

Finance & General Purposes Committee

MINUTES

Friday 25th November 2022

9.30am

Held at Landscope House

Present: Ben Thorne (Chair)
Nicola Dunford (CEO)
Cheryl Mathieson (CM)
Paul Waterworth (PW)
Christopher Norman (CN)

In attendance: Deputy CEO - Mr Matt Matthew (DCEO), Finance Manager – Ange Hughes (AH)

No	Item	Action
1.	Welcome and Apologies No apologies - there was full attendance	
2.	Declarations of Business Interests The CEO is a trustee of the Bearnas Education Foundation. Christopher Norman is a director and shareholder of CANE Properties Ltd. Ben Thorne is no longer a trustee of Tor Bridge High Academy Trust. No new business interests	
3.	Any other Business No other business raised.	
4.	Minutes of the previous meeting The minutes were agreed as a true record, the Chair signed accordingly.	
5.	Matters Arising 5.8.1 Solar panels for schools – the DCEO reported that two schools had solar panels in place. Another school had permission to install solar panels on the preschool which would be completed over the Christmas holidays. CM asked when the trust expected to receive a return on the solar panels. The DCEO said that it would be approximately 5 years. PW commented that it used to be 10-15 years. The DCEO added that there would be a monitoring station for the pupils to observe. CM suggested that the Academy Head of the school promoted the solar panels and learning experience within the community. CEO asked which other Trust schools were being considered for solar panels – The DCEO confirmed that there were several schools that were being reviewed. The DCEO added that across the trust, the light bulbs being changed to LED. CM asked if there was funding for solar panels. The DCEO said there was not any available. AH reported that in Cornwall there was a pilot scheme around converting energy sources which would hopefully be rolled out nationwide.	
6.	Finance 6.1 Financial Performance to 31 st October 2022 – Month 2. Outline outcome subject to external audit. The October accounts (reports circulated before the meeting) The following comments/questions were made:- <ul style="list-style-type: none"> AH explained the dashboard. The budget forecast for the end of the year was a deficit of £186,653 The CEO asked for clarification on the brackets used in the reports which raised further questions around the deficits. CN asked about whether catering variance was due to less children having school lunch meals and asked for this to be scrutinised. The DCEO clarified the current catering arrangements. It was added that outsourced catering runs at a loss so when 3 of the 	

