

**Minutes of the Southerly Point  
Co-operative Multi-Academy Trust  
Finance and Resources Committee Meeting**



**Thursday 14<sup>th</sup> December 2017, from 4.00pm,  
in the MAT Conference Room.**

<p><b>ATTENDING :</b> Donna Bryant Catherine Bird Lesley Lloyd Susan Reynolds Kevin Thomas Roger Wedlake</p> <p><b>In Attendance</b> Maria Collins [Business Manager] David Ellis [Estates manager] Alison Oliver [Auditor] Sean Pinhay [Chief Financial Officer] Karen Teague [MAT Administrator]</p>		<p>D B r C B i L L I S R e K T h R W e</p> <p>M C o D E I A O I S P i K T e</p>
<p><b>APOLOGIES :</b> Philip Cardnell Alan Horne David Reynolds</p>		<p>P C a A H o D R e</p>
		<p><b><u>ACTION</u></b></p>
<p><b>3.</b></p>	<p><b><u>WELCOME AND DECLARATIONS OF PECUNIARY INTERESTS</u></b></p>	
	<p>The Chair welcomed all those present and invites attendees to introduce themselves to one another.</p> <p>Under <b>Declarations of Pecuniary Interests</b>, no additional declarations were made.</p> <p>CBi then handed the meeting over to AOI [Auditor].</p>	
<p><b>4.</b></p>	<p><b><u>AUDIT REPORT</u></b></p>	
	<p>AOI talked through the Trust's accounts with the Committee. She explained that a more comprehensive review of the accounts had been completed with the CFO, CEO and Trust Business Managers during the previous week where a number of minor issues had been resolved. AOI spent some time outlining the format of the accounts, highlighting the profit and loss and balance sheet and spending additional time on a number of the notes, including actions that were in place to tackle the schools that were currently projecting small deficits. AOI also explained that, as this was the first year and comprised only a short period of trading, these accounts were not typical in their expenditure / income patterns. AOI concluded the accounts presentation by stating that the accounts gave a true and fair view of the Trust's affairs and that they had been properly prepared in accordance with all the requirements [Companies' Act 2006, Charities SORP 2015 and the Academies' Accounts Direction 2016-17]. She also stated that the Trust remained a going concern and that the accounts contained no qualifications. She thanked the accounts team for their support during the process and noted the results were a testament to the hard work of the team.</p> <p>AOI walked the Committee through the Key Issues Discussion Document [KIDD]. The document outlined the areas of audit risk that were covered and, in turn, the findings. AOI was pleased to inform the Committee that, under the traffic light system, the report had only identified seven areas for improvement - all of which were rated green [lowest level of risk]. In the majority of these areas,</p>	

	<p>management feedback had already confirmed that appropriate action had taken place or was planned for the next two months.</p> <p>As part of the requirement under the audit, AOI then asked the Committee if they were aware of any outstanding liabilities which would have a detrimental impact on the accounts for the financial year 2016 – 2017 and, in turn, an impact on the going concern of the organisation. The Committee disclosed they were not aware of any claims, litigations, etc.</p> <p>Benchmarking data had been provided in order that the Trust might compare itself to other MATs of a similar size. A full benchmarking report was to be made available by the auditors on its completion.</p> <p>Next year’s external audit was due to take place during the last school week of October 2018.</p> <p>No questions were forthcoming so the Chair thanked AOI for attending and AOI left the meeting.</p> <p><b>Action required: Trust Accounts to be approved by full Trust Board and signed by Chair of Trust Board / Accounting Officer.</b></p> <p><b>Action required: Letter of Representation to also be signed by Chair of Trust Board / Accounting Officer.</b></p>	<p>KTh / DBr</p> <p>KTh / DBR</p>
5.	<p><b><u>PREMISES REPORT</u></b></p>	
	<p>DEI briefly talked through his report to the Committee. Key areas included:</p> <ul style="list-style-type: none"> <li>• General Overview</li> <li>• Compliance overview and achievements</li> <li>• Backlog Maintenance</li> <li>• Trust Estate Development Work</li> <li>• Health and Safety Overview</li> </ul> <p><b>Q. <u>When will you be in a position to give the go ahead regarding Parago Asset Management?</u></b></p> <p><b>A. This should be by the next meeting. Parago are tried and tested in a wide variety of MATs. They have also offered to roll this out by hub rather than individual schools to reduce costs.</b></p> <p>DEI informed Trustees he had a far greater awareness in terms of compliance now this had become centralised than when it had been done by individual schools and there had been a marked move from assumption of compliance to certificates of specific compliance.</p> <p>Trustees <b>approved</b> a proposal for the CEO and Estates Manager to discuss and agree re-assigning low level compliance items to on condition maintenance.</p> <p>Concern was expressed as to the potential effect of the wind on scaffolding at one school but DEI assured Trustees this was being managed.</p> <p>Once a clear indication of the budget had been secured, the intention was to build the premises team through apprenticeships so that a greater proportion of the minor jobs could be completed internally.</p>	<p>DBr / DEI</p>
6.	<p><b><u>MINUTES AND MATTERS ARISING</u></b></p>	
	<p>The minutes of the previous meeting, on 14<sup>th</sup> November 2017, were agreed to be an accurate record.</p>	
7.	<p><b><u>BUSINESS CONTINUITY PLAN</u></b></p>	
	<p>DBr advised the Committee that the Trust Business Continuity Plan was formalising procedures that had already been there informally and that headteachers were mirroring this for their own settings.</p> <p>No questions on the plan were forthcoming and the Committee acknowledged this was a good start on which to build.</p> <p><b>Action: school level Business Continuity Plans to go to Hub Councils once received from headteachers.</b></p> <p>The Business Continuity Plan was <b>approved</b> by the Committee.</p>	<p>DBr</p>

