

**Uttoxeter Learning Trust
Finance & Audit Committee**

Minutes of a meeting of the Finance & Audit Committee held remotely (via Microsoft teams) on Wednesday, 24 March 2021 at 5.30pm.

Present:

Mrs V Bennett (in the chair), Mr S Harper, Mr S Slater, Mr L Trigg – Trustees

Dr S Clark – Chief Executive Officer (CEO)

Mr A Storer – Chief Finance Officer (CFO)

Mr R Sheldon – Clerk to the ULT

Apology:

An apology for late arrival was received from Mr Trigg, committee chair. It was agreed that Mrs Bennett would stay in the chair for the remainder of the meeting.

240. Declarations of Interest:

There were no declarations of interest from trustees relevant to agenda items. Mr Storer, chief finance officer, declared an interest in advance of discussions relating to central services. (See Minute 242).

241. Minutes:

Minutes of a meeting of the Finance and Audit committee held on 3 February 2021 had been previously circulated and taken as read.

It was resolved –

That the minutes be received and approved.

242. Matters Arising:

a) Trust Capacity Fund (Minute 231(c) refers)

The CEO reported that unfortunately the bid had been unsuccessful. Feedback had been given from the RSC regarding this and would be taken into account when preparing a bid for the next round of Trust Capacity funding.

b) New School (Minute 231(d) refers)

The CEO was pleased to report that planning work for the build of the new school continued and that the required S10 consultation would shortly commence. Work on the site was hoped to commence in May 2021 with completion of the build expected around April 2022.

c) Richard Clarke First School (Minute 231(e) refers)

The CEO reported that due to a number of issues around ownership of the land, the date for Richard Clarke First School to formally join the Trust had been put back to 1 May 2021. The CEO was pleased to further report that approval had been given for Tom Thumb Nursery to be included with the school.

d) Review of IT (Minute 212(e) refers)

The CEO reported a number of business cases had been considered for the IT review and, as approved at the recent meeting of the Trust Board, the preferred option was a move to a hybrid solution which would blend the personal commitment of key Trust employees with the wider resources and expertise of a Managed Service Provider (MSP). Discussions were taking place with MSPs (Concerto and Staffs. IT) with the IT support manager and the chief finance officer. Consideration was being given to the costs of setting up such an IT support system and the best deal possible would be negotiated to help keep costs down. It was likely that schools in the future would only have to pay for the support they needed. The CEO further reported that there were issues to resolve for Ryecroft Middle due to the shared site with Dove First School and discussions taking place with Staffordshire University Academy Trust (SUAT) to find an appropriate solution.

The CEO further reported that arrangements would shortly be made to commence the tendering process with a view to the new system being in place for the start of the new school year in September 2021. Discussion followed and the CEO was requested to ensure that a financial business case was put in place to help trustees have the necessary information to help them make an informed decision. The CEO confirmed that a financial business case was to be presented to at next week's meeting of the Trust Board.

e) Central Services (Minute 233 refers)

The CEO reported that she had recently attended an on-line benchmarking training course which had been particularly useful in helping to benchmark the funding for central services available to schools. Copies of the training material had been made available in Office 365 for access by trustees.

The CEO further reported that consideration was currently being given to how central services could be developed in the future, with particular opportunities for finance and health and safety related support. A review of finance would be undertaken following completion of the IT review. Support would be given by Insight HR for any new staffing structures to be put in place.

Discussion followed and trustees recognised the importance of developing central support for school health and safety matters, including in particular asset management. The CFO further reported that all schools currently had a service level agreement in place with Entrust to support staff responsible for risk assessments but a central role would better support ULT monitoring of school buildings and assets.

It was resolved –

- i) That a review of health and safety support be seen as a priority.
- ii) That the CFO be requested to prepare an updated budget report for current central services, to also include financial implications for any possible change.

243. ULT Finance Report:

The CFO presented reports on the following ULT and school finance matters:

a) CIF Bids

The CEO referred to the possible implications for the future condition of school buildings should specific school CIF bids be unsuccessful. The CEO also referred to the financial implication for schools in having to fund 10% of the cost of any successful bid and reminded the committee that the Trust Board had previously given approval for a school to apply for a loan from ULT should it be necessary. A request made to Lichfield Diocese to support the 10% funding for church schools had not been approved.

