

**The Heath Family (NW) Multi Academy Trust**  
**PART I - Minutes from the MAT Board meeting held on**  
**Friday, 29<sup>th</sup> May 2020 at 8.00 am**

**\*\*\* This meeting was held remotely using Microsoft Teams \*\*\***

<u>Present:</u> Helen Stevenson (Chair), Edward Vitalis, Morag Davies, Alison Duckworth, Karl Smith, Kate Whittlesey, David Donnelly, Sharon Black, Craig Parkinson, Judith McConville		<u>Apologies:</u> Dave Lancaster Non attenders: Anantha Subramanayam			
		Clerk: Trish Roberts			
Items	Discussion	Action	Who	When	Notes
<b>1. Welcome, introductions &amp; apologies</b>	Ms Stevenson welcomed everyone to the meeting.  Apologies were accepted from Mr Dave Lancaster. It was also noted that there had been no communication from Mr Anantha Subramanayam.				
<b>2. Declaration of Business and Pecuniary Interests</b>	Ms Davies confirmed that she has completed and returned a new declaration form indicating her change of employment details. There being no other changes Trustees confirmed the following declared interests:  Helen Stevenson – Partner/Sole Proprietor of Satis Education, Contract with another Trust in the area (Frank Field Education Trust), Related to a Local Governor at one of THF schools (Sister).  Edward Vitalis – Chief Operating Officer at Bright Futures Educational Trust, HDH Executive Director at NHS Salford Clinical Commissioning Group.  Morag Davies – Director of M & P Business Solutions Ltd  Alison Duckworth – Director of Epona Marketing  Karl Smith – Vice Principal of Carmel College  Kate Whittlesey – Director of The SEND Advisory Team				
<b>3. To receive/ ratify PART I Minutes from THF Board</b>	Trustees received an electronic copy of PART I minutes from the MAT Board meeting held on 09.01.20 and the Extra-Ordinary MAT Board meeting held on 21.05.20. There were no amendments to be made and therefore the minutes were accepted as a true record and ratified.	Chair of the Board to sign agreed MAT Board Minutes from 09.01.20 & 21.05.20			

meeting held on 09.01.20	RESOLVE: That PART I minutes of the MAT Board meeting held on 09.01.20 and PART I minutes of the Extra-Ordinary MAT Board meeting held on 21.02.20 be approved as a correct record and signed by the Chair.				
4. To review Matters Arising not included on the Agenda (to include Action Tracker)	<p>Trustees received an electronic copy of THF Action Log dated 29.05.20</p> <p><b>Matters Arising from Minutes of 09.01.20</b></p> <p><b>Page 2 – Produce Letter to Police ref Safeguarding Concerns:</b> Mr Donnelly assured Trustees that this action has been completed.</p> <p><b>Matters Arising from Minutes of 21.05.20</b></p> <p>Ms Stevenson asked the following questions to the rest of the Board:</p> <p><i><b>Q: Is there anything we as Trustees should be doing in the current climate to engage with Principals? Do colleagues think there is a need for this, or would it be best to wait until the schools are fully back in session (potentially September 2020)?</b></i></p> <p><i><b>KS – I feel that Mr Donnelly (CEO) is on top of this; and therefore we should let him carry on. My opinion is that we should leave as it is until everything has settled in September.</b></i></p> <p>Following brief discussion, the rest of the board members agreed with this course of action.</p> <p><i><b>Q: In relation to data predictions for GCSE, do we as Trustees want to see them?</b></i>  <i><b>A: KS – I don't think schools are allowed to share this data currently; DD - but FFT (Fischer Family Trust) data will be available in September.</b></i></p> <p>Ms Stevenson thanked Mr Donnelly and his team (incl school teams) for everything that has been done up until this point; HS then raised the idea of whether a report could be drawn up which reflects on how things have gone through lockdown, what has been learnt and what can be taken forward from it. Mr Donnelly agreed that this would be an interesting piece of work and therefore will look to draw a report together which can be brought to Board later on in the year.</p>				

