academic standards and go forward in a positive light. We are in a good position to really push towards Outstanding. There is a three-year budget and this puts us on track for that without needing to make any cuts.

ZI asked are you going to reduce agency supply?

CV responded that there are no plans to spend money on agency but we cannot always predict this. If there is sickness, for example.

ZI asked are we going to spend more?

CV responded that there are no plans to spend.

ZI asked are we going to be conservative?

CV responded that we have to be careful. We are in a decent position; we are fully staffed, and vision and direction can be focussed on going forward. CV would like to meet with AC to look at the future direction.

ZI asked if there is a business plan with the new arrangement so that the same situation does not arise again?

CV responded that there is a three year budget which is a business plan. The School Improvement Plan will be brought to FGB. Self-Evaluation is now done as PowerPoint, which can be discussed with AC.

JF commented that the school has a budget and a School Improvement Plan. The budget should be a financial representation of the School Improvement Plan. These should work in tandem which would lay out how the school moves forward – the cost and what the actions are.

PP commented that donations of £10k from the Archbishop have been mentioned. £5k was previously reported and a further £5k, giving £10k in total.

Under donations, there is a figure of £15k; we have actually received £24k. In June, the PTA held a fundraising event and donated £1,419.

PP asked that when forecasting for the coming year, was that what we are forecasting?

JF responded that previously, the amount of donations was overestimated. This is now showing as 0 for donations but there is a positive balance. This figure always shows in the BMR, but only for the current year.

AM commented that in Column 1302 the figure is £36,500. In the last column the figure is zero. Three lines below (Column 1313) there is a figure of £10,997. Why is it not in the other column?

JF responded that in the previous BMR our budget was £15k forecasted donations. We are now looked at a report saying we are forecasting 0 but we have now received some donations.

JF informed Governors that when we get to June this academic year, we are forecasting the amount of expenditure and income for the coming year, that is the year ahead. In June the BMR will be reporting on this year and how well the school did. There are still some months to come and there are still predictions. During the Academic Year there is one budget and 12 BMRs. Historically, the school hasn't forecast off the BMR. It is a good exercise to link the budget more closely to the last year's 12 monthly BMRs.

AM asked what is the difference between school fundraising and donations?

JF responded that donations are money that is given to the school and fundraising is the money raised for the school.

AM asked where do you think the target of £36,500 for school fundraising will come from?

CV responded that it will be a stretch and we will all need to work together. This was discussed and signed by Governors in July.

AC expressed her concern regarding the figures presented, saying she has no trust or confidence in the figures and stated that she will ask for an external audit to be carried out urgently. AC asked for the report a number of days ago but only received it this evening.

JF responded that the figures presented in the report come 100% from the school's finance system and have been viewed by her Director at Schools Management Support who has written a report. The actual spend is what is showing on the school's system. Salaries is shown, entered onto the system and entered here. We carry out an analysis on the budget and look at payroll reports. Reconciliation is done month on month.

JF further commented that she has total faith in what the report shows and assured Governors that the figures are correct.

AP commented that looking at the Review of the October BMR, agency is 'high risk' but there is no budget. Do we have a figure of what supply spend is projected to be?

JF responded that we work with what you set in the budget.

AP replied that 0 was put in. How realistic is that?

CV responded that you cannot predict agency.

AP suggested that good accounting practice would be to look at the previous year.

CV replied that at a previous meeting there were difficult discussions around the budget that may lead to cuts. At that time discussions did take place about it being a very tight budget and we may require virements.

JF commented that according to her Director, agency is high risk. The starting point would be what you have spent previously. By listing agency as high risk, the Director has indicated that the school is extremely likely to spend on agency.

AP expressed his agreement with the Chair that an external audit should be undertaken.

AM raised the point that Governors have a validated report of what there is right now and we have been told that it is accurate as per the systems.

AC commented that she is not convinced about the figures.

AM stated that if we just look at the today and what it is telling us, it gives a positive picture. Do we want to interrogate how we got to those figures. If we challenge the rationale, that is separate but not to do with the figures presented to us. What do we need to do to make sure there is not a high risk. We have looked through forecast reports and the numbers match up. AM did not see what an auditor would tell us other than the figures match.

AP expressed his concern that we don't know where the £97k came from.

