

Swift Academies

Success will inspire future triumphs

Finance & Resources Committee
4:30pm, Thursday 21 November 2019

Longfield School, Longfield Road, Darlington, DL3 0HT

Present Keith Bernstone, Stuart Hargrove, Dean Judson
Also, Present Chris Beaumont (Partner, Clive Owen LLP)
Glen Hart (Chief Finance Officer, Swift Academies)
Sarah Jones (Trust Business Manager, Swift Academies)
Tracey Curtis (Governance Partner, Avec Partnership)

<u>ITEM</u>	<u>DESCRIPTION OF DISCUSSION</u>	<u>ACTION BY</u>
	<u>PART A: PROCEDURAL ITEMS</u>	
1	Election of Chair Trustees RESOLVED that Stuart Hargrove was elected Chair of the Finance & Resources Committee of Swift Academies until the first meeting of the committee in Autumn Term 2020. <i>Stuart Hargrove in the Chair.</i>	
2	Election of Vice-Chair Trustees RESOLVED that the Election of Vice-Chair would be considered at the next meeting of the Finance & Resources Committee of Swift Academies.	
3	Welcome, introductions and confirmation quorum present Directors were reminded that three directors were required in order for decisions to be taken during this meeting of the Finance & Resources Committee of Swift Academies. Three directors were present. A round of introductions took place for the benefit of all present.	

- 4 Apologies for absence and their acceptance**
 Directors were informed that apologies for absence had been received from Ian Black and Jim Marshall, Directors of Swift Academies.
- Directors RESOLVED that the apologies for absence were accepted and noted the absence of Nick Lindsay (Head of School, Longfield School), John Armitage (Head Teacher, The Rydal Academy), Nichola Lindsay (Head of School, Hurworth School).
- 5 Notification of items of urgent other business**
- items that the Finance & Resources committee of Swift Academies regard are of sufficient urgency to warrant consideration at the end of the agenda
- Two items of urgent other business were notified for consideration at the end of the meeting: Deed of Covenant, School Transport.
- 6 Declaration of personal and pecuniary interests**
- a) complete the statutory register of business interests**
 Directors and those present were reminded that they should update the Register of Interest to declare any relevant business and pecuniary interest and close family relationships between members or directors and/or members or directors and employees.
- Directors of Longfield Trading were reminded that their respective Registers of Interest for Swift Academies should reflect their involvement with Longfield Trading. Directors RESOLVED that the information was noted.
- b) to declare any personal or pecuniary interests in any matters arising from the agenda of the current meeting**
 Directors and those present were reminded that they should declare any personal or pecuniary interests in any matters arising from the agenda of the current meeting. No declarations of interest were received.
- 7 Approval of minutes / review of actions / matters arising finance & resources committee of Swift Academies Thursday 27 June 2019**
 Draft minutes of the Finance & Resources Committee meeting of Swift Academies held on Thursday 27 June 2019 had been circulated prior to the meeting. A copy would be retained on file.
- Trustees were informed that supply cover in the previous academic year was in the region of £200,000 across Swift Academies. The Chief Finance Officer reported that a breakdown of the costs related to supply were for a number of reasons, including maternity absence or teaching vacancies.
- Trustees sought clarification whether any comparisons with other similar Trusts in respect of % of budget were available. It was reported that benchmarking reports, Kreston Report and annual reports and financial statements may be able to provide comparisons.
- Directors RESOLVED that the circulated minutes of the Finance & Resources Committee meeting of Swift Academies held on Thursday 27 June 2019 were an accurate record of the meeting and should be

Chair / Trust
 Business
 Manager

signed by the chair. Approved, signed minutes would be retained by the Trust Business Manager.

