

BOARD OF TRUSTEES

Minutes of the meeting held at 5.00pm on 20 March 2017

Present:

I Morgan (Chair)	E D'Souza (Vice Chair)
M Humphreys	C Ridgeon
S Howard	R Inman
C Higgins	C Gibson
J Wakelam	A Whittaker (Principal)
N Savvas (Chief Executive)	

In Attendance: **S Jones, Chief Financial Officer**
J Bridges, Clerk

Action

1 Declaration of Interests

Trustees confirmed that they had no conflicts of interest to declare in relation to the items of the agenda. The CEO, CFO and Clerk all declared their interest in item 7 of the agenda.

2 Apologies for absence

Apologies for absence were received from H Lay.

3 Minutes of the meeting held on 13 December 2016

The minutes of the meeting (minute book pages B039-B043) were agreed as a correct record.

4 Matters arising

The matters arising from the meeting were summarised in the report (minute book pages B044-B045) and all actions reported had either been completed or, where appropriate an update had been provided on progress elsewhere on the agenda.

Consultation continues concerning the name of the new Free School and an update will be brought back to the Board at the appropriate time.

The project plan and costings paper will be brought to the business items of the Finance Committee for consideration at the meeting to be held in May 2017.

It was noted that consultation with the Chair and Vice Chair concerning the Service Level Agreement has not taken place however debate and discussion was covered under item 7 of this meeting.

5 Principal's Briefing

Trustees received and considered the report (minute book pages B046-B047).

Applications for places are down a little on last year's figures (67 down) but the Academy is working hard to ensure the conversion rate will be high. There is a demographic dip in this area and although the numbers rise significantly in years two and three it is essential that the Academy recruits well to maintain choice and breadth of curriculum for the learners. This is the key driver for the finances and although next year's budget should be healthy monitoring of the number of

the applications will continue to take place. It was noted that the recently published DfE Performance Tables illustrate just how important the performance of students at One, given the volume of learners at the College, is to the County's performance.

The transport routes into the Academy are also being looked at and the Academy is working with the local contractors to make it as easy as possible for students to travel into College. Constant monitoring of where the areas from which students are applying is also taking place to analyse if there is a need and possibility to improve or increase transport routes from areas where students are applying from.

6 Key Performance Indicators

Trustees received and considered the report (minute book pages B048-B051).

Student performance indicators are relatively unchanged from the last report to the Board. Grades A*B in AS and A Level are slightly below national average. Being more selective at application may improve this position but this is a normal profile position given the level of attainment of students.

Staff absence has been high but an increase in long term absence has driven the absence rate higher than usual. The level of detail and individual cases of absence have been analysed at Governor and management level and there are no trends or cause for concern to report at this time.

Staff satisfaction at the Academy is high and the Board considered for how long this level can be maintained given the pressures placed upon the sector. Exceptionally high standards will inevitably fall as staff continue to be stretched but the Board are mindful of the importance to triangulate satisfaction reported from Staff and at Board level to assure themselves that satisfaction continues to be maintained at a good level.

R Inman joined the meeting at 5.30pm.

7 Service Level Agreement

Trustees received and considered the report (minute book pages B052-B056).

A service level agreement at the inception of the creation of the Academy Trust was created (September 2015) and was formally detailed and approved back in March 2016. It is a requirement that the agreement is subject to annual review and approval and under related party transactions will be a requirement of the financial auditors.

The original Service Level Agreement was established initially at a cost of £50K but further to review has now been appropriately costed to reflect the additional duties and change in personnel. It was recognised that a further review may be required in the summer to ensure that an appropriate sum is accounted for in the budget for the next academic year.

The Board agreed to designate responsibility of review of the service level agreement to a small group of Trustees comprising from the Finance Committee who will assess its value for money and timeliness of the review in order that it effectively coincides with the budget setting process for the Trust and the Academy.

The smaller group of Trustees will consider adaptation of the Service Level Agreement to incorporate the services contracted for each entity within the Trust as new entities such as the new Free School in Bury St Edmunds join.

The Board **approved** the copy amended and received by the Board at the meeting. Approved by a show of hands.

8 Financial Overview

Trustees received and considered the report (minute book pages B057-B058).

At the end of January 2017 the Trust is performing better than budget and is forecast to achieve budget by the end of the financial year. There are no emerging issues of financial concern for the year and cash balances are healthy.

Staffing costs are below budget and the main reason for the predicted saving relates to Educational Support Staff costs which is a result of late appointments to posts and also savings against maternity costs, non-progression (100% had been budgeted for), reduction in the LGPS on-costed rate (an increase was anticipated) and a lower than predicted take-up following the auto-enrolment exercise undertaken for the LGPS.

At the end of period 5 the cash balance amounted to a total of £78K, with an addition £900K on deposit. This represents 66 days cash in hand and a healthy position.

Trustees asked if there were any foreseeable threats to achieving the budget. The Chief Financial Officer confirmed that unless a swathe of long term absence or an unexpected hike in utility charges came about then it is unlikely that the budget will not be achieved. Infrastructure plans are good and on target and there is some flexibility in reserves to ride a wave of unforeseen/unpredicted cost. The staff cost to income ratio is an/around 70% and it is important that financial discipline is maintained to keep a sustainable financial position on track in the coming years.

