



## Minutes

### The Challenge Academy Trust

#### Finance, HR and Operations

16 October 2019, 6pm

**Present:**

Adrienne Lang (AL)

Damian McGuire (DM)

Howard Platt (HP)

Linda Waterson (LW)

Matthew Grant (MG)

Stuart Titchard (SW)

Tim Long (TL)

John Monaghan (JM)

**In attendance:** Lisa Adams – Clerk to governors

#### *Part one – non confidential business*

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#### **1. Welcome**

The committee were informed that Gemma Johnson has resigned from the trust.

#### **2. Absence/Apologies**

Apologies were received from Steve Whatmore, Toby McCormac and Graham Bratley.

**Agreed: The full governing body consented to the absence of those listed above**

#### **3. Election of Chairperson**

A self nomination was received from Stuart Titchard. The committee elected him as Chairperson.

It was noted that at the Trust Board meeting in December it was agreed that all committees need to elect a Vice Chairperson. It was agreed that Howard Platt would be Vice Chairperson.

#### **4. Minutes**

The committee were informed that there are a number of items from the last meeting which will be covered on the agenda for this meeting.

#### **5. Declaration of personal interests and pecuniary interests**

There were no declarations of personal interests.

#### **6. Correspondence:**

##### **- Letter to accounting officers of academy trusts**

MG reported that the letter has been circulated for information. The letter has been shared with the Chairperson of the Trust. There is mention of the School Resource Management Self-Assessment Tool (SRMSAT) which will be covered later on the agenda. **HP asked** if the school has received the good practice guides as mentioned in page 3. They were informed that the ACSCAL papers will be shared with the remuneration committee. The salaries of all the Headteachers within the trust will be looked at by the remuneration committee.

HP reported that he is happy to respond to the letter on behalf of the trust.

It was noted that there have been a number of things in the press around the expenses for college principals. The committee were assured that the trust has policies on claiming expenses which states that the CEO can't travel abroad without governor approval.

**HP asked** if the trust required external advice. The committee were informed that Adrienne Lang is a School Resource Management Advisor. It was noted that the expectation is for trusts to make use of their own resources.

##### **- Academies Financial Handbook**

There are no changes to the academies financial handbook.

#### **7. Finance Report including:**

##### **• 2018/19 Forecast Outturn**

DM reported that the surplus outturn is projected for the end of this year. It was noted that there is still a capital issue however this is removed from the budget.

It was reported that Beaumont Collegiate Academy and Bridgewater High both have surpluses higher than forecasted. It was noted that in year BCA were projecting a deficit budget. The primary schools within the trust have also forecasted a surplus. The surplus for Priestley College is better

than what was forecasted. The overall final figure of all budgets is positive. Padgate Academy has a deficit budget however it is better than forecasted.

DM reported that there are 3 academies with historical deficits these are Padgate Academy, Penketh High and Sir Thomas Boteler High. The in-year budget is better than forecasted due to salary savings. HP noted that this is important information for members to have prior to the meeting on Friday.

Bridgewater High continue to negotiate with the Local Authority around split site funding. It is hoped that the trust will receive some capital funding. There are ongoing issues with the split site funding and a review of this is taking place. LW noted that this is a solution of sorts. A discussion took place around the money owed.

AL reported that there not everything was capitalised which could have been. Bridgewater invested heavily in ICT using DFC money.

**HP asked** in terms of the budget what does 'curriculum' cover. AL informed them that it covers the day to day resources, Free School Meals (FSM), cost of transport and anything else in relation to the delivery of education. **ST asked** if the improvements are sustainable. DM felt that they were and that no costs have been deferred to next year unless it is an ongoing project. **LW asked** about the plans to reduce the deficits and to recoup the money. MG reported that a 3 year forecast has been put in place. The main target for all 3 schools to be able to maintain the levels of funding is to increase the pupil numbers which has happened this year. The guaranteed in year funding for Padgate Academy has helped their budget.

In terms of the budgets for all schools there is a plan to write to the Chairs of the Local Governing Boards of the 3 schools to allow the trust to carry out a review of the structures and curriculum resources. DM reported that the aim of the review is to create beyond a 3 year plan. This will enable the trust to identify when surpluses will be available to pay back deficits. If the deficits continue to increase a more radical plan will need to be put in place. HP noted that the ESFA don't look at the individual deficits at the school they look at it as a trust. MG noted that the work is being done but it is important that it is recorded so that the trust are aware.