	<p>Discussion then followed regarding how it would be interesting to see grade predictions against the actual aggregations. Mr Donnelly stated that baseline testing will be needed when students return to full time education; this will enable the Trust/Schools to assess what has been lost in terms of each child’s education/progress.</p> <p>Mr Donnelly also stated that he would need to find out how and when the data can be collated/shared.</p>				
<p><b>5. Chair’s Action Report (to receive)</b></p>	<p>Trustees received an electronic copy of the Chair’s Action &amp; Governor Membership Update 19.03.20 (updated for 29.05.20) report.</p>				
<p><b>6. Coronavirus Response</b></p>	<p>Mr Donnelly provided a verbal update:</p> <ul style="list-style-type: none"> <li>• All schools are operating in accordance with Board decisions made on 21.05.20; ie start date of 15<sup>th</sup> June at the earliest for Reception, Year 1, 6 &amp; 10.</li> <li>• Action Plans are starting to come through to Trust Exec Team, first drafts are due by Monday (01.06.20); and once agreed will be shared with unions.</li> <li>• The first JCNC meeting ref reopening of schools has taken place; although union colleagues did not raise concern in relation to the Trust’s proposals as a whole, they did raise concerns in relation to allocation of PPA for staff and staff lunchtimes. Mr Donnelly explained that the PPA (non-contact) time is provided for within the proposal, but unions had concerns regarding all staff being allocated it at the same time (ie Friday afternoon), questions raised were in relation to PPA being allocated during timetabled periods, and the possible impact on staff contracts. In relation to the lunchtime query; unions raised concern that the proposal only allows for a ½ hour lunchtime for teaching staff, although locally this would be 1 hour on a ‘normal’ day. Mr Donnelly explained that this was to allow for rota’d lunchtimes that enable all site users to maintain social distancing rules. Mr Donnelly also noted that in the past staff have provided lunchtime activities for students and as such have not taken 1 hour for lunch. Mr Donnelly advised that he did not think Trust staff would kick back on these two issues and also assured Trustees that legal advice has been sought in relation to them; whereby they have said that the Trust is operating in an entirely appropriate manner in relation to consultation. Mr Donnelly explained that taking everything into account it is his intention to push forward with the proposal as it stands. Agreement was reached at the meeting, that a copy of the Trust’s Risk Assessment and the individual School Action Plans will be shared with unions; these copies will be ready to go to unions early next week (w/c 01.06.20). Mr Donnelly stated that this will hit the</li> </ul>				