JF responded that she doesn't know what it is compared with to get £97k.

AM said that the auditor would not be able to do that. CV gave a figure of £97k as an overview of savings made and work done together to tidy things up to make everything more in line with the system. The report is just a summary. We need to go through the figures to see where we are and what is high risk.

When the budget was set, we projected an in-year deficit of £20k. We now have an in-year surplus of £28. The figure input from the last financial year was £100k. Now the audit has been completed, the money left over from the last financial year in the account is £168k.

AP commented that he was struggling to understand the position. Only a short time ago, we were presented with the suggestion that if we don't take drastic action there was the possibility of closure and now we are being told that we have surplus of £168k.

JF advised that there was a £100k c/f estimate last June. £66k had been found by the auditor, totaling £166k.

CV remarked that in the first year he was at the school, we came in £60k inside budget; last year we came in £20-30k inside budget. What JF has done is improve the predicted.

Governors asked how do we ensure future forecasting and how do we increase our confidence? Are we better at forecasting than we were before? When we need to forecast, how can we be more confident?

CV is working with JF with forecasting, putting risk of every issue which has given a lot of confidence. The system seems more prudent.

JF said there are some areas that might need to be moved around. The reports are by ledger code which is required by the auditors. Some figures need to be put into code centres not ledger code, so we need to be sure the figure is in the right place. Nonetheless, they are all in the report.

Where there is a figure in red on the last column, this shows an overspend. Some is committed and booked ahead, and it is known it is going to be spent. On staff training, we know why we are overspent and need to put more money in the budget line. This either comes from the bottom line or as virement moving from one line to another – that is the exercise we need to do.

ZI asked if there is a high risk to staffing, what is the plan? If we have to spend that kind of money, how can we save too?

JF replied that now they have this BMR, she and CV will go through line by line to review and revise the budgets.

AC recalled there being an issue with the boilers?

CV replied that the boilers are very old and one is working on and off.

AC asked would you be looking at getting a quote?

ZI asked if you will be applying for funding for a new boiler?

CV advised that the more funding you put in yourself, the more likely a CIF bid would be successful.

Wages include 5% pay increase. The pay increases are included in the figures projected here. When we looked at the original budget, it was not with the same staff as we have now. This needs to be reviewed and reset.

Regarding Pupil Premium, AP asked why this is showing as a debit?

JF replied that PP is paid in four quarterly instalments; because those four quarters span the financial year, there is a quarter in the old financial year and three quarters in the new financial year.

AP asked why the spend is showing as £16.3k?

JF responded that by year end in August that is an accrual. It is showing as a debit now but will be on budget at £88,640. This is due to the way the EFSA funds.

Under Premises (E13) E1202 shows -£900 under Building Improvements. It may be that figure should be in line E1200 Building Maintenance. This is the cost centre ledger code but all comes under building maintenance.

AP asked how much were the building costs? There is some spend – where is this showing?

JF replied that she would expect this to go in E1200 Building Maintenance.

PP referred to the £97k asking if that is the total saved this year, finishing at the end of the year or whether it is a predicted saving?

PP asked if he would be right to assume donations are a one-off?

JF responded that the change that has been made to the Admin structure will carry through and will have a reduced profile.

PP expressed his concern that when VY stops carrying out the additional duties that have given a saving, will this saving still exist?

CV responded that yes there will continue to be a saving. Previously there have been four members of the Admin team, one who was very highly paid. All are paid less.

PP asked whether the £35K for Assistant Heads will change in future?

CV replied that no, this will not change if we go forward with this model.

PP asked if that could change?

CV responded that depending on what the future plans are, there are a number of variations.

The only main variable is donations.

PP asked regarding the extra income for SEN, is this something that will continue or is it something that we were owed?

CV responded that we have changed our approach to ask for money.

AP commented that it is helpful to talk about projected budget balance on PP.

The overspend on teaching assistants will be different. Usually, an increment is based on a percentage depending on how much you earn but this increase is a flat figure of £2,225. Teaching staff is £22k under due to the profile having changed. This would have been an overspend if staffing within budget had not changed.

JF was asked how often she is in school and responded that she is there once a week.

JF was asked what is the SBM input. JF said that she and the SBM work side by side. The SBM inputs staffing on software under JFs supervision. JF generates the information. The SBM is learning how to do that and the long term would be for the SBM to be upskilled to do all of these roles without the need for supervision.

