

Uttoxeter Learning Trust (ULT)

Minutes of the Meeting of the Finance and Audit Committee held at Bramshall Meadows First School on Thursday 15 March, 2023 at 5:30 p.m.

Present: Mr. Pearce (Chair), Mr. Slater, Mr. Haswell, Mr. Harper

In attendance: Mr. Davies (Clerk to the Trust Board)
Mr. Storer (CFO)
Mr. Beaver (Health and Safety/Premises Lead)
Dr. Clark (CEO)
Mrs. Wheeldon (Guest)

1 Welcome:

Trustees were welcomed to today's Finance and Audit Committee by the Chair. Today's committee meeting followed the usual meeting conventions with a clear and purposeful agenda circulated in advance of the meeting; the usual focus on a range of financial/compliance-based issues and the opportunities for Trustees to ask questions/seek points of clarification in relation to the circulated material. There was a healthy level of engagement throughout the meeting with attendees clearly invested in their Trustee-based roles.

The meeting was quorate.

A warm welcome was extended to Mrs. Wheeldon who was attending her first meeting of the Finance and Audit Committee. Subject to the necessary DBS checks being completed, it is anticipated that Mrs. Wheeldon will shortly adopt full Trustee status.

2 Apologies:

There were no apologies on this occasion.

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 item on today's agenda:

- Review of Central Team.

No declarations were made by any other attendee.

5 Minutes of the Previous Meeting:

Resolved: That the Minutes of the Finance and Audit Committee held on Thursday 9 February 2023 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:

The CEO took the opportunity to update Trustees on some key matters arising from the last set of minutes.

1.1

The Trust is still looking to source a Terms of Reference to support governance at a local level. The Clerk has followed up this matter with Entrust and is hopeful that a template will be sent through. As soon as this happens, the document will be shared with the CEO.

Resolved: That the Clerk take account of this action.

1.2

The CEO confirmed that the signposted links to staff wellbeing resources have been shared within a number of forums (i.e. HPB/SRB) and they are now being deployed at a local level.

1.3

There was a general update around the latest developments with regard to Alleyne's Academy and Springfields First School who are potentially looking to join the ULT. It was confirmed that the Trust leadership visited the two schools on 27.01.23 where a number of next steps were agreed.

For Alleyne's Academy, a process of due diligence will now be completed in relation to IT, HR, Buildings and Finance. It has been agreed that a conditional survey will be completed in early April on the Alleyne's site with a report to be available to Trustees by the end of April. In the meantime various collaborative opportunities will be pursued by the ULT and Alleyne's in terms of curriculum development; Sixth Form recruitment and preparation of future CIF Bids. Another key milestone will be Alleyne's next LGB meeting where a request has been made to the ULT for information around next steps, the details of any top slice that will be taken and how a hub model could operate across Uttoxeter and Stone.

In relation to Springfields First School, it was confirmed that the School will become an Associate Member for a year from April 2023. The CEO outlined what benefits the Trust and school will get from this 12-month collaboration.

Trustees at this point confirmed that they are available to support the work that is taking place with Alleyne's Academy. Various staff members are already invested in this process with Mr. Harper also confirming he has time to get involved to support the Trust leadership on some of the potentially challenging issues around the conversion process.

One of the challenging issues is the fact that the Alleyne's site contains a leisure centre in urgent need of maintenance and development. This facility does provide a significant financial risk in any conversion process with a recent meeting with the Regional Schools Director (RSD) confirming no additional funding would be made available to resolve this issue. Whether the conditional survey will provide any additional leverage in this area – only time will tell.

Trustee Challenge: At this point, the Chair of the Committee queried what governance structure will be put in place to formally decide whether Alleyne's Academy should become part of the ULT.

The Chair of the Trust Board confirmed that any decision of this nature would need to go through the Trust Board and Members before it is formally ratified. Given the timing of the next Trust Board and the fact Alleyne's Academy LGB will be convening on 16.05.23, it was felt that an Extra-Ordinary meeting will need to be convened towards the end of April/start of May so a clear direction of travel can be agreed. This meeting will include determining what information will be shared before the mid-May meeting and will enable the conditional survey and other points of due diligence to be considered.

