

# Uttoxeter Learning Trust (ULT)

## Minutes of the Meeting of the Finance and Audit Committee held in a virtual setting on Thursday 23 June, 2022 at 5.30 p.m.

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

**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 on this occasion took place via 'Teams'. Documentation had been circulated in advance of the meeting along with a clear and purposeful agenda. The main areas of discussion at tonight's meeting included the ratification of the previous set of minutes; an overview of the ULT finances; strategic factors impacting on Trust growth and policy approval. Trustees had the usual opportunities to raise questions and to seek points of clarification in relation to the pre-circulated documentation.

There was a point in the meeting when the meeting was not quorate (Mr. Haswell having to give his leave of absence from the meeting). From this point onwards (referenced in these minutes) any decisions that were needed were forwarded to the Trust Board for further consideration.

### 2 Apologies:

**Resolved:** That an apology for absence be received and accepted from Mr. Harper.

### 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 the following interest in respect of the following items on tonight's agenda:

- Redundancy Scheme
- Review of Central Team and Finance Team.

### 5 Minutes of the Previous Meeting:

**Resolved:** That the Minutes of the Finance and Audit Committee held on Wednesday 11 May, 2022 be approved as an accurate and true record.

**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:**

There were a number of matters arising that were addressed in relation to the May minutes. The following updates can be reported:

### **1.1 – Bramshall Meadows First School**

Trustees were given the latest information in relation not the new School which included current applications for September 2022; confirmation that the School is now fully staffed; the status of the handover of the building which is scheduled for 27 June; confirmation that RPA insurance is in place and the lease has been received to sign; an acknowledgement that an Ofsted pre-registration visit was completed on 25 May and, finally, that the Articles of Association have been filed with Companies House and are now available on the Trust website. It was confirmed that a number of Trustees have visited the new School with an official opening ceremony planned for the Autumn Term. Trustees thanked everybody who has worked on this project to get the new School up and running from September. It is good to see another school being added to the ULT family and the benefits it will deliver to the local community.

### **1.2 – Ryecroft/Dove Site**

Trustees were informed that the ULT is soon to arrive at a position where it can secure the sole use of the IT suite by Ryecroft CE Middle School. The Memorandum of Understanding (MoU) has been refreshed and a revised version is being agreed. It was also confirmed that an MSP from SUAT is working with the ULT's Network Manager to provide an optional appraisal in relation to splitting IT provision between the schools.

The involvement of Trustees on the recruitment panel to appoint a Deputy Headteacher at Ryecroft from September, 2022 was also noted.

### **1.3 – All Saints Roof**

It was confirmed that the CIF Bid was unsuccessful and is being appealed. The CFO confirmed that a surveyor has been on site with the final costings for the schedule of work set to come through shortly. It will be interesting to see what the final Budget implications will be given the original estimate of the work was expected to be the £60K repaid over five years at £12K per year. The CFO will update Trustees as and when the final position is known on this issue.

### **1.4 – Redundancy Scheme**

The latest position in relation to the revised offer was shared with Trustees. This included the number of employees that have currently rejected the offer and what next steps the ULT will take in an attempt to reach a formal agreement. Trustees are likely to receive a further update at the next Trust Board as to how this matter has been progressed. The CEO added that a date for consultation has been agreed with The Richard Clarke First School.

### **1.5 – Internal Audit**

The CFO informed Trustees where the ULT was at in terms of implementing a robust internal audit across the family of schools; the meetings that have taken place with Headteachers and their Chair of Governors to review any outstanding actions as a result of the previous internal audit and, finally, how this internal audit will inform/feed into the external audit which is scheduled for later in the year. Trustees noted these updates.

### **1.6 – SLAs**

An update on SLAs was provided including anticipated dates for completion as a number of agreements require renewing. The CFO confirmed that in relation to the Trust's on-going engagement with 'Surveyors for Education,' all asset management plans (AMPs) have now been drafted with a meeting to review key findings having taken place only today. The CFO

informed Trustees as to what next steps are planned in relation to the surveys to ensure any areas of concern are being addressed.

### **1.7 – CIF Bids**

The CFO provided Trustees with a general update around CIF bids. This included any bids that are being appealed; next steps that are being taken in relation to successful bids; those bids that are being considered for resubmission in 2023 and, finally, that all schools have been informed that any CIF bids and/or loan applications for 2022-23 need to be submitted by the end of Autumn Term 1 to be approved at the subsequent Finance and Audit Committee in Autumn Term 2. It was also confirmed that the Trust will be moving away from Entrust to an alternative provider in terms of any external support that will be provided around future CIF bids and the associated evidence/narrative that will be needed. Trustees felt a fresh pair of eyes on future CIF Bids was a very logical step to take.

