

**Strategic & Finance Committee meeting  
Held on 7<sup>th</sup> March 2024 at 6 pm  
in person at Brixington Primary Academy and via Teams  
Draft Part I Minutes**

**Present:** A Walmsley (chair), P Walker (CEO), A Gosling, and I Thomas (all in person); A Denner (virtually)

**In attendance:** C Chapman (CFOO, J Price (TBM) and I Candy (Co Sec) (all in person)

**Quorum:** the meeting is quorate

**Circulation:** Directors (through GovernorHub), FFT website

	Decision		Action due
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<b>1. Welcome &amp; apologies</b>	
Apologies were received from M Williams (holiday). A Denner had indicated she may be late and arrived part way through agenda item 4.	
<b>2. Declaration of Conflict of Interests</b>	
Declarations of conflicts of interests were invited by the chair. None was made.	
<b>3. Minutes of the last meeting of the S&amp;F committee</b>	
<b>3.1. To approve the minutes of the last meeting of the committee (held on 25<sup>th</sup> January 2024)</b>	
The draft minutes of the last meeting were circulated ahead of this meeting. They were agreed to be an accurate record of the last meeting and signed by the chair.	
<b>3.2. To review matters arising not otherwise on the agenda</b>	
The list of matters arising was circulated ahead of the meeting, as was the consultation letter for the proposed change in uniform at Willowbank. The following matters arising were raised and discussed: <ul style="list-style-type: none"> <li>Acorn action plan: this was circulated in the papers for this meeting (under CEO report).</li> <li>Request of progress on temporary classroom (i.e. modular classroom) at Rockbeare: this is out for planning, and the class should be on site before September 2024.</li> <li>Funding of Willowbranch at Willowbank: this is funded by the school and there is no additional funding available from the LA or elsewhere for it.</li> <li>Consultation on uniform change at Willowbank: the committee noted the consultation letter sent to parents, that the parent council member for the school felt the changeover was too quick and that the link director for the school had recommended that the changeover period be extended.</li> </ul>	<b>Appendix 1</b>
<b>4. To receive and discuss the CFOO report</b>	
The CFOO report, Kreston Reeves 2024 academies benchmark data and FFT benchmark vs the report, Jan 2024 consolidated forecast, Dec 2023 and Jan 2024 management accounts, 2024-25 predicted pupil numbers, completed SRMSA checklist, strategic IT support proposal, and 2024-25 KPIs (GAG funding difference for each school between 2023-24 and 2024-25) were circulated ahead of the meeting.	<b>Appendices 2 – 10</b>

#### Management accounts:

C Chapman highlighted that:

- She had uploaded the January 2024 forecast just before this meeting as she had been waiting for information from E Harris (Trust accountant). This shows some discrepancy because of Mary Dean's joining in October and the profiling being over 12 months, but forecast actuals now match the management accounts.
- An in-year deficit of approximately £800K continues to be predicted. The Trust may be better off by £73K, because of the budget surplus balance from Charmouth and Mary Dean's on conversion. This is shown as part of central costs.
- The increase in pensions has not been entered in the forecast because schools have been told that the DfE will fund it therefore it should not have an impact.

The chair brought to the committee's attention that:

- The forecast means the Trust is still predicting to use half its current reserves this financial year.
- Mary Deans and Blackpool are both showing a forecasted in-year deficit of £170K and £100K respectively.

#### ***The committee queried what the Trust could do to reduce the predicted in-year deficit at this stage.***

C Chapman explained that the Trust had had to provide additional cover at Blackpool, initially at the request of the previous head and then to cover headship after she left. Mary Dean's joined the Trust with an expensive structure, and this is being looked at. The Trust is currently not able to identify significant savings unlike in previous years.

The chair commented that he was aware that the sector is struggling with next year's budgets.

#### Pupil numbers

C Chapman highlighted that these were based on actual pupil numbers when the report was produced and mirror the projections from Devon LA for Devon schools.

#### KPIs (GAG statements):

C Chapman reported that:

- The Trust has received GAG statements for all its schools except Bere Alston.
- Based on the GAT statements received, the 2024-25 Trust GAG income will be £73K below the Trust income for 2023-24.
- As there will be approximately 126 pupils fewer on roll, PP income is likely to drop as well as UISFSM income.
- A very draft 2024-25 updated budget has been produced, using the ASCL assumptions which are relatively bland. This very draft budget remains to be checked for staff and class numbers. This showed that the central budget in deficit by £250K because the current percentage of GAG contribution from the schools does not cover the costs of the central team.

[A Denner joined the meeting at this point]

The committee discussed that:

- This reduction in income, together with a predicted increase in cost, was very likely to add to the already predicted in-year deficit for 2024-25. This means that there will be unpleasant choices and decisions to be made.
- Whilst a lot of costs have been allocated to the central budget, the Trust would not want to increase the current percentage of contributions from schools which is already high.
- The DfE has indicated that they would intervene if Trust reserves fall below 5% of income and therefore the Trust should aim not go below that level.

