

**East Midlands Academy Trust – Finance, HR and Estates committee**

**Monday 21<sup>st</sup> March 2022 @ 10.00am. Meeting to be conducted virtually.**

**Fourth meeting of academic year 2021/2022**

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

Agenda item	Discussion	Action
<b>1. Welcome</b>	<p><b>Present:</b>  <b>Andrew Davis</b> (Trustee) - Chair ☎  <b>Kevin Crompton</b> (Trustee) <i>joined meeting at 10.44am</i> ☎  <b>Stephen Morales</b> (Trustee) ☎  <b>Ayo Salam</b> (Trustee) ☎</p> <p><b>Joshua Coleman</b> (EMAT: CEO)  <b>Paul Wheeler</b> (EMAT: COO) <i>left at 12.08pm</i>  <b>Nattia Dhana</b> (EMAT: Finance Manager Accountant) <i>left at 12.08pm</i>  <b>Daryl Unitt</b> (EMAT: Head of Shared Services) <i>left at 12.08pm</i>  <b>Ruhena Mahmood</b> (EMAT: SWP &amp; HRBP) <i>left 12.08pm</i> ☎  <b>Monica Juan</b> (EMAT: Head of Governance &amp; 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>	
<b>2. Apologies</b>	<p>There were no apologies.</p>	
<b>3. Quoracy</b>	<p>The meeting was confirmed as quorate.</p>	
<b>4. Declarations of interest</b>	<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>	
<b>5. Minutes of FHRE meeting 14/02/2022 &amp; matters arising not appearing on the Action Log</b>	<p>The minutes of the meeting held on the <b>14/02/2022</b> 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>	
<b>6. Actions Log from the meeting held on 14/02/2022</b>	<p>Actions from the meeting held on the <b>14/02/2022</b> were reviewed:</p> <ol style="list-style-type: none"> <li>1) Share RSC letter with trustees - <b>DONE</b></li> <li>2) Carbon Reduction Survey action plan - <b>Deferred to next meeting</b></li> <li>3) Staff Survey summary - <b>DONE</b></li> <li>4) Forward letting premises price list to SM – <b>DONE</b></li> </ol>	

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<p><b>7. Finance Update:</b></p> <ul style="list-style-type: none"> <li>• <b>Management Accounts P5</b></li> <li>• <b>Budget assumptions for 2022/2023</b></li> <li>• <b>Forecasts and ICFP forecast.</b></li> </ul>	<p><i>Finance papers had been distributed with the agenda for the meeting.</i></p> <p><b>EMAT Management Accounts:</b> ND ran through the highlights of the Management Accounts condensed report. Schools were performing well with a combined surplus of £165K and the trust still showing a strong position. The following was noted:</p> <ul style="list-style-type: none"> <li>• PWS: Had handled staff absence insurance very well and managed to recoup most of the monies.</li> <li>• Shepherdswell: Showing below deficit due to a long-term sick absence.</li> <li>• Castle: Leadership structure to change with new Assistant Head joining from April.</li> </ul> <p>ND informed trustees that the change of personal at the local authority might disrupt the cash flow for the following term.</p> <p>PW praised ND hard work and informed trustees that the finance team had gone from three members to one, with ND currently doing most of the work until the vacancies were filled.</p> <p><b>In response to a question from a trustee regarding the ongoing energy cost increase, how this would affect the trust finances and what were the plans for short/mid/long term</b> PW explained that all current deals have been locked until July 2023. Procurement was already looking to negotiate any future deals and more information would be ready around September. The current cost of living increase had been costed in the budget; however, the support staff pay increase agreed with the unions had not been covered completely. Some current contracts might increase due to general inflation, the team was monitoring these to avoid any surprises.</p> <p><b>In response to a question from a trustee regarding whether there had been any rise in consumables</b> PW responded that, as most of the stock was purchased in bulk and in advance this had not been noticeable yet.</p> <p><b>In response to a question from a trustee regarding whether catering for students would also increase in price</b> PW explained that the trust was locked in a contract with the current providers until July 2023. They were keen to continue working with EMAT so procurement would look at renegotiating a new deal fair for both parties during the 2022 summer. PW had requested a long-term plan before entering into any new agreement, in order to accurately build the cost in future budgets.</p> <p>ND briefly presented the SEND allocation across schools and any extra income generated by schools.</p> <p><b>In response to a question from a trustee regarding whether there were any particular areas that needed targeting</b> ND explained that a marketing campaign was ongoing to attract more pupils to the new Hardingstone nursery, which currently had seven pupils. Castle and Shepherdswell nurseries were both since the beginning of March. NIA and SAA wrap around care had had very positive reception and was already generating some income. Orchard had had some interest from the local community to use the fields.</p>	