### **1.8 – Pupil Number Predictions**

Trustees received a series of documents which projected pupil numbers for the coming years in the Uttoxeter area. This data included the number of pupils on roll in January 2022; the latest birth rate for the 2025-26 intake and the latest housing information as provided by East Staffordshire Borough Council (ESBC) and Staffordshire Moorlands.

Whilst Trustees were looking at raw data, the information is useful to the ULT from a number of perspectives. It allows those with budget accountability to forecast the number of pupils coming through the system which is crucial for the financial bottom line and the budget planning process. The data also enables the Trust to determine where any extra input is needed around PR/Marketing activities if a school looks like it will come under PAN in a particular year group. As time was short at tonight's meeting, it was agreed that the CEO/CFO would discuss the implications of this data set in more detail and determine what directional steer needs to be given to Headteachers at a local level where potential issues with low pupil numbers are being forecast.

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

## **7 Risk Register:**

The latest version of the ULT Risk Register was shared with Trustees. This Register is considered as a standing item at every meeting with a significant amount of due diligence applied to this strategic document.

**Trustee Challenge:** Trustees enquired as to where LGBs have got to in terms of compiling a Risk Register at a local level to account for local risks and the mitigation that has been put in place.

The CEO confirmed that Headteachers have received the necessary training in this area with the focus needing to ramp up from the start of the new academic term. Trustees were reassured that the Risk Register will appear as a standing item at every LGB meeting and that minutes will capture the necessary challenge in relation to this important document. This will in turn allow the Headteachers and the CEO to engage in useful discussions around the levels of local risk; what mitigation is being applied and escalate matters to Trustees if a particular trend or strategic concern needs to be brought to their attention.

## **8 Financial Update:**

This was the point in the meeting where the CFO provided Trustees with a number of key financial updates. The documentation that was shared included a Cashflow Report as at 15.06.22; a Consolidation Trial Balance as at 15.06.22 and a Draft Consolidated 2022-27 Budget as at 15.06.22.

The financial analysis that was shared with Trustees included both a focus on the ULT Budget and the Budgets of individual schools. Trustees could clearly see where any surplus/deficit positions were being forecast within the financial information that was shared.

Specifically:

### 1.1

It was confirmed that the CEO and CFO had met with Headteachers to discuss the projected out-turn until 31 August and back office/central services for September 2022. The discussions around the current financial year have proven to be extremely productive as they have allowed the CEO/CFO to gather intelligence around some of the financial challenges that are/will be felt a local level which will influence any on-going financial planning that is taking place.

### 1.2

Trustees were informed that the increase in the top slice from January 2023 has been accounted for within the supplied budgetary information along with the associated costs that will take effect from changes to the central team and back office function – i.e. increasing the post of CFO from 0.6 to 1.0; appointing a post to support First School finance functions; appointing a full-time post with a premises/facilities and health and safety operating remit and, finally, increasing the post of PA to the CEO from one day to two days a week. Trustees are aware of this direction of travel and the budgetary information has been amended to reflect these changes.

### 1.3

It was confirmed that the inflationary rises around energy prices have been incorporated within the local Budgets. The CFO has taken a steer from The Association of School and College Leaders (ASCL) on this issue.

### 1.4

It is noted for the minute record that the CEO, CFO and Chair of the Trust Board had met with the Headteacher of one of the ULT schools to revisit the 5 Year Budget Modeller in lieu of a significant deficit position that was being forecast. Trustees were informed at tonight's meeting that the budgetary figures and assumptions had been revisited with a revised Budget presented at tonight's meeting.

### 1.5

Trustees were informed that the budgetary information shared with them at tonight's meeting represented a worse-case scenario. It was confirmed that the various budgets do not take account of economies of scale that could be achieved in future; the potential expansion of the ULT; additional income streams that might come into the Budgets and movements that might take place around staffing and potential cost savings, for example. The Budgets that were shared represent a point in time with the necessary scrutiny to be applied in the future around key variances in income/expenditure and any financial mitigation that may be required.

### 1.6

Some time was spent providing a brief verbal overview of each local Budget and the key financial drivers that are at play when it comes to financial planning and the Budget setting process. It was reported that some engagement has already taken place between Headteachers and the CEO/CFO where a deficit position is being forecast in the future.

