

The Link Academy Trust

## Finance & General Purposes Committee

**Minutes: Friday 26 November 2021**

**9.30am - F&GP 6 /21**

*Held online using MS Teams*

**Present:** Mr Roy Gillard (Chair)  
Ms Nicola Dunford (CEO)  
Mrs Cheryl Mathieson (CM)  
Mr Paul Waterworth (PW)

**In attendance:** Mr Matt Matthew (Deputy CEO - formerly Trust Business Manager)  
Mrs Elaine Clarke (Clerk)

**Welcome:**

Welcome by Roy Gillard, Chair

**Absent without Apologies:** None

**Declaration of Business Interests:** The CEO is a Trustee of South Dartmoor Multi Academy Trust (SDMAT) and also a Trustee for the Bearnas Education Foundation. Mr Roy Gillard is a Director of Labyrinth Accountancy Limited.

**1. Minutes of the previous meeting**

The minutes of 24 September 2021 were approved as a true and accurate record.

**2. Matters Arising**

- 2.1 Item 2.1/4.3. Investigation of forecasting software options  
The DCEO reported that the Trust has engaged with Ben Thorne (BT), ex-Bishop Fleming Auditor, in a scope of works that will look at:
- Review financial scheme of delegation/processes. Identify any areas where systems may be updated to take account of growth within the trust.
  - Obtain a list of the key finance staff in the trust, and how they are organised. Identify efficiencies (may be identified in the first review).
  - Consider models for structuring the finance/admin function of the trust – hub, central, decentralised etc
  - Consider software options for Trust reporting, budgeting and forecasting. Consider interconnectivity of packages or all in one system. Also take account of any efficiencies that may be obtained from ESFA reporting.
  - Brief analysis of GAG pooling and benefits/issues
  - Any other observations coming out of discussions.

The deadline for the scope of works is by the end of this term and costs are covered by TCAF. CEO stated that she would like to be involved in looking at key finance staffing going forward as this will be part of the growth plan work she needs complete.

- 2.2 Item 2.2/5.1. CIF Appeals. DCEO reported there has been nil success with appeals.
- 2.3 Item 3 To note - Clerk has amended Constitution and Terms of Reference. Approved by Board
- 2.4 Item 4.1 Finance - update/report by DCEO of Trust expenditure so far on projects / forthcoming projects – Trustees agreed to discuss this later in the meeting as it falls under the issue of reserves.
- 2.5 Item 6 Human Resources – HR Officer has provided a summary report of the EAP. There has been a low uptake so far however CEO reported staff have all been made

aware of the programme, encouraged to use it and are directed to the information at every suitable opportunity.

- 2.6 Item 8 Data Protection – A GDPR report has been provided by the new DPO Susan Stansfield. DCEO reported that the new DPO has grasped her role well and CEO praised the report which was clear and well presented. DPO conducting individual school visits and on the whole no serious breaches identified. PW asked whether there is any inspection process by the ICO. CEO advised no – but that the ICO were very helpful. CEO took from the DPO's report that a big issue is the holding of information/records – which needs to be sharpened up. DPO has identified this as a goal for this year. Trustees went on to discuss other instances of data protection concern such as the storage of emails, and the procedure that would take place should DPO detect a data breach/concern. CEO confirmed that low level breaches could be dealt with within schools/the Trust but in other cases if the DPO was unsure she would consult the CEO and/or ICO for advice.
- 2.7 Item 10.2 Policies – Capital and Revenue Reserves Policy – Trustees agreed to discuss this later in the meeting.

3. **Finance**

- 3.1 Financial Performance to 31 October 2021 – month 2. DCEO presented the month 2 Data Dashboard on screen. He reported that at this point the majority of schools were within budget, performing satisfactorily and remaining in a surplus position.
- 3.2 Teaching and Support Staff Pay Awards 2021-22.  
DCEO updated Trustees that the latest position on national pay awards remains at 0% for teaching staff and 1.75% for support staff.  
Trustees agreed that the 0% award for teachers seemed hard but it was felt overall that if an award was given by the Trust this year it may find it difficult to match a higher national award next year. It was agreed that the 0% award would be reviewed at the February committee meeting.  
The Chair agreed that CEO should send a communication to staff to explain this year's pay award and that it should be made clear that the Trust will be adhering to the current national pay awards whether high or low as this is current Trust policy.  
The Trustees agreed that the HR Officer be asked to action the 0% pay award for teachers and the 1.75% pay award for NJC staff on the payroll from 1<sup>st</sup> September 2021.

**Action - CEO / DCEO**

4. **Property**

Chair agreed with DCEO to combine this item with reserves discussion later in the meeting.

5. **Human Resources**

CEO reported on HR as follows:

- Two academy head resignations from Widecombe and Morchard Bishop for September 2022 have been received. Adverts for the posts to go out in January to appoint in May.
- This week a floating teacher and TA were appointed to deliver school improvement by providing expertise to facilitate rapid change for staff on support plans.
- The Trust has been unable to fill a number of positions including a cleaner and a caretaker despite locally advertising and approaching cleaning companies. Overall the Trust is able to fill teaching and TA posts – although two TA posts at Stoke Gabriel remain unfilled. The Trustees expressed that online recruitment should be investigated.
- The Trust is advertising for an Income Generation/Marketing position and Trust Business Manager role following MM's step up to DCEO.
- Sir David Carter will deliver training to Trustees on 18<sup>th</sup> January which will be the date for the Trustees Training Day - venue to be confirmed.