Discussion followed with particular reference to the level of school reserves and the possible difficulties for some schools to pay the required 10% for a successful CIF bid. The implications of CIF bids proving unsuccessful was also recognised given the likely future need to improve the condition of school buildings. The CEO confirmed that CIF bids were currently prepared by individual schools but, to ensure that future bids were submitted based on the Trust's highest priorities, the development of an overall asset management plan to include a rolling programme for school improvement projects would be beneficial. The appointment of a premises manager, funded through ULT central services, would be essential in moving forward on such a basis.

It was resolved –

That, as part of the review of central services, consideration be given to recruiting a premises manager to support schools across the Trust, and to be responsibility for the Trust's assessment management plan.

b) Internal Audit – School Action Plans

As previously reported, internal school audits had been completed and copies of action plans to address any issues raised had been previously circulated. The CFO was pleased to report that there had been an improvement on previous audit outcomes. The CFO also confirmed that some of the issues identified were the same as those identified following the external audit of the ULT, particularly relating to school policies and purchasing orders and invoices, and that the necessary improvements had been made. Concerns had also been raised regarding the use of school business cards for some purchases.

It was resolved –

- i) That the school internal audit action plans be received and noted.
- ii) That the CFO be requested to raise with schools regarding the use of business cards to ensure that correct procedures were followed.

c) School Budgets

Details of the 2021/22 GAG Statements for all schools, together with a breakdown of how they compared with the income projections discussed with trustees when approving the 3-year budget model, had been previously circulated. The CFO further outlined some of the key differences in student numbers across ULT schools and confirmed that this had resulted in increased funding of around £20K. The CFO further reported that he was shortly to meet with school finance officers to look at budgets and trustees' views were sought on the level of in-year balances to be set. The CFO confirmed that a 2% figure had been set when determining the ULT budget but that some of the schools were struggling to meet this expectation. Full discussion followed and the importance of determining some consistency around the level of reserves generated in-year by schools was recognised. Consideration was given to confirming a figure for the current

school year or schools being asked to reach an agreed level of funding set-aside for reserves over a rolling 3-year period.

It was resolved –

- i) That the GAG statements be received and noted but that the CFO be requested to check the anticipated additional funding of £20K as trustees felt that it didn't match the increase in student numbers.
 - ii) That the CFO be requested to advise schools that a contribution to reserves of 2% should be included within this year's budget and that the Trust Board should be informed if a school envisaged this as a problem.
- d) School Resource Management Self-Assessment
The CFO reported that this document was currently being completed and would be shared with trustees before being submitted to the ESFA.
- e) Gender Pay Gap
The CFO reported that a completed gender pay gap report had to be submitted by October. The report was currently being updated and would be shared with trustees before being submitted.

244. Oldfields Hall Middle School – Proposed Sports Hall and Teaching Block:

The CEO reported that this matter had also been discussed at the recent meeting of the Education committee and that Mr Gliddon, headteacher of Oldfields Hall Middle School, had attended to inform committee members of proposals to build a sports hall and teaching block at his school. The additional teaching accommodation would provide the equivalent of 1FE places and documents relating to the proposal had been previously circulated. If approval was given for this project it would be jointly funded by the local authority and S106 monies, with work completed by the end of 2022. In discussing this matter, the CEO reported that the Education committee had recognised the benefits of this project for Oldfields Hall Middle School but that the committee was also mindful of the possible impact on numbers at Windsor Park Middle School. Similar concerns had also been expressed by school governors. The chair of the Trust Board further reported that the project for a sports hall and teaching block would be of benefit to the ULT to help meet future demand for places due to planned housing developments but made it clear that no work would commence without the approval of the Trust Board. Discussions with the local authority continued and the possibility of having shared ownership for the sports hall (between Oldfields Hall and Windsor Park) was to be explored, together with a staggered increase in the planned admission number for Oldfields Hall Middle School.

It was resolved –

That the Finance and Audit committee recognises the benefits of the proposal for a sports hall and teaching block at Oldfields Hall Middle School and that discussions continue with the local authority as outlined before a final decision was taken.

245. Covid-19 – Financial Implications for Schools and the ULT:

The CFO reported that, as previously discussed, various Government grants were available to financially support schools due to increased expenditure arising from the impact of Covid-19. The additional expenditure for schools across the ULT was currently around £173K.

