

East Midlands Academy Trust – Finance, HR and Estates committee

Wednesday 8th June 2022 @ 10.00am. Meeting to be conducted virtually.

Fifth meeting of academic year 2021/2022

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

Agenda item	Discussion	Action
<p>1. Welcome</p>	<p>Present: Andrew Davis (Trustee) - Chair ☎️ <i>left 12.00pm</i> Kevin Crompton (Trustee) ☎️ <i>chaired from 12.00pm</i> Stephen Morales (Trustee) ☎️ Ayo Salam (Trustee) ☎️</p> <p>Joshua Coleman (EMAT: CEO) Paul Wheeler (EMAT: COO) Daryl Unitt (EMAT: Head of Shared Services) Ruhena Mahmood (EMAT: SWP & HRBP) <i>left 11.45pm</i> Tom Bryant (Starris Projects: Director of Operations) ☎️ Martin Conlon – <i>Prospective Trustee</i> - Observer ☎️</p> <p>Monica Juan (EMAT: Head of Governance & Compliance) – Minutes</p> <p>The Chair 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>	
<p>2. Apologies</p>	<p>Apologies had been received, and were accepted, from Nattria Dhana and Nick Bell</p>	
<p>3. Quoracy</p>	<p>The meeting was confirmed as quorate.</p>	
<p>4. Declarations of interest</p>	<p>The Chair 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.</p>	
<p>5. Minutes of FHRE meeting 21/03/2022, incl. confidential min.& matters arising not appearing on the Action Log</p>	<p>The minutes of the meeting held on the 21/03/2022, including confidential minutes had been distributed with the agenda for this meeting and were agreed to be an accurate representation of the meeting.</p> <p>The minutes were agreed. AD agreed to physically sign the minutes during the next face to face meeting.</p> <p>There were no matters arising not already on the agenda for this meeting.</p>	
<p>6. Actions Log from the meeting held on 21/03/2022</p>	<p>Actions from the meeting held on the 21/03/2022 were reviewed:</p> <ol style="list-style-type: none"> 1. Forward web page sponsorship info to trustees - DONE 2. Distribute the KPIs calculation document- DONE 3. Revisit Estates KPI ready for next meeting - DONE 4. Staff survey action plan presented at next meeting - DONE 	

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	5. Send Tom Bennett report to trustees - DONE 6. JC to provide NIA update - DONE 7. Upload policies to website - DONE 8. Carbon Reduction Survey action plan - Deferred to next meeting	
7. PWS Sports Hall update	<p><i>The papers for this item had been distributed with the agenda for the meeting.</i></p> <p>PW introduced Tom Bryant, Starris Project Manager, working in several projects including the PWS sports hall.</p> <p>PW gave a brief history of the PWS project, commissioned by the LA after the school conversion from tier three to tier two. The funding originally agreed was to deliver a project including a new science block, sports hall, and theatre. By the time the LA disbanded in March 2021 the project had not been fully implemented and EMAT had been expected to self-deliver the project. After intense negotiations with the LA, funding had been agreed to finalise the plan. Local governors and students had been heavily involved in the development of the final design, including a new carbon neutral building that would be transformational for the school and students.</p> <p>From the three proposals received during the tendering process, it was recommended that Morgan Sindall were appointed as preferred bidder for the sports hall and external works. The initial works were scheduled to commence in July 2022, with the main works commencing in September 2022 and practical completion by 31st August 2023, subject to planning permission and contract close.</p> <p>The original funding envelope for works at Prince William School had been £6,350,000, with a residual funding of approx. £5.5m once the Trust self-funded works had been deducted.</p> <p>PW clarified that the construction market in the UK had experienced significant inflation surges as well as supply issues over the last 12 months, with increasing impact on pricing and availability of products and labour in the sector. As a result, a significant funding gap had risen from the initial cost estimates in 2020/21 and formal funding agreement between NCC and EMAT in July 2021.</p> <p>A Value Engineering (VE) exercise was being undertaken with Morgan Sindall to review value opportunities and potential savings on the scheme, including relevant planning and programme implications. The preferred option was still under development however a target price of £7.1m and completion in August 2023 was considered achievable, subject to further design development and pricing. To achieve this, it was required to put in place a Pre-Construction Services Agreement (PCSA) with Morgan Sindall, to conclude the value engineering, planning amendments and final Stage 4 design. The work would be undertaken in three stages and would take place between end of June and beginning of July:</p> <ul style="list-style-type: none"> • Stage 1 - Value engineering / planning amendments (approx. £52K) • Stage 2 - Stage 4 design (approx. £150k) • Stage 3 - Enabling works and early orders (approx. £450k) 	

