

FINANCE AND HR COMMITTEE

MEETING TO BE HELD ON 8 OCTOBER 2020 AT 3.00 PM
VIA ZOOM

PRESENT:

Gordon Pennington	Trustee (Chair)
Norman Jackson	Trustee
John Maclaren	Trustee
Paul Willerton	Trustee
Peter Winter	Trustee

IN ATTENDANCE:

Paul Blakemore	Director of Operations
John Brian	Estate Manager
Lynsey Grace	Vice Principal
Jayne Tallant	Chief Finance Officer
Marion Wood	Clerk to the Trust Board

Item	The meeting being quorate, the Chair opened the meeting at 3.05pm
1.	ANNUAL ELECTION OF CHAIR Gordon Pennington was proposed as Chair and unanimously agreed by the Trustees of the Committee.
2.	APOLOGIES FOR ABSENCE An apology had been received and accepted from Julie Powell.
3.	DECLARATIONS OF INTEREST/POTENTIAL CONFLICTS OF LOYALTY No declarations of interest or potential conflicts of loyalty had been reported.
4.	NOTIFICATION OF URGENT BUSINESS No items of urgent business had been reported.
5.	MINUTES OF THE PREVIOUS MEETING HELD ON 16 JUNE 2020 FOR APPROVAL The minutes of the meeting held on the 16 June 2020 were approved as a true and correct record.
6.	MATTERS ARISING Agenda item 6 The Principal reported that he had followed up the progress of the school improvement grant bid but the decision had been delayed due to Covid-19. The action would be carried forward.

Agenda item 8

The CFO reported that the internal audit tender had been resolved.

Agenda item 13

The issue of staff absences would be covered in the HR report.

Agenda item 13

There were no issues with the Centre Assessed Grades.

7.

MANAGEMENT ACCOUNTS FOR LAST PERIOD

The following documents had been circulated to Trustees prior to the meeting:

- Appendix 1 – Income Analysis
- Appendix 2 – Executive Summary
- Appendix 3 – Keystats
- Appendix 4 – Balance Sheet and Cash Flow Summary
- Appendix 5 – Capital Report

The CFO presented the Management Accounts for the period ending 31 August 2020 which showed that:

- The forecasted year end reserves balance was £180k
- The transfer from recurrent surplus to the capital reserve of £240k, for this financial year, included an adjustment for £35k to align the reserves to fixed assets
- The cumulative actual staff cost to recurrent income ratio amounts to 78.3% against a revised forecast for the year of 79%

Q. Was there a restriction on what the unrestricted reserves of £202k could be used for?

A. There was no limit on what the unrestricted reserves could be used for

Q. Could the unrestricted reserves be used for the extra cleaning costs due to Covid-19?

A. Yes, the unrestricted reserves could be used for the extra cleaning costs

Q. Had there been an increase in the uptake of free school meals?

A. The new catering company had plans to encourage the uptake of free school meals

Trustees discussed encouraging pupils, who were entitled to free school meals, to claim and that the campaign by Marcus Rashford had helped to reduce the negativity of being eligible.

It was agreed: to **approve** the Management Accounts for the period ending 31 August 2020 and recommend to the Board. The Chair thanked the CFO for a comprehensive update.

8.

ESFA LETTER

The ESFA letter dated 16 July 2020 had been circulated prior to the meeting and the CFO reported that the Academies Financial Handbook sets out that the ESFA letter needs to be reviewed by Trustees.

