

MEETING OF THE FINANCE & RESOURCES COMMITTEE
BOLTON IMPACT TRUST
FRIDAY 6 MARCH 2020 AT 1.00PM AT YOUTH CHALLENGE

Present: Tony Grimshaw (TG) – Chair of Committee, Paul Hodgkinson - Executive Principal (PH) and Kristian Halliwell (KH)

In Attendance: David Smith (DS) - Finance Director and Emma Stoddard (ES) – Clerk

TONY GRIMSHAW IN THE CHAIR

1. WELCOME AND APOLOGIES FOR ABSENCE

Trustees were welcomed to the meeting.

No apologies for absence had been received as all Trustees were present.

2. DECLARATION OF INTEREST

No declarations of pecuniary interest were made.

3. NOTIFICATION OF ANY OTHER BUSINESS

There were no items of Any Other Business reported.

4. MINUTES OF THE LAST MEETING AND MATTERS ARISING

A copy of the minutes of the last committee meeting held on Friday 15 November 2019 had been circulated with the agenda.

Matters Arising

Financial Monitoring Report (Minute Number 5)

DS asked for clarification on the action for him to speak with other Head Teachers regarding the discussions around pension schemes and setting up a separate company. DS stated that he was not aware that other Head Teachers had done this, so he had not yet moved forward with this. The Chair stated that from his recollection it had been proposed that DS contact the Head Teachers at Little Lever Academy and Bolton School as they had experience in this area. PH proposed that this be deferred to the Trust meeting as Dominic McKeon and Sue Hincks should be present at the meeting to discuss this further.

Bolton Impact Trust Financial Handbook (Minute Number 6)

DS reported that the Financial Handbook had been updated following the discussions at the last meeting and this would be presented to the Risk & Audit Committee. DS added that Haines Watts had conducted their first internal audit and he had taken this opportunity to ask for their advice. TG asked if the Internal Audit report was available. DS advised that this had not yet been received as the auditor had been off work, but this should be ready to present to the Risk & Audit Committee on Friday 20 March.

Agreed: To approve the minutes of the Finance & Resources Committee meeting held on Friday 15 November 2020

5. FINANCIAL MONITORING REPORT 2019/2020 – SPRING TERM

DS directed Trustees to the Financial Monitoring Report for the Spring Term 2019/20, which outlined the final monitoring position (both revenue and capital), based upon transactions that had occurred in the period 1 September 2019 to 31 January 2020; the Trust's cashflow position as at 25 February 2020, including monthly cashflow predictions up to August 2021 and the Trust's balance sheet as at 31 January 2020.

DS reported that the budget predications were going to plan; there had been some variances due to additional pupils, teachers etc. but no major variances to report. TG asked for further information on the additional teaching staff. DS explained that these were agency staff recruited to support the additional pupils. TG asked if they would be offered contracts and, if so, if this would affect the financial position. DS reported that any good agency staff would be taken on in May and this would not be an additional pressure on the budget as they were already being paid on supply.

The Executive Principal advised Trustees of two recent development / growth opportunities that had been presented to the Trust:

1. National Behaviour Team led by Tom Bennett. This would comprise of a team of 6 mainstream experts and 20 lead national schools (including 2 AP). BIT had received an invite to be involved; this would involve the Trust being paid to provide training for up to 500 schools. PH stated that this could be a great opportunity to raise the profile of the Trust.
2. The Difference Leaders Programme. This focused on reducing exclusions and would provide exceptional teachers from mainstream education specialist training in a two-year post in the senior leadership team of a PRU. After this time, the AP providers could retain the teachers, or they would go back to mainstream education. BIT was on the list of preferred providers and would have preferential access to these exceptional teachers. The AP providers would be responsible for paying the salaries for during the two-year placement.

Trustees discussed both opportunities. The Chair questioned how the Difference Leaders Programme would benefit the Trust when they currently had no teaching vacancies. DS explained that the programme would not start until September so this would provide time to develop a plan of action and generate additional income to fund this. KH stated that BIT could invest a significant amount of money into these members of staff but there was no guarantee that they would then stay once the programme ended. KH expressed concern the programme could distract the Trust from their main priorities. PH stated that the programme would provide an ethical approach whilst increasing the Trust's profile. KH stated that he felt this would not be the best approach for the Trust to take at this time, considering financial constrictions.

PH stated that opportunities for raising the Trust profile were being missed as there was not enough capacity within the Central Team to focus on this. Some elements of the Business Strategy, agreed by Trustees in December, had been actioned but adding capacity within the Central Team had not moved forward. A Trustee referred to the Financial Monitoring Report and in response to questions DS reported that the anticipated budget surplus of £275,00 was increased income that would be used to pay the outstanding loans. The ESFA had informed the Trust that they wanted their loan to be repaid sooner and this would be facilitated via increased monthly loan repayments. The Chair suggested that the Trust approach the ESFA and request that this money instead be used for new staff who could help to grow the Trust as this would be in the long-term interests of the Trust.

