

INSPIRE PARTNERSHIP MULTI ACADEMY TRUST

TRUST BOARD MEETING MINUTES

DATE:

Tuesday 29 November 2022

TIME:

4.30pm

LOCATION:

Via Microsoft Teams

PRESENT

Chair of Trustees:	Mr J North (JN)	
CEO:	Mrs S Vickerman (SV)	
Trustees:	Mr J Cripps (JC)	Mr G Worsdale (GW)
	Mr C Gray (CG)	Mrs C North (CN)
	Mrs K Partridge (KP)	Mrs K Rolinson (KR)
In Attendance:	Mrs T Fallon (COO) (TF)	Mrs T Jackson (CFO) (TJ)
	Mrs K Stubbs DCEO (KS)	Mr M Clements (MC) – Governor Gawthorpe Academy
	Mr Chris Beaumont – Clive Owen Chartered Accountants & Business Advisors (CB)	
Clerk:	Susanna Stott (SS)	
Apologies:	Mrs C Norfolk	Mr S Bartram

ITEM	ACTION
<u>PROCEDURAL ITEMS</u>	
1. APOLOGIES FOR ABSENCE	
Apologies for absence were received from Mrs C Norfolk and Mr S Bartram.	
2. DECLARATIONS OF INTEREST	
There were no Declaration of interests received in relation to the meeting.	
3. MINUTES OF THE LAST MEETING ON 4 OCTOBER 2022 WILL BE APPROVED AT THE NEXT MEETING ON 17 JANUARY 2023	
As this is an extra meeting for Trustees to approve the IPMAT end of year accounts, it was agreed that the minutes of the last meeting will be approved at the next full Trustee meeting on 17 January 2023.	
4. IPMAT ACCOUNTS	ACTION

PART A

ITEM		ACTION
	<p>The following documents have been shared with Trustees prior to the meeting:</p> <ul style="list-style-type: none"> • Final Accounts – year ending 31 August 2022 • Final Audit Findings Report (AFR) – 31 August 2022 • Letter of Representation (LFR) 2022 • Letter of Representation Regularity – period ending 31 August 2022 <p>Mr Chris Beaumont of Clive Owen Chartered Accountants and Business Advisors proceeded to share a comprehensive overview of the Final Audit Findings Report (AFR) for year ending 31 August 2022.</p> <p>KP reported that she had noted a small number of errors included in the report and agreed to forward these to the Trust CFO.</p> <p>CB confirmed that the Trust are in a considerably better position that at this point last year. A meeting was held with the Trust CFO in September to discuss capital funding and spending for the CIF projects and ensure all entries have been recorded in the correct areas on the accounts system; this has significantly helped the compilation of the financial statements compared to the difficulties encountered in the previous year.</p> <p>Page 3 – Section 3: Summary of results for the period</p> <p>CB summarised the contents on page three of the AFR, the Key SOFA movements year on year, highlighting areas of the Revenue bridge and Cost bridge for the 2021 income and costs. This is the first year Grove Lea Primary figures were included for the full year so this has impacted on the year on year comparison.. Additional capital grants of £691,000 were received with other areas noted, including the reduction in the catch up premium and the teachers’ pay grant being incorporated within the GAG income for 2021/22.</p> <p>Cost wise CB confirmed that the annualised adjustment for Grove Lea is specifically detailed for comparison purposes after their first full year as part of the Trust.</p> <p>Pupil numbers are similar to the previous year. Staff costs have increased slightly to 79.2% this year, and CB commented that the ESFA tend to recognise 78% as the percentage where a school/Trust would break even with the income received.</p> <p>It was reported that the total movements as per the Statement of Financial Activates (SOFA) show a positive swing of £10million. However, however there has been a significant positive movement of £9million from the actuarial valuation of the LGPS pension scheme. Alongside the Capital Improvement Funding for projects across the Trust, £283,000 has been spent from revenue funds to support capital projects.</p> <p>The total movement in reserves at 31 August 2022 is a £164k deficit for the year.</p> <p>Risk Areas</p> <p>It was reported that no particular issues were identified. A small adjustment to the restricted funds of £9k in relation to Pupil Premium was identified. GAG funding has</p>	

PART A

been allocated to appropriate expenditure. No issues were identified for accounting estimates in all areas.

