

Company Number: 10561094
 Board of Directors Meeting 22.10.20

Minutes of a meeting of the Board of Directors (Public Version)

DATE: Thursday 22 October 2020
 TIME: 6.00pm
 VENUE: Virtual meeting

Present:

Roger Alston (Director – RA, Chair), Debi Bailey (CEO and Director - DB), Steve Beharall (Director – SB), 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 22.10.20: 12. Directors present on 22.10.20: 10. 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)

The Chair confirmed the approach to item 6 (feedback regarding Central Team review) would be for Rob Robson from ASCL to provide verbal feedback at this meeting with the opportunity for the Directors to ask any questions of clarification. Mr Robson’s presentation and written report would then be circulated. It was intended to hold another Board Meeting to discuss the findings and recommendations further; a date would be agreed later in the meeting.

PART 1 (Classified non-confidential)

Items discussed under Part 1 of this agenda are not classified as confidential; consequently the minutes and supporting documents should be made available to any person wishing to inspect them.

AMcN joined the meeting at 18:05.

1	<p>Apologies for absence Apologies were received from Nichola Brannen and Michael White, which were accepted.</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 7. On this occasion the Board was not expected to make any decision in relation to St Hild’s.</p>

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3	<p>Agree any items of urgent business not on the agenda There was no urgent business to consider.</p>
4	<p>Minutes of previous meeting held on 16 September 2020 and matters arising <i>NI joined the meeting at 18:10.</i> AMcN raised concern that her comment at the previous meeting about the need to review the trust's vision had not been reflected in the minutes. It was unclear which agenda item this related to and the Clerk suggested that, although a review of the trust's vision was not explicitly referenced, the action for 15.07.10 Item 10 in the Action Grid referred to the discussions on 16.09.20 about the Strategic Plan.</p> <p>The minutes were agreed as an accurate record of the meeting and the Chair was to sign and return the minutes to the Clerk.</p>
5	<p>Update action grid from previous board meetings The following updates were provided in relation to items not included on the agenda:</p> <ul style="list-style-type: none"> • 15.07.20 Item 10: The CEO confirmed it was intended to bring back the Strategic Plan for 2020-21 to a future meeting and she this was also linked to the recommendations to be presented by Rob Robson under item 6. • 15.07.20 Item 15: The CEO clarified that it was intended to discuss West Walker further at a future meeting and this would also be referenced by Rob Robson. • 18.07.18 Item 18: The Clerk confirmed that she had progressed identifying potential providers to undertake an external review of governance virtually. It was intended to include any relevant recommendations from Rob Robson in the brief and to select a provider in consultation with the Chair, Vice Chair and CEO week commencing 2.11.20. This would enable the external review to take place during the second half of the Autumn Term ahead of the forthcoming AGM early in 2021.
6	<p>Feedback from Rob Robson regarding Central Team review commissioned from ASCL <i>Rob Robson joined the meeting at 18:15.</i> Mr Robson presented recommendations about the following aspects of the trust via a live Powerpoint presentation. In addition to the formal recommendations listed on the slides, he also gave a commentary on the specific areas below:</p> <ul style="list-style-type: none"> • mission and work: the trust needs to be clear about what improving the life chances of children means e.g. in terms of employability and life chances, that careers advice and opportunities should be central to the trust's work, that the current funding model is probably not sustainable and there is a need to redesign the central services; • pupil and student capacity: that the trust would attract a further £1m of funding if all its schools were full; • teaching and research schools: that NEAT needs to be at the centre of the review of teaching schools, the research school should be at the core of the trust's work at local, national and international level and the trust should develop a formal partnership with a university; • NEAT Board: the Board needs to feel confident not to ask for operational detail and to push back to the Executive Team if presented with operational detail, directors should be involved in triangulating the strategic strands of the trust's work and commit to school visits to do so, the CEO's strategic mitigation report should be clear about the intended outcome of the strategy, the Board should test what the actual outcome is and focus on questioning the report with positive