Some of the additional expenditure would be met by schools due to changes in expenditure patterns during this period and, where possible, claims would be submitted for financial support from the Government grants. The closing dates for bids was 31 March 2021 and again, as previously discussed, the CFO confirmed that the combined level of school reserves had to be below 4% for eligibility to claim. The ULT combined level of reserves was currently around 12% so would be ineligible to claim.

The CFO further reported that grants were available to support those schools operating as LAT testing centres. The level of support funding available was currently unknown but claims would be submitted on behalf of ULT schools.

It was resolved –

That the financial implications of Covid-19 on ULT schools be noted and that trustees support the CFO in submitting claims as appropriate.

246. Trust Capacity Framework:

The CEO reminded committee members that this matter had been discussed at the recent meeting of the Trust Board and that it was agreed that the Trust Capacity Framework would be completed as appropriate by trustees. This would support the Trust-to-Trust Development Programme in which the ULT had been paired with the Ark Multi-Academy Trust. A copy of the framework had been previously circulated to trustees and the CEO thanked those trustees who had already completed and returned the form.

The CEO further reported that the framework had also been shared with headteachers and they were working in their school tiers to complete the form as appropriate. Consideration was also being given to headteachers, chairs of governors and link trustees working together to respond to the framework. Once completed all responses would be collated and shared with the CEO to help identify next steps.

It was resolved –

That the update on the Trust Capacity Framework be noted.

247. Safeguarding:

The CEO reported that there had been a recent incident at Thomas Alleyne's High School regarding a Y11 student but that safeguarding procedures had been followed and the matter resolved in the interests of all concerned.

It was resolved –

That the CEO be thanked for bringing this matter to the attention of trustees.

248. Risk Register:

A copy of the updated risk register had been previously circulated and the CEO reported that it had been updated to include risks associated with approved CIF bids and school affordability to pay the required 10% contribution and the role of the Teaching School when funding discontinued at the end of the school year. The CEO reported that the headteacher was exploring the possibility of Thomas Alleyne's joining a Teaching School Hub as a partner school.

It was resolved –

- i) That the updated risk register be received and noted.
- ii) That the CEO be requested to ask the headteacher to prepare an options appraisal for the future role of the Teaching School to be considered by the Finance and Audit committee.

249. Policy Approval:

The following policies had been previously circulated for trustees to review and approve.

a) ULT Gifts and Hospitality Policy

The CFO reported that no changes were necessary.

It was resolved –

That the ULT Gifts and Hospitality policy be approved as presented.

b) ULT Investments Policy

The CFO reported that no changes were necessary.

It was resolved –

That the ULT Investments policy be approved as presented.

c) ULT Procurement and Tendering Policy

The CFO reported that a number of changes had been made to the policy to reflect change of EU membership. Discussion followed and trustees also felt that there was a need for greater clarity around which committee (ULT Audit and Finance or local governing body) in preparing formal tenders.

It was resolved –

That the CFO be requested to further update the policy as discussed and that it be re-submitted for formal approval at the next meeting.

d) Scheme of Financial Delegation

The CEO reported that the ULT Financial Policy and Procedures manual had been recently approved and the scheme of financial delegation, included as an appendix within the manual, had also been updated. Discussion followed and reference also made to the need to change the scheme as necessary to reflect changes to EU membership.

It was resolved –

That the Scheme of Financial Delegation, as included in the Financial Policy and Procedures manual be approved, subject to the changes outlined above.

e) ULT Reserves and Charging Policy

The CEO reported that a number of changes had been made to this policy. Discussion followed and Mr Trigg outlined a number of other changes that should be made to the policy before it could be approved.

It was resolved –

That the CEO be requested to update the policy, in consultation with Mr Trigg, and that it be re-submitted for approval at the next meeting.

250. Other Business:

Training Course

Having just considered a number of ULT finance related policies, trustees expressed an interest in a training course being arranged for them to help given them a better understanding of ULT funding mechanisms and their role in overseeing finances. The CEO agreed to discuss this with the Teaching School and for an appropriate training course to be put together.

251. Date of Next Meeting:

As previously agreed, the next meeting of the Finance Committee was to be held on Wednesday, 5 May 2021 at 5.30pm. The meeting would again be held remotely.

L. Trigg
Signed.....

5 May 2021
Date.....