PH stated that Trustees needed to consider the potential acquisition in Bury. Due diligence was underway, but the Trust would need to act fast to prevent standards from declining further. KH asked if the finances were healthy. DS confirmed that BIT would not inherit a surplus or deficit, any legacies or losses would not be accepted, and any liabilities would remain with the Council. Trustees discussed this further, including whether it would be more viable to start a provision from scratch as opposed to inheriting one. PH stated that he had a meeting the following week and would report back to Trustees.

Capital Resources

DS reported that the Trust had brought forward capital resources of £86,000 and anticipated receiving a further £26,000 of devolved formula capital funding in 2019/20. Following £27,00 expenditure on a replacement minibus and replacement computer equipment the Trust had £85,000 of uncommitted capital resources available.

It was proposed that the kitchen, toilet, and student kitchen (for teaching) including the adult area be updated. The overall cost was anticipated to be in the region of £35,000.

Trustees were informed that the student kitchen would cost around £25,000. KH stated that the Trust should try and get funding for this.

TG stated that once the specification was received for the kitchen and toilet, quotes then needed to be secured. The Trust would need to go out to tender for the student kitchen as this was more than £15,000. KH asked if this capital spend would create any additional income for the Trust. DS explained that reconfiguring the student kitchen would mean that 10 additional pupils could be accommodated, which would generate £188,000. However, additional staff would need to be recruited within this figure. Pupils would also benefit from the remodelling as this would also create space for Art and Science. TG stated that the kitchen would pay for itself within a year so should be considered as an investment as opposed to expenditure. PH stated that acquiring suitable premises continued to be a challenge. Discussions had taken place with the Local Authority regarding splitting the KS3 and KS4 provision; however, the KS3 pupils would need to be off-site and currently there was not suitable premises available to accommodate this. KH suggested that he and TG could assist the Trust and investigate suitable premises.

Trustees discussed at length the options for moving forward. This could entail expansion into other boroughs including the Bury acquisition or an alternative option could be the remain at 187 with Bolton Council with a focus on providing training and paid for support via an external consultancy model. PH stated that the concentrated model was currently the most attractive.

- Agreed:**
- i) To give initial approval for the spend of £35,000 from capital resources on the kitchen, toilet, and student kitchen, subject to quotes being received and the work on the student kitchen going out for tender
 - ii) To receive and note the Financial Monitoring Report 2019/20 – Spring Term

6. POLICY APPROVALS

Pay Policy

DS reported that the Pay Policy had been approved in November, but some anomalies had been highlighted during the switch to One Education. The policy had been amended following consultation with One Education, the School Improvement Professional and the SLT and the final policy then produced.

KH asked what financial implications were associated with aligning staff to the national framework. DS explained that financial implications were minimal as this had already been budgeted for. PH added that the Trust paid Support Workers well, so this was likely to attract good staff rather than deter them.

Anti-Fraud & Corruption Policy

DS advised that the Anti-Fraud & Corruption Policy had been updated to include the areas that would be included during the termly audit of internal assurance reviews.

Investment Policy

KH stated that the current policy was very succinct and suggested that this be reviewed when the Trust were in a stronger position to invest. Pay-back periods would also need to be added. DS concurred that the policy would need to be reviewed when the Trust was in a position to invest and added that the currently the policy focused on financial investments.

Agreed: To approve and adopt the following policies:

- Pay Policy
- Anti-Fraud & Corruption Policy
- Charging & Remissions Policy
- Investment Policy

7. DATES OF NEXT TRUSTEE COMMITTEE MEETINGS

Agreed: That the next meeting dates be as follows:

Friday 12 June 2020 at 1.00pm

8. ANY OTHER URGENT BUSINESS

8.1 WHYS UP

PH informed Trustees that BIT had been using the services of a company called WHYS UP to deliver training to pupils and staff across the Trust around mental health and resilience. Trustees were informed that the spend so far was £16,000, which exceeded the threshold of £15,000, so approval was needed to continue. The Chair questioned why Trustees had not been asked to approve the spend prior to this point and if it was advisable that this amount be spent with just one company. DS advised that Trustees had approved the budget, which included spend on staff training. It had not been anticipated that the amount spent on this training would exceed £15,000, so this had not been highlighted previously. PH stated that WHYS UP had provided a great service, this had had a huge impact on both staff and pupils and therefore had been rolled out across the Trust. The costs would decrease now that most staff had been trained and the remaining spend would be in the region of £20,000 inclusive of the £16,00 spent so far. DS reported that he would report back to Trustees should the expenditure exceed £20,000 but added that this was unlikely.

Agreed: That a total spend of £20,000 be approved for WHYS UP training across the Trust

9. **CONFIDENTIALITY**

Agreed: That none of the matters discussed at this meeting be designated as confidential in accordance with the Academy's Memorandum and Articles of Association

The meeting closed at 3.00 pm

SUMMATIVE ACTIONS:

Minute No.	Responsible	Action
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Signed as a correct record: _____

Date: _____

(Chair of Finance & Resources Committee)