ESFA Regularity Review

CB explained that as part of the audit of the ESFA Regularity review, the auditors review and consider whether the funds are being appropriately used. The review identified that all funds appear to be appropriately authorised and used for the appropriate purpose.

Local Government Pension Scheme (LGPS)

There has been huge movement over the year for the local government pension scheme, with an adjustment of £8,981,000. The auditors confirmed that they have not adjusted the actuarial valuations for the Goodwin Indexation due to the LGPS Actuaries having estimated the impact to be less than 0.1% of total liabilities.

Section 5 – Adjusted and unadjusted items

The adjustments included in this section have been made to the accounts for the period ending 31 August 2022, with nothing further to add.

Section 6: other audit matters.

CB confirmed audits have gone well and no instances of fraud were identified during the course of the 2022 audit. The Independence statement by Clive Owen Chartered Accountants was noted including the information that the Teachers' pension scheme audit is completed by a separate team.

Section 7: Significant internal control recommendations

Internal controls

It was noted during the audit that adequate documentation for salaries does not always appear to be kept within the Trust. Variation letters in some instances were identified as not to be up to date. The recommendation was recorded as of medium importance where the current internal controls could be improved upon.

Recommendations

Recommendations from the previous year have all been actioned.

Appendix A

The purpose of the Letter of Representation and Letter of Representation Regularity were explained to attendees.

Appendix B

The small observation detailed was recommended by the Trust Accountants that management give consideration that all interest and transactions through the bank account is recognised in the financial statements. Interest of £625 had not been recognised on the Dynamic Cash Management bank account.

Appendix D: Technical Update

CB explained that the information detailed shares a summary of academies as at 1 August 2022 and enables us to view where the IPMAT sits within the academy sector.

White Paper

Following the white paper issued in March 2022, it was noted that as yet nothing has progressed quickly and there is nothing further to report.

Academies Trust Handbook

PART A

ITEM		ACTION
	<p>The Academies Trust Handbook is updated on an annual basis and was released on 24 August for implementation from the 1 September 2022. Changes to this document were minor.</p> <p>Land & Buildings collection tool This tool kit is now due to go “live” in January/February 2023 following delays.</p> <p>Local Government Pension Scheme (LGPS) CB commented that it is difficult at this time to guide employers on the impact of the LGPS rates currently being reviewed by the Actuaries of the scheme and coming into effect from 1 April 2023. It is expected to become clearer in early December, but early indications are that there may not be much change. Trustees thanked CB for an excellent presentation enabling Trustees to have a clear picture of the end of year audit for the IPMAT. Trustees commented that it has been excellent to see the good position we are in at this time of year.</p> <p>Q: Looking at other academy groups, how does our slight deficit compare to others? A: You are going to have a challenging period going forward due to pupil numbers. There are a number of Trusts at the moment looking at their staffing approach, but not something the MAT needs to look at speedily, but just to keep an eye on school to school.</p> <p>The CEO explained that we are already considering the staffing position for each school as staff members leave, although we do have to consider each school individually. Schools are no doubt finding it tough where staff have left and have not been replaced.</p> <p>The COO reported that centrally we are now investigating the introduction of Apprenticeship Schemes for TAs and support staff which will also support succession planning. The CEO noted we are actively looking for other schools to join the Trust. The Trust Prospectus is published, and we are ready to market ourselves as much as we can as we know growth is essential.</p> <p>Q: In the same way as 78% is the magic number for staffing costs. Is there a tolerance range for surplus/deficit for reserves as well? A: We would advise not to have more than 20% of your reserves carrying forward, as questions would be asked by the ESFA. You have decent reserves at the moment, some Trusts I work with have considerably less.</p> <p>CG commented that it would be useful if there was some central guidance on a safe level of reserves with CB stating that most schools have a Reserves Policy of approximately one month’s income.</p> <p>Q: Have you heard about the distribution of the government’s £3 billion announcement? A: You should be finding out mid-December how much you as a MAT would expect to receive. The plans are for the money to be allocated in April 2023.</p> <p>Trustees noted the excellent audit report was a credit to the Central Team and shared their grateful thanks for the incredibly hard work undertaken.</p> <p>Trustees approved and accepted the Accounts.</p>	
5.	GAG POOLING UPDATE	

