



The Chatsworth Multi Academy Trust

Minutes of Finance, Audit & Risk Committee Meeting

On Tuesday 8th February 2022 @ 10:00

Remote Meeting via Microsoft Teams

Present:

Mr Andrew Bent (ABe)	Trustee (Chair)
Ms Louise Hutchinson (LHu)	Trustee
Dr Martin Hanbury (MHa)	CEO Chatsworth Multi-Academy Trust
Mr Paul Willoughby (PWi)	Trustee

In Attendance:

Ms Vicky McRae (VMc)	Trust Finance Manager [part meeting]
Mrs Emma Taylor (ETa)	Clerk, Just A Sec

Absent:

There were no absences.

The meeting met its quorum

1. Welcome, Introductions and Apologies

ABe welcomed attendees to the meeting.

There were no apologies for absence.

2. Declarations of Non/Pecuniary Interests

There were no declarations of non/pecuniary interests in relation to any agenda items.

PWi had received correspondence from Companies House in regard to the first registration of his position within the Trust. This may have been triggered by the filing of the annual accounts.

Action: PWi to scan correspondence from Companies House to MHa to confirm the detail and clarify with Jackson Stephen Accountants if required.

3. Minutes of the Previous Meeting (15th November 2021)

The minutes and confidential minutes of the meeting on 15th November 2021, having been circulated via GovernorHub in advance of the meeting, were approved as a correct and accurate record.



4. Matters Arising

The Matters Arising from the Meeting on 15th November 2021 were discussed and updated as outlined below:-

MH will raise the Trustee strategy session with Mr Cole Andrew so that this can be raised at the Trust Board Meeting on 13th July 2021 and a timeframe for the strategy session can be identified [September/October]

MHa invited Trustee feedback in regard to the format for the Trustee vision/strategy day, which would be discussed with Mr Cole Andrew.

MHa proposed the following to open discussions:-

- A meeting of Trustees would be convened at the Chatsworth Futures [CF] site to include representation from Chairs of Governors and senior leaders from the Chatsworth High School and Community College [the school] and CF.
- The day would commence with fact finding and opportunities for questions within an open forum. Trustees would have an opportunity to meet with learners, to observe their work and to understand from learners directly their educational ambitions. Learners would be prepared for discussions in advance to ensure that they were not overwhelmed.
- Group work would follow to develop and plan three and five year Trust objectives.
- Following a break, separate groups would consider CF and school objectives before reconvening to ensure that those objectives were aligned.
- Learners would provide lunch from the developing commercial kitchen.

TQ: MHa had provided an excellent framework to start from and input from learners would be welcomed. Were contributions from staff representatives envisaged to ensure engagement of all stakeholders.

MHa confirmed that visioning work had been completed with staff members approximately 18 months ago and could be updated either prior to or following the vision day. The vision day envisaged Trustee visioning with a view to this being extended out more broadly to parents and staff members thereafter.

Trustees supported the input from learners at CF, which would assist their personal development. It was highlighted however, that Trustees should be provided with balanced opportunities to work with pupils from CF and also the school, in particular, non-verbal learners and learners with Profound and Multiple Learning Difficulties [PMLD]. The achievement of this balance would require further consideration.

ABe noted that Trust vision and strategy were responsibilities which rested with Trustees and which Trustees would lead. Whilst the attendance of key stakeholders would bring the benefit of immediate feedback on discussion areas, there was a risk



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that the attendance of key stakeholders may narrow the opportunity for full and frank consideration of issues such as the constitution of the Local Governing Bodies [LGB] and General Annual Grant [GAG] pooling, for example.

MHa envisaged that the vision/strategy day would connect parties in the Trust, including the learners. This would be beneficial for Trustees for whom there had been fewer visiting opportunities over the last two years as a consequence of the pandemic.

Trustees agreed that the morning could be utilised for gathering information and hearing from senior leaders, LGB Chairs and MHa. The afternoon would be dedicated to visioning and strategy work, which could be refined by Trustees at a later point should this be required.

MHa raised the possibility of splitting the day between the school and CF. Learners would be observed as they arrived at school followed by a forum for the learners to speak with Trustees. Trustees would visit CF from 10.30 until midday, followed by visioning at the Deans site Sixth Form from 1.00 onwards.

Trustees agreed that the final format of the day required further consideration and would be progressed and finalised outside the meeting.

Action: MHa to prepare different options/timings in respect of the proposed Trustee Vision Day and circulate to the FAR Committee for consideration.

LH would prepare a first draft of the Finance Committee ToR to be presented to the meeting on 25th January 2022.

