



never give up.

Board of Trustees Extraordinary Meeting Minutes

Wednesday 11th June 2020
at 17.00

Virtual Meeting via Zoom
ACE Schools MAT
Unit 3 Ensign House, Parkway Court,
Longbridge Road, Marsh Mills,
Plymouth PL6 8LR

TRUSTEES IN ATTENDANCE:

Mr Denis Parsons – Vice-chair of Trustees.
Mr Peter Cubbon – Trustee.
Mr Peter McDonnell – Trustee.
Dr Tim Searle – Trustee.
Mr Tim Thexton – Trustee.

IN ATTENDANCE:

Mr Gavin Gracie – CEO.
Mrs Hannah Smart – Head of ACE Tiverton.
Mr Lee Earnshaw – Head of Courtlands.
Ms Josie Medforth – Consultant COO.
Ms Laura Partridge – Solicitor PHP Law.
Mrs Andrea Chick – PA to the CEO/Clerk to the Trustees/Administrator ACE MAT.

Minute No.	Agenda Item	Action
1.	<p>WELCOME, SIGNING OF ATTENDANCE AND DECLARATIONS OF INTEREST REGISTER.</p> <p>AB excused herself from the meeting as she has declared an interest in Delt having previously worked for the organisation which could be a perceived conflict of interest.</p> <p>DP chaired the meeting and welcomed everyone. The video call was evidence of meeting attendance, no declarations of interest. The meeting was recorded.</p>	
2.	<p>TO NOTE APOLOGIES.</p> <p>Mrs Annette Benny – Chair of Trustees. Mr Matt Bindon – Head of ACE Schools Plymouth. Ms Sheryl Cardwell – SMRA.</p>	
3.	<p>CO-OPTION OF NEW TRUSTEE TIM THEXTON.</p> <p>The DBS check and references have now been received for Tim Thexton.</p> <p>DP proposed, TS seconded and it was UNANIMOUSLY RESOLVED to co-opt Tim Thexton on to the Board of ACE Schools MAT.</p>	
4.	<p>PROJECT BLAZE.</p> <p>i. <u>Update:</u></p> <p>GG had circulated the Blaze business case prior to the meeting. The Board was asked to approve the following:</p> <ol style="list-style-type: none"> 1) The commencement of operating the central services with a Joint Venture public sector partner; 2) Selecting Delt as the Joint Venture public sector partner under the Shareholding Agreement; 3) To direct award the contract to deliver the central services through the Joint Venture Partnership in accordance with the exemption under Regulations 12 of the Public Contract Regulations; 4) To delegate the recruitment of the COO, CFO & Company Secretary? to the Trust WG; 5) To draft a contract to enable the set-up of the Joint Venture partnership; and 6) To start operating the Joint Venture Partnership from the 1st September 2020. <p>GG is aiming to have the project up and running at the beginning of the next academic year. The new purchasing system will give the best chance not to have an audit qualification next year with training and control measures in place to ensure stronger financial integrity in the system.</p> <p>The IT system is struggling with the number of staff working remotely with unstable and bolted down platforms. The prototype IT log on system was completed before half term and testing currently being carried out with a feedback report due shortly. The new system will enable a user single sign on and will look exactly the same as it does at the moment.</p> <p>HR capability across the schools is being rebuilt with one or two key parts to be finalised before the end of this academic year ie new software and skill sets.</p>	

These three projects are being worked by Delt around the outsourcing of Central Services. **DP** asked if the normal TUPE rules will apply. **GG** confirmed they would starting around mid-July.

There is currently a deficit of £620K in the budget made up of £300K for the loss of PCC placements which is still an ongoing discussion. £120K is for the running costs of some of the additional staff in schools to deal with some of the issues which resulted in the departure of the previous executive team, plus other bought in professional costs. This deficit could be maintained for another year but is not sustainable going forward. The figures do not included additional executives which would add another £200K for a Chief Operating Officer and Chief Financial Officer. **PC** asked if this costing was for full time positions, **GG** advised it was for part time positions.

Delt are in discussions with their shareholders, especially PCC, around the MAT and its success. Delt have also to date absorbed a large proportion of the cost in getting the project up and running.

