



## THE CHALLENGE ACADEMY TRUST

**Minutes of the meeting of the Finance, HR and Operations Committee**

**Thursday 2<sup>nd</sup> December 2021**

**Time: 6:01pm – 7:25pm**

**Venue: Zoom**

Trustees	
Linda Waterson <i>joined at 6:32pm</i>	Trustee
Stephen Whatmore	Trustee
Stuart Titchard	Committee Chair, Trustee
Andy Moorcroft	CEO
In attendance	
Anita Pailing <i>6:03pm – 6:46pm</i>	Associate
Graham Bratley	Associate
Damian McGuire	Finance Director
Adrienne Lang	Operations Director
Ben Logan	Head of Human Resources
Claire Howarth-Platt	Clerk

Documents Circulated Prior to the Meeting
Minutes of the Finance Committee Meeting held 14 <sup>th</sup> October 2021 Annual Report TCAT 2021 Finance Report Nov 2021 HR Report to Finance, HR and Operations December 2021 Buildings and Operations Report 02/12/21 Catering Draft Plan Sustainability Action Plan 2021 – 2023 RPA Central Trust Recommendation Report TCAT Health And Safety Policy Draft Revised 02.12.2021 TCAT Modern Slavery Statement 2021 TCAT Staff Code of Conduct 2021

The meeting opened at 6:01pm The meeting was quorate	
<b>1</b>	<b>Welcome</b> ST opened the meeting and welcomed all in attendance.
<b>2</b>	<b>Absence/Apologies</b> Apologies had been received from Howard Platt.  <b>Resolved:</b> Trustees consented to the absence.
<b>3</b>	<b>Membership Updates</b> There were no changes to the membership of the committee. AL advised that new trustees has been advised of the committees and asked to choose a committee to attend.



	<i>Anita Pailing joined the meeting at 6:03pm</i>
<b>4</b>	<p><b>Minutes</b></p> <p>To confirm the minutes from the meeting held on 14<sup>th</sup> October 2021</p> <p>There were two points for clarification in the minutes:</p> <ul style="list-style-type: none"> <li>• It was confirmed that on page 3 'they' referred to the ESFA.</li> <li>• It was confirmed that 'Ben' referred to Ben Logan.</li> </ul> <p><b>Resolved:</b> the minutes were accepted as an accurate record of the meeting subject to the above amendments.</p> <p><b>a) Matters arising</b></p> <p>There were no matters arising that were not included in the agenda for this meeting.</p>
<b>5</b>	<p><b>Declaration of personal interests</b></p> <p>There were no declarations of personal interest for any items on this agenda.</p>
<b>6</b>	<p><b>Finance Report</b></p> <p><b>a) Annual Report 2020/21</b></p> <p>DM drew attention to some differences between period 12 and the end results in the report.</p> <ul style="list-style-type: none"> <li>• There had been planned capital spend at Bridgewater; however, revenue had been used to fund those items, and the capital funding was therefore retained.</li> <li>• There were four academies where the deficit was in year and covered by surplus or resulted in an addition to the deficit.</li> </ul> <p><i>Meadowside</i></p> <ul style="list-style-type: none"> <li>• Work had been undertaken during the summer which turned out to require Capital expenditure; however, the worked had to be expensed as the school did not have any remaining Capital funding and the work would not be covered by insurance.</li> <li>• Meadowside also had difficulties relating to supply costs due to COVID-19 in October for which there was no extra funding available.</li> <li>• The school had been subject to a clawback on Universal Free School Meals due to the submission of incorrect census data prior to the school becoming an academy, there was no cost to the Trust.</li> </ul> <p><i>Penketh High School</i></p> <ul style="list-style-type: none"> <li>• The restructuring costs had impacted on the deficit.</li> <li>• There had been increased supply requirements in the Autumn term due to COVID-19 when recovery funding had not been available.</li> </ul> <p><i>Penketh South</i></p> <ul style="list-style-type: none"> <li>• The deficit was small and was a result of restructuring. The academy had very little reserves as a result.</li> </ul> <p><i>Sir Thomas Boteler</i></p> <ul style="list-style-type: none"> <li>• The school ended the year with a small surplus as a result of the mass testing funding. The school would continue to be monitored.</li> </ul> <p><b>b) Monthly Management Accounts - October</b></p> <ul style="list-style-type: none"> <li>• The audit report had been received.</li> <li>• The auditors had referred to the unadjusted errors, which had been adjusted since.</li> <li>• One school had paid suppliers and posted to period 12 rather than September 2021. The impact/adjustment was to reduce the cash balance and decrease the creditors so that there was no impact on surplus.</li> <li>• The accounting position related to the application of the financial standards and whether expenditure was Capital or Revenue.</li> </ul>



- The auditors accepted the counter argument for the treatment of those items.

