

The Heath Family (NW) Multi Academy Trust
PART I Minutes of a MAT Board meeting held on
Thursday, 15th March 2018 at 9.00 am

<u>Present:</u> Peter Cook (Chair), David Donnelly, Jeremy Barnes, Morag Davies, Helen Stevenson, Jane Ainsworth, David Felix, Craig Parkinson, Judith McConville		<u>Apologies:</u> Anantha Subramanayam		Non attenders:	Ruth Hall
				Clerk:	Trish Roberts
Items	Discussion	Action	Who	When	Notes
1. Welcome and introductions	Mr Cook welcomed everyone to the meeting.				
2. To receive/ratify minutes from THF Board meeting held on 07.12.17 & 07.02.18	The Trustees received copies of the minutes from the MAT Board meetings held on 07.12.17 and 07.02.18. There were no amendments to be made and therefore the minutes were accepted as a true record and ratified.				
3. To review matters arising not included on the Agenda	<p>Matters Arising from Minutes of 07.12.17</p> <p>Item 6 (Point 5) – Audit Committee: it is not a requirement at the moment for the Trust to establish an Audit Committee, a decision has therefore been made to defer this until the Trust is in a more stable position.</p> <p>Item 6 (Point 6) – CoG Forum: the CoG Forum group have met and a primary and secondary CoG representative have been elected:</p> <p>Primary: David Felix Secondary: Jane Ainsworth</p> <p>Item 7 – CEO Report: DD apologised that the mitigating actions column had not yet been added to his CEO report; he gave reassurances that it would be added to his next report in June.</p>	Add mitigating actions column to CEO report template.	D Donnelly	ASAP	

	<p>Item 8 – Proposal for Establishing an LGB for PFPS: this proposal has been taken forward and it is hoped that the LGB will be in place for 01.04.18.</p> <p>Matters Arising from Minutes of 07.02.18</p> <p>Item 2 (Page 5) – Next Steps: the presentations have not taken place as consultations with the unions needed to happen first. Consultation documents have now gone out.</p>				
<p>4. Election of Chair and Vice Chair</p>	<p>Mr Cook reported that Mr Billington had informed him that due to personal reasons which were impacting on his ability to act as a Trustee to the Board he wished to resign from the role as Trustee as soon as it was appropriate to do so. Mr Cook went on to explain that due to the recent appointments, it was felt that the Board had been significantly strengthened and therefore Mr Billington’s resignation could be accepted. Mr Billington will therefore resign as of 31.03.18.</p> <p>Mr Cook also announced that he intended to resign at the end of the month (31.03.18). He explained that due to there being considerable changes to the operation of the Trust this year, which needed to be implemented/embedded he felt it was the right time for him to step down, and let someone new take the Trust forward on the next step of its journey.</p> <p>Discussions moved on to the election of a new Chair and Vice Chair.</p> <p>Mr Cook gave background details about his nomination for the role of Chair to the Board. He explained that Mr Barnes had kindly agreed to be put forward for nomination, Mr Barnes confirmed that he would be willing to stand for nomination.</p> <p>Chair of the Board Nominee: Jeremy Barnes Proposed by: Peter Cook Seconded by: Helen Stevenson</p> <p>There being no other nominees Mr Jeremy Barnes was duly elected as Chair of the Board.</p>	<p>Notify Companies House of the resignations of Mr Billington & Mr Cook</p> <p>Update details held with the DfE in terms of resignations and appointment of Chair of the Board.</p>	<p>P Roberts</p> <p>P Roberts</p>	<p>ASAP</p> <p>ASAP</p>	