	<p>requirement in terms of consultation. Mr Donnelly also stated that Knowsley Council appear to have taken the decision to keep their schools closed until reopening is agreed by unions; Mr Donnelly reaffirmed that THF Knowsley based schools will follow the Trust’s plans for reopening and not the councils. Discussion followed regarding possible issues that may arise following reopening; ie track and trace, further lockdowns etc.</p> <p><b><i>Q: In relation to local appetite and union positions; are we sure that staff are going to return to work, or do you think they will go with their union’s stance?</i></b></p> <p><b><i>A: HPS have shared their detailed plan with staff, and it has been well received. Staff seemed to be impressed with the amount of planning that has taken place; and this is highlighted in that some staff who were anxious about returning have indicated that they are happy to return to work as they feel comfortable and safe in terms of the plan that will be put in place. Secondary schools will not face as many issues as the primaries, as they only have 1 year coming in.</i></b></p> <p><b><i>Q: What is the feeling on the ground?</i></b></p> <p><b><i>A: Principals have indicated that they are happy with the arrangements in terms of opening up to more pupils on the 15<sup>th</sup> June, track and trace, social distancing implementation etc. Staff are very responsive, and seem to be happy with what the Trust has done so far. The test will be when staff and respective year groups return on the 15<sup>th</sup>. We will support any staff who have concerns regarding returning to work. It should also be noted that the NASUWT provided all of their members with proforma letters to give to their employers if they did not feel safe to return to work. THF has not received any of these letters to date. Mr Parkinson provided further details in relation to the Sefton schools; stating that they are gearing up to welcoming greater numbers of children into schools as of the 15<sup>th</sup>; but assurances have been requested in relation to what happens with regards to behaviour issues – support continues to be provided to all schools in relation to this. Mr Parkinson also reported that a member of staff at one of the primaries has voiced personal concern regarding returning to work and unions are involved.</i></b></p> <p>Trustees were provided with assurances that currently there are no ‘massing of ranks’ in respect of returning to work; but should this change the Board will be informed. Trustees also offered support to the Exec Team, stating that if they had any concerns at all, they were to contact them straight away.</p>				
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<p><b>7. CEO Report</b></p>	<p>Trustees received electronic copies of the CEO report (dated May 2020) prior to the meeting. Mr Donnelly reported:</p> <p><b>Overall</b> – Given the Trust’s financial situation and overall performance of Trust schools the status remains at red.</p> <p><b>Governance</b> – The status has been moved to Amber given that the scheme of delegation has been suspended during the current situation.</p> <p><b>Q: Centrally, have communication links remained open with Chairs of Governors?</b>  <b>A: Yes, CoGs have received 2 CEO update letters up to this point; and Principals are also circulating information as well. No expressions of concern have been received to date.</b></p> <p><b>Q: Would it be an idea to send a further letter to Governors to provide them with details of the plans regarding the further reopening of schools on 15<sup>th</sup> June; which also invites them to contact the CEO with any concerns they may have?</b>  <b>A: Yes, it would be beneficial, a letter will be sent out as soon as plans have been agreed.</b></p> <p><b>School Improvement</b> – Planning is coming together, although we have no idea what the status of our school will be when we return. It is expected that the current situation will have a significant and lasting impact on attainment and progress for the foreseeable future.</p> <p><b>Ofsted</b> – The status has been moved to Amber, the rationale behind this change is that it is understood that Ofsted will not be resuming inspections until January 2021; therefore, our schools have more time to demonstrate improvement.</p> <p>Ms Stevenson then asked everyone for their thoughts in relation to what may happen if Ofsted inspections do restart in January 2021; ie whether the Ofsted framework will be used as it currently stands. The overall opinion was that most probably the current framework would need to be updated in terms of the current situation and that inspectors will then need to go through a training period so that they are up to speed in terms of the new procedures. Ms Whittlesey stated that her understanding is inspections will take place in January 2021 at the very earliest; adding that she, as an inspector, has not received updated guidance at this point in time.</p> <p><b>Safeguarding</b> – Due to the uncertainty of the impact of the lockdown measures, the status has been moved to red. School staff continue to offer support to our vulnerable families.</p>	<p>Further update letter to be sent to Governors ref plans for further reopening of schools (15.06.20)</p>	<p>Mr Donnelly</p>	<p>ASAP</p>	
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**Q: Have we got assurances things seem to be well?**  
**A: Yes, everything appears to be well. The red status is in relation to what we don't know. Normal day-to-day activity is not happening, ie staff are not seeing the children regularly, and therefore are unable to pick up on changes in behaviour etc.**

**Q: Would it be worth conducting a parent survey in September to ascertain whether any significant changes in relation to family situations have taken place during the lockdown period. The findings could be really useful in terms of understanding and supporting our children and their families on their return to school?**  
**A: Significant contact is taking place with our vulnerable families. Schools have partnered up with local charities, delivering food hampers, which has enabled regular contact to take place.**

**Q: This is really good to hear, but this would help to identify families not currently on the radar wouldn't it?**  
**A: Yes, but the new curriculum design will also assist with this. The curriculum is focused around the welfare of children on their return, and supporting them on their re-integration into the school environment.**

**Health & Safety** – The current Covid-19 situation constitutes a significant Health & Safety risk and as a result the status has been moved to red.