Q. Had funding been received from the catch-up package?

A. £20,000 had recently been received

Q. Was the amount received from the catch-up package been fixed or had the Academy made a case for the funding required?

A. the amount of £20,000 had been fixed

	<p>Action – CFO agreed to produce a check list of actions included in the ESFA letter</p> <p>The ESFA letter was discussed and noted by Trustees.</p>
9.	<p>MANAGED PRINT SOLUTIONS TENDER OUTCOME</p> <p>The evaluation of tenders had been circulated and approved by Trustees via email.</p> <p>Q. How long would the installation of the equipment take? A. The removal of the old equipment would take one day and the installation would take an additional day</p> <p>It was agreed: to ratify the decision to award the contract to Annodata on a 4-year term.</p> <p><i>Paul Blakemore and John Brian joined the meeting at 3.30pm</i></p>
10.	<p>HEALTH AND SAFETY ACTION PLAN: PROGRESS REPORT</p> <p>The following documents had been circulated to Trustees prior to the meeting:</p> <ul style="list-style-type: none"> - Action Plan - Fire Risk Assessment Action Plan - Fire Risk Assessment Action Plan Arts Centre <p>John Brian reported on the actions in the action plan which had not been completed:</p> <ul style="list-style-type: none"> • A Structural Engineer had undertaken an inspection of the emergency exit stairs from the drama theatre and once the report had been received costing would be obtained. <p>Q. Would it be possible to submit a CIF bid for the work on the emergency exit stairs? A. Some initial work may be required before a CIF bid could be submitted</p> <p>Mr Jackson questioned the fact that the report showed that the action had been completed in July 2017. Mr Brian agreed to amend the report to read 'on going'.</p> <ul style="list-style-type: none"> • The caretakers had undertaken manual handling training but staff in other departments had not completed the training. <p>Q. Had staff the opportunity to access training online or via the St Helens portal? A. It had not been possible to get access to the portal.</p> <ul style="list-style-type: none"> • Training for the fire safety e-learning module had not yet been arranged. <p>John Brian reported that the fire risk assessment plan for the arts centre had been completed. Many of the actions on the fire risk assessment action plan had been completed but a CIF bid for fire doors and signage would need to be submitted next year. The fire wardens had changed so fire safety training would need to be organised.</p>
11.	<p>RISK REGISTER: UPDATE REPORT</p> <p>The Risk Register 2020/21 had been updated in September 2020 and had been circulated prior to the meeting. Paul Blakemore highlighted the following areas with an unacceptable risk register:</p> <ul style="list-style-type: none"> • E4 Health issues e.g. potential pandemics • L24 Software virus infecting third party's equipment/materials <p>Q. Why was the risk rating for L24 of 12 still high at 8 after controls? A. The risk of a software virus was still high even after procedures had been put in place. The impact had not changed but the probability had been reduced by the controls.</p>

	<i>Paul Blakemore and John Brian left the meeting at 3.45pm</i>
12.	<p>HR KEY PI REPORT</p> <p>The HR Information for Governors report had been circulated prior to the meeting. The Principal reported:</p> <ul style="list-style-type: none"> • The number of staff Covid self-isolating was 12 for teaching and 9 for non-teaching • The number of days lost to Covid self-isolating was 56 days for teachers and 18 days for non-teachers • The number of supply staff in school was higher than this time last year due to Covid related issues • The number of new appointments for teaching and non-teaching staff • HR had advised that members of staff who were pregnant should work from home after 28 weeks • Two trade union representatives were currently on site <p>Q. Had cover supervisors been used? A. Three were employed on a day to day basis</p> <p>Trustees noted the information in the HR key PI report.</p>
13.	<p>ANNUAL PAY AWARD FOR TEACHERS PAY</p> <p>The STRB Pay Award – Teachers Report had been circulated prior to the meeting and the CFO reported:</p> <ul style="list-style-type: none"> • A 5.5% increase for new starters and 2.75% for all other teachers including allowances had been recommended with effect from 1 September 2020. • The cost of STRB pay award 2019/20 was £101,704 plus on costs <p>Q. Would the 2.75% increase apply to staff on the leadership scale and those with teaching and learning responsibilities (TLR)? A. Staff on the leadership scale and with TLRs would receive the 2.75% increase and had been included in the cost of STRB pay award 19/20</p> <p>Q. What would be the additional cost including NI and pension contribution? A. The increase from the original budget of £69,144 to the original cost of £101,704 would rise from £32,560 to £42,000 once NI and pension contribution had been added.</p> <p>Q. The DfE provided funding through the Teachers Pay Grant last year, would additional support be available this year? A. Funding through the Teachers Pay Grant would not be available to support the 2019/20 pay award.</p> <p>It was agreed: to approve the pay award outlined within the report and recommend to the Trust Board for ratification.</p>
14	<p>CIF PROPOSED PROJECTS 2020/21</p> <p>The Proposed CIF Project Submissions Report 2020/21 had been circulated via email prior to the meeting and the CFO reported:</p> <ul style="list-style-type: none"> • The roof phase two and the fire improvements were the two projects which had been prioritised • A proposed Salix loan related to phase two of the roof refurbishments would be repaid over an 8-year period • The Salix loan balance as of 31 August 2020 was £96,333 • The results of the CIF funding round would be available in March/April 2021 with a March/April 2022 deadline for the spend on the projects.

