



# Engage Board Meeting Minutes

27<sup>th</sup> November 2017 @ 1700

Drayton Old Lodge

<b>Attendees</b>
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Phil Harris ( <b>PH</b> ) Member and Director	Des Reynolds ( <b>DR</b> )- Director and CEO	Clive Evans ( <b>CE</b> ) -Member and Director
Sue Cooke (SC) Member and Director	Mark Winson-Pearce ( <b>MWP</b> )- Director	Dennis Freeman ( <b>DF</b> ) Director
Gill Wardlow ( <b>GW</b> ) Business Director- by invitation	Mark Proctor- Lovewell Blake- by invitation	Andriana Sneddon - <b>TA/ Clerk</b>

**Meeting commenced at 17.00**

No	Item	Action
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<b>1.0</b>	<b>Apologies and Absences</b>	
1.1	Apologies were received and accepted from Barbara Johnson, Adrian Wicks and Roger Stephenson.	
1.2	TA advised resignation from the Board of Trevor Cockburn due to heavy workload precluding time available to devote to directorship; resignation accepted under Article 67. Directors gave a vote of thanks to TC and especially for expertise he has brought to PHS Committee.	
<b>2.0</b>	<b>Declarations of Interest</b>	
2.1	PH and DR declared standing interest in EES.	
2.2	PH declared numerous new interests- no impact on agenda items	
2.3	It was noted that GW would not have a vote in any business transacted.	

<b>3.0</b>	<b>Minutes of Previous Meeting</b>	
3.1	The Minutes of previous meeting on 26/6/17 were cf for approval to next meeting on 18/12/17	TA
3.2	The Confidential Minutes of 26/6/17 were cf for approval to next meeting on 18/12/17	TA
<b>4.0</b>	<b>Election of Officers (AoA 84)</b>	
4.1	As per ET Articles 84, annual election of officers as follows; Chair, one previous nomination for PH, seconded by CE and unanimously approved. Vice Chair: one previous nomination for SC seconded by DF and unanimously approved.	
4.2	Administration complete- TA to forward outstanding forms to RS	TA
4.3	Code of Conduct for the Engage Trust Board of Trustees, previously distributed and attached was proposed for acceptance 2017-18 by SC, seconded by MWP and unanimously approved	
4.4	Following publication of Competency Framework January 2017, NGA have revised Skills Audit for Trustees in response- TA to distribute via email for return by Christmas 2017.	TA
4.5	TA advised addition of DR to GISA and Companies House as Director as per Article 48.b	
4.6	Trust Committee Terms of Reference for ratification; PHS Committee, proposed for acceptance by DF, seconded by SC and unanimously approved. ARP Committee, proposed for acceptance by SC, seconded by DF and unanimously approved	
4.7	Committee membership cf to next meeting 18/12/17	TA
4.8	Academy link directors confirmed as follows; SSSfN =SC Pinetree = DF	
<b>5.0</b>	<b>Finance</b>	
5.1	Mark Proctor- Senior Statutory Auditor Lovewell Blake Independent Auditors was welcomed to the meeting to present Annual Accounts 2016-17 for both EES and ET. Key points to note; <b>EES;</b> <ul style="list-style-type: none"> <li>Financial year loss - £258K inclusive £38k redundancy payments, CST losses due to lack of subscriptions and deferred income for Lodestar.</li> </ul>	

