

**MEETING OF THE FINANCE AND RESOURCES COMMITTEE OF
BOLTON IMPACT TRUST
MEETING HELD VIRTUALLY VIA ZOOM ON
FRIDAY 30 JUNE 2023 AT 11.00 AM**

Present: K Davies (KD) - Chair of the Committee, P Hodgkinson (PH) – Chief Executive Officer (CEO) D Luczka (DL) and J Paradine

In Attendance: K Connolly (KC) – Chief Financial Officer, J Bennett (JB), D McKeon (DMc), V Gavin (VG) – Director of Business Operations, S Hincks (SH), R Leonard (RL) – Director of Academy Operations, and E Stoddard (ES) – Governance Professional

K DAVIES IN THE CHAIR

1. WELCOME AND APOLOGIES FOR ABSENCE

The Chair reported that members of the Risk & Audit Committee had been invited to attend today's meeting as many of the matters to be presented would be pertinent to the Risk & Audit Committee discussions. Kate Connolly, newly appointed Chief Financial Officer (CFO) was welcomed to her first meeting.

No apologies had been received.

2. DECLARATION OF INTEREST

No declarations of pecuniary interest or conflict of interest were made.

3. NOTIFICATION OF ANY OTHER URGENT BUSINESS

No items of Any Other Urgent Business were notified.

D Luczka joined the meeting.

4. MATTERS ARISING FROM THE MINUTES OF THE LAST MEETING

A copy of the minutes of the last meeting held on Friday 3 March 2023 had been circulated with the agenda papers and had been approved at the spring term Trust meeting.

A Trustee asked for an update on the work with Outwood Grange. PH advised that a meeting was being held today to discuss funds as the £60,000 initial funding had now been spent. PH advised that moving forward the Trust would be supporting Outwood Grange in a strategic, rather than operational partnership and BIT would act as a training partner for Outwood Grange. The Trust would no longer be setting up a new school as it was felt that the travelling distance and the scope of the work involved was no longer feasible.

5. FINANCIAL MONITORING REPORT 2022/23 – SUMMER TERM

A copy of the Financial Monitoring Report 2022/23 – Summer Term had been uploaded to the Gateway.

The report outlined:

- The financial monitoring position (both revenue and capital) for the 2022/23 year.
- The Trust's cashflow position as at the 31 May 2023, including monthly cashflow predictions up to August 2024.
- The Trust's Balance Sheet, as at the 31 May 2023.

KC stated that the management accounts would be presented to the full Trust Board meeting in July.

Trustees were directed to Table 1, which demonstrated that the financial outturn position for the Trust for 2022/23 was a surplus totalling £100,000, which was £134,000 less than the original budget. This related to four significant variations at this stage in the year, as detailed below:

- Employee costs – pay award for teaching and support staff.
- Reduced pupil numbers at The Forwards Centre – Sept to Dec
- Park School
- Lever Park

KC advised that the main concern was the amount of debt owed (£354k) over 60 days so this was a current focus and invoices needed to be paid within the 60-day period. Trustees were advised that there may need to be some write offs for historical unrecovered debt.

Three Year Forecast 2023/24 to 2025/26

Trustees were advised that the Three-Year Budget was being prepared and would be presented separately.

Capital Resources

KC reported that the boiler scheme at Lever Park was showing a £349k underspend against the approved funding. In response to questions KC advised that she expected the loan and grant to be adjusted to reflect the change in the project cost.

Cashflow Statement

The Cashflow Statement was included at the end of the report. Trustees were informed that the cashflow needed to be updated to reflect actual cash balances and some further work was needed on this.

Agreed: To receive and note the Financial Monitoring Report 2022/23 – Summer Term

6. DRAFT THREE-YEAR BUDGET REPORT 2023/24

A copy of the Draft Three-Year Budget Report 2023/24 had been uploaded to the Gateway. KC advised that the report may need to be updated further prior to presenting it at the full Board meeting on 18 July 2023. There were still many unknowns including the pay awards and income, therefore some assumptions had needed to be made.