The draft ToR had been circulated via GovernorHub and MHa had provided comments regarding the draft. A meeting would take place in March 2022 to discuss the draft further with a view to the ToR being approved at the next FAR Committee meeting.

Action: ET to include approval of the FAR Committee ToR as an agenda item for the meeting on 25th January 2022.

It was noted that the following Matters Arising had been completed or would be covered on the agenda.

- ***VMc to provide an update in regard to the requisition process at the meeting on 25th January 2022.***
- ***ETa to add review of the internal control actions to the FAR for consideration over the course of the next financial year.***
- ***MHa to prepare a paper concerning leadership salary progression at CF for presentation to the next FAR meeting on 25th January 2022.***



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The Matters Arising below would be carried over to the meeting on 8th March 2022:- • ***ABe to provide an Omega Trust strategy session agenda for consideration.***

- ***Review of the three year audit plan to be progressed and an update presented to the meeting on 25th January 2022.***
- ***MHa/HBi/VMc to review sickness and maternity insurance policies and alternative means of covering staff absences and report the findings at the meeting on 25th January 2022.***
- ***LHu and MHa to review Performance Management progression outside of meeting.***
- ***MHa to raise the risks identified with CE and the steps taken to mitigate the risk at the meeting of Trustees on 29th November 2021 to ensure that Trustees fully understood the position.***
- ***MHa to raise the Pastoral Manager role salary with the CF LGB.***

5. Items for Any Other Business

Trustees received and accepted two items of AOB proposed by MHa:- i.

Salary Progression at CF.

ii. Structure of the Senior Leadership Team [SLT] at CF.

6. Budget Update Report

VMc joined the meeting at 10.46 to present this agenda item.

TQ: How had the new finance system been operating.

VMc noted that capacity had been challenging whilst she had also been required to cover separate Human Resources [HR] functions and she had not therefore had an opportunity to investigate the functions of the system in as much detail as she would have liked. The impact of staff shortages had frustrated the process of updating the system which in turn had impacted the production of up to date financial reports.

Trustees understood the unprecedented challenges which had arisen as a consequence of the pandemic, which had extended the time required to fully embed the system.

VMc acknowledged that whilst there had been a number of teething issues, these were to be expected with implementation of any new system and most issues were resolved as and when they arose. In the process of resolving these issues, greater familiarity with the different system processes had resulted in some increased efficiencies, for example with tasks such as processing VAT.



It remained the case that budget holders continued to be unable to raise a Purchase Order or an order requisition on the finance system for cost centres other than the ones they held the allocated budget for. Trustees understood the position however, noted that appropriate financial controls would mean that budget holders should not be in a position to raise requisitions against another cost centre which they were not responsible for or where delegation had not been approved.

TQ: Had the teething problems described resulted in the requirement for forced workarounds outside the system or any blockages on urgent matters. VMc confirmed that the teething problems described were manageable and the system was functioning correctly. Staff members would require additional time to ensure that the new system was fully embedded.

Budget overview 2021-2022

VMc shared the Budget overview 2021-2022 on screen.

VMc explained that within the school budget, income had been lost as a consequence of band level funding not being approved. This had been identified at the end of 2021 when learners moved from Key Stage 4 to Key Stage 5. A request should have been made for exceptional funding to continue into Key Stage 5, however, this request had not been made. Three or four further learners had reverted to band 6 funding rather than band 7 funding because insufficient information had been provided within Educational Health and Care Plan [EHCP] reviews to support the banding position.

TQ: was there a proposal to change the budget for the 2021 – 2022 financial year. VMc confirmed that the budget had been revised in the Autumn 2021 term. MHa recalled a discussion with VMc in mid December 2021 when it had been identified that changes would be required to cover staff absences attributable to the pandemic. It had been intended that a re-set budget would be prepared pending approval at the meeting on 25th January 2022 however, the meeting had been postponed due to Covid related absences.

ABe noted that budgets should be changed only in very exceptional circumstances.

MHa responded that it had been an exceptional year to run a school. At a recent meeting of Headteachers in Salford, 25% of staff had been absent within many local schools. Significant staffing fluctuations of this nature had resulted in the need to reset the leadership structure within the school to deliver capacity changes quickly when required whilst also continuing to develop and improve the school. Additional agency staff costs had also been incurred.



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ABe agreed with MHa's response however, budget variances should be forecast and any areas of overspend authorised. Wholesale revisions to the budget would result in difficulty tracking the budgeted spend against actual spend over the course of the financial year.

VMc noted the additional difficulty that the implementation of the new finance system had resulted in formatting issues. The formatting of items, including staffing costs, had been changed between July 2021 and the transfer to the new finance system.