Resolved: That the CEO convene an Extra-Ordinary meeting of Trustees to discuss this possible academy conversion.

The Chair of the Trust Board was asked to clarify with the Chair of the LGB what information they need in advance of the May meeting as this remains somewhat unclear at present.

Resolved: That the Chair of the Trust Board take account of this action.

1.4

Trustees were informed that the CEO was meeting with the Link Trustee for The Richard Clarke First School and would include highlighting the need for a PR/Marketing strategy that will address the shortfall in pupil numbers and predictions. It is hoped that some new initiatives can be agreed that will have a positive impact on pupil numbers.

1.5

It is important that Trustees are aware of the two-way dialogue that is facilitated through the School Representation Board (SRB). The CEO confirmed what topics had been discussed at yesterday's SRB meeting and how the Trust may want to respond to some of the points raised.

1.6

The CFO confirmed that some further analysis has been carried out in relation to school budgets to understand whether some schools are being impacted more than others with the recent hike in energy prices. These inflationary pressures around energy are adding further challenges to budgets that are already having to meet the requirements of unfunded pay increases and the current cost of living crisis.

It was confirmed that Thomas Alleyne's High School and Windsor Park CoE Middle School are experiencing particular challenges. The CFO confirmed that some discussions are currently taking place with the main hirer of the swimming pool on the Alleyne's site to see what options are available to both parties in terms of the ongoing future relationship. Across both schools, there is also a focus on energy efficiency schemes that could be deployed to further reduce costs which can potentially be supported by the additional funding that has been made available by central government. The CFO confirmed that the necessary funds are going to have to be taken from the revenue reserves of both schools to cover the projected deficits around energy usage and in the case of Windsor Park the fact the buildings are 'old and drafty' means any short-term solution is only likely to deliver minimal impact.

For Trustees, there is some optimism that in the short to mid-term the energy price hikes will stabilise and start to come down but in the long-term there are some significant strategic decisions that will need to be made around energy efficiency and how costs in this area can be reduced.

1.7

The CFO confirmed that the following documents have been completed and submitted by the required deadlines:

- Land and Buildings Collection Tool – 21.02.23

- School Resource Management Self-Assessment Checklist (SRMSA) – 15.03.23.

7 Risk Register:

Trustees receive the Risk Register as a standing item at each committee meeting. The CEO indicated that the current Register contains the most up to date analysis of risks that are impacting the ULT with any recent developments/updates indicated in red text.

Trustee Challenge: Trustees felt the CEO vacancy and follow up actions taken should be listed as a separate risk area. Trustees also enquired as to whether the CEO was intending to set up a separate tab on the Register that will focus on the growth of the ULT and the risks that come with entering into a collaborative partnership with any new school. This matter had been discussed in a previous meeting and was, as far as Trustees were concerned, an extra layer of due diligence that will be useful to capture from an auditing perspective.

Resolved: That the CEO reflect on this Trustee feedback to develop a separate Risk Register for due-diligence.

8 CFO Finance Report:

The CFO was invited at this point in the meeting to share his latest finance report. The following key points were noted:

1.1

Trustees received the latest cashflow report/management report as well as the consolidated trial balance which indicated how schools are faring with their income/expenditure levels six months into the latest budgetary cycle. There was a breakdown for each ULT school as well as the overall consolidated position. The CFO drilled down into the data and picked out one or two key points to note related to the ongoing financial performance of certain schools; the overall picture at Trust level and how some of the external factors (unfunded pay increases, energy price hikes, current cost of living crisis) are impacting the bottom line for all schools.

The CFO confirmed he was more than happy to follow up specific lines of enquiry if Trustees have further budgetary-related questions outside of today's meeting.

Trustees were also reassured that the CFO is working hard with schools to ensure tight financial management and control procedures are being applied; that value for money is being secured and that all stakeholders across the ULT community are being held to account to ensure there is no unnecessary spend. Trustees welcomed the ongoing due diligence that continues to be exercised in this area.

The Chair of the Trust Board at this point added some insightful comments around the consolidated trial balance that warranted a comment and no doubt further exploration from the CFO.