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	<p>Trustees discussed at length the income generation strands and JC clarified that the fundraiser post that had been identified in the last re-structure had yet to be recruited. The main aim of the post would be to source and increase any potential income generation.</p> <p><b>Reforecast:</b> PW informed trustees that the NIA had not been included in the current reforecast due to the extra investment agreed by trustees to execute the post Ofsted plan and any other areas of investment that the HT and FC might identify. Moreover, lessons would be changing to 100 minutes after Easter, superseding the original calculations based in 60 minutes lessons. The new timetable would be costed within the next three weeks.</p> <p>No significant movements were expected in the final budget, with sufficient contingency levels in place to provide coverage to all agreed projects plus any unforeseen expenditure, including the NIA expenses around HR, Mental Health, school nurse and community engagement.</p> <p>Trustees discussed at length the NIA post Ofsted plan and how this would affect the leadership structure.</p> <p><b>In response to a question from a trustee regarding the remit and targets of the new NIA Executive Leader and how would these be monitored</b> JC explained that FC remit was to support the HT implementing rapid improvement and the post-Ofsted plan, which contained clear milestones to track progress towards the Ofsted monitoring visits. The school would work closely with the central team and would also draw support from external advisers, including the local authority. FC would report directly to JC.</p> <p>ND ran briefly through the individual school KPIs. The following was noted:</p> <ul style="list-style-type: none"> <li>• Hardingstone and Shepherdswell were working towards reducing their deficit.</li> <li>• Castle and Orchard had achieved breakeven positions, after including all the new additional members of staff.</li> <li>• SAA and PWS had produced a surplus.</li> <li>• Head Office showed a deficit of £13k due to the planned investment in the Olympic Day. AB had already identified some sponsorship to recoup part of the monies.</li> </ul> <p><b>In response to a question from a trustee regarding what amount of sponsorship was required to fund the Olympic Day</b> JC explained that £50K would be ideal but it was up to the sponsors to decide how much they wanted to invest in the project.</p> <p>Trustees requested the sponsorship web page details to be forwarded to them and agreed to disseminate the information within their contacts.</p> <p>PW informed trustees that some schools (Orchard, Shepherdswell and Hardingstone) were operating below the TCR KPIs and budget as they were still formalising the final leadership structure. It was expected that the final budget would offer some improvement to the current figures.</p>	<p style="color: red; text-align: center;"><b>Forward sponsorship info to trustees</b></p>

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	<p><b>In response to a question from a trustee regarding how TCR was calculated</b> PW explained that calculations were completed considering the National KPIs benchmark. Contact ration looked at the best teacher contact time with students, this was around 78/80%.</p> <p>Trustees discussed at length the KPIs and agreed that although these have been developed nationally they should not be regarded as targets but more as indicators of best practice. Trustees requested to see the KPIs calculations document.</p> <p><b>In response to a question from a trustee regarding PWS increase in numbers and how would this be sustainable moving forward</b> PW explained that PWS was for first time oversubscribed having reached its 280PAN. Work had been done in the short term to accommodate the larger intake of students from September. However, the admissions criteria had undergone consultation and the new PAN reduced to 240. This had been reflected in the new 2023/24 Admissions policy.</p> <p><b>Budget assumptions:</b> PW presented the proposed budget structure and financial assumptions to be used for the 2022-23 budget and three-year plan. The key budget assumptions were summarised as:</p> <ul style="list-style-type: none"> <li>• School Efficiency Metrics (ICFP)</li> <li>• School Improvement Budget</li> <li>• Notional Management Fee</li> <li>• Net Surplus and Contingencies</li> <li>• Pay and Inflation Pressures</li> </ul> <p>PW confirmed that the paper was in line with the strategic aim to continue developing the capacity and capabilities within the trust, supporting its current schools and increasing collaborative relationships with other schools and trusts. The FHRE June meeting would receive all schools ICFPs for approval alongside a Head Office paper. These would go to the TB meeting in July for final budget approval.</p> <p><b>The FHRE committee unanimously agreed to accept the Management Accounts – Period 5, the Budget Reforecast Report and approved the Budget Assumptions 2022-23 paper.</b></p> <p>Trustees thanked PW and ND for their reports.</p>	<p><b>Distribute KPIs calculation document.</b></p>
<p><b>8. Procurement, IT &amp; Estates update</b></p>	<p><i>Papers had been distributed with the agenda for the meeting.</i></p> <p>DU presented the highlights of the report and informed trustees that IT responses had been down slightly as the team was one man down.</p> <p><b>KPIs:</b> Trustees discussed the KPIs results at length and questioned whether the Estates KPI was too high and should be revisited to take into consideration any external pressures. DU agreed to look into it.</p>	<p><b>Revisit Estates KPI</b></p>

