



The Chatsworth Multi Academy Trust

Minutes of Finance Committee Meeting

On Tuesday 19th November 2019

At Chatsworth High School

Present:

Ms Louise Hutchinson	Trustee
Mr John Corker	Chair of Finance Committee
Dr Martin Hanbury	CEO Chatsworth Multi-Academy Trust
Ms Helen Birkinhead	Headteacher, Chatsworth High School & Community College

Apologies:

In Attendance:

Ms Vicky McRae	Trust Business Manager
Miss Judy Thorp	Clerk, Just A Sec

The meeting met its quorum

1. Welcome and Apologies for Absence

The Chair welcomed all attendees to the meeting. There were no apologies for absence received.

2. Declarations of Any Other Business

Financial Performance

There was an exchange with Mel from Haines Watt regarding the presentation of the accounts. The format of the accounts is now much improved and fairly easy to understand although Mr Corker noted that the accounts are still not presented on an accrual basis which means that the committee is unable to compare actual performance. Mel has been made aware of the request and will be reminded by Ms McRae during their next conversation.

Action: Ms McRae to remind Mel from Haines Watt that the accounts should be prepared on an accrual basis

There have been some inconsistencies in terms of the management of Chatsworth accounts and a further change is expected when Mel commences maternity leave.

Action: Ms McRae to request confirmation of who will be allocated to Chatsworth during the period of Mel's maternity leave

Since the reports were circulated, there has been a further change in staffing with a TA2 now working two days per week at Futures. This has resulted in a reduced in-year deficit of £70,000.



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Mr Corker recalled that there had been discussions regarding the deficit position of the budget when the initial 3-year forecast was presented. As a result of some efficiencies made, the final budget projected a broadly neutral year end position. However, the latest budget report predicted a shortfall of £80,000 which is a cause for concern.

Ms McRae explained that almost half of this relates to after school club. Chatsworth receives £25,000 in funding and parents are then charged a session fee. The annual cost is approximately £35,000 which means that surplus funds are being used to support the costs. As such, the situation will reach the point where there are not enough funds. Session fees could be increased but this would not be sufficient to fully address the issue.

The other half is made up of a range of aspects such as the 2.75% pay award for teachers. This was not anticipated at the point of budget setting.

Some changes in staffing since September have also had an impact.

The decision was taken to buy into a maternity leave insurance policy to cover staff in Post 16 and Post 19 establishments at a cost of £3,000.

The cost of the Speech and Language Therapist was originally 2/3 subsidised by Pupil Premium funding but some of this has had to be reallocated meaning that the budget has had to cover an additional £5,000 of SALT costs.

Agency costs have increased due to the decision to employ a supply teacher for the majority of the year to cover a planned absence which continued for longer than anticipated. The supply teacher was then extended to cover a maternity leave due to commence next week.

Q: Why is the allocation for Agency TAs at £20,000 when several new TAs were recruited last year?

There were two supply TAs working through the autumn term for additional cover although one has decided that the role is not suitable for her. One TA who has worked at the school previously has been offered a position for the full year. One TA is covering absence.

It is usual to have an increase in staffing during the autumn term as additional support is required to settle in the new cohort, particularly in relation to some of the more complex pupils. A number of factors have exacerbated the issue. The school has reduced staffing previously which does not then give capacity for absence cover or additional support. Also, the school has received a cohort of children with more complex needs this year who require higher levels of support. This may be partly linked to a busier environment within the school as demand for pupil places increases. As such, there is a need to increase staffing to cope with demand and ensure staff feel supported.



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As a group, staff have raised their concerns that they are finding the situation difficult and as such, the leadership team must respond.

It was suggested that the situation is at the point where a further discussion should be held with the LA in terms of the fee structure as it is now apparent that the school is not receiving sufficient funding to provide the levels of staffing and support the pupils require, meaning that budget reserves are reducing significantly.

The school is also working to resolve an issue with TA funding for the previous financial year and it is likely that the issue will impact on funding for this financial year also. The LA has not yet agreed the banding for last year despite being informed of the costs.

The LA is also querying the additional place funding despite having previously given agreement. Ms Birkinhead has produced case studies to support the case for additional funding for some pupils.

The budget was based on a 1% pay increase for support staff although this is not yet confirmed and could increase to 2%.

