

East Midlands Academy Trust – Finance, HR and Estates committee

Friday 10th July 2020 @ 9.30am. Meeting to be conducted virtually.

Fifth meeting of academic year 2019/2020

These minutes reflect the order of the agenda, not necessarily the order of discussion

Agenda item	Discussion	Action
1. Welcome	<p>Present: Ayo Salam (Chair: Co-opted Trustee) Stephen Morales (Co-opted Trustee) Andrew Davis (Trustee) Kevin Crompton (Trustee) – <i>Joined the meeting at 10.20am</i></p> <p>Joshua Coleman (EMAT: CEO) Paul Wheeler (EMAT: Finance & Operations Director) Nattria Dhana (EMAT: Business partner) Munya Mufukare (EMAT: Management Accountant) Monica Juan (EMAT: Head of Governance & Safeguarding) - Minutes</p> <p>In attendance for item 7: Lorna Bear (Castle HT)</p> <p>In attendance for item 8: Jo Trevenna (NIA HT)</p> <p>Observing: David Houghton (potential trustee)</p> <p>AS welcomed everyone and reminded all present that the matters raised within this meeting would remain confidential until the minutes were agreed and signed off.</p>	
2. Apologies	Apologies had been received, and were accepted, from Matt Johanson	
3. Quoracy	The meeting was confirmed as quorate.	
4. Declarations of interest	AS asked if there were any declarations of interest pertaining to this agenda in addition to those already recorded on the annual Register of Interests. None were declared.	
5. Minutes of FHRE meeting 12/05/2020 & matters arising not appearing on the Action Log	<p>The minutes of the meeting held on the 12/05/2020 had been distributed with the agenda for this meeting and were agreed to be an accurate representation of the meeting.</p> <p>AS agreed to physically sign the minutes once lockdown restrictions had been lifted.</p> <p>There were no matters arising not already on the agenda for this meeting.</p>	

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6. Actions Log from the meeting held on 12/05/2020	Actions from the meeting held on the 12/05/2020 were reviewed: <ol style="list-style-type: none"> 1) COVID19 honorarium update at the next FHRE meeting - DONE 2) Prepare effectiveness self-assessment exercise - DONE 3) Present FHRE ToR at next meeting alongside committee year schedule - DONE 	
7. Coronavirus update	<p>JC gave a verbal update about progress in schools during the pandemic.</p> <p>Central team weekly briefings had been replaced with fortnightly briefings. They had provided regular information including government advice and guidance, school updates and any changes that staff needed to be aware of. HTs had attended these meetings and cascaded information to staff in schools. The Return to Normal (RTN) group had also met regularly to look at forward planning, including the development of the COVID19 Risk Assessment. Attendance rates across all setting had been high, around 70% for students and 90% for staff. Although there hadn't been a specific analysis about usage of the online learning offered by schools early indicators were showing wide access across all settings.</p> <p>JC informed trustees that schools would be closed during the summer recess in order to give staff a well-deserved break and secure full attendance from September. A recovery curriculum would be running alongside the current one for the first six weeks of term allowing teachers to identify gaps in learning provision and address these through catch-up lessons and tailored interventions.</p> <p>In response to a question from a trustee regarding whether some students might be disadvantaged by not being able to access support during the summer JC explained that staff had agreed that COVID19 would eventually become a small part of the school life of students and therefore there was a need to normalize the situation. Staff and students wellbeing was considered more important, parents agreed and were happy with this approach. However, HTs were aware that by the end of the autumn term results would need to indicate that this approach had been successful and any interventions put in place were working effectively closing any gaps.</p> <p>PW explained that the trust aim was to invest whatever was needed to support children's learning over the course of the year, regardless whether there was a reimbursement by the government later on. Schools would not be asked to repay exceptional costs from their own budgets. The committee would continue to receive regular updates and any extra expending would be brought to trustees for approval.</p> <p>A trustee questioned what systems of control were being implemented to deal with any overspending – this question was responded by PW in item 8.</p>	