PART A

ITEM	ACTION
<p>The DCEO shared a presentation during the meeting on the reasons the Trust had been considering GAG Pooling.</p> <p>Trustees were reminded of the original considerations of introducing GAG Pooling across the Trust. The consistency of approach was noted along with the intention of reducing some of the burdens for the HTs, enabling them to concentrate on teaching and learning whilst also allowing for economies of scale when negotiating trust wide contracts.</p> <p>At all times while discussing the option of GAG pooling, the CFO commented that consideration of the balance of risks against opportunities was a focus. We acknowledged our plans to continue to grow the Trust and are currently talking to a number of schools who are interested in joining. These conversations are now highlighting the barriers to schools joining us, should the Trust have GAG Pooling in place. Any school with healthy reserves might be hesitant.</p> <p>The DCEO explained that having taken stock on where the Trust is with GAG pooling, we have recognised that we have achieved a considerable amount of our objectives. In place we now have an agreed 1% contribution for School Improvement for Trust wide initiatives, alongside the already agreed 6% top slice. Conversations with HTs demonstrates that all are recognising the value of a joint approach.</p> <p>The CEO commented that it has become clear that when reviewing the Trusts who in theory are GAG Pooling, when looking in more detail they really aren't.</p> <p>Following lengthy discussions with attendees, the CFO asked Trustees if we should delay making any decision on introducing GAG Pooling, particularly considering the likely barriers to Trust growth.</p> <p>Q: Have consultations taken place with the LGBs and if they have taken place what message would we give the governing boards if we now decided to change our direction?</p> <p>A: The recent Chair's meeting had GAG Pooling on the Agenda, and following the conversations with the central team, I just explained that further consultations would take place in due course.</p> <p>Trustees commented that it is now clear that we would need to establish a policy should we decide on GAG Pooling, which needs to be considered in detail before any conversations take place with any prospective school interested in joining the Trust. KP noted there is also a risk if we decide to delay. CG noted his view would be that we need to ensure our message both internally and externally is consistent.</p> <p>Trustees agreed that introducing GAG Pooling at this time would clearly be a barrier to Trust growth, which is so important.</p> <p>The CEO confirmed that finance across all schools is very tightly monitored. HTs cannot spend their reserves without serious consideration within the central team, and we would likely not gain anything by introducing gag pooling at this time.</p> <p>Q: Are there any risks if we don't go down the GAG Pooling route at this point?</p> <p>A: Potentially there may be, although we have now centralised all the IT requirements and the larger contracts are now being delivered centrally. Transactional processing is taking place centrally with a comprehensive authorising process in place actioned at all</p>	

PART A

ITEM	ACTION
<p>times either by the CFO or the Financial Officer. We would hope that the HTs can see that we have taken away some of the admin burden from the individual schools.</p> <p>Trustees agreed to pause the process of GAG pooling but commented that we must ensure the message is consistent both internally and externally and include “optimising shared collective resources” as part of this message, as it makes it clear the approach of the Trust towards finance.</p>	

MEETING CLOSE TIME: 5.10PM
Next meeting 17 January 2023 at 4.30pm via Microsoft Teams

SIGNED BY THE CHAIR:  DATE: 17.01.2023