



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

MINUTES

DATE : Tuesday, 1 February 2022
TIME : 16:00 pm
LOCATION: : Microsoft Teams

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
PM Philip Minns	20 November 2024

IN ATTENDANCE

TC Tom Canning OBE	Chief Executive Officer
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.


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1. MEETING OPENING

- 1.1 The Chair welcomed members to the meeting.
- 1.2 Carly Clarke was absent from the meeting, but no apologies were received.
- 1.3 The meeting was confirmed as quorate

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

- 2.1 No declarations of interest were made

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 14th December 2021 were noted and approved.**

5. MAIN BUSINESS

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

RN presented a summary of the Management Accounts and reminded Trustees that the accounts are available on GovernorHub.

RN noted that an additional Summary position tab had been added to the accounts.

The in-year surplus for December is £219k against a budget of £87k; YTD is £577k against a budget of £325k; Full Year is £904k against a budget of £1.025m. Overall the Trust is on track against budget.

The main surplus is from staffing costs as the budget assumed all employees would opt-in to the pension, but this has not materialised. RN noted it was prudent to assume all staff would opt-in to the pension for budgeting purposes.

The forecast for the full year position will be a 2% surplus due to additional pension costs.

RN summarised the position for each school, the only school with a forecast deficit is The Clara Grant whose full year forecast is a 3% deficit.

An overall surplus of 2% across the Trust, will mean we can claim staff absence cover costs due to covid if this position is realised.

The summary position (Staff) shows the Funding Income against staff costs in more detail. SCITT is different as all staff are teachers otherwise staffing costs as a percentage of funding is fairly consistent.

The Clara Grant position is higher due to agency costs while Monega and Rosetta's costs are higher due to pension costs, LDE costs reflect that we are paying for external tutors.

The Clara Grant Deficit is due to two main factors the staffing cost for agency staff is projected to be £316k by end of the year if no action is taken; most of the agency staff are resourcing high need pupils but funding received for these pupils is lower than these costs.

Agency staff costs were not included in the original budget.

In December the LA awarded an exceptional grant to reflect that The Clara Grant has a higher-than-average number of high needs pupils compared to other similar sized schools in the borough.

Based on these figures TC suggested that governors should apply the brake now and stop all use of external agency staff with effect from 11th February 2022.



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SL noted the following actions in place. Two agency staff left this week, and a highly paid Teacher was leaving at Easter none of these positions was to be replaced.

TC noted this will not address the high agency costs and again proposed that from next Friday there should be no agency spend at this school.

It was noted that the current agency staff are Teaching Assistants not teachers.

Q: MM asked is there a difference in the criteria between boroughs for additional funding and what is the impact on the pupils learning if agency staff are not used? Is there capacity in the school to mitigate the impact?

A: RN responded that the EHCP funding formula is consistent across boroughs. She further noted that the Trust had a SEND meeting to agree on the level of funding for The Clara Grant recognising the higher levels of high needs pupils. The Trust position is that additional exceptional funding should be granted to reflect these pupils needs and the initial response had been positive.

TC explained that SL and RN have been looking at duplication of roles and appropriate allocation of funding to pupils.

SL noted that they had already identified areas where staffing is much higher than necessary for example there were 4 staff in the nursery pm session with only 17 pupils in attendance. SL further noted that she believes the Headteacher is onside and recognises that costs will need to be addressed.

TC is still of the view that this level of spending cannot be permitted to continue. This is a budget set by Tower Trust and questions whether the budget was credible considering the agency costs.

TC advice to Trustees is to strongly address the forecast deficit.

The SCITT deficit is driven by a funding change, previously we received £19k per student for training our staff this has stopped, and schools now must fund their students through training. Staff costs have not changed despite the loss of funding.

SCITT is in the progress of reaccreditation which should help with the deficit.

The Trust needs to consider how SCITT is used to train their teachers and ensure that budgets reflect the cost of this. Monega has an issue this year and HQ will need to decide whether to fund the discrepancy.

TC advocated that each year each school would fund a trainee plus HQ would fund one giving the Trust funding for 9 trainees. The SCITT is critical to the Trust and Trustees should look to set a policy to ensure trainees remain within the SCITT. The situation will be 'lean' for the next year until the funding is addressed.

Q: PM asked if we put a stranglehold on the budget at this time, how will it affect the standard of teaching and the support, will it be sustainable until August?

A: TC stated that the focus is on ensuring the staffing and other costs are under review to ensure that they are effective and efficient. This year is likely to be a difficult one. SCITT/ LDE are strategic for the Trust and proposed this is included in a policy document.

SGL put forward the following proposals for agreement by the Trust Board:



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- The Clara Grant spending on Agency to be halted from 11th Feb.
- All Trust schools and HQ to be asked to commit to funding 1 SCITT trainee each year from September 2022.

The proposals were noted and agreed upon by members.

- 5.2 The Committee to receive a copy of the Annual Accounts Return.

RN noted that the Annual Accounts Return was submitted in line with the deadline and accepted by the EFSA.

- 5.3 The Committee to receive a copy of the most recent Financial Management and Governance Review report from the ESFA and the Trusts response.

RN noted the feedback from the ESFA meeting with the Trust was a very positive report with limited recommendations all of which the Trust has accepted.
The feedback will be uploaded to the Hub for review by Governors.

6. STANDING ITEMS

- 6.1 The Committee to receive an update on the Risk Register and Policy.
SGL noted there were no changes since December, the register will be reviewed at the next meeting

- 6.2 The Committee to receive and consider any updates from Internal Auditors.
None.

- 6.3 The Committee to receive and consider any updates from External Auditors.
None.

- 6.4 The Committee to receive and consider any assurance reports.
None.

7. ANY OTHER URGENT BUSINESS

- 7.1 None.

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, 15 March 2022 at 16:00 via Microsoft Teams.**

Meeting ended at 16:50



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