**HR** – Mr Donnelly reported that a letter had been received on 28.05.20 indicating that a HR case was being taken to employment tribunal. Discussion followed regarding the possible outcomes of the case and what the impact could potentially be.

**Q: What is maximum potential risk exposure?** Mr Vitalis added further detail regarding the need to understand what the potential cost could be, and the importance of ensuring it is built into the budget.

Mr Donnelly spoke about different outcome scenarios and following further discussion agreed to supply Trustees with a 'bracketed' figure. Towards the end of the meeting Mr Parkinson was able to provide further details as follows; the average potential liability should the case be upheld will be approximately £25K-£30K plus legal fees. Mr Parkinson added the caveat that this figure could increase/decrease depending on the outcome. Mr Parkinson also assured Trustees that Hill Dickinson, the Trust's legal advisor, believe the Trust has a strong case, and that should the case be upheld provision has already been made in the management accounts. Mr Donnelly also suggested that a nominated Trustee may want to receive detailed updates in relation to the case; stating that

	<p>possibly the Chair of Business &amp; Finance would be best placed for this role. Trustees agreed with this suggestion and Mr Vitalis confirmed that he would be happy to receive the updates. Mr Parkinson also assured Trustees that this case will be flagged with the RPA, so as to ensure insurers are aware of the situation.</p> <p><b>Attendance/Exclusions</b> – Mr Donnelly reported that due to schools only be opening to children of key workers, these items have been moved to green. However, Mr Donnelly also highlighted that on the further/full reopening of schools, these items will need to be reassessed, ie when children return after such a long time from education, there could be a spike in behaviour issues, or parents may not be comfortable sending children back to school and this could affect attendance dramatically. Discussion followed regarding the issues schools may face when staff/children return under the ‘new normal’ conditions; ie schools may have to take a harder view in terms of behaviour issues to ensure the health &amp; safety of staff and children (social distancing), SEND children may need increased support as coping with the ‘new normal’ may be difficult for them on return.</p> <p><b>Q: Do you have any idea of percentages of these groups?</b>  <b>A: We have no idea; our greatest concern is in relation to the difficulties in coping when bringing the children back into the school environment. Some children may choose to break the rules just because they can; but social distancing means that the usual 1-2-1 strategies is not appropriate, the result being the child is sent home, rather than put staff and children at risk.</b></p>				
<p><b>8. School Improvement Staffing Update</b></p>	<p>Ms Black reported that 2 Assistant Directors of Teaching &amp; Learning (SEND &amp; Pupil Premium) and 4 Trust Leaders in Education (primary lead, and English, Mathematics, and Science) have been appointed. The expansion of the school improvement team has been enabled via the additional funding agreed by the RSC. Mr Donnelly stated that the Board should expect to see the impact of this expansion as of September, once all appointees have taken up their roles.</p> <p><b>Q: What will be their focus?</b>  <b>A: The Primary Lead (Ms Greer – LMoss) is already supporting colleagues, starting at Easter. Her focus so far has been on primary curriculum, detailed data planning, distance learning etc. This role has gone some way to fill the void left by G Bennett. The English, Mathematics and Science TLEs start in September, and therefore have not done much so far; their role will need to evolve as children return and educational impact becomes clear. The Assistant Directors have been in contact with Ms Black</b></p>				