Trustees were advised that there would be some cost pressures moving forward, for example, numbers at Park School had reduced but the Academy now had secured a new building so this had increased rental costs of £25k per annum. Securing traded places at The Forwards Centre was also more difficult than predicted. The Trust would need to look at cost savings measures such as not replacing positions when staff leave and a review of Service Level Agreements.

The Budget Forecast Return (BFR) would be presented for approval at the Trust meeting.

- Agreed:**
- i) That the content of the report be received and noted
 - ii) That the draft Three-Year Budget 2023-24 – 2025-26 be approved for submission to the Trust Board meeting on 18 July noting that this may be refined further
 - iii) That the BFR3 submission would be presented for approval at the Trust Board meeting

7. CFO REPORT – INITIAL FINDINGS

KC advised that there were several recommendations for the committee to consider for implementation from September 2023:

1. Lloyds Multi Pay Cards

KC reported that the Trust currently used pre-paid cards for day-to-day low value transactions and travel, but this caused a significant amount of administrative work for leaders in the Trust. It was recommended that the Trust move to a Multi-Pay credit card and a detailed report was provided of the advantages of this system. It was further recommended that the Trust review its mileage rate as this was currently reimbursed at a rate higher than HMRC rates.

- Agreed:**
- i) That the Trust move to the Lloyds Bank Multi-Pay credit card
 - ii) That the Trust review its mileage rates

2. Annual Leave Year

Trustees were informed that the annual leave year for staff ran from 1 April to 31 March. This was not ideal operationally, particularly if Easter fell early and many trusts had amended the annual leave year to align with the academic year. Unison did not have any issues to this amendment, provided consultation was undertaken, with the main issue being that sufficient time was given for staff to take any carry forward leave from March. The change would give greater flexibility to all-year round staff to use leave over the summer holidays and for term-time only staff to work their plus days over the academic year.

- Agreed:** That an appropriate consultation is undertaken to propose that the annual leave year is amended to run from 1 September, effective from September 2023

3. Payroll Dates

KC advised that the Trust currently had two different payroll dates – 18th of the month for support staff and 28th of the month for teaching staff. This was a legacy

and many trusts and LAs had moved to one pay day for efficiency and cost reasons. It was proposed that the teachers' pay date was moved to the 18th of the month to align with the support staff pay date. A Trustee questioned whether an implementation date of September 2023 would provide enough time and if it would be easier for the support staff pay date to move to the end of the month instead. KC stated that she would like to move on this asap to provide as much notice as possible and added that there were more support staff than teachers and moving to an earlier pay date, rather than later, would be a fairer option. A Trustee stated that he had done the same at his academy, an internal consultation had taken place, and no issues had been raised.

Agreed: That an appropriate consultation is undertaken to propose that the teachers' pay date is moved to the 18th of the month, to align with support staff from 1 September 2023

4. Trust Finance System

A report had been uploaded to the Gateway to seek approval to implement a new finance system from 1 September 2023. The committee were asked to:

- i) Approve an exemption from the competitive tendering process on the following basis: that the goods or services are required so urgently that competition is impractical, this is due to the system being required to be implemented by for 1st September 2023.
- ii) Approve the implementation of Iris Financials (PSF) from 1st September 2023.
- iii) Approval for the CFO to give notice (60 days) to terminate the contract with HCSS, due for renewal on 16 September 2023.
- iv) Approve the indicative implementation costs of £9,645 as detailed at 8.3, Table 1
- v) Approve the indicative annual costs of £15,920 as detailed at 8.3, Table 2

Agreed: That the above recommendations be approved

5. FSR102 Adjustment for Annual Leave

KC provided an overview of the FSR102 adjustment for annual leave. Further details were included in the written report. The Chair stated that it was important that the Trust reach an accurate reporting position and proposed that this be delegated to the CFO and CEO to deal with appropriately.

