



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 Thursday 4th June 2020 at 12.30 pm.

Present	Yes/No	Yes/No
Mr B Cook - Chair	Yes	Mr R Newton Chance
Mr J Crisp	Yes	Yes

**In Attendance: Mr D Buckley, CEO
Mrs J Lumbard, CFO
Mrs K Williams, Clerk to Trust Board**

62. **Welcome and Format of Meeting**

The Chair welcomed everyone to the meeting. The format of the meeting was explained.

63. **Apologies for Absence**

Mr Crisp was not present at the start of the meeting but was expected. It was agreed to start the meeting as he would be joining shortly.

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

None.

65. **Approval of the minutes of the previous meeting held on 04-03-2020**

The minutes of the meeting held on 4th March 2020, having been circulated in advance, were agreed as an accurate record and will be signed when social distancing ceases.

M56. Finance update

b) A Trustee asked what drives the projected deficit at Looe and queried the contact ratio. Mr Buckley advised that this has been formulated from the curriculum structures. Mrs Lumbard will check and advise.

Update: This will be covered under agenda item 66.

c) A Trustee queried the assumptions being made on pupils per number. Mrs Lumbard explained that this assumption was made using LA information but this information has now been updated by the ESFA. A Trustee questioned the higher teaching contact ratio and smaller class sizes. Mr Buckley explained the benchmarks are per school as the ESFA provide benchmarks for the specific school. Mr Buckley will look at this.

Update: This will be discussed during agenda item 66.

M60. Policies – For agreement

c) **Financial Regulations**

It was agreed that the ToR will be lifted from the policy and included in the SoDA. Clerk to add.

Update: Clerk will complete.

Action: Clerk

e) **Reserves and Investments**

Mrs Lumbard explained that there was a quote relating to the RSC and MAT expansion which has been removed.

Page 4. CEO moving between Trust accounts. **A Trustee queried the potential risk around the processes of this.** Mrs Lumbard explained that the Financial SoDA gives the process of this. It was agreed that a reference to this is needed in this policy.

Update: Mrs Lumbard explained that the previous version of the policy contained a quote relating to reserves and on discussion with Mr Buckley, this was felt to be no longer relevant and removed. Mrs Lumbard advised that to comply with the Financial SoDA, the CFO cannot move money between accounts and this needs to be stated in the policy. It was noted that the minutes from the last meeting state CEO and it should be CFO. Clerk to amend.

Action: Clerk

Mr Crisp joined the meeting at 12.45.

66. **Finance update:**

To include an overview of draft budgets. Documents were circulated in advance of the meeting. From these:

a) Mrs Lumbard explained that the budget is in a more favourable position due to the current situation. We are still waiting for confirmation on the position of exam fees. It is unsure if some exam boards will carry monies forward or not.

b) The budget sheets forecast column is up to date. **A Trustee asked about the budget forecast position for the end of the academic year and if those figures of the budget report are different to end of year forecast.** Mrs Lumbard explained that the forecast on the budget is the most up to date information and may differ from the management accounts and will take into account the decrease in income due to the current situation. Mrs Lumbard will review the figures and advise further.

Action: J Lumbard

c) **A Trustee queried the master spreadsheet and noted there are no formulas within it.** Mrs Lumbard explained that the summary page for each school is copied and pasted as the individual school spreadsheets contain confidential personal data which is not shared.

d) **A Trustee asked if the relevant data is on PS financials** which Mrs Lumbard explained that is the case. **A Trustee queried the completion and signing off of personnel request forms** and Mrs Lumbard explained that this is approved centrally. **A Trustee asked about the continuation of Sport Premium funding** and Mrs Lumbard explained that it has not been confirmed if this is being continued. Mrs Lumbard explained that there is no methodology for the Teachers' Pay grant and Teachers' Pension grant available at the moment.

e) The Chair of the Trust board was frustrated by the lack of timely information being provided by the ESFA and their continued poor decision making, which limits the ability of the Finance team to financially plan effectively.

f) Trewidland

The draft budgets for 20/21 for Trewidland have been highlighted as a concern by the LGC (Local Governing Committee). It was discussed that pupil numbers need to be increased as this will increase the amount of funding. It is possible that a deficit budget would need to be agreed for this period. It was agreed that this can be discussed further once the email from the Chair of Governors has been circulated to the Resources Trustees.

Action: Clerk

g) Trustees agreed that draft school budgets will be discussed in the July Resources Committee meeting and given final approval. Mr Buckley advised that there is a possible alternative approach for Trewidland which requires additional support from SMART and this can also be considered during this meeting. **A Trustee asked if Trewidland have any reserves** and Mrs Lumbard advised that there is very small amount.

h) **A Trustee asked where the reserves are coming from and noted the variations.** Mrs Lumbard explained that this information is included in the financial statements from each school at the

end of year. Mrs Lumbard advised that reserves are from the carried forwards from previous years. **A Trustee queried the negative position of the Saltash projections.** Mrs Lumbard explained that staffing is an issue which is impacting the budget and could have an effect on future years. There are 20 less students joining in September and this effects funding for 21/22 and Mrs Lumbard explained that funded is lagged. In each of the years moving forward, there is the increase in support staff pay and teacher pay.