There has also been a higher level of staff absence this term. It is unfortunate that some staff are feeling under pressure which leads to them taking time off work which then has a negative impact on colleagues who have to cover the absence. The leadership team is looking to address this sensitively but robustly. On the whole, the staff team is very committed and dedicated to supporting the pupils.

Return to Work interviews are offered to all staff but are not always attended. Ms McRae does not have capacity to follow these up due to workload issues. Trustees felt strongly that Return to Work interviews must take place after each period of absence.

Action: Ms McRae to inform staff that Return to Work interviews must take place after each period of absence on instruction from Trustees

Mr Corker raised concern regarding the increased expenditure in supply costs and recalled that the allocation was questioned at the point of budget setting. However, assurance was received that the allocation was realistic which has proved to be incorrect. It was explained that the absences were not anticipated but the allocation is now accurate based on current knowledge.

Q: Why is a supply teacher needed for a year to cover maternity leave?

The original plan was to use the PPA teacher to cover maternity leave and for the TA4 to cover PPA. However, this is no longer possible as the TA4 is currently working two days per week at Futures.

Q: What maternity leave cover do you have?



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There was a maternity policy in place for staff who worked with pupils up to 16 years of age but not for staff working with Post 16 and Post 19 pupils. As such, the decision was taken to buy into another policy to cover these staff at a cost of £3,000.

Q: Is it possible to present a comparison of anticipated expenditure and actual for last year to help future predictions to be more accurate?

Ms McRae is working on a system of updating the budget monthly to monitor the budget at the start of the year and the changes taking place throughout. Notes are then added to explain any variances. Any significant variances are discussed with the Headteacher and Governors.

Mr Corker requested actual end of year figures for the previous financial year to compare the current and previous budgets.

Action: Ms McRae to produce the end of year budget for 2018-19 to compare with the budget position for 2019-20

A discussion took place regarding the funding allocated to SALT provision. The school previously subsidised 2/3 of the costs using pupil premium funding. However, a proportion of this funding has had to be redirected to pay for the Manchester United Foundation contract. The school has submitted a bid to support with the MU Foundation costs and if successful, will reallocate the funds to the SALT provision.

The contract with the MU Foundation will provide a member of staff based in school facilitating clubs at lunchtime, employability sessions, self-esteem sessions through reading and other strategies. The provision will support the school's broader curriculum offer.

The plan is for the member of staff to provide support at the school and at Futures and the package will be bespoke to meet the needs of both establishments. It is hoped that this will help to alleviate some of the pressure on staff as lunchtimes can be a difficult period which some pupils find particularly difficult to manage meaning that the school has to have high levels of supervision in place.

The cost of the contract is £75,000 over 3 years. The cost will be split between the school and Futures.

Q: If money is diverted from the SALT provision, should the offer be reduced to reflect this?

The offer has already been halved from six days to three days. If the school did not receive pupil premium funding, the need would still be there, and some provision would be bought in. The school provides SALT support as a universal offer to all pupils.

Q: Is it appropriate to offer a provision funded by pupil premium to all pupils?

Yes, as well as providing opportunities for disadvantaged pupils, it is important to ensure that the school does not disadvantage the rest of the cohort by depriving them



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of support they require. As such, it is appropriate to offer initiatives funded by pupil premium to all pupils.

IT Budget

When the initial 3-year budget forecast was produced which projected a deficit position, the IT budget was reduced from £15,000 to £5,000. However, the IT Technician has requested additional expenditure in this area which will require a virement of funds into the IT budget.

The request includes a set of iPads and hydro switches which will require up to £10,000 being transferred into the budget.

Dr Hanbury explained that he had met with the IT Technician over the summer break to produce a budgeted development plan. There were three elements to the planning:

- The cost to run the systems – e.g. licenses
- The cost to develop the service – e.g. investing in iPads, changing the server
- Innovative plans to move forward with curriculum development

Each element was costed individually according to priority. Within this, the replacement of the server became the main priority. The original plan was to complete the replacement next year by building a new server alongside the current server with a view to moving over completely during the summer holiday. £40,000 was built into the budget. However, it was agreed that the project should be completed earlier as there are concerns regarding a potential failure of the current server. The IT Technician feels that the transfer could be completed at a significantly reduced cost of approximately £10,000.

The IT Technician is keen to replace the iPads as these are nearing the end of their useful life.

The hydro switches are desirable but may have to be deferred. However, Ms Birkinhead felt that this was a priority to support the development of the pupils.