	<p>Mr Cook went on to speak about the need to elect a Vice Chair. He explained further that in his opinion Ms Stevenson has the required skills/experiences to take on the role. Ms Stevenson confirmed her willingness to stand for nomination.</p> <p>Vice Chair of the Board Nominee: Helen Stevenson Proposed by: Peter Cook Seconded by: Jeremy Barnes</p> <p>There being no other nominees Ms Helen Stevenson was duly elected as Vice Chair of the Board.</p>				
<p>5. CEO Report</p> <p>Report dated 8th March received</p>	<p>The trustees received a copy of the CEO Report dated 8th March 2018 prior to the meeting. Mr Donnelly explained the report in full detail:</p> <p>Headlines</p> <ul style="list-style-type: none"> • Consultations have started at 3 schools (TPS, THS & SWS) as part of the overall financial restructuring. • The Trust/Schools have worked hard to reduce the staffing costs across the trust, so that they are brought into line with the Outwood Grange model. So far they have been reduced from 82% to 77% for September 2018. Although the target has not quite yet been reached it was noted that this was a significant achievement to get to this point. A meeting with the ESFA is also due to take place on 16.03.18 to talk through the trust's recovery plan/loan application. <p>Mr Donnelly reported that destabilisation has been kept to a minimum and has been managed well. Mr Donnelly thanked Mrs McConville, Mr Parkinson and the school Principals for their efforts in relation to this.</p> <ul style="list-style-type: none"> • Funding statements for 2018/19 have been received and there are significant changes at LA level. National Funding Formula (NFF) does not come online until 2019/20 at the earliest, and therefore LAs have control on funding until then. It was expected that LAs would begin to rollout NFF this year but unfortunately this has not been the case. Some have gone for a funding model which is between the LA formula and NFF, and others have not moved towards NFF at all. This has resulted in further cuts to our schools budgets this year (£500K). 				

