

**South Westmorland Multi Academy Trust
(A Company Limited by Guarantee)**

Annual Report and Financial Statements

Year ended 31 August 2023

Company Registration Number: 07646748 (England & Wales)

SOUTH WESTMORLAND MULTI ACADEMY TRUST

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SOUTH WESTMORLAND MULTI ACADEMY TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

YEAR ENDED 31 AUGUST 2023

Registered Charity Name	South Westmorland Multi Academy Trust		
Company Registration Number	07646748 (England & Wales)		
Principal and Registered Office	Dallam School Milnthorpe Cumbria LA7 7DD		
	Appointment Date	Resignation Date	
Members			
* Mrs E J Fraser (Trustee)			
Mrs J Clarke			
Mr R J Pirie (DSCT)			
Rev S E Wilson			07/07/2023
Mrs S C Swindley	15/12/2022		
Trustees / Directors			
* Mrs E J Fraser			
* Mr R T Villiers-Smith			
* Mr M J Shevill			
Mr A J Knox			
Mrs P A Houghton			
Mrs J Lees			14/02/2023
* Mr A J Gerrard (Chair of MAT Board)			
Ex Officio Trustees			
Mrs R Williams (Headteacher)			18/11/2022
* Mr S J Henneberry	18/11/2022		
* Current members of the Risk, Audit & Finance Committee			

SOUTH WESTMORLAND MULTI ACADEMY TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

YEAR ENDED 31 AUGUST 2023

		Appointment Date	Resignation Date
Company Secretary	J Hamer		
Senior Leadership Team:			
Headteacher	R Williams		18/11/2022
Headteacher	S Henneberry	19/11/2022	
Assistant Headteacher	R Surtees		
Assistant Headteacher	D Oliver		
Assistant Headteacher	J Watton		31/12/2022
Chief Finance Officer	J Hamer		
Independent Auditor	Saint & Co Chartered Accountants The Old Police Station Church Street Ambleside Cumbria LA22 0BT		
Bankers	Lloyds Bank pic 11 Finkle Street Kendal Cumbria LA9 4AG		
Solicitors	Schofield Sweeney Springfield House 76 Wellington Street Leeds LS1 2AY		

SOUTH WESTMORLAND MULTI ACADEMY TRUST

TRUSTEES' REPORT

YEAR ENDED 31 AUGUST 2023

The trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2023. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The trust operates a multi academy trust (MAT) serving a catchment area in Cumbria and Lancashire. The MAT comprises the following schools:

- Dallam School

Dallam school is a mixed, converter academy school with state boarding provision for pupils aged 11 to 19, serving a catchment area in Milnthorpe and the surrounding area. It has a pupil capacity of 1150 (increased from 1050 from 01 September 2021) and had a roll of 995 in the school census on 05 October 2023.

Structure, Governance and Management

Constitution

The multi academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the multi academy trust. The trustees of the South Westmorland Multi Academy Trust are also the directors of the charitable company for the purposes of company law. The charitable company is known as the South Westmorland Multi Academy Trust.

The full board of trustees is responsible to the Secretary of State and to the school, its staff, pupils and parents for the successful leadership and management of the school. A smaller group of trustees also act as the trustees for the charitable activities of Dallam School Charitable Trust Limited and are also the directors of the charitable company for the purposes of company law.

Details of the trustees who served during the year are included in the Reference and Administrative Details on page 1.

Members' Liability

Each member of the charitable company undertakes to contribute to the assets of the charitable company in the event of it being wound up while they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £10, for the debts and liabilities contracted before they ceased to be a member.

Trustee's Indemnities

The multi academy trust has purchased indemnity insurance to protect trustees and officers from claims arising in connection with academy business.

Method of Recruitment and Appointment or Election of Trustees

The trustees are appointed under the terms of the multi academy trust's articles of association as follows:

- Up to 10 trustees, appointed under Article 50
- A minimum of 2 Parent Trustees elected or appointed under Articles 53-56 in the event that no Local Advisory Committees are established under Article 100a or if no provision is made for at least 2 Parent Local Advisors on each established Local Advisory Committee pursuant to Article 101A.
- In circumstances where the Trustees have not appointed Local Advisory Committees in respect of the Academies as envisaged in Article 100a or if no provision is made for at least 2 Parent Local Advisors on each established Local Advisory Committee pursuant to Article 101A there shall be a minimum of two Parent Trustees and otherwise such number as the Members shall decide who shall be appointed or elected in accordance with Articles 54 - 56.
- The total number of Trustees including the Accounting Officer if they so choose to act as Trustee under Article 57 who are employees of the Academy Trust shall not exceed one third of the total number of Trustees.
- Providing that the Accounting Officer agrees so to act, the Members may by ordinary resolution appoint the Accounting Officer as a Trustee.
- The Trustees may appoint Co-opted Trustees.