- The reduction in pupil numbers for 2024-25 is in line with what the Trust had projected. There will another reduction in pupil numbers the year after (2025-26).

The committee probed when the first budgets are likely to be available.

C Chapman's team has started to work on them and it should take about two weeks to conclude this. **A first reliable draft budget should be available for the April full board meeting.**

SRMSA:

The committee noted that the SRMSA checklist had been completed and returned, and the content of the checklist.

Tenders:

The committee noted the tenders for grounds maintenance and photocopiers had been approved in writing as per the information uploaded onto GovernorHub and that the Trust had started to apply those.

**The committee queried whether the process with PHP had worked well.**

It has and it was a very thorough process that included giving notice to existing providers, so the process helped to support with workload and with compliance.

**The committee asked whether existing suppliers complained to PHP if they are unhappy with the outcome.** They do and PHP deals with the response. If requested for specific reasons, they will speak to existing suppliers. The costs of this is covered by the Trust SLA with PHP.

IT strategy support:

C Chapman explained that she had made J Medforth from PHP aware that the Trust contracts for MIS and for IT support were due to go to tender in the near future. J Medford advised to use Moxton which have been used by two other trusts locally that were very satisfied with their services and how they provided a strategy for IT equipment and services. C Chapman wanted to share the advice and the quote for discussion because she felt this approach would help with Acorn schools joining and engaging staff around IT provision. This would also be helpful for Chickereil as they have made clear that they had not invested in IT previously.

**The committee queried whether this would that mean the Trust buying additional equipment.**

The Trust would have to take budgets into account but would expect the company to provide recommendations and an understanding of where an initial spend would reduce spending in the long term.

The committee discussed that:

- It would be useful to follow up references from MATs that have used that organisation.
- It is a large cost, but the Trust will need a combined strategy for FFT and Acorn schools. It would be useful to see whether funding can be obtained to cover the cost of the strategy, as part of the transfer of the Acorn schools. The transfer by itself does not enable the Trust to access TCAF.
- This approach would help to provide certainty of costs as the Trust will know the specification of equipment over time.
- The Trust would need to consider how that fits with existing IT structures and systems.
- Over the past few years, the Trust had come up from a really disjointed IT position to the position of having a consolidated FFT offer. Acorn is believed to have a unified approach for all its schools.
- It may be easier to get engagement from all schools and staff through using an independent organisation. However, the Trust needs to be mindful of budgets.

**The committee enquired whether the Trust envisaged using an external company for a short period of time or longer term.**

It would be for a short period of time, in order to provide a blueprint (i.e. an agreed equipment provision) to be delivered. IT is expensive and needs to be

C Chapman

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maintained, therefore the Trust needs to have an efficient strategy/plan that delivers value for money. When the Trust last procured IT support, it used the DfE buying hub and there were fewer schools within the Trust.

**It was agreed that:**

- C Chapman will seek references from the trusts that have used this company.
- The Trust should aim to link the IT project to the data analysis it aspires to do, so that this aspect is taken into account to reduce the workload in this area. This should form part of the tender to ensure that the impact on the data analyst workload is part of the evaluation.

Sidmouth project:

The DfE has now approved the revised project, which is great news as it has been in progress for a long time.

**The committee queried whether the Trust would be able to share this in the local press.**

The Trust will need to be careful how this is shared. It may follow the article in the Sidmouth Herald and explain that the Trust has been given funding after the project had been stalled.

Reception numbers are low next year at Sidmouth but other schools in the area also have low reception numbers.

Kreston academy benchmark data:

**The committee enquired why there were not figures against premises costs.** This was because heating and lighting are not identified separately in the Trust accounts. Bishop Fleming are due to run a manual report to produce figures for this.

C Chapman

C Chapman

**5. To receive and discuss the CEO report**

The CEO report, budget assumption tracker and Acorn project overview were circulated ahead of the meeting.

Budget assumption tracker:

P Walker highlighted that:

- This is tracking the budget assumptions that were made when the budget was approved.
- The Trust assumed that GAG increase would be 3% which is not the case because of the DfE calculation error and Devon CC decision to transfer funds to high needs. That decision does not affect small schools as there is a minimum guarantee, but because of the guarantee, larger schools pay a larger contribution.
- If the Trust had the same number of pupils on roll in 2024-25 as in 2023-24, the Trust income would have increased by £450K compared to 2023-24. However, the Trust will have fewer pupils on roll and at this stage its income is expected to decrease.
- The MSAG has been rolled into the GAG and the DfE pay grant is due to continue.
- Chickerell will be expected to contribute to central costs in 2024-25 using the same percentage as existing FFT schools.
- The Trust is likely to get less TCAF than the figure stated because of eligibility and delay in recruitment, but some of the TCAF funding will run over because some of the funding allocated was for 2024-25, even if the grant was more heavily weighed for the first year (2023-24).
- Pay increases, for both teachers and support staff have not been agreed. There is a difference between the government proposal and union expectations.
- In 2023-24, the Trust was looking at decreasing the number of teachers by ten for 2024-25 but is now only looking at reducing seven class teachers. However, that will also have an effect on PPA cover.
- The Trust will be losing some funding because SEND children leaving Year 6, and fewer EHCPs being granted, so the Trust is likely to reduce the number of TAs as a result.

