

INDEPENDENT PROFESSIONAL CLERKING SERVICES

The St Cuthbert's Roman Catholic Academy Trust

Minutes of a virtual meeting of the Finance, Audit and Capital Assets Committee
held on 11 March 2021 at 5.00pm

PRESENT: Mr P Fearnley, in the Chair,
Mr M Davidson, Ms R Dex, Mrs L Dyas, Mr M Gallagher

IN ATTENDANCE: Mr G Fitzpatrick, Accounting Officer,
Mrs A Hunter, Internal Finance Manager,
Mr A Rookes, Finance Manager,
Mrs K Siedle, COO(Primary),
Mrs S Teasdale, Chief Finance Officer

CLERK TO THE BOARD: Mrs M Gibson, Independent Professional Clerking Services

582 OPENING PRAYER. Mr Gallagher opened the meeting with a prayer.

583 APOLOGIES. Apologies for absence were received from Mr Davison.

584 DECLARATIONS OF INTEREST. No declarations were submitted in addition to those already received.

585 MINUTES OF THE LAST MEETING.

RESOLVED: that the minutes of the meeting held on 21 January 2021 be confirmed as a correct record and signed by the Chair.

586 MATTERS ARISING FROM THE MINUTES. It was noted that updates on actions would be received during the meeting.

FINANCE

587 BUDGET UPDATE. The Finance Manager highlighted key changes to the budget position since the last meeting:

- the overall position had improved, albeit with a projected deficit of £117,000;
- LAG funding had been unexpectedly received from the ESFA to reflect an increase in student numbers; this would not ordinarily be received until next year and had not been included in the financial plan;
- trading income had reduced due to the re-charge of a member of staff to the Marvell College; there would be an equivalent saving in teaching staff costs;
- insurance income reflected funds received for maternity insurance;
- SLT costs had increased slightly due to salary increases; this had been offset in part by a member of staff moving to the Marvell College; and
- there had been an increase in educational supplies expenditure to reflect the Covid Catch Up funding allocation; this had been allocated to specific expenditure lines.

2021/2022 Staffing

The Finance Manager reported that he had met with the secondary Head of School who had confirmed the budget reflected curriculum teaching requirements. There would be little change in the primary position however, he would work closely with primary leaders to finalise staffing requirements and conduct a general review of all other costs.

It was reported that guidance was awaited on income and expenditure for the Teaching Hub; it was proposed that this be managed as a separate entity.

The CFO reported that she had met with the DfE to discuss funding and had obtained further clarification which would be shared at a later date. She advised that £30,000 was expected to be received in April and May 2021.

Directors asked if the Teaching Hub would generate a level of income for the Trust. In response, the CFO reported that as more guidance was received, the way in which the Teaching Hub would operate would be clearer.

The AO advised that Teaching Schools, which had spent significant amounts on infrastructure, would be disestablished. A KPI for the DfE required engagement of other establishments; the Teaching School had agreed to work with the St Mary's College/St Cuthbert's Hub and they would be called upon to support this, ideally without financial incentives.

Directors asked if there would be any obligation or implications relating to ringfencing appointments. In response, the AO advised that a plan had been developed to create a central steering team which would oversee key areas of delivery.

Cashflow

The bank balance was anticipated to be around £371,000 by the end of the month; this would continue to be managed in line with the limits set.

Directors sought clarification on timing for key areas of income. In response it was explained that FSM funding was received April to March; PP income was received in July and Capital funding received June/July; this provided a false picture of funds held throughout the year.

The impact of the additional funding for SMC 6th form has had a positive impact on the Trust cashflow projections with no red months identified as a result.

The graphics presented related to pupil numbers and provided an insight into projections developed for the budgets. More definitive numbers for primary schools would be received following completion of the admissions process; budgets would be amended to reflect actual numbers as information was received.

The Finance Manager drew attention to the graph which displayed pupil numbers for St Mary's College and St Richards Primary Academy which highlighted the different paths the two schools were taking in respect of their numbers.

