



An Daras Trust
Igniting Curiosity Growing Capabilities

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06/03/2024

Minutes

Finance, Resources & Staffing Committee Spring 2024
Wednesday 6th March 2024 at 9.30am at central office

1. Welcome and Apologies

Present: Jon Sharpe (Chair), Steve Tavener, Peter Hague, Claire Paul, Ian Wilkinson, Will Hermon
In attendance: Emma Gilbert (CFO), Jo Callow (Ex-Officio), Toni Martin (Governance Officer)

2. Declarations of Interest/Pecuniary Interests relevant to this Agenda

None declared relevant to this agenda.

3. Minutes of previous FRS Autumn (11th October 2023) and matters arising

- Pre-School Review (JC). *Noted that full Board in Dec 2023 suggested a spring and summer review of pre-school figures for comparison. Ongoing.*
- From Audit committee: Financial Policy with GAG pooling section added for review by FRS (EG). *See item 11.*
- No actions from the confidential minutes.

Committee agreed the minutes and the Chair signed a copy.

4. Confidential Agenda Items

Staffing and pay matters were discussed and ratified; this is recorded at the confidential minutes.

5. MAT Improvement Plan

WH noted that when the summary of the AIP is done, financial fidelity will not be green but the committee agreed there were good reasons for this such as expenditure on school improvement and curriculum leading to multiple successful Ofsted inspections and unfunded staff pay rises. However, it was agreed that having had the recent successes, the finances do need to be tightly controlled. Improvement plan is always on the full Board agenda and will be briefed in full on 20th March.

6. Review Current Finance

a. Income and Expenditure Against Planned Budget

End of period accounts provided up to end Dec 23. End of Feb 24 are almost complete and will be provided to Audit committee next week. EG discussed the accounts, in particular the staff budget and the variance with teaching staff and support staff. She noted a few examples including the mini bus drivers and '½' of a teacher's time at SC that was not accounted for previously. **When you set the staffing budget, is there any wiggle room put in?** No, we haven't as we haven't usually got the spare funds to do this and we are not permitted to set a deficit budget. **It is surely important to have scope to adjust in year and if the funds are not used, they can be released for something else?** The SEND TAs always cause a variance because it is based on need at the time and this changes. **We know about some of these factors so we must**

be able to forecast the staffing costs better as the variances are too high – if we know our staffing in advance, it must surely be more accurate than this? Either the school budget share isn't predicting the costs accurately and/or there is human error in transferring the costs. **Is the staffing deficit cost a spike or a trend and what are we doing about it?** We should be able to forecast all of these things. **It was agreed that this should be addressed urgently as the forecasting and actually budgeting is not marrying up, which is not good management going forward. Action: EG will take another look at this and produce an initial report for the Audit committee on what is going wrong and what we can do about it.** Currently there is restricted spending in other lines, we are not recruiting extra staff, when staff leave we are looking for a cost effective way to replace; effectively cutting costs to help redress the issue.

Absence insurance for staff – getting payments processed is increasingly difficult. Pre-existing conditions is causing an issue and there needs to be discussion re insurance cost versus what we are actually getting back through the insurance. Covered later in item 7. **CIF funding is 'sitting in the bank' but can we be clear it is allocated as a separate line?** It was confirmed that this is shown separately and is assigned to work. To summarise, it was confirmed that the remainder of budget is fine just the staffing costs needs addressing. ST thanked EG for the latest finance management reports as they are getting more targeted each time which makes it easier for the directors to scrutinise.

b. **Measure Budget Against Financial KPIs**

As above.

c. **Virements and other transactions in accordance with the MAT Financial Regulations and Scheme of Delegation**

None.

d. **Approval of Expenditure of Sums over agreed Financial Regulations**

None.

7. **Future Finance and Finance Compliance**

Funding agreements for the 3 new schools joining the trust (currently Duchy) were noted and WH also noted that Duchy lose their master funding agreement as they will come under An Daras master funding agreement. Solicitors have recommended these funding agreements, the DfE has approved and the **Directors approved them**. They were all signed by the Chair of the Trust Board and the Company Secretary.

From 1 April all assets will be transferred from Duchy to An Daras. **Directors approved this.**

WH noted costs for Visible Learning for Duchy schools and it was agreed that it should be deferred for one year and will be budgeted for in the 25-26 budget.

a. **KPIs**

This was discussed at length and it was agreed that the KPIs for the next academic year will be focussed on staffing costs and the Duchy transfer. WH noted the bid that has been put in for the transfer expenditure. We are unlikely to get it all but he is hoping we will get at least half.

b. **Benchmarking**

There is no benchmarking data available at present. The School Resource Self Assessment Tool is usually on the FRS committee Autumn and Summer agenda. However, it now needs to be completed this term. **Action: Add to audit committee agenda.**

c. Contracts

i. Staff Absence Insurance

Staff absence insurance in place and cost around £50K last time for 8 schools and basic cover; it runs out on 30 Apr 24. Less than 50% of this cost recovered over the last year, as many claims not paid out. Gold cover is better but nearly triple the cost. Currently Duchy does not use absence insurance. The following quotes were discussed and weighed up:

