



# Engage EGM Minutes

**18<sup>th</sup> December 2017 @ 1600**

Drayton Old Lodge NR8 6AN

## Attendees

Phil Harris <b>(PH)</b> - Chair Member and Director	Clive Evans <b>(CE)</b> - Member and Director	Roger Stephenson <b>(RS)</b> -Member and Director via Skype
Barbara Johnson <b>(BJ)</b> -Director	Mark Winson-Pearce <b>(MWP)</b> - Director	Dennis Freeman <b>(DF)</b> Director
Des Reynolds <b>(DR)</b> - Director and CEO	Gill Wardlow- Business Director- by invitation	Andriana Sneddon - <b>TA/ Clerk</b>
Justine Berkeley- SBM Services- by invitation		

**Meeting commenced at 16.10**

No	Item	Action
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<b>1.0</b>	<b>Apologies and Absences</b>	
1.1	Apologies were received and accepted from Adrian Wicks due to ill health. There were no absences.	
<b>2.0</b>	<b>Declarations of Interest</b>	
2.1	Standing interests of RS, PH and DR declared- no impact on agenda points 3-7 It was noted that GW would not have a vote in any business transacted	
<b>3.0</b>	<b>Previous Minutes</b>	
3.1	Board 27/11/17- The Minutes of previous meeting on 27/11/17 were accepted as a true and accurate record of the meeting and were signed off by Board Chair PH.	

<p>3.2</p>	<ul style="list-style-type: none"> <li>Matters arising-</li> </ul> <p>Committee membership confirmed as follows</p> <table border="0"> <tr> <td><u>PHS</u></td> <td><u>ARP</u></td> </tr> <tr> <td>PH</td> <td>PH</td> </tr> <tr> <td>DR</td> <td>DR</td> </tr> <tr> <td>BJ</td> <td>BJ</td> </tr> <tr> <td></td> <td>MWP</td> </tr> <tr> <td></td> <td>CE</td> </tr> </table> <p>Membership of AW to be confirmed at next meeting in attendance.</p> <ul style="list-style-type: none"> <li>DR advised points of action addressed in confidential items at point 8.</li> <li>GW advised points of action addressed at point 4- requested reports</li> <li>TA confirmed statements of assurance in hand</li> <li>PH to carry out Wellbeing survey after Christmas</li> <li>Internal audit reports June and November 2017- June previously distributed with draft Minutes and November with this meeting's papers- see point 4.</li> </ul> <p>ARP 7/11/17- The Minutes of previous meeting on 7/11/17 were accepted as a true and accurate record of the meeting and were signed off by Committee Chair MWP.</p> <ul style="list-style-type: none"> <li>Matters arising-</li> <li>TA advised external review of Governance has commenced and requested all present to complete and return Skills Audit asap</li> <li>DR confirmed had sent out initial letters to similar MAT/PRUs but as yet no response</li> </ul> <p>Confidential Minute 27/11/17- accepted as a true and accurate record by those present and signed by committee Chair MWP. Minutes sealed by clerk.</p>	<u>PHS</u>	<u>ARP</u>	PH	PH	DR	DR	BJ	BJ		MWP		CE	<p>TA</p> <p>PH</p>
<u>PHS</u>	<u>ARP</u>													
PH	PH													
DR	DR													
BJ	BJ													
	MWP													
	CE													
<p>4.0</p>	<p><b>Internal Audit reports</b></p> <p><b>Requested reports</b></p> <p><b>Outstanding related party transactions</b></p> <p><b>Annual Accounts 2016-17</b></p>													
<p>4.1</p>	<p>28/6/17- previously distributed and attached.</p> <p>Points of query as follows;</p> <ul style="list-style-type: none"> <li>2.8 written and signed agreement now in hand between ET and Childhood first</li> <li>2.9 site leases; DR confirmed that site leases for Belton and Lingwood have been actioned but not as yet signed due to conflict with LA.</li> </ul> <p>7/11/17- previously distributed and attached.</p> <p>Points of query as follows;</p> <ul style="list-style-type: none"> <li>1.6c recommendation of best practice that a special payments policy be</li> </ul>	<p>DR</p>												