**Trustee Challenge:** Whilst it is reasonable to conclude that the contextual factors affecting individual schools are subtly different, Trustees were keen to see not only challenge being exercised at a local level around budgets and their on-going health/maintenance but also that where a particular concern is noted by Trustees, representatives from a ULT school are

invited to this committee forum to share how they propose to turn the deficit position that is being reported around in subsequent years. This discussion might focus on pupil numbers; PR and marketing activities; staffing levels; expansion and enrichment opportunities, etc. The point is that these strategic presentations would ensure at a local level the necessary thinking and due diligence is going into possible actions that could be taken to rectify any deficit position in the first instance. This engagement model is in the mutual interest of both parties as it would enable Trustees to offer collaborative support as and when required but the accountability and ownership of any issue would still remain at a local level.

**Resolved:** That the CEO/CFO give some thought as to which schools might be invited to a future meeting to discuss their Budget and the path they will be looking to take to future profitability.

#### **1.7**

The CFO confirmed with Trustees that he was required to submit a 3 Year Budget Forecast Return by 26.07.22 (i.e. in a few days time). Trustees were therefore asked to formally ratify the shared budgetary proposal at tonight's meeting with this ratification process to be captured in the Trust Board minutes when they are produced.

**Resolved:** That Trustees formally ratify the Budget proposal that was shared with them at tonight's meeting. The CFO can now complete and submit the Budget Forecast Return by the required deadline.

#### **1.8**

It was at this point that Mr. Haswell gave his leave of absence from the meeting.

### **THE MEETING WAS NO LONGER QUORATE**

#### **1.9**

As Trustees could no longer make ratified decisions, the financial discussions at this point focused on pupil numbers and how a significant/sustained difference could be made in this area. There was also some general observations made around bank deposits and how better rates of interest could be secured.

**Resolved:** That the CFO be thanked for his informative and detailed update. If Trustees have any further questions in relation to the academy finances, they can always contact the CFO outside of tonight's meeting.

### **9 Trust Growth:**

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

It was agreed that this agenda item would be deferred to the end of tonight's meeting, at which point the CFO would not be present.

#### **1.2 - Stone Schools**

The CEO shared a further update as to how discussions with Stone schools to join the ULT are progressing. Following an initial presentation having been made to eight schools in Stone by the Trust leadership, three schools have now requested further presentations which are underway and will be completed by the end of June. At this point, the CEO will be clearer as to any future direction of travel that can be taken around possible membership of the ULT. There was a discussion at this point around the top slice and the steps the Trust could take to introduce a sliding scale for any new member. There will also be the need to articulate very clearly what schools receive when making this financial contribution to the Central Team – a consideration that applies across all schools.

For now, Trustees look forward to hearing about the outcome from the latest round of

presentations and thanked everybody involved for their work to date in promoting the values and growing reputation of the ULT.

#### **10 Policies:**

A series of policies had been shared with Trustees for formal approval at tonight's meeting. These included:

- Indexation in the Teachers' Pension Scheme
- ULT Risk Management Policy
- ULT Whistleblowing Policy
- ULT Health and Safety Policy.

The CEO confirmed that the Trust had sought further guidance in relation to the indexation of the final salary section of the Teachers' Pension Scheme from both the HR provider and Local Authority (LA). A steer has now been provided by the LA for Trustees to consider with a decision on next steps needing to be made by 31 August.

The CEO confirmed any changes to other policies have been indicated in red text with Mr. Pearce thanked for the detailed feedback that he had shared in relation to the ULT Whistleblowing Policy.

As the meeting was not quorate, the ratification of the listed policies will now be completed at the forthcoming Trust Board meeting in early July.

#### **11 Any Other Business:**

There was one additional item of business – *see Confidential Appendix*.

#### **12 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.

The following item needed to be recorded in a Confidential Appendix to the Minutes:

- Minute 11.

There were no items/materials identified for exclusion.

#### **13 Dates and Times of Future Meetings:**

The meeting schedule for 2022-23 has already been confirmed.

The next meeting of the Finance and Audit Committee will take place on Wednesday 5 October, 2022 at 5.30 p.m.

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.

PP. P. Davies

05.10.22

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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 Thursday 23 June, 2022 at 5.30 p.m.**

### Action Matrix

Minute	Owner	Action Required	Action Update
5	CEO	Make May minutes available as a public record if required.	
5	Clerk	Sign May minutes on behalf of Chair.	
6	CEO/CFO	Determine how to present some of the pupil number projections with Headteachers including any next steps required.	
8	CEO/CFO	Determine which schools need to be invited to a future committee meeting to discuss local Budget.	
8	CFO	Complete Budget Forecast Return by specified date.	
		NOT QUORATE FROM THIS POINT	
10	CEO	Ensure policies are presented at Trust Board for formal ratification.	

**Date of next meeting:** Wednesday 5 October, 2022 at 5.30 p.m.