



TOVE LEARNING TRUST

**Minutes**

**GOOGLE HANGOUTS MEET VIDEO CONFERENCE**

<b>Meeting</b>	Trustees (Finance Committee)		
<b>Date</b>	8 <sup>th</sup> June 2020		
<b>Attendance &amp; Apologies</b>			
<b>Trustees</b>		<b>Trustees</b>	
Christopher Watt (Chair) CW	P	Jo Chitty (JC)	Ap
Jamie Clarke (JRC)	P	Thomas Schilling (TS)	P
Tim Foster (TF)	P	Duncan Nicholson (DN)	P
<b>Trust representatives</b>		<b>Trust representatives</b>	
Sue Wagstaff (SW) CFO	P	Tracy Routledge (TR) Estates Manager	P
Lindsay Oake (LO) Principal Accountant	P		

(key: P=Present, Ap=apologies received, A=absent)

**In attendance:** Katie Fell (Clerk) (KLF)

No.	Item	Action
1.	<b>Apologies and introductions</b> <ul style="list-style-type: none"> <li>Trustees met via Google Meet video conference due to Covid-19 social distancing.</li> <li>Apologies were received and recorded for Jo Chitty.</li> </ul>	
2.	<b>Declaration of Interests</b> <ul style="list-style-type: none"> <li>No interests declared.</li> </ul>	
3.	<b>Terms of Reference</b> <ul style="list-style-type: none"> <li>The proposed TLT Finance Committee Terms of Reference were approved and ratified.</li> <li>Trustees agreed that TLT Committee Terms of Reference would be amended to reflect changes in the Finance Committee Terms of Reference that had been agreed.</li> </ul>	
4.	<b>Election of Chair (Clerk)</b> <ul style="list-style-type: none"> <li>Chris Watt was nominated and elected as Chair of the Finance Committee for this academic year.</li> </ul>	
5.	<b>Reappointment of Trustees</b> <ul style="list-style-type: none"> <li>It was agreed to reappoint Chris Watt, Tim Foster and Jo Chitty as trustees of the Company in accordance with article 50, and reappointment of Jamie Clarke, CEO, as a Trustee in accordance with article 57.</li> <li>Tim Foster was also appointed as a member of the local governing body, as a Trustee representative, for Grace Academy Darlaston and Grace Academy Solihull effective from 9<sup>th</sup> June 2020 until 31 August 2021.</li> </ul>	
5.	<b>Minutes and Matters Arising from 18<sup>th</sup> May 2020</b>	

	<ul style="list-style-type: none"> <li>● Trustees reviewed minutes from the 18/05/20 and agreed they were a true reflection of the meeting.</li> <li>● The minutes from 18/5/20 will be signed electronically by the Chair due to the meeting being online.</li> <li>● Matters arising: <ul style="list-style-type: none"> <li>○ EWS school budget will be discussed during the meeting below.</li> <li>○ Budgets have been made available for Trustees to review in the Google classroom.</li> <li>○ RO visit reports still need to be conducted and will be reviewed by the Audit Committee.</li> </ul> </li> </ul>	
7.	<p><b>Estate Manager Report (TR)</b></p> <ul style="list-style-type: none"> <li>● TR submitted a summary Estate Management report to Trustees outlining an update on the School Capital Allocation (SCA) funding and projects are starting to get underway.</li> <li>● Aerated concrete inspections have been completed and it was reported that it is highly unlikely we have RAAC. There is no further need for any investigations or sampling.</li> <li>● EWS have some funding due to them from NCC for reopening parts of school that have previously been closed. TR is liaising with the school to make sure they are compliant with grant funding agreements. Discussed S106 money due to EWS which is good news for the school.</li> <li>● Rushden Academy has completed roof works and asbestos works, and they have also been able to update IT infrastructure. This injection of cash is good news. Jane Burton, Headteacher, has been promoting this to parents in school newsletters, and this also provides an opportunity for positive PR to the local community.</li> <li>● Lakes Academies Trust schools are expected to transfer on 1 September 2020. Additional capital funding for Water Hall and Knowles Primary is being considered by the DfE at the end of June and hoping it will be approved without too many conditions.</li> <li>● Ellis Whittam are expected in July for year-end visits and some remedial work can be completed over the summer.</li> <li>● Trustees were reassured that the monitoring of H&amp;S is still on track and expected to be complete by the end of the year.</li> </ul>	
8.	<p><b>Financial Reports (SW)</b></p> <p><b>a) Management accounts for April 2019-20 were presented.</b></p> <ul style="list-style-type: none"> <li>● April management accounts have now been updated with narratives on any large variances. Trustees were invited to ask questions about current 2019-20 accounts before considering proposed budgets for 2020-21.</li> </ul> <p><b>b) EWS financial review 2019-20 and budget plan 2020-21</b></p> <ul style="list-style-type: none"> <li>● EWS financial position was reviewed in detail.</li> <li>● TLT took on EWS across two sites and we need to make sure we can run it efficiently. EWS receives £175K per annum to account for the split site, but it doesn't cover the costs of having a split site. It was highlighted that EWS needs to have increased pupil numbers on roll which will help remedy the financial situation and bring in more income, although it would be lagged funding.</li> <li>● SW has analysed the budget line by line. Generally, the budget is quite lean, but the majority of cost is in staffing.</li> </ul>	