SOUTH WESTMORLAND MULTI ACADEMY TRUST

TRUSTEES' REPORT

YEAR ENDED 31 AUGUST 2023

Method of Recruitment and Appointment or Election of Trustees (continued)

New trustees are recruited on the basis of the skills and competencies required to address gaps highlighted in regular skills audits of the existing MAT board.

The term of office for all trustees is four years. The Accounting Officer is not appointed as a trustee. The trustees who were in office at 31st August 2023 or who served throughout the period, except where shown, are listed on page 1.

Policies and Procedures Adopted for the Induction and Training of Trustees.

During the period under review the trustees held 6 meetings. The South Westmorland MAT recognises that new trustees do not necessarily have a background in education or a thorough understanding of the school. To ensure they receive the necessary support to undertake their duties as soon as possible, the induction and training process includes:

- A preliminary informal discussion with the Headteacher, and as necessary the Chair of the MAT or Local Advisory Committee, to ensure they understand their general responsibilities and time commitment
- An induction meeting with the Headteacher, Chair of the MAT and Chair of the Local Advisory Committee, to include a tour of the school
- An induction pack and initial training on the school systems and sources of information by the Clerk
- Assignment of a mentor from the existing Local Advisory Committee
- Regular training on developments in governance issues
- Annual training for each trustee related to their specific roles

Organisational Structure

The trustees are the charity trustees and are responsible for the general control and management of the administration of the trust in accordance with the provisions set out in the Memorandum and Articles of Association. The Board of Trustees is accountable for the performance of all academies within the trust and as such must:

Ensure clarity of vision, ethos and strategic direction

Hold the Academy Heads to account for the educational performance of the schools and their pupils, and the performance management of staff

Oversee the financial performance of the trust and make sure its money is well spent

The Trust Board is permitted to exercise all the powers of the Academy Trust and delegates responsibility for the day to day operations to the Accounting Officer. The Accounting Officer has the delegated responsibility for the operation of the trust including the performance of the trust's academies and performance management of the academy heads. Assistance is provided by the chairs of each Local Advisory Committee.

In the role of Accounting Officer the Chief Executive Officer holds overall responsibility for the academy trust's financial responsibilities and must ensure that the organisation is run with financial effectiveness and stability; avoiding waste and securing value for money. As leader of the MAT's leadership team the Accounting Officer can delegate executive management functions to the team and is responsible for their performance.

Arrangements for Setting Pay and Remuneration of Key Management Personnel

The MAT Board holds responsibility for setting the pay and remuneration of the academy's key management personnel in accordance with the Pay Policy for Teachers, based on the format of the DfE's model policy and NJC terms and conditions for support staff. Pay progression is based on an annual cycle running from 1st September to 31st August and is determined by achievement of pre determined performance objectives. Responsibility for the appraisal process has been delegated to the Head Teachers Pay Review Committee and Pay Review Committees, both sub committees of the MAT Board. The MAT Board has delegated responsibility for the appointment and performance management of the academy heads to the Accounting Officer through the Scheme of Delegation.

SOUTH WESTMORLAND MULTI ACADEMY TRUST

TRUSTEES' REPORT

YEAR ENDED 31 AUGUST 2023

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
3	2.8

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	0
1% - 50%	3
51% - 99%	0
100%	0

Percentage of pay bill spent on facility time

Total cost of facility time	£1,800
Total pay bill	£6,091,934
% of total pay bill spent on facility time	0.030%

Paid trade union activities

There was no paid union activity during the period

Related Parties and other Connected Charities and Organisations

The multi academy trust is made up of the following schools:

- Dallam School

Dallam School supports the rationale that there is strength in partnerships and is a member of the South Lakes Federation to bring rigour, challenge and a greater capacity for improvement. The collaborative federation is made up of nine secondary schools, Kendal College and a special school within the South Lakes area, providing an opportunity for curriculum enrichment, access for students to vocational courses and support for gifted and talented students. A series of 'thresholds for performance' or benchmarks for attainment and progress of students are set within the federation and support for improvement is provided where necessary.