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PART B: ANNUAL REPORT AND FINANCIAL STATEMENTS

Presentation of annual report and financial statements for the period ended 31 August 2019: Clive Owen LLP

- a) audit findings report period ended 31 August 2019
- b) annual report and financial statements for the year ended 31 August 2019
- c) report of the directors and financial statements for the year ended 31 August 2019 for Longfield Trading Limited
The Audit Findings Report, Annual Report and Financial Statements for the year ended 31 August in respect of Swift Academies, the Report of the Directors and Financial Statements in respect of Longfield Trading Limited had been circulated to Directors prior to the meeting. Copies would be retained on file.

Chris Beaumont (Clive Owen LLP) presented to Directors the content of the Audit Findings Report for the period ended 31 August 2019, Annual Report and Financial Statements for the year ended 31 August 2019 for Swift Academies and the report of the Directors and Financial Statements for the year ended 31 August 2019 for Longfield Trading Limited.

Directors RESOLVED that the content of the of the Audit Findings Report for the period ended 31 August 2019, Annual Report and Financial Statements for the year ended 31 August 2019 for Swift Academies and the Report of the Directors and Financial Statements for the year ended 31 August 2019 for Longfield Trading Limited were noted. Directors further RESOLVED that the Annual Report and Financial Statements for the year ended 31 August 2019 for Swift Academies was recommended to the Board of Directors of Swift Academies for approval. The report of the Directors and Financial Statements for the year ended 31 August 2019 for Longfield Trading Limited would be presented to the Directors of Longfield Trading Limited.

- d) internal assurance work plan
Directors RESOLVED that the internal assurance work plan would be considered during the next Board of Directors' meeting of Swift Academies (Friday 13 December 2019).

PART C: BUSINESS ITEMS FOR DISCUSSION

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Summer Term Internal Assurance Report

The Summer Term Internal Assurance Report had been shared with Directors prior to the meeting. A copy would be retained on file.

Directors' attention was drawn to the content of the circulated summer term internal assurance report for information in respect of recommendations. Directors were informed of a new requirement contained in the Academies Financial Handbook that financial reporting to the Education & Skills Funding Agency must include an annual internal scrutiny report; effective September 2020.

Directors considered the recommendation in the circulated summer term internal assurance report in respect of Cyber insurance and whether this should be a standalone insurance or whether cover was

available via the Education & Skills Funding Agency Risk Protection Arrangements.

Directors RESOLVED that the content of the circulated Summer Term Internal Assurance Report was noted. The Chief Finance Officer would explore Cyber insurance further.

At the conclusion of this item Chris Beaumont and Dean Judson left the meeting. Dean Judson re-entered the meeting.

10 Management accounts 2019-2020 update

The Chief Finance Officer reported that management accounts and a summary of the budget position, continued to be shared with Directors in accordance with the Academies Financial Handbook. Meetings had been planned with the Head Teacher and Heads of School to review the October Management accounts, which would be shared with Directors in due course.

Directors RESOLVED that the information was noted. The Chief Finance Officer would explore a 'sharepoint' filing arrangement in respect of Management Accounts and summary information to be shared with Directors of Swift Academies.

11 Energy Contract

The Trust Business Manager recommended that a 3 year deal with SSE was approved in respect of energy provision across Swift Academies. Summaries of quotes received from prospective energy providers, covering a range of terms was shared with Directors.

Directors RESOLVED that the 3 year deal with SSE for the provision of energy across Swift Academies was approved. The Chair of the Finance and Resources Committee would sign the necessary documentation to confirm.

12 Capital Bid

The Trust Business Manager reported that a company had been engaged to submit applications to the Condition Improvement Fund on behalf of Swift Academies, on a no win, no fee arrangement. Two applications would be made per school within Swift Academies, for instance in respect of boiler replacement at Longfield Academy. The Trust Business Manager reported that the boiler had major issues involving both heating and hot water with a number of parts replaced to date which had cost circa £10,000. A replacement boiler was reported to be in the region of £400,000. The situation was similar with a boiler at Hurworth School.

Other applications to the Condition Improvement Fund were related to alarm systems with many sensors across the schools past their anticipated shelf life. Approximately 600 sensors needed replacement. Directors RESOLVED that the information was noted.

