

The Link Academy Trust

Finance & General Purposes Committee

Minutes 18 February 2022

9.30am F&GP 1/22

Held online using MS Teams

Present Paul Waterworth – Acting Chair
Nicola Dunford – Chief Executive Officer (CEO)
Cheryl Mathieson (CM)
Christopher Norman (CN)

In attendance Matt Matthew – Deputy Chief Executive Officer (DCEO)
Ben Thorne (BT) – new trustee awaiting completion of paperwork
Elaine Clarke (Clerk)

1. **Welcome and Apologies**

The CEO sent apologies which were accepted.
The Chair welcomed the trustees to the meeting.

On behalf of the Committee, the Chair expressed gratitude for the work carried out by Roy Gillard, former Chair, who sadly passed away in January.

2. **Declaration of Business Interests**

The CEO is a trustee of South Dartmoor Multi Academy Trust and also a trustee for the Bearnas Educational Foundation. Christopher Norman is a director and shareholder of CANE Properties Ltd. Ben Thorne is a trustee of Tor Bridge High Academy Trust.

3. **Minutes of the previous meeting**

The minutes of the meeting held on 26 November 2021 were approved as a true and accurate record.

4. **Matters Arising**

4.1 **Item 3.2 Teaching and Support Staff Pay Awards 2021-22**

To note that CEO sent a communication to staff to explain this year's pay awards. Also to note that the HR Officer has actioned the agreed pay awards.

The DCEO reported that the pay award has been applied at 0% for teachers and 1.75% for support staff. To date there has been nothing else put forward from government, little response from unions and other MATs have been sticking to these pay awards. As yet the local authority has not applied the 1.75% award.

CM provided the background to this item for the benefit of CN and BT regarding a perceived decrease in morale of teaching staff over not receiving a pay rise, particularly in light of working through the pandemic. There had been some concern that teaching staff might leave, however she reported this hasn't happened and that the CEO has followed this up in schools and found that teachers are now seemingly accepting of the 0% award as a national decision.

The Chair proposed this be looked at again at the next meeting as approaching the new financial year there may be more information about future pay increases with the possibility of a post pandemic bonus.

Action Clerk

4.2 **Item 3.2 Teaching Staff 0% pay award review**

Refer to agenda item 5.5.

4.2 **Item 5. Staff vacancies**

To note that DCEO/HR Officer have investigated online recruitment.

It was noted that this item was incorrectly numbered.

The DCEO reported that although the Trust has started to use Indeed, an online jobs website to recruit, as well as the Trust website and Devon Jobs website it remains difficult to recruit non-teaching staff. Recent vacancies advertised have only resulted in one or a few applicants and is indicative of a wider picture in Devon. Use of a recruitment company paid for by TCAF money has eventually secured candidates for the Finance Manager role. The DCEO confirmed that the salary offers were in line with other MATs.

Trustees discussed possible means of attracting staff such as the use of bonuses, extra benefits and combining roles, and factors affecting recruitment such as the remote locations of rural schools.

Q – CN asked if the Trust is a living wage employer as this had been of benefit in recruitment when he was working in London? Although initially a large financial commitment it was found to be better to recruit and retain staff.

A – The DCEO was aware that the Trust followed the national guidance on the minimum wage was followed but would look into the living wage.

Action DCEO

4.3 **Item 8. ESFA Bulletins**

Refer to agenda item 5.3

4.4 **Item 9.1 Accounting Policy**

To note that queries were addressed and the policy was approved at the Full Board meeting 06 December 2021.

4.5 **Item 9.2 and Item 9.4 Capital and revenue Reserves and Financial Reserves and Investments Policies**

To note that amendments were made and policies were amalgamated by the DCEO. The resulting policy was approved at the Full Board meeting 06 December 2021.

4.6 **Item 9.3 Financial Procedures Manual**

Refer to agenda item 5.2

4.7 **Item 9.4 Risk Register**

Refer to agenda item 11.

5. **Finance**
DCEO to report

5.1 Financial Performance to 31 January 2022 – month 5

The DCEO presented the month 5 Directors Data Dashboard on screen and reported the following:

- Overall schools are performing satisfactorily in terms of income.
- Staffing – some overspends but this was mainly down to unforeseen sickness and Covid.
- Curriculum spending was as expected. Other expenditure was high or overspent in a couple of schools on actuals and commitments but this was mostly attributed to duplication of commitments. Work is being done with schools concerned to remove duplicates from the system. The DCEO further explained the mechanism of raising and deleting commitments.
- At the month end all schools were in a surplus position and overall the surplus has grown which will add to the discussion of use of the reserves. Some schools were in a tighter position than others at month end for example Hennock, however they have the reserves

and it is the reserves that will be looked at when considering unbudgeted larger expenditures across the rest of the year.