Dallam School is also a member of the South Lakes Rural Partnership (SLRP), a group of secondary and primary phase schools working as part of a wide ranging partnership with a focus on school improvement, service provision, staff development, training, governance and leadership.

Dallam School benefits financially from Dallam School Charitable Trust, an unincorporated charity whose objects include assisting the trustees to defray the costs of maintenance of the school, assist in providing special benefits not normally provided by the DfE, and to promote the education of persons who are attending/have attended the school.

Objectives and Activities

Objects and Aims

The main objects of the multi academy trust are:

- to advance for the public benefit education in the United Kingdom, by establishing, maintaining, managing and developing schools offering a broad and balanced curriculum
- to promote for the benefit of the inhabitants of the areas in which the academies are situated the provision of facilities for recreation or other leisure time occupation with the object of improving the condition of life.

SOUTH WESTMORLAND MULTI ACADEMY TRUST

TRUSTEES' REPORT

YEAR ENDED 31 AUGUST 2023

Objectives, Strategies and Activities

The main objectives for the year, the strategies for achieving them, and the key personnel and timeframes are all detailed within our school improvement plan. Progress toward these objectives was monitored through weekly meetings of the senior leadership team. South Westmorland Multi Academy Trust monitored and evaluated this progress through the Local Advisory Committee and regular Headteacher reports.

The priorities detailed in the school improvement plan during 2022-23 were as follows:

SIP Priorities

To focus on moving the Quality of Education from good to outstanding, by further refining our curriculum, ensuring consistent high-quality learning and teaching, and improving student outcomes still further, including closing the attainment gap for PP students, boys and students with high prior attainment.

To significantly improve the school culture and ethos, by focusing on systems and routines that support excellent behaviour, embedding our vision, values and aims and focusing on equality, diversity and inclusion.

To maintain our focus on staff and student wellbeing, through the wellbeing charter, including prioritising mental and physical health, having a clear communications policy, ensuring students and staff have a voice in decision making and reducing workload by streamlining systems and adhering to the directed time agreement.

To ensure financial stability with a rigorous business strategy, a clear improvement and development plan for boarding and a focus on multi-academy trust growth that improves outcomes for young people and families, and meets our vision, values and aims.

To ensure boarding is financially viable and moving from 'good' to 'outstanding' against the new NMS.

Public Benefit

In setting the objectives, the trustees have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education.

Strategic Report

Achievements and Performance

During the academic year 2022-23, Dallam School and SWMAT made considerable progress towards the SIP priorities. Progression was measured and monitored through the local advisory committee meetings and our LAC champions, who provided both support and challenge to school leaders. LAC champions cover the following areas:

- Performance and evaluation (examination and performance data, pupil attendance and recruitment)
- Safeguarding
- SEND
- Pupil premium
- Equality
- Careers provision
- Sixth Form
- Boarding
- Mental health and wellbeing
- Personal development
- Behaviour and attitudes

SOUTH WESTMORLAND MULTI ACADEMY TRUST

TRUSTEES' REPORT

YEAR ENDED 31 AUGUST 2023

Achievements and Performance (*continued*)

The South Westmorland Multi Academy Trust achievements in the year include:

- Internal appointment of a new Headteacher together with a substantially invigorated SLT including a new Deputy Headteacher, Head of Boarding and 3 new AHTs.
- Engaging in and leading discussions on MAT developments locally.
- External governance review with positive feedback on our ways of working and efficacy.
- Continued movement towards a strategic level of discussion in the MAT with key areas identified and agreed.

Dallam School achievements in the year include:

- The recruitment of a new, expanded senior leadership team, including the Headteacher, Deputy Headteacher and Head of Boarding.
- A clear understanding and application of curriculum intent, at both whole school and individual subject level.
- Improved positive school culture achieved by working with Behaviour Hubs, Anti-Racist Cumbria and the Anti-Bullying Alliance.
- Engagement in evidence-based research to drive our relational approaches to working with students in school and also to working with our wider school community.

