

Finance, HR, and Estates committee

Wednesday 7th December 2022 @ 10.00am. **Hybrid meeting**

Second meeting of the academic year 2022/2023

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

Agenda item	Discussion	Action
1. Welcome	<p>Present: Martin Conlon (Trustee) 📞 Nick Bell (Trustee) 📞 Ayo Salam (Trustee) 📞 (Present 10.00-11.00) Kevin Crompton (Trustee) 📞</p> <p>Joshua Coleman (EMAT: CEO) Paul Wheeler (EMAT: COO) Nattia Dhana (EMAT: Finance Manager Accountant) Daryl Unitt (EMAT: Head of Shared Services) Ruhena Mahmood (EMAT: SWP & HRBP) Paul Osborne (EMAT Governance Support Officer) – Minutes</p> <p>The Clerk 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	<p>Apologies had been received, and were accepted, from Andy Davis</p>	
3. Quoracy	<p>The meeting was quorate.</p>	
4. Declarations of interest	<p>The clerk 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>	
5. Appointment of Chair and Vice-Chair	<p>NB was unanimously appointed as Vice-Chair and chaired the meeting</p> <p>The Clerk was asked to clarify with AD if he wants to continue as Chair. Post-meeting note done, and AD is the Chair.</p>	<p>PO</p>
6. Minutes of FHRE meeting 12/07/2022 & matters arising not appearing on the Action Log	<p>The minutes of the meeting held on the 17/10/2022 had been distributed with the agenda for this meeting. The minutes were approved upon condition the spelling errors were rectified. The Clerk to manage.</p> <p>The minutes were agreed. AD/MC 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>PO</p>
7. Actions Log from the meeting held on 17/10/2022	<p>Actions from the meeting held on the 17/10/2022 were reviewed:</p> <ol style="list-style-type: none"> 1. New staff survey results to be presented in December FHRE meeting. RH advised that surveys had been completed and requested these are 	

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	<p>shared at the December Trust Board meeting. All agreed. Post-meeting note done.</p> <p>2. PP information to be presented at December TB meeting. Done.</p> <p>3. Upload policies to websites. Done.</p>	
<p>8. Finance Update</p> <p>i. Management Accounts October 2022 (for approval)</p> <p>ii. Annual report 2021/2022</p> <p>iii. Management Letters</p> <p>iv. Updated audit completion report</p>	<p>i. Management Accounts October 2022 (for approval). ND highlighted the following.</p> <ul style="list-style-type: none"> For 2022/23 EMAT has budgeted to end the year on a £230k surplus this will bring our Trust Revenue Reserves to £2,119mil. To reach this surplus of £230k, we would need to report monthly group surpluses of £19k per month. For the period up to October 2022 we report a group surplus of £35k, this is in line with the above expectation. Our major variance is the additional unfunded pay increases, we accounted for 3%, with the actual being 5%. There has been a reduction of National Insurance contribution by 1%, giving use a cost pressure of 1%, this is a pressure of £232k. This can be covered by the contingencies set aside but will mean we have limited flexibility to cover any further unexpected cost variances. <p>A trustee asked if the recruitment pressure currently being experienced within EMAT and in education nationally could cause concerns regarding budgets.</p> <p>ND advised that there were mitigating plans put in place from May through to July which assisted with any resource pressures.</p> <p>PW noted the ongoing work around staff retention and the opening of the two new SEND units at Hardingstone and Castle earlier in 2023 with allowances being offered.</p> <p>ND highlighted that the energy contract is up for renewal in September 2023 and investigations into alternative supplies have started. PW added that the new energy contract will affect next year's budget and the current projection is a 100% to 200% increase, equating to approximately £500,000 per year.</p> <p>The trustee followed up and asked if there are any other expected increases in costs and services.</p> <p>PW advised that an additional 3% increase was added to the budget for non-pay costs. At the end of last year all schools were advised to place bulk orders knowing the costs will increase, thus ensuring best value for money and security of obtaining products that could be in short supply. PW added that there is still inflationary pressure but due to the forward planning these should sit within the budgeted provision of 3%.</p> <p>A trustee noted the strong financial position EMAT is in and asked if there are any concerns or costs being deferred into the future.</p> <p>PW thanked the trustee for the comment and noted the ongoing work to re-invent EMAT regarding budgets which include forward planning to look at alternative income streams/offset rising costs. An example of this is the new unit at Hardingstone.</p> <p>PW noted the investment made in low energy lightning through the trust and advice has been sent to all schools regarding how to save energy.</p>	

