



Holy Family Catholic Multi Academy Company

Meeting of the MAC Directors
Thursday 22nd March 2018, 6.30pm
St Benedict's Catholic High School, Sixth Form, First Floor

Present

Steve Groves	Foundation Director (Chair)
Kayleigh Sterland Smith	Foundation Director
Teresa Quick (+7.42pm)	Foundation Director (Vice-Chair)
Jacqui le Maitre	Executive Director

Others

Simon McVeigh	Foundation Director
Maretta Pearson	Foundation Director
Jane McNally	Headteacher, St Gregory's
Jackie Smith	Headteacher, St Mary's Evesham
Kate Hawkins	Chief Financial Officer
Alannah Bayliss	Head of HR
Mark O'Connell	MAC Risk and Governance Officer
Lisa Fryer	Clerk

Apologies

Nick Gibson	Executive Director
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Meeting was quorate throughout (5 Directors)

Meeting opened at 6.37pm

ARC180322.1 Opening Prayer

The meeting opened with a short prayer led by the Chair

ARC180322.2 Welcome, apologies and thanks

Additional Directors present had exercised their right to attend the meeting and it was noted that they have the right to vote on any matters.

ARC180322.3 Declarations of business and pecuniary interest

None were noted for the agenda items this evening

ARC180322.4 Approval of minutes

Minutes from the last committee meeting on 30th November 2017 were accepted. Confidential minutes from the same meeting were also accepted.

ARC180322.5 Appointment of external auditors

The Chief Financial Officer read the statement distributed prior to the meeting and confirmed the tendering process completed prior to the appointment of Randall and

Payne. The Directors heard the cost for the current audit period. The Committee approved the continued contract for Randall and Payne

ARC180322.6 Financial policies for approval

The Chief Financial Officer confirmed the draft policies that were in front of the Committee for approval at this meeting. It was noted that the Reserves policy does not include a value or % within the detail. A discussion took place around the reserve level currently in place. The current policy does not include this detail, and the Committee heard it is not a requirement to do so. Some schools may benefit from a definition but others would find this difficult. It was noted that the policy does not required the detail to be approved. There is no specific target for the reserve figure, and the CFO explained the detail of what would happen if there was a deficit expected. The Committee discussed the option of setting a figure or value detail for the reserve that could be set out in an addendum. Directors would need to also consider that this should be a MAC wide figure so that individual schools would not be restricted. It was agreed that the Chief Financial Officer would investigate this detail further and provide information back to the Committee.

All Policies other than Reserves policy were ratified without amendment.

Reserves policy ratified with the agreement to an appendix to be completed for the April meeting - where the full board could approve.

The clerk then outlined the process for Local Governing Body adoption of these policies, and the reporting back to the Committee once this was complete.

ARC180322.7 Staff policies for approval

The Head of HR confirmed the four policies presented for approval. There was reiteration of the covering note which related to the delegation of powers to Executive Headteachers or Head of School. The Committee sought clarification of the delegation of roles within the policies for Local Governing Bodies, Vice Chairs and positions in appeals.

The Committee ratified all the policies presented.

The Head of HR confirmed that work will be done to complete the remaining policies for approval at future meetings.

ARC180322.8 Report on staff detail

The Chair noted that a template was circulated for completion, with detail of absence and turnover within the staff team. The Chair stated that this is detail that Directors would expect to see, and noted that LGB are reporting on some level currently. The Head of HR explained the challenges of collating the reports and the Chair asked when that sort of level of detail would be possible to present. It was noted that the information was of a level that Directors should be aware of regularly.

Some discussion took place over the level of detail that Directors were requesting and it was confirmed that the Headteachers have access to this. The Chair explained that

the document would be used for tracking and identifying spikes. Suggestions were made that the One Drive could be used to collate the detail, and Headteachers would be able to copy detail from the Headteachers report. There was agreement to tweak the presented table to make this possible. Some detail was requested from the Head of HR for the next full board meeting on 17th April, then full detail report for 14th June Committee.

Directors asked about the non financial elements of the SIMs system, and it was confirmed that currently the MAC do not have the access at central HR level, the cost to include this was investigated but this would be significant. The Head of HR gave feedback to Directors that the current system is limited in it's use and capability. Directors heard that the current system runs the Pupil element too and so could not remove and replace with alternative. SIMs is not an ideal system but is effective for the basic purpose. Directors asked if investigations into the individual versus the multi user licence had been done as this may enable negotiated options. The Chief Financial Officer reported they will investigate some longer term options to allow better reporting and detail collation.

