

# Uttoxeter Learning Trust (ULT)

## Minutes of the Meeting of the Finance and Audit Committee held in a virtual setting on Tuesday 8 February, 2022 at 6.30 p.m.

**Present:** Mrs. Bennett (Vice-Chair), Dr. Clark (CEO), Mr. Harper, Mr. Slater

**In attendance:** Mr. Davies (Clerk to the Trust Board)  
Mr. Storer (CFO)

### 1 Welcome:

Trustees were welcomed to tonight's meeting by the Vice-Chair which had been moved from the original date of 26.01.22. All of the documentation required for tonight's meeting forum had been circulated by email along with a clear and purposeful agenda. There were a number of key strategic matters that were discussed which included a financial update supplied by Mr. Storer and some detailed considerations around Trust growth, both in terms of the expansion of the central team and the wider external context. Trustees had lots of opportunities to put forward challenge-based questions and to seek points of clarification in relation to the circulated materials.

The meeting was quorate.

### 2 Apologies:

There were no apologies on this occasion. All attendees were present at tonight's meeting.

### 3 Confidentiality:

Trustees were reminded that all discussions that take place at this meeting should remain confidential to the meeting.

### 4 Declarations of Interest:

Mr. Storer declared an interest in relation to the *matters arising* agenda item (i.e. Redundancy Scheme) and *Trust Growth* agenda item (i.e. Review of Central Team and Finance Team). Trustees noted these submitted declarations.

### 5 Minutes of the Previous Meeting:

**Resolved:** That the Minutes of the Finance and Audit Committee held on Wednesday 1 December, 2021 be approved as an accurate and true record, subject to the following minor amendment:

Minute 286 – Statutory Accounts – Trustees had instructed Mr. Thacker to amend the wording of paragraph 2 on page 32 of the annual report regardless of the fact the text was suggested from the ESFA. Trustees were expecting this text amendment to be made.

**Resolved:** That the Minutes, Agenda and all reports and other papers considered at the meeting be made available for inspection if required.

The Clerk will sign and date the ratified minutes on behalf of the Vice-Chair. This task is important to ensure the PA to the CEO can ensure there is an electronic copy of historical minutes, retained for future reference and audit purposes.

## 6 Matters Arising:

The CEO was invited to provide a brief verbal update of any matters arising from the December minute record. The following summary points can be noted:

### 1.1 – External Audit

It was confirmed that all actions in relation to the 2020-21 external audit have been completed. The CFO uploaded the audited financial statements, the auditor's management letter and the internal scrutiny annual summary report to the ESFA portal by 31.12.21. Steps have been taken to publish the accounts on the Trust's website by 31.01.22. Trustees were equally aware that the accounts must be filed with Companies House within nine months of the end of the accounting period (i.e. by 31.08.22). The CFO was thanked for all of the due diligence he has applied in this area.

### 1.2 – The Richard Clarke First School and Tom Thumb Nursery

Dr. Clark confirmed that the Trust has sought advice from its legal team about the break clause for the Tom Thumb Nursery. Having spelt out these break clauses from both the perspectives of landlord and tenant, Trustees instructed the CEO to investigate whether the Trust (the landlord) needed to insure itself against any perceived risk in this area.

**Resolved:** That the CEO follow up on this matter, liaising with the CFO as appropriate.

### 1.3 – Bramshall Meadows

Trustees had received the Funding Agreement for Bramshall Meadows First School in advance of tonight's meeting and were given the opportunity to feedback on this document.

**Trustee Challenge:** There was some challenge around the age-range that will be serviced by the School needing to be checked and a request that Section 4 (Land) be put in front of the Local Authority (LA) before the Funding Agreement is signed/ratified.

**Resolved:** That the CFO follow up on these requests before the Funding Agreement is submitted to the Trust Board for formal ratification.

### 1.4 – Service Level Agreements (SLAs)

There were a number of updates given in relation to current and future SLAs. These updates focused on the latest situation with regard to Asset Management Plans; PR and Marketing; School Health and Safety SLAs; School GDPR SLAs and the recruitment of two IT MSPs. It was also confirmed that the SLAs for HR and legal services will need to be revisited. Trustees could see from the CEO/CFO Report that had been circulated in advance of tonight's meeting more detail on these SLA arrangements and the direction of travel the Trust is taking in each of the listed areas.

