

Company Number: 10561094
Board of Directors Meeting 17.11.20

Minutes of a meeting of the Board of Directors

DATE: Tuesday 17 November 2020

TIME: 6.00pm

VENUE: Virtual meeting

Present:

Roger Alston (Director – RA, Chair), Debi Bailey (CEO and Director - DB), Steve Beharall (Director – SB), Nichola Brannen (Director – NB), Shaun Fooy (Director – SF), Nadia Iftkhar (Director – NI), Steve Leggetter (Director – SL), Andrew Lister (Director – AL), Anne McNall (Director – AM), Sue Ormerod (Director – SO), Steven Strassheim (Director – SS)

Required quorum: 3, or if greater 1/3rd of Directors holding office on that date. Directors holding office on 17.11.20: 11. Directors present on 17.11.20: 11. The meeting was quorate.

In attendance:

Lisa Bilton (NEAT Director of Business Services – LB)
Suzanne Hendey (NEAT Director of Governance and Corporate Affairs - SH), Clerk
Charles Turvill (NEAT Chief Operating and Financial Officer – CT)
Janet Myers (NGA Consultant)

The Chair welcomed Janet Myers, National Governance Association Consultant as an observer, who had been appointed to undertake an external review of governance for the trust.

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| 1 | <p>Apologies for absence There were no apologies for absence.</p> |
| 2 | <p>Declaration of potential conflict of interest in any agenda item The CEO declared her role as the Chair of the Interim Executive Board at St Hild's Church of England School, which was a potential conflict of interest in relation to item 9. In the context of this meeting DB confirmed she was acting solely as the CEO and director of NEAT.</p> |
| 3 | <p>Agree any items of urgent business not on the agenda The Chair had agreed to consider two urgent items under item 15, which had been notified in advance:</p> <ul style="list-style-type: none"> • from SL: a strategic decision about the standardisation of devices arising from supporting the trust's work on blended learning • from the COFO: a request to amend the Covid-19 Scheme of Delegation agreed in the Summer Term. |
| 4 | <p>Minutes of previous meeting held on 22 October 2020 and matters arising The minutes were agreed as an accurate record of the meeting and, after discussion, item 12 was classified as confidential. The Chair to sign the minutes at the next</p> |

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| | <p>available opportunity.</p> |
| <p>5</p> | <p>Update action grid from previous board meetings</p> <p>The following updates were provided in relation to items not included on the agenda:</p> <ul style="list-style-type: none"> • 22.10.20 Item 8: The COFO clarified he and the CEO had met with West Walker's Headteacher regarding improvements to the school's learning environment, who was to discuss this with the SLT and make suggestions. • 22.10.20 Item 9: SL confirmed he had contacted Microsoft's Head in the UK for Schools and there may be a gap for a case study, especially in an area of deprivation, plus access to forums/groups; AL was to discuss support for the trust with his Microsoft Account Manager. • 22.10.20 Urgent item: The Chair explained he had discussed the CEO's appraisal with NI and proposed to the Board that a small group would be established to review the appraisal process. NI confirmed she welcomed that proposal and also commented that the Board needed to scrutinise policies further, especially for directors without a background in education e.g. is language appropriate? are there guidelines in Plain English to follow? <p>Action:</p> <ul style="list-style-type: none"> • The directors to establish a group to review the CEO's appraisal at the next meeting. |
| <p>6</p> | <p>Membership of the Board of Directors</p> <p>The Chair confirmed that the Vice Chair had resigned as a director.</p> <p>Action:</p> <ul style="list-style-type: none"> • The Clerk to write formally on behalf of the Board to thank the former Vice Chair for his contribution to the trust. <p>The Chair suggested that the board did not recruitment an additional director. He outlined that the Board had previously increased its membership from 11 to 12, whereas the Regional Schools Commissioner's office preferred trusts to have an odd number of directors. The Board had previously decided to recommend to the Members to amend the trust's articles of association to remove the ex officio status of the CEO as a director, which – combined with the Vice Chair's resignation - would now reduce the Board to an even number of 10 directors, therefore the Board could consider repealing its previous resolution, leaving the Board with 11 directors in total.</p> <p>The Clerk drew attention to the latest version of the Board's skills audit matrix, now excluding the former Vice Chair, and highlighted two areas which scored less than 4 or 5: knowledge of communities local to the schools in the trust and use of data (the latter having already been identified as a development need by the Board).</p> <p>The Clerk advised that the DfE was likely to request the trust to move to new model articles during the legal process to sponsor St Hild's, which may have wider implications for governance within the trust. Attempting to amend that single provision in the current articles, which would require the prior permission of the DfE, might lead to greater pressure to adopt the new articles, however this should not be the main motivation in deciding whether or not to recruit a replacement director.</p> <p>There were varied views expressed by the directors regarding the suggestion not to recruit to the vacancy arising from the Vice Chair's resignation:</p> |