Key Financial Performance Indicators

Dallam School

Staffing costs as a % of total income (excluding capital income)

	2023	2022	2021	2020	2019	2018
Teaching staff	48.7%	52.8%	51.0%	54.1%	48.7%	46.1%
Support staff	19.2%	19.1%	20.0%	21.3%	22.2%	22.9%
Total	67.9%	71.9%	71.0%	75.4%	70.9%	69.0%

Teaching Staff

	2023	2022	2021	2020	2019	2018
Pupils on roll	1059	1082	1082	1075	1024	972
Full time equivalents teachers	61	64	67	68	66	63
Pupil teacher ratio	17.4	16.9	16.1	15.8	15.5	15.4

SOUTH WESTMORLAND MULTI ACADEMY TRUST

TRUSTEES' REPORT

YEAR ENDED 31 AUGUST 2023

Going Concern

After making appropriate enquiries, the MAT Board of trustees has a reasonable expectation that the multi academy trust has adequate resources to continue in operational existence for the foreseeable future. For this reason it adopts the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies note of the financial statements.

Financial Review

The South Westmorland Multi Academy Trust's financial statements are for the year ended 31 August 2023.

The Trust has continued to invest time and resource in exploring alternative markets for its boarding provision, post Brexit and Covid. Recruitment of boarding students has been significantly better than expectations in the 5 year recovery plan, particularly for the Dallam Experience programme.

The Academy Trust ends the year in a very strong financial position with net current assets totalling £916,656 (2022: £1,153,192). Trustees are mindful of the impact of the pension fund deficit on future employer costs, and the need to regrow the boarding provision post Brexit and the Covid-19 pandemic.

The majority of each academy's income is obtained from the Educational and Skills Funding Agency (ESFA) in the form of grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the year ended 31 August 2023 and the related expenditure are shown as restricted funds in the statement of financial activities.

Dallam School is a state boarding school with 141 boarding places. A large proportion of its income is generated from annual boarding fees.

Under Financial Reporting Standard 102, it is necessary to charge projected deficits on the Local Government Pension Scheme, which is provided to support staff, to a restricted fund. This results in reducing reserves shown in the total funds of the academy. It should be noted that this does not present the academy with any current liquidity problem. The employer contributions are currently being assessed and it is expected that they will increase to bring a reduction in this pension deficit in future, although this may not be achieved until stock market investment values start to recover.

During the period ended 31 August 2023, total general expenditure of £8,552,220 was covered by recurrent grant funding from the DfE together with other incoming resources. The excess of income over general expenditure for the year was £135,590.

At 31 August 2023 the net book value of fixed assets was £10,987,648 and movements in tangible fixed assets are shown in the notes to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

SOUTH WESTMORLAND MULTI ACADEMY TRUST

TRUSTEES' REPORT

YEAR ENDED 31 AUGUST 2023

Reserves Policy

The level of reserves held takes into account the nature of income and expenditure streams, the need to match them with commitments, including future capital projects, and the nature of the reserves. The trustees continue to keep the level of reserves under review.

The general unrestricted fund balance at the year end was £221,698 (2022: £195,120). The trustees believe that this level of reserves is required to support the running of the school. The designated sports fund at the year end was £185,893 (2022: £178,281), this fund is for the purchase of sports equipment and the resurfacing of the all weather pitch.

The Trust aspires to hold reserves in the region of one month of annual expenditure to ensure it is able to produce a three year balanced budget, support a staffing model commensurate with curriculum requirements and maintain the Trust as a going concern in the event of unforeseen events, such as a pandemic. Trustees acknowledge that although the reserves level of £932,648 held at 31st August 2023 exceeds their expectations, this provides the security required to support the boarding provision and mitigate the boarding fund deficit during the five year recovery plan.

Funds in Deficit

The trustees note that certain restricted funds are in deficit which have been disclosed in the funds note supporting the financial statements.

Pension Reserve Fund - this fund represents the deficit on the Local Government Pension Scheme (LGPS) at the year end. The academy has previously entered into an agreement effective from 01 April 2014 to make additional contributions in addition to normal funding levels. It is anticipated that further payments will be made over 10 years from 01 April 2023.

Boarding Fund - Trustees approved a balanced three-year budget, with healthy reserves for the period to 31/08/2026. As a result of the exceptional circumstances arising from Brexit and the Covid-19 pandemic, the Boarding Fund has been supported by a transfer of £100,000 from General Unrestricted Funds for the financial period ended 31/08/2023. A new Head of Boarding has been appointed to develop strong contacts with boarding agents and increase boarding student recruitment. As a result of these measures, we aim to bring the fund out of deficit by 2026.