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	<p>PW highlighted the head room acquired which allows for any unforeseen circumstances to be mitigated. There is also a hope that the unfunded pay rises this year will be funded next year.</p> <p>JC added that EMAT's financial situation has been achieved by hard work, commitment, open and honest conversations, and the use of GAG pooling. JC highlighted the plans for an in-house recruitment agency which is on track to be operational in 2023 and will produce savings particular on supply staff.</p> <p>A trustee asked for more information regarding energy usage in schools.</p> <p>PW highlighted that each school will soon has access to an energy use dashboard with a target of each school reducing energy consumption by 20%. Each month energy usage will be published for all buildings and hints and tips to reduce energy will be shared by DU.</p> <p>PW added that an initial usage data should be ready to be shared at the next meeting with comparisons made against the last three years.</p> <ul style="list-style-type: none"> • We have carried forward School Conditions Allocation Grant (SCA) for building improvements for the Trusts of £542k this will be utilised with the £5.2mill unspent capital for Prince William to build the Sports Hall, we will advise on the ongoing plan as we look at cost efficient ways to deliver the project with rising costs. • We continue with the ASD Unit projects at Castle and Hardingstone each with a project value of £300k that are expected to open in January, these units will educate ten pupils at each academy. • Hardingstone Academy set a breakeven budget and have delivered a £16k having opened their Nursery, we had started with lower numbers in September and October that have negatively impacted income but from November pupil numbers are up to 15 as well as no income received as yet from their consultancy work with a Behaviour Hub and on Covid Mental Health Support these funds will also be claimed in November. We will work to control this deficit and not increase and in January when numbers increase to nineteen in the nursery which is higher than budget, we will work to reduce this deficit. <p>PW added that the lease for the wrap care hut is being re-negotiated and EMAT will take over the provisions and will generate additional income. The SEND units were due to open in September they will now open in January which will provide additional income.</p> <ul style="list-style-type: none"> • Safe investments with EMAT's bank are due to start next month which will generate additional income. <p>A trustee noted on the EMAT headline statistics the £4.7 million states deficit where it should be surplus.</p> <p>ND thanked the trustee for the feedback.</p> <p>ii, iii & iv. Annual report 2021/2022 / /Management letters / Updated audit completion report.</p> <p>PW highlighted the following.</p> <ul style="list-style-type: none"> • The Trust reported an overall surplus on general fund activity for the year ended 31 August 2021 of £253K (2020/21: £414K) after transfers but before pension fund administration costs of £1,917K. 	<p>DU/PW</p>

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	<ul style="list-style-type: none"> • The surplus is exactly the same as shared in the period 12 management accounts and demonstrates to colleagues that the management accounts tie up to the statutory accounts. • In the audit and risk committee meeting (28th November) the auditors management letter and close out report was presented by Mazars (accountants). Mazars were complimentary regarding the accounts and highlighted there were no carry forward items from last year which is not typical in other trusts. ND produced these accounts and there was little or no points arising, and we will have a clean audit opinion. • The going concerns report has been shared with the auditors which shows the surplus, the pressures on the budget i.e., unfunded pay increase and how these are being managed and the healthy state of the cash balance. Currently £4.7million of which £2 million has been invested leaving £2.7 million as working capital which is a health position. <p>NB asked MC who is the Chair of the Audit committee if he had any points to raise.</p> <p>MC advised that Mazars were very complimentary of the accounts especially noting the issues raised from previous years had all been closed down. MC congratulated ND for the reports.</p> <p>A trustee asked if the unadjusted misstatements 2022 will be a focus to ensure they do not reoccur next year.</p> <p>ND highlighted that Mazars carried forward unadjusted misstatements from previous years. PW noted that of those in the report only one refers to capital relates to NIA and has no cash impact. The auditors understood why EMAT interpreted this in the accounts and accepted them.</p> <p>PW highlighted the early meetings held between the auditors and EMAT which ensure all parties understand the process, what is required and when.</p> <p>A trustee asked if there were any risks highlighted between the auditors and EMAT would these be raised with the trustees.</p> <p>PW confirmed yes, the item mentioned in the unadjusted misstatements 2022 paper were minor technical accounting principles and do not affect the results. If there was a difference of opinion trustees are made aware. PW reiterated the early work conducted between the accountants and EMAT which is an opportunity where any matters are discussed and if required rectified.</p> <p>The trustees noted the close professional, collaboration between EMAT and external auditors.</p> <p>The trustees noted that these items were brought to the 28th November audit and risk committee and discussed in detail.</p> <p>Trustees unanimously recommended and accepted the annual report and the signing of the management letters through to the trust board.</p>	
9. NIA update	<p>JC highlighted the following.</p> <ul style="list-style-type: none"> • Executive Headteacher has been appointed and is due to start in February. 	

