



**An Daras Trust**  
Igniting Curiosity Growing Capabilities

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CEO: W. T. Hermon

22/06/2020

## Minutes

### Finance and Strategic Development Committee Summer 2020

Monday 22<sup>nd</sup> June 2020 at 9.30am remotely via Zoom

1. **Join Meeting**

All participants confirmed as having audio and video.

2. **Welcome and Apologies**

**Present:** Graeme Barriball (Chair), Tim Woodward (Vice), Peter Hague, Jon Sharpe, Claire Paul, Will Hermon (CEO)

**In attendance:** Toni Martin (Governance Officer), Emma Gilbert (CFO), Jo Callow (Ex Officio)

3. **Declarations of Interest/Pecuniary Interests relevant to this Agenda**

None declared.

4. **Confirm minutes of previous FSD Spring Meeting (26<sup>th</sup> February 2020) and Matters Arising**

- Review utilities usage and providers (WH/MB). *WH noted that a brokerage system has been used to achieve quotes and savings have been made this year. MB will provide a summary to be distributed to Directors for their interest.*

Committee agreed the minutes and the Chair will sign a copy once normality resumes.

5. **Confidential Agenda Items**

None.

6. **Actions from Other Meetings**

- Audit 11 March – Launceston Pre-School – confirm premises and maintenance costs (WH). *WH provided an update and noted that more up to date costs are now required. **Carry forward to Full Board on 8<sup>th</sup> July 2020.***
- BoD ExO 4 May – Chartwells Contract extension options and decision (EG). *EG has met with Chartwells but only received the costings on 19<sup>th</sup> June so hasn't been assessed yet. She noted that they have come up with some innovative ideas for providing hot meals. **Carry forward to Full Board on 8<sup>th</sup> July 2020.***

7. **Finance Management Reports**

March management reports were provided to Directors prior to the meeting and everything is currently on track. EG noted that CG and SSCA are a concern because they appear to be in deficit. SSCA is awaiting significant SEND Top Up funding from the LA so will be back on track once this is paid plus SSCA is awaiting reimbursed costs from Holsworthy school re catering. WH gave some detail regarding the LA funding for specific provision in the SSCA ARB. A Director queried whether

the school meals voucher system are working better now and JC confirmed that now it has bedded in, it is working well. School meal vouchers will continue over the summer break for those pupils eligible.

It is noted that EG (CFO) held a remote workshop with Directors on 18<sup>th</sup> May 2020 to explain the finance management reports in detail. TR, JS, ST and PH were in attendance. The CFO updated on the annual process, not setting deficit budgets and the current state of reserves as background. A little brief history when setting the budgets in recent years with the necessary staff cuts and managing budgets in small schools was given. EG explained the management accounts print out using the software and then the KPI document where key information is pulled out to show %s and trends. She talked through the KPIs. EG confirmed that the major cost for all schools is staff, and noted PPG and GAG funding. TM explained the PPG and PE funding that is dealt with in schools with a provision map and impact report, and is the only finance delegated to the LGBs to be monitored. The following challenges or questions were put to the CFO and are recorded here:

- Can you confirm the financial year? *1 Sep to 31 Aug.*
- What do you base your budget forecasting on. *Based on current year with known adjustments. Usually start with 'nice to haves' and then whittle down to what can be afforded. It also needs to be affordable in the long term.*
- Ref the teaching costs for Coads Green, how will this budget be managed as it will clearly affect reserves? *EG explained this is an issue because of the size of the school and pupil numbers, and explained how this will be tackled.*
- It was noted that it would be useful to see a column of expected budgeted % for the year against each KPI. *EG will add this.*
- How do you reconcile the budgets throughout the year? *EG explained.*
- How is the staffing budget at CG managed? *EG confirmed that even with a minimum number of staff, it will be overspent.*
- What happens with capital expenditure? *Some is noted in the accounts but some of the funding has not been received yet. The expenditure at NP for the sewage system was noted.*
- The view was discussed that we seem to be penalised for having reserves, so perhaps we should be looking to spend some for the good of the children?
- Is there something in the software that totals up the figures centrally? EG explained that there isn't currently but this can be looked at.

## 8. Funding Matters

- **2020 CIF Bid Updates**  
These bid results have been delayed by DfE from March until June but there may be a further delay. Bids have been submitted for 3 or 4 major projects but it is not known yet whether they will be approved; this included some major work at Werrington (that was planned to include the upstairs classroom) and the heating system at SSCA.
- **Werrington Classroom Project**  
WH updated the committee on the improvements required to upstairs at Werrington in order to change the current 3 small spaces to one large classroom and library to better accommodate the pupil numbers. Safeguarding is an issue in 3 small rooms and with the current social distancing measures, the current space is not very usable. **A Director questioned whether there was access for disabled children** and WH confirmed that unfortunately this isn't possible for upstairs but pupils with disabilities can be taught on the lower floor. WH confirmed that Cornwall LA (the landlords) are content with the plans and he outlined the 4 bids received in response to the tender and a summary of the likely total costs. He noted that the LGB are in favour and the

committee agreed it is entirely sensible to make these changes, particularly as the school is doing well with numbers and standards.