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	<p><b>Procurement:</b> A significant piece of work was underway around the contract and tendering process, consolidating providers to minimise risks and maximise buying power.</p> <p><b>Estates:</b> DU reported that the team had been very active, particularly around NIA, showing great reactivity to any incidents.</p> <p>IT: DU reported that SIMS software was changing its current contract. As part of the due diligence process a piece of work around MIS systems and its appraisal was being conducted across the organisation. All schools had been asked to take part in the process and different products and providers in the sector were being sampled. This would allow the trust to make an informed decision moving forward.</p> <p>Trustees thanked DU for his report.</p>	
<p><b>9. HR update</b></p> <ul style="list-style-type: none"> <li>• Staff Surveys</li> <li>• Support staff pay increase</li> </ul>	<p><i>Papers had been distributed with the agenda for the meeting</i></p> <p>RM presented the highlights of the report:</p> <ul style="list-style-type: none"> <li>• Wellbeing of staff remained the main priority. The HR team were working on developing a Mental Health Strategy for the trust.</li> <li>• The work on the new HR management system was still ongoing, SAM People would be trialled first in one of the schools before being launched across the trust.</li> <li>• The HR team would be providing HR support to the Willows via a service level agreement. Support would start on 1<sup>st</sup> April.</li> <li>• Two appeals had taken place with one of them gone to ET.</li> <li>• New staff turnover was high.</li> <li>• The Staff Code of Conduct was being revisited to become a more supportive document.</li> <li>• Probations were being monitored, more training for line managers had been provided.</li> <li>• From 1<sup>st</sup> April COVID test would not be required, however staff would be asked to isolate for 5 days if positive.</li> </ul> <p>A staff survey had been conducted before the half term. This had been an issue as some staff had not accessed the form outside school hours. Another survey would be conducted during the summer term. The HR team was working with HTs to produce an action plan, this would be presented at the next FHRE meeting.</p> <p>Trustees thanked RM for her report.</p> <p><b>Support Staff Pay Increase:</b> PW informed trustees that an agreement had now been reached on the support staff pay award for 2021/22, for a 1.75% uplift backdated to 1<sup>st</sup> April 2021 (2.75% on pay point 1 to bring in line with minimum wage). This had been forecasted in the current budget, amounting to approximately £120k.</p>	<p><b>RM present action plan at next meeting</b></p>

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	<b>The FHRE committee unanimously agreed to the negotiated support staff pay increase.</b>	
<b>10. Policies for ratification</b>	<p><i>The following policy was presented for ratification</i></p> <ul style="list-style-type: none"> <li>• Anti-harassment and bullying – Staff policy 2022-23</li> </ul> <p><b>The FHRE committee unanimously agreed to ratify all policies</b></p>	<b>Upload policy to website</b>
<b>11. AOB</b>	<b>Please see confidential minute</b>	
<b>12. Items for next meeting</b>	<ul style="list-style-type: none"> <li>• Staff survey action plan</li> <li>• HO &amp; CS 2022-23 budgets</li> <li>• Staffing &amp; ICFP plan 2022/23</li> </ul>	
<b>13. DONM</b>	<p><b>Dates for the academic year 2021/2022 have been set.</b></p> <ul style="list-style-type: none"> <li>• Wednesday 8th June 2022 at 10am</li> <li>• Tuesday 12th July 2022 at 10am</li> </ul>	<b>Calendar appointments had been sent</b>

**The meeting closed at 12.33pm**

**Actions from the FHRE committee meeting 21/03/2022**

Item	Action	Owner
1.	Forward web page sponsorship info to trustees	MJ/AB
2.	Distribute the KPIs calculation document	PW/ND
3.	Revisit Estates KPI ready for next meeting	DU
4.	Staff survey action plan presented at next meeting	RM
5.	Send Tom Bennett report to trustees	MJ
6.	JC to provide NIA update	JC
7.	Upload policies to website	MJ