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	<p>COVID19 Honorarium: As agreed during the last FHRE meeting a £100 tax free COVID19 allowance had been paid to all members of staff in their July salary. The response from staff had been extremely positive.</p> <p>In response to a question from a trustee regarding the reason for high staff attendance during the pandemic JC explained that open communication with staff had played an important factor in securing engagement. At the beginning of lockdown staff had been given the choice to work from home or school and had been added to a rota to either oversee online learning or work physically in schools. Staff had felt well supported and informed by the trust and in turn had been very keen to support schools and pupils in any form. This also included the central team. Also, the delivery of food hampers to vulnerable families had boosted confidence in the community resulting in a positive student attendance outcome when schools opened widely to certain year groups in June.</p> <p>LB pointed out that staff and parents had quickly recognized the trust's culture of integrity through the transparency of communications and therefore felt they could place their confidence on the school/trust. Schools had been allowed and supported by the trust to manage their own engagement with the community which had in turn boosted the positivism within the staff.</p> <p>Trustees thanked the CEO for his report and agreed that as the ultimately responsible body they were meeting the five systems of control required by the government. Trustees felt they had been kept fully informed during the pandemic and had been able to agree, through a robust process, of any decisions taken.</p> <p><i>LB left the meeting at 10.00am.</i></p>	
<p>8. Finance Update:</p> <ul style="list-style-type: none"> i. EMAT Academy Management Report May 2020 ii. EMAT ICFP Budget Report 2021 – Academies Staffing iii. NIA Restructuring iv. Draft Budget 2020-21 and 5 year plan 	<p><i>Finance papers had been distributed with the agenda for the meeting.</i></p> <p>In response to a question from a trustee regarding what systems of control had been put in place to deal with any overspending during the COVID19 crises PW explained that so far the trust had incurred around £80K of additional costs. These would have included purchase of PPE, cleaning, food hampers etc. As per published government guidelines, there would be an opportunity to claim back a portion of this expenditure and the finance team were currently working on the claim due on 31st July 2020. In the meantime, PW informed trustees that contingencies within the current budget would allow to deal with these costs without having to access any of the reserves. Trustees would have the opportunity to scrutinize this through the monthly finance reports presented to the board.</p> <ul style="list-style-type: none"> i. PW ran through the trust's financial performance for the period to May 2020. So far the trust had achieved a £194K SURPLUS across the group. In the new adopted GAG Pooling model where Academies were expected to deliver a zero based result, most of the academies were working well to 	

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	<p>achieve a break even budget. A recovery plan had been put in place for the schools currently showing a deficit and the team was working closely with them in order to produce a balanced budget by the end of the year. However, there was an expectation that some of these schools would still show some deficit in the next budget.</p> <p>PW pointed out that Head office also showed a deficit, partially incurred through the internal audit report previously requested by trustees and additional HR legal costs. The team had estimated this to be reduced in the next couple of months while still been able to make a contribution towards reserves.</p> <p>ii. PW presented the ICFP Budget Report. This report outlined the proposed school based staffing budget for 2020-21 together with the current year forecast ICFP plans. Following up on the internal audit carried out in January on the budget setting process, the plans for NIA and PWS have been reviewed. Auditors had overseen the whole process and were happy that no significant weaknesses in the design or application of controls or processes had been identified.</p> <p>In response to a question from a trustee regarding the PWS current budgetary issues and what was the long term plan PW explained that the average teacher cost was higher at PWS compared with other schools, however there was an expectation that this would correct itself in a couple of years due to recruitment management being done centrally and the fact that PWS had moved from RI to Good. Intake was expected to grow in the next few years and the trust was working closely with the HT to improve numbers.</p> <p>iii. JT presented the NIA Restructuring paper. She explained that the new restructure would increase the accountability of all layers of staffing to maximise learner outcomes and pupil wellbeing in order to establish NIA as a hub of excellence. The matrix model would support the expansion to pupil capacity with clear lines of vertical and horizontal accountability driven by SLT, the LAB and the EMAT central team. The new vertical House system, would create a real sense of community, involving learners from reception to Post-16. The new restructure would also enable greater transparency and fairness of pay and conditions as currently there were some inconsistencies around staff pay and job descriptions. The new restructure had been fully endorsed by the CEO.</p> <p>In response to a question from a trustee regarding how would this differ from the other schools in the trust JT explained that the new restructure was a combination of traditional leadership structure, with two deputies leading pastoral and QoE respectively, with a matrix management model instigated underneath so staff would have more than one line manager. This was very different management structure model for a school and JT was very pleased to be able to work closely with one of the NIA governors who was a lecturer in Matrix Management. Initially the model will be</p>	

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	<p>implemented in a small scale. The matrix model will promote academic excellence providing in-depth tracking and monitoring of learner progress as well as intervention and impact across all subjects from primary to secondary.</p> <p>JT clarified to trustees that the NIA SLT Inclusion post currently advertised as external was still under review, as there was a possibility to work alongside the alternative provision already operating from NIA premises. JC confirmed that the post had also been advertised internally.</p> <p><i>JT left the meeting at 10.30pm.</i></p> <p>iv. PW ran through the Draft Budget 2020-21. Trustees welcomed the use of infographics presenting the headlines statistics as they helped to understand at a glance the current situation of the trust. PW clarified that the presented budget had been based on a notional management fee of 6% rather than the 7% (previously approved by trustees) This was a positive indicator that costs from central office remained under control. Money for school improvement had been ring-fenced, offering a good level of support at a better rate.</p> <p>PW directed trustees to the statement included in the document clarifying that the school grant to be allocated to each academy was based on their budgetary requirements on staffing and their non-pay expenditure. It had taken into account the required Central Service Requirements for Site & IT, the 6% Management Fee, 1% Contingency, the GAG related expenditure for the RPA as well as the School Improvement Budget held at Head Office for AIPS and other School Improvement requirements.</p> <p>In response to a question from a trustee regarding the size of the current reserve and how it should be deployed PW explained that the size of the surplus was dependant on the size of the trust. The expectation across the sector was to hold a reserve level enough to cover the equivalent of one month expenditure. EMAT was currently within the limits expected. JC clarified that any future expansion plans would look to utilise any funding made available by the government before using any of the current reserves.</p> <p>Trustees agreed that the COVID19 crises had confirmed the importance to hold enough reserves to be able to survive turbulence and were satisfied that the current plans demonstrated robustness in financial planning.</p> <p>The FHRE committee unanimously agreed to approve all papers presented: Budget 2020/2021 & 5 Year Plan, ICFP Budget Report 2021, Management Accounts May 2020 and NIA Restructure.</p>	
9. Update on IT & Estates	<i>The Procurement papers had been distributed with the agenda for this meeting.</i>	

