

**Uttoxeter Learning Trust
Finance & Audit Committee**

Minutes of a meeting of the Finance & Audit Committee held remotely (via Office 365 teams) on Wednesday, 6 May 2020 at 4.30pm.

Present:

Mr L Trigg (chair), Mr S Slater – Trustees

Dr S Clark – Chief Executive Officer (CEO)

Mr A Storer – Chief Finance Officer (CFO)

Mr R Sheldon – Clerk to the ULT

185. Apologies:

Apologies for absence were received from Mrs V Bennett and Mr S Harper.

186. Meeting Quorum:

Due to the absence of two trustees the meeting was not quorate. It was agreed, however, to continue the meeting on an informal basis and that any matter requiring a decision would be deferred until the next meeting.

187. Declaration of Interest:

There were no declarations of interest relevant to agenda items.

188. Minutes:

Minutes of a meeting of the Finance committee held on 25 March 2020 had been previously circulated and taken as read.

It was agreed –

That the minutes be received and approved.

189. Matters Arising:

a) Richard Clarke First School (Minute 175 refers)

The CEO reported that the application for Richard Clarke First School to join the ULT had been submitted to the RSC and it was hoped to complete the registration for January 2021. The governing body would undertake the necessary consultation with parents, staff and other stakeholders in September.

b) Free School (Minute 175 refers)

The CEO reported that the project board had met earlier that afternoon and it had been suggested that trustees consider moving the opening date back to September 2022, rather than September 2021 as originally planned. This suggestion had been made due to the pause in the build of new housing. The CEO further reported that she would discuss with the DfE the implications of a later opening date.

It was agreed –

That the update on the free school be noted and that the matter be discussed further at the next meeting of the trust board.

c) PR & Marketing Strategy (Minute 177 refers)

The CEO reported that discussions with Sero continued with a view to identifying appropriate strategies for the PR and marketing of the ULT and the CFO will arrange to invite tenders for the different areas of work.

The CEO further reported that the recruitment of pupils, and schools, to the ULT remained a key priority and was pleased to report that pupil numbers at Thomas Alleyne's High School were higher than originally anticipated. However, the projected number of pupils at Ryecroft Middle School was being reviewed as the numbers supplied by the local authority were not as high as those projected by the school. Trustees would be kept informed.

It was agreed –

That trustees continue to support identified strategies for the PR and marketing of the ULT.

d) External Auditor (Minute 178 refers)

The chair of the trust board was pleased to report that members had approved the appointment of Mazars LLP as the external auditors. The CFO further reported that he had contacted Mazars to advise them of the appointment and a timeline was being considered for completion of the audit.

It was agreed –

That trustees welcome the appointment of Mazars LLP and that the CFO be requested to write to Mitten Clarke, on behalf of the ULT, to thank them for their previous support with the external audit.

e) CIF Projects 2020/2021 (Minute 179(d) refers)

The CFO reported that, as previously reported, the CIF bids had been submitted and that an announcement was expected shortly regarding the outcome of the bids. Trustees would be informed as soon as the announcement was made. The CFO further reported that the second phase of the re-roofing work at Thomas Alleyne's High School, undertaken as part of the 2019/2020 CIF bid, had commenced at the beginning of this week.

f) Gifts and Hospitality Policy (Minute 182(a) refers)

The CEO reported that the revised Gifts and Hospitality policy had been discussed at the recent HPB meeting and a number of suggestions made around appropriate wording. The policy had been updated as necessary and ready for approval by the trust board.

It was agreed –

That the revised Gifts and Hospitality policy be submitted to the trust board for approval at the next meeting.

g) Performance Management (Minute 183(b) refers)

The CEO reported that consideration had to be given to staff appraisal arrangements given the difficulties for staff to achieve targets in the current circumstances. Advice from the DfE was that schools should not use the 2020 exams data as part of their performance management process, whilst also making clear that schools must continue to adhere to the School Teachers Pay and Conditions document, including a requirement to ensure that all pay progression for teachers was linked to performance management. The matter had been discussed at the recent SRB meeting and it had been noted that teacher unions were recommending that the process be temporarily stopped.

The CEO further reported that she was currently seeking information from all schools regarding the completion of mid-year reviews and the details of any staff on support plans. It was important that a clear message was given to staff regarding pay progression and applications for threshold. Trustees were also advised that performance management procedures differed between teaching and non-teaching staff and that consideration should be given to ensuring consistency regarding this.