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- whether there was sufficient education expertise across secondary and primary;
- whether the Board had sufficient knowledge of all of its communities;
- the impact of the planned growth in Hartlepool on representation;
- that the board was not representative of its current communities and not recruiting would close down an opportunity to address the ongoing lack of diversity amongst at board level, which had not changed during the last three years;
- that skills gaps should be the main factor in driving recruitment.

Actions:

- Board to consider whether to appoint an additional director taking into account lack of diversity on board and need for community representation at the next meeting

Resolved:

- To pause making the recommendation to amend the current articles of association, pending the above discussion and considering the new model articles for Church of England MATs at the next meeting

The Chair outlined that it was proposed to hold an election for the Vice Chair position at the next meeting. It would be possible to elect two Vice Chairs with clear responsibility and accountabilities so that there was a specific portfolio, which had not been in place previously. A director queried the rationale for electing two Vice Chairs, which the Chair confirmed was to share the workload. The Chair shared a role overview for the Vice Chair and it was suggested the final portfolio would be agreed with the elected person(s) in discussion with the Chair and the Clerk.

Action:

- To discuss the Vice Chair role further and hold an election at the next meeting. Directors to express an interest initially and then be invited to complete a nomination form by 09.12.20. It was noted that amendments may have to be made to the election procedure to allow for joint nominees for the Chair or Vice Chair role.

The Chair confirmed that a fifth director with a relevant skillset was sought to join the Audit and Risk Committee.

Action:

- Directors were invited to contact the Chair to express an interest with an appointment to be made at the next meeting.

The Clerk highlighted that the terms of office of three directors appointed by the Members were due to end early in 2021. The Diocese had confirmed that the Members would expect to receive a recommendation from the Board, along with a statement about the skills of the director, before deciding whether to re-appoint. RA, SB and AM all confirmed that they wished to seek re-appointment for a further term.

Action:

- The Board to make a recommendation about each director's re-appointment at the next meeting

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| 7 | <p>Central Team Review</p> <p>The CEO outlined the Executive Team’s response to the presentation from the ASCL Leadership Consultant at the last meeting, which had identified two main priorities:</p> <ul style="list-style-type: none"> • to build the Central Team’s capacity in readiness for growth; • to review the trust’s mission and vision and develop a new strategy for the next 3-5 years. <p>Assurance was provided by the CEO that the Trust Capacity Fund and Sponsorship Funding awarded to the trust by the DfE was enabling Central Team capacity to be increased and internal capacity to support St Hild’s to be built: recruitment to additional posts to support teaching and learning, HR, finance, IT and research school workstreams was planned. However, it was recognised that the current funding model does not enable this capacity to be sustained and this will need to be reviewed.</p> <p>There was discussion about the IT role and the CEO confirmed that it would be focused on delivery, as well as developing trust-wide strategy.</p> <p>Action:</p> <ul style="list-style-type: none"> • The COFO to meet with SL and SO as a sounding board for the development of the Director of Digital Strategy/Delivery role <p>The huge potential of the teaching and research school was noted, although there was a need to better understand the KPIs and to consider which HE institution would be an appropriate partner.</p> <p>Action:</p> <ul style="list-style-type: none"> • The CEO to meet with NB and AM to discuss opportunities and partnership with HE institution in more detail. <p>A director asked about the timescale for reviewing the funding model, which the COFO confirmed he would bring forward as an interim model in the Spring Term so that St Hild’s would join the trust under an appropriate arrangement from day 1. The CEO clarified that a fundamental review of funding to ensure the trust’s strategic priorities could be pursued would be part of the strategy review process and there would be a need to find a different approach.</p> <p>Action:</p> <ul style="list-style-type: none"> • The COFO to bring forward an interim funding model in the Spring Term prior to St Hild’s joining the trust. |
| 8 | <p>Strategic Plans for 2020-21 and 2021-24</p> <p>The CEO proposed a stepped approach:</p> <ul style="list-style-type: none"> • having reflected on the Board’s previous comments on the impact of Covid-19 on capacity to pursue a full range of strategic priorities, to agree an interim Strategic Plan for 2020-21, which is the third year of the three-year planning cycle, focused on a narrower range of priorities; • to review the trust’s mission, vision and strategy for 2021-24 during the course of this year using the framework proposed in the paper, which had been adapted from a strategy development and review framework within the NHS; • that during this transition period, Link Directors would be retained for each school but the focus changed to a discussion about the trust’s key strategic priorities, which would inform the board’s evaluation of progress. |