PC asked for clarification of the £620K deficit. **GG** explained additional staff were not included and the COO would stay with the MAT. The Financial Handbook requires a CFO with a certain level of qualifications to be part of an executive team and Delt have offered the services of their CFO and deputy for 2 days a month which would meet our requirements. **DP** asked if this would be enough to meet the legal financial requirements; **GG** is currently looking into this and will be discussed during the budget debate at the next F&A committee meeting on the 1st July 2020.

GG and the Heads have discussed at length the need for a single educationalist on the executive team. The skills sets required would be to give school improvement and development plan challenge from an Ofsted perspective which needs to be different for all the schools and this person would be extremely hard to find. Purchasing the skills from a panel have been considered which leads to a query around policies and legal process. Contract management is a huge project and would be part of the remit of a COO and it would be better to consider a COO with a financial qualification rather than have a separate CFO. **PM** asked if one person could carry out the two functions; **GG** confirmed they could. **DP** agreed this would make sense and could be trialled for 1-2 years and the MAT wouldn't be committed to two separate roles. **GG** advised he was considering this before the report was received from the SRMA.

TS asked the Head teachers if this type of support would be sufficient and if they could work with that model. **LE** stated he was very comfortable with the model and previously had support from someone with qualifications and experience to challenge and support the school improvement plan. The difference in schools is so significant so to be able to buy in a particular person and their skills for 6 visits a year is positive. **HS** agreed as there would be a fixed cost with the right level of expertise.

PC agreed this ties in with the Delt contract negotiations and a figure will have to be paid to Delt but he is not comfortable with the current deficit.

TT queried the cost reducing measures shown. **GG** explained the budget was modelled on the status quo as the MAT doesn't have the capability to suddenly change the IT and HR systems. The benefit of the broad deal being offered is it's financially attractive and won't close the deficit in one year but will certainly help.

DP asked if Delt's financial proposal was less than £420K. **PC** wanted to firstly discuss if this was the route the MAT should go down, what the costings are and what can Delt offer. **JM and LP** have been in discussions with the CEO of Delt who are not looking at the project on a commercial base but a partnership approach as the MAT staff costs are what they are and can't be delivered any cheaper. Delt are working with the MAT finances and delivering on the savings achieved along with the MAT's and their own contracts, all of which is a long term project.

TT asked what the Delt monthly costs projection would be based on the current monthly figures. **JM** advised looking at the contract and negotiations is the next stage of the project. Delt have supplied a partnership model framework which is a good way of working. She confirmed Delt are not making a profit as everything is being done at cost.

A working party consisting of **PC, TS, GG, JM and LP** had worked on the soft marketing key criteria and options papers which had been circulated prior to the meeting. Their remit was to make recommendations not decisions. **JM** confirmed the Joint Venture operating model gave the best of what the Trust wanted to achieve and still have control and maintained ethos and it was clear Delt could provide that model. Ongoing dialogue with the ESFA and RSA has shown they are comfortable with the plans as they understand the uniqueness of the MAT and feel a merger would dilute the work the MAT does. The legal issue of tendering for public to public sector organisations had been considered but the barrister's paper advised normal tendering wasn't required. **DP** asked for confirmation of this, **TS** confirmed this was correct.

The working party had reviewed the soft marketing options and felt happier with the Joint Venture option, especially in terms of the required criteria and a due and careful process had been completed.

PC observed from experience, the soft testing was more robust than he expected especially around the challenge and what had distilled quickly down to the ethos of not making a profit from the children and schools, just to make everything run more efficiently. Governance has been well thought through, questions asked for more information around the best way of what wants doing and in the time required.

It was **AGREED** the working party had completed due process.

It was **AGREED** the questions previously submitted by the Chair of Trustees Annette Benny, will be dealt with during the next part of the project.

It was **RESOLVED** to continue with Project Blaze.

ii. Going forward:

- a) Service Level Agreements are being worked on by the Head teachers and Business Managers to build into the Delt contract.
- b) Budgets are being generated by the Head teachers and Business Managers and will be taken to the next Finance and Audit committee on the 1st July 2020. Discussions will then be held with Delt to what can be done to reduce costs by August.