A discussion ensued regarding pupil numbers and the manner in which they were received and collated. The CFO advised that intelligence was received from the LA which allowed projected numbers to be determined; this formed the basis for future budgets.

The COO(P) reported that information was available from the LA based on first, second and third preferences for school choices however, it was unlikely all second and third choice children would be allocated. She pointed out that accurate numbers could not be confirmed until the end of March after which, the budget would be amended and re-presented.

The AO reminded Directors that primary pupil numbers had been an area of concern for some time and plans had been developed and would continue to be reviewed to address the issue.

Directors were reminded of the review commissioned, to be led by Esteem, which would cover a number of elements. Background research had commenced and draft proposals were expected to be received early in the summer term.

Actual vs Budget

The Finance Manager advised that a separate report had been circulated which detailed actual income and expenditure, comparing this to the budget information provided. He expressed confidence that the current position was in line with expectations and reflected that expenditure of most of budget lines occurred in the first three months of the year.

It was pointed out that there had been additional costs due to Covid as schools had been fully open during this period. The CFO advised that claims would be submitted for exceptional costs despite the strict criteria and tight deadlines.

Budget to Final Accounts Reconciliation.

The Finance Manager confirmed that the reconciliation of the 2019/2020 final budget was almost completed; this would be presented at the next meeting.

RESOLVED: that the budget reconciliation for 2019/2020 be presented at the next meeting.

Directors conveyed thanks to the Finance Manager and the Finance Team for the comprehensive and informative reports presented.

AUDIT

588 REPORT FROM THE CHIEF FINANCIAL OFFICER.

Accounting Officer Report

1. Regularity

- *Land Buildings Collection Tool submitted to diocese and ESFA by deadline of 28 January 2021.*
- *Audited Accounts Return (AAR) submitted to ESFA by deadline of 23 February 2021.*

- *School Resource Management and Self-Assessment Tool completed and submitted to ESFA ahead of 15 April 2021 deadline.*
- *Teaching School Hub Grant Offer accepted, signed and returned to DfE.*
- *COVID-19 Workforce funding process launched yesterday with claims due for submission by the end of the month.*

2. *Propriety*

- *There had been no response from Eileen Milner to the letter sent in November 2020 regarding Executive Pay.*

3. *Value for Money*

- *School Uniform procurement exercise complete – new contract awarded from September 2021.*
- *MFD & Printing procurement exercise complete – new contract awarded from Easter 2021.*
- *Business Support Manager has commenced new procurement exercises in grounds maintenance, school comms text messages and business support software.*

The CFO commented that she had been delighted with the outcomes of the procurement process which had been communicated to the parties involved. Meetings would continue to be arranged to ensure minimal disruption during the transition period.

Chief Financial Officer Report

I am delighted to report that today we finally have all of our students across the Trust back in the classroom. St Mary's has rolled out a phased return since the end of lockdown on Monday 8 March 2021, in order to support the mass Lateral Flow Testing of all secondary students. We have exceptionally high consent rates of over 92% and the testing has been expertly project-managed for me by Alison Irwing, Manager Business Support, to deliver a professional, smooth and efficient testing regime for our students with minimum disruption to teaching and learning. Staff are now home testing.

The CFO advised that students had been tested with minimum impact on teaching and learning. Two positive tests had been received; one had confirmed as positive; the other was waiting confirmation.

Directors asked how the consent rate compared city-wide. In response the CFO advised that the rate was good. Analysis had been conducted of those who had not consented and a small cohort of Eastern European students had been identified. Students and families were being supported with the translation of information and the consent rate was expected to increase as a result.

In response to a point for clarification, the CFO outlined the testing process and how it would migrate to home testing, which was expected to be less reliable due to lack of support and expertise to supervise the process.

The Business Support Team continues to work flexibly ensuring that there is Finance and HR staff on site every day to cover any site-based needs. We will continue to review this situation up until Easter when I expect a full return to office working. The Lead Finance Manager has produced a snapshot of planned vs actual expenditure and this demonstrates

the level of unplanned expenditure being experienced across the Trust to support our COVID arrangements. We are feeding that information into our budget planning as it becomes clearer and we are ready to take advantage of any further central funding that may become available.