	<ul style="list-style-type: none"> <li>• Intention that this loss will be reversed by August 2018 results as will include a full year of Lodestar income</li> <li>• Question of ongoing viability of CST as income not covering expenditure despite recent staff restructure and slow increase in school subscriptions renewals.</li> </ul> <p><b>ET;</b></p> <ul style="list-style-type: none"> <li>• Financial year deficit -£1.4m inclusive EES loss, redundancy payments, LGPS pension adjustment and operating deficit from previous year Understanding that this due to incorrectly structured central funding and NCC being lowest per pupil place commissioner, despite increase per place this year. MP reminded that ESFA would not look favourably on public funds being used to shore up failing subsidiaries</li> <li>• Question of longer term viability of Trust as continued reliance on advance funding not sustainable; onus on Directors to establish a stable financial position</li> <li>• Recommendation that cash flow scrutinised for next 12 months and reminder that crucial for ET to break even TY (exclusive any recoup of c/o deficit) and ongoing to build surplus to pay off deficit.</li> <li>• Possibility ESFA scrutiny could highlight underfunding and provide remedy or expectation that must do better with existing funding or considered profligate.</li> <li>• Possibility receipt FNTI, which will present challenges and issues and incur costs to implement as well as possibility that recommendations would be in conflict with OFSTED requirements.</li> <li>• Possibility of MAT merger- currently unattractive proposition to any sponsors and reliant on NCC to fund, itself currently under scrutiny</li> </ul> <p style="text-align: right;"><b>MP LEFT MEETING AT 1750</b></p> <p>PH proposed that Annual Accounts for both EES and ET ,once additional background information provided by GW has been included, be signed off, seconded by DF and unanimously accepted.</p> <p>GW to complete responses to audit observations as noted in Management report and circulate to Board for review and queries prior to next meeting 18/12/17 in order to meet year-end submission deadline.</p> <p>Directors expressed some considerable concern regarding the unfavourable picture presented by sets of accounts and had some discussion regarding ongoing viability of both EES and ET.</p> <p>DR advised that next 18 months were crucial for the Trust; he believed ongoing viability of Trust but that this dependent on improved OFSTED judgements and increased funding. Directors requested likely next steps in short term as follows;</p> <ul style="list-style-type: none"> <li>• Keep operational</li> <li>• SBM report submitted to ESFA December 2017</li> <li>• Annual Accounts submitted to ESFA December 2017</li> <li>• Possibility receipt FNTI end January 2018 and direct intervention Spring 2018- the detail of implementation is unknown but likely to direct expenditure and structures. Directors questioned whether a pre-emptive discussion with ESFA outlining recognition of issues, unsustainable budget and possible solutions to preclude issue of FNTI would be of any benefit; to be considered at next meeting. Directors</li> </ul>	<p style="text-align: center;"><b>GW</b></p> <p style="text-align: center;"><b>CONCERN</b></p> <p style="text-align: center;"><b>CHALLENGE</b></p> <p style="text-align: center;"><b>CHALLENGE</b></p>
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	<p>requested possible FNTI actions- further staff restructures, use of less qualified staff, increase class sizes, close bases but recognised the risks associated with these alterations</p> <p>Directors requested plan formulated for medium term to cover;</p> <ul style="list-style-type: none"> <li>• Possible loss of CST @April when resubscriptions due; unlikely beforehand due to refunds. Directors queried reasoning for loss; DR to produce detailed business proposal but made Directors aware of possibility of NCC 50% cut of HNB/ SEN Cluster funding to schools that is used to pay CST subscriptions- unlikely CST survival. Directors requested that cost of redundancies be included where natural wastage has not occurred as well as cancellation costs pre April should action needed to be taken sooner.</li> <li>• Ongoing viability of EES; will incorporate Lodestar and Supply bank.</li> <li>• ET- investigate how costs can be further reduced incorporating DOL restructure and school leadership team reductions to achieve £250k; DR to produce detailed paper to next meeting 18/12/17</li> <li>• Examination NYs budgets early to ascertain in year balance.</li> </ul> <p>Longer term;</p> <ul style="list-style-type: none"> <li>• Review academy structure to x4 academies to adapt to NCC strategy of providing increased specialist places and revise Vision to reflect this. In answer to query raised as to the benefits specialist provision would bring, DR advised that this provision attracts higher top up funding which is scaled to the level of need of the child. Based on current profile of learners, this would attract enhanced funding. Directors queried why not instigate change now; DR advised need of RSC permission- to discuss March 2018</li> <li>• Discuss with RSC to clarify change process and initiate</li> <li>• Formulate Trust Development Plan to incorporate above</li> <li>• Monitor budget and possibility further restructures</li> </ul> <p>Director's queried possibility of liquidation- this is possible through any creditor but more likely for EES as in a more vulnerable position.