

**Uttoxeter Learning Trust
Finance Committee**

Minutes of a meeting of the Finance Committee held in Oldfields Hall Middle School, Uttoxeter, on Thursday, 25 October 2018 at 5.30pm.

Present:

Mr L Trigg (chair), Mrs E Bell, 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

Also in Attendance:

Mr C Gliddon (Headteacher – Oldfields Hall Middle School)

Mr S Clarke (Chair of Governors – Oldfields Hall Middle School)

Mrs K Groom (Insight HR)

75. Declarations of Interest:

Declarations of interest were given from Mr S Slater (DfE consultant), Mrs A Tapp (headteacher of Picknalls First School), Mr A Storer (Business Manager at Thomas Alleyne's High School).

76. Oldfields Hall Budget Update:

See Confidential Appendix (attached)

77. Staffing Issues:

See Confidential Appendix (attached)

78. Election of Chair:

It was resolved –

That Mr L Trigg be elected as chair of the ULT Finance committee until the first meeting of the autumn term 2019.

79. Election of Vice-Chair:

It was resolved –

That Mrs V Bennett be elected as vice-chair of the ULT Finance committee until the first meeting of the autumn term 2019.

80. Minutes:

Minutes of a meeting of the Finance committee held on 5 July 2018 had been previously circulated and taken as read.

It was resolved –

That the minutes be received and approved.

81. Matters Arising:

a) Safeguarding (Minute 70 (d) refers)

The chief executive officer reminded everyone that this matter had been discussed in detail at the recent meeting of the Trust Board. She confirmed that the safeguarding review commissioned for Thomas Alleyne's High School had been completed and that appropriate actions had been taken to improve any recommended safeguarding practice. In addition to this, all 7 schools were to have a safeguarding audit undertaken by Staffordshire's Safeguarding Lead and although formal reports were still to be received, the schools had begun to work on identified actions through the adoption of a common format in determining appropriate action plans. The involvement of the Professional Associations in this process was also discussed.

It was resolved –

That the safeguarding update be received and noted.

b) Associate Membership (Minute 71 refers)

The chief executive officer reminded everyone that this matter had been discussed in detail at the recent meeting of the Trust Board. She confirmed that Richard Clarke First School, Abbots Bromley, had agreed to join the ULT as an associate member initially for a twelve month period, but with a view to becoming a full member after that time. The school hoped to join from April 2019. The cost to the school had been set at ½% as previously agreed.

It was resolved –

That the associate membership update be received and noted.

82. Year End Figures:

The chief finance officer circulated details of the consolidated income and expenditure for schools in the ULT for the financial 2017. He reported that the figures showed an in-year surplus of around £294K. He then went through the detail of the report, also highlighting the in-year balances for individual schools, and confirmed that the information had been submitted to the auditors as required.

Full discussion followed and whilst trustees welcomed the information provided, they felt that it would be helpful if the different areas of expenditure could be grouped together as appropriate to help them identify where savings could be achieved through the purchase of services on behalf of all schools rather than individually. In response, the chief finance officer reported that this would be possible and further reported that through the recent appointment of support staff to the finance team there was now more capacity for more detailed reports to be made available in the future. This included consolidated year end figures for income and expenditure and those for individual schools.

It was resolved –

- i) That the year end figures be received and noted and that trustees welcomed the opportunity of receiving more detailed reports in the future.

- ii) That the chief finance officer be requested to arrange for areas of expenditure to be grouped in all future reports to enable consideration to be given to possible service level agreements being put in place on behalf of all schools.

83. ULT Finance Report:

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

a) Internal Audit

As reported at the previous meeting the chief finance officer confirmed that an internal audit for the period April 2017 to June 2018 had been undertaken by Staffordshire Audit Service and a copy of the subsequent report had been previously circulated. The chief finance officer was pleased to report that there had been no surprises in the report but that two areas in particular required improvement and these were a review of the Scheme of Delegation and a review of the Financial Regulations policy. The chief finance officer further reported that he had inserted the draft management response within the report to the two areas identified for improvement and trustees' views were sought on this.