Trustees noted the position and requested the provision of additional detail for further review:-

- [i] the approved budget figure;
- [ii] the proposed new budget figure; and
- [iii] an explanation of the reason for the changes.

Action: VMc to email CMAT Budget overview 2021-2022, together with a summary of changes to the FAR Committee on 8th February 2022 for review.

ABe would review the budgets and the explanation of changes and consider this information further with MHa/VMc. ABe would then update PWi and LHu who were invited to provide any questions or comments in the meantime to ABe.

VMc further proposed that there was a transfer of £100,000 from reserves. This would cover anticipated supply cost spend and the additional leadership costs in regard to the extension of the Assistant Headteacher roles until summer 2022 to facilitate the cover referred to by MHa. The reserve figure precluded the recovery of supply costs at the end of the financial year.

VMc anticipated that it would be possible to secure Local Authority Health and Social Care Funding however, whether there would be an increase in high level funding had not yet been confirmed.

TQ: What was the name of the school meal provider.

Chartwells and Compass provided school meals pursuant to the Private Finance Initiative [PFI] contract, however, opportunities to exit the contract may be explored in due course.

VMc updated Trustees that the Salford HR Service Level Agreement [SLA] would end on 31st March 2021 and the provision of payroll, consultancy and wellbeing services would need to be covered. VMc was exploring the possibility of a bespoke package which retained some aspects of the SLA, with the possibility of sharing other services with different providers. VMc would update Trustees at the next meeting in regard to the preferred options for covering these services.



Action: VMc to present recommendations in regard to the provision of HR Consultancy Services to the FAR Committee meeting on 8th March 2022.

7. Covid Catch-Up for noting verbal update

MHa confirmed that there was no further information Trustees ought to be aware of.

8. Risk Register

Trustees were referred to the updated Risk Register [Spring 2022], which had been circulated via GovernorHub in advance of the meeting for scrutiny.

MHa provided Trustees with the following summary of the updates:

- Whilst it remained important to monitor Ofsted judgements across the Trust, the CF risk would no longer be required and would be replaced with a more generic statement in regard to the Ofsted risk.
- MHa had updated items the items in red text, which included effective recruitment for the Spring 2022 term. Cell n required updating prior to final Trustee approval and MHa would update this.

LHu had reviewed the proposed changes and confirmed her agreement. PWi would review the updated items and confirm acceptance or rejection of the proposed updates.

Action: PWi to review the updated Risk Register [Spring 2022] in readiness for approval at the meeting on 8th March 2022.

9. Internal Audit Report [Safeguarding]

MHa provided Trustees with a verbal update in regard to the Trust wide Safeguarding Audit, which had been completed by Carolyn Eyre. This had been a comprehensive Audit and Carolyn Eyre would return on 7th March 2022 to monitor the progress of action points arising from the Audit.

The action points had included policy reviews and the transition of reporting and recording of all safeguarding issues to the Child Protection Online Management System.

Trustees would benefit from having sight of a report of the Trust Wide Safeguarding Audit to include an overview of the Audit, the findings and the actions required and completed thereafter for scrutiny.

Action: MHa to commission a report from Carolyn Eyre on 7th March 2022 in regard to safeguarding Audit actions which had been completed to date.



TQ: Who was responsible for auditing the published data on the website.

This was the responsibility of Rachel Hill within the business team who was very skilled in this area. Unfortunately, resources were subject to significant pressures and the website had not yet been updated.

TQ: Who was the website provider.

E4Education were the current website provider. MHa would like to improve the functionality of the website however, it was important to ensure that updating of the website did not become too onerous for staff members within the Trust in light of recent staffing level challenges.

Trustees noted that the website and emails referred to @salford.gov.uk and consideration should be given to changing this to a Chatsworth MAT address.

MHa would prioritise the auditing of the website with Rachel Hill over the coming weeks to understand whether the audit would be completed by E4Education or elsewhere. Options for updating the website would also be explored.

Action: MHa to present Trustees with an update in regard to steps taken to update the Trust website at the meeting on 8th March 2022.

Trustees noted the verbal update in regard to the Trust wide Safeguarding Audit.

10. Review of Internal Control Actions

An action arising from the Annual General Meeting on 29th September 2021 was that internal control recommendations were reviewed, tracked and monitored through the FAR Committee.