- Floating staff – when the budget was set last year the Trust did not yet have the floating teacher and HLTA who were subsequently appointed - hence the increase in central costs and recharge to schools
- Reserves – currently stand at £2 million and predicted to grow to £2.4 million if no spending.

5.2 Review of scope of works completed by Ben Thorne, including the Financial Procedures Manual

BT requested it recorded that the scope of works was completed before any proposals were made in regard to him becoming a trustee. He then went on to report the following points from the works carried out:

- Software options were looked at to improve efficiency for the finance team. This has resulted in IMP software being purchased and installed for use in scenario planning and better / quicker rolling budget forecasting – which will be important when looking at the spending of reserves. The DCEO later advised that Access software is to remain as the finance accounting package however it will be upgraded from March to include a full centralisation module to allow the central finance team to make a one change or action at central level rather than having to make the change or action 17 times, for central and each school.
- Reserves – use of the reserves has been identified as an issue that required thorough discussion by the Board as a whole. This includes the potential use of reserves to support schools in need rather than remaining with the individual schools to which they were nominally attached, and the need for a robust policy around what would happen to the reserves should a school wish to leave the Trust
- Going forward the need to look at pooling individual school incomes (GAG pooling), as well as reserves, into an overall Trust income and asking schools what they need from the overall Trust budget. This might involve schools requesting budgets for essentials then a wish list, with the central business and improvement teams making final decisions as to what funds were allocated.

Following BT's report trustees discussed the pros and cons of pooling reserves and GAG pooling. The DCEO expressed his current preference for the existing system of income and reserves remaining with individual schools although he recognised this may have to change in the future. He reported that when talking to other schools about joining the Trust, the question of what would happen to their reserves was always asked, with the preference being that the reserves would remain with the school.

Q -Trustees asked if Trust schools retained their individual reserves at present and how schools in financial need were supported?

A - The DCEO responded that at present reserves did remain with schools however there is a mechanism in place to support / lend to schools in need from central reserves. He also explained that budgets and reserves were tracked monthly school by school to allow early identification and support of schools with budgetary difficulties.

Trustees concluded that a separate meeting of the F&GP Committee was required to discuss the use of reserves and identify recommendations to take to the Full Board.

CM thanked BT for his piece of work.

5.3 Use of reserves / spending priorities review

The need for a separate meeting about this was agreed under the previous item and trustees recognised that there would be many factors to consider when deciding how to use the reserves including spending on property and outcomes of CIF bids, trust growth including

building capacity and staffing, pay awards and curriculum development. They acknowledged that a full list of needs was key and that a clear, prioritised plan was required. BT advised that this was also time critical as budgeting for the next two to five year cycle was coming up and the DCEO also advised that summer property projects, which were a key area of spend were also coming up. The DCEO agreed to look at a time and date for a meeting about the reserves.

Action DCEO

5.4 Update on CIF bids

The DCEO reported that the CIF bids were in at the moment but it could be April/May before we hear if any have been successful. This round the bids were prepared by two companies with previous success in securing bids.

The DCEO went on to report on the government School Rebuilding Programme. None of the Trust schools meet the primary 'minimum floor space' criteria for potential funding except Moretonhampstead which does not need rebuilding. The wooden buildings at Diptford, Widecombe and Cheriton Bishop however may meet an 'exceptional circumstances' criteria and will be nominated. Nominations close on 03 March with evidence deadline of 28 March. The DCEO has commissioned Bailey Partnership to produce a condition survey as evidence for each school at £1K per school. The surveys will also be useful for future CIF bids and to identify future capital spend. More in depth structural surveys and design/rebuild costings have also been commissioned from Bailey as evidence for the programme. The DCEO explained that if successful the programme would be literally to rebuild the wooden buildings – possibly with the school having to relocate in the interim.

Q - Returning to CIF bids CM asked why the CIF summary document had different figures to the individual CIF bids document?

A - The DCEO advised this was because the amounts had been adjusted to a level that would score better in the bid.

5.5 Teaching Staff 0% pay award - further review

The trustees agreed that this was dealt with in item and there was nothing to add.