The new PA system in the hall has been largely funded by donations from the PTA meaning that the school had to contribute a very small amount of £120.

Action: Letter of thanks to be sent to the PTA

To complete these projects, the IT budget would require an additional £10,000 taking it back to its original allocation of £15,000.

Trustees agreed that these are the aspects of school development that the budget should be used for and as such, supported the transfer of additional funds to the IT budget.



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Potential funding opportunities were suggested to support with projects such as IT development. These may include:

- Cauldwell Charity
- Karten Group
- Ceridian

Action: Tracy ? to pursue potential funding opportunities

Approved: The Finance Committee agreed to transfer £10,000 to the IT budget

Chatsworth Futures Budget

The shortfall is minimal which is positive to note.

The cost of support from Helen Bramley is budgeted up until December but there will be some additional support required until at least Easter. 40 days of support have been agreed to the end of December and 6 days per month until Easter. Following this, support will reduce again. The total cost is expected to be approximately £30,000.

Ms Bramley is very flexible in terms of the offer and is happy to meet the needs of the MAT.

Q: What does the increase of £35,000 relate to?

There have been increases and reductions in various areas that have led to the overall increase of £35,000. For example, the tutors' budget has reduced from £102,000 to £52,000 and the Occupational Therapist has reduced from two to one days per week. However, there have been increases in the therapies and consultants cost centre in relation to support from Ms Bramley.

Q: Are there plans to replace the Occupational Therapist?

This will depend on the budget and the needs of the students.

Reserves remain very limited and a further contribution from the Trust was therefore agreed.

Approved: The Finance Committee agreed a further contribution from the Trust to Futures budget

3. Pay Policy and Trustees Salaries Sub-Committee (LH)

Ms Hutchinson pointed out that the Pay Policy is usually presented to the Governing Board for approval on an annual basis. However, there are some aspects of the policy that do not reflect the practice of the Trust. For example, the Governing Board would previously make decisions regarding pay, but all financial responsibility is now delegated to the Finance Committee. To ensure clarity and accuracy, Trustees must consider whether to change the practice of the Trust or the wording of the policy.



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An objective for Dr Hanbury this year is to establish a committee to review all policies. Dr Hanbury's view was that a separate Pay Committee should be established for the Trust consisting of members of the Finance Committee which sits in the autumn term to consider the pay recommendations of all staff. This would allow for a rigorous process to take place and give equity across the Trust. The decision-making body should be the Trustees although it would be appropriate for Governors to feed into this process.

The plan to introduce a Policy Committee was discussed. It was suggested that, as this committee would also be responsible for consulting on policies with interested parties, the name of the committee should be the Joint Consultancy Committee.

Approved: The Finance Committee agreed to introduce a Joint Consultancy Committee

The model going forward for policies is that all will be Trust-wide but may then include an appendix to reflect the practice of the individual establishment within the MAT.

The policy must reflect the practice of the Trust or this could risk potential future challenges. For example, the policy states that before a post is advertised, the Local Governing Board will determine the pay point. However, this function is delegated to the Headteacher and is established practice. It was suggested that this would be appropriate to fall under the remit of Chairs action on the recommendation of the Headteacher.

Section 3.2 – Trustees agreed that option 2 should be adopted

Section 4.1 – Trustees agreed to adopt the statement as shown in the example

UPS applications – Trustees agreed that UPS applications should be submitted to the School Business Manager to be considered by the Headteacher.

Trustees agreed that the policy should be amended to state that the Headteacher will consider UPS applications and make a recommendation to the Pay Committee for a formal decision to be made. The decision should then be communicated in writing from the CEO of the Trust.

Approved: The Finance Committee agreed that the Pay Policy should be adopted without amendment for the current academic year

Action: Ms Hutchinson to work with the leadership team to propose the changes to the Pay Policy for next academic year. HR to be consulted on the proposed changes

Approved: The Finance Committee approved the proposal to establish a Pay Committee for the next academic year. Proposal to be presented to the Trustees Meeting

4. Salaries and Increments: TH and RB (MH)

Dr Hanbury referred to the documents circulated prior to the meeting.



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TH has demonstrated excellent performance over many years and is currently at the top of her pay grade (4A). As such, TH has not received any incremental increases for some years. Dr Hanbury felt it was appropriate to consider a change of pay grade for TH to 4B which would provide her with a greater salary range moving forward and allow her to be recognised for her commitment and dedication to the school.