Agreed: That the CFO and CEO be delegated responsibility to manage the FSR102 Adjustment for Annual Leave

6. Service Level Agreements (SLAs)

KC advised that there was not a complete database of SLAs and contracts for non-salary spend, which made it difficult to budget. There would be a review of all SLAs to ensure the Trust was receiving value for money and that they were compliant with the Procurement Policy and Procurement Plan for 2023-24. Payroll had been benchmarked and found to be expensive when compared with other providers. The Trust currently received ICT support via Bolton Schools ICT. KC advised that although the cost was not excessive, it was recommended that consideration be

given to bring this in-house to ensure that the equipment and systems support the future development of the Trust.

Agreed: That all the SLAs be reviewed to ensure best value for money

7. Financial Scheme of Delegation / Financial Procedures / Financial Policies

KC advised that these would be reviewed and updated in line with the new Finance system and brought to the full Trust meeting for approval.

Agreed: That all the recommendations within the report be approved

8. **BIT RESOURCES REPORT**

Trustees were directed to the Resources Report. VG provided an overview of the headlines including:

- Branding and Marketing
- Processes and Reviews
- Premises
- Major building works
- Health & Safety
- Update to 2022/23 proposals
- Lever Park Interior Refurbishment Plan

Premises

Trustees were informed that there had been a number of power outages at Lever Park over the last half term. This had been reported and it seems this was an on-going local issue, which would continue to cause problems until resolved. VG proposed that this be added to the Risk Register.

VG advised that there would be an underspend of £600k on the Lever Park Roof Project. The Nurture Building roof would be reviewed to ascertain if any repairs were needed and if so an application to change the scope of work would be submitted to utilise some of the underspend. As reported earlier in the CFO's report there was also an underspend of £349k on the Lever Park boiler project.

Agreed: That the power outages at Lever Park be discussed at the Risk & Audit Committee with a view to adding this to the Risk Register

Health & Safety

A Trustee referred to the reported accidents and near misses and asked if the members of staff in question were okay. RL explained that one member of staff was still absent, but she would provide further information in the staffing update.

9. **LEVER PARK CIF BID**

VG directed Trustees to the report from AA Projects regarding External Safeguarding Works at Lever Park. The estimated total project cost was £184,015, the Trust would be required to contribute 30.5% of the project cost, funded via a CIF loan.

A site visit was scheduled for 3 July and a further meeting was planned for 17 July, so an update would be able to be provided at the Trust meeting on 18 July. The Trust could then go out to tender for the works.

Agreed: That approval be given to the External Safeguarding Works at Lever Plan noting that the estimated total project cost was £184,015 and the Trust would be required to contribute 30.5% of the project cost, funded via a CIF loan.

10. STAFFING AND HR REPORT

*In accordance with the Academy's Memorandum and Articles of Association, this matter has been designated as confidential in **PART B** of the minutes, thereby excluding the information from that which is to be made available to any interested persons.*

9. DATES OF NEXT MEETINGS

Friday 10 November 2023 at 12.00 pm

Friday 1 March 2024 at 12.00 pm

Friday 7 June 2024 at 12.00 pm

10. ANY OTHER URGENT BUSINESS

There were no items of Any Other Urgent Business.

11. CONFIDENTIALITY

Agreed: That in accordance with the Academy's Memorandum and Articles of Association, the matters designated as confidential, thereby excluding the information from that which is to be made available to any interested persons, is contained within **PART B** of the Minutes.

With no further business the meeting closed at 12.00 pm

SUMMATIVE ACTIONS

Minute Number	Responsible	Action
6	ES	Add Budget and BFR to Trust agenda
7	KC	Complete actions agreed by the Trust
10	RL	Update Risk Register
10	PH / RL / KC	Explore Staff Sickness Insurance

Signed as a correct record: _____

Date: _____

(Chair of Finance & Resources Committee)