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	<p>PW was seeking delegated authority from trustees to approve contracts to start the project and proposed the following solutions to move forward:</p> <ul style="list-style-type: none"> • To contribute to the PWS scheme, investing EMAT own capital funding to breach the £1.2m funding gap, or • To re-design the PWS scheme to lower the cost, reverting to something closer to the current look. <p>The following questions were asked by trustees:</p> <p>If EMAT was to invest in PWS, to what extent would the trust contingencies be compromised? What other projects would be affected? PW explained that using capital funding for the next three years to contribute to the PWS scheme would limit the capacity to do any more work across the trust. However, best valued would be achieved by using resources in PWS as all the schools in the trust had received significant funding to develop their own projects over the last couple of years, with all potential issues being able to be managed with residual funding.</p> <ul style="list-style-type: none"> • ORCH/SHEPS – approx. £800k developing the SEND provision, new kitchen, and redecoration • SAA – £500k invested in new roof, lighting, and redecoration • HAR - £250 agreed in developing SEND provision • NIA - £1m front building plus £450k in new library • Castle – PFI school, with £500k investment agreed with LA to provide new ASD unit and wrap around care. <p>Had income generation opportunities been considered to boost funding? PW explained that, although the PWS design scheme had been devised to enhance income generation through the hiring of the new building and outdoor space, the financial benefits would not be seen until the project was finished and fully operational at the end of 2023.</p> <p>How could the trust control expense and mitigate any risks? PW explained that enhancing the school would greatly mitigate the risk of future competition, as new schools were being currently developed in the area, opening in September 2023. Getting PCSAs with providers earlier would lock expenses, passing the risk to contractors in the event of any future inflation. TB clarified that a fixed contract price would limit liability and delaying the signing of contracts might take the project longer to complete. This could have a knock-on effect on exams beyond 2023.</p> <p>Had any potential extra funding envelope with the LA or other organisations been explored? PW explained that extra funding could explored providing the Sports England brief was not compromised. If changed it could lead to objections, as new planning ideas would require planning application.</p> <p>Was there a way to use the VE exercise without increasing costs? TB explained that of the four proposals, three of them would require planning application. The fourth one incorporated change without compromising the fabric of the building. However, it had to be agreed by the end of June to be viable.</p>	

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	<p>Trustees conducted a robust discussion around the risk involved with the project, its viability and how could affect other financial commitments, and future capital and maintenance works across the trust. Trustees fully agreed that PWS needed the investment and were mindful that changing the original project to save money might incurred planning objections from other organisations, including Sports England. This would also incur further costs in the long term.</p> <p>After a long deliberation, Trustees agree to proceed with the PCSA to secure the start of the final Stage 4 design but requested more clarity on progress and future costs, before taking a final decision about capital investment.</p> <p>An extraordinary meeting was scheduled for Monday 27th June at 11am to further discuss the matter and take a final decision. Trustees requested an update with a clear picture and depth of proposal, indicating current cost, final target, and means to be achieved.</p> <p>PW explained that two more projects in Orchard and Hardingstone were about to enter contract and would need to be signed by trustees. Trustees agreed to delegate the contracts' signature to any EMAT trustee.</p>	<p>MJ to send invites, PW to produce papers 24/06/2022</p>
<p>8. Finance Update:</p> <ul style="list-style-type: none"> • Management Accounts April 22 • School Resource Management Self-Assessment tool 	<p><i>Finance papers had been distributed with the agenda for the meeting.</i></p> <p>EMAT Management Accounts: PW ran through the highlights of the report and informed trustees that the Management Accounts were tracking as expected. For the April 2022 period, the trust had achieved a £126K group surplus, with and overall budget surplus of £297k.</p> <p>A Reforecast position had been included, which projected a surplus of £310k. This was inclusive of a £100k contingency to work with the NIA on their recovery plan. The projected financial position for the NIA would reduce the forecast result by £35k.</p> <p>PW highlighted for trustees the ongoing dispute with Change Education on potential overcharged and unevidenced invoicing of tutoring. Legal action had been taken against the trust and EMAT legal team services had been engaged to manage the issue.</p> <p>The FHRE committee unanimously agreed to accept the Management Accounts Period April 2022.</p> <p>The School Resource Management Self-Assessment tool item was deferred to next meeting.</p> <p>Trustees thanked PW for the report. There were no questions from trustees.</p>	<p>Add SRM tool to next agenda.</p>
<p>9. Procurement, IT & Estates update</p> <ul style="list-style-type: none"> • Procurement – 	<p><i>Papers had been distributed with the agenda for the meeting.</i></p> <p>DU presented the highlights of the report Cleaning Contract Procurement report and informed trustees of the intention to award the contract to local</p>	

