



THE CHALLENGE ACADEMY TRUST

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

Date Thursday 10th March 2022

Time: 6:00pm – 7:42pm

Venue: TCAT Personal Development Centre

Trustees	
Howard Platt	Trustee
Linda Waterson	Trustee
Stephen Whatmore	Trustee
Stuart Titchard	Committee Chair, Trustee
Andy Moorcroft	CEO
In attendance	
Damian McGuire	Finance Director
Adrienne Lang	Operations Director
Ben Logan	Head of Human Resources
Claire Howarth-Platt	Clerk
Greg Dykes	Associate
Anita Pailing	Associate

Documents circulated in advance of the meeting
<p>Draft Minutes of the committee meeting held 2nd December 2021</p> <p>February Finance Monthly Report</p> <p>School Resource Management Self Assessment tool Checklist</p> <p>School Resource Management Self Assessment tool notes</p> <p>Budget Review 21-22</p> <p>HR Report February 22</p> <p>Business and Operations Monthly Report February 22</p> <p>Summary Business Compliance Report</p> <p>Catering Project Update March 2022</p> <p>TCAT Estate Management Plan 2022-23</p> <p>Bridgewater Expansion Project Report and Appendices</p> <p>Pensions Discretions and Statements Policy March 2022</p> <p>Bridgewater CCTV Report</p>

Part one – non confidential business

The meeting opened at 6:00pm	
The meeting was quorate	
1	Welcome ST opened the meeting and welcomed all in attendance.
2	Absence/Apologies There were no apologies to receive. John Monaghan was not in attendance.
3	Membership Updates <ul style="list-style-type: none"> It was not clear whether JM continued to be a member of this committee.



	<ul style="list-style-type: none"> JM was listed as a member in the Trust Board terms of reference but had not attended the previous meeting. <p>Action: AL to confirm whether JM is a member of the Finance, HR and Operations committee.</p>
4	<p>Minutes To confirm the minutes from the meeting held on 2nd December 2021</p> <p>a) Matters arising There were no matters arising from the meeting of the 2nd December 2021.</p> <p>b) Action Log There were no actions from the meeting of the 2nd December 2021.</p> <p>Resolved: The minutes of the Finance, HR and Operations Committee meeting held 2nd December 2021 were accepted as an accurate record of the meeting.</p>
5	<p>Declaration of personal interests There were no declarations of personal interest.</p>
6	<p>Finance Report Monthly report and monthly management accounts DMG reported to the committee.</p> <ul style="list-style-type: none"> The monthly management accounts were available to the 31st January 2022. In January the Trust was ahead of projections. There had been concerns about the cost of supply staff and the impact of the same; and the pay increase for support staff was unknown. The increase for support staff had since been agreed at 1.75%, the budget had been based on a predicted 2.75% award. <p>Trustees sought to clarify the year end position; commenting that there was one academy forecasting a deficit and the remainder in a break even or slightly positive position. The position for Beaumont Collegiate Academy (BCA) had changed. Some queries had been returned and challenged. A number of the projects that BCA run had not been added to their projected income. The school had been conservative with their estimates and as such have been asked to provide a realistic year end projection.</p> <p>Trustees commented that there was an historic issue with the school being too conservative in projections. During 2020-2021 BCA had forecasted a deficit and ended with a surplus. This was due to the way that income was being viewed on those projects. When the revised position was received those projects were looked at. The school have been asked to review them as the income appears low.</p> <p>Trustees sought to clarify that all academies had a surplus. The academies are bringing in income and clarity was needed on whether that was subsidising operations. Information on all income streams needed to be extracted.</p>



- The COVID-19 catch-up funding received during 2020-2021 was brought forward; the balance sheet prediction is for £275,000 surplus, with the £219,000 from the grant added the result would be £600,000 surplus.

Trustees sought to clarify that the surplus would improve by £600,000 between the two balance sheets.

This was confirmed; the main reason was that the supplementary grant was substantially higher than the costs incurred during that period.

An energy contingency line had been added to the budget, with additional costs added to premises.

Trustees sought to clarify to what extent energy prices were fixed.

Prices were fixed for all but 2 for the next 6 months.

