



## TRUST BOARD RESOURCES COMMITTEE

Minutes of a Virtual Meeting of the Resources Committee of the Trust Board of South East Cornwall Multi Academy Regional Trust held on Wednesday 22<sup>nd</sup> March 2023 at 5.30 pm.

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<b>Present</b>	<b>Yes/No</b>	<b>In Attendance</b>	<b>Yes/No</b>
Mr Marcel Aarts, Chair	Yes	Mr D Buckley, CEO	Yes
Mr Lee Hallam	Yes	Mrs J Lumbard, CFO	Yes
Mr Chris Piper	Apologies	Mrs K Williams, Clerk	Yes
Mr Richard Newton Chance	Yes		

### **Summary of matters for the Trust Board**

- a) The committee have acknowledged that the Trust Board needs to review the proposals for restructures in TOLT and Looe at the Trust Board meeting. The CEO and CFO's capacity is impacted until the restructure for TOLT is complete and any posts are filled.
- b) Staff absence is an ongoing concern across the Trust and is impacting budgets. There are ongoing vacancies on the IT teams.
- c) The committee reviewed the following policies and would like to recommend them for Trust Board approval:
  - Charging and Remissions policy
  - Counter theft, fraud and corruption policy
  - Reserves & Investment policy
  - Donations policy and procedure
  - Financial Regulations procedures and policy
  - Financial Scheme of Delegation

### **13. Welcome**

The Chair welcomed everyone to the meeting.

### **14. Declaration of Business or Pecuniary Interest and Academy-related parties - update on any changes since completion of written declaration**

There were no declarations.

### **15. Apologies for Absence**

Mr Piper has sent his apologies in advance of the meeting which were received and accepted by the committee.

### **16. Approval of minutes of meeting held on 02-11-2023**

The minutes of the meeting held on 2<sup>nd</sup> November 2023, having been circulated in advance, were agreed as an accurate record and will be signed.

### **17. Matters Arising**

#### **M5. Matters Arising**

#### **M45. Matters arising**

#### **M33. Resources update (IT, H&S, Catering, Cleaning, Capital projects)**

h) As previously agreed, the catering contract has been extended for a further 2 years. We receive a return from Chartwells for operating on site which would not be the case for other contractors. There

may be some minor negative feedback on the service provided by Chartwells. **A Trustee asked about the catering contract and queried how the performance of these large contracts is reviewed by the Trust Board.** Mr Green advised that a customer satisfaction survey was undertaken and this has come back as industry standard. The areas which have not performed well such as queueing is a school issue rather than a Chartwells problem. **A Trustee suggested that the Trust Board need assurance that the contracts are performing as expected.** The Clerk will add to the next meeting agenda.

Update 14.07.2022: It will be included on the next substantive meeting.

Update 02.11.2023: On this agenda. Trustees suggested that they would just need to look at KPIs twice a year to assure themselves that contracts are performing as they should. Mrs Lumbard added that we monitor the contracts and Litmus provides regular reports which can be circulated to Trustees. She will discuss further with Mr Green.

*Update 23.03.2023: Mrs Lumbard advised that following Mr Green's retirement, she has now taken on this part of the COO (Chief Operating Officer) role and needs to contact Litmus to obtain monitoring reports from them. The Chair of the Trust Board noted that the retirement of the COO has really impacted the capacity of CEO and CFO as they are a drastically reduced team. Trustees need to be mindful of this and Trustees thanked the team for their hard work. Mrs Lumbard advised that we are now in a restructuring process so we are apportioning out work at the moment. We need to approve the restructure so the team can recruit to the Operations Manager and COO roles.*

#### **M8. H&S and Premises update**

b) A Trustee queried if the lack of reassurance is due to the type of report being presented or the information contained within it. Trustees agreed that given the importance for statutory compliance, they need a further update on this before the next Resources meeting and it was suggested that an interim report needs to be provided. The Trustees agreed that this should be added to the Audit & Risk Committee meeting agenda in December as it is key risk to the Trust. The Clerk will add to the Audit & Risk agenda. Mr Green to attend the meeting to provide assurance.