CV was asked if the £24k donations referred to in the Update to Finance Meeting were referring to all donations or to the £10k?

CV replied that everything on the report was given this year.

AM remarked that that in line 1302 it shows only £947 having been received. Does the Arch Diocese add in?

JF responded that figures will be moved rather than added. Looking at the bottom line of money coming in, £18k is where we are now, not where we expect to be at the end of the year.

	<p>Utilities are quite safe. We are locked into a contract. For this year we are ok. We will need to review this in the future.</p> <p>Governors were asked if they had any further comments but there were none.</p> <p>JF invited Governors to contact her directly if they had any further queries and provided her email address - jane.frith@smsmail.co.uk. JF left the meeting at 8.44 p.m. and was thanked for her time.</p>
<p>8.</p>	<p>HEADTEACHER’S REPORT</p> <p>The Headteacher’s Report had been circulated prior to the meeting and the following was highlighted:</p> <p>Staffing Structure: The Staffing Structure had been discussed earlier in the meeting.</p> <p>Bids: This will be brought to the Premises Committee regarding boilers.</p> <p>Fundraising: £5k has been donated by the Archbishop personally. The PTA continues to do events.</p> <p>Census: There were 367 children at the October census. This is when the Government counts the number of children in school and bases funding on that figure.</p> <p>Q : What is the actual number of children in school? A : There were 367 in October. We have lost some children and others have come in. The numbers do fluctuate.</p> <p>AP asked for the up-to-date number of children in school, how many children lost and how many joined.</p> <p>ACTION : CV to provide AP with the up-to-date number of children in school.</p> <p>Marketing: A number of open days have been held with more people than last year. When people do come in, our success rate is high converting to applications but there is still an issue with people coming in for tours.</p> <p>CV put suggestions to Trustees to improve marketing but they were not agreeable.</p> <p>Future/Current Projects: We are still waiting for the ground survey to be carried out.</p>

The new entrance hall is almost complete.

General:

The Auditors have been in, and the audit will be reported to the FGB in December.

CPD:

There is known overspending on CPD: when the budget is readjusted this will be taken into account. Phonics training caused the overspend. It was training that needed to be done and is going really well.

Q : Is that training ongoing?

A : Yes, but it has been paid for. There is no payment for ongoing training. This is reflected in the overspend in training.

It is good practice to undergo a safeguarding audit. An EFSA recommendation was to have more staff having safer recruitment training, CV will be going on a course. If we get advice from the LADO, we will look to take those courses.

CV has authorised some building spend. The Reception Class has no Wi-Fi or internet points. Having the points installed cost approximately £1k.

ZI asked if this has been budgeted? If not, the surplus of £2k is already reduced to £1k.

CV responded that it depended on when the invoice was paid and may already be in the budget.

There is a difference of approach from the previous SBM to the current one. Previously, money was kept in the budget and virements were used to keep the bottom line.

AB commented that if there are virements, we will be able to see them?

CV replied that, as Chair of the Finance Committee, AC will receive the figures monthly, and the figures we will be brought to each Finance meeting.

Further questions and comments were invited.

AP commented that previously the Headteacher's Report was much more detailed.

CV responded that he will include any details that are required, if Governors could let him know what information they would like to see. Last year focussed on restructure so more detail was necessary.

CV apologised for the lateness of the BMR. New systems have been put in place. The system has now been set up and reports will be produced monthly. According to the EFSA, the previous system required updating. There is a different approach from the previous SBM. The previous SBM was an accountant and used Excel, whereas JF uses

	<p>software. The way the previous SBM worked was not faulty or corrupt; when viewed by the auditors it was found to be satisfactory.</p> <p>AP said that he never said that the SBM was faulty or corrupt and that he was in no way making any accusations in any shape or form regarding the work of the previous SBM.</p>
9.	<p>ANY OTHER BUSINESS</p> <p>CV advised Governors that the IQM was circulated today. It is an external review by an inspector and is a good document to review.</p>
10.	<p>DATE OF NEXT MEETING</p> <p>The next meeting of the Finance Committee will be held on 15 March 2023.</p> <p>The meeting closed at 8.57 p.m. The Chair thanked all those attending for their time and contributions.</p>