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	<p>news stories included in newsletters, websites etc instead;</p> <ul style="list-style-type: none"> • NEAT Central Team (noting that Sue Lightburn, an independent consultant, would make separate recommendations about HR): <ul style="list-style-type: none"> - there was consensus that the team work incredibly hard however the current structure was not as effective as it could be - the importance of centralising the HR function to ensure there is consistent and equal treatment of employees across the trust - that in the fullness of time Finance should also be centralised however this would involve restructuring the role of School Business Managers - adopting GAG pooling as a funding allocation model had been very slow to take off in the trust system but the Board might want to explore this in the future to give more capacity in some areas - there had been “mission creep” over time in central roles and revised job descriptions were needed - clear accountability lines were needed to ensure the CEO was freed from accountability for HR and Finance - that the CEO had reported only having one free evening during the first half of the term and her attendance at full governing body/local governing committee meetings should be reviewed - the trust will need to review which external contracts would be more effectively performed in-house; • improving teaching and learning: <ul style="list-style-type: none"> - that all headteachers were enthusiastic about taking responsibility for trust-wide priorities, these priorities should be linked to the research school, which would create excitement for the trust’s mission and also develop deputy heads - the CEO needs more capacity, particularly for St Hild’s as this capacity cannot be taken from Benfield given its current position - there is potential for the windscreen to be developed beyond the pastoral system e.g. for careers, educational outcomes therefore young people could be tracked across a wider range of outcomes. <p>Mr Robson stressed that the recommendations did not have to be implemented immediately and that the trust could take the opportunity to accept or reject each of the recommendations.</p> <p>The Chair commented favourably on Mr Robson’s presentation and invited questions of clarification from the Directors, which were as follows:</p> <ul style="list-style-type: none"> • to clarify the recommendation to develop the windscreen, which Mr Robson suggested could track careers opportunities/interventions for young people to ensure every child has the same opportunities as there could be variance between schools; • the priorities for the trust given the number and range of recommendations, which Mr Robson proposed as follows: <ul style="list-style-type: none"> (i) getting the capacity and workstreams right for the Central Team was essential for the trust to grow as it would be very stressful for the trust to take St Hild’s with current capacity – he reiterated concerns about the CEO’s workload (e.g. attending LGC meetings, whereas the Chair of the Board could develop relationships with LGC Chairs to enable feedback) and suggested the Board’s aim should be for the CEO to be full of drive and enthusiasm to take on St Hild’s but with the capacity and headspace to be strategic; and (ii) reviewing whether the trust’s mission and vision is right as this should drive
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	<p>the trust's strategy which in turn would identify how the Central Team needs to be commissioned to deliver this at an operational level;</p> <ul style="list-style-type: none"> • whether there was a recommended timescale to take on St Hild's, which Mr Robson confirmed he had not included in the report. The COFO commented that the current priority was to build capacity and review the structure and it was anticipated that the April would be the earliest that the trust would take on St Hild's. Mr Robson commented that the trust would be able to add a great deal to St Hild's, although it must also balance the needs of Benfield School, and ensure the trust takes St Hild's when it is right to do so including the CEO's capacity. <p><i>Rob Robson left the meeting at 19:05.</i></p> <p>Actions:</p> <ul style="list-style-type: none"> • Presentation and written report to be circulated by the Clerk following the meeting. • It was agreed to hold an additional meeting on Tuesday 17.11.20 for the Board to discuss the report further.
7	<p>Proposed sponsor match for St Hild's Church of England School, Hartlepool</p> <p>The CEO introduced the paper to provide an update on the due diligence process, the conversion process and the review of the central team infrastructure. The report summarised the key considerations to date in relation to:</p> <ul style="list-style-type: none"> • Quality of education • Behaviour and attitudes • Personal development • Leadership • Property <p>In light of the fact that only the due diligence report from Mark Wilson had been received and those commissioned from Avec and Clennell Education Solutions were outstanding, it was not possible at this meeting to make a formal recommendation to the Board about whether the trust should progress to the next stage of the sponsorship process. This would need to be considered at the additional meeting to be held on 17.11.20.</p> <p>The COFO provided an update on funding:</p> <ul style="list-style-type: none"> • there was still no outcome from the moderation panel for the Trust Capacity Fund, on which some proposed Central Team roles were dependant, which had implications for how quickly the capacity could be built; • the sponsorship funding application was due to be considered by the Regional Schools Commissioner, which also impacted on taking forward specific actions. <p>It was confirmed to the Board that the Regional Schools Commissioner's office was already clear that the trust would not consider St Hild's joining NEAT before April.</p> <p>Directors sought clarification of whether the additional capacity needed had been identified. The CEO confirmed that the sponsorship process was dependent on the trust recruiting a full-time secondary school improvement lead with extra capacity also required within the Central Team.</p>