Full discussion followed and concern was expressed regarding the length of time between the report being submitted and the views of the Finance committee being sought. It was felt, however, that the delay in implementing the required improvements would not impact on the figures to be submitted as part of the recently started external audit. Committee members agreed though that it was important for them to have sufficient time to respond to, and address the two areas of concern, before the audit was circulated to the Headteacher Professional Board.

It was resolved –

That the internal audit be received and that this item be included on the agenda for the next meeting to enable further discussion before giving formal approval to any necessary actions to address the areas of concern.

b) External Audit

The chief finance officer reported that work continued on the current external audit and that it would be completed in readiness for the subsequent report to be submitted to the Finance committee in readiness for consideration at its next meeting to be held on 29 November 2018 prior to seeking formal approval by the Trust Board at its meeting to be held on 5 December 2018.

It was resolved –

That the update on the external audit be received and noted and that the committee looks forward to receiving and discussing the report at its next meeting.

c) Letter from ESFA to CEO's in Multi-Academy Trusts

Committee members noted that this letter had been discussed at the recent meeting of the Trust board and the chief finance officer highlighted the key issues in the letter where he would ensure that appropriate actions were taken to comply with recommended guidance. These included:

- Declaration of any related party transactions that exceed £20K.

- Finance committee to receive budget information at least six times a year, with the chair receiving budget information on a monthly basis.
- Evidence of all actions taken in response to any internal or external audit findings.

It was resolved –

That the letter from the ESFA be received and noted and that the chief finance officer be requested to ensure that guidance outlined in the letter is followed.

d) Additional Educational Needs (AEN) Funding

The chief finance officer reported that Staffordshire County Council was consulting on proposed changes to the allocation of AEN funding which, if agreed, would have implications for the schools. A response had been submitted to Staffordshire County Council objecting to the proposed changes but the outcome of the consultation process was still awaited.

It was resolved –

That the report on proposed changes to the allocation of AEN funding be noted and that the chief finance officer be requested to keep the Finance committee updated.

e) Church Related Party Transactions

The chief finance officer referred to correspondence received from Lichfield Diocesan Education Authority to report that it was in consultation with the ESFA about the Academies Financial Handbook requirements on related party transactions and that a workable system was being developed to ensure that it reflects best practice.

It was resolved –

That the report be received and noted and that the chief finance officer be requested to keep the Finance committee updated on developments.

f) Thomas Alleyne's High School – Sixth Form Numbers

The chief finance officer reported that the number of students admitted to the school's sixth form was significantly lower than originally anticipated and had therefore impacted on the school's budget. As a result governors were making appropriate changes to their previously agreed budget. Strategies were also being put in place to improve the sixth form retention rate.

g) Teachers Pay Grant

The chief finance officer reminded the Finance committee that the pay award for teachers, as outlined in the 2018 School Teachers' Pay and Conditions document, had been discussed in detail at the recent meeting of the Trust Board and a decision subsequently taken to approve the pay uplifts as recommended in the document.

It was resolved –

That the financial implications of the pay award would remain under consideration by the Finance committee.

h) CIF Projects

The chief finance officer gave a brief update on the works undertaken at Thomas Alleyne's and Windsor Park through the CIF projects and was pleased to confirm that both schools were pleased with the outcomes of those works.

84. Policy Approval:

The chief finance officer circulated a revised copy of the ULT's Financial Policy and Procedures Manual and committee approval was sought. The manual included a scheme of delegation in relation to the authorising of orders for goods and services, authorising payments and entering into contracts within approved budget.

Full discussion followed with particular reference to the scheme of delegation. Committee members felt that the scheme of delegation should reflect the work of the ULT as a whole and not just with regard to financial decisions.

It was resolved –

- i) That the Financial Policy and Procedures Manual be received but that the chief finance officer be requested to further update the manual to include the full scheme of delegation as previously agreed by the Trust Board.
- ii) That, once updated, an electronic version of the manual be circulated to trustees and that it be included on the agenda for the next meeting of the Trust Board to enable discussion and subsequent approval.

85. Date of Next Meeting:

It was resolved –

That the next meeting of the Finance committee be held in Picknalls First School on Thursday, 29 November 2018 at 5.30pm.

Signed.....

Date.....