

THE CHALLENGE ACADEMY TRUST

MINUTES

Autumn term 2018 meeting of the Trust Board

Wednesday 12 December 2018, 6pm at Bridgewater High School

Present:

Gemma Johnson GJ
Howard Platt (chair) HP
John Monaghan JM
Linda Waterson LW
Matthew Grant (CEO) MG
Maureen Mellor MM
Sheila Yates SY
Stephen Whatmore SW
Stuart Titchard ST

In attendance

Adrienne Laing (TCAT Operations Lead) AL
Andrew Moorcroft (Beamont Collegiate Academy) AM
Angela Grace (Penketh South Primary School) AG
Bev Scott-Herron (St Thomas Boteler High School) BSH
Damian McGuire (TCAT Chief Finance Officer) DMc
John Carlin (Penketh High School) JC
Tim Long (Bridgewater High School) TL

Part one – non-confidential business

1. Welcome, Absence/Apologies

The chair welcomed everyone to the meeting.

The clerk confirmed that J Griffiths, T Macormac and V Briggs sent apologies for the meeting. Trustees **accepted** the apologies.

TL explained the plans for the teaching school; work will begin as soon as possible and it is likely to be ready in September 2019.

2. Declaration of personal interests

Trustees were asked to declare any interest they may have, pecuniary or otherwise, relating to this meeting. No interests were declared.

3. Minutes of Trust Board Meeting on 7 November 2018

The minutes from the meeting on 7 November were confirmed as a correct record.

a) Matters Arising

There were no matters arising from the minutes

b) Action Log

Trustees reviewed the action log and **agreed** that all actions were complete.

SY confirmed that she had carried out the action '*SY to speak with P King to determine if he has an interest in becoming a Trustee*'; she has spoken with P King and he advised that he is happy to continue to be a member of the Quality and

Standards Committee, but due to the additional responsibilities he has it is not the right time. He expressed he may be interested in the future.

JC confirmed that he had carried out the action '*VB to speak with the local governing board of Penketh High School for expressions of interest*'. JC advised that L Muir has forwarded her CV and is interested in the Trustee vacancy.

In addressing the action '*legal advice to be explored regarding the current financial issue with Sir Thomas Boteler and the local authority*' BSH confirmed that she will continue to take this forward.

Action: BSH to liaise with DMc regarding that current financial issue with Sir Thomas Boteler and the local authority.

4. Verbal Report from Committees

a) Finance, HR and Operations Committee – 5 December 2018

The chair of the Finance, HR and Operations Committee (ST) reported that the meeting had low attendance but was quorate. The committee were set to look at the year-end accounts and the latest position however as this was delayed they are on the agenda for discussion for this meeting.

The committee discussed the Schools Resource Management Adviser (SRMA) Report and the response to this. The committee had a conversation about the value of the report. The investment policy was discussed and the committee agreed for DMc to draft a framework for him to work within.

b) Audit and Risk Committee – 5 December 2018

As the chair of the Audit and Risk Committee could not attend (LW) Alan Farquharson chaired on her behalf. HP reported that the accounts were reviewed and the strong findings of the internal audit were discussed. The committee agreed that it would be sensible to strengthen the finance team; DMc was given the authority to recruit for support.

5. Trustee Membership Update

MG highlighted that when the Trust was set up, it was agreed that Trustees and Members would have a term of office of 4 years. In order to ensure all terms of office do not end at the same time, it was recommended that some Trustees are given 3 years, and some are given 4 years.

Trustees **agreed** for the clerk to draw names outside to the meeting, and terms of office will be confirmed at the spring 2019 Trust Board meeting.

Action: Clerk to draw names to determine terms of office for Trustees. Terms of office to be confirmed at the spring 2019 Trust Board meeting.

6. University Academy Warrington/Padgate Academy Warrington

a) Governance Arrangements

Trustees were provided with a draft constitution for the local governing body of Padgate Academy. The document is based on the Beamont Collegiate Academy Terms of Reference and falls in line with TCAT Scheme of Delegation.

The proposed membership for 1 February 2019 is:

- 1 Headteacher Ex-Officio - M Barclay
- Director of School Improvement - A Moorcroft
- Elected Member of Staff
- 2 x Elected Parent Governor
- 3 x Community Governors (former SOAC members) - George Andrew Wilson
Gill Griffies and Iain Borthwick
- 2 x Nominated Trustees (G Johnson and John Monaghan)
- 2 x Nominated Community Governors (Carole Owen and Gail Porter)

AM confirmed that he has provided M Barclay with the appropriate paperwork to send to parents and staff for elections. Staff and Parent elections will commence in January 2019.

Trustees believe that the school will be well represented with the above membership.

b) Summary of Activity since Trust Board Meeting – 7 November 2018

MG reported that following the meeting of the Trust Board AL produced a list of capital costs for the Regional Schools Commissioner. DMc and MG provided a breakdown of the anticipated expenditure associated with the re-brokerage of Padgate Academy. TCAT then secured £1,834,399 capital funding to go towards school improvement for Padgate Academy. MG informed Trustees that TCAT will expect an increase in school funding allocation.