At this point in the meeting, there was a wide ranging discussion around the quality of the current SLAs, particularly from the perspective of whether the Local Authority (LA) and other external providers are providing value for money with the various services they offer. Trustees are very aware that the ULT is ultimately accountable for any statutory requirements across its partner schools and therefore needs the SLAs that are in place to provide robust levels and of visibility and accountability. There was some disquiet that some of the SLA related inspections are being conducted remotely (increasing the chance of items being missed) and there have also been incidences where the Trust has needed to reach out to an external provider, only to find that it cannot provide the advice and guidance that is needed or argues that the request is not covered by the current SLA agreement. The implications of this last point have in recent times been quite costly for the ULT.

Later in the meeting, there was a discussion around expanding the capacity of the central team which will have knock on implications in this area. For now, Trustees were reassured

that as each SLA comes up for review, the necessary due diligence will be enacted to probe the future relationship and ask the difficult/challenging questions that need to be put forward at the outset before an agreement is entered into. There will also be further scrutiny of existing SLAs to make sure where underperformance is highlighted, the external provider is held to account for any improvements that are needed. Trustees did acknowledge this area is challenging for many schools, particularly as the power and reach of the LA is declining and other, less familiar providers are entering the market.

### **1.5 – Ryecroft C of E Middle School/Dove**

An update on the Ryecroft/Dove site was provided. Under the direction of the Interim Executive Headteacher, a number of premises-related issues have been resolved at no additional cost. There was also an update on the IT suite and Memorandum of Understanding (MoU) with two options shared with Trustees – 1) that a revised MoD is agreed that includes mention of the IT suite not being a shared area as one of the amendments and 2) a letter signed by both parties indicating an agreement has been reached that Ryecroft is paying Dove £14.5K towards IT equipment and Dove will no longer have access to the site.

Legal representation has been sought on this matter and Trustees were minded to follow the professional advice that has been given on the proviso that any next steps are appropriately audited for future reference.

**Resolved:** That the CFO take the necessary steps in relation to the two proposals that have been put forward.

It was also confirmed that the post of Headteacher has been re-advertised at Ryecroft C of E Middle School following the first round of recruitment not securing a successful appointment. The post of Deputy Headteacher will also be vacant from February half-term 2022 with the contingency measures that are being put in place shared with Trustees.

### **1.6 – All Saints Roof**

An update on the All Saints C of E First School roof repair was provided. It was confirmed the CIF bid has been resubmitted and an order has been sent to Entrust to action sourcing quotes for the other work. Next steps involve awaiting final costs and looking into a loan for the roof repair that will be based on £60K, repaid over 5 years at £12K per year. Trustees noted this information.

### **1.7 – Redundancy Scheme**

Taking account of the Redundancy Scheme, it was confirmed that a meeting date has been scheduled (29.03.22) between the JNCC, Karen Groom (Senior Insight HR advisor), CEO and CoT. Trustees will receive further updates in this area as and when further information needs to be shared.

## **7 Risk Register:**

The Risk Register for the ULT had been shared with Trustees in advance of tonight's meeting. The CEO was asked to pull out any key discussion points from this strategic document.

### **1.1 – Row 4 – MAT Development**

The CEO confirmed that the promotional pitch to prospective academy partners in Stone had gone well. Mrs. Hanson whose school has only recently converted to full academy status spoke with real passion about the early benefits of joining the ULT and the feedback received from the event has been really positive. With another Trust in direct competition with the ULT for this growth opportunity, it will be interesting to see what transpires.

**Trustee Challenge:** Trustees did briefly refer to the Associate Model and whether the on-boarding model that has been used for The Richard Clarke First School is viable in the mid to

long-term. Trustees would need to be convinced on this issue with further discussions clearly needed.

### **1.2 – Row 6 – Statutory Requirements**

It was reported that the Trust has employed a Cyber Incident Response (CIR) company to support an investigation around a recent cyber-security attack at Windsor Park. A full report will be received so important lessons can be taken on board from this challenging event. It was reported that the cost of the service is around £11K and its currently sitting centrally with additional costs possible from the MSP. Trustees were asked to determine what proportion of these costs should be charged to Windsor Park. There was an overwhelming feeling that the costs should come from the central fund, not only to give a strong message that an attack on a local school is an attack on the ULT and that there will be important lessons learnt coming out of the report that will benefit all schools.

**Resolved:** That the CFO act on this Trustee mandate.

### **1.3 – Row 8 – MAT Development**

The recent resignation of a Trustee and Board member was captured in the Risk Register. In terms of mitigation in this area, it was reported that the Trust has engaged with the NSN Academy Ambassadors Programme to recruit Trustees and opportunities have also been advertised in the Trust newsletter. Early indication suggests some possible candidates may be interested in the current vacancies with the CEO looking to follow up on these expressions of interest in the coming weeks/days. Trustees will be kept updated as to any progress that is made.

