



**PUBLIC MEETING OF THE BOARD OF TRUSTEES
FINANCE, AUDIT & RISK MANAGEMENT COMMITTEE**

MINUTES

DATE : Tuesday 15th March 2022
TIME : 16:20
LOCATION: : Virtual

Trustees are hereby notified and requested to attend a meeting at the above time on the above date to transact the business set out below.

The meeting will be open to the public, except where exempt information is being discussed as noted on the agenda.

TRUSTEE

END OF TERM OF OFFICE

AC Asha Choolhun (Chair)	29 April 2023
CAD Clive-Anthony Douglas MBE	20 November 2024
MM Mohammed Mamun	29 March 2023

IN ATTENDANCE

SL Sarah Lack	Deputy CEO and Director of Primary
SGL Steven Lock	Chief Finance and Operating Officer
RN Rose Nelson	Finance Specialist
AA Angela Ainsworth	Judicium Clerk

The Code of Conduct for Trustees requires Trustees to be honest and open with regard to conflicts of interest (either real or perceived). Trustees must not use their position for personal gain in business, political or social relationships. Therefore, a Trustee who has, or may be perceived to have, such a personal interest in a particular matter under consideration should declare that interest, withdraw from all discussions relating to it and take no part in any vote on such matter.

Items marked * are those in which a majority of Trustees may have an interest because of some shared attribute. When considering these items, Trustees should aim to achieve a balanced view, paying particular attention to the sources of information and advice, and remind themselves of their duties as Trustees and to act in the public interest.

1. MEETING OPENING

1.1 The Chair welcomed members

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- 1.2 Apologies were received and accepted from Philip Minns and Tom Canning. Carly Clarke was not present, and no apologies were received.
It was noted that Carly Clarke had missed several meetings, the clerk will follow up.
- 1.3 The clerk confirmed the meeting as quorate.

2. DECLARATION OF INTERESTS, PECUNIARY OR OTHERWISE IN RESPECT OF ITEMS ON THE AGENDA

- 2.1 No pecuniary or personal interests were advised for any agenda item for this meeting

3. CONSTITUTION AND MEMBERSHIP LIST

- 3.1 No item to report.

4. PUBLIC MINUTES OF THE PREVIOUS BOARD MEETING AND ACTIONS ARISING

- 4.1 The public minutes of the **Board of Trustees Finance, Audit and Risk Management Committee** meeting held on Tuesday 01 February 2022 were approved.

5. MAIN BUSINESS

5.1 The Board to receive the Management Accounts from the Finance Specialist.

RN confirmed that the January and February accounts have already been presented and reviewed by Trustees.

January 2022

YTD surplus of £900k with a full-year forecast of £1.8m surplus representing 5% of total trust income which is in line with the reserve policy. The budget was prudent, assuming all staff would opt into the pension, coupled with more effective budget monitoring has led to a higher surplus forecast.

The recent work with The Clara Grant has reduced the previous deficit, the trust is working with them on monitoring the budget, the current forecast shows an in-year surplus of £55k, 2% of income.

All schools are now showing a forecast surplus.

February 2022

In-month surplus of £125k with the full-year surplus showing a slight increase from January. The Clara Grant forecast surplus has continued to improve due to effective budget monitoring. Tollgate shows a slight drop due to additional spending on covid recovery, RN will clarify this position with the school to assess the reasons, it is likely to be due to front-loading costs HQ has paid for the Sir Robin Bosher work this year, this will move to individual schools next year, and some of the top slice costs have been given back to schools.

Ravenscroft and Rosetta have capital work next year which will be funded from the cumulative reserve. At the end of this year, these reserves will be available for approval to fund capital projects ratified by governors

Q: [CAD] Agreed that though the Board have received January and February Management Accounts, however, this committee would like to dig deeper and should the committee be concerned about whether schools are using their reserves effectively?

A: [RN] Schools are being effective, and some reserves are being held to mitigate future income reductions due to anticipated lower pupil numbers. Schools are very conscious of budget monitoring.



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Q: [AC] Is 3% of income enough funds to hold as a reserve?

A: [RN] The Trust reserve policy is 5%, several schools are sitting around 3%. All schools have been asked to work to a common blueprint that will enable a standardised approach across the trust. The consolidated position is forecast to be 5%.