</p> <p>MWP requested more detailed provision of budget assumptions by major lines for 2017-18 with detailed income and expenditure commentary to enable better understanding of creation and exceptions; GW to provide to next meeting 18/12/17 as well as budget predictions to end year.</p> <p><b>Financial Handbooks;</b></p> <p>AFH 2017 and ET Finance Handbook 2017, proposed by PH, seconded by SC and unanimously agreed to adopt as ET Code of Financial Practice.</p> <p>SLA's approved as follows;</p> <ul style="list-style-type: none"> <li>• SSSfN agreed at LGB 25/9/17; unanimously approved</li> <li>• Pinetree- not available due to LGB after Board</li> <li>• Childhood First agreed 27/11/17; unanimously approved.</li> </ul> <p><b>Related parties statements of assurance-</b> outstanding PH,AW and RS; TA to action</p>	<p><b>CHALLENGE</b></p> <p><b>DR</b></p> <p><b>DR</b></p> <p><b>GW</b></p> <p><b>DR</b></p> <p><b>CHALLENGE</b></p> <p><b>CHALLENGE</b></p> <p><b>DR</b></p> <p><b>ALL</b></p> <p><b>DR/GW</b></p> <p><b>CHALLENGE</b></p> <p><b>REQUEST</b></p> <p><b>GW</b></p> <p><b>TA</b></p>
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<b>6.0</b>	<b>Academy Reports</b>	
<b>6.1</b>	<p><b>SSSfN</b>, report attached and previously distributed. No queries raised but actions for consideration as follows;</p> <ul style="list-style-type: none"> <li>• Great efforts of SLT to move school out of RI, timeline evidence keeping on task. Directors queried first opportunity to adjust grading-likely February 2019</li> <li>• Wellbeing stable but not great; ongoing wobbles from restructure and recruitment needs; PH to conduct Wellbeing survey.</li> <li>• Governorship; ongoing lack of Governors increasing workload and responsibility of incumbent; possibility advertise in media</li> <li>• Commended school on TYs excellent results</li> </ul>	<p><b>CHALLENGE</b></p> <p><b>PH</b></p> <p><b>DR/TA</b></p>
<b>6.2</b>	<p><b>Pinetree</b>; report attached and previously distributed. No queries raised but actions for consideration as follows;</p> <ul style="list-style-type: none"> <li>• Staff continue to work hard to raise pupil progress and attainment, aspirations despite increasing pupils on roll. Total capacity capped at x36 pupils.</li> </ul>	<b>CHALLENGE</b>
<b>6.3</b>	<p><b>KPI/KRI</b>; report previously circulated and attached. MWP queried disparity in staff vacancies- DR confirmed compilation of figures on KPI as at end July, subsequent to this only 11 vacancies remaining.</p>	<b>CHALLENGE</b>
<b>7.0</b>	<b>Committee Reports</b>	
<b>7.1</b>	<p><b>PHS</b> (verbal report from DR.); DR gave a summary of Committee activity to date with points to note as follows;</p> <ul style="list-style-type: none"> <li>• All bases within ET now regularly visited and documentation improved.</li> <li>• MWP queried whether budget implications considered by committee when premises recommendations made. DR advised that all expenditure is authorised by himself and this is when budgetary impact is considered. MWP queried how the extra expenditure at Earthsea for SALTO and outside refurb could be accommodated; DR advised budget revision process in January will assess impact</li> <li>• Premises requirements by base are outlined in CEOs report; CIF bids for Locksley heating, outdoor space creation and additional space at Pinetree to be submitted.</li> </ul>	<p><b>CHALLENGE</b></p> <p><b>CHALLENGE</b></p>
<b>7.2</b>	<p><b>ARP</b> (report previously circulated and attached.);no queries raised</p> <p>MWP requested copies of Internal Audit reports June 2017 and November 2017; TA to distribute June with Board Minutes and November set at next meeting 18/12/17</p> <p>MWP requested that lifting of public sector pay cap be incorporated in future budgets.</p>	<p><b>REQUEST/TA/GW</b></p> <p><b>REQUEST/GW</b></p>
<b>8.0</b>	<b>EES Report</b>	
<b>8.1</b>	<p>Previously distributed and attached; no queries but actions to be taken as point 5 above</p>	

<b>9.0</b>	<b>CEO Report</b>	
<b>9.1</b>	Previously distributed and attached, no queries but actions to be taken as point 5 above	
<b>10.0</b>	<b>Trust Development</b>	
<b>10.1</b>	Actions as per point 5 above to be finalised at next meeting 18/12/17	
<b>11.0</b>	<b>Correspondence and Publicity</b>	
<b>11.1</b>	C4 documentary focusing on Rosebery Primary Summer 2017 had resulted in much positive publicity for the Trust; no comment forthcoming from NCC.	<b>ALL</b>  <b>DR</b>
<b>11.2</b>	RSC visit planned 2/3/18 at 11am DOL; Directors to attend	
<b>11.3</b>	Press release for Locksley VLH to coincide with official opening.	
<b>12.0</b>	<b>Confidential items</b>	
<b>12.1</b>	CE confirmed that Perf.Mgt for DR had taken place.	
<b>13.0</b>	<b>AOB</b>	
<b>13.1</b>	GW requested that Finance team be recognised and thanked for their hard work in achieving year end work through a difficult year.	
<b>Next meeting date; 18/12/17 at 4pm at DOL</b>		
<b>Meeting finished at 1935</b>		

Signed.....

Position.....

Date.....