DM informed the committee that the trust have been asked to revise the 3 year plan to include Meadowside and Broomfields Junior. This has improved the forecast as well as the in-year funding from Padgate Academy and Sir Thomas Boteler High. The budgets have taken into account the aspects of the pension grant which has made the deficits

smaller. It is not known how long the pension grant will continue and planning beyond a year is difficult.

It was reported that there is half a percent gap funding which is easier to achieve. There are potentials for some savings in terms of insurances. The income hasn't been built in yet.

DM reported on the progress in terms of the HMRC and VAT repayments. The trust now has all the information so the money should be received in the next couple of weeks. **LW asked** if this money has been factored in. DM reported that it is recorded in the balance sheet. The reason for the delay is due to the letter not having enough postage.

**HP asked** how the new finance team is going. DM reported that the team meet once a week and are beginning with the standardisation of approaches. Karen is attending Great Sankey Primary's Local Governing Board meeting tonight. LW felt that the new team will help with the consistency in terms of benchmarking.

**ST asked** if the trust is getting any closer to clarity in terms of SLAs, team structures and roles and responsibilities. DM reported that it depends on the current roles within the existing teams. The main focus over the forthcoming months will be on regular management accounts at all levels, greater oversight of budgets at an academy level but also from a Trust perspective through the sharing of information. A positive from the current system is that it has already identified a change of paper supplier will make savings at Sir Thomas Boteler. DM reported that the main value of the new processes is that information is being shared.

- **Up and coming service level agreements and contract tenders**

It was reported that all service level agreements are due for renewal in August 2020. A review of these will take place after half term.

- **School Resource Management Self-Assessment Tool (SRMSART)**

AD reported that the self-assessment needs to be completed and submitted by 14 November. A completed assessment form will be presented to the trust and is required to be signed by the Chair of the Trust.

DM informed the committee that there are 37 questions which need to be completed. They were assured that a lot of the things are already in place and that some of the questions are answered when a school joins the trust. All academy's are required to complete the financial ratios which will then be rag rated. Anything identified as red will have an explanation with the reasons. The financial ratios will be on the score card. **HP asked** if there are ideal ratios. The assessment tool will inform academy's

of how the ratio stacks up. There is an aspirational target for a teacher contact ratio of 0.78 which is the percentage of time a teacher spends in class teaching. It was noted that this is difficult as curriculum leads and SLT have management time. AL informed that that she uses the tool when visiting other schools.

HP noted that the assessment will be presented next week and will be informed of why areas are red and what is in place. **LW asked** if this would be presented to the individual schools. MG reported that it would be included on the score card which is produced by the central team.

## 8. Pay

AL informed the committee that the pay policy has been altered to reflect the new pay rates. As a result of the 2019 STRB recommendations all staff will receive a 2.75% increase. The committee recommended that the pay policy be presented to the full board for approval. LW noted that on page 9 it still refers to the 2018/2019 pay scales and the 3.5% increase.

**Action: AL to make the necessary changes to the policy before it is presented to the Trust Board**

## 9. Personnel: Verbal report MG

- **NEU National Sixth Form College Strike Action 17 October**

MG reported that the NEU are in dispute with the secretary of state regarding pay for sixth form college staff. Strike action will take place on 17 October, 5 November and 20 November. It is expected that 30 – 40 staff will be on strike tomorrow. **JM asked** if this had happened before. MG reported that the last time strike action was carried out was in 2014. The unions have stated that they will pay the members the days pay they lose. An update will be provided to the Trust Board next week.

- **HR Manager appointment**

It was reported that an advert will be placed for a HR Manager next week. It is hoped that an appointment will be made to start in January. **ST asked** if this is a tight timescale. MG noted that it is but that it depends on the notice period of the suitable candidate.

## 10. Health and Safety

- **Health and Safety Policy**

It was reported that the Health and Safety Policy has been revised. It was noted that this is a trust policy and each academy will have a policy which sits behind this. **The committee approved** the policy. JM noted that the document is overwhelming detailed. AL noted that the Health and Safety adviser is very clear that the detail is in the organisation and the

responsibilities. MG informed the committee that this is one of the areas where the CEOs can be prosecuted. AL informed them that the schools policies will be practical and the Trusts policy is a statement.