- The affordability of current staff vacancies was discussed and alternatives to recruiting full time posts such as exploring a TLR as an alternative for a FLL Science vacancy; appointing a Cover Supervisor which would be more cost effective than relying on supply staff; and appointing a Sports Centre Manager on an 8-month rather than 12-month contract, were all discussed in detail. The school leadership team needs to understand the impact of not appointing to various roles and alternatives available.
- The appointment of an IT Manager and School Business Manager were discussed. The IT Manager vacancy has been regraded to 2 scale points lower to match trust level, but there may be other consultancy support at central level which could reduce the need for this post.
- Trustees agreed that not reappointing a School Business Manager would be a risky approach and the Chair warned against this due to all the issues that had come to a head this past 12 months. The Chair wishes to be part of the recruiting panel for this post.
- There is an opportunity to review the cleaning and catering contract costs during the next academic year, and it is hoped to restructure the contracts so they are more favourable. The catering contract should be generating income for the school.
- ***JRC will continue to work with the Headteacher to look at the detail, but to what extent is the trust able to support the deficit budget. Guidance was sought from Trustees on what is a tolerable level of subsidy/loan to support them?***
- *It was agreed that a £300K deficit cannot be tolerated and further reductions in the budget were needed. Trustees stated the importance of taking tight control yet still maintaining standards of education. Trustees expect a clear plan, and will tolerate a small overspend, but with a clear route map going forward and as numbers on roll increase there may be small gains and bigger sums of repayment will be possible when the school starts filling up.*
- Trustees were reassured to hear feedback on where some of the problems are and where some remedial action needs to be taken. Expectations and outcomes are clear, having tight reporting timeframes to TLT is important and holding the school to account rather than taking control is seen as the right approach.
- Trustees discussed whether an additional surcharge on top of the core services should be charged to EWS to account for the additional support being given by central TLT. It was agreed not to proceed with any additional surcharge at present, but provide the school with support to bring costs down and present a more favourable budget to Trustees next month.
- Trustees thanked SW for her extensive work on this.

**c) Proposed 2nd draft budgets for 2020-21**

- SW presented a report to Trustees exploring previous year's budgets for 2019-20 and next year's draft proposed budgets for 2020-21 as they are so far. The summary report identifies areas requiring further attention, investigation and review prior to final budget approval.
- SW stated that during the budget planning process figures can vary on a daily basis but the trends overall remain the same. All schools are presenting a balanced or surplus budget with the exception of EWS, presenting a deficit budget.
- Rushden Academy has submitted a balanced budget but quite a few items require further challenge. SW will spend more time with the new school business manager to