Principal Funding Sources

The main sources of income for the year were: The ESFA, boarding provision, the local authority, community and outdoor education courses and the Dallam School Charitable Trust.

Investment Policy

The Board of Trustees aims to ensure value for money when considering investment decisions whilst exercising caution and ensuring security of funds takes precedence over revenue maximisation. Any reserves are currently held in a range of higher interest accounts with the multi academy trust's bankers. The main Lloyds Bank account is an instant access account which currently attracts an interest rate of 0.1% pa.

Principal Risks and Uncertainties

The major risks the multi academy trust is exposed to concern the real terms cut in funding by the Department for Education. The multi academy trust mitigates these risks by preparing a 3 year budget forecast and closely monitoring the budgetary position. The multi academy trust maintains a risk register which is monitored on a termly basis by the Risk, Audit & Finance Committee, established by the trustees.

SOUTH WESTMORLAND MULTI ACADEMY TRUST

TRUSTEES' REPORT

YEAR ENDED 31 AUGUST 2023

Financial and Risk Management Objectives and Policies

A budget for the period was agreed prior to the beginning of the accounting period. Management accounts were presented at each termly Risk, Audit & Finance Committee trustee meeting and income and expenditure monitored against budget. All the MAT's financial policies, systems and controls are disclosed in the MAT's Financial Regulations Manual.

Risk Management

The trustees have reviewed all major risks to which the MAT is exposed and systems have been established to mitigate those risks. A risk register has been produced, as per guidance in the Academy Trust Handbook which demonstrates the results of the risk assessment process. The trust recognises and manages present and future risk to ensure the effective and continued operation of Dallam School and will update its procedures accordingly as and when additional academies join the MAT. A contingency and business continuity plan has been prepared to deal with crises that could face the MAT. The MAT has effective systems of internal financial controls and this is explained in more detail in the statement on internal control.

Trust Estate Management

Trustees have a responsibility to ensure the trust's estate is safe, well maintained and complies with relevant regulations. The Trust has a 10 year Land and Buildings plan that is reviewed by trustees at termly Risk, Audit and Finance Committee meetings. During the year trustees have approved the installation of solar panels to reduce the school's carbon footprint and mitigate the risk of rising energy costs.

Fundraising

During the period in question the Trust has not engaged professional fundraisers or commercial participators to undertake any fundraising activities on its behalf. The Trust has undertaken minor fundraising activities which included a whole school sponsored walk, whereby students sought voluntary donations from parents, carers and the local community. The development of a rigorous approach to external fundraising will be a priority moving forwards.

Plans for Future Periods

The South Westmorland Multi Academy Trust

- MAT development – actively participate in what is a rapidly changing educational environment locally to ensure the SWMAT is able to secure School Improvement Support in the immediate and next few years for the benefits of students and staff.
- People strategy – develop a strategy that will ensure that the SWMAT retains its most able and talented staff and attracts the best talent when recruiting.
- Environment – develop a strategy that will ensure that the SWMAT is seen as being proactive in reducing their environmental impact and ensuring that students leave with an understanding of environmental issues facing local, national and international communities.
- Curriculum (KS3/KS4) – to develop a balanced, rigorous, coherent, integrated, appropriate, focused and relevant curriculum offer, supported by high quality teaching and resources.
- Sixth Form (including post-16 curriculum) – to build an attractive, relevant and forward-thinking curriculum in our Sixth Form to retain and attract students to study with us post-16.
- Community – agree a strategy to re-engage with our students, parents/carers, and local community to ensure that Dallam School's current and future activities are seen in a positive light.

SOUTH WESTMORLAND MULTI ACADEMY TRUST

TRUSTEES' REPORT

YEAR ENDED 31 AUGUST 2023

Plans for Future Periods (*continued*)

Dallam School

To create a safe, inclusive, respectful and vibrant culture through; high quality personal development provision; valuable and productive time with form tutors and pastoral leads; and increased extra and super curricular opportunities to nurture, develop and stretch students' talents and relationships.

- To focus on high quality daily teaching by; embedding the EEF five-a-day; using high think/participation ratios and finely calibrated assessments to identify learning gaps, misconceptions, and next steps; implementing quality first teaching strategies for all students, to support disadvantaged children and children with SEND; securing effective professional development; and applying whole school strategies to improve student progress in reading and mathematics.
- To realise a strong school community through establishing positive relationships built on a knowledge of our people and their contexts, consistent routines, boundaries and expectations, an understanding of social emotional learning (SEL), parental engagement, a robust people strategy, community outreach and promoting a love of learning and sense of belonging.