LE thanked the working party as the Head teachers are supporting the project as they want to see a positive result in three years' time.

DP thanked the Head teachers for their support as everyone needs to be on board to make the project work.

TT thought the timeline supplied by **GG** was helpful and asked how much risk was there in the timings and were there any unmoveable dates. **GG** advised the final deadline wasn't concrete but critical decisions must be made and start the TUPE consultations and process to help settle the staff, especially around IT and purchasing. Delt shareholders and regulators have all been really supportive.

DP would like to see the project worked through and not delayed down the line. **JM** is making sure the contract is negotiated and the cost model is right; the SLAs are critical as these will help the project be successful.

It was **UNANIMOUSLY RESOLVED** to:

	<ol style="list-style-type: none"> 1) Commence operating the central services with a Joint Venture public sector partner; 2) Select Delt as the Joint Venture public sector partner under the Shareholding Agreement; 3) Directly award the contract to deliver the central services through the Joint Venture Partnership in accordance with the exemption under Regulations 12 of the Public Contract Regulations; 4) Delegate the recruitment of the COO, CFO & Company Secretary? to the Trust WG; 5) Draft a contract to enable the set-up of the Joint Venture partnership; and 6) Start operating the Joint Venture Partnership from the 1st September 2020. 	
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The meeting ended at 18.10.

Signed:

Date:

Chair

Dates of Future Meetings:

Wednesday 15th July 2020

18.00 – 20.00

ACTIONS ACE SCHOOLS MAT BOARD OF TRUSTEES MEETING 20TH MAY 2020

Minute Number	Action	Who	Date to be completed by
4.	<p><u>Matters Arising:</u></p> <p><u>Re-appointment of Trustees:</u></p> <p>ACTION: AC to send letters to the Trustees.</p> <p>i. <u>Education and Safeguarding Chair’s Report: Parking at North Hill.</u></p> <p>ACTION: AB and GG to follow up in August 2020.</p> <p>i. Matters Arising from the meeting of the 25th March 2020.</p> <p><u>Flash Training:</u></p> <p>Carry forward to next meeting to identify progress and priorities for training.</p> <p><u>Head teachers’ Update:</u></p> <p>ACTION: HEADS to work with GG to start the short, medium and long term (September) planning and report back to Board meetings.</p> <p>ACTION: Trustees to discuss with GG support and help for the staff. Carry forward.</p> <p>ACTION: GG to discuss with Trustees and Members what will the wash up plan be. Carry forward</p> <p><u>Chief Executive’s Report:</u></p> <p>ii. Medical retirement of the HR Manager.</p> <p>ACTION: AB and GG to discuss further.</p> <p>ACTION: All Trustees to send AB wording for a card by the 29th May.</p>	<p>AC</p> <p>AB/GG</p> <p>AB</p> <p>Trustees</p> <p>Members / Trustees/GG</p> <p>AB/GG</p>	<p>1st week in June.</p> <p>August 2020</p> <p>6th July 2020</p> <p>6th July 2020</p> <p>6th July 2020</p> <p>29th May 2020</p>

	<p><u>Meeting Planner:</u> ACTION: TRUSTEES to look at the meeting planner and report back to GG with any further comments.</p> <p>ACTION: AB and GG to set up the Chairs of Committee meetings.</p> <p>ii. Matters Arising from the meeting of the 16th April 2020.</p> <p><u>Approval of the Business Case.</u></p> <p>ACTION: GG to circulate the written project report as discussed.</p> <p>ACTION: GG to circulate a short report.</p>	<p>Committee Chairs / AB / GG</p> <p>GG</p>	<p>ASAP.</p> <p>ASAP</p>
5.	<p><u>SMRA Report:</u></p> <p>ACTION: ALL to re-familiarise themselves with:</p> <ul style="list-style-type: none"> • Academies Financial Handbooks 2019. • Governance Handbook (updated March 20219). • Governance Competency Framework. • Governance Clerking Competency Framework. 	<p>ALL</p>	<p>As soon as possible.</p>
7.	<p><u>Head teachers' Update:</u></p> <p>ACTION: GG to include risk assessments in his weekly update.</p>	<p>GG</p>	<p>Weekly</p>