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	<p>PW presented the contract award report to change the current provision of Gas and Electricity from the current supplier to ESPO from September 2020 representing savings of £433,538 over a three year period which would be reinvested in energy saving measures to bring consumption down.</p> <p>The FHRE committee unanimously agreed to approve the Gas & Electricity new contract award subject to point 2.2 being amended.</p> <p>PW tabled at the meeting the NIA staircase feasibility study. Trustees asked for the item to be deferred to the next Trust Board meeting so there was time to scrutinise the plans before approval.</p> <p>PW highlighted to trustees the School Trip Cost Avoidance Summary paper and the success recouping a total of £61,096.40 from trips cancelled due to COVID19. The money had been obtained through travel insurance claims and RPA claims, which have bridged gaps left by travel companies not fully refunding the cost of these trips.</p>	<p>PW to amend point 2.2 to reflect that cost and savings will be across 3 years.</p> <p>PW to present NIA staircase feasibility study at the next TB.</p>
10. HR Update	<p><i>The Recruitment Report paper had been distributed with the agenda for this meeting.</i></p> <p>JC presented the paper, highlighting the success appointing a new workforce planning manager, Lorna Stockwell, who had secured the recruitment of 50 new members of staff across the Trust so far, 38 of these during the lockdown period using the Covid-19 guidelines.</p> <p>Trustees were pleased to see the inclusion of Mental Health in the paper and the support currently being provided by EAP as they acknowledged that the current crises might have affected employees in very different ways.</p>	
11. Policies for Ratification	<p><i>The following policies were presented for ratification</i></p> <ul style="list-style-type: none"> • <i>Gifts Policy</i> • <i>Accessibility Policy</i> • <i>First Aid Policy</i> • <i>Social Media Policy</i> • <i>Acceptable Usage Policy</i> <p>The FHRE committee unanimously agreed to ratify all policies.</p>	<p>MJ to upload policies to website</p>
12. Governance Review <ul style="list-style-type: none"> • ToR • Chair Report 	<p><i>The FHRE ToR and Chair Report papers had been distributed with the agenda for the meeting.</i></p> <p>The Chair presented his annual report to the committee. A robust conversation took place around the effectiveness of the committee. Trustees pointed out that the dynamic of the group was very strong and</p>	

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	<p>members were confident discussing different issues and bringing diverse perspectives and backgrounds to the debate. Trustees acknowledged that sometimes it was difficult to release papers seven days in advance to the meeting and complimented the high quality of information presented to them, aiding to the forensic challenge that was being conducted during meetings. Trustees felt that the committee had been effective in the role delegated to them by the Trust Board and that the introduction of virtual meetings had been a success. Trustees were happy to continue using technology to develop the group further.</p> <p>Moving forward, trustees were keen to interact more with key SLT members to gain a more in-depth knowledge of the Trust needs and further foment the spirit of transparency. Trustees were happy to conduct regular conversations outside meetings with staff if this was to be beneficial for them and the Trust.</p> <p>Trustees discussed how to effectively evaluate their own performance and whether the introduction of an added value reflective question as a standard item to each agenda would help. Trustees agreed to use an impact evaluation form to be used at interim points during the year.</p> <p>The FHRE committee unanimously agreed to adopt the FHRE ToR.</p>	<p>SM to forward template to MJ</p>
13. AOB	There were not AOB	
14. DONM	<p>Dates for the academic year 2020/2021 have been set.</p> <ul style="list-style-type: none"> • Tuesday 29th September 2020 at 10am • Thursday 3rd December 2020 at 10am • Tuesday 2nd February 2021 at 10am • Thursday 4th March 2021 at 10am • Friday 16th April 2021 at 10am • Tuesday 8th June 2021 at 10am • Thursday 8th July 2021 at 10am 	<p>Calendar appointments had been sent</p>

The meeting closed at 12.02pm

Actions from the FHR & Estates committee meeting 10/07/2020

Item	Action	Owner
1.	Amend point 2.2 in Gas & Electricity feasibility report	PW
2.	Present NIA staircase feasibility study at TB	PW/MJ
3.	Upload ratified policies to website	MJ
4.	Forward impact evaluation form	SM