8.	<b><u>RISK REGISTER</u></b>	
	<p>DBr explained the Risk Register was an evolving document, as any further risks that were identified would come back to the central team and the register would be updated accordingly. For example, legal challenges to permanent exclusion and the risks around this. Governance training on hearing exclusions was to be put into place, as was a robust exclusions policy [with clear procedures] for all schools in the Trust, to mitigate this risk.</p> <p><b>Action: Ongoing review at each meeting, to include new risks or any risks becoming more adverse.</b></p> <p>The Risk Register was <b>approved</b> by the Committee.</p>	DBr / KTe
9.	<b><u>FINANCIAL MATTERS FOR DISCUSSION</u></b>	
	<p><b>Review of Pay Awards</b></p> <p>DBr outlined the recent review of pay awards. Hub Councillors who had taken part in this process had reported it had given them a wider view of the various schools in their hubs and a good overview of the requirements within individual schools / of the primary schools as opposed to the secondary schools and so on. The Pay Policy was currently being reviewed, to include the addition of exemplars of what was expected. Tightening the processes around this through greater centralisation would ensure both accurate start positions and consistent progression.</p> <p>The Committee noted its intention to publish an overview of this if it could be appropriately anonymised.</p> <p><b>Review of Terms of Reference for Committee</b></p> <p>The Terms of Reference for the Finance and Resources Committee were reviewed.</p> <p>The Committee <b>approved</b> the revisions to the Terms of Reference and their adoption.</p> <p><b>Procurement of Training</b></p> <p>In order to ensure that procedures were correct and that proper account was taken of related party transactions / equal and opposite reputational risk, a pro forma for the procurement of training had been devised to show clear process and evidence of this having been adhered to.</p> <p>The pro forma for the procurement of training was <b>approved</b> by the Committee.</p> <p><b>Supply Staff Costs</b></p> <p>The question of whether a similar process was required for the buying in of supply staff was also considered. As it was necessary to publish information on this in the Trust's accounts, there was already some transparency on this. However, it was agreed there was a need to look at materiality and potential contract issues / other issues. This was to be an agenda item at the next meeting of the Heads' Group, as it was important that no UPS payments be made for supply as threshold requirements could not be met in this capacity so an ongoing conversation with staff would be required around renegotiation.</p> <p><b>Action: Look at IR35 [intermediaries legislation].</b></p>	SPi
10.	<b><u>ACADEMIES FINANCIAL HANDBOOK REFRESHER</u></b>	
	<p>The CFO discussed the requirements around leasing and lease arrangements with the Committee, referring to Annex B of the AFH, and reassured the Committee at this stage the Trust had not breached any of the requirements as laid down by the ESFA. There was a discussion around existing operating leases and the CEO also assured the Committee that appropriate permissions had been sought for the planned works at Wendron School.</p> <p>There was a further discussion around the details contained within Annex B and the associated sub-sections of the AFH so the Committee had an opportunity to understand when ESFA permissions were required for various types of expenditure, including write-offs, special payments and borrowing.</p> <p>With regard to the meeting held on 14<sup>th</sup> November 2017, the Committee spent some time ensuring the tendering policy within the Financial Procedures and Policies Manual met the requirements of Section 3.1 of the AFH. It was concluded that the requirements laid out were being met.</p> <p>The CFO advised the Committee that, to date, there had only been one minor incident of fraud which had been subsequently resolved but also took the opportunity to draw the Committee's</p>	

	attention to Section 4.8.2 of the AFH which provides guidance on when the ESFA should be advised of fraudulent activity.	
<b>11.</b>	<b><u>DATES OF FUTURE MEETINGS</u></b>	
	The next meeting of the MAT Finance and Resources Committee will take place on <b>Thursday 1<sup>st</sup> March 2018</b> , from 4.00pm to 6.00pm, in the MAT Conference Room at Helston Community College. Thereafter, meetings for the current academic year will take place on: Thursday 14 <sup>th</sup> June 2018	

**Chair's Signature** \_\_\_\_\_ **Date** \_\_\_\_\_