**Trustees requested an explanation of note 16 to aid their understanding.**

DM provided a brief overview of the content contained within the Note which included: The movement of funds in relation to the balance sheet, a comparative for the previous year, the movement combined for two years and the individual reserves by academy, and additional information to address any academy that had a deficit as required by the ESFA.

**Trustees noted that there were two schools with ongoing deficits and questioned when those schools could be expected to be at break even.**

Sir Thomas Boteler should be in surplus in three years.

Penketh High was expected to take longer. However, the business plan and forecast would be reviewed to take into account the growth in demand.

It was challenging to assess the impact of the increasing pupil numbers due to the lagged funding.

AM added that there were continuing growth projections for the school and the Local Authority (LA) had suggested that the pupil admission number should be increased to 240, from 180 at present.

**Trustees questioned whether there was sufficient accommodation on site for an increased PAN.**

This was complex and the Trust were working closely with the ESFA and their building division. This would be positive for the school in the longer term.

**Trustees commented that a year-end issue had been raised at Sir Thomas Boteler and questioned whether there was a need to provide clarity regarding expenditure around year end.**

This was a matter that could be discussed further. As the year end is 31<sup>st</sup> August it needed to be clear that any works completed during the summer break would impact in that year.

*DM continued his report.*

- In the second period things were still settling down.
- There appeared to be a large surplus; however, that was due to timing as expenditure occurred at certain times of the year.
- Part of the surplus was due to the lack of pay increase for teachers; academies were to be advised that the money should be retained as a pay increase was expected from the 1<sup>st</sup> April.
- The surplus was augmented by the Recovery Premium and the School Led Tutoring grant which would reduce over the year.
- The only area of concern within academies was supply. There had been a higher rate of absence amongst staff due to COVID-19 and general winter illnesses.
- The report highlighted academies that had a deficit:
  - Padgate was due to the timing of the report.
  - Priestley was also related to the timing of the report. BTEC exams accounted for one third of the exams at the college and the fees were due in October and November.
  - Sir Thomas Boteler also showed a deficit, it was expected to return to surplus but would be monitored closely.
- The cash position was strong and should remain so for the year, subject to the supply costs reducing.
- Trustees noted that around £40,000 of income for COVID-19 testing had been received for September.



	<ul style="list-style-type: none"> <li>Two academies had not received any funding as they did not upload test results, a retrospective claim would be submitted.</li> <li>The Department for Education (DfE) had confirmed that they expected lateral flow testing to take place in January.</li> <li>This would apply to the secondary schools, and the academies were making plans.</li> <li>Additional computers had been provided and the majority of academies had secured their allocation.</li> </ul> <p><b>Trustees noted that a budget review was mentioned and questioned when that would be.</b> The budget would be reviewed in January and the expenditure up to Christmas and the impact of supply would be looked at.</p> <p><b>Trustees requested an update in relation to catering.</b> The number of pupils using the canteen at Beamont Collegiate Academy was low and the situation needed to be reviewed. The canteen had been closed for a period of time during the pandemic and this had impacted on the level of custom. Penketh High had in house catering but had not suffered a loss to custom as the school had maintained the canteen throughout COVID-19. There had been operational issues in the school kitchens that had been overcome.</p> <p><b>Trustees sought further clarification on the potential pay awards from April 2022.</b> The Chancellor of the Exchequer had commented that the public sector pay freeze would be lifted by 1<sup>st</sup> April. Consultation should start before that date but it was not known when confirmation of the pay award would be received. The April 2021 pay award for support staff had not been agreed and the negotiations were ongoing.</p> <p><i>Linda Waterson joined at the meeting at 6:32pm.</i></p> <p><b>Trustees questioned how the Recovery premium compared to the Catch-up funding.</b> The recovery premium was considerably less than its predecessor. The Premium would continue for the next two years and would reduce each year. It was 75% per child for this academic year and would drop to 60% and then to 40%.</p>
7	<p><b>HR Report</b> <i>BL provided an update.</i></p> <ul style="list-style-type: none"> <li>Notification had been received that the School Teacher Review Body would receive a remit from the Treasury on the 13<sup>th</sup> December regarding schoolteacher pay.</li> <li>Negotiations were ongoing in relation to pay increases for school support staff.</li> <li>A response was awaited from Unison in relation to pay for sixth form support staff.</li> <li>The new HR system had not been implemented as quickly or smoothly as expected. There had been progress and that would continue to be prioritised.</li> </ul> <p><b>Trustees questioned whether there was a time scale for finalising the roll out of the system and sought further clarification on lessons learned from the issues.</b> The scope of the project had been underestimated. Some of the technical issues had not been anticipated, particularly capacity at Priestley. Work had been undertaken to try and resolve issues. A date was awaited to enable a dynamic connection between the information management and HR systems, which would allow the release of other parts of functionality. The system should be in place for full use in the Spring Term.</p>