TH has stated that she does not wish to go through job evaluation due to her negative experience of a previous job evaluation exercise. Dr Hanbury felt that it would be very difficult to carry out a job evaluation process due to the role being unique to the school.

Q: Will this set a precedent?

This is something that would need to be considered

Q: Can you be confident that TH is not being underpaid without carrying out job evaluation?

Job descriptions for similar roles, e.g. Learning Mentors are roughly similar in terms of salary grades. However, it is not possible to find a job description to match that of TH as the role is very unique

Dr Hanbury did not feel that job evaluation would be a worthwhile process as there is no role similar enough to benchmark against.

Q: How does TH view the situation?

She was pleased to receive a more precise job description and appraisal targets. She enjoys having the freedom to carry out and develop her role and this appears to work for all involved currently. Her view is that the issue is not related to finance but is about her being recognised for the role she is carrying out so well. With the focus on mental health and wellbeing of staff, Dr Hanbury felt that this was an important step to take.

The concern regarding this setting a precedent was raised again although Dr Hanbury was confident that, due to the size of the Trust, it was appropriate to consider each case on an individual basis.

Approved: The Finance Committee recommended the re-grade of TH to a Grade 4B backdated to 1st September 2019

Action: Proposal to be presented to Trustees for final approval

The second proposal is to re-grade RB from 3C to 4A to reflect the increase in responsibility and widening of his role across the Trust. This would provide him with a greater salary range. Although similar positions could be used to carry out a job evaluation process, it would be difficult to identify a similar role relating to his MAT wide responsibilities and the fact that both establishments are operating different systems which are incompatible.



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RB now has a clear job description and appraisal targets. The aim is to further develop his role to make it more innovative and ensure he can be held accountable for the strategies and systems implemented.

Q: How does the SLA with Trafford impact on his role?

Trafford do not have capacity to offer any additional support and are there as a safety net only.

It was suggested that it may be more cost effective to employ a technician to support RB in the future in the form of an apprentice.

RB has a degree in IT and in sound engineering and has recently completed further CPD. CPD will be an ongoing feature of his role.

Q: Does he have a timetable of tasks to complete throughout the week?

Not currently but this could be introduced to make his role more specific. He is reluctant to introduce a helpdesk system, but Trustees agreed that this would help to manage workload, identify patterns and trends and help him to gather evidence to support his performance management.

Approved: The Finance Committee recommended the re-grade of RB to 4A backdated to 1st September 2019

Action: Proposal to be presented to Trustees

Q: Will there be a recharge of the salary to Futures?

Yes, although the Finance Committee agreed that this should be deferred for a year until the Futures budget is in a stronger position

5. Condition Improvement Fund application (JC)

The plans for the CIF application have not yet been finalised. Discussions have been ongoing for some time in relation to the impact of increased pupil numbers on certain functions of the school such as admin, IT and accommodation.

A suggestion to address the issue is for the 6th form to be based at the old site. However, the MAT does not own the building and has a lease of only 5 years.

The building could accommodate approximately 25-30 pupils and would help to prepare them for transition into future education or training.

It was explained that the site could not be named specifically as a 6th form but could be used as an additional provision for the high school as well as 6th form students.

Elements of the building would need to be reconfigured to accommodate the students, but the amount of work and costs involved would be minimal as the building is already in a good state of repair.



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Q: Would funding be available to support with these costs?

This would need to be investigated further

Ms McRae clarified that in order to apply for CIF funding, the MAT would need to submit a business case for expansion. It is unlikely that this could be completed by the December deadline which would be necessary if the plans were to be in place by September 2020.

In order to submit expansion plans, the MAT would have to be able to prove that it was financially viable and could afford to fund the building on a full-time basis including staffing, IT, site management etc.

The CIF relates to improving the environment but in order to access this fund for the additional building, an expansion business case must be submitted and approved. This would only be successful if the Trust could prove it had the funds to support the proposal.

Q: Would this be superseded by the LA requesting the school to increase the PAN?

No as this request relates to the current site and not the new site.

Q: What about the fact that Chatsworth already has a lease on the building?

If the MAT wanted to use the building on a full-time basis, it would have to go through the expansion process. To be successful, the MAT must evidence that it has the finances to support with all of the running costs.

The LA will not commit a response as to their long-term plans for the building but there is a significant amount of competition for the building.