It was reported that steps are also being taken to recruit to the agreed leadership structure for Ryecroft C of E Middle School and Thomas Alleyne's High School for September 2022. Positive progress is being made in each of these areas.

Trustees welcomed the level of detail and due diligence that is applied to the Risk Register – a key strategic document for the ULT.

## **8 CFO Finance Report:**

The CFO was asked at this point in the meeting to pull out any key headlines from his ULT Finance Report. The following summary can be reported.

### **1.1 – Financial Update**

Trustees had received a financial update as at 31.12.21 which included a consolidated management report, consolidated trial balance and cash flow forecast.

Overall, the CFO reported that there are no points of concern to share in relation to the circulated financial information. The CFO confirmed he will continue to apply the necessary levels of due diligence and forensic analysis to the ULT finances with any variances in income/expenditure to be monitored in the usual way. Trustees were informed that after February half-term a meeting has been pencilled in to model certain financial scenarios given the rising costs in relation to particular areas of the Budget – a direction of travel that shows no sign of slowing in the short to mid-term. The CFO also added that some thought will be given to future investments that the ULT may want to make in relation to the ULT finances.

### **1.2 – CIF Bids**

An update on the latest position with regard to CIF bids was shared. The detail was provided in the CEO/CFO Report and Trustees noted the supplied information. This included details of work that is already underway from previously submitted successful bids, the status of appeals in relation to unsuccessful bids and the status of current bids with the contribution that will be made by each school.

The CFO noted that if the ULT does expand, access to CIF bids will no longer be an option with the Trust having to explore other avenues for capital investment.

### **1.3 – Outcomes of Audits**

The Trust is required to take account of any actions that have arisen from the outcomes of the last round of internal and external audits and to ensure any actions/recommendations are closed off before the next auditing cycle gets underway. Trustees were reassured of the actions the CFO has taken to date to move this area forward which have included liaising with a variety of key stakeholders, ensuring the necessary action and monitoring plans are put in place in relation to any feedback received and, finally, ensuring the two audits are being scheduled appropriately within the yearly cycle. Trustees were comfortable with the level of due diligence that is being exercised in this area.

### **1.4 – School Resource Management Self-Assessment Checklist**

The CFO confirmed that there is a requirement to present the School Resource Management Self-Assessment Checklist to the Trust Board on 10.02.22. as this Checklist needs to be submitted by 15.03.22 (the Trust Board does not meet again before this date).

Mr. Slater agreed that in the coming 24-48 hours he would meet with the CFO and CEO to review the provisional responses that have been drafted. This action will enable the Checklist to be ratified at the forthcoming Trust Board meeting. Trustees were more than happy to support this approach.

**Resolved:** That the CFO, CEO and Mr. Slater take account of this action in the next 24-48 hours.

## **9 Growth Strategy:**

### **1.1 – Review of Central Team and Finance Team**

At tonight's meeting, Trustees were presented with a series of proposals in relation to the central team and back office finance function. These proposals were laid out in a document entitled 'Review of Central Team and Finance Function – February 2022' which had been circulated in advance of the meeting and which contained the detail around each proposal. There were also various spreadsheets which included the associated costing information of implementing either proposal.

**Trustee Challenge:** Trustees shared a variety of views around the information that had been received. There was an agreement that the capacity of the central team did need to increase (particularly as the ULT grows and takes on more schools); there was some consideration given to the functions that could move centrally and possible implications of taking this action on the top slice contribution from schools; there was an acknowledgement that some of the SLAs at a local level are simply not fit for purpose and do not give the Trust the reassurances they need as an employer with the associated accountabilities that exist; there was an acceptance that when it comes to some functions there is already talent and expertise that already exists at a local level and could be harnessed in a more effective way and, finally, there was a feeling that the Trust should look to take a phased approach to any restructure of the central team with a need to focus on the most pressing area first. As an additional consideration, it was felt that any reshaping of the central team should be attractive to prospective suitors who want to join the ULT and that there needs to be a commercial angle to any posts that are recruited to.

Trustees felt that the area that required the greatest attention at the present time is health and safety/premises. There is evidence to suggest that the local offer is simply not fit for purpose with there needing to be a central post that can take full responsibility for a wide range of strategic duties including project managing the Trust in all new school design and build construction programmes; maintaining an overview of funding each year to help maintain and

improve the condition of school buildings and grounds and to lead in health, safety and environmental policy and procedures across the Trust to name but a few examples. This additional capacity would enable the CFO and CEO to focus on their own strategic functions and accountabilities and would ensure the ULT was more in control of its statutory responsibilities when managing premises/health and safety considerations at a local level. Other areas such as the compliance role are not off the table but Trustees wanted to focus on the health and safety/premises angle as the first priority area.