In February 2021 we received the long-awaited news that we had been successful in our bid to become a Teaching School Hub. This recognises the outstanding reputation St Mary's College has for the delivery of first-class school-to-school support alongside the incredible efforts of the CEO and Marc Cooper in terms of putting together a very accomplished bid against very tight timescales. This award brings with it a significant 3- year boost to our cashflow and some very exciting opportunities to influence and improve the recruitment, retention and early career development of teachers in our area and beyond. We are initially advertising for a Director and Manager to set up the Hub and they will work in partnership with other Trust staff, and specialist resources in the area, to establish the Hub and develop the offer.

The CFO advised that initially, posts would be advertised; the cost of this would be covered by the funding. Discussions would also need to be conducted to plan for premises and resources.

Ongoing discussions are being held with CEO and 6th Form leaders to determine the optimum number of students in terms of outcomes and financial modelling. Some further 6th Form premises investment may be required to provide additional catering provision in order to achieve the best returns for the Trust.

589 CORRESPONDENCE FROM THE ESFA. The CFO drew attention to interactions with the ESFA since the last meeting:

- 10 February 2021 – launch of single Budget Forecast Return Form which would go live on 22 June 2021 with a deadline of 27 July 2021, combining BFR3Y & the usual BFRO.
- 17 February 2021 – Teacher's Pay Grant / Pension Employer Contribution Grant to be received in NFF from Sept 2021.
- 24 February 2021 – COVID Catch-Up Premium 2nd payment due.
- Managing the School Estate Summit would take place online on 24 March 2021; this would be attended by the CFO, Estate Manager and Manager Business Support.

590 AUDIT REPORTS. The Internal Finance Manager reported that she had conducted a review of expenses and petty cash; no errors or concerns had been identified.

The CFO conveyed thanks to the Internal Finance Manager who had continued to conduct the audit despite a serious injury to her arm.

591 POLICIES FOR REVIEW. It was noted that the charging and community use policies were currently under review; these would be presented at the next meeting.

RESOLVED: that the charging and community use polices be presented for approval at the next meeting.

HEALTH, SAFETY AND PREMISES.

592 HEALTH, SAFETY UPDATE. The CFO advised that an annual calendar of actions had been developed by Mr Haas and applied by the Estate Manager. In addition, an external audit would be conducted; this would influence the priority actions for the internal audit.

Directors were informed that, in addition to internal arrangements, the diocese had conducted a review; they had commended the manner in which all information requested had been readily available.

Accident reporting systems would be an area for review, particularly in primary schools. It appeared that changes in office management had impacted on reporting methods and these would be reviewed to provide consistency.

Risk assessments had been updated to reflect arrangements for opening; staff continued to respond to the Covid agenda in the best way possible.

Directors asked if there had been issues identified with student transport. In response the CFO advised that bubble arrangements had been reinstated and although there were no specific issues in this regard, the high level of roadworks across the city was impacting on journey times.

593 CAPITAL ASSETS UPDATE. Directors received an estate progress report, copies of which had been circulated in advance of the meeting.

The CFO advised that lots of work had been completed however, there were areas of vulnerability which needed to be addressed.

Heating and water systems – the Salix funding bid had been unsuccessful (due to withdrawal of the funding) and was unlikely to be available again in the near future. Failure in this area was high risk and there would be insufficient funds in the budget to complete the work to reflect the major investment needed.

A Part B discussion was held at this point (minute 595 refers).

594 DATES AND TIMES OF NEXT MEETINGS.

RESOLVED: that dates and times of the next meetings be confirmed as follows:

6 May and 8 July 2021
all meetings start at 5.00pm

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signature of chair

ACTIONS

Minute No	Action	By who	By when
587	Budget reconciliation to be presented at the next meeting	CFO – report Clerk – agenda	22/4/21
591	Charging and community use policies to be presented at the next meeting	CFO – Policies Clerk - agenda	22/4/21

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PART B - NOT FOR PUBLICATION

Confidential items covered by the Articles of Association.

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signature of chair