MG highlighted that this is a fantastic outcome for Padgate Academy pupils to address their needs. Trustees were provided with a description of works for Padgate Academy. MG wished to acknowledge the efficient work of E3Cube to ensure quotes were available on the school improvement works.

Padgate Academy joined TCAT on 1 December 2018, AL and DMc have supported the school in withdrawing from the photocopier and printer contract as it was estimated to be £10,000 a year more than what was required.

AM and TL have completed a quality review of the school on 14 November 2018. Trustees were provided with an overview of issues that are already being addressed.

DMc is due to set an interim budget with Padgate Academy; the accounting system will go live on 13 December 2018.

SY wished to congratulate everyone involved in the negotiations; she was pleased that the Trust secured £1,834,399 capital funding.

SW noted the list of capital items and agreed that TCAT were right to hold out for the capital funding. There are significant issues with the fabric and condition of the building.

MM agreed that the capital funding was a great success alongside not taking on the historical deficit. MG informed Trustees that it is understood that TCAT are the only trust that has not taken on a deficit from a UCAT school. MM acknowledged the quality improvement report is an excellent piece of work for the school.

AM informed Trustees that the school is very excited to be a part of TCAT; there is no sense of instability of concern amongst staff.

HP advised that the local press reporting was fair and this was very important for the parents of the students.

HP asked if students at Padgate will share the Beamont Collegiate Academy resources at Halliwell Jones. AM advised that there currently isn't the capacity but this may be something for the future.

MG wished to congratulate DMc and AL for all the work they put into this process.

7. Finance Report

a) TCAT response to School Resource Management Advisor Report

MG informed Trustees that AL is now a Schools Resource Management Adviser.

Trustees were provided with TCAT's response to the report.

SY asked the status of the SRMA. AL advised that SRMA's provide advisory support role for schools that are in financial need and this role was now being extended for Trusts that have surpluses as well as deficits.

LW asked if Trustees are to monitor the implementation of the recommended action plan provided by the SRMA. MG advised that the Trust has fed back to the recommended action points.

HP acknowledged the Trust has provided a robust and detailed response.

b) Management Figures October 2018

The management figures at October 2018 were tabled at the meeting. DMc provided a comparison of the budget for period 2 against the actual cost for period 2. Trustees were also given the annual budget for 2018/2019.

DMc informed Trustees that the first two periods do not provide an accurate picture for the whole year. DMc advised that the actual cost for period 2 does not show an

accurate picture for the whole year as schools tend to make a lot of purchases during this time.

The cash position has strengthened compared to 31 August 2018; this was highlighted by the Auditors. Overall, at the end of October there is progression towards the end of the year. An overall surplus has been budgeted in, excluding Padgate Academy.

Penketh High School and Sir Thomas Boteler are showing deficit. Both are being managed. There is now a job share arrangement between Priestley College and Sir Thomas Boteler for the finance manager. This reduces Sir Thomas Boteler's cost by 50%.

Trustees will receive reports about the current budget during the academic year. The team are working on a standardised management report. Each academy can then produce information in a similar format to have a comparison of figures.

HP asked if there are any concerns within the reports. DMc advised there is nothing concerning at the moment.

MG advised that the school improvement condition grant has helped to offset any areas where urgent works are required. Previously, the cost of any work would need to come straight from the budget.

8. Annual Report and Financial Statements 2017-2018

DMc reported that the figures have been presented to the Audit and Risk committee and the Finance, HR and Operations committee. The committees have looked at the information in detail.

Governors were provided with the email response from Murray Smith (External Auditors). M Benson (Auditor) has been through the statutory accounts and responded with his queries. The only change that has been made to the document is an updated paragraph within the 'Financial Review' as the previous year's details were still in place.

DMc highlighted that within the first full year, academies with deficits have joined the Trust and the position has continued to improve. Inherited deficit funding has been repaid on time. The closure of the Sixth Form at Bridgewater High School has created smaller classes therefore having an impact on finances.

The main point that the Auditor's reported was the stress that an academy with financial issues can have on the budget as a whole. A change of mind-set is required to ensure that a surplus is created to allow the Trust to be more robust.

SY felt this might be easier said than done given some financial situations.

DMc agreed that the team need to plan how this financial robustness will be achieved.

AM advised that financial security will come with increased numbers.

MG advised that an investment into the Teaching School will generate income. The Trust is guaranteed money from the school conditioning improvement fund; there is flexibility with regards to the reserves.

HP highlighted that financial prudence cannot undermine school improvement.

MG wished to credit DMc and AL and the team for producing a clean audit during a period when extra information was frequently required for the re-brokerage of Padgate Academy.

MG advised that he and other members of the CET had met with a local primary school Governor and SLT representatives to discuss the opportunities that TCAT can offer with regards to school improvement. The school will go back to their governing body to make a decision.

Trustees **approved** the management figures at October 2018.

Trustees **approved** the financial statements for the year ended August 2018.