	<p>Mr Donnelly proposed that these additional costs should be taken to the centre, as it was felt that schools have already been asked to reduce costs significantly and that it would therefore be unreasonable to go back to ask for further reductions.</p> <p>Q: What is the period of the loan? A: 20 months, this could be slightly lessened should the 75% staffing level be reached. The amount requested does however include the additional monies required due to reduced funding in 2018/19. We have to ensure it is manageable.</p> <p>Following further discussion, the Board accepted that Mr Donnelly's proposal to take the additional costs at the centre was completely appropriate.</p> <p>Governance</p> <ul style="list-style-type: none">• The recruitment of additional trustees has been really positive in terms of strengthening the Board, and the introduction of the CoG Forum has helped to develop links between LGBs and the Board. CoG Forum will also have a lead role in developing capacity and effectiveness of LGBs.• PFPS are in the process of moving from an Interim MAT Board (IMB) to a Local Governing Body (LGB). Talks are currently taking place with prospective governors.• SWS are looking to move to the same model of governance as PFPS and therefore a reconstitution document has been produced. (Nb: this item will be discussed further in Item 8 of the agenda.)• Official notification has been received from SWS stating that they no longer wish to leave THF. They have said that with the recent changes in the Trust they feel they would be adequately supported going forward, and they feel that to stay with THF would be the best option for them. Mr Donnelly also reported that their recent Ofsted inspection also showed that the school is on the right track and that leadership at the school is strong. Mr Donnelly explained that the next step would be to begin discussions with the RSC about the possibility of SWS remaining with THF, but before he made contact with them he needed to ensure the Board were happy for him to proceed.			
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	<p>Q: If the trust was to lose one of the schools who are graded red, would it make the financial situation easier?</p> <p>A: If a school was to be rebrokered the trust would keep the debt and also pay any redundancy costs; they would also lose the funding for that school, so the trust would in fact be worse off financially. In terms of SWS, they have strengths in relation to leadership and core subjects. In our opinion they are an asset to the trust.</p> <p>Q: Geographical location was stated to be an issue when the conversation of rebrokerage was first raised, do you think this will become an issue again in the future?</p> <p>A: We don't think it will be an issue, any support will be offered as blocks of time, rather than single lessons.</p> <p>Q: In terms of Trust support, have we documented the Trust's journey to date?</p> <p>A: Yes. Mr Donnelly has met with the Principal at SWS and he has produced a good document, Journey to Good. The documents that were provided to Ofsted were superb. The greatest thing the school needs is stability.</p> <p>Q: Have rebrokerage costs been calculated into Trust's loan scenario?</p> <p>A: No, not to date.</p> <p>Q: The Trust has a moral obligation to any of its schools, and with regards to SWS they have been with us a number of years. Do you feel that we need to see them to the end of their journey?</p> <p>A: Yes, we have a moral duty. We will treat them as our school until such a time that they are not.</p> <p>Following further discussion the Board accepted that THF should accept SWS's request to stay with THF. The Board also asked Mr Donnelly to take this forward in relation to contacting the RSC.</p> <p>RESOLUTION: THF Trust Board accepted SWS's request to remain with THF.</p>	<p>ESFA to be approached regarding SWS remaining with THF.</p>	<p>D Donnelly</p>	<p>ASAP</p>	
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	<p>Interventions and Areas of Concern</p> <ul style="list-style-type: none"> Mr Donnelly and the Strategic Academy Improvement Leads (SAILs) are currently looking at streamlining the school improvement/development plans that are currently in place across the Trust, ie Ofsted, RAP etc. Classifications will be reviewed following the results in the Summer. <p>Q: How confident are you in relation to schools achieving their targets/predictions?</p> <p>A: We are concerned. Schools have been asked "what do you think is going to happen" rather than where you are up to with regards to targets/predictions. Primaries are reporting a 50% improvement on last year. If this was to happen it would be a huge jump in performance. The secondary sector is much more variable. THS & LHS are reporting significant improvement, but it is much lower at TPS & SWS. Overall if these results are achieved the trust will be in a much stronger position, but it also needs to be noted that if the secondaries do not deliver the trust will be in an extremely vulnerable position, which could result in the schools being rebrokered.</p> <p>Ofsted</p> <ul style="list-style-type: none"> LHS & SWS have both undergone inspection and have come out as RI. This was a massive achievement as it was thought that both could have gone into a category. No other schools are due for inspection in the summer term, but it is expected that TPS will be inspected early Sep 2018. <p>Q: Are we ensuring that all schools are prepared for Ofsted?</p> <p>A: Yes</p> <p>Finance</p> <ul style="list-style-type: none"> The Principal at Halsnead has taken the decision to leave at the end of this school year (Aug 2018). The first round of recruitment was unsuccessful so the post has been put out to re-advert. Should the second round be unsuccessful the Executive Principal model may have to be implemented. The LGB at TPS have now agreed the plan with regards to the leadership structure for Sep 2018 (Principal and Vice Principal posts to be made redundant as of 31.08.18, and an Executive Principal appointed as of 01.09.18). Mr Donnelly reported that the meetings with the LGB had been difficult as the governors were concerned in relation to TPS being the worse 				