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| | <p>The proposed strategy review framework was welcomed with one director having prior experience of using this within the NHS. It was agreed to amend the proposed outputs of the strategy review process for 2021-24 to include (i) ensuring the trust has an appropriate methodology for evaluation and indicators of success and (ii) providing clarity for employees about how the values link with the trust's vision and strategy.</p> <p>Resolved:</p> <ul style="list-style-type: none"> • To approve the interim Strategic Plan for 2020-21. • To agree a re-focused role for Link Directors during 2020-21 based on the above plan with practical arrangements to be discussed with Heads and Chairs. The Clerk to meet with the Link Directors in preparation for the first round of meetings. • To adopt the proposed strategy development and review framework for the trust. • The overarching strategic questions and expected outputs of the strategy review to develop the trust's next Strategic Plan for 2021-25 were agreed as working documents (with the above amendments to be included). <p>Actions:</p> <ul style="list-style-type: none"> • Proposed broad programme for strategy review for 2021-2024 to be developed by the Executive Team for discussion at the next meeting. • The Chair and CEO to share the outcomes of this agenda item at the Heads and Chairs Forum on 18.11.20. |
| 9 | <p>Proposed sponsor match for St Hild's Church of England School, Hartlepool The CEO clarified that, in addition to the Trust Capacity and Sponsorship funding awarded, the trust could also apply for an Environmental Improvement Grant for St Hild's.</p> <p>It was confirmed that, in addition to the school improvement due diligence report previously circulated, Avec had carried out due diligence into Finance, HR and Health and Safety and a verbal report had been received from Clennell Education Solutions regarding safeguarding following an on-site visit on 16.11.20.</p> <p>The risks identified as medium or high were summarised for the directors including academic performance, pupil numbers, HR, property, IT/data and safeguarding. The CEO had concluded that there was nothing to date of significant concern and the due diligence findings were consistent with her personal knowledge of the school as a member of the Interim Executive Board, the feedback from the One Vision programme and the views of the Diocesan Education Director.</p> <p>Directors questioned a number of areas including:</p> <ul style="list-style-type: none"> • IT risks including GDPR, which the COFO confirmed had not highlighted anything significant to date, although due diligence was ongoing; • the culture of St Hild's and the fit with personal experience of the trust's staff as willing, energetic and supportive, which the CEO confirmed as being very similar: Mark Wilson and she had met with a range of staff, who could quantify the changes made, were complimentary about the Head and SLT and acknowledged the challenge and support provided, plus the Chair and the former Vice Chair had been positive about their findings from an informal visit; • the process, which the CEO and COFO explained would involve engagement with the school's stakeholders and formal consultation about the TUPE transfer of |