1.2

Whilst the Trust does have healthy revenue reserves, the CFO exercised a cautionary note around potential future spend. The reality is that the Country finds itself in a challenging economic climate where prices have increased across the board. Some of the building stock in the ULT is also quite old which means there will be ongoing issues with energy efficiency in the coming years. The CFO acknowledged that in lieu of this tough financial climate, it is crucial that the ULT is always thinking one step ahead in terms of where future procurement savings can be delivered; what future bids/funding streams can be tapped into and, finally, the need for a rolling programme of modernisation to ensure costs are spread out over several years. There also needs to be appropriate levels of contingency held back for the financial scenario that is unexpected and of course senior leaders need to be held accountable in their

own schools for delivering sustainable budgets at a local level. Trustees agreed with all of these points and felt that following the Strategic Away Day that involved all Trustees, this future visioning activity is already well underway.

1.3

Trustees were supplied with a spreadsheet which indicated the actual GAG income for each school versus predicted and a similar analysis of pupil numbers.

Trustee Challenge: Trustees asked some questions as to why the majority of schools have less GAG income than what was predicted; why three schools appear to be bucking the trend and the potential financial implications of pupil numbers in certain schools coming under the prediction.

The CFO provided his perspective on each of these raised points.

Trustee Challenge: Trustees asked about the Apprenticeship Levy at this point and whether the Trust is truly maximising the benefits that paying into the Levy can bring. Mr. Harper was particularly vocal on this issue and felt that it would be prudent before the next meeting to see if the ULT can exploit any additional opportunities in this area.

Resolved: That the CEO follow up on this line of enquiry, liaising with Mr. Harper as appropriate.

1.4

The CFO confirmed that the tendering process has begun to source an external auditor for the ULT. It is hoped that a firm can be in place before the end of May so that everybody has the necessary reassurances that a robust set of checks and balances are being put in place to support the financial year end. The CFO added that he will rely on the Chair of this committee to support the external audit tendering process – a role that Mr. Pearce was more than happy to fulfil.

As for the internal audit, it was confirmed that work is ongoing in this area at present with Trustees to be given more information as and when it becomes available.

1.5

The CEO and CFO shared their latest thoughts on tendering for legal services in terms of what the Trust might want and need from a legal perspective. There have been lots of incidents over the past 12 months where the ULT has needed to call on legal expertise to ensure it is complying with its legal obligations in particular scenarios. The Chair asked Mrs. Wheeldon whether she could support her in the preparation of the tendering documentation to ensure what is secured by the ULT is fit for purpose in the future. Mrs. Wheeldon confirmed she was more than happy to support this activity.

Resolved: That the CFO prepare the necessary documentation consulting with the CEO and Finance and Audit Committee to bring all perspectives and range of expertise to the process.

As an aside, the CEO asked for agreement from Trustees that The Richard Clarke First School pays for any further legal fees associated with its ongoing landownership issues resulting from the academisation process from its own budget.

Resolved: That Trustees give this agreement.

9 Health and Safety/Premises Update:

Mr. Beaver was asked to provide an update in relation to asbestos; compliance management; the Alleyne's Academy leisure centre and the shared water system that exists between Dove First School and Ryecroft CoE Middle School. The following key points were noted:

1.1

Trustees were informed that following further conversations with Staffordshire County Council (SCC) Asbestos Management Team, it appears that despite the original surveys being carried out some time ago, the update and system of re-inspection is robust and all ULT asbestos managements surveys are present and up-to-date. It was confirmed that the cost of reinstating new surveys would be between £2.5K and £4.5K per survey depending on the size of the site. As there is no compliance issue to fix, Trustees were happy to maintain the status quo for now.

1.2

Mr. Beaver confirmed that following ongoing central team discussions, organisations have been identified to carry out work as required to plug gaps in statutory testing. This work will continue in the coming months to ensure full compliance is secured.

1.3

Trustees were given an overview of some compliance management options to consider in terms of where the ULT might want to go in future. Quoting directly from a paper Mr. Beaver circulated in advance of the meeting:

As discussed during the meeting the option exist to move away from Entrust for provision of statutory testing services. Due to current education funding constraints this decision will need careful consideration as additional costs cannot be managed at this point.

