

**MINUTES OF THE 92nd FINANCE AND RESOURCES COMMITTEE MEETING
HELD AT ASHCROFT TECHNOLOGY ACADEMY ON
TUESDAY 09 OCTOBER 2018 AT 16.00**

Present: Dick Whitcutt (DW - Chair), Douglas Mitchell (DMI), Stewart Harris (SH), Tony Bothwell (TBO), Angela Entwistle (AEE), Rachel Branagan (RB)

In Attendance: Richard Perry (RJP), Conor Hewitt (COH) – Minutes

Meeting Started: 16:00

1. Apologies for Absence

All committee members were present. It was noted that Rachel Jarvis had recently married and was now known as Rachel Branagan.

2. Declaration of Interests

There were no declarations of interest.

3. Minutes of Last Meeting (04/07/18)

The minutes of the previous meeting were agreed as a true and accurate record and duly signed by the Chair.

4. Matters Arising

Since the last meeting, DW had communicated with Keith Wilson and thanked him for his service. DW suggested that Keith might return at some point in the future, to discuss the differences in governance systems between the Academy and the school board of which he is now a member. RJP also mentioned that it would be very good if another Young's employee could join the Board, as there has been a long-standing relationship between Young's and the Academy, which would be good to continue. It was agreed that this should be raised with Torquil Sligo Young (ex-Trustee and a director of Young's Breweries) at a forthcoming opportunity in the near future

5. Capital Developments

RJP discussed in detail the capital works that have taken place since the last meeting. The previously discussed ventilation works have been completed. This work appears to have made a difference. However, we will have a better understanding of the improvements made once the temperature starts to rise next summer.

RJP also confirmed that the CCTV upgrades throughout the Academy are progressing. There are 2 new cameras left to be installed, this work will be finalised by the next meeting in December. The Academy's network support team will take part in a training programme to ensure that all of the new functions in the system are used effectively.

The IT services work which was discussed at the last FRC meeting is currently around 80% complete. The work, which was previously scaled down is scheduled to be completed by the end of the October half term.

The new sound and lighting truss in the auditorium has also been installed. Work did progress slowly but the equipment was in place for the open evening for prospective year 7 students in September.

6. Revenue Funding (2017/18; 2018/19 and 2019 onwards)

RJP showed the committee the annual funding comparison sheet. The Academy's projected income and expenditure is very similar to last year. The sheet does not include around £250,000 of funding we are yet to receive from the local authority and the trading company. Also not included is around £100,000 worth

of expenditure to be accrued at the year end. Subject to these final adjustments, the Academy may well achieve a small surplus in the accounts for the previous year. The Academy has continued to cut costs where possible. In particular, less major work was undertaken during the summer holidays in order to reduce expenditure. There has also been a reduction in staffing costs. All this has meant we are not faced with the deficit most schools are experiencing.

RJP expects the government to maintain its approach to educational funding in the medium-term. However, the government has notified schools that a multi-layered pay increase for teaching staff will be recommended. Teachers in the early stages of their careers will receive a 3.5% pay increase, there will also be a 2% increase for teachers who are placed on the upper pay scale and a 1.5% increase for staff on leadership scales. The government has promised to help cover the costs incurred to schools with a grant. RJP estimated that the Academy will receive a grant of around £70,000 albeit the actual cost to the Academy of implementing this award in full is expected to be around £88,000.

The government has also promised assistance in covering the costs associated with the recently announced increase in employer contributions to the teachers' pension scheme, which take effect from September 2019. This is a National scheme with no options for ATA. While the government remains keen to ensure that staff costs for schools across the country do not exceed 80% of all expenditure, this is becoming increasingly impossible to achieve. RJP further discussed with the Committee the Academy's 3-year budget plan submitted to the ESFA in July after endorsement by trustees.

The extra income the Academy will receive from the increase in student numbers with an extra form of entry will help the financial projections over the next 3 years and will provide a welcome increase in total income. However, expenditure will inevitably increase year on year and this means that the projections show a deficit for each of the three years which will impact cash reserves. RJP noted that the Academy is, however, in a very strong financial position, when compared with other secondary schools and academies, and that the trustees have agreed for the Academy to continue operating at the level it is currently whilst drawing on reserves for the meantime. DMI and RJP still continue looking for efficiencies to save money where possible.