It was agreed –

That this matter be referred to the trust board for consideration and to take account of any further DfE guidance that may be received.

190. ULT Finance Report:

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

a) ULT 5-Year Central Budget 2020/2025

A copy of the draft 5-year central budget, to include the top slice set at 3% with effect from April 2021, had been previously circulated and the CFO went through the detail of it. He confirmed that the increase in the top slice would cover central expenditure over the 5-year period but wouldn't allow much flexibility for changing any of the agreed services.

The CFO further reported that a top slice from the budget for the new school would be waived for the first three years and he outlined the reasons for this. This decision would, however, remain under review.

It was agreed –

That the draft 5-year central budget 2020/2025 be received and noted.

b) Consolidated ULT 5-Year Budget 2020/2025

A copy of the draft 5-year consolidated budget had been previously circulated and the CFO went through the detail of it, outlining assumptions made with regard to future DfE funding grants. Individual school budgets were also made available and the CFO confirmed that these remained under constant review. A number of concerns were highlighted, including the potential deficit for Thomas Alleyne's High School in years 4 and 5. Trustees were advised though that the headteacher had plans in place to reduce this deficit should it prove necessary. All schools had been asked to include a 2% in-year balance, as previously agreed by trustees, and the CFO reported that some schools would not be able to do this. Discussions would continue with those schools.

Discussion followed and the chair of the trust board accepted that the school budgets confirmed a potential problem with funding levels in future years if action wasn't taken. It would therefore be necessary for trustees to keep under review the school staffing levels and to further consider the proposed change to the redundancy scheme.

It was agreed –

- i) That the draft consolidated ULT 5-year budget be received and kept under review.
- ii) That the potential problem with school funding levels be brought to the attention of the trust board for consideration and approval of necessary actions.

c) ESFA Data Collections and Services

Trustees had been previously circulated with two documents that had been received in relation to COVID-19:

- DfE – Reducing Burdens on Educational Settings and Care Settings
- Letter from ESFA to Accounting Officers in Academy Trusts

The CFO reported that both documents provided information around the submission of the various financial returns. An outline was given of some of the key changes. The CFO confirmed, however, that all financial returns would continue to be submitted to the ESFA or DfE in accordance with any revised guidance.

It was agreed –

That trustees note the information provided by the ESFA and DfE with regard to financial returns and the CFO requested to ensure that guidance was adhered to.

d) Student Number Projections

Details of student numbers for the 2020/2021 school year had been previously circulated and the CFO went through the detail of them. He was pleased to report that numbers at Picknalls and Oldfields Hall remained strong and also that the number of pupils at Thomas Alleyne's were higher than originally anticipated. However, as previously reported, there were concerns with the numbers at Ryecroft which were around 10 pupils less than anticipated and budgeted for.

It was agreed –

That the student number projections be received and noted.

e) Record of Thanks

Trustees paced on record their thanks to the CFO for the clarity of the financial information presented.

191. Risk Register:

A copy of the updated risk register had been previously circulated and the CEO highlighted the changes that had been made to reflect discussions from recent meetings of the Education and Finance committees. The CEO further reported that the register would

continue to be updated to reflect educational and financial risks due to the impact of COVID-19.

It was agreed –

That the risk register be received and kept under review.

192. Policy Approval:

Financial Policy and Procedures Manual

A copy of the revised Financial Policy and Procedures manual had been previously circulated and the CFO reported that it had been discussed in detail at the recent HPB meeting and changes recommended to give clarity around the use of school credit cards. The chair of the trust board also reported that he had highlighted a number of other necessary changes, including the overview of staff appointments by the CEO, and these had been forwarded to the CFO.

It was agreed –

That the CFO be requested to update the Financial Policy and Procedures manual to take account of the recommended changes and that it be submitted to the trust board for formal approval.

193. Date of Next Meeting:

It was agreed –

- i) That, in view of this meeting not being quorate, a short meeting of the Finance & Audit committee be held immediately prior to the start of the next meeting of the trust board to be held on Wednesday, 13 May. This meeting to commence at 3.45pm for 30 minutes.
- ii) That a further meeting of the Finance & Audit committee be held remotely on Wednesday, 24 June 2020 at a time to suit the availability of committee members.

V. Bennett

24 June 2020

Signed.....

Date.....