The Committee heard that the Payroll Officer is notified of absences, however the specific detail is not always reported. Eg. only an unpaid absence, not reasons why. Headteachers shared the paper documentation detail that is currently in place within schools for tracking this detail.

The Chair asked that in the absence of specific data, where there any issues that should be of concern. St Benedict's noted some long term sickness, but this was nothing of concern and all monitored. Staff turnover was no different to any other point of the year at St Benedict's, however the annual turnover was at a relatively high level, in line with other schools and higher than previously, but noted this is the case at present in Secondary school positions. Directors asked if exit interviews are completed, and they heard that they were always offered to staff but not enforced or required. Current reasons for leaving included retirements, travelling, other roles, and progression.

Primary school Headteachers noted that sickness had been higher than average this term. St Gregory's turnover was currently ok, replacements had been sourced with starting dates agreed. Evesham had 2 members of staff looking for progression but none going on. Teaching Assistants and lunchtime supervisors was a constant source of staff turnover. The Federation noted one absence, others in general churn. HR raised that more flexible working requests have been coming in and reduction of hours to 0.8 etc with recruitment of backfill adding to the headcount.

ARC180322.9 Finance update

The Chief Financial Officer started by apologising for the delay in the current reports. It was noted that the January reports had been circulated to Headteachers but the chance to scrutinise and respond has not been possible.

Chair asked what Chief Financial Officer was doing to address the late delivery of reports on a monthly basis. He accepted the challenges relating to capacity and other

pressures, and asked then the additional resource agreed would be on board. He noted that Headteachers feedback is suggesting that they are not able to work with their Local Governing Bodies to confirm the detail on a regular basis. The Chair asked when this situation would be resolved and the Head of HR and CFO explained the current temporary contract in place, with further recruitment options to bring the staffing detail up to date. The Chief Financial Officer noted that there have been considerable other unpredicted pressures that have meant re prioritising of deadlines. Directors were asking whether this resource would be sufficient and will recruitment resolve the problems. The Committee stated they would like to be confident that the previous problems are behind and managing the future deadlines would not be an issue.

The Chief Financial Officer talked through the report. Page 1 was a summary of the MAC as a whole, giving the year to date position. The Committee talked through the phasing of budgets and the expenditure that could be planned and gave details and explanation at the overall high level. St Benedict's was covered, which is currently in deficit, however less than have been forecasted by this stage. This has been driven by the building expenditure, or lack of it so far. However the new Premises Manager starts after Easter so there is an expectation there will be expenditure in Summer term.

Committee members asked about the the use of agency for cover on permanent staff, and asked if recruitment had now been completed to reduce this as a future cost. The Chief Financial Officer explained that the current costs would not necessarily get lower. When asked what the end of year overspend could be, it was noted that it could be as much as £40k by the end of the year. There was a positive regarding income as more pupil premium money is coming in that had been forecast.

The Chief Financial Officer explained that most of the other schools in the MAC are in a better position at this point. Our Lady's Alcester, was in surplus against forecast due to good control of all headings. St Gregory's Stratford upon Avon, was in period to date deficit, but again less than had been forecasted. There was a noted expenditure in their forecast of £35k to support roof work and it was noted that a CIF bid will be put in later this year, so the funds are in place to cover work if required. Savings had been made in teaching and learning assistant non replacement within the school. The PE grant was doubled but this should be spent.

St Mary's Broadway, period to date is in deficit. The Committee heard that nursery costs were in there had had not been forecasted, however if these are removed there is a £6.2k in deficit against forecast. The school has made some savings on the premises management and these savings are funding minor spending in other areas. Putting aside the Nursery costs it was noted it's on target. However all these figures do not including the Deficit reduction costs. The Committee looked at wrap around care costs and heard it cancels out in other areas of the management report.

The Committee asked if the school is storing a disaster by not managing the ageing premises. It was noted that Exec Head felt the building was old, with redundant

lighting and fittings being an example of the costs at present. The Executive Head-teacher was looking at replacements and options at the moment. St Mary's Evesham, was currently £32k in surplus, a big difference to their forecast. The Committee heard that genuine full year savings will come in from the school. However there were some building and premises expenditure to come that was included in the overall forecast. Strong management of accounts and expenditure was noted.

St Mary's Henley, was reported as surplus at present, against forecast of deficit. Again, premises expenditure has not been spent. The bid for classroom repairs is due to be notified soon and so this was factored in. If the forecasted funds for expenditure were not needed then that would be an injection back in. All positive stuff, however they do have the small school grant currently that gives them additional income.

Teaching School - In surplus by £8k against a forecast £12k. The Executive Head-teacher had not recorded charging out during the period so this would be different once inputted.