Dallam Boarding

- To create a content, calm, inclusive and caring community where boarding pupils will thrive
- To attract and retain new students
- To develop a Dallam Experience offer with a focus on cultural and social immersion

Each area of implementation will be supported by effective professional development, clear systems, reformed leadership roles and responsibilities, policies and protocols, explicit communication, regular quality assurance and modelled through behaviours of leaders.

Funds Held on Behalf of Others

The multi academy trust acts as a intermediary for the 16-19 Bursary fund, but has no responsibility, the trust distributes the funds to students as an agent for the ESFA.


Auditor

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Saint & Co Chartered Accountants were formally re-appointed by the Members at a meeting of the Trust held on 19th December 2023.

The Trustees' report, incorporating a strategic report, was approved by order of the members of the board of trustees on 19th December 2023 and signed on its behalf by:



Mr A J Gerrard
Chair of Trustees

SOUTH WESTMORLAND MULTI ACADEMY TRUST

GOVERNANCE STATEMENT

YEAR ENDED 31 AUGUST 2023

Scope of Responsibility

As trustees, we acknowledge that we have overall responsibility for ensuring that the South Westmorland Multi Academy Trust has an effective and appropriate system of control, financial and otherwise. However such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

As trustees, we have reviewed and taken account of the guidance in DfE's Governance Handbook and competency framework for governance.

The board of trustees has delegated the day-to-day responsibility to the accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between the South Westmorland Multi Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The MAT Board has formally met 12 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings Attended	Out of a Possible
Ms R T Williams (Headteacher & Accounting Officer)	6	7
Mr S J Henneberry (Headteacher & Accounting Officer)	5	5
Mr A J Gerrard (Chair)	12	12
Mrs E J Fraser	12	12
Mrs P A Houghton	12	12
Dr A J Knox	10	12
Mrs J Lees	8	9
Mr M J Shevill	8	12
Mr R T Villiers-Smith	10	12

Governance Review

Key changes in the composition of the Board of Trustees

The Trust Board has lost one experienced member last year. We have been able to recruit a LAC member with experience in finance who will join the Risk Audit and Finance Committee whilst gaining knowledge of the school in his role as a LAC Member. It is our intention to consider him as a Trustee in the near future as he has already expressed an interest in taking up that post.

The coverage of its work

The Board has been active in discussions within the South Lakes Federation about the future of school improvement through the SLF and how schools may develop within wider MAT structures in the locality. Internally the Board will focus on a small number of strategic areas which will be covered in its meetings on rotation. These areas are: MAT development; sixth form provision; recruitment and retention; community engagement; environment; and boarding.

The board has made significant changes to the SLT at Dallam school appointing a new Head, Deputy Head and 3 new Assistant Heads. We have also appointed a new Head of Boarding.

The board works closely with senior officers to ensure financial probity. The Risk Register is reviewed on a regular basis and boarding recruitment is followed closely.

SOUTH WESTMORLAND MULTI ACADEMY TRUST

GOVERNANCE STATEMENT

YEAR ENDED 31 AUGUST 2023

The coverage of its work (continued)

The MAT Board has approved a change in senior leadership structure to increase capacity and reflect the complexities at the school. Trustees have supported the shortlisting and interview process for the appointment of a new Deputy Headteacher, Head of Boarding and 3 Assistant Headteachers who started work in September 2023.

Across the financial year, the Board, working closely with senior officers, fulfilled its duty in ensuring financial probity. Trustees have continued to have a focus on improvements in boarding and regular updates on boarding recruitment and marketing activity have been provided to trustees and discussed in detail.

The board's performance, including assessment of its own effectiveness and any particular challenges that have arisen for the Board

The Board and its committees meet both virtually and face to face. A skills audit and the Chair's 360 review has taken place. There is a good mix of skills and experience within the board. Individual Trustee interviews will take place this year to identify any board improvements and training needs. The board is becoming increasingly strategically focussed now the new Head, Deputy and SLT are all in place. Trustees are active in meetings challenging leaders and other Trustees in an open, honest way. The concept of radical candour is often quoted.

