

MINUTES

**The Challenge Academy Trust
Finance, HR and Operations
Wednesday 4 December 2019, 6.00pm**

PRESENT:

Matthew Grant (MG)
Graham Bratley (GB)
John Monaghan (JM)
Howard Platt (HP)
Stuart Titchard (ST)
Linda Waterson (LW)

Stephen Whatmore (SW)
Adrienne Laing (AL)
Damian McGuire (DM)

IN ATTENDANCE:

Part One – non confidential business

1. Welcome

Governors were welcomed to the meeting.

2. Absence/Apologies

Apologies were received from Anita Pailing (AP) and Neil Pearson (NP).

The absence of Toby Macormac (TM).

3. Minutes

The minutes from the previous meeting were agreed as a true and accurate record.

4. Declaration of personal interest

There were no declarations of interest.

5. Correspondence

There were no items for correspondence.

6. Statutory Accounts

DM presented the statutory accounts.

It was noted that the figures are all complete and the only action point is in relation to the disclosure of income and expenditure. MG will read through the statutory accounts before they are presented to Trustees next week.

Page 6 details the significant developments in 2018/2019. It was noted that the table on page 11 needs to be altered to say 2018 and 2019. **HP asked** if it is normal to include this level of performance data. DM informed governors that as a charity the trust is required to state how it has achieved its objectives.

The report includes details about the deficits and the plans going forward. It was noted that the original set of accounts had errors due to staff at schools not understanding the new reporting systems. Governors were informed that the deficit at Penketh High was higher than projected and has therefore been made a priority. **LW asked** if there is a reason for this. It was noted that it is due to some redundancies at the end of the year.

HP asked why it states one trustee has been paid remuneration or has received benefits and doesn't name MG. It was noted that there is some standard wording provided. If it was a standalone academy there would potentially be two staff governors.

Action: DM to change the wording to the Principal CEO is the only trustee to receive payment

HP asked if there is any mention of the post balance sheet not including the outstanding VAT payment.

Action: DM to include this in section 30 'events after the end of the reporting period'

HP asked if the pension information has been taken from the pension scheme. It was noted that it was. The changes are due to the McCloud judgement. It was reported that there is a £14 million pension deficit however as an academy the trust have guarantee that the pensions are underwritten. A review is due to take place and there is an indication that it is not likely to increase.

The balance sheet as at 31 August 2019 is on page 30. The fixed assets relates to the Roger Hunt building. The capital grants for works undertaken in the year have been added to the overall assets. The unrestricted funds relates to income from outside education. This creates a fund that the trust can spend without any restrictions. It was noted that issues arise from the

deficits at the schools. **SW asked** if there is anything in the creditors or deferred income. It was noted that the capital grants have been allocated to projects. Some of the academies had devolved capital left on conversion. The trade creditors and accruals relate to capital works.

HP asked if they are happy with the auditors. AL noted that they are not used to dealing with schools as well as colleges. They complete the audit and pose challenging questions. It was felt that it is good to look at focused areas and provides an independent action plan. DM informed governors that he recommends them to other establishments. He felt that they do a very good job and that Michael Benson has a background in education from being a governor and a teacher. MG felt that the discussions at the Risk and Audit committee show that the external auditors are not just taking our word for it.

The trust has been given a clean audit despite all the challenge. LW felt that it was a good result.

7. Finance Report

- Period 2 finance report

It was noted that there are number income items that have been recognised but invoices haven't been received. The period 3 report will include everything and provide a better picture.

In terms of specific schools there are some concerns at Sir Thomas Boteler which will be addressed with the Headteacher. **ST asked** is the expenditure in terms of the DP is in relation to numbers. It was noted that this needs unpicking. At Penketh High the staffing structure is being reviewed and the school is reducing its PAN. Padgate's budget needs revising.

The finance managers are looking at the budgets and are now able to identify issues earlier.

8. Pay

MG reported that an enhanced offer for 6th form teachers has been tabled but an agreement will not be made until the new year.

The pay award for support staff in schools will be known in January and there are no indications of what the percentage will be. The main impact on support staff is the minimum wage which we have no control over. This will have a significant impact across the trust.

9. Personnel

- **NEU National Sixth Form college Strike Action**

MG reported that 22% of staff were on strike. There are no more strike days due to take place. There was minimal impact on the college during the recent strike action.

- **HR Manager Appointment**

Ben Logan has been appointed as HR Manager and will take up post in February. It was noted that this will take away some of the responsibility from AL.

- **Padgate support staff restructure**

A copy of the structure was shared with governors for information.

10. Health and Safety

AL reported that there have been no instances to report. Work continues to take place across the Trust to ensure that all academies are health and safety compliant. Governors will be provided with an accidents report.

11. Capital works update

AL presented a report on the capital works projects.

There has been a number of projects carried out at Padgate. She felt that it is nice to be able to show governors the projects that have enhanced the school curriculum as well as the maintenance projects.

The following 3 projects are ongoing:

- Perimeter fencing to improve safeguarding at Sir Thomas Boteler
- Link corridor and classroom at Sir Thomas Boteler
- Retaining wall at Bridgewater High lower site

The vast majority of the other projects have been completed with some waiting for confirmation from schools.

HP asked if AL feels that the projects are selected using a fair system. AL noted that she does. A report is shared with everyone that details where the needs are. She informed governors that Great Sankey Primary were reluctant to receive any funding as they have a new build. **HP asked** when the Trust will know the allocation for next year. It was noted that it should be in March and it is felt that it would be a similar amount. SW noted the work at Bridgewater High toilets has made a huge difference.

AL reported that the replacement boiler and associated works at Sir Thomas Boteler is going to cost more than £30k. There are currently 10 inefficient boilers around the school. The proposed plan is to replace these with 3 or 4 more efficient boilers.

LM commented that so many of the estimates are close to the actual cost. MG noted that it shows that it is worth doing. AL informed them that all the schools have a form to complete when getting quotes which makes the system easier.

AL reported that additional projects will be carried out on the PE facilities at Priestley and Bridgewater High. It was noted that a lot of time these projects are left as luxuries so it is good to be able to do these things.

SW commented how well this professional development centre has grown and that it is important that it is developed. It was noted that this will generate income.

12. Policies

There are no policies to review.

13. Any other business

There is no any other business.

The meeting closed at 7:26pm

Signature: _____
Chair

Date: _____