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	<p>A director commented that fulfilling the vision of the trust, including being a good employer, is key for senior leaders, yet reviewing the vision is also a priority for development which needs to be ongoing. Therefore reservations were expressed about the lack of capacity and the timescale for progressing St Hild's. These concerns were seconded by another director, particularly in light of the fact that the trust is not in a normal situation due to Covid-19 and significant capacity is needed to manage that.</p> <p>A director observed that Mark Wilson's report about the findings of the school's strengths/areas for further improvement was reassuring.</p> <p>A question was asked about whether Hartlepool local authority would be required to put right any property concerns before St Hild's joined the trust. The COFO responded that there was a need to investigate further as he had not yet been on site, however there would be access to an Environmental Improvement Grant for St Hild's from the DfE and the Durham Diocese also held capital funding for the school which would transfer to the trust. In response to a query about the assessment of cladding for fire safety purposes, the COFO confirmed that the due diligence process was still ongoing.</p> <p>Action:</p> <ul style="list-style-type: none"> • Full due diligence and assessment of risks/mitigation to be brought forward to the meeting on 17.11.20.
8	<p>Year-end management accounts for 2019-20 financial year</p> <p>The COFO presented the papers and highlighted that the year-end position was provisional and subject to the external audit for 2019-20 (which was ongoing). The significant points of note were:</p> <ul style="list-style-type: none"> • Income: projected income of £16.9m was £1m more than the budgeted position with £450k of this linked to free school meals voucher claims under Covid-19 exceptional costs with a further claim still to be made; • Expenditure: projected expenditure of £16.6m was £300k more than the budgeted position including a higher than expected spend on supply staff, which had been discussed previously, and provision of free school meals • Overall, the projected outturn was +£267k, which was £666k higher than the 2019-20 budget, therefore the trust's reserves would be substantially higher going forward with improved financial resilience; • In terms of individual operating units, Benfield still had a significant in-year deficit of -£180k, although this was better than expected, and NEAT Active Ltd had a trading loss of -£17k due to not operating from late March to July. <p>The directors sought clarification of:</p> <ul style="list-style-type: none"> • the nature of the investment in IT, which the COFO confirmed was largely replacement rather than to support remote learning including upgraded wi-fi, switches etc, although replacement of iPads had created a pool of older devices for home use; • the basis for the book value for IT equipment on the balance sheet, which had halved compared to 2018-19, which the COFO clarified was due to IT assets not having come through to the balance sheet; • the potential to progress improvements to the learning environment at West Walker particularly in light of the better than expected financial situation, which

