

MEETING OF THE RISK & AUDIT COMMITTEE HELD VIRTUALLY VIA ZOOM

BOLTON IMPACT TRUST

FRIDAY 27 NOVEMBER 2020 AT 11.00AM

Present: Keith Davies (KD) – Chair of Committee, Joshua Bennett (JB), Sue Hincks (SH) and Paul Hodgkinson (PH) – Executive Principal

In Attendance: Rebecca Leonard (RL) - Vice-Principal, David Smith (DS) – Finance Director and Emma Stoddard (ES) – Clerk

KEITH DAVIES IN THE CHAIR

1. WELCOME AND APOLOGIES FOR ABSENCE

Trustees were welcomed to the meeting. SH had indicated that she may join the meeting slightly late.

2. DECLARATION OF INTEREST

No declarations of pecuniary interest were made.

3. NOTIFICATION OF ANY OTHER URGENT BUSINESS

No items of Any Other Urgent Business were notified at this point.

4. MATTERS ARISING FROM THE MINUTES OF THE LAST RISK & AUDIT COMMITTEE MEETING

There were no matters arising from the minutes of the meeting held on Monday 29 June 2020, which were not covered on today's agenda.

5. MATTERS ARISING FROM THE MINUTES OF RECENT COMMITTEE MEETINGS

There were no matters arising from the minutes of the Standards Committee and Finance & Resources Committee meetings held on Friday 13 November 2020, which were not covered on today's agenda.

DS referred to the Pay Committee minutes and stated that the pay increments would be paid in the December salaries and backdated to September.

6. TRUST SAVINGS PROGRAMME – UPDATE

DS advised that a meeting had been held with Trade Unions last Friday morning and the Trust Savings presentation slides had been presented. The Trade Unions had been very supportive of the information presented and seemed to recognise the situation that the Trust found itself in and the challenges facing AP at a national and local level.

Meetings had then been held with each Academy; PH stated that these had been very challenging meetings as difficult discussions had needed to be had.

PH stated that he, alongside Senior Leaders had made themselves available to be contacted over the weekend to answer any further questions and provide support during this difficult time. PH added that all staff had been magnanimous in their response and had been understanding of the situation that the Trust now faced. There would be a clear focus on staff wellbeing and support across the Trust during these difficult times. PH informed Trustees that two further staff had requested voluntary severance, which was welcomed.

SH joined the meeting at this point.

PH and KD had met with senior colleagues from the Education and Skills Funding Agency (ESFA) and Department for Education (DfE) yesterday in a response to the Trust's letter to the Secretary of State. KD stated that there had been two aspects to the discussions:

1. Discussion regarding the inconsistencies regarding place funding allocation across the country with Bolton Local Authority (LA) having their own interpretation of the DfE guidelines on previous commissioning patterns. Officials from the ESFA and DfE had taken this away as an area for action.

2. Discussions around a grant to assist with the Trust's cashflow. KD stated that he felt confident that there may also be additional help available with the drop in pupil numbers. Further to this, DS added that he had spoken with Carol Hill (ESFA) earlier in the day and she confirmed that she was preparing a business case for the grant, with a request of up to £750k being submitted for approval.

KD reported that it had been made clear during the discussions that the Trust had not just sat back during these extremely challenging times but had instead produced a robust business and savings strategy. KD stated that he felt that strategy was also aligned to the ESFA and DfE's view for alternative provision moving forward. They had also been very receptive to the proposals regarding the Personal Learning Centre. PH stated that he felt that the officials from both the ESFA and the DfE had understood the issues that the Trust currently faced and had provided some reassurances. One aspect that the Trust would now look at moving forward would be staffing capacity. Historically the Trust had always staffed to full capacity; however, there were usually quieter times of the school year with regards to pupil numbers. PH proposed that the Trust consider moving to a robust core staffing model with additionality i.e. casual staff when required. This could provide significant savings moving forward. SH stated that this was the model used for many Nursery schools, including her own school's Nursery as numbers could not be guaranteed. SH added that this was a sensible model to adopt but the Trust would need to establish good relationships with casual workers to ensure continued quality of provision for pupils.