	<i>(Director of Teaching and Learning) indicating they are willing to support as of this ½ term; SEND Lead is supporting in terms of reviewing LHS documentation, and Pupil Premium Lead has been in discussions with regards safeguarding cohorts across the schools.</i>				
<b>9. SWS Update</b>	<p>Mr Donnelly confirmed that Sir William Stanier School left the Trust as of 01.04.20; explaining that it was really strange as their leaving was during the lockdown, and therefore no official commemoration could be made. Mr Donnelly explained that there will be some impact on the Trust's finances in the short term; but it will not be long-lasting; but reiterated that the decision had been made in the best interests of both the school and the trust.</p> <p>Mr Donnelly also gave thanks to Mr Parkinson for the fantastic work he had undertaken (supported by Mrs McConville) to ensure the move went smoothly and on deadline. The Trustees also thanked the Exec Team for everything they had done.</p>				
<b>10. Reports from Trust Sub-committees</b>	<p>Trustees received an electronic copy of PART I minutes from the B&amp;F committee meeting held on 19.12.19. There were no amendments to be made and therefore the minutes were accepted as a true record and ratified.</p> <p><b>RESOLVE: That PART I minutes of the B&amp;F committee meeting held on 19.12.19 be approved as a correct record and signed by the Chair of B&amp;F Committee.</b></p> <p><b>Appointment of Internal Auditors</b> Trustees received an electronic copy of a board paper entitled Appointment of Auditors dated 03.03.20.</p> <p>Mr Vitalis explained that the role of the internal auditors had been widened so that it was now more strategic, risk assessed based; and not purely finance driven, ie internal audit would now cover other areas such as HR, Governance, Procurement, Admissions &amp; Exclusions, GDPR, Safeguarding and Value for Money. Mr Vitalis confirmed that it had been a robust tendering process and that the Exec Team had kept B&amp;F Trustees fully updated as the process progressed and reached its conclusion. Mr Vitalis informed Trustees that taking all of what he had seen into account he was happy to recommend the appointment of Beaver Struthers as The Heath Family (NW) Internal Auditors. All Trustees present agreed the recommendation.</p> <p><b>RESOLVE: That Beaver Struthers are appointed as The Heath Family (NW) Internal Auditors.</b></p>	Chair of B&F committee to sign agreed B&F Minutes from 19.12.19	Mr Vitalis	ASAP	



**Reports from Trust  
Sub-committees  
cont'd**

Trustees received an electronic copy of PART I minutes from the E&S committee meeting held on 26.02.20. Trustees agreed the proposed change to the minutes in respect of PART I / PART II items; and there being no further amendments to be made the minutes were accepted as a true record and ratified.

**RESOLVE: That minutes of the E&S committee meeting held on 26.02.20 be approved as a correct record and signed by the Acting Chair of E&S Committee.**

Mr Vitalis explained that he had agreed to take on the role as Acting Chair during the last E&S meeting; and then went on to provide a brief summary of the proceedings:

- The Trust's status report was reviewed by Trustees; and discussions took place regarding areas of improvement, including attendance.
- Prior to Covid-19, the school improvement team were planning for holiday sessions for students.
- A presentation was delivered by Ms Black in relation to the Trust's Curriculum Strategy; Trustees stated that it was a really good presentation, which was insightful in terms of the development framework, staff development, leaders developing the curriculum, risk assessment framework and the development of the school improvement team. Areas of focus also included SEND and the curriculum, introduction of the Power Bi package into schools, and improvement data access. Mr Vitalis noted that he had found it really useful to attend this presentation as it enabled him to triangulate the information back in terms of B&F financial impact.

***Q: In relation to the capability processes referred to on page 4; in light of the current situation have these processes been put on hold until schools are fully reopened?***

***A: Yes, any capability processes/support plans are on pause until the full reopening of schools; they will not come into play on the 15<sup>th</sup> June. We can also confirm the Trust position that unless robust, documented evidence is received to the contrary, teaching staff would be recommended for pay progression. Performance Management, observation and learning walk evidence will be kept on file to support these processes***

***Q: Ofsted will want to know what has been done and what the impact is on Teaching & Learning and student progress?***

***A: The Exec team will keep the Board fully updated.***

Mr Vitalis thanked Ms Black once again for the presentation and stated that it is important that all Trustees see it; noting that it would have been delivered once again if