Company 1 standard cover £96K

Company 2 gold cover £141K

Company 2 standard cover £103K

Company 3 no quote provided

Company 4 – has a bad reputation so won't be used regardless of quote

A proposal was made to not have an insurance policy and instead put money aside to cover absence, and look at separate initiatives such as GP cover. **This was approved.** It was agreed that the start point for this figure should be (1) what we have claimed on absence insurance (whether paid back or not), (2) what Duchy Trust have spent plus (3) an additional amount such as 20%. **Action: Based on this, EG to put figure together for audit committee.**

Are there any other discretionary insurances that it is worth looking at? No.

ii. Energy Contracts

Energy quotes received through a broker for 1 year or 2 year contracts for all schools.

Electricity – one year contract around £35K based on current usage (6 out of 8 schools). However, the 2 year deal is priced the same at £35K. The committee discussed at length the need to be prudent, especially as the only reason for a company to offer the same rate for 2 years fixed is because prices are likely to come down. That said, there are benefits to a fixed price in that you can forecast the budget easier. **A vote was taken and agreed to take the contract for 1 year in case prices come down.**

Gas – One year contract for £8.5K and a 2 year contract is a little more at £8581. **On the same basis as above, it was agreed that a one year contract would be taken out.**

iii. Chancel Insurance

Due diligence work done on Duchy trust has highlighted that Lewannick school has a chancel commitment (for repair of church roof) and an insurance policy will need to be taken out to cover any future requirements of the school.

iv. Aspens Contract

Aspens catering contract – one member of staff TUPE'd over to Aspens with a local government pension liability, and this was missed off the contract. Contracts have been re-drawn up by the solicitors. It will be signed off by the Directors.

8. Staff Structure and Budgets

WH noted the new MAT structure (plan B). Duchy hub will need to be broken up to give the schools more strength. WH talked through the proposed new hubs, 5 of them, but this is not confirmed and subject to change as things continue. It does, however, reduce the impact of any weaknesses in certain areas, it is balanced and should be affordable. Pay implications have already been discussed and approved. A new model will become operational on 1 April 2024.

Do we have a Trust curriculum officer yet? Yes, Rebecca Brewer but trying to obtain funding for 2 days a week for one year.

9. Staff Performance Management & Pay

CEO/EHT (Senior Leaders) Performance Management outcomes and recommendations were completed at the Full Board on 13th December 2023. Recorded in the confidential minutes.

10. Premises & Infrastructure

H&S update sent out to the committee. It was noted there is a subsidence issue at PT. Property manager is looking at options to rectify it; it is not yet considered dangerous but does need addressing before it gets worse.

SC playground issue, the tarmacking was fine but the company contracted then sub-contracted the markings to another company. They put adult markings on the playground which are not suitable for safety reasons but removing the markings is proving difficult without destroying the top layer of the recently laid tarmac. Currently in dispute with the company and legal advice has stated that we don't pay until remedy is found, cost of remedy will be removed from original cost when payment is made.

Phones

Phone systems in schools were discussed. The teams phone systems in SSCA has proved to be totally unreliable and not fit for purpose. The quotes were for all schools, total one-off cost and then monthly cost:

Company 1 – provided a discount

Company 2 – well known but expensive

Company 3 – cost in between 1 and 2, less well known

Decision: Company 1 the cheapest option was chosen by committee

11. Policy Review

- a. Staff Code of Conduct (SC). Minor amendments. Approved.
- b. Staff CPD (JC). Minor amendments. Approved.
- c. Staff Leave & Absence (SC). Including sections on paternity, maternity, adoption and parental bereavement sections; based on legal advice to have these entities clearly separated out. These will be appendices to the main policy.
- d. Health & Safety (SC). Some changes to legislation have been received since the autumn meeting, hence to need to include these changes. Approved and front page re-signed.
- e. Financial Policy with GAG pooling section added (EG). Action from item 3. **A typo was noted; should it include trusts incoming and leaving; should be merged with reserves policy not financial policy; and should it also include how schools are able to bid for reserves?** This was all agreed. **Action: the reserves and GAG policy will be merged, additional details added, checked and presented ready for approval at full Board.**

12. AOB

None.

13. DONM

Summer Term – Wednesday 19th June 2024 at 9.30am at central office.

Meeting closed at 11.25am.

TJH Martin

Governance Officer

Distribution List:

J. Sharpe – Director (Chair)

S. Tavener – Director (Vice)

P. Hague – Director

C. Paul – Director

I. Wilkinson - Director

W. Hermon – CEO Director

E. Gilbert – CFO

J. Callow – Ex Officio Observer