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	<p>had previously been identified by the Board as a concern, and the COFO agreed provided more flexibility going forward;</p> <ul style="list-style-type: none"> The overall position of the trust's reserves, which the COFO confirmed was a provisional figure of £400k for 2019-20, however as the consolidated position for the Group had to be taken into account there remained considerable uncertainty about the final position. This was due to the unknown impact of movement in the NEAT Active pension scheme valuation, although it was hoped that some funds would be released back into the trust's reserves. <p>Action:</p> <ul style="list-style-type: none"> Actions to improve the learning environment at West Walker to be discussed with the school and taken forward. <p>The COFO drew attention to the benchmarking data provided for each school compared with similar schools, which identified some areas to review and discuss with schools as part of the budget setting process. A director commented on the assessment of the reserves of the primary schools as low risk compared to Benfield as medium/high risk, which the COFO explained reflected the fact that the surpluses of the primary schools were continuing to subsidise Benfield's deficit at the present time. The level of risk for the primaries was queried given that not all were achieving the target of one month's operating costs, although the COFO reminded the Board that three schools had achieved reserves of more than one month last year and those excess funds had been moved into the trust's central reserves.</p> <p>Overall, there were no actions identified by the Board to maintain financial viability of the trust on this occasion.</p>
9	<p>Approval of Chairs and Vice Chairs elected by Local Governing Committees The directors considered the nominations put forward by the Local Government Committees as follows:</p> <ul style="list-style-type: none"> Walkergate Community School – Karen Heslop as Chair and Steve Hogarth as Vice Chair; Central Walker Church of England Primary – Claire Leith as Chair and Sandra Larmour and Stuart Walker as co-Vice Chairs; West Walker Primary – Sue McGowan as Chair and Peter Carter as Vice Chair; Tyneview Primary – Kath Davidson as Chair and Andrew Donald as Vice Chair; Benfield – Angela Birt and Shaun Edge as co-Vice Chairs. <p>In response to a query from the Chair about the current strength of the LGCs, the Clerk commented that the Walkergate LGC was in a period of transition with the current Chair and Vice Chair expressing their intention to step down once suitable successors could be identified; this was being progressed with support from the NGA Future Chairs programme. Progress had also been made in identifying a replacement Chair for the Benfield LGC; this would enable the Board to consider whether to withdraw the Bespoke Scheme of Delegation in December as planned, which the Chair commented MW would welcome.</p> <p>Resolved:</p> <ul style="list-style-type: none"> To approve the Chairs and Vice Chairs nominations put forward by each Local Governing Committee as set out above.

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10	<p>Update from Chair of Blended Learning Steering Group</p> <p>SO provided a brief update for the Board and commented that the Board should be assured that the Steering Group was progressing this agenda and the Trust's response was effective.</p> <p>The CEO clarified that the work of the Group was much more than an immediate response to the need for remote learning, gave examples of the current actions taking place and thanked SL for his support and SO for chairing the Steering Group. SL commented that the amount of progress being made by the Practitioners' Group every two weeks was phenomenal with tangible, measurable outputs and the trust would now be able to accelerate its response to a new situation. The Chair welcomed those assurances.</p> <p>AL queried whether sufficient support was being provided from third party suppliers like Microsoft and offered assistance with influencing this, which SL said would be welcome.</p> <p>Action:</p> <ul style="list-style-type: none"> • AL and SL to discuss how to engage with Microsoft to access additional support for the trust.
11	<p>Reports received from NEAT Active Ltd Board of Directors, Committees and Executive Team</p> <p>The Board received the following reports for information:</p> <ol style="list-style-type: none"> Report from NEAT Active Ltd Board of Directors Meeting 09.10.20 – the Clerk drew attention to the company's financial position, which the COFO had referred to under agenda item 8; Reports from Local Governing Committee Meetings 05.10-12.10; Decisions since the last Board meeting on 16.09.20 delegated to the Chair on behalf of the Board: <ul style="list-style-type: none"> - 09.10.20: Re-appointment of Karen Heslop and Steve Hogarth as trust governors at Walkergate LGC - 15.10.20: Appointment of David Coe as new trust governor at Walkergate LGC - 22.10.20 Appointment of Cara Hutchinson as new trust governor at West Walker LGC; Urgent decisions since the last Board meeting on 16.09.20 taken by the Chair on behalf of the Board: <ul style="list-style-type: none"> - None; Report of policies approved on behalf of the Board since the last Board meeting on 16.09.20: <ul style="list-style-type: none"> - 09.10.20: Complaints Policy and Procedure and CPD Policy. <p>There were no questions regarding any of the reports.</p>

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PART 2 (Classified confidential)

Matters discussed in this part of the agenda were classified as confidential and minuted as such. Any reports circulated with the agenda were for directors only and marked 'Not for publication'.

12	Any urgent business There were no items of urgent business notified in advance. <i>Confidential item</i>
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Meeting concluded at 19:50.

Signed.....*R.T. Alston*..... Date.....*08.12.20.*.....