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	<p>performing school in Knowsley and the possible destabilisation the change in leadership could cause.</p> <p>Q: Has the person been identified to take on the Executive Principal role? A: Not as yet, we have notified the secondary Principals about the role and we are awaiting responses from them all. However, one expression of interest has been received so far and we are in conversation with that person regarding their proposals. A Head of School will also need to be appointed at TPS. There is a process that needs to be followed but everything is subject for review, nothing is locked in.</p> <p>Q: If the person who is proposed agrees to take on the role of Executive Principal, will this have an impact on their original school? A: The proposals that the prospective Executive Principal puts forward not only have to identify how they intend to improve standards at TPS, they also need to show how they will maintain/improve standards at their own school.</p> <p>Q: What are the financial implications of this plan? A: It will take out £127K, but there are still some costs to be ironed out. We will not know definitive costs until the staffing changes have been finalised.</p> <p>Q: How confident are you in relation to how these changes will be perceived by external agencies such as the RSC? A: It is expected that the RSC would see these changes as an advantage, especially in terms of strengthening leadership at both schools. We are aware that it remains a risk, but less of one than if no change took place.</p> <p>HR</p> <ul style="list-style-type: none"> • The trust is currently in the middle of restructuring conversations at 3 schools. <p>Attendance</p> <ul style="list-style-type: none"> • As a number of schools across the trust have poor attendance, Mr Donnelly proposed that the LGBs be commissioned to undertake a review of attendance at their schools. The rationale behind the review would be to evidence that processes are in place to improve attendance, to ensure that schools are working proactively to improve attendance and that LGBs have an understanding of why attendance is at the level it is (ie curriculum offer, 				
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	<p>environment, socio/economic issues etc). It was also noted that it would also give opportunity for sharing of good practice across the trust.</p> <p>Ms Stevenson stated that she was supportive of the LGBs conducting internal attendance reviews; as it would provide opportunity for them to investigate processes, guidance, strategies etc in much more depth. She stated that the governors' role is not to take what is reported on face value and that the outcome of this review should be that both LGBs and the Trust Board can be fully confident in the figures that are provided.</p> <p>Mr Parkinson also reported that he and the MAT Attendance Lead have been looking at consistent reporting formats in relation to attendance reporting across the trust.</p> <p>Discussion followed regarding the links between attendance and safeguarding, and it was suggested that if attendance is rag-rated Amber, then Safeguarding should also be rated the same. It was also suggested that with attendance being a key performance indicator it would be appropriate for it to be added as one of the Principal's PM targets.</p> <p>Following further discussions the Board agreed that these issues should be discussed in more detail by the MAT Education & Standards committee as it falls within their remit. The Board also accepted that LGBs would be asked to conduct the attendance review in the first instance, but with the caveat if external support was found to be required it should be made available.</p> <p>Due Diligence</p> <ul style="list-style-type: none"> • Due diligence processes have started to Litherland Moss Primary School and will be reported back to the Board on completion. Areas being investigated include finance, standards, governance, and capital/buildings. Complete recommendations will be shared with the Board at the next meeting. <p>Mr Donnelly stated that THF have been too trusting in the past, but that more robust processes have been put in place since Sep 2018.</p>				
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	<p>Ms Stevenson stated that she has been involved in due diligence processes within her role as consultant and therefore would be willing to share her resources with the core team.</p> <p>Mr Donnelly also spoke about that should Litherland Moss join THF in Sep 2018, a decision would need to be made as to when they would be brought into the loan repayment plan, and how any balances they held on date of conversion would be managed.</p> <p>Mr Barnes stated that Litherland Moss would be a key positive if they joined THF. Mr Donnelly also informed the Board that their Principal is an LLE, and therefore would be in a position to provide a lot of support to the primary sector. Litherland Moss have also been working collaboratively with the trust for approximately 18 months and have been found to be a keen net provider.</p> <p>Q: How receptive are the secondary's to receiving support from primaries? A: LHS and Litherland Moss are a good model. LHS is actively working with feeder primaries, and is the secondary which has worked best in terms of this transition. However it has to be said that all secondary schools within the trust are open to collaborative work with their primary colleagues.</p>				
<p>6. Notification of any Key Risks from any of the LGB's</p>	<p>The Board received a copy of the minutes from the first CoG Forum meeting held on 15.02.18. Mrs Ainsworth reported that CoGs were happy with the introduction of this group as it gave them the opportunity to work together collaboratively and share good practice. It was also noted that LGBs have been asked to complete skills audits; and that Palace Fields Primary School will be moving to a LGB during the Summer Term.</p> <p>Q: How have LGBs responded to changes? A: LGBs work similarly but through CoG Forum this will be tightened up. The first 2 meetings have been excellent in terms of sharing information.</p> <p>Mr Donnelly explained that the Trust does not have a standard model of governance and therefore LGBs have not been given a directive on how LGBs are to work within the Trust, instead they are being asked if LGBs are working.</p>				