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Cleaning Contract	<p>providers. DW clarified that bringing catering in-house was not a viable option. The value of the yearly contract was £300k and as it was over a five-year period it needed the board approval.</p> <p>Trustees complimented the thoroughness of the report and unanimously agreed to approve the proposal.</p> <p>DU presented the Shared services report. Trustees thanked DU for his report.</p> <p>There were no questions from trustees.</p>	
10. HR update <ul style="list-style-type: none"> • Staff Surveys Action Plan 	<p>Due to time constrains this item was deferred to the next meeting.</p>	<p>RM present action plan at next meeting</p>
11. NIA update	<p><i>JC gave a verbal update</i></p> <p>JC informed trustees that the RSC had met the CEO and Chair to discuss the NIA recovery plan. However, although they had confirmed the robustness of the plan, they had yet to communicate their intentions moving forward.</p> <p>JC was very aware that resolving the NIA situation was critical and weekly meetings were taking place with the SLT to monitor that all milestones in the plan were timely achieved.</p> <p>The LA had been invited to undertake a monitoring visit the following week, where they would witness the considerable changes undertaken by the school since the last Ofsted visit.</p> <p>Following the departure of a considerable number of SLT members, a new SLT structure had been put in place with new staff starting in September. A new advert to appoint an Executive Headteacher had been placed and was attracting high interest. An interim Head would be in place from September and would work alongside FZ, until a substantive Head was appointed.</p> <p>KC informed trustees that the trust would be prepared to legally challenge the RSC if they decided to rebroke the school. JC clarified for trustees that, as the National Schools commissioner had resigned, and the regions were being currently redrawn, it was highly unlikely that a decision would be taken during the following three months.</p> <p>In response of a question from a trustee regarding how the RSC would react to that type of challenge JC confirmed that there was precedent with another trust overriding the RSC decision. Therefore, as the plan prepared to support the NIA had been validated by Ofsted, the RSC should pause any decision taking until a section 8 takes place. An Ofsted Section 8 visit was expected between during the Autumn term.</p>	

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12. Policies for ratification	<p><i>The following policy was presented for ratification</i></p> <ul style="list-style-type: none"> • Charging and Remissions • Social Media <p>The FHRE committee unanimously agreed to ratify all policies</p>	Upload policy to website
11. AOB	There were no AOB	
12. Items for next meeting	<ul style="list-style-type: none"> • PWS Sports Hall update 	
13. DONM	<p>Dates for the academic year 2021/2022 have been set.</p> <ul style="list-style-type: none"> • Monday 27th June 2022 at 11am – Extraordinary meeting • Tuesday 12th July 2022 at 10am 	Calendar invites had been sent

The meeting closed at 12.15pm

Actions from the FHRE committee meeting 21/03/2022

Item	Action	Owner
1.	Send invites to FHRE extraordinary meeting 24/06/2022 – 11am	MJ
2.	Prepare PWS report for extraordinary meeting	PW/TB
3.	SRM Self-Assessment tool to be added to next agenda	MJ
4.	HR deferred item to be added to next agenda	MJ/HM
5.	Carbon Reduction Survey action plan deferred item to next agenda	MJ/DU
6.	Upload policies to website	MJ