

**Uttoxeter Learning Trust
Finance Committee**

Minutes of a meeting of the Finance Committee held in Picknalls First School, Uttoxeter, on Thursday, 31 January 2019 at 5.30pm.

Present:

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

Mrs A Tapp – Chief Executive Officer

Mr A Storer – Chief Finance Officer

Mr R Sheldon – Clerk to the ULT

96. Apologies:

An apology for absence was received and accepted from Mrs E Bell.

97. Declarations of Interest:

Declarations of interest were given from Mrs A Tapp (headteacher of Picknalls First School) and Mr A Storer (Business Manager at Thomas Alleyne's High School) in advance of discussions around ULT redundancy options. See Minute 104 (Confidential Appendix).

98. Minutes:

Minutes of a meeting of the Finance committee held on 29 November 2018 had been previously circulated and taken as read.

It was resolved –

That the minutes be received and approved.

99. Matters Arising:

a) Related Party Transactions (Minute 88(b) refers)

The chief finance officer reported that he had undertaken a check of any trustee or local governor undertaking paid work within the ULT and confirmed that guidelines were being followed as necessary. Trustees were also informed that guidance around related party transactions were to change from April 2019.

It was resolved –

That this matter be kept under review and that the chief finance officer be requested to ensure that the ESFA was informed of any work being undertaken. That the CFO/CEO inform all ULT staff of the requirements for related party transactions.

b) Internal Audit (Minute 89 (c) refers)

The chief executive officer reported that, as agreed at the previous meeting, the report on the management response to the internal audit had been shared with headteachers at a recent meeting of the Headteacher Professional Board.

c) Meetings with Local Governor Boards (Minute 89 (dii) refers)

The chief finance officer reported that he had not yet met with individual local governor boards to discuss school finance matters.

100. External Audit Review:

The chief finance officer was pleased to confirm that the audit report and financial accounts had been submitted to the ESFA by the agreed date. He further reported that the recommended actions referred to in the audit report had been addressed, including updating the ULT website.

Full discussion then took place regarding the audit process and the chair outlined a number of concerns regarding the process. Particular concern was expressed regarding the wording of the required letter sent to the auditors to confirm that trustees had fulfilled all of their responsibilities. The chair reported that, in this instance, he had agreed to sign the letter to ensure that the audit report and accounts could be submitted within the agreed timeframe. However, a similarly worded letter would not be signed on completion of the next audit.

The chair further reported that he remained uncomfortable with the appointed auditor being responsible for both the accounts and the subsequent audit. The chief finance officer confirmed that the current practice was consistent with that of other multi-academy trusts.

It was resolved –

- i) That the chief finance officer be thanked for ensuring that the audit report and financial accounts had been submitted to the ESFA within the agreed timeframe.
- ii) That the appointed auditor be invited to attend the next meeting of the Finance committee to discuss the wording of submissions from the ULT following the completion of future audits and that the chair be requested to ensure that specific issues were identified in order to be able to lead the discussion with the auditor.
- iii) That the chief finance officer be requested to seek the view of the ESFA regarding an appointed auditor having responsibility for both the financial accounts and subsequent audit.

101. ULT Finance Report:

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

a) Email Scam

There had been a recent incident regarding an email scam and an invoice. The chief finance officer was pleased to confirm that the matter had been identified before payment was made. All school business managers had been made aware of the email scam and internal action had been taken to prevent something similar happening in the future.

b) High School Funding

The headteacher of Thomas Alleyne's High School had written to the Secretary of State for Education to express concerns regarding the new funding formula and the anomaly relating to the funding of high schools in a 3 tier system. A reply had been received to

confirm that this was being reviewed with changes to be made for the financial year 2019/2020. Whilst this was welcomed the headteacher had also sought support from the local MP for financial support for the period between now and then.