Trustees queried how the extra contingency would manifest.

If the provider needed to buy more energy then additional payment would be needed, this would be a shared cost. The cost was not completely fixed as it was based on previous usage.

- SW and DMG had been trying to extract the catering costs and the impact of the same on BCA.
- There appeared to be a deficit on catering of £100,000; however, this needed to be offset against Free School Meals (FSM) income.
- Putting FSM income into catering was being considered, so that the true impact of in house catering could be observed.

Trustees sought to clarify whether all of the income from FSM was included.

FSM income was included in the budget but was part of the ESFA funding rather than in catering.

The presentation of the information for in house catering was an issue and would be reviewed.

Trustees queried when the catering review would be completed.

The secondary schools would move to the new system on the 1st May and primary schools on the 1st June.

Lisa Gannon had been working with a consultant and had identified a 10% saving on food, the aim is to put that saving back into the quality of food and service to generate a good service for students.

Trustees questioned whether the price of food would increase due to inflation.

The 10% saving was based on current purchasing; if prices increased with inflation the saving may dissipate.

DMG continued his report:

- Within the budget review the variances compared with the previous budget had been highlighted and explained.
- The two academies with deficits were reducing those deficits further.
- Both schools were doing well with student recruitment; however, as funding is lagged repayment could be delayed.

2022-2023

- Staffing costs were being reviewed.



	<ul style="list-style-type: none"> • Things had been moving forward; however, recent information from the government had changed the situation and further modelling of salaries would be required. • Potential teacher pay increases would be guided by the need to increase the lowest salary point on the pay scale to £30,000 representing a 15% increase, to be achieved over two years. • The government had advised that there would be no further funding increases after the next two years. • The finance team were looking at salaries and the ICFP approach to ensure that new posts are affordable. • Following that the remaining cost areas would be considered. • It was hoped that there would be information available for Headteachers to feedback on at Easter before being presented to LGBs in May. <p>Trustees questioned the forecast for supply costs. There had been an increase in staffing costs of £354,000 due to the impact of supply; the figure was around £650,000 the majority of which was spent.</p> <p>Trustees requested confirmation that a reduction in the supply spend was therefore expected. This was confirmed; staff absence typically increased in the first term of the year so a natural reduction was expected.</p> <p>Trustees commented that interest rates were set to increase and queried whether there were any opportunities for the Trust to invest. There had not been any progress in this area; DMG cautioned that the timing of placing investments needed to be considered as funds needed to be accessible.</p> <ul style="list-style-type: none"> • Trustees noted that the School Resources Management Self-Assessment Tool had been included in the Finance report. • The outcome had improved slightly has some flagged areas from the previous year had been dealt with. • A Benchmarking document had been received for consideration by the Trust Board; this was for information purposes at this stage as the data was delayed. <p>- Bridgewater High School tender requirements This item would be discussed under Any Other Business.</p>
7	<p>HR Report</p> <ul style="list-style-type: none"> - Monthly report <p>BL reported to the committee.</p> <ul style="list-style-type: none"> • The NJC pay award for support staff had been agreed at 1.75%. • This would be backdated to April 2021. • A pay award of 1.75% for support staff was recommended to Trustees for approval to be processed in March. <p>Resolved: Trustees approved a pay award of 1.75% for support staff to be backdated to April 2021.</p> <ul style="list-style-type: none"> • The pay audit for teachers had been completed.



- Since Christmas there had been a reduction in the number of staff required to isolate due to COVID-19.
- Across the Trust there had been a slight increase in staff absence levels to 5.9% this was a reduction on the pre pandemic level of 6.5%.
- The attendance target for staff was 97%.
- There were no immediate concerns relating to staff absence, there were known hot spots and some long-term cases that were being managed.

Staff Pulse

- Staff wellbeing was measured through the Staff Pulse.
- Staff Pulse had been launched and consisted of a series of short surveys undertaken every few weeks.
- The surveys enabled the Trust to 'test the pulse' within academies to understand areas of good practice and areas for focus.
- Feedback had shown that staff feel competent, engaged and motivated and that relationships between staff and students are good.
- Workload had not scored well in some areas and the Trust were supporting Headteacher's to work on some of those key areas.
- An action plan would be presented to Trustees in due course.