Information about the quality of the data used by the board, and why the board finds it acceptable

The data provided to the MAT and Local Advisory Committee is of good quality and is provided in good time for questions to be sent in before the meetings. The data dashboard needs some improvement to make data easier to assimilate for those not involved in the day to day work of the school. Safeguarding, Pupil Premium and SEND reports are all well presented using standard formats. The Self Evaluation Form and School Improvement Plan structures have been improved; abstracts of the most important and urgent activities are shown in a separate report for the MAT and Local Advisory Committee. Financial reports have been tailored to suit the needs of the Local Advisory Committee to prevent duplication. Key performance indicators are discussed increasingly within the context of local and national comparators where available. Detailed reports on changes to budget allocations and variance are included for clarity and discussion. Audit data is regularly discussed at termly meetings of the Risk, Audit & Finance Committee..

The Board has ensured that it has met regularly and the data it has used over the last year has therefore always been up to date. Communication between trustees and senior officers has been very good; the Board of Trustees met with officers 12 times between the 1st September and the 31st August. An additional mid-year meeting between the Chair and Vice Chair of the Board and the Board's Members also took place.

Conflicts of interest

The Academy Trust has a number of processes in place to manage conflicts of interest. These include:

- The work of the Pay Review Committee to consider decisions about executive pay and benefits
- Recording trustees declaration of interest in meeting agenda items
- Maintaining an up-to-date and complete register of interests, documented on the trust website and shared with finance staff to check before entering into contracts or procuring goods for the organisation
- Ensure goods or services provided by related parties are at no more than cost

SOUTH WESTMORLAND MULTI ACADEMY TRUST

GOVERNANCE STATEMENT

YEAR ENDED 31 AUGUST 2023

Meetings

To ensure trustees and senior leaders maintain robust oversight of the academy trust, and take full responsibility for its financial affairs, stewardship of assets and use of resources efficiently to maximise outcomes for students, the Trust Board sets an annual calendar of meetings. During the 2022/23 financial year the Trust Board met a total of 12 times during the year and the Risk, Audit & Finance Committee met 3 times.

The Risk, Audit and Finance Committee is a sub-committee of the MAT Board. Its purpose is to assist the decision making of the board of trustees by ensuring sound management of the multi academy trust's finances, resources, systems of internal control and risk profile, including proper planning, monitoring and probity. Attendance at meetings in the year was as follows:

Trustee	Meetings Attended	Out of a Possible
Mr M J Shevill (Chair)	3	3
Mrs E J Fraser	2	3
S J Henneberry (Headteacher & Accounting officer)	3	3
Mrs J Lees	0	1
Mr R T Villiers-Smith	2	3
Ms R T Williams (Headteacher & Accounting Officer - resigned)	0	0

Review of Value for Money

As Accounting Officer the chief executive has responsibility for ensuring that the multi academy trust delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes, as well as estates safety and management, achieved in return for the taxpayer resources received.

The Accounting Officer considers how the trust's use of its resources has provided good value for money during each academic year, and reports to the MAT Board where value for money can be improved, including the use of benchmarking data where available. The Accounting Officer for the multi academy trust has delivered improved value for money during the year by:

During the 2022/23 academic and financial year the South Westmorland Multi Academy Trust has undertaken a number of initiatives to derive greater value for money from its operations whilst also ensuring it provides the best possible outcomes for its students. Below a number of areas are highlighted along with specific examples of how the trust has addressed each.

Improving educational outcomes - the Trust has focussed on ensuring financial stability with a rigorous business strategy, a clear improvement and development plan for boarding and a focus on multi-academy trust growth that improves outcomes for young people and families, and meets our vision, values and aims.

Financial Governance and Oversight - the Trustees have strong oversight of the financial management of the MAT's budgets. The Risk, Audit and Finance Committee meet termly to review the financial position of the MAT, to receive reports and challenge decisions, before reporting to the full board. In addition to the annual external audit, a separate firm of auditors were engaged to conduct an internal audit of financial controls, and an internal audit of non-financial controls and risk management was carried out via a peer review, in accordance with best practice. Evidence of the MAT's ethos of obtaining value for money and adherence to systems of internal control is provided in their termly reports submitted for scrutiny to the Risk, Audit and Finance Committee.