9 Financial Administration and Control Handbook

Trustees received and considered the report (minute book pages B059-B139).

There are only minor changes proposed to the Handbook and in summary relate to; 1) modifications to the Scheme of Delegation to ensure approvals are not unnecessarily hindered by the availability of the Chief Financial Officer; 2) the insertion of a reference to the Academy Trust's VAT accounting arrangements; and 3) strengthening of the wording around fraud to state that there is a "zero tolerance" approach within the Trust. The Board **approved** the amendments as highlighted to the Financial Administration and Control Handbook.

10 Sixth Form College Update

Trustees received and considered the report (minute book pages B140-B151).

The capital agreement has been signed. There was a slight delay as the application was escalated to Lord Nash, Under Secretary of State for Schools, for approval because the expected design and build cost, which currently stands at approximately £30m, is over the threshold value for standard DfE signoff.

The project is now thought to be about 2 or 3 months behind schedule and there is certainty that the Sixth Form will open in September 2019, not 2018 as initially thought.

Good engagement has been held with the local schools around the name for the Sixth Form College and the Board will be updated as the consultation concludes.

Given the extended timeframe of the project it is disappointing that the sum of PDG (Project Development Grant) does not increase in line to reflect the extended pressure placed upon the Trust to deliver the project. The key issue is capacity and Trustees insisted that the project plan and costings report expected to be reported at the May Finance Committee meeting will detail the capacity constraints and resolution for successful delivery of the project.

It was noted that both the EFA and DfE are highly engaged in the project but the Trust will need to continue to be mindful that the services and delivery of the Trust, the Academy and those involved in the successful delivery of the project are not undermined.

11 **Governance Plan**

Trustees received and considered the plan (minute book pages B152-B211).

As part of the Free School application the Academy Trust is required to submit a Governance Plan to the DfE, including details of the governing body structure and plans for dealing with any potential conflicts of interest. Currently the submission deadline for our plan is June 2017.

The Governance Plan Checklist for Multi Academy Trusts has been followed and completed to ensure that each item required of the plan has been addressed.

It was noted that there will be a need to review the governance structure and plan as the Trust grows and the new Free School entity draws closer to joining to ensure that under the Scheme of Delegation the reporting lines are in place to take account of multiple entities under the Trust.

The Board asked that the Clerk make a number of minor amendments to the plan to explain the different entities referred to; specifically One Sixth Form College (section 4.0) and New Sixth Form College (section 5.0). It was also suggested that the plan explains the intentions of the Chair to step down at the point the new Free School joins the Trust due to the conflict of interest that exists as he holds both Chair posts to the Trust Board and Local Governing Body of One Sixth Form College.

JBridges

Subject to these amendments the Board **approved** the plan and approved that the Chair signs the checklist for submission to the DfE before the deadline date.

JBridges

12 **Committee Chair's Summary Reports**

Trustees received and considered the report (minute book pages B212-B214).

Local Governing Body – 12 January 2017

There were no issues arising from the content of the report.

Finance Committee – 2 March 2017

The Chair of the Committee, E D'Souza reported good financial stability. The two cases of fraud experienced in the year were well managed and resolved. The membership of the committee has been bolstered by the skillsets of the new Trustees appointed, C Ridgeon and J Wakelam.

Local Governing Body – 14 March 2017

The content of this meeting was heavily consumed by individual reports of Faculty Heads who were invited to the meeting to report on any issues in their areas, result predictions and share action plans for areas of improvement. The Board felt assured that the Local Governing Body was operating effectively under the Scheme of Delegation of the Trust and taking responsibility for the monitoring of the academic and curriculum performance of the Academy. It was agreed that as the Trust grows the governance structure will need to evolve to accommodate this expansion. A Task and Finish Group is to be established to determine the future work and reporting structure of the Trust. R Inman and C Gibson expressed interest in joining the membership of this task and finish group.

JBridges

13 Risk Management Update

Trustees received and considered the report (minute book pages B215-B219).

The risk register of the Trust has been reviewed to identify the key risks to the Trust in the academic year. The register currently identifies one red, four amber, five yellow and two green status risks. The risk direction column shows the direction of change to the risk score of all risks on the register although there has been no movement in risk level since the last report to the Board. Three risks have been removed from the register; R003, R006 and R010.

R003, inability to control staffing and non-pay costs has been added as a control measure in R005 which is about financial quality, reputational ability and capacity constraints restrict the growth of the Trust. R006, academy financial planning systems are found to be inadequate. Adequate financial planning systems has been added as a control measure in R005. R010, ability to effectively manage the Academy post local authority within existing resources has been removed from the register as this is no longer considered to be a risk.

The risk register of the Academy was last reviewed by the Senior Leadership Team in February 2017 and was shared with the Board for information. The Audit Committee of the Trust takes responsibility for the overview and maintenance of the Risk Register of the Trust and they are to be informed of any live changes at the point of review in the year.

14 Any other business

i. Proposal to restructure the management of Student Services (Foundation Learning)

Confidential item under article 125(c) of the Articles of Association

15 Date of next meeting

Tuesday 4 July 2017 at 5.00pm Suffolk One Board Room

The meeting closed at 6.55pm