7. Staffing Matters

RJP discussed the attendance reward scheme with the committee. RJP showed the committee a document which broke down the attendance statistics for all staff in the Academy as well as the financial implications of the attendance bonuses resulting from this. 53% of all staff had 100% attendance and 85% received some form of attendance bonus. RJP noted that the attendance of teaching staff was higher than associate staff. The total annual cost of the scheme was £77,000, RJP said that he believes that this provision is well received by staff and provides much value for money, as the effect that excellent attendance has on the teaching and learning throughout the Academy and on its outcomes is hugely evident. Consistent hard work and excellent attendance is a part of the Academy's ethos and this applies to both staff and students.

As attendance rewards are based upon a percentage of earnings, DW put forward the idea of adding some form of upper cap on the bonus scheme in order to ensure that the total cost of the scheme stays at a manageable level in the future. Paying the most senior members of staff attendance bonuses can be quite costly (and, arguably, the least necessary to discourage casual sickness) After discussion, a future earnings cap of £80,000 was agreed to maintain un-capped bonus for now to all but the very top of the leadership scales.

8. Trading Company

Subject to year-end adjustments, the Academy will receive around £90,000, gift aided from the trading company. This is a similar amount to last year. This revenue was mainly raised through sports lettings held both at Openview sports ground and in the Academy gymnasiums.

9. Policies –

- **Staff Absence and Well Being Policy** – approval required

- **Academy Pay Policy 2019** – update for information
- **Academy Financial Procedures 2018** – update for information

RJP had previously circulated the above policies with the committee. RJP asked the committee for their thoughts on the Staff Absence and Well Being Policy. The committee found no issue with it and approved it. RJP noted that there have been no major changes in the other policies circulated, just small updates and were therefore included for information purposes only.

10. Pay Reviews 2018/19

RJP had circulated background information relating to the pay award process and confirmed that the Trustees had approved the total salary estimate figure of £7,561k with authorisation of up to +1.5% above this figure for the FRC to take into account when setting pay reviews for staff. RJP also outlined the national pay award percentages (2% for associate staff based on local government awards set in April and between 1.5% and 3.5% for teaching staff, dependent upon which pay scale such staff were on). It was agreed that these should form the basis for annual reviews for all staff - to be effective from, and backdated to, 1 September 2018.

Added to the above-mentioned inflationary increases, it was agreed by the FRC that those staff who, with satisfactory performance, would be due standard incremental progression within their relevant scale, would receive this – but subject to several exceptions.

DMI explained these exceptions in detail at the meeting (by position and/or name) having stated that an enhanced performance review system was now in place to better inform on such matters and also that he had discussed these in detail with the Chair of the FRC in advance of the meeting. It was noted that one member of the teaching staff would be held back from progressing to the Upper Pay Scale due to performance issues which were being monitored, while two further members of the teaching staff are on notice to improve who may be similarly held back next year unless improvement is forthcoming.

Two members of staff were recommended for a double jump on the teachers' pay scale for exceptional performance and a further two staff were recommended to receive one-off bonus payments of £1,500 and £1,000 respectively.

Turning to the Associate Staff, RJP also sought agreement for one member of staff to receive a bonus for £1,000, again for exceptional performance, and for one member to be offered pay in lieu of holiday up to the value of £1,000 for leave they have been unable to take. On the latter, RJP advised that workloads would be monitored going forward, but added system efficiencies may assist.

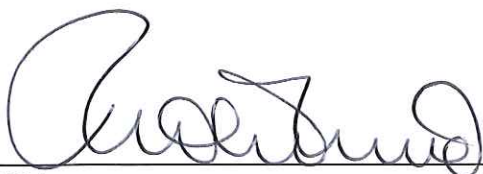
All recommendations were approved by the FRC. Further details of individual cases were given at the meeting but are omitted in these minutes for staff confidentiality reasons.

11. Any Other Business

No other issues were raised.

Meeting ended 17:10

Signed: _____



Date: 12/12/2018

Richard Whitcutt

Chair of Finance & Resources Committee