The Committee asked the Chief Financial Officer if it is possible to have a year to date metric of total expenditure on the reports in future and it was agreed this could be included. The Committee also asked what the total turnover for the year to date period was, however that detail was not available to share. The whole year turnover was noted as approx £7million. The Committee asked if the year to date difference as a % could be added to future reports too.

Teresa Quick arrived 7.42pm

The Chief Financial Officer then provided the Committee with ESFA audit preliminary feedback from Mark Jess, which was on the whole positive. Feedback included the necessary ratification of policies, and a full Business Continuity Plan and Risk Register should be worked on. Management accounts and working with Primary schools had also been identified. The Committee heard that the original October form submitted would not have passed the standards. However the current position submitted would secure a pass. The formal report due within a couple of weeks and this will be formally circulated. The Business Continuity Plan was noted as a significant piece of work that needs to be completed as a priority as MAC wide then to individual school level. The Committee heard that a process is in place but this will take a while. Thanks were noted to those who have supported the collation and preparation of the considerable details required for submission, including the Clerk.

ARC180322.10 Future finance strategy

The Chair had requested details on the MAC Future Finance Strategy. The Committee heard that the Diocesan financial health presentation was due the following Monday with Accounting Officer, Chief Financial Officer and Chair of Board attending. The presentation shared with the Committee is the draft version of this presentation.

The Chief Financial Officer explained that the last year is only a 5 months period, and so it's not an ideal report for a realistic comparison to other MACs. The presentation covered summarised detail for the MAC, income for conversion are the extras, with

property and land included. The schools were not in deficit. The MAC was using the conversion funds and costs with initial set up. The Committee saw staffing costs analysis, including staff costs compared to overall expenditure. The ideal position should be between 70-80% of overall expenditure. Costs at St Benedict's were noted as higher for this period. The Sixth Form were noted as driving the detail of % with lower class sizes and pupil numbers. However the Committee noted that all schools were a little higher than ideal. The Chief Financial Officer noted that the absolute maximum staff costs expenditure would be 85%.

All the detail of expenditure is taken to Governors and the Committees at St Benedict's to consideration. The Committee Chair asked if St Benedict's Governors should be asked to report on this level of expenditure and does this Committee need to report to any agency regarding this. Directors observed the previous figure of 84% and requested the projection for this year from St Benedict's to be reported back by the June Directors Committee meeting.

Members discussed the potential for the Diocese report to highlight any comparison detail. Income per pupil detail was discussed and variances noted. The split of staff costs were shared, noting figures on display include the Nursery at Broadway. Teacher to pupil ratio by school was noted and includes Senior Leadership Teams. St Benedict's detail includes Senior Leadership Team but masks different ratios around the school within subject areas. St Mary's Henley has a 5th class, not 4 as in other Federation schools. The Committee heard how it is harder to make numbers add up in smaller schools. The average class sizes for St Bens Yr 7-11 were shared including detail on Sixth Form numbers.

The Committee heard about income per pupil and the different funding rates for Secondary and Primary. St Mary's Henley had the extra small school funding included. St Gregory's Stratford upon Avon receives the lowest income per pupil. Income details include pupil premium, which probably explained Evesham showing slightly higher costs due to their cohort mix. Directors noted the differing output for different levels of expenditure. The Committee heard that Secondary school funding is a particular challenge at present. Directors asked about the funding levels across the Key Stages within education. They heard that KS1 & KS2 are the same, with EYFS being greater. Then the lower KS3 and KS4 funding figures were shared, followed by KS5 funding levels which were even smaller. The Committee heard that when the Sixth Form was proposed and committed to the funding was based on greater level, however this has since been cut, therefore leaving a shortfall since the Sixth Form opened that had to be funded from the rest of the school.

The Chair asked for the central services strategy and the Committee moved to look at the separate presentation with the detail on current finance structure that is being recruited for. Directors heard further information about the current recruitment detail. With the extra role in place, the expectation of Chief Financial Officer was the team could complete the workload to schedule. The new post would have 0.6FTE central MAC support then 0.4FTE available for supporting 2 primary schools. This impacts then on other Financial controller role and their time. The Chief Financial Officer explained the aspiration to get resources out to the schools and also a direct point of

contact back to schools and for Local Governing Body meetings. It was hoped this would give the Headteachers support in further understanding the current live data, using the real time system. The standard was set of Management accounts available within 4 weeks for schools. The Committee heard there had been a higher level of need since conversion on the Finance team. They heard that the lack of financial expertise on school sites has presented a challenge. The Chair appreciated the detail and thanked the Chief Financial Officer for the summary.