Acting Chair of E&S committee to sign agreed E&S Minutes from 26.02.20

Mr Vitalis

ASAP

Ms Black

ASAP

	<p>the Board meeting on 26.03.20 had taken place. Discussion followed whereby it was agreed that the PowerPoint presentation document be updated so that it provided further explanation thereby enabling greater understanding when received electronically. A copy of the updated document will be circulated to Trustees via email.</p>	<p>Trustees to receive a copy of the Trust's Curriculum Strategy PowerPoint presentation (once updated for a 'virtual' audience)</p>			
<p><b>11. Governance</b></p>	<p><b>Committee Membership</b>  Mr Donnelly reported that prior to lockdown the Trust was in the process of recruiting a number of additional Trustees; this expansion was to further strengthen the Board and to support the current Trustees in terms of workload. Discussion followed regarding the appointment of Co-opted Trustees in the interim period, and also in terms of identifying skills/experience required. Trustees reviewed the current overview skills audit matrix and it was agreed that someone with a HR skill set would be desirable. Trustees also agreed that it would be beneficial for the full skills audit matrix to be circulated to Trustees in order to support them in identifying any group/individual training needs.</p> <p><b>Appointment of Chair of Education &amp; Standards Committee</b>  Trustees were asked for nominations in relation to the appointment of the Chair of E&amp;S Committee. Ms Stevenson nominated Mr K Smith, seconded by Mr Vitalis. Mr Smith thanked the Trustees for their nominations; but noted that his workload was substantial at Carmel College and therefore at this point he would be unsure whether this would be an issue going forwards. Following deliberation Mr Smith agreed to take on the role with a view to reviewing the viability of his appointment as the term progresses.</p> <p><b>RESOLVE: that Mr Karl Smith is duly appointed as Chair of Education &amp; Standards for Summer term 2020.</b></p> <p><b>Virtual Meetings (via Microsoft Teams)</b>  Trustees noted that the current situation has pushed governing bodies to look at alternative ways of meeting; and as such virtual meetings are being arranged. Trustees agreed that this method of meeting has proven to be really beneficial, especially in terms of attendance at meetings, ie no time lost through travel time etc. Trustees also agreed that they would like to continue meeting via this method when schools reopen fully in September 2020.</p>				

<p><b>Governance Continued</b></p>	<p><b>Scheme of Delegation</b></p> <p>Trustees received an electronic copy of the draft Trust Board Scheme of Delegation document prior to the meeting. Mrs Roberts explained that this document had been drawn up to ensure the Trust is compliant and once agreed will be attached to the current High Level Division of Delegation document.</p> <p>Following discussion Trustees confirmed they were happy to approve the document.</p> <p>Trustees also noted that once approved both documents will need to be published on the Trust's website.</p>	<p>Scheme of Delegation and High Level Division of Responsibility document to be published on Trust website.</p>	<p>Mrs Roberts / Mr Parkinson</p>	<p>ASAP</p>	
<p><b>12. Trust Budget 2020-21 Presentation (to approve 2020-21 Trust Budget)</b></p>	<p>Trustees received an electronic copy of the Board paper entitled Approval of 2020-21 Budget.</p> <p>Mrs McConville delivered a Budget presentation to Trustees (see PowerPoint presentation entitled Budget 2020-21 MAT Board 29.05.20). Mrs McConville provided further details in relation to:</p> <p><b>Forecast 2019-20 (Slide 3)</b></p> <ul style="list-style-type: none"> <li>- the in-year challenges with regards the transfer out of SWS as of 31.03.20. SWS transferred out of the Trust at the worst time in terms of immediate financial impact (ie just before Easter break), but it was noted that the move needed to take place so that the overall impact on the Trust going forwards was minimised. Mrs McConville explained that this scenario was one amongst the numerous scenarios presented to Trustees earlier this academic year. It was also noted that there are still a couple of adjustments in relation to supply/alternative provision costs to be agreed with SWS/Cheshire East/KMAT so that a final exit figure can be reached.</li> <li>- the uncertain impact of Covid 19; it was noted that although the government have assured schools that they will be able to claim for additional costs linked with Covid 19, it is not clear whether all costs will be covered. As a result, uncertainty remains as to whether the Trust will need to meet some costs from its own budget.</li> </ul> <p><b>The Budget Process (Slide 4)</b></p> <ul style="list-style-type: none"> <li>- Schools budgets have been reviewed and challenged with principals and school finance staff on a line by line basis by the MAT central finance team, and regular budget prep meetings have been held via Microsoft Teams from mid-March to May.</li> </ul>				