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	<ul style="list-style-type: none"> • JH will remain in post and manage a handover. • The school development plan is on track and is updated as required. • Core areas within the quality of education improvement strategy for KS3, KS4 and KS5 are being hampered due to challenges recruiting staff. • External experts have validate the progress being made and have noticed the significant improvement within the primary phase in regard to behaviour to learning, Phonics and Reading. In KS3 core deliver has improved, EBacc remains a focus area. • KS4 and KS5 is struggling with staffing primarily staff who can teach certain subjects up to exams. There have been some complaints regarding the expertise and quality of staff the school is in constant communication with the parents. RH added that recruitment is a challenge, and all avenues are being used to fill all vacancies and skill matching has been completed. • FC will leave at Christmas. • ICFP has been finalised and signed off. <p>A trustee asked how communication is being managed regarding the new HT and how are staff reacting to the changes. JC advised that staff feedback is on the whole positive and see JH as a strong advocate for them. Staff survey results will be shared at the December trust board meeting. The staff, pupil and core stakeholders all agreed that the new Headteacher was the strongest candidate. Meetings with HR, PR and the new Headteacher are planned for next week to manage the communication.</p> <ul style="list-style-type: none"> • Update given regarding the recent Regional director meetings which were positive. • Information has been sent to the trust development partner who was very complimentary on the work being done and looks forward to collaborating with EMAT. <p>A discussion followed regarding the potential date for the next Ofsted visit.</p>	
<p>10. Update on Procurement, IT & Estates inc PWS.</p>	<p>DU highlighted the following.</p> <ul style="list-style-type: none"> • Service Desk Performance Report 08/10/2022 to 23/11/2022 shows an improvement over the previous period. • Service level agreement 85% was not attained but improved against the previous period and will be achieved in the next period. <p>A trustee asked if there was any staff feedback obtained regarding the service desk. DU advised that staff feedback was obtained, and an action plan was devised from that. Several of the key actions revolve around improving communication including change. One idea to improve this is to devise a service portfolio to demonstrate what is and is not provided and how to communicate to IT. Headteacher feedback indicates the changes being made are constructive and moving in the right direction. The IT team is more stable than previous.</p>	