Members asked for explanation of the differences in the Financial Manager and Financial Controller roles as there was concern that allocation of skills to support the Headteachers was uneven. The Committee requested a date when the school level support visits would happen and asked that an update for Headteachers and a timetable for school visits was prepared. The Committee heard that the intention was after Easter an initial date for the school visits to start. Training for Headteachers to use the finance system would be in the next term.

The Committee asked if there was any indication from other areas of the Diocese where the finances differ, whether the new funding formula will have an impact, however they heard this was hard to establish currently.

The asked for finance to give consideration to a metric of volume of transactions per school so the Committee could understand the balance of workload per school. Detail of dates the finance team close the books on each school and when accounts are available and consolidated, until the end of term would be appreciated too. The Chair noted this would help to see progress for the Finance team with movement in right direction.

The MAC Governance & Risk Officer then spoke briefly to the Committee about pupil numbers. He asked if all schools were at full capacity at the current moment and explained that there was the potential for a further £250k of funding if they were. He raised that Board should be aware of the importance of each school reaching it's capacity figures. If this could be achieved there would be no increase in teaching costs but an increase in income, improving the figures seen earlier. A dip had been noted in admissions leading to lower numbers for reception classes. Warwickshire County are currently predicting a drop in numbers. The Board should be aware that this will have an impact in Primary schools. The Board should be aware of managing the detail from further out and planning capacity for the longer term. Directors should give greater thought to this area and support the MAC wider capacity planning. Directors noted that this was something across the area and that baptismal records would reflect this. The Executive Headteacher explained there were strategies available to address this and consider for future that the Directors may wish to investigate.

There was then a brief discussion with some thoughts for the Board on future plans. Issuing of data from Worcestershire gave Catholic Schools the ability to target certain groups of pupils, specific mail shot. There was thought given to the inclusion of the Parish priests and wider community. Headteachers agreed to to pull together some some detail for the June meeting.

The Committee suggested the use of a consistent template which demonstrated the % utilisation of teaching time per school per year. Understanding detail at that level for each school will help the Directors to understand the full picture and plan ahead.

ARC180322.11 Broadway financial position

The chair noted that the earlier presentation had covered most of the detail available here and suggested the meeting moved on to the next item.

ARC180322.12 Deficit Reduction Plan St Mary's Broadway

The Chair noted the agenda had set aside a fair bit of time for this topic with the expectation there would be a recommendation to vote on, however it was noted that the Committee do not have a joined up proposal agreed by the Executive Headteacher and the Local Governing Body. The Chair therefore recommended that the Directors took responsibility for the overall plan now and asked all those who were not Directors to leave the room, including the Executive Headteacher.

All Non Directors and Executive Headteacher left the meeting at 8.30pm.

The clerk was advised to note all further discussion under confidential minutes.

Confidential Minute 1

All non Directors and Executive Headteacher return to the meeting at 8.58pm.

The Committee hears that an instruction has been issued that a Director led Panel will complete further investigations and prepare a proposal for approval. Steve Groves will lead the Panel with Alannah Bayliss and Kate Hawkins in support.

The Federation Local Governing Body will be informed of the decision, with them and the Executive Headteacher being asked to support the Panel by providing them with any details they require.

A separate Committee will be appointed to approve any recommendations and the Directors have agreed to delegate responsibility to this Committee and establish terms of reference.

ARC180322.13 Section 106 funding at Broadway

The Executive headteacher explained that plans had been received yesterday but costings were not available in detail. The developer has been approached to confirm when housing would be available and it was noted as middle to end of 2019. The planning proposal needs to be approved by Directors before it goes to Diocese for further layers of agreement process. Directors were reminded that they need to allow at least 2 other layers and 2 months. The Executive Head asked if the proposal could be agreed but the Chair challenged that there was no detail available to agree. The Directors confirmed that they need to be certain that there will be no overrun of costs, as this would be a liability of the MAC. There also needs to be costs included for all the fit out.

The Committee heard that the Diocese would like to understand what the MAC would be using the space for and so it must be fully worked through proposal. The Committee heard that a Project manager for the build has been outsourced. The Directors asked who the client would be, and heard that it was Worcestershire, with the Bid signed off by LGB at the time, which has now been absorbed by the MAC. Warwickshire County Council were acting on our behalf for a Worcestershire based project. The Directors requested this would be tied in to the Scheme of Delegation. The Executive Headteacher was reminded that £5k expenditure for plans and preparation had already been approved by the Board to enable comprehensive detail to be made available.