Mrs McConville stated that considerable work has taken place to reach the point whereby the draft budget can be brought to Trustees for approval.

**Overview of Budget by Schools (Slide 7)**

- Schools were targeted with a zero balance and all schools except for LMoss and LHS were able to reach this position.
- LMoss has a marginal deficit of £2,451, but there may be scope to bring it down to zero. LHS' in-year deficit is projected at £127,833; and although a balanced in-year budget has not been realised, this represents a significant reduction from the baseline costs in January 2020.
- The retention (topslice) of 8.5% is made up of two parts; 3.5% nominal topslice fund the running of the Trust, and 5% contribution towards the repayment of the ESFA advance of funds. For the coming year the whole retention has been applied at source, this means that unlike this year, schools will not need to monitor spending to ensure 5% of their budget remains to fund the advance repayment.
- Significant progress has been made at DPS, for the first time since joining the Trust they have managed to produce an in-year balanced budget.

Mr Donnelly noted that it had been a very difficult process in terms of setting LHS' budget, particularly in relation to the fine balancing to bring the budget cost down against the needs of a highly vulnerable school. Mr Donnelly also praised Mr Yates (Principal) for everything he had done throughout the process, stating he was fabulous throughout.

***Q: It is clearly an impressive piece of work that has been completed, but there is a slight concern in relation to reducing Alternative Provision. Is this an area we would want to reduce during these uncertain times?***

***A: The change in leadership has resulted in a reduction of alternative provision needs; and so this year we have had to speculate in terms of this figure, but should the provision be needed when children return to school we will review it. It also needs to be noted that Mr Yates conducted an evaluation of individual pupil needs; and therefore budgetary decisions can be clearly triangulated back to this. Trustees were also informed that music services will be provided differently this year; last year the income received did not cover the cost of the provision itself. Mrs McConville explained that costs needed to be brought down to enable core provision to continue.***

**Target – Closing the Gap (Slide 9)**

- Teachers Pay Grant; has only been included within the baseline budget up until March 2021. This grant may be subsumed into the National Funding Formula (NFF) calculations going forwards from 21-22 and so there is a possibility that this may not materialise.
- Capitalisation of Revenue costs; in the main this figure relates to ICT and Reprographics equipment.
- Vacancy Management; this figure relates to known staffing savings which are yet to crystallise but are highly likely to occur (ie, known movement, reduction in hours etc). The finance team have taken a very conservative view but are aware that it may accrue; ie staff replacements could bring about further savings.

Ms Stevenson offered her help and support in relation to any staff recruitment needs.

Mr Donnelly noted that as a Trust, our staff can be very expensive; this is especially an issue when you look at the staffing budget at LHS, the majority of teaching staff are at top of scale, which has caused significant strain on the budget.

- Opportunistic Savings; this figure relates to possible/probable events – the items we are looking at but are out of the Trusts control of influencing.

Mrs McConville explained that this year’s budget setting process has been about managing expectations, whilst remaining prudent and ensuring that what has been brought together shows a realistic position.