VMc provided a verbal update with regard to the internal control recommendations, which had been identified as part of the preparation of the 2020 – 2021 Annual Accounts:-

- Ensuring that assets purchased during the year were recorded.
Update: VMc would ensure that the fixed asset register was updated and depreciation levels calculated before the end of the 2021 – 2022 financial year. Trustees agreed that this was a low priority currently.
- Maintaining accurate personnel files.
VMc assured Trustees that since the commencement of her HR responsibilities, up to date personnel files had been maintained. New staff members would not always return signed contracts of employment however, the documentation reflected agreement of the employment contract in circumstances where they were not signed and returned within one month. Personnel files which pre-dated this



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and were held by the LA required review to ensure accuracy. Completion of this process may require a period of approximately 12 to 18 months.

Trustees noted the position and requested that this process was treated with high priority to ensure that the paperwork was in order in the event of any personnel issues arising.

- Ensuring that remittance paperwork was received from the LA and aligned with income received.
Where income was received without remittance paperwork, the outstanding paperwork was followed up.
- Ensuring that the process of completing annual EHCPs reviews were fully documented.
This had been addressed to ensure that appropriate questions were answered and documented at SLT level as part of the EHCP review.
- Ensuring that Purchase Orders were raised and correctly filed for all transactions.
It was acknowledged that there may be occasions where a Purchase Order was not raised before the invoice was received, however, VMc would investigate these occasions and was reminding staff members, including senior leaders, about the importance of this process.

TQ: Were occasions where Purchase orders were not raised before invoices were received increasing or decreasing.

VMc would need to look into this further. Trustees would like all staff members to be reminded that failure to ensure that Purchase Orders were raised and correctly filed for all transactions was a serious issue and would lead to an informal disciplinary meeting, with the possibility of disciplinary action. This should remain a high priority. VMc and MHa would review this further outside of the meeting.

Action: VMc and MHa to review Purchase Orders in the context of internal control actions and provide an update at the meeting on 8th March 2022.

In addition to the above, VMc would be meeting with Lucy Rudd from Jackson Stephen to clarify the actions required in regard to recharges and reconciliation of salary costs and would feed back to Trustees as appropriate.

TQ: Had the dispute in regard to pay increases for support staff been resolved and would there be any impact on the budget.

VMc believed that a pay increase would have been built in to the budgeting software but would clarify and email Trustees.



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Action: VMc to provide an email update to the FAR Committee in regard to resolution of pay increases for support staff and whether there would be an impact upon the budget.

Trustees noted the verbal update in regard to internal control actions and expressed their thanks to VMc for her ongoing hard work and support in very extenuating circumstances.

VMc left the meeting at 11.37.

11. Any Other Business

Refer to Confidential Minutes.

12. Date and Time of Next Meeting

8th March 2022 at 12:00.

Trustees noted the date and time of the next meeting.

The meeting concluded at 12.15.

Signed **Dated**
Mr Andrew Bent (Chair)

Summary of actions

Item	Action	Owner
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2	PWi to scan correspondence from Companies House to MHa to confirm the detail and clarify with Jackson Stephen Accountants if required.	PWi/MHa
3	MHa to prepare different options/timings in respect of the proposed Trustee Vision Day and circulate to the FAR Committee for consideration.	MHa
3	ABe to provide an Omega Trust strategy session agenda for consideration.	ABe
4	Review of the three year audit plan to be progressed and an update presented to the meeting on 25 th January 2022.	ABe, VMc and MHa
4	MHa/HBi/VMc to review sickness and maternity insurance policies and alternative means of covering staff absences and report the findings at the meeting on 25 th January 2022.	MHa, HBi, VMc
4	LHu and MHa to review Performance Management progression outside of meeting.	LHu/MHa
4	MHa to raise the risks identified with CE and the steps taken to mitigate this risk at the meeting of Trustees on 29 th November 2021 to ensure that Trustees fully understood the position.	MHa
4	MHa to raise the Pastoral Manager role salary with the CF LGB.	MHa
6	VMc to email CMAT Budget overview 2021-2022, together with a summary of changes to the FAR Committee on 8 th February 2022 for review.	VMc
6	VMc to present recommendations in regard to the provision of HR Consultancy Services to the FAR Committee meeting on 8 th March 2022.	VMc
8	PWi to review the updated Risk Register [Spring 2022] in readiness for approval at the meeting on 8 th March 2022.	PWi
9	MHa to commission a report from Carolyn Eyre on 7 th March 2022 in regard to safeguarding Audit actions which had been completed to date.	MHa
9	MHa to present Trustees with an update in regard to steps taken to update the Trust website at the meeting on 8 th March 2022.	MHa
10	VMc and MHa to review Purchase Orders in the context of internal control actions and provide an update at the meeting on 8 th March 2022.	VMc/MHa
10	VMc to provide email update to the FAR Committee in regard to resolution of pay increases for support staff and whether there would be an impact upon the budget.	VMc



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