9. Capital Investment Update

AL reported that a meeting will take place to plan and prioritise the spending of the capital funding for Padgate Academy.

There are key projects being undertaken for the rest of TCAT (with funding of £1.3million):

- New drains and play area at Penketh South Primary School are scheduled for completion at the end of January 2019
- Tender documents are being drafted for fencing for Penketh High School
- It is hoped that fencing for Sir Thomas Boteler High School will be agreed soon; the tender process can commence with an implementation date of January 2019
- Toilet designs for Penketh High School and Bridgewater High School have been agreed. The tender process will commence in January 2019 with a view to start work during the Easter 2019 break. The specialist toilet facility in Bridgewater High School is complete.

AL advised that there are certain conditions that the projects must comply with. Surveys are being undertaken by E3 Cube in January 2019 in order to devise a 10 year plan.

SY asked if the surveys are paid for from the funding. AL advised that this is taken from the funding and it is specifically requested.

HP asked what period the £1.3million must be spent over. AL advised that the funding is provided in four instalments from April 2018 to March 2019 with 2 years to spend. Another allocation will be received in April 2019.

HP asked if it is likely the Trust is likely to be allocated £1.3million in April 2019. AL advised that with the addition of Padgate Academy, it is likely the Trust will be allocated at least £1million.

10. Draft Strategic Plan

MG provided Trustees with the draft Strategic Plan based on the mission, vision and values of TCAT.

When TCAT was formed it had five strategic objectives however as the Trust moves from being 'newly formed' to established it is felt the right time to review and develop a five year strategy. MG proposed the strategic objectives for 2019 to 2024.

The Strategic Plan appendices set out the following:

- Operational Plan
- Key Performance Indicators
- 3 year Financial Forecast
- Student/Pupil Projected Numbers for 2018-2023
- Financial Performance Indicators 2017/2018

MG asked that Trustees review the document and provide any comments.

SW felt this was a cohesive plan and noted that he had taken this to a governor's working party to determine if the objectives of the local governing board (LGB) could align with TCAT objectives.

TL advised that it was highlighted during the working party that the word 'safeguarding' did not feature in the document. TL confirmed that a suggestion from the LGB to the Trustees would be to consider the extent of safeguarding being referenced in the document. MM supported this and felt there should be an explicit reference to safeguarding.

AM advised that this was added as a strategic objective however it is not mentioned in the overall values or the mission statement.

Action: Trustees to share Draft Strategic Plan with local governing boards at the spring 2019 full governing body meeting.

Action: Local governing boards to provide feedback to the Trust Board.

Action: Comments from local governing boards to be added to the spring 2019 Trust Board agenda.

JM highlighted that the document is extremely relevant.

SW felt the document will help LGB's prioritise the same areas that TCAT have. MG agreed that this will allow schools to prioritise the objectives in their own way.

SY noted in the document the variance in pupil numbers in Year 9 and 10. **SY asked** if this was due to a local free school that specifically caters for this age group. SY acknowledged that the free school is currently being re-brokered.

MG advised that the school is not part of a multi-academy trust and a response from TCAT is due to be made.

HP asked if TCAT are interested in the school. AM confirmed that the facilities and building are an interest. TL confirmed that the school could run as a pathway for TCAT in order to place children on the right course, with the balance of a more rounded educational offer.

11. Policies

There were no policies to be reviewed.

12. Remuneration Committee Terms of Reference

Trustees were provided with draft terms of reference for the Remuneration Committee in order to review performance and set Trust Senior Staff Salaries.

The membership of the Remuneration Committee was agreed as:

- Chair of the Trust
- Chair of the Finance, HR and Operations Committee
- Chair of the Audit and Risk Committee
- Chair of the Quality and Standards Committee
- 2 other Trustees (S Whatmore and J Monaghan)

In reviewing the Terms of Reference, **SY asked** if TCAT is vulnerable for any equal pay claims. MG advised that there are different size schools within the Trust, with different levels of responsibility. AM confirmed that this is covered in the pay policy.

ST asked if current salaries have been reviewed. AM advised that there are anomalies across the Trust however those schools within special measures may have had to pay more to secure a member of staff. This is all covered within the pay policy.

JM highlighted that one area that can negatively affect academies is the way the pay of the senior salaries escalate; this is not something that Trustees would want to happen at TCAT.

MG recognised that the remuneration committee will ensure decisions are transparent when agreeing pay for senior salaries and those with Trust responsibilities.

JM expressed concern about the terms of reference, and questioned who will be reporting about the levels of pay. HP advised that the terms of reference will be reviewed at the first meeting of the Remuneration Committee to ensure everyone is comfortable.

MM asked how the recommendation of the headteacher's performance management will be communicated. MG confirmed that he will present the recommendations to the Remuneration Committee.

Trustees **agreed** with the terms of reference and membership.

13. Any other business

Trustees were provided with a copy of the TCAT times.

MG confirmed that a letter of thanks will be sent to P Hinds for his time as a Trustee.

Action: MG to send a letter of thanks to P Hinds.

The meeting closed at 7.20pm