13 Finance Policy

The Finance Policy had been shared with Directors prior to the meeting. A copy would be retained on file.

The Chief Finance Officer reported that the Finance Policy had been reviewed to ensure it continued to be fit for purpose and reflected day to day activities across Swift Academies in respect of finance. Adjustments had been made to dates contained in the policy.

Directors RESOLVED that the content of the Finance Policy and information reported was noted. The Finance Policy was approved and adopted with immediate effect.

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School Forum Funding 2020/2021

Information was shared with Trustees in respect of options identified by the Local Authority in respect of school funding in 2020-2021. It was reported that four options had been provided as follows:

- A. Implement all revised National Funding Formula unit values, 0.5% MFG, Primary Prior attainment weighted
- B. 1.84% MFG, revised National Funding Formula unit values implemented as far as affordable, Primary Prior attainment weighted
- C. Implement all revised National Funding Formula unit values, maximum MFG affordable (1.72%) MFG, Primary Prior attainment weighted
- D. No Primary prior attainment weighting, 0.5% MFG, implement revised National Funding Formula values as far as affordable

The CEO/CFO had submitted feedback to the Local Authority on the various options. Directors were informed that option D was the preferred option.

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Risk Registers

- a) Hurworth School
- b) Longfield School
- c) The Rydal Academy
- d) Swift Academies

Risk Registers, as listed above had been shared with Directors prior to the meeting. Copies would be retained on file.

School Transport

The Chief Executive Officer referred to information released in the press recently to school transport arrangements for Carmel College in Darlington and the withdrawal of bus routes in respect of legislation around disabled access to buses. An e-mail response had been received from the Department of Transport but the information contained in the communication had not provided any clarity to the position.

A meeting with the Local Authority and Head Teachers had been arranged for Friday 22 November 2019. Further information would be shared with Directors at the next Board of Directors' meeting planned for Friday 13 December 2019.

Directors RESOLVED that the information was noted. The Chief Executive Officer would ensure that school transport was contained in the Risk Register for Hurworth School.

PART D: BUSINESS ITEMS FOR INFORMATION ONLY (previously circulated)

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CFO Report

The Chief Finance Officer Report had been shared with Directors prior to the meeting. A copy would be retained on file.

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School Resource Management Self Assessment

The School Resource Management Self Assessment had been shared with Directors prior to the meeting. A copy would be retained on file.

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ESFA Accounting Officer Letter

The Education and Skills Funding Agency communication dated 19 July 2019 addressed to accounting officers of academy trusts and copied to chairs of trustees had been shared with all Directors prior to the meeting. A copy would be retained on file.

Directors RESOLVED that the content of the Chief Finance Officer Report, School Resource Management Self Assessment and Education and Skills Funding Agency communication were noted.

Concluding items

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Any urgent other business raised under item 3

- Deed of Covenant

The Chief Finance Officer reported that Clive Owen LLP had recommended a Deed of Covenant was introduced in order to agree the passing of funds between Longfield Trading and Swift Academies.

Directors RESOLVED that the Deed of Covenant was approved with immediate effect. Stuart Hargrove and Keith Bernstone would sign the Deed of Covenant on behalf of Swift Academies. Dean Judson and Glen Hart would sign the Deed of Covenant on behalf of Longfield Trading.

- School Transport

Refer to agenda item 15, Risk Registers for information.

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Approval of Documents for public Inspection

Directors RESOLVED that the agenda, supporting documents and approved minutes be made available for public inspection.

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Dates, times and venue of future meetings

Directors RESOLVED that future meetings of the Finance & Resources Committee of Swift Academies will be held as follows (all at 4:30pm):

- Thursday 27 February 2020, The Rydal Academy
- Thursday 25 June 2020, Hurworth School

These minutes were approved by the Finance & Resources Committee of Swift Academies as follows:

27/2/20 (date)

signature (chair): 

name: STUART HARGROVE