Short / medium term; Our current arrangement with Entrust property management is a partial FM arrangement covering some of the key statutory testing requirements, unfortunately the option does not exist with Entrust to cover every element of testing required although some items can be added. On-going discussions on the subject of statutory testing indicate that in the short term the 'comfort blanket' offered by the Entrust property framework is welcome at our schools. Capacity in schools to accommodate substantial change to operating practice is thought not to be readily available at this point with other areas taking priority, all schools are tied into the Entrust arrangement for multiple years and have limited site management resources.

Outsourced FM – medium/long term; The option to move ULT schools to an alternate broader facilities management arrangement offering wider scope of testing services, potentially also managing cleaning and catering services may attract higher management fees than at present given the extended services required. In its current form the scale of the ULT 'offer' as 5 first schools, 3 middle schools and one high school to an FM organisation is not substantial, I note that some organisations begin their cost bandings at a spend of £1m per year. I have made initial enquiries with a number of FM outsourcing organisations to see if our current profile would be of interest, and there is at least one company providing similar services to schools in our area that would be willing to consider our requirement, but they state that this is because they have an established presence in this area, we would be considered too small in isolation. The outsourcing process is bespoke so flexible but often involves TUPE of relevant existing staff to the FM provider. We intend to collect further prospective FM provider contacts from the ASCL conference and Academies show in due course.

'In-sourcing' – medium/long term; Rather than extending our outsourcing provision for premises compliance we have the option to replace Entrust with our own contracted services awarded centrally by ULT following a program of tendering. This removes management fees

attributed to outsourced managed services which as mentioned previously could be directed to fund a software tool to monitor compliance H & S – this top level ‘visibility’ of statutory testing is not currently available. Actual contractor testing costs are currently incurred by the schools so this process could be cost neutral.

Further development of this ‘in-sourcing’ strategy subject to future central funding availability could be centralisation of premises support staff. The close geographical location of ULT schools could enable one support team could then provide site support to all ULT schools; routine statutory testing and other maintenance requirements. In first schools this responsibility is currently provided through a variety of part time roles providing minimal hours to manage this regulated activity.

Resolved: That Trustees give these suggestions some further thought outside of today’s meeting. This area will need to be revisited again in a future meeting so a clear future strategic direction can be agreed.

1.4

Mr. Beaver gave Trustees his perspective on what options the ULT has in relation to the leisure centre that currently sits on the Alleyne’s Academy site. He provided his observations following a recent site visit, talked through some of the financial implications of taking certain actions and he acknowledged that the conditional survey will be useful to Trustees as they consider next steps.

1.5

Mr. Beaver confirmed that Dove First School had been contacted to request clarity on the comment from the Ryecroft School Business Manger that the Dove site is not completing all required water hygiene checks. A face to face meeting is planned after Easter to hopefully resolve this issue and raise the profile of why such checks need to be completed.

Resolved: That Mr. Beaver be thanked for his informative update.

10 ULT Growth:

1.1

Steps are being taken to implement Phase 2 of the growth strategy for the ULT. This process can be summarised as follows:

- The temporary post of Interim Executive Headteacher across Bramshall Meadows First School and All Saints CoE First School has been reviewed for a 01 September start.
- A permanent Executive Headteacher post to lead a number of first schools in the Trust has been advertised internally and the current post-holder has submitted an expression of interest.
- A temporary fix has been put in place to cover the resignation of the Clerk to the Trust Board up to the end of the Summer Term. A permanent solution will need to be found from September 2023.
- Trustees have requested that the CEO drafts the necessary job description and person specification for central support for governance and compliance. This documentation is currently in the feedback stage before a timeline for recruitment is agreed.
- The CFO will act as point of contact in relation to GDPR, representing the Trust with the ICO.

- Trustees have requested the CEO to provide a proposal in relation to central school improvement services to the Education Committee. This process is underway.
- Consideration will be given as to what provision needs to be put in place to mitigate the retirement of the IT Network Manager from 30.06.23.

These changes are significant but necessary within the context of a growing and evolving Trust.

Resolved: That Trustees agree any actions needed to ensure the various items listed above are progressed.

There was a wide-ranging discussion around the future of IT provision across the ULT. Some Trustees were particularly engaged in this area as they are involved with IT procurement and implementation in their professional roles.

