

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



**Thursday 1st July 2021, from 6.00pm
in the Trust Conference Room**

<u>ATTENDING :</u> Donna Bryant Alan Horne Alison Newman Susan Reynolds Kevin Thomas Phillip Woods In Attendance Sean Pinhay [SPCMAT Chief Financial Officer] Karen Teague [SPCMAT Administrator / Clerk to the Trust Board]		D B r A H o A N e S R e K T h P W o S P i K T e
<u>APOLOGIES :</u> None		
		<u>ACTION</u>
3.	<u>WELCOME AND DECLARATIONS OF PECUNIARY INTERESTS</u>	
	The Chair welcomed all those present to the meeting and introduced KHa, newly appointed Trustee, before formally welcoming her to the Committee. Under Declarations of Pecuniary Interests , no further declarations were forthcoming.	
4.	<u>MINUTES AND MATTERS ARISING</u>	
	The minutes of the meeting of the Finance & Resources Committee on 4 th March 2021 were agreed to be an accurate record and were duly signed by the Chair. Matters arising included updates on: Investment Policy. See Item 10 below. Areas to cover in internal audit. It had been decided to look at Governance alongside other financial factors so the NGA had been asked to undertake a review of Trust governance. The review had just been completed and a draft report / additional feedback was to be shared with Trustees at their upcoming Trust Board meeting. Logging onto VMF system. Guidance was to follow from SPi regarding logging in to the system. It was suggested this be looked at during the Spring term meeting of the Committee in the new academic year. Investigating aspects of data in VMF. Committee members were to investigate one or two aspects and bring any challenges to the Committee. Advising committee members of next set of data coming in. SPi advised Committee members the next set of data was now available. Add benchmarking as a standard item on agenda. This action was to be carried over to the new academic year with the aim of looking at benchmarking during the Spring term meeting. Cycle to work scheme proposal for sign off. Further work was to be done on this over the summer. All other actions had been completed.	S P i C o m m i t t e e m e m b e r s S P i / K T e S P i

5.	<u>UPDATES TO RISK REGISTER</u>	
	<p>Two proposals were put to the Committee:</p> <ul style="list-style-type: none"> • That the current meeting focus mainly on red risks that with current controls were amber. • That it might be timely to set up a separate Audit sub-group to allow risk to be given fuller scrutiny. <p>Committee members agreed it would be useful to set up an Audit sub-group.</p> <p>It was suggested KHa's background and experience would make her the ideal person to Chair this sub-group.</p> <p>DBr talked Committee members through any updates on / proposed changes to pertinent elements of the Risk Register, seeking any comments regarding these.</p> <p>Q. Is residual risk mitigated risk?</p> <p>A. Yes, it is the risk after internal controls have been put in place.</p> <p>See also Confidential Notes.</p> <p>The Committee approved the proposed changes to the Risk Register.</p> <p>DBr was to update the Risk Register accordingly.</p>	DBr
6.	<u>ESTATES REPORT</u>	
	<p>Information presented to Committee members prior to the meeting and discussed included:</p> <p>Roving Caretaker Team Update – jobs completed and visits made between 1st February 2021 and 31st May 2021.</p> <p>Medium Term Projects Update – tasks completed since September 2020 and works planned for the future across the Trust.</p> <p>Larger Projects Update. SPi updated Committee members on the larger projects planned within the Trust.</p> <p>See also Confidential Notes.</p> <p>Building Compliance Update. The compliance report schools accessed via their Google Drive had been further enhanced. Alongside the traffic light system, there were now hyperlinks to the actual compliance reports provided by the suppliers. An additional action plan had also been added [when applicable], which again schools could access via the associated hyperlink. This report clearly showed the actions that needed to be taken, when and by who.</p> <p>The latest compliance data was shared with Committee members for their information.</p> <p>Due to the latest lockdown, compliance checks were behind but it was anticipated these would be caught up towards the end of the year. The lockdown had not only had a knock on effect for the Trust but similarly for the companies who carried out the testing.</p> <p>Health and Safety Update. All schools in the Trust had attended AssessNET [risk assessment software] training in June. This product had replaced EEC Live which schools had used previously. Unfortunately the training provided by a third party to date had not been very good so the Trust had taken it upon itself to provide a more bespoke offer to ensure all relevant staff were up to speed with this essential tool. Cornwall Council would be completing full fire risk assessments across all the Trust schools during the current term. These would pick up any new builds, for example the new North Site at Helston Community College, and also ensure the risk assessments were up to date and in the same format, making it easier for RCo to manage via the new AssessNET software. Schools had been prioritised by size and then those with a first or second floors. As previously mentioned, SPi was working with RCo to develop an incident reporting system which schools could access via their Google Drives. It was hoped this would go live in time for the new academic year. RCo would also be working with Matt Grainger [the Trust's Health & Safety Co-ordinator] to create a training matrix to ensure essential training requirements were met by all the Trust schools. Again, the plan was for this to be ready in time for the new academic year.</p> <p>Capital Funding Update [SCA]. All the projects detailed in the report needed to be funded and the core funding source for these was the SCA [School Condition Allocation] Funding the Trust received. Committee members were asked to see the SCA report to learn how monies had already been spent</p>	