ARC180322.14 St Gregory's Kitchen

The Committee asked for an update on the situation in school. The Headteacher explained that three companies have come out to give quotes on the options and they were now awaiting further detail before any decisions could be made. Gas and electric options under consideration, with advantages and disadvantages to both. Different detail in supply requirements for electrical option was noted that would need additional wiring. Directors were made aware of the complexity. It was suggested that the new Premises Manager at St Benedict's may be able to give advice on options to help the school understand the full details. The Committee heard that depending on level of quotes this decision could sit with the Local Governing Body or Directors for approval. Once approval is given there is a fixed period of time to implement the changes.

ARC180322.15 MAC Governance and Risk Officer Post

The Chair asked Mark O'Connell to leave the meeting at 9.11pm

Confidential minute 2

Mark O'Connell rejoins the meeting at 9.22pm

ARC180322.16 MAC Growth plans

The MAC Risk & Governance Officer delivered a Diocesan presentation including national position on conversion, and heading towards conversion. The detail included special measures schools that would also be 'forced' in to academisation.

A £50k growth fund awarded last year to the Holy Family Catholic MAC and different schools had been in discussions and that these had not progressed on further. The pace to grow has been increased with the primary Diocesan priority at the moment being to merge existing Academies, and the Committee were given detail on different levels.

Regarding future opportunities, The Holy Family Catholic MAC was considered a small size MAC, with low pupil numbers. Need more capacity and larger schools need to be joined with. Our Lady of Lourdes Academy have been approaching us regarding the potential to combine. Also Primary schools across Warwickshire & Kenilworth have been considering working with us and have visited regularly other schools including

ourselves at St Gregory's. There is a high school that may not be able to join with the Academy, however some support may be required to get to the point of conversion.

Worcestershire are also considering options for merging. Diocese are looking for HFCMAC to support. If Diocese are looking at proposals then merging would be an option. Holy Family could sit and help out, or consider joining and building strength. The options are to join or to support, with the possibility of charging for the support. The Committee heard that the Diocesan target is 15-20 schools as ideal for a MAC.

Warwickshire primaries are at an early stage with what they want to do and understand what their options are. Trinity school would have to maintain links, but could not be in the MAC conversion plan currently. There were a number of potential opportunities.

Chair asked what level for decision. The Committee requested that the MAC Risk & Governance Officer prepare a proposal for the full board meeting in April so Directors can agree on action for development or expansion.

ARC180322.17 Date of next meeting

Was noted as Thursday 14th June, depending on the timetable for forecast proposals from all the Local Governing Bodies recommendations.

It was agreed that the further discussion item of Accounting Officer remuneration would require Foundation Directors only and all other members with the exception of the Head of HR and the MAC Risk & Governance Officer left the meeting at 9.35pm.

ARC180322.18

The clerk is instructed to complete the following minute under confidential notes.

Confidential Minute 3

Close and date of next meeting

Thursday 14th June 2018 at 6.30pm

Meeting closed at 10.02pm

Action By	Minute Number	Action	Date completed
Clerk	<u>ARC180322.6</u>	Clerk to notify LGB clerks of Financial Policies for adopts at next meeting. Policies to be uploaded on to MAC website and GovernorHub. Confirmation of adoption to be reported back to Board and CFO.	Completed 28.3.18 Completed 29.3.18

Clerk	<u>ARC180322.7</u>	Clerk to notify LGB clerks of HR Policies for adopts at next meeting. Policies to be uploaded on to MAC website and GovernorHub. Confirmation of adoption to be reported back to Board and Head of HR.	Completed 28.3.18 Completed 29.3.18
Head of HR	<u>ARC180322.8</u>	Staff detail report to be completed. Initial detail required for 17th April meeting. Full detail required by 14th June meeting.	
CFO	<u>ARC180322.9</u>	Include additional comparison figures and metrics in Management Accounts report to Board.	
CFO	<u>ARC180322.10</u>	Provide a calendar of deadline dates for monthly accounts inputting and reporting.	
CFO	<u>ARC180322.10</u>	Prepare a template for % of teaching time utilised by school for comparison and monitoring	
Headteacher and All Directors	<u>ARC180322.10</u>	Consider options for future planning of capacity to maximise % teaching costs per school.	
Clerk	<u>ARC180322.12</u>	Prepare terms of reference for Director Panel and Committee for approval at available next meeting.	Completed 4.4.18
Executive Headteacher	<u>ARC180322.13</u>	Notify Clerk when plans and proposal for section 106 project are ready for Board approval	
MAC Governance & Risk Officer	<u>ARC180322.16</u>	Prepare a proposal for growth and merger options for Board approval	
Clerk & CFO	<u>ARC180322.17</u>	Confirm future meeting date in June for forecast presentation to Board.	

Action Summary