*Update: Mrs Lumbard advised that the initial meeting with Mr Piper has been delayed so they are trying to arrange a meeting date. As reported in the Resources Report, Mrs Lumbard has done some further work with the Trust Estates Manager and this should provide some assurance for Trustees. **Trustees felt that assurance on compliance is important as this is a significant risk to the Trust.***

#### **18. Restructure of TOLT and Looe**

This was an additional discussion item further to the circulated agenda. Proposals had been circulated to the Trust Board by email.

a) **A Trustee had queried what the role of the Trust Board is in terms of operational restructures.** Mr Buckley explained that the Executive Team are asking Trustees to sign off the process. The Chair of the Trust Board added that as the employers, Trustees should review and agree any changes which could result in a redundancy as this is one of the biggest risks to a Trust.

#### **19. Finance Report for information (Jo Lumbard)**

A document had been circulated in advance of the meeting. From this:

a) Mrs Lumbard has provided key updates since the budgets have been agreed. Teachers pay is information previously shared but Mrs Lumbard has provided a further update.

b) **A Trustee referred to the Mainstream Schools Additional Grant (MSAG) and asked what are the allocations for this.** Mrs Lumbard advised it is a lump sum per pupil and from September 2023, we will get another payment but after next year, it will be part of the core budget. This funding will be added to the flex budget for this year and then factors added for future years.

c) In terms of Support Staff pay, following the NJC agreement of the pay deal for 2021/22, we paid Support Staff all back pay to 1<sup>st</sup> April 2022 in the November pay. The current pay deal for 2022/23 is under negotiation and is a similar proposal to last year. The outcome will be effective from 1<sup>st</sup> April 2023.

d) The energy bill discount scheme has been extended to March 2024 and Mrs Lumbard will do the calculations for this. We have had some additional capital funding which is school specific and this

sits within each schools' budget. This funding will need to be used primarily on energy efficiency projects. **A Trustee queried why funding is being provided on a per school basis when schools are within a Trust. A Trustee asked if the schools are able to decide what this is spent on.** Mrs Lumbard explained that we have been discussing how to move forwards with our greener objectives. E-Energy have suggested that the starting point is LED lighting. We are looking at capital works to replace lighting with more energy efficient LED fittings. Mrs Lumbard will be sending a proposal to the Headteachers and a wider Trust proposal would be sent to the Trust Board for sign off.

- e) **A Trustee asked if LED lighting is the best investment of this funding and suggested that Mr Piper might be able to provide guidance on this as he has expertise in this area.** Mrs Lumbard will discuss this with him to ensure we are investing the money properly.

**Action: J Lumbard**

- f) Mrs Lumbard advised that three of the schools have qualified for pupil growth funding this year and this has been added to the schools' budget. The Management Accounts are in the process of being finalised and should be circulated before the Easter holidays. **A Trustee asked if the Management Accounts will have accurate forecasts and what will the out turn look like.** Mrs Lumbard advised yes they will have updated and accurate data.

Mrs Lumbard explained the Trust has adopted the DfE Chart of Accounts. The cost of this change within our finance system is £5k.

- g) Funding statements for next year have been received and budgeting is underway. In terms of benchmarking, the Bishop Fleming report has been circulated and it has been used for benchmarking exercises such as CEO salary. There has been some benchmarking work against SMART and there are no outliers apart from spending on premises costs which has been lower. **A Trustee asked what this is implying.** Mrs Lumbard advised that there is limited funding for revenue spending. In terms of repairs and maintenance, if budgets are being squeezed, we do what we can, when we can. Mr Buckley added that we received capital funding and it does allow us more flexibility for spending for planned maintenance. What is meant by "premises costs" was discussed.

- h) Mrs Lumbard advised that we are required to make a return for the school resource management self-assessment tool. There is a key checklist which the CFO and CEO have reviewed.. This has been returned to the ESFA before the deadline of 15<sup>th</sup> March 2023 and along with this, the ESFA recommend that the information on the resource management portal is also checked. Mrs Lumbard explained that the data is for 2020-2021 and is considerably lagged. We issue our own ICLFP (Integrated Curriculum Led Financial Planning) documents which are up to date. We have noted that information on the resource management portal for Landulph does not reflect the result in our Annual Accounts. **A Trustee noted that the average teacher cost at Trewidland is £111k and queried if this is correct.** Mrs Lumbard advised that this corresponds to the total teaching costs for the school so it is not correct.