	<p>or were planned to be spent in the future. SCA funding was allocated in conjunction with the SCA working group, who in turn used a series of predefined criteria to decide which projects to fund. See also Item 7 below.</p>	
7.	<p><u>SCA UPDATE</u></p>	
	<p>Information presented to Committee members prior to the meeting and discussed comprised a summary of SCA capital projects: completed, work in progress or proposed. For each of the three categories, information included the financial year, project description, SCA level and spend, including total per school in each of the three categories.</p> <p>SPi reminded Committee members the notional table to the bottom right of the summary for each school – indicating Total for Completed, Work in Progress and Planned; Expected Funding Based on Central Funding; Variance – was to ensure transparency and to prove that all schools were receiving a fair, proportional amount.</p> <p>SPi talked through some of the work being undertaken in schools and any questions arising were sought from Committee members.</p> <p><u>Q. Do you know prior to budgets what you will be getting in next year?</u></p> <p>A. Yes.</p> <p><u>Q. In terms of physical works, are you duty bound to obtain quotes?</u></p> <p>A. Yes, within the agreed set of parameters, and part of the remit of the Committee is to provide scrutiny of those for bigger value ticket items.</p> <p><u>Q. Is priority given to local suppliers?</u></p> <p>A. This is not written into the tendering process but a lot of quotes do tend to be from local companies or providers. The challenge currently is trying to get companies to tender, as they already have more work than they can deal with.</p> <p>KTh noted it was reassuring for Trustees to be able to say the estate today was significantly better than it had been in 2017, at the Trust's inception, and that it was possible to actually see improvements made to the environments. The use of a third party project manager to oversee larger projects was also ensuring the Trust was getting commercial value for money and not public sector value for money on its spend.</p> <p><u>Q. Is the spend of SCA monies reviewed?</u></p> <p>A. Yes. The Trust has to complete an annual return and it is only allowed to keep monies for up to 24 months.</p> <p>See also Confidential Notes.</p>	
8.	<p><u>LATEST MANAGEMENT ACCOUNTS</u></p>	
	<p>The Management Accounts for May 2020/21 had been shared with Committee members prior to the meeting in detailed, summary and graph form so these could be reviewed during the meeting. Areas covered included:</p> <ul style="list-style-type: none"> • Pupil to Teacher Ratio [Adjusted for Maternity] by individual school and average. • Pupil to Support Staff Ratio [Adjusted for Maternity] by individual school and average. Although all were well within the expected norm, Committee members were reminded results could be significantly impacted by the number of EHCPs in individual schools, as well as factors such as schools employing their own cleaners, etc. • Expenditure per Pupil [Including Other Activities] by individual school and average • Income per Pupil by individual school and average <p>Committee members were reminded the way schools received their funding would mean the amount per pupil was always higher in smaller settings. All schools received a lump sum which was of the same value, regardless of the number of pupils. However, this value represented a much larger portion of the total income received in smaller settings, which could skew the income they received when considered on a per pupil basis.</p> <ul style="list-style-type: none"> • In Year Over / Underspends – All Activities, budgeted and latest actual, by individual school and Central 	