- **Health and Safety Report**

MG reported that a lot of things have happened across all the schools. Areas have been identified that need to be worked on. It was felt that there is a positive difference to the health and safety of the students and staff across the trust. LW noted that there has been an uplift in the scores for all except Beaumont Collegiate Academy. AL stated that one of the differences is that not all the schools used Adele whose audits are very detailed. AL informed them that it was high because it was a new system. The individual scores will be presented at Local Governing Board level. ST noted that it is good to see where we have come from 12 months. It was noted that Bridgewater High's retaining wall was never looked at under the previous audit regime. There has been further investment in some of the schools so it is anticipated that these scores will improve. **HP asked** if the Trust would be continuing to use Adele's services. AL reported that it will and that she is also supporting the Trust with accident reporting. HP noted that the capital expenditure is driven by health and safety.

- **Risk Assessment Action Plan Summaries**

LW asked about risk management training for members. It was noted that the dates are in the CET report.

## **11. Capital Works update**

AL reported on the works taking place so far for 2018/2019 year. There is £2.6 million of which £2.2 million has been committed to capital works projects. A balance of £337,000 is remaining until March 2020. **HP asked** how it is measured. It was noted that the Trust has 2 years to spend it.

A copy of the capital works plan was circulated to governors. All areas in green are works that have been completed and yellow are ongoing projects. It was reported that the fencing at Sir Thomas Boteler has been approved and the work on the link corridor and classroom has gone out to tender. The retaining wall at Bridgewater High is due to be started next week.

### **2019/2020**

The committee were informed that projects have been approved for 2019/2020 but are being managed by the individual academies. It was noted that there is an application process for all works with forms being submitted to AL.

It was reported that the work on Penketh South's boiler is ongoing. It was noted that this will be a large project and it is hoped that this will take place in

the next couple of months. The fire prevention work is being managed and quotes are being obtained. A feasibility study is due to be carried out at Sir Thomas Boteler. An initial report was issued but it required further information. There are some issues with the gas and gas safety works which can be linked to the boiler work. It is hoped that all these projects can be tied in together. The Trust should have all the information by January so that a project can be planned.

AL reported that all the projects completed so far have made a real difference for the students and the staff. The canopy and seating area at Penketh High looks good. The front entrance and alterations to the staff facilities at Penketh South have made a significant difference to the working conditions.

## 12. Policies

- **Support Staff Appraisal Policy**

It was reported that this is a new policy for the Trust. The policy has been written and shared with unison. This will provide a common framework for all support staff.

The committee **approved** the policy.

**ST asked** if this policy would be rolled out to the academies. It was noted that it is and the Central Executive Team have been informed. JM asked if the Trustees would get involved with the appeal process. AL informed them that it rarely goes to appeal. It was noted that it is a two way process which allows the employee to raise an issues with their line manager. These are documented and the final report is agreed by both parties. HP felt that the appeals would be heard by the Local Governing Boards. The appeals would only come to the Trust Board if they were centrally employed staff. Training for appraisers will be held across the Trust.

The committee **approved** the support staff appraisal policy.

- **Complaints Policy**

It was noted that this is a Trust wide policy and will be the same process for all the academy's. The policy has been written in line with the good practice from the Key and recommendations from the DfE.

**Action: complaints policy to be presented to the Trust Board next week**

- **Equality Information and Objectives Statement**

### **13. Preparations for the UK leaving the EU without a deal: Verbal report**

MG reported that the Trust is following guidance from the DfE to ensure that it is ready for Brexit. The main area of concern is in terms of the catering arrangements. The primary schools use the catering services provided by the Local Authority.

It was noted that the potential impacts on students will mainly be a Priestley with some being liable to pay the full fees. This is only likely to happen if there is a no deal Brexit. Students are already beginning to look at other options like going abroad.

Another area that will be affected is medical supplies and this will have an impact across the academy chain.

AL reported that there will also be an impact on some European staff however there is time to put an action plan in place. It was noted that if the staff have applied for a settlement there will be no issues.

### **14. Any other business**

#### **a) Broomfields Junior and Meadowside**

The committee were informed that both Broomfields Junior and Meadowside have received notification of approval to join the trust.

The meeting closed at 7:35pm