	It was agreed: to approve the submission of the two CIF bids in the next funding round and approve the outlined plan on how the projects will be financed.
15.	<p>TO RATIFY NON-TEACHERS' PAY INCREASE – VALUE ONLY</p> <p>The CFO reported that Trustees had approved the non-teacher's pay increase – value only via email.</p> <p>It was agreed: to ratify the decision to approve the pay increase at a cost of £30,938.</p>
16.	<p>ADDITIONAL CLEANING COSTS</p> <p>The Additional Cleaning Costs Report had been circulated prior to the meeting and the CFO reported:</p> <ul style="list-style-type: none"> • An additional 172.5 cleaning hours per week were currently required • The overall estimated increase in cost for the period September to February was £40,936 • Further information was expected about whether the Academy would be able to reclaim some of the costs <p>Q. Was the cleaning satisfactory?</p> <p>A. The additional cleaning was necessary to keep pupils and staff safe. It allowed the full curriculum to be offered with facilities such as the IT rooms being regularly cleaned for continued use.</p> <p>It was agreed: to approve the cost of the additional cleaning costs.</p>
17.	<p>CLEANING TENDER RECOMMENDATION</p> <p>The Cleaning Contract Recommendation Report had been circulated prior to the meeting and the CFO reported:</p> <ul style="list-style-type: none"> • There had been presentations on 23 September 2020 from two suppliers • The planned contract start date was 1 January 2021 and would run for a period of three years with an option to extend for 1 and 1 years • The evaluation of the tenders received from Samsic was 86.93% and Churchill was 89.44% out of a possible 100% • The contract with Churchill was more expensive than the current contract but the quality was expected to improve • A notice period of three months for the current cleaning SLA was required <p>Q. Would Churchill employ the current staff?</p> <p>A. The proposal from Churchill was TUPE compliant with the current staff being employed by the new organisation. Churchill would also offer training and effective supervision of staff along with supplying cleaning equipment.</p> <p>It was agreed: to approve the recommendation to award the contract to Churchill Contract Services Ltd based on overall evaluation of price and quality.</p>
18.	<p>CATERING CONTRACT TENDER UPDATE</p> <p>The Catering Contract Tender Report had been circulated prior to the meeting and the CFO reported:</p> <ul style="list-style-type: none"> • There had been presentations on 7 October 2020 from three suppliers • Mellors had achieved the highest score of 96.05 • The current contract with Chartwells had been extended until 31/12/2020 • The planned contract start date for the new contract with Mellors was 4 January 2021 • A detailed mobilisation plan included the TUPE of existing staff

	<p>Q. Had background checks of Mellors taken place?</p> <p>A. Yes and recommendations had been received from other schools who had a contract with Mellors.</p> <p>Mr Norman Jackson had been a member of the evaluation panel and reported that there had been a strong presentation from Mellors.</p> <p>It was agreed: to approve the recommendation to select Mellors as the preferred bidder/contract partner.</p>
19.	<p>LEASE UPDATE</p> <p>The CFO reported that the lease had been agreed by the Council and the boundary issues had been resolved. There was an outstanding issue about the pre-emption agreement with the Academy having the first option to buy if the Council decide to sell the buildings. The lease would not be signed until the issue of the pre-emption agreement was resolved.</p> <p>The Principal reported that the council wanted to use the leisure centre for several days for the counting of election votes. The leisure centre may be required for examinations so the Principal has declined the request. The Council had asked for a meeting with the Principal and the Chair to discuss the use of the leisure centre for the counting of election votes.</p> <p>Trustees recognised that the Principal could not commit to the Council using the leisure centre for election purposes as it may disadvantage Y11 pupils sitting examinations.</p> <p>It was agreed: to monitor the issue of the pre-emption agreement and the use of the leisure centre for election purposes.</p>
20.	<p>PAYROLL/HR PROVIDER REVIEW</p> <p>The Payroll/HR Tender Report had been circulated via email and the CFO reported:</p> <ul style="list-style-type: none"> • Meetings had taken place with St Helens Council to try to address and resolve the quality of the service but it remained far below expectations • Two other providers registered on the CPC framework had been identified • An indicative cost per annum for EPM as a supplier was £19,544 • A part time HR/payroll member of staff would be required to administer the transactional payroll/HR • A three-months' notice period was required for the current SLA <p>Q. What would the cost be with the part time HR/payroll member of staff?</p> <p>A. The part time member of staff would be employed for 16 hours per week at an estimated cost of £10,000 with on costs.</p> <p>Q. When would the notice period be required for the current SLA?</p> <p>A. Three months' notice would be given to the current SLA in December 2020</p> <p>Q. Would there be a hand over period?</p> <p>A. A live payroll system would run in February and March 2021</p> <p>It was agreed: to approve the transfer of the Human Resources and payroll services contract to EPM from 1 April 2021.</p> <p><i>The Principal did not participate in the following audit agenda items 21 -24</i></p>
21.	<p>TO RATIFY INTERNAL AUDIT DECISION</p>