	<ul style="list-style-type: none"> • End of Year Reserve, budgeted and latest actual, by individual school and Central • In Year Over / Underspends – Trust Total, budgeted and latest actual • End of Year Reserve – Trust Total, budgeted and latest actual <p>SPi outlined the main issues arising from the latest accounts and sought any questions or comments from Committee members.</p> <p>Committee members were assured the majority of schools were doing better than planned, which could be evidenced in the reserves position. Overall, the Trust’s position was a healthy one and within the required tolerance of a month’s reserve.</p> <p>See also Confidential Notes.</p>	
9.	<p><u>BUDGET – 2021/2022, 2022/2023 & 2023/2024</u></p>	
	<p>The following documentation had been shared with Committee members prior to the meeting for their consideration:</p> <p>Budget: Summary Presentation - Summary of the budgets proposed for the next three years, RAG rated and consolidated.</p> <p>SPi talked through the summary presentation, school by school and in precis form, and sought any questions or comments arising from this. Matters raised and discussed included:</p> <ul style="list-style-type: none"> • Those schools that were red / amber rated should be a focus as these were of greatest concern. • Schools should be spending approximately 80% of their income on staffing. 82% could be tolerable but no more. • Central recharge was 5% of the dedicated schools’ grant. • The catering figures included contributions to Free School Meals / Universal Free School Meals. Therefore, all schools appeared to be predicting a loss. • The minimum reserve was 5% and 25% was the top level of reserve. • Additional Key Performance Indicators [KPIs] could be added if required. • Secondary numbers on roll were going up but primary numbers on roll were going down. This was partly because some bumper years had gone through primary and were now at secondary but also because the number of pupils entering the reception year was decreasing / was likely to stay low for the next 3 or 4 years according to Cornwall Council’s projected figures. • The secondary schools were shy on reserves but were moving in the right direction. • The Trust’s overall reserve position was increasing year on year and by 2022/2023 would have reached the ideal reserve level. <p>SPi asked Committee members if he was providing the appropriate strategic level of information and they agreed he was.</p> <p>The Committee approved the budget presented for ratification by the full Board prior to submission to the ESFA.</p> <p>DBr reported a comment from the recent review of Trust governance was that LGBs would like to share in the budget setting for their schools. SPi affirmed it had always been the Trust’s ambition for the Chair or a nominated governor to attend the budget setting meeting. Moreover, all governors now had access to their schools’ monthly management accounts and budgets via the LGB shared areas in Google Drive.</p> <p>See also Confidential Notes.</p>	
10.	<p><u>POLICIES</u></p>	
	<p>Approval by the Committee was sought for the following policy. A draft copy had been forwarded to Committee members beforehand for their prior consideration.</p> <ul style="list-style-type: none"> • SPCMAT Investment Policy <p>The Committee approved the SPCMAT Investment Policy be put to the Full Board for its formal approval.</p>	

11.	<u>ANY OTHER BUSINESS</u>	
	<p>ESFA Meeting Notes and Actions</p> <p>Prior to the meeting, DBr has shared the meeting notes and actions from a recent meeting between DBr / SPi and representatives from the ESFA to discuss policy around funding for small, rural schools.</p> <p>DBr advised Committee members this had been a very positive meeting. ESFA representatives could see budgetary diligence was strong within the Trust and this had enhanced their opinion of the Trust so the exercise had been really worthwhile.</p> <p>Teachers' Pension Audit</p> <p>Prior to the meeting, SPi had shared the completed form "Teachers' Pensions Contributions for the Financial Year" [form "EOYC"] in respect of the year ended 31 March 2021, together with the agreed-upon procedures report. SPi confirmed the process had been completed by Bishop Fleming [Trust external auditors] and no issues had been identified so the corresponding certificate had been issued.</p> <p>A query was raised around the Trust's liabilities in respect of teachers' pensions. SPi advised Committee members that, in terms of a balance sheet, the Trust had no liability on teachers' pensions as this was completely separate from the Trust. The only liability was the employer pension contributions that had to be paid each month. The greater liability lay with support staff pensions.</p> <p>See also Confidential Notes.</p> <p>SPi was thanked for his continued hard work on behalf of the Trust and Committee members were thanked for their contribution to the meeting.</p> <p>There were no further matters for consideration so the meeting was brought to a close at 8.30pm.</p>	
12.	<u>DATES OF FUTURE MEETINGS</u>	
	<p>The next meeting of the SPCMAT Finance and Resources Committee will take place on Thursday 9th December 2021, from 6.00pm, in the Trust Conference Room.</p> <p>Thereafter, meetings will take place on:</p> <ul style="list-style-type: none"> • Thursday 10th March 2022 • Thursday 30th June 2022 	

Chair's Signature _____ Date _____