

EDMONTON ACADEMY TRUST

TRUSTEES- FINANCE, AUDIT AND PREMISES COMMITTEE

WEDNESDAY 15 JANUARY 2020 AT 5.00PM (TELECOM)

MINUTES – PART ONE

Members: Salih Suavi (Chair), Justine McLennan, David Clarke, Owen Vallis

Trustees: Rob Leak (Chair), Peter Blane, Susan Tranter (ex officio), Lia Commissar, Liz Whale, Clinton Page.

Committee: Clinton Page^ (Chair)

Rob Leak*

Peter Blane^

Susan Tranter* (EHT)

Lia Commissar^

Liz Whale*

In Attendance

George Georgiou (GG)* - (Chief Operations Officer for Edmonton Academy Trust)

Clerk:

Andreas Adamides*

^ denotes Absent
* denotes Present

PART ONE

1.0 COMMITTEE MANAGEMENT

1.1 Welcome

Rob Leak chaired the meeting and welcomed everyone.

1.2 Declaration of Interest

NOTED there were no declarations made regarding any item on the agenda.

1.3 Apologies for Absence

Apologies were received from Clinton Page, Lia Commissar and Peter Blane.

1.4 Minutes

The Committee **RECEIVED** and **ACCEPTED** the minutes of the meeting held on 13 November 2019. The minutes will be signed by the Chair.

1.5 Matters Arising:

There were no matters arising not covered in this meeting.

2.0 CHIEF OPERATIONS OFFICER'S REPORT

2.1 The Committee **RECEIVED** and **AGREED** a report which was presented by George Georgiou (GG), including the P4 financial update for the Trust, Edmonton County and Lea Valley Academy and accounts from Cedars Learning Trust.

2.2 GG highlighted three unplanned costs including a broken oven in the canteen, which will cost about £10k to replace, GG will look at options with caterer. A boiler broke in Bury Campus, another is defective, there are now only two boilers now working. The boilers are 12 years old and may need repairs or replacement. Additionally, the School was approached by Network Rail to prune trees along the boundary which will cost about £30K, this is because of leaf fall.

Q= Why should we pay for this?

A= GG- The trees are in our grounds. Their email referred to taking legal action. **GG to query the matter as advised by Trustees. ACTION.**

Q= Did we have vacancies for the previous site managers house, in the first term?

A= GG- Yes, we had one tenant at the start of the term, another in October, and another now. Currently we have one vacancy.

Q= Is this because people do not want to rent it?

A= GG – Accommodation was firstly promoted to NQTS, 2 of the tenants are NQTs, we then offered it to other staff.

A= Susan Tranter (ST) – The house was not ready when we recruited NQTs for this year. Next year it will be ready to be marketed with photos to show what it looks like.

A= GG- The three tenants in the house are likely to continue. We need to have a strategy about how to prioritise tenants from year to year.

2.3 GG presented the EAT P4 financial update advising that the income is mostly recharged based on budgets via LVA and ECS budgets. Expenditure across finance and legal services items will be covered by the ESFA grant, the forecast was adjusted appropriately. Savings were made in finance and admin salaries due to staff changes. Teacher salaries for the EHT and heads of schools over the full year will have a saving overall. The overall balance is a modest surplus of £52K.

2.4 GG presented the ECS P4 financial update advising that many of the changes are small items of income re-charged including revision guides. The Teachers' Pension Grant (7/12ths has been paid already), will be slightly higher than forecast. Overall there could be an extra £40k to £50k of income than budgeted. Lettings may be slightly above budget by £5k/10k. The challenge is the expenditure on TA agency staff costs, the School is looking into reducing this for the rest of year.

Q= Are TA agency staff costs higher than last year?

A= ST – Yes, we had a greater number of EHCPs in Year 7 with entitlements for support.

Q= Was there any extra money for the children?

A= ST- Yes there is some funding.

2.5 GG advised that teacher salary savings are as predicted. Over the next few months the School will need to continue to track the budget. It is financially a tough year, with added unexpected costs, including the oven, tree lopping and boilers.