Trustees queried the response rate from academy staff.

Some academies were engaging more than others and that was being worked on overall the return rate was around 30%.

Trustees questioned the validity of working on data from only 30% engagement.

The Staff Pulse was a useful and valuable tool but caution had to be taken due to low return rates. Some schools had over 50% of staff returning the surveys; conversations were being held with Headteachers to promote the survey to staff and encourage completion of the same.

It was hoped that by summer there would be a valid set of data, an action plan would not be in place before the summer term.

Trustees commented that there is an obligation on staff to respond to the surveys.

Engaging staff in the survey formed part of the communication plan.

There was an issue with the email being assigned to the 'other' section of the inbox meaning it could be missed by staff, this was being managed.

The survey featured a comments function, which enables some feedback and it is possible to engage with individuals on a confidential basis when they flag concerns.

Trustees questioned whether the survey responses were anonymous.

This was confirmed, as it is browser based. The headteacher or School Business Manager will see comments but cannot track the commenter, replies are sent through a forum so that staff can remain anonymous.

Trustees questioned whether there had been any negative feedback.

There had been some negative feedback received, which had presented some challenge for headteachers.

There would not be a single plan created to address issues flagged in the survey, this was a continuous project.

- Alongside Staff Pulse, TCAT Plus had been launched.
- TCAT Plus was aimed at engagement recognition reward objectives for staff.



	<ul style="list-style-type: none"> • Support and resources were provided on wellbeing and financial wellbeing. • Local rewards could also be offered in addition to national rewards. • TCAT Plus would continue to be developed as part of the offer for staff. <p>Trustees queried whether use of TCAT Plus could be monitored and whether there had been any feedback through Staff Pulse in relation to the platform.</p> <p>The use could be monitored, the questions of the Staff Pulse survey were pre-set but it would be possible to add others.</p> <ul style="list-style-type: none"> • There was a lot being done for staff but it was communicated through headteachers, which could result in messages not getting through to staff. • The central team were therefore judiciously contacting all staff with relevant publications. Staff now receive a monthly e-shot to provide updates which should take the onus of Headteachers to share initiatives. • A more radical approach to benefits beyond salary was being taken to support retention.
8	<p>Building & Operations Report (inc. H & S)</p> <ul style="list-style-type: none"> - <i>Monthly report</i> <p>AL reported to the committee.</p> <ul style="list-style-type: none"> - <i>Business and compliance reviews</i> • Business and Compliance Reviews had been conducted alongside Safeguarding reviews. • All academies had been reviewed. • Business and Compliance reviews considered: GDPR, the school website, Health and Safety, and estate management. • The reports had been extracted and added to GovernorHub. • Academies had valued the reviews. • Risk Protection audits had taken place in 8 academies. • There were some areas of good practice: GDPR systems were in place, information was correctly on display, staff were knowledgeable and there were good processes for confidentiality. • There were some areas for improvement: some policies were out of date, some data was retained on deletion, a culture of health and safety needed to be promoted, there needed to be support form SLT for data protection leads. <p>Trustees questioned how policies had come to be out of date.</p> <p>The Trust had a data protection policy and CCTV policy in place; however, sometimes schools had featured a previous version of the policy on the website.</p> <p>In the main websites were good but there was the occasional issue of policies either not having been reviewed or not being the latest version.</p> <p>Compliance was being reviewed and proposals were being developed that would impact how schools undertake these tasks so that this is no longer an issue.</p> <ul style="list-style-type: none"> • The use of iAM compliant was increasing and estates teams were finding it valuable in ensuring that estates are compliant. • Accident reporting had improved; in some cases medium and long term planning and accident investigation needed more work. • Discussion was taking place about developing a Trust wide detailed action plan. • The RPA audit found similar issues.



Trustees commented that there had been inconsistency across the trust in accident reporting and questioned whether this had improved.

Accident reporting had improved.

- There had been 83 accidents to date with 9 working days lost.
- Mapping this against last year the change in accidents by month and academy could be observed.
- Meadowside and BCA had seen significant change and improvement.
- The majority of accidents related to pupils.
- 46 outcomes had stayed within the academy.
- Improvements to investigation and reporting to support understanding were being considered.