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| | <p>employees then a final decision by the Board as to whether to progress around early March before the legal process was completed;</p> <ul style="list-style-type: none"> • how St Hild’s had progressed from a financial deficit to a surplus, which the COFO clarified had arisen due to accumulated debt over a number of years resulting in 30 redundancies, although there was now a stable staffing structure and control of costs; • views of staff and the local community, which the CEO stated did not suggest any negativity so far with excellent relationships with the feeder primaries; • the final point at which the trust was committed, which the Chair confirmed as when the school is signed over to the trust but it was not possible to identify yet when that would be. <p>Resolved:</p> <ul style="list-style-type: none"> • To progress to the next stage of the formal process to incorporate St Hild’s into the trust with a target date of 1 April 2021. |
| 10 | <p>a) Period 2 management accounts for 2020-21 financial year</p> <p>The COFO presented the papers and highlighted the additional written commentary, which he would welcome feedback on. Overall, the position was a surplus of £96k for the year to date, which was £78k better than expected. The reasons were highlighted and summarised as largely being due to lower than expected staffing expenditure; this trend was not expected to continue.</p> <p>In respect of the balance sheet, the COFO confirmed that the accounts had not yet been agreed with the external auditors yet and the pension scheme valuation was delayed, which may have a significant bearing on liabilities therefore there was considerable uncertainty.</p> <p>NEAT Active Ltd’s trading position was of concern due to the closure of the Sports Centre: all associated staff had been furloughed apart from one to maintain core operations. Overall, it was possible that the Sports Centre may trade at a loss and steps were being taken to mitigate these accumulating.</p> <p>Overall, there were no additional actions identified by the Board to maintain financial viability of the trust on this occasion.</p> <p>b) Revised trust budget for 2020-21</p> <p>The COFO summarised the key revisions: significant additional grant funding as income and changes to how income and expenditure is accounted for in respect of central services to remove “internal trading”.</p> <p>A director asked about the income and expenditure for the research school, which the COFO clarified included additional income within the current year however there was a distinct lack of capacity for research school leadership within the trust.</p> <p>It was confirmed that St Hild’s was not included in the revised budget. It was highlighted that there was some risk that the costs generated through building capacity within the trust would not be met by income if the date for incorporation was delayed after 1 April. This was equivalent to £90k for the period April-August 2020, which may have to be met from reserves.</p> |

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| | <p>Resolved:</p> <ul style="list-style-type: none"> To approve a revised trust budget for 2020-21 include identified changes to income and expenditure including the grants related to St Hild's and catch-up premium funding for schools awarded by the DfE |
| <p>11</p> | <p>Reports received from NEAT Active Ltd Board of Directors, Committees and Executive Team</p> <p>A summary of reports received was as follows:</p> <ul style="list-style-type: none"> a) Report from NEAT Active Ltd Board of Directors Meeting – none; b) Report from Remuneration Committee on 10.11.20 – short report provided; c) Reports from Local Governing Committee Meetings – none; d) Decisions since the last Board meeting on 22.10.20 delegated to the Chair on behalf of the Board – none; e) Urgent decisions since the last Board meeting on 22.10.20 taken by the Chair on behalf of the Board: <ul style="list-style-type: none"> - 04.11.20: Amendment to the Standard and Bespoke Schemes of Delegation to delegate awarding temporary payments to headteachers to the Remuneration Committee as this was an omission in the last review of the scheme in July 2020; f) Report of policies approved on behalf of the Board since the last Board meeting on 22.10.20 – none. <p>There were no questions regarding any of the reports.</p> |
| <p>12</p> | <p>Any urgent business</p> <p>The two items agreed by the Chair in advance were discussed:</p> <ul style="list-style-type: none"> SL identified the need for strategic decision to be made about the standardisation of devices across the trust to inform purchasing decisions Action: SL and CEO to progress with support from AL as required The COFO requested that the Board consider delegating the decision about the rate of pay that furloughed employees receive to the Executive Team to enable the trust to be responsive to the developing Covid-19 situation. <i>SB left the meeting at 20:04</i> <p>Resolved: To delegate the decision about the pay of furloughed employees to the CEO, based taking into account the COFO's advice.</p> |

Meeting concluded at 20:10.

Signed..... R.T. Arsten Date..... 04.02.21