AL added that the difficulty of syncing 9 SIMS systems had been underestimated. During procurement the contractor had insisted that this was possible, but they had underestimated the complexity of not having one Trust wide MIS.

*BL continued his update.*

COVID-19

- Long COVID was not having a large impact on staff absence.
- Where staff were absent with long COVID the situation would be managed in line with the Trust absence policy.
- Trustees noted that there was a lack of information regarding long COVID, it was possible that it may become an issue in the future and the impact would continue to be monitored.

*BL shared his screen to show the COVID-19 cases PowerPoint*

- There had been a recent increase in cases across the Trust.
- There were 24 cases in the week commencing 29<sup>th</sup> November.
- 3 academies accounted for 21 of the cases.
- Each case resulted in between 5 and 8 days of absence.
- Supply staff to cover absence were difficult to source.
- Between 10% and 12% of staff at Penketh High and Meadowside were affected above the usual staff absence.
- Business continuity plans were in place, the impact would continue to be monitored and support provided as required.

**Trustees questioned whether the cases were being treated as workplace transmissions.**

The cases were not workplace transmissions. The guidance from the Health and Safety Executive (HSE) required that employers be more than reasonably certain that the virus was transmitted within the workplace comparing the rates of infection within school against the local rates.

There were cases being reviewed and business managers were investigating but at the time of the meeting there were no cases identified as workplace transmission.

There were staff that claimed to have caught COVID-19 in school.

Business Managers had been advised to document all information from the return-to-work process and the investigation to reasonably identify whether the virus was transmitted within school, and so that information could be reassessed if more evidence became available.

**Trustees questioned whether there were any staff that had refused vaccination.**

As far as was known there were no staff that had refused; however, the question had not been asked of staff.

- AM advised that COVID-19 related absence was a national issue.
- The primary concern related to the length of absence amongst staff and the managerial and educational impact of those absences.

*Staff wellbeing*

- A summary of plans had been provided previously.
- Plans were still ongoing and being developed.
- The staff pulse surveys had been launched.
- Surveys would take place every three weeks.
- Trustees would receive a report when more data was available.



	<i>Anita Pailing left the meeting at 6:46pm</i>
8	<p><b>Building &amp; Operations Report (inc. H &amp; S)</b></p> <p><i>AL provided an update.</i></p> <ul style="list-style-type: none"> <li>• There had been an addition to the central operations team which had increased capacity.</li> <li>• Hubs would be split into Operations, HR and Central Teams giving more capacity.</li> </ul> <p><i>Procurement</i></p> <ul style="list-style-type: none"> <li>• A copy of the draft catering project plan had been developed.</li> <li>• Notice had been given for the four primary schools, that the catering takeover would take place on the 1<sup>st</sup> of June.</li> <li>• The half term break would provide two weeks to take over the kitchens.</li> <li>• A first meeting with the catering staff had been set with the Local Authority for the 14<sup>th</sup> December.</li> </ul> <p><b>Trustees questioned whether a handover date of 1<sup>st</sup> June provided sufficient time to be prepared and questioned whether waiting until September would be more appropriate.</b></p> <p>The handover date provided the opportunity to iron out any teething problems during the summer term and utilise the summer break to fix any problems.</p> <p>The scale of the job had not been underestimated.</p> <p>A system, that was recommended by another Trust, would be used that would allow staff to build menus and print allergens. Beamont would be using the system first to gain insight.</p> <p>A project plan was in place which took as much as possible into account, the project could not be delayed.</p> <p><i>Business Compliance Reviews</i></p> <ul style="list-style-type: none"> <li>• Business Compliance Reviews were being undertaken alongside the Safeguarding reviews.</li> <li>• Four reviews had been completed and the remainder would be undertaken in the Spring Term.</li> <li>• The reviews had been well received by school staff.</li> </ul> <p><i>Capital improvement</i></p> <ul style="list-style-type: none"> <li>• Capital projects at Priestley were linked to the two unsuccessful capital bids; it was not known why the bids did not succeed as feedback would not be provided.</li> <li>• James Gresty and the team at Priestley would review the strategy and the needs of the college.</li> <li>• A review of what support was needed to meet those strategic requirements would take place.</li> <li>• The Trust would continue to apply for capital bids; however, Trustees noted that bids needed to be stronger and there may be a need to obtain planning permission and quotes to secure grants.</li> </ul> <p><i>Penketh High: Kitchens</i></p> <ul style="list-style-type: none"> <li>• Urgent work was required on the kitchens at the school, the kitchen equipment had collapsed and needed to be replaced.</li> <li>• AM had taken action under CEO powers and the kitchens were being refurbished.</li> <li>• As far as possible the new equipment would be movable, to reduce risk relating to future development of the buildings</li> </ul> <p><i>IT Systems</i></p>



