

Full Trustee Board – Part I Minutes							
Date/Time	20:02:18 4.00pm	Location		Okehampton Skills Centre			
Attendees	Initials			Attendees	Initials		
Marilyn Livingstone (left 7.00pm)	ML	Tania Skeaping (left 7.45pm)	TS	Ian Courtney	IC	Daryll Chapman	DC
John Lawlor	JL	Rebecca Ledger	RL				

Apologies	Initials	Reason
Philip Sanders	PS	Other commitment
Lee Rose	LR	Holiday
Ralph Crook	RC	Business
Amanda French	AF	Other commitment
Carol Newman	CN	Business

ACTIONS
DECISIONS
QUESTIONS AND CHALLENGES

In Attendance	Initials	
James Baker	JB	Michelmores HR
John Speak	JS	Bishop Fleming
Hazel Fox	HF	Vice CEO
Andy Parkins	AP	Chief Operating Officer
Susanne Kiff	SK	Chief Financial Officer
Sally Wood	SW	Clerk to Trustees
Margaret Cologne-Brookes	MCB	Trust Finance Manager

Minutes to
Attendees
Apologies

15 - Welcome / Apologies
<ul style="list-style-type: none"> Apologies were accepted from PS, LR, CN, AF and RC. Introductions were done by everyone present at the meeting.

16 – Declaration of Interest
<ul style="list-style-type: none"> All Trustees were reminded to declare any conflict of interest that may arise during the meeting.

17 – Proposed Foundation Governor – Dartmoor Federation

- IC advised that the Scheme of Delegation states the appropriate Church authority would propose a Foundation Governor, but the Board of Trustees was to formally appoint them.
- IC read out details of Bridget Down who was being proposed to join the Dartmoor Federation.
- **Trustees were in agreement of appointing Bridget Down to the LGB of the Dartmoor Federation as a Foundation Governor.**
- Trustees were asked to note the Chair / Vice Chair situation of the Dartmoor Federation. TS and Tim Williams would be Co-Chairs and ML and Christopher Wright would be Co-Vice Chairs. This arrangement is a transitional one for a period of up to one year recognising the numbers of experienced Governors that had left.
- Trustees noted this situation was not ideal, but was in place with a view to upskilling individuals.

18 - CEO Remuneration

DC and HF left the room – 5.41pm

- The meeting moved to Part II

19 – Budgets

DC and HF returned to the room – 5.52pm

- Trustees noted the overview documents provided. The A3 sheet provided information in three boxes, the top one showing budgets from Business Managers that went to LGBs for approval, the second box was amended budgets to show central recharge adjustments, pension deficit adjustments and the apprenticeship levy included. The third box showed the potential effect of the national funding formula, although funding letters were still to be received from the EFSA for 18/19, so this is at the moment a best guess.

Trustees asked when the funding formula was effective

SK responded September 2018

- Trustees noted that a number of Schools had in year deficits and some had overall deficits.
- Trustees noted the current carry forward for 17/18 and the dramatic changes in this for 18/19 and 19/20 (£1.2m to £265k and reducing further going forward).
- Trustees were also provided with some information on benchmarking against KPIs for costs within Schools.

Trustees asked about how the funding formula would affect lump sums that Schools may have previously received.

DC responded that Primary schools will get a larger lump sum than previously and for some small Primary Schools, that is a significant sum, but in mid size and large Primary Schools, a negative effect could be seen when the AWPU was lost

- Trustees noted that the majority of Schools are overspending and this needed to be reined in now as the EFSA would take note of this.

Trustees asked what cost saving plans there were

SK responded she had met with Chagford today and also met with all the Business Managers who were aware there was a problem but there were no firm plans in place at the moment. SK suggested that the LGBs should be more responsible for the budgets as they had recommended these budgets to the Trustees.

Trustees asked what the percentage was of income to deficit

SK responded 2%

- Trustees noted that was very low and it was agreed to look at a recovery plan document from the EFSA to look at some benchmarks.
- Trustees also agreed that staffing contact ratios needed to be looked at.
- HF advised that work was already ongoing to look at possibilities of sharing staff and using staff from within the MAT to fill vacancies.
- Trustees asked it was the intention to avoid a voluntary redundancy programme wherever possible.
- Trustees noted that temporary contracts were being reviewed with a view to not extending these when they ended.
- Trustees discussed that they needed to look at viability of Schools and which Schools may have been 'subsidising' other Schools previously/ as well as understanding where there was growth potential and planning for that.
- Trustees noted that the 18/19 pupil numbers were known and therefore that revenue figure was fixed.

Trustees asked what the figures for North East Dartmoor were based on

SK responded these were over three Schools, with a third of the cost against each School.

- Trustees were advised that the BFRO was due in May and a plan needed to be in place to reduce the projected overspending .
- Trustees noted the change in the figures from when due diligence was carried out was primarily due to the increase in support staff wages and £160k pa in pensions deficit
- Trustees noted there was a £1m saving needed on an income of £25m.
- Trustees discussed that courageous conversations needed to take place now about timetabling, size of classes, recruitment and overall cost control and that each month that passed without taking action would require a more intrusive recovery plan.

Trustees asked if assistance with redundancy costs is available

SK responded no

- Trustees discussed writing to LGB's and advising they needed to be able to identify by 18/19 how they would have recovered their deficit.
- HF and SK have carried out an exercise with some Schools, talking to them and challenging them on expenditure which they felt had been a worthwhile exercise.

JB asked if joint purchasing was being considered

SK responded there hadn't been time to do that yet.