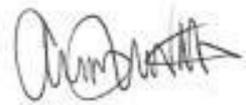
	<p>check calculations, assumptions and analyses and seek reassurance in the accuracy of the budget.</p> <ul style="list-style-type: none"> <li>● All questions will have been addressed and calculated by 1st July final sign off meeting with Trustees.</li> <li>● CW thanked SW, LO and school business managers for their work in preparing the budgets.</li> <li>● A detailed report was submitted to Trustees to provide comfort in the level of interrogation by the CFO.</li> <li>● <b>ACTION:</b> Trustees were asked to review the report and feedback any questions to SW for further investigation prior to final approval by the Board on 1st July.</li> <li>● Last meeting presented a very detailed analysis of EWS budget to date. A further draft budget has been uploaded to the classroom this afternoon for Trustees to review.</li> <li>● LGA - Teachers pay awards have not yet been factored into their planning. However, LGA is in a healthy position and able to reinvest some of their surpluses whilst keeping a contingency fund.</li> <li>● <b>Trustees asked if we keep a track of surpluses and where these are applied? SW confirmed these are monitored to give a clear picture of how they make up the reserves. This will become more important when the SCA tracking is updated and can build a picture.</b></li> <li>● Trustees felt reassured that the CFO is in regular dialogue with School Business Managers with regards to the budgeting process, and sees evidence of challenging exceptional items and where items look to be out of synch.</li> <li>● JRC and SW are also working closely together to interweave the budget setting process with the Integrated Curriculum and Financial Planning (ICFP) process. This enables the budget planning process to inform curriculum costs and links to resource planning. Headteachers can quickly hone in on areas which need amendments and can take informed decisions. When school leaders have engaged with it, the process has worked well although we are yet to finalise a model for use in primary schools.</li> </ul>	
9.	<p><b>AOB</b></p> <p><b>Rushden Nursery:</b></p> <ul style="list-style-type: none"> <li>● TLT started looking at the nursery viability in July 2019. It was left to run for a year after the transfer from TEFT and was found to be making a considerable loss. Trustees and Rushden AIB decided remedial action was required and considered options of either looking for a buyer/change of owner, or to close the business. The business model is not currently fit for purpose nor financially viable, and would require a change of operating hours to 7am - 7pm and all year round, rather than term time only.</li> <li>● In autumn 2019 a number of suppliers were approached, and an external party expressed an interest and negotiations progressed. In Spring 2020 they wanted to progress with the lease and make some changes to the site, so a transfer for Easter 2020 was planned. The owner/manager was unfortunately taken into hospital which led to a 4 week delay and coincided with Covid closures, so the transfer was put on hold indefinitely.</li> <li>● SW advised Trustees that we cannot afford to wait for a further undefined period and need to take a decision about the best course of action for the new financial year.</li> <li>● <b>DECISION:</b> Trustees agreed, based on the financial analysis and considering all risks to the Trust, that the nursery would be closed and to request Rushden AIB to discuss at their meeting on 9<sup>th</sup> June.</li> <li>● <b>ACTION:</b> SW to prepare a summary report on Rushden nursery for Rushden AIB.</li> </ul>	SW

	<p><b>Audit Committee reports</b></p> <ul style="list-style-type: none"> <li>• The TLT Audit Committee has met twice in recent weeks to review both the primary and secondary schools’ reopening plans as Covid-19 restrictions are lifted. It is an operational decision which rests with CEO, but the Audit Committee has reviewed the risk assessments for all schools and has spoken at length with the CEO and CFO.</li> <li>• <b>RECOMMENDATION:</b> The Audit Committee was satisfied that schools have consulted widely and completed robust and rigorous risk assessments. They recommended to Trustees that Primary schools are fit to reopen on 1st June (for Yr R, 1 and 6) and Secondary Schools from 15th June for Year 10 and 12.</li> <li>• <b>ACTION:</b> Circulate minutes of Audit Committee to TLT Board of Trustees.</li> </ul>	<b>KLF</b>
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Meeting ended 6:45pm

**Next meetings:**  
**Wednesday 1<sup>st</sup> July 2020 5:00pm**

<b>ACTIONS from this meeting</b>		
<b>ACTION</b>	<b>BY WHOM</b>	<b>BY DATE</b>
Review the Trust Budgets 2020-21 report and feedback any questions to SW for further investigation prior to final approval by the Board on 1st July.	Trustees	26/6/20
CFO to prepare a summary report on Rushden nursery for Rushden AIB.	SW	<b>Completed</b> 9/6/20
Circulate minutes of Audit Committee to TLT Trustees.	KLF	<b>Completed</b> 12/6/20



Signed by: \_\_\_\_\_ Chair of Trustees      Date: 01/07/2020