**The Chair proposed that the necessary changes be made to the upstairs classroom at a price of circa £15K and the remainder of the committee agreed.**

- **Arena Draft Contract**

WH updated the committee on PE funding currently. Up to now, it has been about £16K for each school to be ring fenced for PE activities. This was an increase from £8K and the government has not confirmed the level of funding yet for 20-21 and whether it will remain at circa £16K.

WH explained that Arena have been used successfully to provide PE provision and other outdoor activities, and confirmed that they have been very good and they also cover all the paperwork side, risk assessments etc which saves our staff a lot of time also. He explained what Arena provides and has continued to provide over the lockdown period and beyond. He confirmed that their service is effective and it is a local company. **A Director challenged whether the contract will be amended to take account of the actual funding received;** WH explained how the contract works and that the provision is charged as a set amount per school and this is within the budget whichever level is set. He noted that PT school will not use this provision in future as the distance involved makes it less cost effective.

**A Director challenged whether we should be obtaining other quotes to ensure appropriate financial regulations.** WH noted that there are not many companies that will provide this service but he will approach other companies to see if they are interested in providing and at what cost.

## 9. **Budgets 20-21**

WH noted that additional indicative funding has been received from the government for 20-21 but lower pupil numbers in some schools is counteracting this. Most schools are balancing, with CG and LT being the most difficult to balance the budget. A realistic solution has been found for CG, although they will have to carefully manage their budget. LT budget is more difficult to balance given a drop in main school pupil numbers and a large pre-school indicative deficit for 20-21. The drop in pupil numbers has decreased the budget quite significantly. The committee discussed pupil and nursery numbers and how this could be improved. Teaching costs have already been reduced as much as is possible, so it will be tricky to balance. It was confirmed that GAG cannot be used to fund the pre-school; it has to be self-funding and this is proving an issue. **A Director questioned how LT's numbers are going forward?** WH confirmed that at best it will be static but more likely will be reduced slightly, unless pupils join the school throughout the year groups. Doorstep flyers have been circulated to try to boost pre-school numbers. It was noted that the new free school in Launceston will also affect numbers in our schools, potentially SC. **A Director challenged why the PE funding figure for CG and LT is higher,** and WH explained. However, **a Director challenged that if the PE funding is allocated it has to be spent on PE so it cannot help to balance the budget** and WH explained how it can be used to offset staff costs so long as it was within the PE funding use criteria.

The committee discussed the additional recovery grant promised by the government and although gratefully received, the funding levels will not go far. WH confirmed that a record of additional CV19 costs is being kept but it is not confirmed what will actually be paid back yet? A Director noted that it appeared that if the Trust added to its reserves, it may not get this funding; is this the case? The CFO agreed that as the Trust has managed its finances well and not ended up in deficit, it may end up being penalised and not get the funding as stated. WH also noted the recovery funds announced by the government but in reality it is about £4K extra for a small school and £16K for larger schools,

which will not go far in terms of tutoring. WH also explained about the lack of laptops for children and that the timeliness of their supply has also been unhelpful in that many have yet to be received.

**The FSD committee agreed the draft budgets can be presented to the full Board on 8<sup>th</sup> July 2020 for approval and then the Chair will sign them off.** It is already on the agenda for the full Board and by then WH will be able to confirm the PE funding levels hopefully.

EG noted that the MAT has to have a 3 Year Budget Forecast available but we are not required to submit a three-year forecast to the ESFA, just next year's budget.

#### 10. Policy Review

Finance and Finance Procedure Policies – two overarching finance policies to reference all our other finance policies (as required by the External Auditors) – approved. **A Director challenged the management of cash and the loan of assets at this time?** EG confirmed that there is no cash being held at schools at present and only one item on loan to Holsworthy School.

Lettings (carried forward from RSS) – approved.

#### 11. AOB

##### **Working from Home Costs**

EG raised the issue of costs with staff working from home. She noted that there is a tax relief element that staff who have been asked to work at home without a choice can use this tax relief to claim back a small amount of costs. She noted that a claim has been submitted for expenses for working from home by a member of staff. The committee agreed that there will be no policy to support claiming costs going forward as it is hoped that any small additional costs will be balanced by what has been saved on fuel costs. Each case will be dealt with individually and only considered if genuine additional costs to achieve appropriate broadband/data level required to teach from home.

WH informed the committee that LT school flooded last week and the costs are being covered by insurance. It was noted that under the insurance regulations from the insurance company, there is no need to provide 3 quotes and so for external auditor purposes, there will not be 3 quotes available for this work.

#### 12. DONM

To be confirmed when the programme of meeting dates for next term is completed and TM will have this done for the full Board meeting.

Meeting closed at 10.55am.

TJH Martin  
Governance Officer

#### **Distribution List:**

G. Barriball – Director (Chair) T. Woodward – Director (Vice) C. Paul - Director P. Hague – Director J. Sharpe - Director	W. Hermon – CEO Director E. Gilbert – CFO J. Callow – Ex Officio Observer
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