It was also noted that there will be a considerable gap in funding (GAG Lag) for LHS as of Sep 2020; this is in relation to the number of unfunded pupil places (47 students). If the Trust were to be successful in obtaining estimated funding it would release a further £263,200 (approximately) into the budget, thereby enabling LHS to produce a balanced budget. Mr Parkinson stated that once the unfunded places go over 5-6% the ESFA may be willing to look into the issue, and that the Trust will clearly make the case for this. Mr Parkinson also reported that 7 admission appeals are currently in process at LHS.

Discussion followed and it was noted that accessing additional funding may become more difficult over time; especially in light of the Covid-19 situation and the financial impact it will have on the government’s budget.

Mr Parkinson also noted that if the unfunded places figure is not received this year, it is a promise of things to come for funding for Sep 2021; it was also noted that by then NFF will also be in place.

Mrs McConville reiterated that LHS has been hit hard financially this year; including receiving a clawback from re MSE gains. A £20K reduction in calculated funding due to application of a gains cap limiting the increase per pupil.

**Impact of Recovery Plan (Slide 10)**

- 3 Year Plan; based on anticipated pupil numbers and applying a 1% uplift to GAG revenue only, a 4% inflation factor to salaries and 1% inflation to other costs. The plan clearly shows the Trust moving to a sustainable, stable financial position.

**Q: The increase in revenue between 2020-21 and 2021-22 equates to an increase of 159 students. Have any assumptions been made in relation to this increase?**

**A: No, it only includes the 1% increase in GAG revenue, although adjustments made for pupil numbers.**

Mrs McConville also noted that the budget meetings held via Microsoft Teams had worked really well; and that everyone was fully engaged with the budget process.

**Conclusion**

The Trust Exec Team request that the Trust Board approve THFNW budget as outlined for 2020-21, with an in-year surplus of £609,725 and a cumulative surplus position of £5,435.

Ms Stevenson thanked Mrs McConville for the presentation stating that she had found it really clear and concise. Ms Stevenson also thanked Mr Donnelly, Mrs McConville and the wider team for the work and effort that had gone into reaching this position.

Ms Stevenson then invited Trustees to ask any questions they may have:

**Q: The repayment is set at 5%; are any of the schools in a position to contribute more?**

**A: Primary school budgets are really tight; refinement and cost reduction processes have taken place to get them to this position, this is especially so in relation to DPS & BWP. The 5% repayment contribution was arrived at when we originally put the repayment plan together; taking into account balanced on budget and providing**

	<p><b><i>schools with enough funds so that they can deliver what is required. The Exec Team feel that we can maintain this level going into next year.</i></b></p> <p>Discussion followed regarding contingency, possible reallocation of funding should the Trust receive increased funding next year, and significant changes within the Trust's School Improvement Team.</p> <p><b><i>Q: Moving forward when looking at the in-year position can you highlight any potential risks at each of the schools and provide details of what is being done to mitigate them?</i></b></p> <p>Discussion followed regarding staffing ratios running high and the recovery of staff cost in 2021-22, considerations post-Covid 19, possible government changes, school funding promise etc.</p> <p>There being no further questions, Mrs McConville thanked Trustees for their time and also spoke about the work that had taken place behind the scenes to reach this budget position; making specific reference to Mrs Karen Chaney (Trust Finance Manager) and the valued support and guidance she had provided to primaries throughout the budget setting process.</p> <p>Trustees thanked Mrs McConville and noted that they had found the budget presentation both accessible and easy to understand and therefore were more than happy to approve the budget for 2020-21.</p> <p><b>RESOLVE: that Trustees approve The Heath Family NW budget as outlined for 2020-21</b></p>				
<p><b>13. Policy Review:</b></p> <ul style="list-style-type: none"> <li>• Governor Expenses</li> <li>• Procurement &amp; Contract</li> <li>• Fraud</li> <li>• Conflict of Interest &amp; Related Party Transaction</li> <li>• Safeguarding &amp; Child Protection (post Covid 19)</li> </ul>	<p>Trustees received electronic copies of the policies to be reviewed. There being no changes or queries, all policies were approved.</p>				