- New Trustee appointments - interviews have been carried out and three good candidates identified. TCAF has covered costs incurred as an agency was used to secure candidates.
- Covid issues - CEO reported that small outbreaks among children had occurred in some schools but dealt with by returning to bubbles which seems to have halted the progress. There have also been some staff issues but on the whole this been managed within the schools.

**Action – CEO/HR Officer**

Trustees agreed to pause the meeting at 10.31 for a comfort break.

Meeting recommenced at 10.41

6. **Health & Safety**

Report provided by H&SCo and DCEO reporting no major issues. DCEO highlighted that Every software has now been rolled out to all schools and provided an overview of the compliance matrix. DCEO to arrange regular meetings with both the H&SCo and the DPO. PW questioned whether asbestos is reviewed annually. CEO replied that the Trust is required to consider it on a regular basis in case it is considered removing or more is uncovered. Contractors must also be shown an up to date asbestos register before starting work – even if it shows no asbestos present.

7. **Data Protection**

CEO referred Trustees back to the DPO's report – nothing further to report. CEO advised that she is dealing with three parent complaints at the moment through early informal investigation.

8. **ESFA Bulletins**

There were no issues for discussion from the Bulletins

Regarding the ESFA the CEO raised the point that Trusts were now being scrutinised for how much they were carrying forward in addition to scrutinising deficits. The Chair took this opportunity to introduce the subject of the Trust's reserve level and spending of surplus reserves. He reported that he met monthly with the CEO and DCEO and they had talked about having a plan as to what is happening with building projects and what can be afforded now and moving forward.

DCEO shared slides on screen of the Bishop Fleming Key Information Document from the recent audit report showing in summary, combined reserves for year end 31/08/2021 of £1.5million and forecast reserves at that time, for 2022 of £1.73 million. The actual 2021 year end position was within 3-4% of the forecast which the Chair acknowledged as very good work by the DCEO.

Moving on to the Reserves Policy –DCEO advised this policy is required to give the Trust time to engage with the EFSA should financial difficulties be experienced ie the amount required to support the Trust's costs should that happen. DCEO shared a slide on screen showing how the reserve could be calculated – either on a percentage of GAG or a number of weeks operating costs basis. His recommendation is six week's operating costs - £750k ie £125k per week.

On the same slide was shown the latest three year forecast, to the end of year 2023-24, based on the financial position when this year's budget was set. This shows a gradual decrease in carry forward with the budget moving from a surplus to a deficit in year position. However DCEO is expecting an increase in funding next year and doesn't doubt that the figures for 2022-23 and 2023-24 will change.

The Chair agreed that a reserve of £750k was a good level to set although he would start to have concerns if the reserves approached £1million. He pointed out that the year-end forecast for 2023-24 was approaching the £750k however understood that was based on pupil numbers at the time which have already increased since. Following further discussion

PW proposed that based on the current three year budget forecast a reserve level of £850k be set. Trustees agreed this.

DCEO shared a slide listing possible uses of the reserves, plus initial costings, including building and remodelling projects, staff growth and continuation of ICT strategy for pupils devices. DCEO suggested reforecasting reserves in February when there is an indication of pupil numbers / GAG statements and from then putting forward a program of summer works with which the Chair agreed. CEO expressed frustration that the Trust was not using the surplus reserves now to benefit the children. The Chair responded that he agreed but they needed to ensure there was a contingency. CEO felt that the implementation of plans needed to be moving faster as they had been talked about for some time and a priority list was needed for action. Following further discussion including the effect of taking on an academy in deficit and other possible funding sources Trustees concluded that a separate meeting was needed to decide on spending priorities moving forward. It was agreed that DCEO would put together a financial management report on the listed projects and CEO would put together a perceived 'Trust/educational benefits' report that the Chair could use as the basis for an investment appraisal to help Trustees make a decision on priorities prior to organising a meeting.

**Action – DCEO / CEO / Chair**

9. **Policies**

9.1 Accounting - CM queried the meaning of pensions benefit – 'Note 25' DCEO to check this. The term TBM to be changed to DCEO throughout. To carry forward to next meeting.

**Action – DCEO / Clerk**

9.2 Capital and Revenue Reserves - nominal 15% of GAG to be changed to £850K as agreed at this meeting – The term TBM to be changed to DCEO throughout

**Action - Clerk**

9.3 Financial Procedures Manual – DCEO advised that although complete BT is reviewing it as part of the scope of works he is undertaking. Trustees agreed this document be reconsidered after BT's report.

**Action – DCEO / Clerk**

9.4 Financial Reserves and Investments - Trustees agreed that DCEO should amalgamate this policy with Capital and Revenue Reserves Policy. To carry forward to next meeting.

**Action – DCEO / Clerk**

CEO suggested BT could look at all finance policies which Chair agreed as long as BT had time. No policies were agreed and it was agreed that finance policies were to be looked at as a separate agenda item.

**Action – DCEO / Clerk**

Chair brought forward the Risk Register. CM queried whether the dates match up with the updates which have been done. CM to speak to Dominic Course as it is thought that the Audit Committee was monitoring the Risk Register. To carry forward to next meeting and to add the Risk Register as a standing item to the agenda.

**Action CM / Clerk**

10. **Dates of Future Meetings**

04 February 2022 - Trustees agreed to change date to 18<sup>th</sup> February 2022 as PW unable to attend 04 February

**Action - Clerk**

25 March 2022

06 May 2022

01 July 2022

The meeting finished at 11.55