RN noted that it is expected the DFE will write to Trusts with more than 20% reserves, Boleyn could be in this position, but the Trust Board has approved several capital projects which will utilise these funds. RN recommended that the Trust Board need to have a plan for the use of the reserves over the next 3 years. School improvement works will be ring-fenced, the plan needs to clearly show where reserves will be used.

Staffing costs remain high the Executive are working with schools to ensure resources are used effectively. Staff costs are projected to increase as the DFE are expected to introduce a recommended starting salary of £30k for teaching staff.

Q: [MM] Has the backdated support staff pay increase been included in the budget?

A: [RN] The budget included accrued costs for the projected pay increase.

5.2 The Committee to receive the support staff pay proposal for recommendation to the Trust Board.

RN presented the agreed London pay recommendation that will be backdated to April 2021 and paid to staff in the April payroll. The Committee was asked to agree the pay increase and recommend it to the Trust Board for approval.

RN further asked the Committee to consider a 20p/phr increase to the apprenticeship wage to stay within the minimum wage.

Q: [MM] How many apprentices are there in the Trust?

A: [SLG] The Trust has around 20 apprentices and has a large apprentice levy that the Trust is looking to use for staff CPD.

The Committee noted and unanimously agreed on the support staff pay increase in principle and recommended it to the Trust Board for approval.

5.3 The Committee to receive Ravenscroft's business case for playground re-development.

SLG advised that this item has been deferred to the Trust Board on 24th March 2022.

Ravenscroft has a large playground which has had little work done and the work arising from the condition survey is likely to be significant.

6. STANDING ITEMS

6.1 The Board to receive an update on the Risk Register.

Trustees noted the risk register and risk policy.

SLG reported there had been no movement on the register since the last meeting and advised the register is reviewed by him, SL and TC monthly.

Red items include some residual covid impact; pupil numbers are falling, the Trust is working closely with all schools to mitigate.



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RN noted the next update on the register may include the possible impact of the Russia/Ukraine conflict in relation to refugee children placed in Trust schools with no clear funding.

6.2 The Committee to receive and consider any updates from Internal Auditors.

RN and the CFOO confirmed that the internal auditors for finance have accepted the trustees direction that they look at HR and payroll and the outcome of the audit should be available to present after Easter.

6.3 The Committee to receive and consider any updates from External Auditors.

Rn and CFOO confirmed that they had been in touch with the external auditors to start prep work and set dates for the 21/22 annual audit.

6.4 The Committee to receive and consider any assurance reports.

Sir Robin Boshier reports to be presented at the next Trust Board
The Clara Grant Ofsted draft report should be available for the next Trust Board.
H&S and condition surveys we are waiting for all schools to be completed for presentation to the Trust Board

7. ANY OTHER URGENT BUSINESS

7.1 The Chair will state the reason for urgency of any item taken

The School Resource Management Self-Assessment Checklist is due for submission on 15th March 2022, RN presented the responses which will be submitted.
AC asked for clarification on the response to Q11. RN advised that a separate audit committee is not required at this stage.

The Committee noted and approved the self-assessment checklist for submission.

7.2 The CFOO noted that comments and suggestions of best practice from the recent ESFA Finance and Governance Review.

One item under other recommendations was:

The trust does not have a process in place to demonstrate how they consider and inform the ESFA about certain transactions: guarantees, letters of comfort and/or indemnities

The CFOO shared with the Committee an addendum to be added to the Finance Manual with immediate effect which would rectify this. A full review of the Finance Manual will take place late in the summer term in line with any updates to the AFH and shared for further ratification.

The Committee agreed the procedures as set out in the paper and thanked the CFOO for his work.



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8. DATE, TIME, AND VENUE OF NEXT MEETING

8.1 The date of the next **Board of Trustees Finance, Audit and Risk Management Committee** meeting will be held on **Tuesday, 17 May 2022 at 17:00 via Microsoft Teams.**

Committee members discussed changing the start time of the meetings to 17:00 and this was agreed.

Members also discussed possibly moving to Monday meetings, it was agreed that SLG would publish the remaining meeting dates to members for consideration and agreement.

The meeting closed at 17:18



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