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- Sparsity factors have altered, and this has affected funding.
- The Trust will need to adopt new assumptions for its next three-year budget, based on factors known at the time, and to keep tracking actuals vs assumptions.

Class / staff reduction:

P Walker reported that:

- The Trust is currently planning to reduce classes in seven schools as per his report, and then looking at reducing 13 classes the year after. That would be a reduction of 30 classes over three years which is significant.
- At some schools, this may be difficult as the Trust would need to redeploy staff.
- There will continue to be some “over capacity” in some schools. For example, in the schools that have a PAN of 15, it is not possible to have 30 pupils per class in all classes.
- The Trust also needs to review support staff numbers to ensure they reflect the funding available.
- Proportionally schools will continue to have the same ratio of staff to pupils but that can be difficult to appreciate when what people see on the ground is fewer staff.
- Next year’s plans are based on current pupil numbers and predictions, and they will be revised nearer the time based on actual pupil numbers.
- Reductions should be achieved by not renewing temporary contracts rather than redundancies.

Growth:

Chickerell:

- The school is due to use the same solicitors as FFT, which will help to reduce legal costs, and is still looking at joining in Sep 2024.
- PHP will also manage some of the due diligence as they will be for Acorn.

**The committee queried whether the Trust knew what the in-year deficit for Chickerell was predicted to be this year (it was £128K last year).**

The Trust is unsure of what Chickerell’s in-year deficit is predicted to be. Our understanding is that full management accounts are not prepared on a regular basis. C Chapman has asked whether they have received their GAG statement and what their outturn is.

**The committee queried whether the Trust knows where Chickerell is with regards to the investments in their kitchen and temporary classrooms mentioned in their 2022-23 accounts.**

The kitchen investment has been done and there is a CIF bid for the temporary classroom being used for the after-school club.

Acorn:

- PHP are collecting operational information for both Acorn and Chickerell, to help provide capacity for this to be done, so that existing systems/contracts and their renewal dates can be compared, with a view to provide a plan to help bridge contract renewal where possible.
- There are two significant points to note within the project plan circulated ahead of the meeting:
  - PHP will be acting for FFT and have started work on the transfer but can only go so far because Acorn has not appointed them as their solicitors (or another company). TUPE support for FFT will be provided by PHP as well, to ensure compliance and the structure that is needed linked to the Acorn schools transferring is taken into account. The board of Acorn is responsible for the TUPE, but the FFT will need to make clear any measures (i.e. changes to existing structures and roles). An initial informal consultation will take place so that staff affected are aware of plans ahead of the formal consultation. Both trusts will have to submit their respective budget to the DfE in August regardless of the transfer / joining but will need to take a view

<p>on what the budget post Acorn schools transfer and Chickerell joining will be.</p> <ul style="list-style-type: none"> <li>o There is a risk around a strip of land and building for one Acorn school that is owned by an individual who wants to sell it and has approached SDBE to purchase it.</li> </ul> <p><i>Management partnership with Jubilee with Pebblebed:</i> This has not yet formally ended but has ended in practice because the schools are being supported by the trust they are expecting to join. The FFT has not yet been paid for the support provided. Jubilee is quibbling invoices as they want to allocate them to the right part of their budget. However, the invoices match the amount that was agreed in the management partnership which was not itemised.</p> <p><i>Management partnership with Exeter Road:</i> The Trust has started to support the school, but the management partnership has not yet been signed. The chair has signed the contract for the acting head provided by FFT but did not realise there was a separate management partnership document to sign. The meeting went into Part II to discuss further the support provided to the school. The meeting went back into Part I.</p> <p><u>Central staff appointments:</u> P Walker reported that</p> <ul style="list-style-type: none"> <li>• The Director of People and Operations position has now been appointed, following the second round of interviews.</li> <li>• The newly appointed Director of Finance has visited the Trust and will do a few visits before he takes his position in May.</li> <li>• The only posts initially funded by TCAF that have not been filled are the positions of Educational Psychologists (because there were no applicants to the adverts).</li> </ul>	
<p><b>6. Policies and compliance</b></p>	
<p>The policy and compliance summary was circulated ahead of the meeting, as were the proposed policies.</p> <p>The medicine and children with medical needs policy was approved by the committee.</p> <p>The special category data policy was approved by the committee.</p>	<p><b>Appendix 16</b></p>

Meeting times: start: 6 pm, end: 7.40 pm

Date of next meeting: 9<sup>th</sup> May 2024, 6 pm

**These minutes are agreed by those present as being a true record.**

**Signed:**.....  
Chair of S&F committee

**Date:**.....