<p>7. Notification of any Key Risks from any of the Trust Committees</p>	<p>Education & Standards Committee</p> <p>Mr Barnes explained the current structures and how they work. Key risks were also noted:</p> <p>Leadership – in terms of changes that have/are taking place. Although during this period of transition there have been a lot of positives.</p> <p>Data – although there have been some improvements in mid-year data.</p> <p>Attendance – this item was covered in the CEO report (Item 5).</p> <p>Mr Barnes also reported that the committee had agreed to commission a review of leadership at LHS, but that Ofsted had come in before it had been arranged. Mr Barnes has since visited the school and met with the Principal and the Chair of Governors and feels that the school would benefit if this review were still to happen.</p> <p>The committee continues to work across the trust providing peer support/challenge. Mr Barnes has visited some of the primaries within the trust and has seen a lot of work taking place in terms of moderation. Partnership between BWP and PFPS seems to be working well and results are rising.</p> <p>Partnership working across the trust can be seen through the secondary development groups which have been set up to focus on school improvement, and the primary INSET days that have taken place.</p> <p>Mr Barnes reported that overall there have been significant improvements.</p> <p>Business & Finance Committee</p> <p>Mr Donnelly reported on the overall financial position of the trust. He also explained that he was still awaiting the outcome from the ESFA application for funding. The committee are now also receiving similar rag-rated reports from Mrs McConville (Financial Controller), as well as the more detailed consolidated and individual school financial reports.</p> <p>Mrs McConville reported:</p>				
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	<p>Financial Position - continues to improve marginally and further cost reductions may be made, however the vulnerability still remains.</p> <p>Cashflow - requires close scrutiny as the trust is still receiving requests for short-term cash support from the schools, however it was noted that the trust is notified of any deviations from budget much sooner than what has happened in the past.</p> <p>Budgets – each school is setting balanced in-year budgets. The finance team have also been working with the schools to re-profile their budgets so that predicted spend is taken into account at the time that it is expected to be paid out. Everything has been calibrated so that in-year savings can be identified. Further savings will be realised once the new staffing structures are in place (2018/19) - schools will be following the Outwood Grange model of 75% staffing, 20% other costs 5% contingency. It was also noted that in terms of the loan any budget deficits will be taken into the centre.</p> <p>Q: Will school surpluses be carried forward at the end of the year? A: No not this year, they will also be taken into the centre as we all have collective responsibility. The reserves/contingency pot will be held centrally and in the first instance will be used to pay back the loan, and then build up a contingency.</p> <p>Mr Donnelly also stated that any school who spends below the budget model will be asked to relook at their budgets in order that adequate staffing/resources are in place. PFPS are currently in this position.</p> <p>Further discussion followed regarding budget monitoring processes that have been put in place to enable the trust to manage schools in running their finances effectively.</p> <p>Q: If individual schools have managed to generate income themselves will this money be taken into the central pot, or will they be able to keep it themselves? A: They will be able to keep it themselves.</p> <p>Q: In terms of finance staff, have they received sufficient training?</p>				
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	<p><i>A: There are significant issues. Historically finance roles have been covered by admin personnel, although we are looking at reorganisation of the finance teams in terms of roles and standardising processes.</i></p> <p>Mr Donnelly explained that a proposal for centralised services has been developed and shared with the secondary Principals.</p> <p>Mrs McConville explained that she and her team have gone back to fundamentals with the school finance teams, in that spending is rationed month on month. Due to the financial position of the trust it is felt that this level of micro-control is needed.</p> <p><i>Q: It is good to see that we are moving away from public financing to a more corporate balance sheet, does this mean we will be able to see a 3 year forecast from 2018/19?</i></p> <p><i>A: We have bought a budget software package called ‘Orovia’ which allows us to input key data. We will be working with the schools so that we can produce projections for 3 years forwards.</i></p> <p>Discussion followed regarding the contingency pot and the need to ensure that it is spent on school improvement and the children. Mr Donnelly reassured the Board that once the loan is paid off, the contingency pot will be built up to 5% and will never go over this level. Schools will be involved in the decision making process on how it is spent and will only be asked to top it up as and when it falls below 5%. Mr Donnelly also wanted it noted that any proposals will also come before the Board and that a report will be produced annually to show how the contingency has been used that year to support the schools.</p> <p>It was also noted that all schools have embraced the process very well.</p>				
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<p>8. Proposal: Reconstituting LGB for Sir William Stanier</p>	<p>Mr Donnelly explained the rationale behind the reconstitution document and the reasons why SWS have decided to move to this model.</p> <p>Q: How many of our existing LGBs are not constituted with the Trust? A: 7, most of our LGBs moved across as they were on conversion.</p> <p>Discussion followed regarding the balance of governors within LGBs; and it was agreed that trust-appointed governors should always be in the majority no matter what the number of parent/staff governors.</p> <p>Mr Donnelly will work with the CoG Forum Representatives in order to bring all LGBs in line with this model.</p> <p>Further discussion followed regarding the LGB/Board's role within the reconstitution processes. Performance management of LGBs/Governors was also discussed.</p> <p>RESOLUTION: the board agreed the proposal of reconstituting the LGB for Sir William Stanier Community School.</p>				
<p>9. AoB</p>	<p>With it being Mr Cook's last Board meeting, Mr Donnelly and the board thanked him for his work and support over the years. Mr Cook also gave a speech.</p>				
<p>10. Dates of MAT Board/Committee meetings (Summer Term 2018)</p>	<p>Business & Finance: 17th May 2018 Education & Standards: 24th May 2018 Full Board Meeting: 28th June 2018 Business & Finance: 5th July 2018 Full Board Meeting: 12th July 2018</p>				

Meeting closed at 11.30 am

These minutes are approved as a true record of the meeting

Signed:

[Jeremy Barnes]

Date: 28th June 2018