6. **Property**

DCEO to raise any issues for discussion.

No issues to report.

7. **Human Resources**

CEO and CM to raise any issues for discussion.

The DCEO advised trustees that this is the time of year when staffing for the forthcoming academic year was starting to be looked at. CM reported that interviews would be taking place in March for new AHs at Widecombe and Morchard Bishop due to current AHs retiring.

8. **Health & Safety**

DCEO to raise any issues for discussion.

The DCEO reported Claire Slee the H&S officer was doing a good job at maintaining compliance and there were no issues to be raised.

Q - Trustees asked about system generated emails received from the Every Health and Safety system this week with details of non-compliant items in individual schools, in particular outstanding fire equipment testing.

A - The DCEO advised that regarding the non-compliance of equipment testing this was generally to do with backlogs from suppliers following Covid but this was gradually being sorted.

The DCEO advised the emails were being sent as all the trustees had been added onto the Every system in respect of the risk register however he needed to look at the email system again as the Health and Safety compliance should be going to the Audit Committee to monitor. Trustees agreed however they would like to be kept informed about compliance matters but preferably in a single monthly summary.

Action DCEO

A break was taken at this point at 10.36

The meeting recommenced at 10.51. PW did not rejoin the meeting.

9. **Data Protection**

CEO to raise any issues for discussion.

The DCEO reported that Susan Stansfield (SS) is the DPO is part way through further training and meeting with the DCEO on a monthly basis. The DCEO confirmed that SS also deals with Freedom of Information issues.

A company has been engaged to audit cyber security. Five schools will be sampled and their policies and cyber security systems will be tested. The Trust has also now registered with the National Cyber Security Council who have reviewed the security of all websites across the Trust. The websites are generally clean apart from the need for a security certificate which has now been actioned.

Q - CM raised the issue of storage of emails in terms of how information held in emails should be stored, whether emails themselves should be stored and for how long, and emails in freedom of information requests. This had also come up at the recent Standards and Curriculum committee meeting.

A - The DCEO advised this would be dealt with during the cyber security audit and it is expected that a set of recommendations will be received regarding this subject.

Action DCEO

10. **ESFA Bulletins**

DCEO to raise any issues for discussion.

The DCEO advised there is nothing to update at present.

11. **Risk Register**

11.1 Management of the Trust Risk Register – update

The DCEO presented the Every Compliance software on screen, then the Risk module which will replace the existing schools' and Trust risk registers.

A template has been uploaded for each individual school into which their current risks have been imported. An example school was shown. The owners of the risks are the AH and administrator of each school. AHs have started to review the risks and it has been suggested that the reviews of risks are done on a rolling basis to make the task less arduous.

A template for the Trust has also been uploaded and the 94 trust level risks from the old risk register have been imported. An owner will be assigned to each individual risk and the system will inform the owner when the risk needs updating. At that point the owner will be able to manage the risk on the software. The DCEO requested the trustees decide how they would like ownership of the risks to be allocated. This was discussed; trustees considered whether the risks be assigned to individuals, committees or to the Strategic Plan portfolio holders. They also considered whether individuals at operational level be involved. In conclusion the trustees agreed that the DCEO be asked to allocate risk owners in the first instance with a minimum of two and a maximum of around four owners to each risk.

Action DCEO

Trustees acknowledged they would retain oversight of the Trust level register and reviewed risks would still come to the Board for approval.

The CEO joined the meeting at this point at 11.10

The DCEO clarified the individual school / Trust level risk differences and advised that the Audit Committee would still monitor school level risk management.

The DCEO to issue login details to the trustees.

Action DCEO

11.2 F&GP sections – to note that the CEO updated all F&GP sections in May/June 2021 (amendments approved by Committee at its meeting on 6 July 2021)

Not discussed – new risk software implemented.

12. **Policies**

12.1 Data Protection

The DCEO to address two minor queries raised by CM regarding data management procedures and data protection training. Pending resolution of the queries the policy was approved.

Action DCEO / Clerk

12.2 Fair Processing **Approved**

Action Clerk

12.3 Financial Procedures Manual **Approved**

Action Clerk

The DCEO reported the manual has been updated to include the new Finance Manager role.

Q - CN questioned details of the procurement / tendering process

A - The DCEO responded with details required and advised that all procedures required by audit were carried out during the process.

13. **Dates of Future Meetings**

25 March 2022

06 May 2022

01 July 2022

The meeting ended at 11.18