	<p>The CFO reported that Trustees had approved Haines Watts to provide internal audit services via email.</p> <p>The move from Wylie & Bisset would meet the requirement in the ESFA letter which prohibited external auditors from providing internal scrutiny.</p> <p>It was agreed: to ratify the decision to approve Haines Watts to provide internal audit services.</p>
22.	<p>AUDIT SCHEDULE OF BUSINESS</p> <p>The Internal Scrutiny Reviews – Suggested Scope 2020/21 had been circulated via email prior to the meeting for Trustees to review.</p> <p>It was agreed: to approve the audit schedule of business.</p>
23.	<p>AUDIT PLANNING MEMORANDUM REPORT</p> <p>The Audit Planning Memorandum – Year ending 31 August 2020 had been circulated prior to the meeting and the CFO reported:</p> <ul style="list-style-type: none"> • A year end audit had been scheduled during October half term week <p>Q. Would the audit have a similar scope to the previous year A. The auditors and the scope of the audit would be the same as last year</p> <p>Trustees noted the information in the audit planning memorandum report.</p> <p><i>Mr Maclaren left the meeting at 4.40pm</i></p>
24.	<p>TEACHERS PENSION AUDIT REPORT</p> <p>The letter from Wylie & Bisset dated 30 September 2020 along with the Teachers' Pensions Contribution for Financial Year 2019/20 had been circulated prior to the meeting. The CFO reported that the audit had been completed and the information had been submitted by the deadline.</p> <p>Trustees noted the information in the teachers' pension audit report.</p>
25.	<p>LIST OF POLICIES FOR ALLOCATION TO COMMITTEES FOR APPROVAL</p> <p>The list of policies had been circulated prior to the meeting for Trustees to review. Mr Winter reported that Trustees at the Standards & Curriculum Committee had suggested a working party should be formed to review the policies rather than having them presented at the committee meetings.</p> <p>Q. Would representatives from both committees be required on the working party? A. It would be good practice to have a representative from each committee on the working group.</p> <p>It was agreed: a small working party would be formed to review the policies.</p>
26.	<p>NEW APPRAISAL POLICY AND PROCESS</p> <p>The Appraisal Policy and Process documents had been circulated prior to the meeting for Trustees to review. Lynsey Grace presented an appraisal process PowerPoint which had been presented to staff. The appraisal process would have a research approach and the targets were shared with Trustees.</p> <p>Q. How would the 'to develop vocabulary' target be assessed? A. The assessment of the target would be by comparing work at the start and end of the year, the vocabulary books in use and student outcomes.</p> <p>The Principal presented the Teacher Appraisal Policy which would apply to all staff,</p>

	including the Vice Principals, but not the Principal. It was agreed: to approve the appraisal policy and process.
27.	ANNUAL REVIEW OF COMMITTEE'S TERMS OF REFERENCE The Terms of Reference for the Finance & Human Resources Committee had been circulated prior to the meeting. The Clerk reported that the terms of reference had been taken from the Standing Orders and Code of Conduct document which had been reviewed in February 2020. The following amendments were suggested: <ul style="list-style-type: none"> • Item 7 should read internal auditors rather than external auditors • The date of review and approval should be included It was agreed: to approve the Terms of Reference for the Finance & Human Resources Committee, subject to the amendments.
28.	ANY OTHER BUSINESS No items of any other business had been reported.
29.	DATE AND TIME OF NEXT MEETING Trustees noted that the date of the next Finance & HR Committee had been scheduled for Thursday 19 November 2020 at 3.00pm.

The meeting closed at 5.10pm

PRCW

31/11/20