**Action: Mrs Lumbard**

- i) **A Trustee referred to the period 5 Management Accounts and noted that the agency staff costs are triple to what was budgeted with a particular issue at Saltash and asked if there is anything that Trustees should be aware of and what is the cause of this. A Trustee asked if this is balanced out by vacancy savings which is another line of the budget.** Mrs Lumbard advised that it is the case in some schools such as Looe where vacant posts are being covered by agency staff but the budget is included in other staffing lines. The remainder of the increased costs is literally down to the amount of staff absence and the profile of this staff absence in each school. School absence insurance policies require staff to be absent for 5 days or more. Any less than this cannot be claimed. Mrs Lumbard advised that some schools are dealing with agency costs by having additional cover supervisors and this is the case for Liskeard and Saltash. Mr Buckley advised that it is a challenge to get supply staff and staff absence insurance premiums are high. We have instigated some work on staff attendance to tighten up the whole process. We have broken down long term and short term staff absence in the Headteacher reports. Saltash have been impacted by long term absence. Across the country, schools are being affected by staff absence and TSLT (Trust Senior Leadership Team) have discussed strategies to help with this and we have had some

such as suggestions on having more cover supervisors and bringing together large classrooms. We can't realistically have a cover team which could be deployed across all the Trust schools as this would not be manageable or effective. Mrs Lumbard will review this and provide some further analysis after the period 6 Management Accounts have been finalised

**Action: J Lumbard**

- j) **A Trustee referred to the benchmarking reports and noted that we are in the top ten for leadership at Landulph and asked why is this as it is a small school.** Mr Buckley advised that we are a small Trust so we need stability in leadership and the structure is really important for smaller schools. Deputies don't have a scale point for small schools which has been done with Union agreement and this will take the school above national average in terms of leadership costs.
- k) **A Trustee queried if deputies not having the same scales points creates any retention issues.** Mr Buckley advised that we have not found any issues to date. There is a separate set of pay and conditions for leadership posts. Small primaries tend not to have TLRs and the bottom of the leadership scale is only one point higher than the top of main scale.

## 20. **Issues raised by the Local Governing Committees**

- a) Trewidland – IT issues at the school including purchasing and installation of equipment  
Mr Buckley explained that we still have some work to do to help the Trewidland governors understand the mechanisms and processes which should be used by the school.
- b) On investigation it has been found that staff at Trewidland have not been using the required IT helpdesk ticketing system which has led to issues with the purchasing and installation of IT equipment. We are working to ensure that governors understand that they should hold the school to account and check that processes are being followed correctly before escalating to the Trust Board.

## 21. **Resources Report**

A document had been circulated in advance of the meeting. From this:

- a) Mrs Lumbard explained that IT systems are working positively across the Trust. SMART day was a good example of this as all staff were able to go into Liskeard School where they had no problems accessing IT systems. The IT team therefore had a much smoother day. We have invested in some email security software to help minimise risk. **A Trustee asked about staff bringing in their own laptops and what security systems are in place for this.** Mrs Lumbard advised that these are school laptops. Mr Buckley added that we also have a BYOD (Bring Your Own Device) network for students and visitors.
- b) The rolling programme for IT assets is working well and the team are on track for purchases this year. The Head of IT is meeting with Headteachers to discuss their needs for 2023-24. One issue that we have is staffing of the IT team and we have a vacant position in Liskeard. We have paused recruitment of this.
- c) **A Trustee noted that recruitment for this role has been ongoing since May last year and asked why this is. A Trustee felt the Trust is below market rate for IT pay.** Mrs Lumbard advised that the previous IT manager was on long term sick. We have offered the post to a successful applicant which was then turned down and we then went to an agency to recruit on our behalf but applicants pulled out just before the interview. **A Trustee asked if the applicants have pulled out due to pay.** Mrs Lumbard advised that we are reviewing IT salaries and we are hoping the IT apprenticeship might be more successful. Mr Buckley explained that we do outsource to Nexus and we have used them to fill gaps but it is more expensive and we can't afford to use them for the whole service.
- d) **A Trustee asked if we have looked at outsourcing the entire contract.** Mr Buckley explained that we did a large scale piece of research on this but actually the nature of schools means that we need IT staff on site and distance support is not sufficient. **A Trustee suggested that if we continue to not be able to recruit, we will need to look at a restructure. It was noted that Covid has made IT an incredibly competitive market.**