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	<ul style="list-style-type: none"> • Health and Safety Checks and Test Compliance target is >90% actual 89.9% no concerns. • PWS Carpark Phase One & Two Works Completed and has reduced the risk to pupils significantly. • Castle SEND Resource Base KS1 Works to complete week beginning 12 December. • Trust Wide MIS System Migration – Trust Wide Working with Headteachers to establish a robust programme of change for the trust with least disruption to our staff and students. The Arbor systems is currently the preferred option. Headteachers have been approached and Castle, Stimpson and Hardingstone have agreed to be first school to migrate over currently planned for late February 2023. If the systems functions as planned the other school will be communicated with regarding their migrating date. • Trust Wide Cleaning Contract Retender Extended for 1 year revising specification to ensure quality process and eventual supplier. • Trust Wide Catering Contract Retender Tender responses received – going through procurement. • Trust Wide LED lighting rollout across trust estates to reduce carbon emissions and lighting cost. Programme of works planned throughout the academic year to reduce Co2 and service costs. <p>PW gave an update on the PWS sports hall which includes reviewing revised designs to identify affordable solution due to cost increases primarily caused by inflation. PW noted that due to these reasons the completion date will be delayed but the project will delivery on the needs of the school.</p> <p>PW added that constructive discussions are ongoing with the local authority regarding the potential use of section 106 funds.</p> <p>PW reiterated that the scheme would come in at no more than £7.5 million and any additional funds obtained will mean EMAT will not have to use any reserve funds which would allow these funds to be used elsewhere within the trust.</p> <p>The trustees thanked PW for the update and were happy the work will still delivery as per the original brief.</p> <ul style="list-style-type: none"> • The estates manager is working closely with all academies regarding Strep A and supporting where required including fogging, wipe down and enhanced touch cleaning. <p>Trustees noted the amount of work highlighted on the activity pages and thanked DU for the update.</p>	
11. HR Update including (Pay Recommendations and appraisal process)	RM highlighted then following. <u>Estate wide.</u> <ul style="list-style-type: none"> • Collaborative working with schools on how they are tracking their data. • SAM system is close to being fully rolled out. NIA to be installed in waves. • Anomalies and queries identified and actioned in a timely manner. HR have been using SAM reports for absence management. Next steps to support engagement in all functions (leave/cover/RTW). • COVID / Cold / Flu absences increased. 	

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	<ul style="list-style-type: none"> • Mental Health / Stress starting to rise. • Update on the staff on maternity leave and their expected return to work date. • Staff benefits are now shared across more communication channels including the flu jab with strong staff take up. <p><u>NIA.</u></p> <ul style="list-style-type: none"> • Absences lower than Summer 2 (down 146 days) but the latest data show they are increasing. • Compassionate absence much reduced (down 70 days). • Cold / Flu / COVID very high. • 2x long term sick at NIA. 1 beginning ill health retirement, 1 contract due to expire. • Autumn 1 Leavers x 3 and by average service length (year) <1 year <p><u>PWS.</u></p> <ul style="list-style-type: none"> • Total absence down from Summer 2 (109 days). • COVID large outlier. • Autumn 1 Leavers x 3 and by average service length (year) > 3 years. <p><u>Castle.</u></p> <ul style="list-style-type: none"> • Cold / Flu / Infection highest. • Absence slightly down from Summer 2 (4.5 days). • Update given regarding x 1 staff members mental health struggles and the support being given. <p><u>Hardingstone.</u></p> <ul style="list-style-type: none"> • Total illness trending down. • 3x COVID cases are outliers. <p><u>Stimpson.</u></p> <ul style="list-style-type: none"> • Coding of absences a great deal clearer than Summer 2. • Increased by 45 days from Summer 2. RH has supported with some of the long-term sick cases. • Mental health & surgery (3) account for 76 days. <p><u>Orchard.</u></p> <ul style="list-style-type: none"> • 26 fewer days lost from Summer 2. • Cold / Flu / C19 = highest contributor (27.5 days). • Autumn 1 Leavers x 1 and by average service length (year) > 3 years. <p><u>Shepherdswell.</u></p> <ul style="list-style-type: none"> • Absence levels reduced from Summer 2 (13 days). • No major trend. • Autumn 1 Leavers x 1 and by average service length (year) 1 years. <p>A trustee asked if a staff member thinks they have C19 what advice is given from the trust. RH noted that the advice is for staff to complete a test. The current data indicates that absence is increasing, and it has been wonderful to see staff pulling together.</p> <p>A trustee asked for an update regarding what is done to help suitable TAs progress in their career.</p>	