The Executive Principal reported that he had acted on the Trust Board's request to take some legal advice over Bolton LA's stance on the previously commissioned numbers. PH advised that he had spoken with an Educational Lawyer specialising in SEND who had stated that he did not see anything unlawful in the actions of the LA but could pursue this further at a cost. PH stated that this could be a very costly process for the Trust, and he felt that the situation could progress without a legal pursuit. A Trustee asked if there were yet any signs of business improving. PH stated that Academies within the Trust were just starting to see signs of a possible spike in exclusions now that pupils had been back in school for several weeks. PH advised that the ESFA had suggested that the Trust consider moving into other non-AP areas to broaden their offer. PH stated that he had had positive discussions with the LA around a Diversification Strategy looking at a hybrid model between alternative provision and a special school. Discussions had also taken place with the LA around a Home Tuition service and Post 16 AP. Discussions continued to take place outside of Bolton and PH stated that he would continue to liaise with the Chair as to what diversity could look like for the Trust.

KD stated that he felt representatives from DfE and ESFA were now more alert to the rise in mental health issues. A Trustee stated that he understood that there would be additional funding for mental health. DS confirmed that an extra pot of money had been allocated but this was not a huge amount.

- Agreed:**
- i) That further consideration be given to having a robust core staffing model with additionality
 - ii) That the Trust take no further legal advice / action on the matter of previously commissioned numbers.

7. STRATEGIC RISK REGISTER UPDATE

A copy of the Risk Register had been uploaded to the Gateway.

Business Critical Risks

B2 – Financial Sustainability

DS reported that at the last meeting the likelihood score for financial sustainability was reduced from 3 to 2 due to the Trust being in a more stable financial position. However, since then the reduction in pupil numbers and the loss of income from the LA had impacted significantly on the budget and it was proposed that the likelihood score now be increased to 5. The mitigation in place would be updated to include the Trust's savings programme and regular communication with the ESFA.

- Agreed:** That the Financial Sustainability likelihood score be increased from 2 to 5

B4 - Coronavirus

DS informed Trustees that Coronavirus was included in B4 and asked Trustees to agree and appropriate impact score and likelihood score. A Trustee asked for an overview of the impact of coronavirus on the Trust's provisions. The Executive Principal advised that whilst the financial impact of coronavirus had been huge, and this was reflected in the increase in Financial Sustainability scores, the impact on the day to day running of the Academies had been minimal. Staff had managed the pandemic well and there had been strong infection control measures in place to reduce the spread of infection. Trustees commented that this evidenced the robust procedures that were in place. It was proposed that the impact score be rated as 2 and the likelihood score be rated as 3.

Agreed: That the Coronavirus impact score be 2 and the likelihood score be 3

8. TRUST SAFEGUARDING UPDATE

A written Safeguarding update had been provided and included the following areas:

- Training
- Safeguarding Supervision
- Safeguarding Hubs

RL provided a verbal update and advised that she met with the Academy Designated Safeguarding Leads (DSL's) fortnightly. Trustees were informed that all DSL's had reported an increase in the number of Safeguarding concerns and numbers of meetings. RL reported that she was working closely with the DSL's to ensure they were supported, and their workload was manageable. JB asked if there was a specific reason for this increase. RL stated that many agencies were still working from home and although they were still conducting meetings virtually, pupils were undertaking the meetings in school and this had a knock-on effect for Academy staff who then had to manage the aftermath. The threshold for social worker involvement had risen and Academy staff were dealing with more Early Help cases, which were very time consuming. PH stated that BIT staff often worked as de facto social workers and Christmas was a particularly stressful times for families. Trustees were cautioned that these increased safeguarding duties presented a risk for the Trust.

9. INTERNAL AUDIT PROGRAMME

DS reported that changes to the Academies Financial Handbook now meant that the Internal and External Audit could not be carried out by the same company. DS reported that he was therefore considering other options available, to be brought for consideration to Trustees at the December Board meeting.

10. DATES OF NEXT RISK & AUDIT COMMITTEE MEETING

Spring Term: Friday 19 March 2021 at 11.00am

Summer Term: Friday 25 June 2021 at 11.00am

11. CONSENT TO ABSENCE

All Trustees were present.

12. ANY OTHER URGENT BUSINESS

There were no items of Any Other Urgent Business.

13. 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 11.45 am

SUMMATIVE ACTIONS:

Minute No.	Responsible	Action
7	DS	Update Risk Register

Signed as a correct record: _____

Date: _____

(Chair of Risk & Audit Committee)