<p>4.2</p>	<p>implemented due to the volume of staff settlement agreements actioned and as expenditure of public monies. There is no suggestion of any malpractice- GW to action policy and add section to Finance Handbook.</p> <ul style="list-style-type: none"> <li>• Data protection policy updated to incorporate GDPR requirements- TA advised working party established post-Christmas to ensure Trust compliance. PH requested all governors/directors be made aware and attend training.</li> <li>• Skills audit- to be carried out annually. TA advised that skills audit carried out by all new recruits but good practice to review more regularly.</li> <li>• Lack of action plans in response to audit concerns- Directors requested future detailed response via ARP Committee and action plan approved at Board.</li> </ul> <p>GW provided a pack of reports as previously requested by ARP, attached. GW advised that there was no opening balance as yet from auditors so reports demonstrated expenditure to budget only.</p> <p>Directors sought assurance that there was no notable expenditure nor income within first quarter to raise concerns; DR advised that apart from NSFT (unpaid due to unsigned contract) and NetZero (unpaid due to outstanding snagging issues) all creditors had been paid this term. GW confirmed NCC payment of KSX and Lodestar funding.</p> <p>Directors raised a concern re cash flow deficit June- July and August 2018- DR to focus January 2018</p> <p>Directors commended significant reduction in AP spend vs LY attributable to VLH but requested addition actual running and lease costs for total picture.</p>	<p>GW/DR</p> <p>TA</p> <p>TA</p> <p>DR/GW</p> <p>CHALLENGE</p> <p>CHALLENGE/DR</p>
<p>4.3</p>	<p>TA advised outstanding related party transactions from AW, RS and SR.</p>	<p>GW</p>
<p>4.4</p>	<p>Annual Accounts and Sign Off;</p>	<p>TA</p>
<p>4.4</p>	<p>MWP proposed that Annual Accounts as presented be signed off, seconded by PH and unanimously accepted. GW to submit to deadline.</p>	<p>TA</p>
<p>4.4</p>		<p>GW</p>
<p>5.0</p>	<p><b>Trust Development</b></p>	
<p>5.1</p>	<p>TA advised that external Review of Governance as requested by ESFA now commenced with 3 NGLs from Suffolk and Cambridgeshire.</p>	
<p>5.2</p>	<p>GDPR- as previously advised, Trust working party established to commence post-Christmas.</p>	
<p>6.0</p>	<p><b>Risk Registers</b></p>	

6.1	CF next meeting	
7.0	<b>Presentation SBM Services- Financial Review</b>	
	<p style="text-align: right;"><b>GW and DR LEFT MEETING 1700</b></p> <p>Justine Berkeley, SBM Services was welcomed to the meeting following submission of report, previously distributed and attached.</p> <p>Members requested that weaknesses identified be clarified, despite recognising that the report made missing practices and knowledge clear.</p> <p>Points discussed as follows;</p> <ul style="list-style-type: none"> <li>• 1.4- Minutes should be presented in a more clear and concise way</li> <li>• 1.5- Notification to ESFA of appointment/vacation of Trust management</li> <li>• 1.7- Updating RRs and recommendation addition of deadlines</li> <li>• 1.10- Recommendation implementation Special payments policy as per point 4.1. Above to establish a framework in order for robust challenge by Directors for redundancy/capability. Directors queried whether payments made were inappropriate- JB advised not necessarily as no policy to judge against and had been approved by HR. Ongoing Directors requested that policy be implemented and individual cases be referred to ARP for review.</li> <li>• 1.12- Directors agreed to review delegated sign off limits. Directors advised that they had repeatedly requested bad debt reports but that these had not been regularly provided despite it being a previous audit recommendation</li> <li>• 1.13- Directors requested that this recommendation be implemented.</li> <li>• 1.15-As per point 4.1 above</li> <li>• 1.17-Skills audit annually to be implemented</li> <li>• 1.19- self-evident and highlights serious operational issue of capability</li> <li>• 3.3a-b- lack of Lettings policy- TA advised this available on ET website and to provide copy to JB for review</li> <li>• 4.1-Whilst Directors recognised that not all transactions would require written quotations and did advise that for recent large purchases, VLH and ICT Infrastructure quotations had been obtained, Directors requested a list of approved contractors.</li> <li>• 5.1- query raised re matching of actual payroll payments made to forecast and no evidence of follow up of discrepancies; Directors requested this now actioned as payroll significant % of costs</li> <li>• 5.5- see report for recommended implementation.</li> <li>• Concern re movement to new accounting system- loss of investment and knowledge</li> <li>• Concern that all directors should have some overview of EES situation due to its impact on ET.</li> </ul> <p>Directors requested possible outcome following submission of report to ESFA- JB advised that as Recovery Plans do not demonstrate sufficient financial recovery and that as situation of ET had deteriorated further from 2015-16 position,(+£1m deficit) it was likely FNTI would be issued.</p> <p>JB offered ongoing support.</p>	<p style="text-align: center;">TA GW TA GW <b>CHALLENGE</b></p> <p style="text-align: center;">GW GW</p> <p style="text-align: center;">TA</p> <p style="text-align: center;">TA</p> <p style="text-align: center;">GW</p> <p style="text-align: center;">GW</p> <p style="text-align: center;">DR</p>

	<p style="text-align: right;">JB LEFT MEETING AT 1800 TA LEFT MEETING AT 1815</p>	
<b>8.0</b>	<b>Confidential Items</b>	
<b>8.1</b>	Directors discussed previously distributed reports in confidence.	
<b>Meeting finished at 2030</b>		

Signed.....

Position.....

Date.....