SOUTH WESTMORLAND MULTI ACADEMY TRUST

GOVERNANCE STATEMENT

YEAR ENDED 31 AUGUST 2023

Review of Value for Money (continued)

Ensuring efficient and effective use of resources - the Trust ensures there is a continual focus on best value for money and understands how assets can be used to maximise students' progress and outcomes. The Chief Finance Officer takes care to ensure all purchases and contracts deliver value for money, using tendering to obtain at least three quotes and challenging any item which does not deliver a clear benefit. Dallam School continues to work with other local schools in the South Lakes Federation to undertake cost comparisons, particularly of contracted services, which ensures value for money. The Chief Finance Officer is a member of a local network of SBMs who meet regularly to discuss issues affecting schools and to initiate procurement advantages where possible.

Reviewing controls and managing risks - the Risk Register is reviewed on a regular basis by the Risk, Audit and Finance Committee to assess the likelihood and impact of risks and how these can be mitigated. The Chief Finance Officer and Accountant review the budget and costs on a monthly basis and submit detailed reports to trustees. Any significant variances and, in particular, changes to staffing costs are highlighted and addressed. Changes to staff contracts are carefully planned and overseen by the Accounting Officer and any agreed increments endorsed by the Trust Board within the scope of the delegated responsibilities.

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of the MAT's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in the South Westmorland Multi Academy Trust for the year ended 31 August 2023 and up to the date of approval of the annual report and financial statements.

The Trust identifies risks, with reference to its risk register, and modifies its checks accordingly. Where procedures or systems have changed, such as in the boarding provision, additional meetings have been convened to ensure a suitable level of scrutiny is applied.

Capacity to Handle Risk

The board of trustees has reviewed the key risks to which the MAT is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy's significant risks that has been in place for the year ended 31 August 2023 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

The Risk and Control Framework

The academy trust's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes:

- Comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;
- Regular reviews by the Risk, Audit and Finance Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- Setting targets to measure financial and other performance;
- Clearly defined purchasing (asset purchase or capital investment) guidelines;
- Delegation of authority and segregation of duties;
- Identification and management of risks.

SOUTH WESTMORLAND MULTI ACADEMY TRUST

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YEAR ENDED 31 AUGUST 2023

Internal Scrutiny

The board of trustees are aware of the revised FRC Ethical Standard for auditors which states that a firm providing external audit to an entity shall not also provide internal audit services to it. They have therefore considered the need for a specific internal audit function and appointed an internal auditor to scrutinise and report on the systems of financial control for the year ended 31 August 2023.

In addition, internal scrutiny of risk management and non-financial controls was delivered via a peer review by the chief financial officer from another academy trust. The Trust appointed Angela Johnson, Chief Financial Officer of the Lunesdale Learning Trust to conduct the review, based on her independence from the Trust and experience.

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. Checks carried out in the current period included:

- testing of payroll systems;
- testing of purchases systems;
- testing of bank reconciliations

On a termly basis the internal auditor reports to the Risk, Audit and Finance Committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

The board of trustees confirm that the internal auditor has worked with the Trust to deliver their schedule of work.

Review of Effectiveness

The accounting officer has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- The work of the peer reviewer;
- The work of the internal auditor
- The work of the external auditor
- The financial management and governance self-assessment process
- The work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the Risk, Audit and Finance Committee and a plan to address weaknesses and ensure continuous improvement of the systems is in place.

Approved by order of the members of the board of trustees on 19th December 2023 and signed on its behalf by:



Mr A J Gerrard
Chair of Academy Trustees



Mr S J Henneberry
Accounting Officer

SOUTH WESTMORLAND MULTI ACADEMY TRUST

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE


YEAR ENDED 31 AUGUST 2023

As accounting officer of South Westmorland Multi Academy Trust I have considered my responsibility to notify the academy trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding, including for estates safety and management, under the funding agreement between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2022, including responsibilities for estates safety and management.

I confirm that I and the academy trust board of trustees are able to identify any material irregular or improper use of all funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2022.

I confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date. If any instances are identified after the date of this statement, these will be notified to the board of trustees and ESFA.

Signed:



Mr S J Henneberry
(Accounting Officer)

SOUTH WESTMORLAND MULTI ACADEMY TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

YEAR ENDED 31 AUGUST 2023

The Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with the Academies Accounts Direction published by the Education & Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023
- make judgments and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from ESFA/DfE have been applied for the purposes intended.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by order of the members of the board of trustees and signed on its behalf by:



M F A J Gerrard
Chair of Academy Trustees

19-12-23 Date