2.6 GG presented the LVA P4 financial update, advising that the potential Teacher Pension Grant and Pay Award Grant were above what was expected, both were formula driven. Pupil Premium (PP) was higher than expected, it is paid by 4 payments a year, which straddle the year end. The next PP payment is due in January and will give an idea of the higher income, which could be £40/50k overall. LVA are working on a 11-month budget, the financial figures from the finance system are based on 12 months; the forecast is based on the actual budget. The teacher salary forecast is above the budget by £100K. This will reduce with changes that have taken place to teaching staff. There will be a re-forecast of the budgets for teaching and support staff.

Q= Overall with ECS/LVA and EAT budgets could we balance the books?

A= GG - Yes, we could overall, we are being prudent with income projections, but staff need to watch their budget decisions.

Q= What happened about LVA repair costs?

A= GG- Repair costs are picked by the PFI provider, who must respond within 4 hours, we are discussing charging them about the closure on Monday.

A= ST – The School could not open, there was a water leak, which also damaged electrical sockets etc.

Q= What caused the problems?

A= GG - Burst valves in the plant room on the first floor, the floor surface had cracks, and water slipped through below.

Q= Could this be negligence?

A= GG - There were conversations about valve replacement last year and they did not do this. Plus, the cracks in the floor were discussed before we took over the School.

Q= Can we get legal advice if this counts as a break in the PFI agreement?

A= GG – I will follow this up.

2.7 GG presented the Cedars Learning Trust annual accounts. GG highlighted that in page 12 it mentions the Trust was not compliant with some provisions of the Academies Financial Handbook 2018. Including that management accounts were not shared with the Chair of Trustees monthly or other Trustees six times during the year.

Q= On page 15 it says that there were no matters to report?

A= GG- However they did make a statement about being not compliant with some provisions, see 2.7.

2.8 GG advised that the total surplus before fixed asset funds and pension was £240k. However, the in-year deficit was £72k, including redundancy costs. The overall the expected year end surplus is £200k.

Q= When are the accounts from?

A= GG- They are from September.

Q= When are the revised accounts being produced?

A= GG- The auditors are coming next week, and they should get the accounts a month later.

Q= Are we expecting any surprises?

A= GG - No, we have somebody from finance looking at invoices. The 2018 figure was a part year so cannot be compared to 2019.

Q= Can you advise about pension costs?

A= GG – We called Enfield about this. When ECS converted the pension pool was ring fenced for the School in 2016. Since then, schools that convert pension contributions are profiled using the Enfield wide approach. Enfield revalue their pensions every three years. The LVA pension rate has reduced from 24.8% to under 20%, this will save about £15K at LVA. ECS pension contributions have increased from 19.6% to 19.8%. We are also expecting a 2.75% staff pay award.

Q= Can we bring services together from November?

A= GG - Yes, we will want to bring services together and have one pay provider from April, this will help year end reconciliation.

3.0 REPORT FROM CEO AND CHAIRS OF LGB

3.1 The Committee **RECEIVED** and **NOTED** an oral update from ST.

3.2 ST highlighted the safeguarding report commissioned for LVA. It said that students were safe in the School and core safeguarding is in place. In future, LVA will adapt a new policy on the ECS policy. One important matter is to ensure that all Trustees are on both of the Single Central Records.

3.3 ST advised Trustees about an important site issue, that access to the School (LVA) could be gained via the staff car park. From now on contractors will access the School via reception to avoid the possibility of tailgating and to increase security.

Q= What action will follow the safeguarding report?

A= ST- We are waiting for the full safeguarding report, after we receive it, we will expect an action plan for the LGB agenda (for LVA). ACTION

3.4 ST reported that the new Headteacher of LVA and Head of School at ECS have made a good start.

3.5 Liz Whale, the Chair of the LVA LGB, reported she is meeting the Headteacher tomorrow.

Q= Are there any new Governors at LVA?

A= ST- We are currently looking for new Governors.

4.0 NEXT MEETING

4.1 Items for the Next Agenda

- Items from the Governors Handbook.

4.2 Date and Time of the Next Meeting

- 18 March 2020 at 5 pm.

5.0 ANY OTHER BUSINESS

None.

Clerk's Note: Meeting ended at 5.50.

Signed: _____ Date: _____
Chair of Finance, Audit and Premises.

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