**Resolved:** That Trustees request that the CFO/CEO focus on the Health and Safety and Premises Officer Role and finalise the costing model for taking this area forward. This costing model will need to be presented to the Trust Board for formal ratification.

## 1.2 – Presentation to Stone Schools

The presentation to Stone schools and thoughts around associate membership have already been referenced in the course of these minutes. There was some further discussion around the optimum size of MATs and some positive commentary around the angle Mrs. Hanson had taken during the promotional pitch which had found some favour with attendees – i.e. ‘we as a school were apprehensive about the change but it was more than OK.’ The fact there was a large amount of synergy between the Stone schools and schools within the ULT was also noted.

## 10 Safeguarding:

There were no specific Safeguarding updates provided at this point in the meeting.

## 11 Policies:

A series of policies had been shared with Trustees in advance of tonight’s meeting. They included:

| Policy                          | Change                            |
|---------------------------------|-----------------------------------|
| Financial Policy and Procedures | Procurement thresholds – appendix |
| Gifts and Hospitality           | NA                                |
| Investments                     | NA                                |
| Procurement and Tendering       | Procurement thresholds – appendix |

**Resolved:** That all changes be noted and approved by Trustees. These policies will now be forwarded to the Trust Board for formal ratification.

**Resolved:** That the CEO take account of this action.

A decision was taken to await further national guidance around indexation in the Teachers’ Pension Scheme. This information will need to be presented again at a future meeting once the latest guidance is available.

**Resolved:** That the CFO take account of this action.

## 12 Any Other Business:

There was one item of additional business that was raised at this point in the meeting.

**Trustee Challenge:** Trustees challenged over the reserve contribution (2-5%) that is listed in the ULT Reserves and Charging Policy and the timeframe for when schools should be looking to make the full 5% contribution.

The CEO confirmed the Finance and Audit Committee sets out expectations in this area with it having been previously agreed that schools should be looking to move to a 5% contribution over a period of time based on sound financial management and healthy year on year financial reserves. As discussed, this contribution will become increasingly more important if the central team is to be expanded in the coming years.

**13 Confidentiality:**

Trustees were asked to identify if there were any items/materials which needed to be excluded from any Agenda, Minutes, reports or other papers discussed at the meeting which would normally be made available for inspection following the meeting.

Trustees were also asked to identify any items included on the Agenda which require recording in a Confidential Appendix to the Minutes.

**Resolved:** That it be identified that no item needed to be recorded in a Confidential Appendix to the Minutes.

There were no items/materials identified for exclusion.

**14 Dates and Times of Future Meetings:**

The date of the next meeting was confirmed as Thursday 24 March, 2022 at 5.30 p.m. It will be confirmed nearer the time whether this meeting forum will take place in a virtual or face to face setting.

All that was left to do was for the Vice-Chair to thank all Trustees for their attendance and contributions to tonight's meeting,

The meeting was brought to a close.

Mrs. Bennett  
PP. P. Davies – Clerk

24.03.22

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**Chair**

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**Date**

## Uttoxeter Learning Trust (ULT)

**Minutes of the Meeting of the Finance and Audit Committee held in a virtual setting  
on Tuesday 8 February, 2022 at 6.30 p.m.**

### Action Matrix

| Minute | Owner              | Action Required   | Action Update |
|--------|--------------------|---|---------------|
| 5      | Clerk              | Make December minutes available for inspection.                                       |               |
| 5      | Clerk              | Sign and date ratified minutes on behalf of Vice-Chair.                               |               |
| 6      | CEO                | Follow up on discussion around break clauses in relation to Tom Thumb Nursery.        |               |
| 6      | CFO                | Follow up on requests in relation to Funding Agreement.                               |               |
| 6      | CFO                | Take necessary actions in relation to Ryecroft/Dove proposal.                         |               |
| 7      | CFO                | Act on Trustees mandate in relation to costs relating to cyber-security incident.     |               |
| 8      | CFO/CEO/Mr. Salter | Meet to review Self-Assessment Checklist.   |               |
| 9      | CFO/CEO            | Act on Trustee feedback in relation to growth of central team.                        |               |
| 11     | CEO/Clerk          | Forward approved policies to Trust Board.   |               |
| 11     | CFO                | Present update around indexation in the Teachers' Pension Scheme at a future meeting. |               |

**Date of next meeting:** Thursday 24 March, 2022 at 5.30 p.m.