- JB agreed to provide SK with some information about a consortium where they could potentially purchase utilities / supply teachers etc.
- Trustees discussed the role of Schools in reviewing their budgets at individual level, but acknowledged this would be done in isolation and noted there was still a role for the trust. HF added she was being clear that she wasn't taking responsibility, but instead coaching Schools.
- Trustees discussed what access to pots of money there might be, but accepted that unless staffing was looked at, it didn't have enough impact as well as accepting that income generation cannot be relied on year on year.
- Trustees discussed that a mindset change was needed from previous years where budgets may have not been realistic. Previous custom has been to prepare "worst case" budgets which is no longer appropriate or acceptable
- Trustees noted that it was difficult to do much between now and September with all Schools planning for September.
- Trustees agreed they did not want EFSA scrutiny at this early stage and if they were asked to submit recovery plans, then monthly monitoring would take place. Currently the figures suggested the Trust would run out of money in the next 18 months.
- Trustees discussed whether any CIF money had been received from the EFSA which it hadn't been at this time.
- Trustees noted that none of the Schools were part of Devon County Council's condition work this year. MAT development money had been applied for, but this would only be £120k max if successful.
- Trustees discussed what a reasonable timescale was for LGBs to balance their budgets and also considered whether Federations which in the past would have presented a collective balanced budget could be allowed to continue to do that for the next year. SK advised that the returns she had to submit were by individual School and the Finance Policy also stated individual Schools.
- Trustees agreed that one action for LGBs was for them to set a balanced budget at cluster level in the first year, but by the second year it would have to be a balanced budget by individual School.
- Trustees reiterated that one of the reasons for setting up the Trust was regarding rural schools sustainability.
- Trustees also acknowledged that this in year deficit had always been on the cards for all schools, all bar one of which have brought forward balances to cover them
- Trustees agreed that there was necessity to challenge the Business Managers and the Heads to really dig into the budgets to avoid using a worst case scenario as may have been used in previous years.
- Trustees agreed that the next step was setting guide rules around setting budgets, ie in years deficits could not be agreed unless there is a carry forward figure to cover it / restrictions to a certain percentage of the carry forward.

Trustees asked for more clarify regarding the pension deficit

SK responded this was based on School salaries for support staff and MAT salaries for support staff.

Trustees asked if that figure had to be paid this year

SK responded yes, this was a new charge to pay

- Trustees agreed that given that figure was not known when budgets were set, Schools could discount that figure for the next 8 months. This amount of deficit could be used and explained under any scrutiny.

ML left - 7pm

Trustees asked what had to be submitted imminently

SK responded the 17/18 budgets

- Trustees discussed where pupil numbers may not be totally accurate and agreed it was appropriate to sense check pupil numbers and ask the LA for pupil numbers as well.
- Trustees agreed to hold an urgent meeting with Heads and Chair of Governors / SK / AP to discuss a recovery plan and to discuss that the figures needed to be realistic in budgets. LGBs need to be held to account as well.
- Trustees acknowledged that whilst the MAT costs may be used as a reason for deficit budgets, historical budgets would show that with / without the MAT, the position would be the same.
- Trustees acknowledged that some Trusts budget centrally, as well as approving everything centrally.
- Trustees agreed an immediate recruitment freeze with any requirements to be taken to the Executive Leadership Group for approval. DC to communicate this on 22:02:18 to all Heads.
- Actions were agreed; LA to be asked for pupil numbers, SLT costs to be analysed, contact hours to be identified, teacher ratios to be identified, cashflow forecast to be provided. (Staffing information to be split by teaching / non-teaching, with SLT separate and analysed by phase)
- Trustees agreed that every invoice was to be authorised by SK with immediate effect.
- SK to review the central recharge given that some appointments budgeted for were not made.

Action:

CLERK to arrange meeting of Heads and Business Managers
DC to advise Heads regarding recruitment freeze and process for approval.
SK to advise all Schools that order approval is to be undertaken at Trust level
SK to undertake the following: LA to be asked for pupil numbers, SLT costs to be analysed, contact hours to be identified, teacher ratios to be identified, cashflow forecast to be provided. (Staffing information to be split by teaching / non-teaching, with SLT separate and analysed by phase)

20 – GDPR

- AP updated Trustees that he had been looking at sourcing training for himself
- AP had also been in contact with other Trusts who were equally unclear as to the way forward, although it was known that contract wording would need to be changed as well as policies.

TS left - 7.45pm

- JB suggested that AP spoke to Russell Holland at Michelmores, who could provide him with guidance. Might have policies. JB advised Trustees that by 01:05:18 there would need to be a named Data Protection Officer, and the timescale for subject access requests would reduce to 28 days from 40 days.

Action:

AP to provide update at the next Full Trustee meeting

21 – Date of Next Meeting

- Okehampton College – Tuesday 27 March 2018 – 4pm

Action Table from 20:02:2018		
WHO	WHAT	WHEN
CLERK	Arrange meeting of Heads and Business Managers	DONE
DC	Advise Heads regarding recruitment freeze and process for approval.	22:02:18
SK	Advise all Schools that order approval is to be undertaken at Trust level	ASAP
SK	<u>to undertake the following:</u> LA to be asked for pupil numbers, SLT costs to be analysed, contact hours to be identified, teacher ratios to be identified, cashflow forecast to be provided. (Staffing information to be split by teaching / non-teaching, with SLT separate and analysed by phase)	ASAP
AP	To provide GDPR update at the next Full Trustee meeting	27:03:18