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	<p>RH advised that Terms and Conditions are always being reviewed along with career development including TAs who want to be trained to be an HLTA which would move them into a new pay band.</p> <p>The Payroll and Pensions Officer and the HR advisor are working closely with JL (Head of Education) on career pathways working towards an EMAT pay structure.</p> <p><u>Recruitment.</u></p> <ul style="list-style-type: none"> • Recruitment events have been helped with more planned. • Staff recruitment video is planned with support from the PR team. • Challenges remain in appointing certain specialist subject teachers i.e., psychology and criminology. • Strong ECT around the trust who receive extensive training and support including Teach First and Best Practice. There are plans to bring this training in house as soon as possible. • After the high number of new starters across the trust on 01/09, we have continued to recruit for additional support positions within the schools plus Teachers and SLT across the trust for January. <p><u>The Willows.</u></p> <ul style="list-style-type: none"> • Maintain regular catch-up meetings to offer advice and support. • Support with absence management and persistent short-term absenteeism. • Issue new contracts/offer letters. • Job evaluation and benchmarking exercise undertaken for new job grading and rationale. <p>A trustee asked for an update regarding the ongoing work with the Willows and the long-term plan.</p> <p>JC advised that the Willows is currently in a try before you buy phase. The formal due diligence will start in January and if everything goes to plan, they will join EMAT in September. The regional director has been kept abreast of all of the updates.</p> <p>JC added that the Willows is one of the key feeder schools for Orchard and several EMAT staff have visited the school including KR, JL, PW, and DU to offer support including around Phonics. The HT and a member of the governing board have been invited to attend a O&S LAB meeting in January.</p> <p>A trustee asked for an update regarding the LADO case highlighted in RH report.</p> <p>RH advised that this case has been unfounded and is now closed. RH went through the remaining LADO cases highlighting.</p> <p>Case 1. Resolved – pay increase awarded/backdated.</p> <p>Case 2. Mediation scheduled.</p> <p>Case 3. Closed Employee resigned.</p> <p>Case 4 and 5. Resolved – no action.</p> <p>Case 6. Investigation ongoing and HR support in place.</p> <p>Case 7. Employee on supply - no longer working.</p> <p>Case 8. Resolved – failed probation staff member left.</p> <p>Case 9. Resolved – no action.</p>	

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	<p>Case 10. Mediation scheduled for next weeks. Case 11. Resolved – no action. Case 12. Recommendation to be implemented. Case 13. Resolved - no direct action (safeguarding identified and reported).</p> <p>HR gave a brief update on an employment tribunal case concerning safeguarding which is due to go to court in 2023. HR pointed out that information regarding this case has been shared at previous meetings.</p> <p>HR advised that a racial discrimination case was withdrawn yesterday. HR provided updates on two settled cases one of which was paid through the trust insurance.</p>	
12. Policies	<p><i>The policies for this item had been distributed with the agenda for the meeting</i></p> <p>i. Dealing with allegations of abuse against staff members HR advised the only change was regarding low level concerns and aligns to the updated KCSiE changes.</p> <p>ii. Pay Policy. HR advised that the only change is in regard to the – STPCD document updated in November 2022. JC advised that this update is what is best for EMAT, and staff were consulted on.</p> <p>A trustee asked if the typos on points 6.2 and 6.3 could be rectified. RM thanked the trustee for the feedback and will action.</p> <p>iii. Capability Policy. HR advised there had been no changes.</p> <p>All policies were unanimously ratified</p>	<p>Upload policies to websites</p> <p>RM</p>
13. AOB	<p>The trustees had no AOB at this time.</p>	
14. DONM	<p>Dates for the academic year 2022/2023 have been set.</p> <ul style="list-style-type: none"> • Monday 20/02/2023 at 10am • Wednesday 29/03/2023 at 10am • Monday 15/05/2023 at 10am • Friday 21/07/2023 at 10am 	<p>Calendar invites had been sent</p>

The meeting closed at 11.58

Signed by **Nick Bell**,

FHRE Chair

Date.....

Action Log from the FHRE committee meeting 07/12/2022

Item	Action/	Owner
1.	Spelling errors in the minutes from the 17/10/2022 minutes to be rectified. Page 1.	PO
2.	DU/PW to share at the next meeting the initial usage data from the dashboard using comparisons against the last three years. Page 3.	DU/PW
3.	Upload policies to websites once the typos had been rectified. Page 9.	RM/PO