Trustees queried whether any of the accidents had resulted in claims or litigation.

They had not.

Trustees noted that some schools were below 80% on iAM and sought clarification.

This related to whether statutory tasks and maintenance were being completed on time. The system measured whether any activities were late and a report could be downloaded to track any issues.

There were two academies below the required level, but there had been an improvement compared with the previous year.

iAM compliant was being developed further; assets were being added to the system so that they could be monitored, it could also be used to review contractors and the data used to develop centralised contracts.

Trustees questioned whether governors were seeing the local iAM compliant reports.

The report should be provided to Local Governing Boards.

Trustees suggested that this should be a standing item.

Action: AL to confirm that iAM compliant reports were being provided to governors.

Estate Management Capital Projects

- The draft plan for capital projects had been provided.
- Further information was required in order to update the plan.
- There had been £6.5million received in income with £5.2million spent or committed.
- This figure did not include the ongoing works at Bridgewater High School.
- £1.2million of the remaining amount had been provisionally allocated to Penketh High School.

AMC updated the committee in relation to the site development at Penketh HS.

- Applications for the priority schools building programme closed on the 3rd March. The DfE had asked the Trust to nominate schools that would benefit from rebuild.
- A bid had been put in to rebuild two blocks at Penketh HS.
- The Trust had committed £1.2million and were seeking financial investment from the Local Authority to ensure that the school can meet the demand locally for places.
- The LA had advised that they could contribute £2.5million subject to cabinet approval.



- With the funds committed by the Trust, Orchard Block could be replaced which would enable the school to sustain a pupil admission number (PAN) of 210.
- There was potential for further funding if the Fiddler's Ferry development is approved.
- Along with potential payment from the DfE for two new blocks.

Trustees sought to clarify that the new block would be built on the existing footprint of the Orchard block.

This was confirmed: the block was not suitable for continued use.

- Supplementary evidence needed to be gathered and supplied to the DfE.
- The long-term future of the school was more positive.
- The school was oversubscribed for September 2022.
- The LA had indicated that an increase of the PAN to 240 would be needed moving forward and potentially up to 270.
- Trustees commented that immigration had been a key driver of the increasing pupil numbers at the school and highlighted that the circumstances in the Ukraine could drive further demand across all academies.
- The projections for pupil numbers entering primary schools over the next few years showed a decline in numbers.
- For September 2022 both Meadowside and Great Sankey Primary were full in Reception and Broomfields would be at capacity for Year 2.

Trustees questioned whether there were any Russian or Ukranian speakers on staff.

This was confirmed, there were existing Russian and Ukrainian students and staff.

Trustees sought clarification regarding the £1.2million balance that remained.

The funding needed to be spent during the 2022-2023 year. A further sum was expected from the School Capital Allocation. £1.4million would then be provisionally allocated to Penketh, so that it was clear how much would be left for other academies.

Trustees clarified that this would be emergency funding only.

There would be over £1million remaining for the other academies.

Recommendations for projections had not been put forward yet as it was not clear how much funding would be received.

There were some roof works needed; however, there may be some funding required as part of the decarbonisation plans which would reduce energy bills.

- There was funding provisionally allocated to Priestley which was linked to the bid.
- Funds for the technology room at Penketh HS would be included in the other funding required for the school.
- Multiple works were ongoing at Penketh South Primary which were under budget due to specification changes.
- Some kitchens needed work as part of the catering project.
- A proposal would be put to Trustees to refit the kitchen at Penketh South over the summer, which would likely cost around £150,000.
- The cost of the drainage works at Meadowside had increased to around £13,000. The work completed seemed to have mitigated some of the risk, and further work would be undertaken in the next few weeks.
- The decarbonisation surveys had launched and a full report for the first 6 academies with recommendations and required funding was expected.