- i) **A Trustee queried the outsourced cleaning contract and premises costs.** Mrs Lumbard advised that the outsourced cleaning is working well but there is still some streamlining needed.
- j) **A Trustee noted that the policy is for each school to present a balanced budget and asked if that is still the case.** Mr Buckley and Mrs Lumbard explained that this is the expectation. It was discussed that the 20/21 the budget for Saltash is problematic due to the staffing issues. We are going through a process to source support for the SLT (Senior Leadership Team) for Saltash for the Autumn term and we are trying to work within the confines of a balanced budget.
- k) Mrs Lumbard explained the assumptions adopted for the budget. Each of the schools have run through the budgets with the Headteachers and Client Managers. Some schools will not have any further changes but other schools may have more significant changes. This information will be updated in preparation for the July Resources Committee meeting.
- l) **A Trustee asked if we need an interim update before the 4th July meeting** and this was discussed. Trustees agreed that further discussion and approval of budgets would continue as planned in the July meeting. **A Trustee asked if we are confident on the assessment on pupil numbers.** Mrs Lumbard explained that this data is provided by the LA (Local Authority) and they have provided the number of pupils who are expected to start in September.
- m) **A Trustee queried “CBU teaching staff”.** Mrs Lumbard explained that this is Mr Buckley and Mrs Sanders and also noted that this also includes maternity cover costs from across the Trust.
- n) **A Trustee questioned Saltash numbers and in year efficiency.** Mr Buckley explained that we are constantly reviewing and making adjustments. Mr Buckley summarised the staffing at Saltash and the recent and upcoming changes.
- o) Confidential appendix.
- p) Mrs Lumbard advised that during the current situation, we have continued to adhere to policies and procedures as normal. We have been able to operate as normal. We have a dedicated team, many of whom have worked during the holidays. Trustees acknowledged the hard work and dedication of staff.
- q) **A Trustee asked about the capital expenditure deficit.** It was expected that this is due to work not progressing due to the crisis. Mrs Lumbard will check and advise.
Action: J Lumbard
- r) Capital works
Mrs Lumbard explained that the Saltash window walling project has been halted due to the Covid-19 restrictions but the tender packs have now been sent out but there is an obvious delay. The authorisation of capital monies being carried over has been requested from the ESFA capital team and Mrs Lumbard is waiting for a reply.

67. **Update on Resources (IT project, Capital projects, Catering & Cleaning)**

- a) Cleaning
Mrs Lumbard noted the good service provided by Churchills. They have been flexible to the time allocation and work to fit in with what is currently required for the number of children in school and wider reopening. They have made us aware of the principles of what they expect of their

own staff whilst on site. There has been excellent communication.

b) Catering

This has been more complicated due to the contract being income driven. We have worked with Chartwells to provide food boxes for vulnerable families. We are now discussing some invoice queries with them and expect these to be rectified soon.

c) IT

Mrs Lumbard advised that this project has moved on and we are now looking at definitive types of hardware. The money that needs to be spend on the project needs to be increased. Mr Buckley advised that one increase is the line rental charges which are different as were originally estimated and the second is due to the capacity of internal IT teams for the migration to the new server and this now needs to be sourced externally.

d) Mrs Lumbard explained that line rental is already included in school budgets.

The 46.7k increase needs to be approved by Trustees. **A Trustee asked what are the processes to approve this additional expenditure.** Mr Buckley advised that these are variants which were included in the original agreement. The biggest additional cost is the migration of the server which needs to be outsourced. **A Trustee noted that this should have been foreseen by the project manager.** It was believed that we had the expertise and capacity internally to complete this work but we are no longer confident of this and this route has the added benefit that this critical work will be covered by guarantee if done by externals.

Trustees agreed to approve the additional expenditure.

e) Insurance

Mrs Lumbard advised that insurance is due for renewal in September and she has been in contact with Zurich. Zurich has advised that renewal costs will remain at £20 per pupil. Mrs Lumbard asked Trustees if it would be possible to agree that a further one-year policy is taken out with Zurich due to the disruption of the current situation. **A Trustee asked if there are any additional costs.** Mrs Lumbard explained that we could join the RPA scheme and this is set at £18 per pupil but there are elements which are not covered under this scheme but are under Zurich. Trustee supported the continuation with Zurich.

f) Confidential appendix.

Mr Crisp left the meeting at 14.11 pm.

68. **Date of next meetings:**

15th Jul – to consider final budgets – Clerk to arrange the time.

The meeting closed at 14.12.

Action Summary	
<p>M65. Approval of the minutes of the previous meeting held on 04-03-2020</p> <p>M60. Policies – For agreement</p> <p>c) Financial Regulations</p> <p>It was agreed that the ToR will be lifted from the policy and included in the SoDA. Clerk to add.</p> <p><i>Update: Clerk will complete.</i></p>	<p>Action: Clerk</p>
<p>e) Reserves and Investments</p> <p><i>Mrs Lumbard explained that the previous version of the policy contained a quote relating to reserves and on discussion with Mr Buckley, this was felt to be no longer relevant and removed. Mrs Lumbard advised that to comply with the Financial SoDA, the CFO cannot move money between accounts and this needs to be stated in the</i></p>	<p>Action: Clerk</p>

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<p>M67. Update on Resources (IT project, Capital projects, Catering & Cleaning) f) Confidential appendix.</p>	<p>Action: D Buckley</p>