a) *The future development of the network.*

The primary schools had been brought together.

There had been technical developments since the process started. Microsoft had new technology available that would make it easier to bring all academies onto one platform.

The plan was being redrafted with the aim that by the 22<sup>nd</sup> August, all ten academies would be integrated, and an intranet would be available.

b) *Cyber Essentials Accreditation*

Work on the cyber essentials accreditation would be ongoing this academic year.

The building blocks were in place with broadband across the Trust and upgrades to firewalls.

Documentation was being gathered to apply in March.

c) *MIS*

SIMS is not a user-friendly system and does not offer an easy solution for a MAT. Alternative options were under consideration.

The plan had been to test an alternative in a pilot school in April; unfortunately, SIMS has been sold to ParentPay, who have decided to move to a three year contract.

Due to contract regulations, a three-year contract could not be accepted, without going out to tender.

As alternatives were already under consideration the timeline had been moved up.

A working party to review the options and make a recommendation would be developed, made up of relevant school-based staff.

*Sustainability*

*The Sustainability Action Plan had been provided in advance of the meeting.*

- Decarbonisation plans were required for all schools.
- RPA had offered to produce decarbonisation plans for the schools and further information was awaited before making suggestions.

*Health and Safety*

- A lot of work undertaken since the audit was completed.
- The academies were doing well, business compliance was focusing on Health and Safety plans.
- Lisa Gannon was focusing on supporting academies in the full implementation of iAM Compliant.
- RPA would undertake risk management reviews for 8 academies.
- RPA had undertaken a central Trust audit and audits of 5 academies: each academy received an action plan.
- The reviews demonstrated how far things have moved.
- COVID-19 numbers amongst pupils continued to be high.

**Trustees noted that the accident numbers at Beamont were very high compared with other academies and requested further information.**

There were two academies overreporting accidents.

Clear guidance had been provided regarding the types of accidents that should be reported to the Trust.

LG had visited Beamont to clarify what should be reported and a change in the number of incidents reported was expected.

Every school maintained a minor incident log, but Beamont had been submitting all incidents including illness and sickness.

Meadowside were taking the same approach, consequently there were only a small number of incidents that would stay on the record.



	LG was also reviewing the minor logs with other academies to ensure that there all incidents that should have been reported to the Trust had been.
<b>9</b>	<p><b>Policies</b></p> <ul style="list-style-type: none"> <li>a) <b>Health and Safety Policy</b></li> <li>b) <b>Staff Grievance Procedure</b></li> <li>c) <b>Modern Slavery Statement 2021</b></li> </ul> <p>Trustees reviewed the policies.</p> <p><b>Resolved:</b> Trustees approved the Staff Code of Conduct.</p> <p><b>Resolved:</b> Trustees approved the Health and Safety Policy.</p> <p><b>Resolved:</b> Trustees approved the Staff Grievance Procedure.</p> <p><b>Resolved:</b> Trustees approved the Modern Slavery Statement 2021.</p>
<b>10</b>	<p><b>Any other business</b></p> <p>There were no items for any other business.</p>
<b>11.</b>	<p><b>Date and Time of the Next Meeting</b></p> <p>The date of the next meeting was agreed for the 10<sup>th</sup> March 2022 at 6pm.</p>

The meeting closed at 7:25pm