	<ul style="list-style-type: none"> • Commissioning surveys were being updated by E3Q. • A report regarding the progress to date at Bridgewater would be sent to the LA. • The build was on target for completion by the 2nd September and remained on budget. • There had been changes to the specification. <p>Trustees sought to clarify that the contingency funding that had not been spent could be used for supplementary items.</p> <p>The funds would be spent to refine the build, there was £150,000 in contingency.</p> <ul style="list-style-type: none"> • The Arbor replacement of the MIS system started in December. • The secondary project was underway with primary due to follow. • Consultations were underway and feedback from the academies and staff had been excellent. • There had been one issue raised in relation to exams but staff had otherwise been supportive of the change and feedback from teaching staff was good. • There had been two risks identified: <ul style="list-style-type: none"> ○ Training in primary schools which was due to take place before Easter. ○ Timetabling: a new timetabling package had been purchased. - <i>Catering</i> • Lisa Gannon was managing the catering project. • Project management was in place using new methodologies. • There were some risks relating to staff transferring to TCAT. • There were meetings taking place every two weeks which would become weekly meetings. • A definitive list of staff transferring to TCAT was needed so that vacancies could be identified. <p>Trustees questioned what the feeling amongst the transferring staff was.</p> <p>It was not known who was transferring, as the LA were redeploying some individuals. BL added that this had been difficult to resolve; however, long serving staff in schools were generally local to the schools and may show loyalty to their school. Some vacancies were expected and the Trust were pressing for a definitive list, in order to advertise those vacancies before Easter.</p> <p>Trustees clarified that none of those staff would be made redundant.</p> <p>There would not be redundancies. Staff would either transfer to TCAT or be redeployed by the LA. There may be some staff who choose to resign or retire.</p>
9	<p>Estate Management Plan</p> <ul style="list-style-type: none"> - <i>Draft plan</i> - <i>Bridgewater High School progress update</i> - <i>Penketh High School</i> <p>These items were covered earlier in the meeting.</p>
10	<p>Policies</p> <ul style="list-style-type: none"> - <i>Pension and Discretions Statement</i> • The statement had not changed. • Support Staff pensions were maintained through Cheshire Pensions.



	<ul style="list-style-type: none"> • Rates had not been released; however, the rates are prescribed by the LA and the Trust could not alter them. • Trustees were asked to approve the statement subject to those rates being changed once new rates were issued. <p>Resolved: Trustees approved the Pensions and Discretions statement subject to rates being updated when issued.</p> <p>- <i>Gender Pay Gap Report</i> This item was not discussed.</p>
10	<p>Any other business <i>Bridgewater CCTV</i></p> <ul style="list-style-type: none"> • Bridgewater HS needed to extend the CCTV as part of the current site development. • In extending the coverage it had been found that the existing system would need to be replaced. • There were three projects each likely to exceed £50,000 that would therefore require Trust Board approval and would need to go through tender process. • HP was asked to approve the purchase of items for the works, that would be funded through capital funds that the school currently hold. <p>Trustees sought to clarify that the funding would be taken from the school's minor allocation. This was confirmed. The Trustee approval was only required because the spend was in excess of £50,000. There was a need to purchase items in preparation. Tender could then go out and be brought back to Trustees for approval.</p> <p>HP clarified that the request had the support of the LGB at Bridgewater HS. It was confirmed that this was at their request.</p> <p>Trustees clarified that the cost would be £50,000 for each element. This was confirmed, the CCTV quotes were around £55,000, switches would be similar. There had not been quotes for the Wifi works, however initial discussions with potential suppliers indicated that it would be above £50,000.</p> <p>Trustees sought to clarify the approval process for spends over £150,000. The approval process remained the same. The next tier was £178,000 which required a contract finder.</p> <p>SW clarified that the changes would replace all CCTV and supply new CCTV for the new blocks providing increased coverage for the site.</p> <p>Resolved: HP approved the purchasing of necessary items under Chair's action.</p>
11.	<p>Date and Time of the Next Meeting The date and time of the next meeting of the Finance, HR and Operations committee was agreed as the 30th June 2022 at 6pm.</p>



Action Log

Item	Action	Owner	Due Date
3	AL to confirm whether JM is still a member of the Finance, HR and Operations committee	AL	By next meeting
8	AL to confirm that iAM compliant reports were being provided to governors.	AL	ASAP