- e) Mrs Lumbard advised that we are looking at investing across the Trust in toilets which have floor to ceiling cubicles, this should have a positive impact to student behaviour. Mrs Lumbard advised that work at Looe is already included in the capital programme so we might be able to do this slightly cheaper and invest the savings made in other areas. Costs for improving toilets at primaries is more manageable.
- f) The land and building collection tool has been submitted before the deadline. This is a snapshot of land and building assets held by the Trust. This year it has also included any leases held by the Trust. The reinforced autoclave concrete had already had a commissioned survey in place and none was found in any of our schools. The data from the survey has been used to complete a survey required by the DfE Capital team.
- g) In terms of the capital programme, Looe has lots of work on toilets planned and the fire alarm system has been approved by Trustees. The work for the toilets will go out to tender.
- h) **A Trustee referred to the school condition surveys and noted that we need to spend a disproportionate amount of money at Saltash and is there any work that we are not getting done which we should.** Mrs Lumbard advised that much of the work at Saltash is on the heating system. We need a drive from a COO on estates as this needs a greater focus moving forwards. The Chair of the Trust Board explained that we did develop a capital allocations policy when the lump sum first came into the Trust so that we had a fair process around capital expenditure. Mr Buckley advised that we have a master spreadsheet for works required by the schools and we have enough money coming in to continue with the works as planned. Mr Hallam offered some procurement support. Mrs Lumbard added that the DfE frameworks have been helpful and the condition surveys need to be redone so we have gone out and looked at prices and she will have a proposal to send to the Resources Committee for agreement.
- i) There will be some investment from the Local Authority for a lift. **A Trustee asked how was funding obtained from the Local Authority for a lift to be installed.** Mrs Lumbard advised that a student has joined the school who requires access to upper floors.
- j) Mrs Lumbard explained that following Mr Piper's comments on premises compliance and data reported previously, she has worked with the Trust Estate Manager and site teams so that they are trained to use a tracker which is a tool made available by the DfE.. This tracker lists all premises checks and their frequency which then feeds into a work planner. The information is being shared and monitored regularly by the Estate Manager and Mrs Lumbard. Any action required is followed up as soon as possible. Utilities are due for renewal in September 2024 rather than in 2023.
- k) E-Energy have given us an initial proposal on carbon reduction. Mrs Lumbard has reviewed this further but it is based on a 7 year operating lease.. **A Trustee asked if E-Energy had undertaken this work with the intention of being given a 7 year contract.** Mrs Lumbard is not sure as she did not have the initial conversations with them but noted that they have undertaken a lot of work and have also come back with some capital expenditure suggestions. Mrs Lumbard has discussed this information with the Trust Estates Officer and will circulate a proposal to Trustees shortly.

## 22. Policies to review and recommend for agreement by Trust Board

All are updated policies and attached.

- a) Mrs Lumbard explained that there have only been minimal changes to policies. There is a new trust wide finance lead post which started last September so the policies have been updated where necessary with this information..
- b) Charging and Remissions policy  
Counter theft, fraud and corruption policy  
Reserves & Investment policy  
Donations policy and procedure  
Financial Regulations procedures and policy

## Financial Scheme of Delegation

- c) Trustees were content to recommend the policies for Trust Board approval.

### 23. **Agreements made by email – For information**

- a) *Fire Alarm project at Looe – Nov 2022*  
*Telephone Mast agreement Nov 2022*

### 24. **Summary of matters for the Trust Board**

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### 25. **Date of next meetings**

7<sup>th</sup> June and 12<sup>th</sup> July at 5.30pm.

The meeting closed at 6.40pm.

<b>Action Summary</b>	
<b>M19. Finance Report for information (Jo Lumbard)</b> <b>e) A Trustee asked if LED lighting is the best investment of this funding and suggested that Mr Piper might be able to provide guidance on this as he has expertise in this area.</b> Mrs Lumbard will discuss this with him to ensure we are investing the money properly.	<b>Action: J Lumbard</b>
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