As a minimum it was felt that an options paper should be drafted and presented to a future Trust Board meeting so a clear strategic decision can be made. Trustees were happy that as well as relying on local intelligence, the ULT can outsource some external input in this area to inform the options paper that will be drafted. In terms of Trustee involvement, the feeling of the Committee was that the CEO, CFO and Mr. Harper should meet in the first instance to shape the IT vision for the ULT; to determine what external input is required; to source this external input and then to pull all of the strands together into a coherent options paper. It was felt that with the IT Network Manager retiring at the end of June, movement needs to be rapid in this area to ensure a plan is in place within the next month or so, particularly given there may be recruitment-based actions that will need progressing before the end of the Summer Term.

Resolved: That the CEO, CFO and Mr. Harper come together to progress this body of work.

1.2

Trustees were asked to support the principle that because the central team is operating out of Bramshall Meadows First School, it should be making a financial contribution to the running costs that are being incurred.

Resolved: That Trustees unanimously support this principle with the CFO asked to go away and run the financials for what this would mean from a budgetary perspective.

1.3

Trustees were informed that the CEO is looking to move away from SIMS as its management information system (MIS) to a new provider. Following a period of due diligence by the CFO, it appears that Arbor seems to be the preferred choice with both Trust Leadership and Headteachers. The CFO currently working through a costing model and potential timeline for implementation.

It is likely this change in MIS will be formally ratified at a future Trust Board meeting. Members of this committee saw no issue in terms of what was being proposed.

1.4

A number of updates in relation to schools looking to join the Trust have already been referenced in these minutes.

One additional matter was drawn to Trustees attention – an approach from the Woodlands Federation (two small first schools) to potentially join the ULT. Trustees spent some time discussing this approach but felt that it was not economically viable to pursue a possible academy conversion in this area at the present time.

Resolved: That the CEO inform the Federation of the ULT's position.

11 Safeguarding Update:

There was no Safeguarding update at today's meeting.

12 Policies:

The following policies had been circulated for Trustee approval:

- ULT Pay Policy
- ULT Complaints Policy
- ULT Reserves and Charging Policy.

Other than some minor feedback that was provided by the Chair of the Trust Board in relation to the Complaints Policy, Trustees were happy to approve the listed policies.

Resolved: That the listed policies be approved with immediate effect.

Resolved: That the policies be forwarded to the Trust Board for formal ratification.

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 confirmed that no items 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 meeting schedule for 2022-23 has already been confirmed.

The next meeting of the Finance and Audit Committee will take place on Wednesday 10 May, 2023 at 5.30 p.m.

All that was left to do was for the Chair to thank all Trustees for their attendance and contributions to today's meeting. The meeting was brought to a close.

Chair

Date

Uttoxeter Learning Trust (ULT)

Minutes of the Meeting of the Finance and Audit Committee held at Bramshall Meadows First School on Thursday 15 March, 2023 at 5:30 p.m.

Action Matrix

Minute	Owner	Action Required	Deadline	Action Update
5	CEO	Make February minutes available as a public record if required.		
5	Clerk	Sign minutes and pass to PA of CEO.		
6	Clerk	Source ToR for LGB.	Summer 1	
6	CEO	Convene Extra-Ordinary meeting to consider academy conversion.	Next meeting	
6	Chair – TB	Determine what additional information is needed for mid-May LGB meeting.	Next meeting	
7	CEO	Respond to Trustee feedback around Risk Register.	Next meeting	
8	CEO	Pick up Apprenticeship Levy discussion, liaising with Mr. Harper if needed.	Next meeting	
8	CEO & CFO	Discuss legal tender with Mrs. Wheeldon and members of the committee to ensure what is secured meets the Trust's needs.	Next meeting	
9	Trustees	Consider compliance management options as presented by Mr. Beaver.	Next meeting	
10	CEO, CFO, Mr. Harper	Generate options paper around IT.	Next meeting	
10	CEO	Inform Woodlands Federation of Trust's position.	End of March	Green
12	CEO	Forward approved policies to Trust Board for formal ratification.	Green	

Date of next meeting: Wednesday 10 May, 2023 at 5.30 p.m.