	<p>schools come under the trust umbrella there should be a financial upturn on this budget line.</p> <ul style="list-style-type: none"> • The Chair commented that it was difficult to understand exactly the position and provide a clear picture of the cashflow. He said that the profiling of the budget needed to be scrutinised to give a clear position. The DCEO said that as a trust, assumptions for following years considering the government funding needed to be looked at. • The CEO asked whether the Trust was financially performing better or was it due to system glitches. AH said that the nurseries and schools wrap around care were doing better – however there was an expectation for DCC to clawback some nursery grants. AH said that originally, the income projections from this budget line was cautious. The CEO said that historically the trust forecasted conservatively, and it should be more precise. AH that she had seen an increase on income which had now been factored in. The schools without the nurseries and schools wrap around care the picture was quite stable as there was not as much variation. The CEO asked whether the trust was giving due consideration to income – adding that every year the trust underestimate the income and finish the end the year with larger underspends. The Chair said that currently the budgets were cautious and suggested that there should be two, worse-case scenario and a more balanced one using historical information - The DCEO said that as experience and knowledge improved, the budgets should become more accurate. The Chair suggested that there was an average calculation of income. AH said that she would look at trends. PW said that unexpected events such as recession could affect the trust significantly. The CEO said that the trust was now looking at supporting struggling families due to the cost-of-living crisis – this could have a negative impact on the budget. • The Chair said that column E 22-23 Forecast against the revised budget should be the focus until the profiling had settled. • AH went through the report supporting the month 2 financial position outlining the key changes to the year-end forecast. • It was noted that the government had pledged more funding for education. • The Chair commented, that reviewing the subsequent years forecasts, that as a trust board, steps would be taken to avoid the forecasted deficits. • AH asked for an update on the government giving direct to trusts and not through council. The DCEO said this had been delayed until at least 2023-2024. • PW asked where the estimated pupil numbers was generated from. The CEO said that it was using the previous PAN and census information, however added that the reception pupil numbers for 2024-2025 was unknown. It was added that pupil numbers were a best guess. • Referring to the cashflow, AH explained the variations. A report was circulated before the meeting. The Trustees asked for clarification on the current position. The DCEO said that he had had a meeting with Lloyds and the trust would put some reserves into a 9-month deposit account, along with some in a 6-month account and then a 1-month sweeping account. An example of the benefits was the trust would benefit from approximately £16,000 in interest from the 9-months investment. The trustees discussed the early repayment penalties. The Chair said the trust would need to factor in future projects to ensure that the deposited money had been released without penalties. The CEO asked about the 6-month account. It was confirmed this would be approximately £7,000 - £8,000 accrued interest. The Chair said the only risk was an unexpected significant cost and the trust losing the interest. It was commented that this forecasted interest had not been included in the budget. Following a question from CN, it was confirmed that the deposit accounts had low investment risk. • The Trustees agreed the revised budget 31 October 2022 for approval at Full Board and confirmed that apart from making the variances colour coded agreed the current presentation. The Chair asked for additional break-down information for individual schools to be available to ensure that the explanations were clear for the trustees. The CEO said that she would like schools with concerns to be highlighted and the option for the trustees to do a deeper dive. The Chair suggested there was an additional budget 	<p>AH</p> <p>AH</p> <p>AH</p>
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	circulate to the trustees electronically for agreement. Following a question from CN, it was confirmed that the trust borrowing money for projects was not allowed.	
9.	<p>Human Resources</p> <p>The CEO updated the trustees on the future staff expansion plans and confirmed that they had been calculated within the budget. She added that over the current academic year, the trust would be reviewing the new staff structure. PW asked whether there were any financial anxieties around the new school joining. The CEO said it was a new school building with no financial concerns. The CEO confirmed that the staff rises had been included in the budget. There were no capability issues and only low-level absences. CN asked about possible teacher strikes. The CEO said that if teachers did go on strike, then the trust would shut the schools to pupils. PW asked about recruitment – The CEO said it was improving – senior teachers were now in post and there were now some floating teachers available to release staff for training. PW asked about TAs – the CEO said though there were a few vacancies this was also improving. CM added that the Workforce Group’s focus was to make the trust an ‘Employer of Choice’ starting with a survey for staff.</p>	
10.	<p>Health & Safety</p> <p>No issues to report</p>	
11.	<p>Data Protection</p> <p>No issues to report</p>	
12.	<p>Safeguarding</p> <p>Security of Schools – it was felt that it would be prudent that there was a trust wide review of the security of schools along with risk assessments in place. It was agreed for the CEO to facilitate this.</p>	CEO
13.	<p>Risk Register and Strategy Plan</p> <p>The DCEO had emailed the trustees to look at their areas of risk register and strategy plan responsibilities. It was added that the internal auditors had visited, with the report expected next week. The DCEO said that he was happy to support the trustees with this focus. It was added that the auditors were going to provide training for the trustees as well. The CEO reported that the Internal Audit had highlighted inconsistencies across the trust schools. Some schools’ trust registers reflected more depth than others. The CEO added that she would be asking the academy heads to address this in her next meeting with them.</p> <p>CM added that there was still some work needed to ensure that the school risk registers link better with the Trust risk register and to ensure that Trustees were comfortable with the new system.</p>	
14.	<p>ESFA Bulletins</p> <p>No points to raise</p>	
15.	<p>Policies</p> <p>15.1 Charging and Remissions The trustees confirmed that they had reviewed the policy. With minor changes, the policy was approved by the trustees.</p> <p>15.2 Accounting The trustees confirmed that they had reviewed the policy. With minor changes, the policy was approved by the trustees.</p> <p>The Chair asked that in there was mid year report on the PE and Sports premium at the next meeting.</p>	DCEO DCEO GP

Dates of Future Meetings

Friday 3rd February 2023

Friday 24th March 2023

Friday 5th May 2023

Friday 30th June 2023