It was resolved –

That trustees fully support the headteacher of Thomas Alleyne's High School in challenging the new funding formula and her request for financial assistance.

c) Middle and High Schools – Pupil Numbers

A report was circulated to show the current and projected number of pupils in the three middle schools and the high school. The report also showed the total number of Y8 pupils in the three middle schools and the number of first preferences for admission to the high school in September 2019. Reference was also made to JCB academy proposals to alter its age range and admission arrangements, which had been discussed more fully at the previous meeting, and trustees were informed that, if approved, it would likely have implications on the number of pupils attending the ULT middle and high schools. This in turn would have financial implications for the schools and the ULT.

The chair further reported that he had written to the DfE, on behalf of the ULT, to express concerns regarding the proposed changes to the admission arrangements at JCB academy and to request a meeting to seek financial support should the proposals be approved.

It was resolved –

- i) That the numbers on roll at the middle and high schools be kept under review and that the chair of the Trust Board be requested to pursue a meeting with the DfE to seek financial support.
- ii) That the chief executive officer be requested to work with the schools to push the marketing for pupil transition from the middle schools to Thomas Alleyne's High School.

d) CIF Bid Projects

An update was given on the CIF bid projects and the chief finance officer was pleased to confirm that the work at Windsor Park Middle School was going well and ahead of schedule. He was pleased to further report that the heating and mechanical improvements at Thomas Alleyne's High School were also going well and due for completion by Easter. This included the refurbishment of the swimming pool which was due to re-open in summer.

The chief finance officer also confirmed that the 2019/2020 CIF bids for ULT schools had now all been submitted. The cost of the bids amounted to around £4.4million which, if all approved, would require a total school contribution in the region of £275K.

It was resolved –

That the chief finance officer be thanked for the CIF bid update and that trustees look forward to approval of the bids.

e) Review of Service Level Agreements

As previously requested, the chief finance officer circulated a list of all the service level agreements for ULT schools. He went through the detail of the various service level agreements and highlighted those that were currently being reviewed and to be combined on behalf of all schools. Trustees were informed that in due course all individual service level agreements would be reviewed and, wherever possible, for a combined agreement to be determined. Discussions would be held with headteachers to determine how and where changes could be made.

It was resolved –

That the service level agreement report be received and kept under ongoing review.

102. Risk Register:

An updated ULT risk register had been previously circulated and the chief executive officer outlined the changes that she had made to the register. Discussion followed and trustees identified further changes required to be made:

- ULT development – move from medium risk to high risk
- Sustainable budget and 5 year budget modellers – move from medium risk to high risk
- National risks around pension contributions and new funding formula – move from low risk to medium risk
- Uncertainty of continued DfE funding for teachers' salary increases should also be included within the national risks

Discussion also took place regarding the formula being used to identify the level of risks and trustees felt that it needed reviewing.

It was resolved –

- i) That the risk register be received and that the chief executive officer be requested to update it further to reflect the decisions outlined above.
- ii) That the chief finance officer be requested to review the formula for identifying the level of risks and to report back at the next meeting with any proposed changes.

103. Policy Approval:

a) Pay Policy

A copy of the revised Pay policy had been previously circulated and the chief executive officer reported that the revised policy continued to reflect Staffordshire County Council guidance. Discussion followed and trustees identified further necessary changes including the need for trustee approval rather than local governing board approval in some key decisions.

It was resolved –

That the pay policy be received and approved subject to the identified changes being made.

b) Whistle-Blowing Policy

A copy of the revised Whistle-Blowing policy had been previously circulated and the chief executive officer outlined the changes that had been made.

It was resolved –

That the revised Whistle-Blowing be received and approved.

c) Gifts and Hospitality Policy

A copy of the revised Gifts and Hospitality policy had been previously circulated and the chief executive officer outlined the changes made, including the removal of school funds being used for purchasing alcohol regardless of the circumstances. This decision had been made at a previous meeting.

It was resolved –

That the revised Gifts and hospitality policy be received and approved.

104. ULT Redundancy Options:

See Confidential Appendix (attached).

105. Date of Next Meeting:

It was resolved –

- i) That as previously agreed, the next meeting of the Finance committee be held in Picknalls First School on Thursday, 28 March 2019 at 5.30pm.
- ii) That the chief executive officer be requested to determine future meeting dates for the Finance committee but it would continue to meet on Thursday evenings in Picknalls First School.

Signed.....

Date.....