The SEN Department is very keen for the MAT to increase capacity and it may be sensible to approach them to support the case with the LA in terms of agreeing a longer-term lease and agreeing to fund the additional places.

Action: Matter to continue to be discussed with relevant parties and an update to be presented to the next meeting

6. Pupil Admission Numbers: Ratification of decision (MH)

The school has been asked to increase the PAN to 140. Following discussions, it is agreed that this would be to the advantage of the school.

Approved: The Finance Committee approved the increase in PAN to 140

Q: Do we accommodate out of borough pupils?

Yes, a small number

Q: Do we charge a premium for this?



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No. It was suggested that this may be appropriate in some cases.

Action: Mr Corker to provide information on charges applied by other schools

7. Legal costs re Deans (JC)

The £2,280 charge was paid for out of the Trust budget but should have been paid for by Futures. £2,000 was allocated towards legal fees this year but this has been overspent by £1,500 to date.

Q: Was any financial support received to relocate to Deans?

£10,000 was received for refurbishment but the cost had to be subsidised by Futures

It was agreed that the legal fees should be allocated to Futures budget to give a more realistic view of actual costs.

Approved: The Finance Committee agreed to allocate the legal fees to Futures budget

A Trust bank account is now up and running.

8. Auditors and continuity (JC)

Trustees are mindful that Mel is due to commence maternity leave and therefore, another auditor will be allocated by Haines Watt. It will be important to ensure that a robust handover takes place.

Action: Ms McRae to raise the matter with the auditors and request information on the new allocated auditor

Mel will attend the Trustees meeting to present the accounts. The report is not yet available due to the limited amount of time between the final audit and the Trustees meeting.

The documents must be signed off by the Chair of Trustees and Chief Accounting Officer

9. TA funding issue (JC)

At the point where support staff received their salary increases last year, salaries of TA1, 2 and 3 one to one staff were recalculated, and a variance noted in the funding received from the LA. The matter was raised with the LA and accurate figures submitted, and they agreed to consider the calculations. However, the LA have not responded to confirm that they will pay the additional costs. As such, they continue to fund based on pre-April 2019 rates and this has had a negative impact on the budget. As the matter has still not been resolved, there will be a further impact on the budget this year.



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Action: Dr Hanbury and Ms McRae to meet and discuss the points to be raised with Geoff Catterill

10. Term of office (JC)

Mr Corker informed the meeting that he would be looking to stand down from the Finance Committee and possibly as Trustee once his term of office ends in July 2020. As such, it will be necessary to recruit a replacement with the appropriate skills.

Mr Corker was thanked for his support and challenge offered to the Trust.

Action: Recruitment to be considered at the Trustee Away Day

11. Business Manager role - update (JC)

To ensure appropriate segregation of duties, Ms McRae will start to take on more HR responsibilities, Wendy ? will focus on Trust strategic level funding and Rachel Hill will focus on day to day finance matters.

Meetings have been taking place to ensure all individuals are clear in their roles and responsibilities and a document has been produced which sets out the areas of responsibility for each member of staff. A handover is ongoing and will continue until Easter. At this point, Ms McRae will step back from the role but remain as a source of support if required.

Job descriptions will be updated to reflect the changes and the members of staff will receive appropriate training to ensure they are confident and capable in each of the areas of responsibility.

The new structure will release Ms McRae to focus on other priority areas of development within the Trust.

12. Any Other Business

Audit Committee

It is recommended that an Audit Committee is formed to receive the accounts and other related matters. This does not have to be a separate committee but could fall under the remit of the Finance Committee.

Approved: The Finance Committee will be renamed the Finance & Audit Committee

Finance Manual

The manual will need to be updated later in the year and will then be presented to the committee for approval.

Action: Finance Manual to be updated later in the year and presented for approval

Cost Centre Additions



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On the advice of the OT, the school had to purchase an Achiever Changing Bed at a cost of £5,000. The bed is now owned by the school and can be used for other students. To fund the purchase, the money was transferred out of the surplus funds.

Approved: The Finance Committee retrospectively approved the transfer of £5,000 from the surplus funds to pay for the Achiever Changing Bed

Next Quarterly Audit

The next audit is due to take place in December. Trustees will be required to update their skills audit.

Action: Trustees to update their skills audit

13. Future Meetings 19-20 (MH)

To be confirmed